



INDLUPLACE PROPERTIES LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2013/226082/06)
JSE share code: ILU ISIN: ZAE000201125
(Approved as a REIT by the JSE)
(“**Indluplace**” or the “**company**”)

SA CORPORATE REAL ESTATE LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2015/015578/06)
JSE share code: SAC ISIN: ZAE000203238
(Approved as a REIT by the JSE)
(“**SA Corporate**”)

JOINT FINALISATION ANNOUNCEMENT IN RESPECT OF THE SCHEME OF ARRANGEMENT AND CLEAN-OUT DISTRIBUTION

Indluplace and SA Corporate shareholders are referred to the circular to Indluplace shareholders issued on Friday, 5 May 2023 (“**circular**”) relating to the offer by SA Corporate to acquire the entire issued share capital of Indluplace to be effected by way of a scheme of arrangement (“**scheme**”) in terms of section 114(1)(c) of the Companies Act, 71 of 2008 (“**Companies Act**”) and to all previous announcements, the last of which was released on SENS on Monday, 5 June 2023. Terms defined in the circular shall, where used in this announcement, bear the same meaning as ascribed to them in the circular.

Indluplace and SA Corporate are pleased to announce that all outstanding conditions precedent to the scheme have been fulfilled and the scheme is now wholly unconditional. As a result, the Takeover Regulation Panel has issued a compliance certificate in terms of section 119(4) of the Companies Act.

The scheme, the delisting of Indluplace from the Main Board of the JSE and the clean-out distribution will be implemented in accordance with the salient dates and times set out in the circular and as previously announced on SENS.

INDLUPLACE CLEAN-OUT DISTRIBUTION AND TAX IMPLICATIONS

In accordance with the terms of the scheme, Indluplace will effect a clean-out distribution in respect of a portion of its distributable income for the period commencing on 1 October 2022 and ending on 30 June 2023, with 1 July 2023 being the commercial effective date of the scheme. As set out below, the clean-out distribution was determined on the basis that (i) a deduction be made from the distributable income for the period in respect of the agreed reserves; and (ii) all transaction costs be added back for the purposes of determining the quantum of the clean-out distribution:

Distributable income for the nine months ending 30 June 2023 (R)	80 120 837 [^]
Transaction costs (R)	15 000 000
Total distributable income (R)	<u>95 120 837</u>
Less total agreed reserves (R)	<u>(70 784 786)</u>
Amount available for distribution (R)	24 336 051
Number of shares used in the calculation of the clean-out distribution*	314 597 099
Clean-out distribution per Indluplace share (cents)	7.73562

[^] Net of transaction costs

* per IFRS 2, 22 440 285 shares used to partially fund the October 2017 acquisition have been excluded from the number of shares used in the calculation of the clean-out distribution

The board of directors of Indluplace has accordingly approved and declared a clean-out distribution of 7.73562 cents per Indluplace share. The last day to trade in Indluplace shares to be recorded on the register on the clean-out distribution record date is Tuesday, 25 July 2023. The clean-out distribution record date is Friday, 28 July 2023 and the clean-out distribution will be paid to Indluplace shareholders on Monday, 31 July 2023.

In accordance with Indluplace's status as a REIT, Indluplace shareholders are advised that the clean-out distribution meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act.

The clean-out distribution received by or accrued to Indluplace shareholders who are South African tax residents must be included in the gross income of such Indluplace 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 clean-out distribution is, however, exempt from dividends withholding tax in the hands of South African tax resident shareholders, provided that the South African resident shareholders furnished the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company or Indluplace's transfer secretaries, Computershare, in respect of certificated shares:

- a) a declaration that the distribution is exempt from dividends tax; and
- b) a written undertaking to inform the CSDP, broker, the company or the transfer secretaries, 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. Indluplace shareholders are advised to contact their CSDP, broker, the company or the transfer secretaries, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the clean-out distribution, if such documents have not already been submitted.

The clean-out distribution received by non-resident Indluplace 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. Any dividend received by a non-resident from a REIT is subject to a dividend withholding tax of 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 Indluplace shareholder. Assuming dividend withholding tax will be withheld at a rate of 20%, the net amount due to non-resident shareholders is 6.18850 cents per Indluplace share. A reduced dividend withholding tax rate in terms of the applicable DTA, may only be relied on if the non-resident Indluplace shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shareholders, or the company or Indluplace's transfer secretaries, Computershare, in respect of certificated shareholders:

- a) a declaration that the distribution is subject to a reduced rate as a result of the application of a DTA; and
- b) a written undertaking to inform their CSDP, broker, the company or the transfer secretaries, 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 Indluplace shareholders are advised to contact their CSDP, broker, the company or the transfer secretaries, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the clean-out distribution if such documents have not already been submitted, if applicable.

Local tax resident Indluplace shareholders as well as non-resident Indluplace shareholders are encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

Indluplace shares in issue at the date of this finalisation announcement: 337 037 384.

Indluplace income tax reference number: 9390/649/177

Responsibility statements

The independent board and Indluplace board (to the extent that the information relates to Indluplace) collectively and individually accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement relating to Indluplace is true and this announcement does not omit anything that is likely to affect the import of such information.

The SA Corporate board accepts responsibility for the information contained in this announcement insofar as it relates to SA Corporate and the offer. To the best of the SA Corporate board's knowledge and belief, the information contained

in this announcement is true and the announcement does not omit anything likely to affect the importance of the information.

18 July 2023

Corporate advisor and sponsor to Indluplace



Legal advisor



Corporate advisor and sponsor to SA Corporate

