

SA Corporate Real Estate Limited ("SA Corporate" or "the Company") (Incorporated in the Republic of South Africa)
(Registration number 2015/015578/06) Approved as a REIT by the JSE Share code: SAC
ISIN code: ZAE000203238

Introduction

SA Corporate is a JSE-listed Real Estate Investment Trust ("REIT") and together with all its subsidiaries ("the Group") owns a focused portfolio of quality industrial, retail and residential buildings located primarily in the major metropolitan areas of South Africa with a secondary node in Zambia. As at 31 December 2022, the property portfolio consisted of 157 properties, with 1 350 666 m² of gross lettable area ("GLA"), valued at R15.2 billion, a 50% joint venture interest in three Zambian entities with properties valued at R1.4 billion and listed investments valued at R169.0 million.



Overview

▶ **Distributable income** ↑ 5.5% **R674.8 million or 26.83 cps**
(2021: R639.5 million or 25.43 cps)

▶ **Total net property income ("NPI") of R1.2 billion**
(2021: R1.1 billion)

▶ **Total like-for-like NPI increased by 6.7% to R1.1 billion**
(2021: R1.0 billion)

▶ **Disposal pipeline contracted and still to transfer and divestments transferred since January 2022 of R1.4 billion**

▶ **Loan to value ("LTV") ratio of 38.1%***
(2021: 37.4%*)

* Net debt LTV excluding derivatives, which if included would be 37.8% (2021: 38.5%)

▶ **Traditional portfolio vacancies of 2.3% of GLA** (2021: 3.3%)

▶ **Afhco residential portfolio vacancies of 2.9% of total units**
(2021: 8.5%)

Salient features

The salient features of the Group annual financial results for the year ended 31 December 2022, as compared to the year ended 31 December 2021, are set out below:

Revenue of R2 042.5 million
(2021: R2 121.5 million)

Operating profit of R1 037.9 million
(2021: R617.5 million)

Headline earnings per share of 30.65 cents
(2021: 48.44 cents)

Basic earnings per share of 32.58 cents
(2021: 24.69 cents)

Net asset value per share of 410 cents
(2021: 400 cents)

Distribution declared ↑ 5.5% to 24.15 cps at 90%
payout ratio
(2021: 22.89 cps at 90% payout ratio)

Distribution declaration and important dates

Notice is hereby given of the declaration of distribution number 15 in respect of the income distribution period 1 July 2022 to 31 December 2022. The distribution amounts to 11.17938 cps (December 2021: 12.61570 cps). The source of the distribution comprises net income from property rentals. Please refer to the Consolidated Statement of Comprehensive Income for further details. 2 514 732 095 of the Company's shares are in issue at the date of this distribution declaration and the Company's income tax reference number is 9179743191.

Last date to trade cum distribution	Monday, 3 April 2023
Shares will trade ex-distribution	Tuesday, 4 April 2023
Record date to participate in the distribution	Thursday, 6 April 2023
Payment of distribution	Tuesday, 11 April 2023

Share certificates may not be dematerialised or rematerialised between Tuesday, 4 April 2023 and Thursday, 6 April 2023, both days inclusive.

Tax implications

In accordance with the Company's REIT status, shareholders are advised that the distribution meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No 58 of 1962 ("Income Tax Act"). The distributions on the Company's shares will be deemed to be dividends, for South African tax purposes, in terms of section 25BB of the Income Tax Act. The distributions received by or accrued to South African tax residents must be included in the gross income of such shareholders and are not exempt from income tax (in terms of the exclusion to the general dividend exemption, contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because they are dividends distributed by a REIT, with the effect that the distribution is taxable in the hands of the shareholder.

These distributions are, however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that the South African resident shareholders have provided the following forms to their Central Securities Depository Participants ("CSDP") or broker, as the case may be, in respect of uncertificated shares, or the transfer secretaries, in respect of certificated shares:

- a declaration that the distribution is exempt from dividends tax; and
- a written undertaking to inform the CSDP, broker or the transfer secretaries, as the case may be, should the circumstances affecting the exemption change or the beneficial owner ceases to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service.

The Company's shareholders are advised to contact the CSDP, broker or transfer secretaries, as the case may be, to arrange for the above-mentioned documents to be submitted prior to payment of the distribution, if such documents have not already been submitted.

Notice to non-resident shareholders

Distributions received by non-resident shareholders will not be taxable as income and instead will be treated as ordinary dividends which are exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Distributions received by a non-resident from a REIT are subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder.

Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 8.94350 cents per SA Corporate share. A reduced dividend withholding rate, in terms of the applicable DTA, may only be relied on if the non-resident shareholder has provided the following forms to the CSDP or broker, as the case may be, in respect of uncertificated shares, or the transfer secretaries, in respect of certificated shares:

- a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- a written undertaking to inform the CSDP, broker or the transfer secretaries, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner ceases to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service.

Non-resident shareholders are advised to contact the CSDP, broker or the transfer secretaries, as the case may be, to arrange for the above-mentioned documents to be submitted prior to payment of the distribution if such documents have not already been submitted, if applicable.

Short-form notice

The Company's auditors, PricewaterhouseCoopers Inc. have issued an unqualified audit opinion on the audited annual financial statements for the year ended 31 December 2022. The audited annual financial statements for the year ended 31 December 2022 and the auditor's opinion, including key audit matters, are available on the Company's website at www.sacorporatefund.co.za. The contents of this short-form announcement are the responsibility of the Board of Directors of the Company. Shareholders are advised that this short-form announcement represents a brief summary of the information contained in the full announcement, which is published on <https://senspdf.jse.co.za/documents/2023/jse/issue/SACE/ye2023.pdf> and on SA Corporate's website <https://www.sacorporatefund.co.za>. Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement as a whole and shareholders are encouraged to review the full announcement as directed above. Investors and/or shareholders may request copies of the full announcement by contacting the registered office, details of which are set out below. The announcement is available for inspection at the registered office of the Company or the Company's sponsor at no charge during business hours, by prior appointment.

For a more comprehensive analysis of SA Corporate's results and outlook, please refer to <https://www.sacorporatefund.co.za/>

Johannesburg

17 March 2023

Sponsor: Nedbank Corporate and Investment Banking, a division of Nedbank Limited

DIRECTORATE AND STATUTORY INFORMATION

Registered office GreenPark Corner 16th Floor Corner Lower Road and West Road South Morningside 2196 Tel 010 020 2530	Registered auditors PricewaterhouseCoopers Inc. 5 Silo Square V&A Waterfront Cape Town 8002	Transfer secretaries Computershare Investor Services Proprietary Ltd Rosebank Towers 15 Biermann Avenue Rosebank 2196	Sponsor Nedbank Corporate and Investment Banking, a division of Nedbank Limited 135 Rivonia Road Sandton 2196	Directors MA Moloto (Chairman) OR Moselehi (Lead Independent Director) TR Mackey (Chief Executive Officer)* SY Moodley (Chief Financial Officer)* (appointed 1 March 2022) RJ Biesman-Simons (retired 6 June 2022)	N Ford-Hoon(Fok) EM Hendricks GJ Heron SS Mafoyane NNN Radebe (Chief Operating Officer)* (appointed 1 February 2023) GZN Khumalo (appointed 1 February 2023) * Executive
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