

ATTACQ LIMITED

Incorporated in the Republic of South Africa
 Registration number 1997/000543/06
 JSE share code: ATT ISIN: ZAE000177218
 (Approved as a REIT by the JSE)
 (Attacq or “company” or “group”)



Audited financial results for the year ended 30 June 2024, dividend declaration and prospects and guidance

Performance summary

- Distributable income per share (DIPS) increased by 19.9% to 86.2 cents
- Full-year dividend growth of 19.0% to 69.0 cents per share
- Gearing improved to 25.4% and interest cover ratio improved to 2.31 times
- Occupancy increased to 92.8% and collections remained high at 100.2%
- Developments under construction and approved pipeline totalling 43 766m² of gross lettable area (GLA) at Waterfall City with a total cost of R1.7 billion
- Installed 12 rooftop PV systems totalling 2.28MWp
- Long-term and short-term GCR credit ratings of A+_[ZA] and A1_[ZA] respectively, with a stable outlook achieved

Key transactions

- Increased our shareholding in Waterfall Junction to 50.0%, increasing our logistics development bulk to 313 791m²
- Waterfall City transaction with the Government Employees Pension Fund (GEPF) of R2.7 billion successfully implemented and R2.9 billion of debt repaid
- Disposal of the remaining 6.5% investment in MAS P.L.C. (MAS) for a total consideration of R773.1 million
- Acquisition of the remaining 20.0% share in Mall of Africa for a total consideration of R1.07 billion
- Repurchased 5.4 million Attacq shares at an average price of R9.35
- Entered into a binding sale agreement to dispose of our Rest of Africa retail investments, post balance sheet date

Financial performance

	Units	30 June 2024	30 June 2023	% change
Distributable income per share	cents	86.2	71.9	19.9
Dividend per share	cents	69.0	58.0	19.0
Total assets	R'000	22 889 534	21 839 867	4.8
Net asset value per share	cents	1 793	1 765	1.6
Gross revenue	R'000	2 604 773	2 436 389	6.9
Earnings per share	cents	135.3	73.8	83.3
Headline earnings per share	cents	72.7	81.5	(10.9)

Dividend

The board declared a final gross cash dividend of 39.00000 cents per share out of the company's distributable income. This brings the full-year dividend to 69.0 cents per share (June 2023: 58.0 cents per share).

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

	2024
Last day to trade <i>cum</i> dividend	Tuesday, 1 October
Shares trade <i>ex</i> dividend	Wednesday, 2 October
Record date	Friday, 4 October
Payment date	Monday, 7 October

Notes:

- Share certificates may not be dematerialised or rematerialised between Wednesday, 2 October 2024 and Friday, 4 October 2024, both days inclusive.
- Payment of the dividend will be made to shareholders on Monday, 7 October 2024. In respect of dematerialised shareholders, the dividend will be transferred to the Central Securities Depository Participant (CSDP) account or broker account on Monday, 7 October 2024. Certificated shareholders' dividends will be deposited on or about Monday, 7 October 2024.
- Where the transfer secretaries do not have the banking details of any certificated shareholders, the cash dividend will be held in trust by the transfer secretaries pending receipt of the relevant certificated shareholder's banking details, whereafter the cash dividend will be paid via electronic transfer into the personal bank accounts of certificated shareholders.

Due to Attacq's status as a Real Estate Investment Trust (REIT), shareholders are advised that the dividend 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 dividend on the shares will be deemed to be a taxable dividend for South African tax purposes in terms of section 25BB of the Income Tax Act.

Tax implications for South African resident shareholders

The dividend 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 it is a dividend distributed by a REIT. This dividend is, however, exempt from dividend withholding tax (dividend tax) in the hands of South African tax resident shareholders, provided that South African tax resident shareholders provide 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 dividend is exempt from dividend tax
- 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 before payment of the dividend, if such documents have not already been submitted.

Tax implications for non-resident shareholders

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as ordinary dividends 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 20.0%, 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 20.0%, the net dividend amount due to non-resident shareholders is 31.20000 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 dividend is subject to a reduced rate as a result of the application of a DTA
- 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 above-mentioned documents to be submitted before payment of the dividend if such documents have not already been submitted, if applicable.

The number of shares in issue on 30 June 2024 and the date of this announcement is 746 198 337 ordinary shares of no par value, which includes 46 427 553 treasury shares. Attacq's tax reference number is 9241/038/64/6.

Prospects and guidance

The board is pleased to have delivered on its strategy with the outcome of DIPS growth of 19.9% for FY24.

The group expects to grow its DIPS in FY25 by between 17.0% and 20.0% with a dividend payout ratio of 80.0%.

The anticipated growth in DIPS is expected to be driven by several key factors. The full-year benefit of implementing the Waterfall City transaction with the GEPP and the acquisition of the remaining 20.0% of Mall of Africa will contribute significantly, alongside net operating income growth from rising market rentals, cost management, as well as the filling of vacant spaces and newly completed developments. Additionally, the impact of installed PV systems and planned installations will support the reduction in electricity costs and improve operational efficiencies.

This guidance is based on the following key assumptions:

- No material impact on distributable income due to new developments, acquisitions or disposals
- Forecasted rental income being achieved based on contractual terms and anticipated market-related renewals
- No major changes in vacancy rates
- No significant increase in load-shedding and the resultant increase in costs
- No unforeseen circumstances such as major corporate tenant failures or deterioration of the current macro-economic environment

The prospects have not been reviewed or reported on by Attacq's auditors.

About this announcement

This results announcement is the responsibility of the directors and the contents were approved by the board on 9 September 2024. This results announcement is a summary of the group audited annual financial statement for the year ended 30 June 2024 (FY24 AFS) published on 10 September 2024 and does not include full or complete details. Any investment decision by investors and/or shareholders should be based on consideration of the FY24 AFS.

The FY24 AFS were audited by Ernst & Young Inc., who expressed an unmodified opinion thereon.

The full audit report and consolidated annual financial statements are available on the Attacq website:

<https://www.attacq.co.za/wp-content/uploads/2024/09/attacq-annual-financial-statements-2024.pdf> and on the JSE's website at <https://senspdf.jse.co.za/documents/2024/jse/isse/ATT/2024AFS.pdf>. Copies of the FY24 AFS may be requested, and obtained at no charge, by emailing Brenda Botha at brenda@attacq.co.za or the company's sponsor, Java Capital at sponsor@javacapital.co.za.

Attacq also voluntarily publishes supplementary information to the FY24 AFS, which includes directors' commentary, and which is available on the company's website at <https://www.attacq.co.za/investor-hub>.

The results announcement has not been audited or reviewed by the company's external auditors.

On behalf of the board

P Tredoux
Chairperson

JR van Niekerk
CEO

10 September 2024

Independent non-executive directors

P Tredoux (chairperson)
HR El Haimer (lead independent director)
FFT De Buck
TP Leeuw
IN Mkhari
GT Rohde
S Shaw-Taylor
AE Swiegers
JHP van der Merwe

Executive directors

JR van Niekerk (CEO)
R Nana (CFO)

Company secretary

W Modisapodi

Registered office

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Postal address

PostNet suite 016, Private Bag X81, Halfway House, 1685

Transfer secretaries

Computershare Investor Services Proprietary Limited

Sponsor

Java Capital

Independent auditors

Ernst & Young Inc.