



INDLUPLACE
DWELLING ON RESIDENTIAL

**SHORT-FORM
ANNOUNCEMENT**

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")

Summarised consolidated
Audited results 2021

	INCREASE /DECREASE	30 SEPTEMBER 2021	30 SEPTEMBER 2020
	%		
Revenue (Rand)	(6,6%)	600 880 519	643 011 335
Operating profit* (Rand)	(16,6%)	235 798 644	282 587 301
Earnings (Rand)	64,9%	(108 179 804)	(308 434 656)
Loss per share (cents)	64,4%	(34,35)	(96,47)
Diluted loss per share (cents)	64,3%	(34,35)	(96,12)
Headline earnings per share (cents)	215,4%	51,26	16,25
Diluted headline earnings per share (cents)	213,8%	50,80	16,19
Net asset value - REIT BPR (cents)	(10,5%)	709,55	792,39
Net asset value (cents)	(7,7%)	709,55	768,65
Dividend per share (cents)	(36,1%)	28,13096	44,01572

* Rental income less property costs

Nature of business

IndluPlace is a proud South African property investor, owning a portfolio primarily focused on the affordable end of the rental residential market. The company was listed on the Main Board of the JSE in June 2015 and currently owns a portfolio of 9 199 residential units and 16 058m² of associated retail space. The portfolio is valued at approximately R3,5 billion, with properties situated mainly in Gauteng. At 30 September 2021 IndluPlace had completed the internalisation of the entire property management function that was previously outsourced to various property management companies. The Group now directly employs in excess of 280 people providing all the services required to efficiently manage a large portfolio which is home to almost 30 000 people. The staff complement includes building based and head office staff, ensuring that tenants are given superior service, buildings are clean and well maintained and properties deliver results which enable the company to pay sustainable dividends to investors.

Overview

The impact of the Covid-pandemic on the economy, our tenants and the company has been severe and continued well into 2021. The decision to proceed in this environment with the massive task of setting up a subsidiary, IndluPlace Property Services to undertake the property management of our portfolio, was taken in the best interest of the long-term sustainability of the company. The aim was to keep the performance of the properties stable during this difficult transition and this has been achieved. The residential letting environment was and remains extremely competitive and, while we concluded a considerable number of new leases to qualifying tenants, the higher tenant turn-over meant that our overall average occupancy numbers were slightly down for the year.

Payment of dividend for the year ended 30 September 2021

The board has declared a gross dividend of 28,13096 cents per share (dividend number 16) for the year ended 30 September 2021, in accordance with the following timetable:

Last date to trade cum dividend	Monday, 13 December 2021
Shares trade ex-dividend	Tuesday, 14 December 2021
Record date	Friday, 17 December 2021
Payment date	Monday, 20 December 2021

Shares may not be dematerialised or rematerialised between Tuesday, 14 December 2021 and Friday, 17 December 2021, both days inclusive.

Payment of the dividend will be made to shareholders on Monday, 20 December 2021. In respect of dematerialised shares, the dividend will be transferred to the Central Securities Depository Participant (CSDP)/ broker accounts on Monday, 20 December 2021. Certificated shareholders' dividend payment will be deposited on or about Monday, 20 December 2021.

Tax treatment of dividend

In accordance with IndluPlace's status as a 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 distribution on shares will be deemed to be a dividend, for South African tax purposes, in terms of section 25BB of the Income Tax Act.

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 they are dividends distributed by a REIT. This dividend 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, in respect of certificated shares:

- a) a declaration that the dividend is 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 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 shareholders. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 22,50477 cents per share. A reduced dividend withholding rate in terms of the applicable DTA, may only be relied on if the non-resident shareholders have provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shareholders, or the company, in respect of certificated shareholders:

- a) a declaration that the dividend 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 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 dividend if such documents have not already been submitted, if applicable.

Shares in issue at the date of declaration of this dividend: 336 523 275

IndluPlace's income tax reference number: 9390/649/177

Short-form announcement

This short-form announcement is the responsibility of the board of directors of the company. This short-form announcement is a summary of the full announcement released on SENS and published on IndluPlace's website (www.indluplace.co.za) at

<https://www.indluplace.co.za/downloads/2021/results/indluplace-annual-results-2021.pdf>

on 17 November 2021 and on the JSE website at

<https://senspdf.jse.co.za/documents/2021/jse/Isse/ilu/indlu0921.pdf>

and does not contain full or complete details. Any investment decision by investors and/or shareholders should be based on consideration of the full announcement.

The audit report on the annual financial statements in respect of which an unqualified opinion was expressed, notes the valuation of investment properties as a key audit matter.

A copy of the audit opinion, together with the underlying audited annual financial statements are available for inspection at the company's registered office, and available on the company's website at

<https://www.indluplace.co.za/downloads/2021/results/indluplace-afs-2021.pdf>

The full announcement is available for inspection at the registered offices of the company, on the company's website, www.indluplace.co.za and the offices of the sponsor, Java Capital (6th Floor, 1 Park Lane, Wierda Valley, Sandton, 2196 (entrance at 39 Wierda Road West)) at no charge during normal business hours from Wednesday, 17 November 2021 to Thursday, 25 November 2021. A copy of the full announcement is available on request from info@indluplaceproperties.co.za

By order of the Board

17 November 2021

Directors T Adler (Chairperson)*, C Abrams*^, C de Wit (CEO), T Kaplan (CFO), G Harris (COO), S Noik*^, A Rehman*^ (Lead independent director), N Tetyana.*^

* Non-executive, ^ Independent. All directors are South African.

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Transfer secretaries Computershare Investor Services Proprietary Limited **Sponsor** Java Capital **Company secretary** CIS Company Secretaries Proprietary Limited

Website www.indluplace.co.za