

CASTLEVIEW PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2017/290413/06)

JSE share code: CVW

ISIN: ZAE000251633

(Approved as a REIT by the JSE)

(“Castlevue” or the “Company” or the “Group”)



SHORT-FORM ANNOUNCEMENT: PROVISIONAL REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THIRTEEN MONTHS ENDED 31 MARCH 2023 AND DIVIDEND DECLARATION

KEY FINANCIAL HIGHLIGHTS

	31 March 2023	28 February 2022	% change
Revenue (Rand 000's)	1 245 639	57 619	2 061.85%
Headline earnings per share (cents)	20.42	52.16	(60.85%)
Earnings per share (cents)	343.64	50.57	579.53%
Distribution per share (cents)	16.09	44.74	(64.04%)
Net asset value per share (cents)	855.38	460.92	85.58%

NATURE OF THE BUSINESS

Castlevue Property Fund is a property holding and investment company that was listed as a REIT on the AltX of the JSE on 20 December 2017. Castlevue invests in direct property investments – where the Company owns the properties – and indirect property investments – where property is owned via other real estate companies with separate management teams – with the goal of maximising total returns to its shareholders.

The acquisition of the I Group portfolio in September 2022 resulted in the Company acquiring a diversified, well-located and high quality portfolio of South African and Polish direct, and South African indirect assets across all property sectors and repositioned the company as a mid-tier REIT with a net asset value of R8.4 billion and total assets of R22.1 billion at 31 March 2023.

TRADING PERFORMANCE

Due to the change in Castlevue's year-end from February 2023 to March 2023, which was announced on SENS on 15 December 2022, the attached results are for the thirteen months to 31 March 2023

The period under review was characterised by the transition of the Company from a direct, South African property owner to a global property owner, diversified across various property sectors through the acquisition of the I Group portfolio in September 2022 and the successful acquisition of controlling stakes in both Emira and Transcend. This substantial change to the group has resulted in an increase in total assets of the Company to R22.1 billion (2022: R371.8 million) with a corresponding increase in debt funding to R10.6 billion (2022: R191.7 million). The Group had a market capitalisation of R6.9 billion based on a share price of R7.10 at the reporting date and a net asset value of R8.4 billion, which equates to a net asset value of R8.55 per share. The loan to value ratio, net of cash, is 48.81%.

The revenue of the group increased to R1.2 billion (2022: R57.6 million). Income that is derived from equity accounted investments is now substantial at R496.4 million due to the associate and joint venture investments acquired. Profit has increased to R2.2 billion, primarily as a result the bargain purchase gain recognised on the business combinations during the period. Excluding the bargain purchase gain, profit would have been R503.8 million.

Finance costs have increased substantially with the growth of the business, to R573.5 million (2022: R12.4 million). The increase is also in part due to the rise borrowing costs across the portfolio as a result of interest rate increases in South Africa and Europe. The group manages its interest rate risk with the respective business unit with a large portion of debt that is either fixed or hedged.

As previously reported, the board has resolved to declare a dividend on an annual basis after the publication of the year-end results. With these results being for the financial year ended 31 March 2023, dividend of 16.08900 cents per share has been declared.

DISTRIBUTION

The board approved and notice is hereby given of the final gross dividend of 16.08900 cents per share for the 13 month period ended 31 March 2023.

The dividend is payable to Castleview shareholders in accordance with the timetable set out below:

Last day to trade <i>cum</i> dividend	Tuesday, 11 July 2023
Shares trade ex-dividend	Wednesday, 12 July 2023
Record date	Friday, 14 July 2023
Payment date	Monday, 17 July 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, 12 July 2023 and Friday, 14 July 2023, both days inclusive. The dividend will be transferred to dematerialised shareholders' CSDP accounts/broker accounts on Monday, 17 July 2023. Certificated shareholders' dividend payments will be paid to certificated shareholders' bank accounts on or about Monday, 17 July 2023.

Tax treatment

In accordance with Castleview's status as a REIT, shareholders are advised that the dividends meet the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 ("**Income Tax Act**") and will be deemed to be dividends, for South African tax purposes, in terms of section 25BB of the Income Tax Act.

The dividends received by or accrued to South African tax residents must be included in the gross income of such shareholders and will not be 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. The dividends are however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that such shareholders provide the following forms to their Central Securities Depository Participant ("**CSDP**") or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:

- (a) a declaration that the dividends are exempt from dividends tax; and
- (b) a written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be 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 12.87120 cents per 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 their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:

- (a) a declaration that the dividends are subject to a reduced rate as a result of the application of a DTA; and
- (b) a written undertaking to inform their CSDP, broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease 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 their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividends if such documents have not already been submitted, if applicable.

Shares in issue at the date of declaration of the dividends: 978 238 349

Castlevew's income tax reference number: 9366916188

The dividend may have tax implications for resident as well as non-resident shareholders. Shareholders are therefore encouraged to consult their tax and/or professional advisors should they be in any doubt as to the appropriate action to take.

SUBSEQUENT EVENTS

Shareholders are referred to the announcement relating to the specific issue of shares for cash (“**specific issue of shares**”) published on SENS on 23 February 2023 and the subsequent announcements relating to the notice of general meeting and the results of general meeting published on SENS on 20 March 2023 and 29 March 2023 respectively.

Shareholders are advised that subsequent to the passing of the resolutions required to implement the specific issue of shares, 41 666 666 shares have been issued to the subscribers and the Company expects to issue the remaining 6 172 840 shares, representing an aggregate value of R40 000 003.20, during July 2023.

REVIEW CONCLUSION

The provisional reviewed condensed consolidated financial statements for the thirteen months ended 31 March 2023 have been reviewed by RSM South Africa Inc, who expressed an unmodified review conclusion thereon. A copy of the auditor's review report is available for inspection at the Company's registered office together with the accompanying financial information.

SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of Castlevew. This short-form announcement is only a summary of the information in the full announcement released on SENS and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement as a whole.

The full announcement is available on:
the JSE website at: <https://senspdf.jse.co.za/documents/2023/JSE/isse/CVWE/FY2023.pdf>; and
Castlevew's website at <https://castlevew.co.za/investors/>.

Copies of the full announcement may be requested, by emailing James Day at dayj@castlevew.co.za or the designated advisor, Java Capital at sponsor@javacapital.co.za.

22 June 2023

Designated advisor

JAVACAPITAL