

MINUTES OF THE 19TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SA CORPORATE REAL ESTATE LIMITED (BEING THE FOURTH OF THE RECONSTITUTED CORPORATE REIT) HELD IN THE BOARDROOM, SOUTH WING, FIRST FLOOR, BLOCK A, THE FORUM, NORTH BANK LANE, CENTURY CITY ON TUESDAY, 28 MAY 2019 AT 11H00

PRESENT:

As per the signed attendance register 2 150 936 398 shares were represented at the meeting by way of proxy, letter of representation and by way of shareholders personally present, representing a total of 86.85% of the voteable shares were represented at the meeting today.

Also present were:

Directors: Messrs J Molobela (Chairman), TR Mackey (Managing Director), A Moloto (Lead Independent Director and Chairman of the Investment Committee), RJ Biesman-Simons (Chairman of the Audit Committee) and Mesdames AM Basson (Financial Director), E Hendricks (Chairman of the Social, Ethics and Environmental Committee).

Shareholders: Nedcor Bank Nominees (RF) (Pty) Ltd, Goudstad Nominees (Pty) Ltd, Standard Bank Nominees (Pty) Ltd – represented by Messrs Y Mowlana and Z Sulaiman.

First National Nominees (Pty) Ltd – represented by Messrs P Koornhof and K Govan.

Ms C Duminy, Mr Forbes, Ms A Carstens, Ms Z Perrins and Ms F Samsodien.

WELCOME

The Chairman welcomed everyone to the Annual General Meeting (“AGM”) of SA Corporate Real Estate Limited (“the Company”).

APOLOGIES

No apologies were recorded.

CONSTITUTION

The Chairman, in consultation with the company secretary and scrutineer, confirmed that a quorum was present and declared the meeting duly constituted.

NOTICE

The notice convening the meeting was, with the consent of the members present, taken as read.

CONFIRMATION OF MINUTES

The minutes of the 18th AGM, held on the 29th day of May 2018 circulated to all shareholders present, were taken as read and confirmed.

CHAIRMAN’S STATEMENT

The Chairman’s Statement as detailed in the 2018 Integrated Annual Report on pages 26 to 27 was taken as read and furthermore the separate Sustainability Report was noted and taken as read.

The Chairman confirmed that the board had received resignation letters from the Managing Director and the Finance Director. He requested the Company Secretaries to circulate both resignation letters as well as correspondence received from Stein Scop Attorneys acting on behalf of the two executive directors. He summarised the following sequence of events:

- The convening of a board meeting where an opportunity was given to the Managing Director and the Finance Director to give reasons for their resignations;
- The drafting of the Stock Exchange News Service (SENS) announcement by the board in response to the two resignations;

- The receipt of correspondence from Stein Scop Attorneys intervening on behalf of the Managing Director and the Financial Director on matters of the board including the content of the SENS announcement; and
- The decision by the board to seek legal advice from a Senior Counsel on whether the two executive directors should continue to serve on the board during their 3-month notice period.

The Chairman reported that prior to the abovementioned developments, the board had received a whistle blower report during February 2018 where certain allegations had been made against management and a decision had been taken to appoint Senior Counsel Advocate Reyneke to undertake investigations relating to the Calgro M3 transactions. The final report would be published on the 22nd of June 2019.

The Chairman highlighted the importance of following due process in balancing the interests of individuals against those of the Company in light of governance failures at listed companies and in particular investor concerns regarding the listed property sector.

The Chairman opened the floor to shareholders for discussion before proceeding with the business of the AGM. The following was noted:

- Mr Mowlana from Prudential expressed concern at the timeline from receipt of the whistle-blower report to the time the board had acted upon the report;
- It was reported that subsequent to the commissioning of the investigation, Advocate Reyneke was appointed to lead a high-profile inquiry that rendered him unavailable to proceed with the investigation for a substantial period;
- Mr Mowlana suggested that the board should have considered appointing another person to lead the investigation;
- That delays in obtaining information requested by Advocate Reyneke had also contributed to the report not being published within the time it was anticipated;
- That the findings (final report) on the investigation would be received on 22 June 2019;
- That preliminary findings issued by Advocate Reyneke could not be shared following communication to the board from the attorneys of management;
- Upon being probed for reasons for commissioning the investigation for the whistle-blower report whereas another anonymous email that made a number of allegations against several directors, and had been shared with certain shareholders did not warrant similar action; The Chairman stated that the anonymous email had not been reported through the official Company channels and accordingly no action could be taken;
- The request by Mr Mowlana calling on the board to convene an urgent board meeting to consider the "unusual set of circumstances" and advise shareholders on a way forward was declined as this required a special notice to be issued and it would not be advisable for the board to convene whilst still awaiting legal advice from a Senior Counsel regarding the its quorum, which should be available in two to three days;
- Mr Mngomezulu confirmed that a shareholder could not convene a directors' meeting as this was outside their mandate, but rather it was the directors themselves who call a board meeting. As a shareholder he could only raise matters that he could table for the board to consider;
- Mr Koornhof from Allan Gray alluded to the urgency of the situation facing the Company and a lack of transparency from the perspective of shareholders;
- In response to Allan Gray with regard to the action being taken by the board to address the challenges the company was currently facing, the Chairman advised that the board had held three or four urgent meetings in the past week to try and resolve these issues however, the challenge was that the issue of a quorum resulting from the resignation of the two executive directors still needed to be resolved; and
- Mr Sulaiman expressed concern that the independent investigation commissioned by the board had not been finalised a year after it been commissioned and that there were a set of allegations that had not been investigated. They held doubt as to the effectiveness of the board.

Following a disagreement between the Chairman and Mr Biesman-Simons regarding process that was followed at the Board meeting held on 16 April 2019 about the statement that the re-election of the Chairman was unanimous to serve for an additional term. The Chairman advised that he would be adjourning the meeting until the final report from the Senior Counsel on the 22nd of June 2019 had been received. The same notice of the AGM would still be applicable.

Most of the shareholders present expressed their objection to the unilateral adjournment noting that the business of the meeting had to be dealt with and that the reason for the adjournment had

nothing to do with the business of the AGM. Mr Mngomezulu advised that under ordinary circumstances the shareholders could call for an adjournment but in this instance the Chairman had exercised his discretion to call for an adjournment as there were pertinent issues to be considered. He asserted that the Chairman's ruling at an AGM is final in terms of the Companies Act 2008, as amended, however, the Company Secretary could not confirm this and the Company's Memorandum of Incorporation (MOI) was silent on the subject matter.

A detailed discussion ensued in this regard and suggestions were put forward for the Lead Independent Director to take over the chairmanship of the meeting if the Chairman was not prepared to continue. However, it had to be determined whether he could legally proceed in this regard. Most of the shareholders presented were in favour of the meeting continuing under the chairmanship of the Lead Independent Director, Mr Moloto. The validity of this proposal was discussed, and it was noted that Mr Midgley, the corporate adviser from Cliff Dekker Hofmeyr be invited to provide his view on the legal position.

Mr Midgley referred to section 64(10) of the Companies Act 2008 as amended which provides for adjournment at a shareholders meeting. He advised that decision to adjourn this meeting could be carried out through a resolution of the meeting. He also argued that the Chairman of the board was the chairman of the meeting and accordingly only the Chairman could preside over the meeting of shareholders.

After much deliberation regarding the legality of the adjournment, the Chairman decided that the meeting would proceed.

RESOLUTIONS

The resolutions as detailed in the Notice of the Annual General Meeting were put to the meeting. The Chairman noted that, at the request of shareholders, all voting would be done by poll and explained the procedure for conducting the voting poll. The scrutineer confirmed that 86.85% of the shareholders had voted.

Ordinary Resolution Number 1

Annual financial statements

To receive, consider and adopt the Annual Financial Statements of the Company and the Group, together with the reports of the directors and auditor thereon and the Audit Committee report for the year ended 31 December 2018. The motion was proposed by the Chairman and seconded by Mr Biesman-Simons.

The results of the poll were as follows:

- 100,00% in favour
- 0,00% against
- 0.08% abstained

The resolution was carried as per the result of the poll.

Ordinary Resolution Number 2

In accordance with the Memorandum of Incorporation of the company, to confirm and approve the appointment of Ms U Fikelepi who was appointed by the Board on 30 October 2018. The motion was proposed by the Chairman and it was seconded by Pieter Koornhof from Allan Gray.

The procedure of proposing a motion had to be repeated on a technicality as the Chairman had excused himself from the meeting when it was read out. Upon the second motion, there was no seconder.

In response to a question from Mr Mowlana regarding Ms Fikelepi's property experience, she advised that while she did not have direct property experience, her experience was extensive in corporate and commercial law, in mergers and acquisitions and that she was also a board member at Transnet. Mr Midgley expressed the view that the poll was the determining factor in the confirmation of the appointment of a director.

The results of the poll were as follows:

- 84,56% in favour
- 15,44% against
- 0.41% abstained

The resolution was carried as per the result of the poll.

Ordinary Resolution Number 3

The Memorandum of Incorporation of the company requires that one third of the non-executive directors retire by rotation at each AGM. Mr ES Seedat and Adv J Molobela who retired by rotation, offered themselves for re-election. Ms G Dingaana retired from the board with effect from this AGM and did not offer herself for re-election.

Resolution: To re-elect and confirm the appointment of the directors who retire by rotation and, being eligible offer themselves for re-election. Each director will be voted on individually.

Resolution 3.1 – Mr ES Seedat. The motion was proposed by the Chairman and seconded by Mr Biesman-Simons.

Mr Mowlana enquired whether in view of Mr Seedat's long service he could still be regarded as independent. The Chairman reported that the Nomination Committee had considered Mr Seedat's tenure and contribution to the board and found him to remain independent.

The results of the poll were as follows:

- 66,07%
- 33,93%
- 0.41%

The resolution was carried as per the result of the poll.

Resolution 3.2 – Advocate J Molobela. As he was conflicted, Adv Molobela handed over the Chair to Mr Moloto, the lead independent director, who proposed the motion, which was seconded by Adv Molobela. Debate ensued as to whether a director can second himself. Mr Molobela asserted that it is in order as he seconded himself in his capacity as a shareholder; the meeting continued.

Mr Mackey questioned Mr Moloto on whether he actually intended to propose Mr Molobela as Chairman. Mr Molobela asserted that Mr Moloto had proposed him for re-election and he could not subsequently withdraw his proposal and so Mr Moloto need not answer the question.

The results of the poll were as follows:

- 55,21%
- 44,79%
- 0.41%

The resolution was carried as per the result of the poll.

Ordinary Resolution Number 4

Resolution: To elect by individual resolutions, the following independent non-executive directors as members of the Audit Committee.

Resolution 4.1 – Mr RJ Biesman-Simons. The motion was proposed by the Chairman and seconded by Mr Forbes.

The results of the poll were as follows:

- 100,00%
- 0,00%
- 0.06%

The resolution was carried as per the result of the poll.

Resolution 4.2 – Mr ES Seedat. The motion was proposed by the Chairman and seconded by Mr Forbes

The results of the poll were as follows:

- 66,04%
- 33,96%
- 0.41%

The resolution was carried as per the result of the poll.

Resolution 4.3 – Ms A Chowan. The motion was proposed by the Chairman and there was no seconder

Mr Mowlana pointed out that there had been irregularities and that an adverse audit opinion had been issued at Alexkor, a company at which Ms Chowan is the Financial Director, he questioned

whether she was “fit and proper” to serve on the Audit Committee. He proposed that the board consider this matter.

The Chairman reported that no adverse finding had been made against Ms Chowan, that the Nomination Committee had recommended that she continue to serve on the Audit Committee and that the board valued her contribution and supported her continuation on the Audit Committee.

The results of the poll were as follows:

- 99,18%
- 0,82%
- 0.06%

The resolution was carried as per the result of the poll.

Ordinary Resolution Number 5

To re-appoint Deloitte & Touche as the registered independent auditor of the Company for the period until the next AGM. The motion was proposed by the Chairman and seconded by Mr Biesman-Simons.

The results of the poll were as follows:

- 64,26%
- 35,74%
- 0.07%

The resolution was carried as per the result of the poll.

Ordinary Resolution Number 6

To approve by way of a non-binding advisory vote, SA Corporate Real Estate Fund Managers Proprietary Limited’s Remuneration Policy. The motion was proposed by the Chairman and seconded by Mr Biesman-Simons..

The results of the poll were as follows:

- 75,40%
- 24,60%
- 0.38%

The resolution was carried as per the result of the poll.

Ordinary Resolution Number 7

To approve by way of a non-binding advisory vote, SA Corporate Real Estate Fund Managers Proprietary Limited’s Implementation Report on the Remuneration Policy. The motion was proposed by the Chairman and seconded by Mr Forbes.

The results of the poll were as follows:

- 78,50%
- 21,50%
- 0.38%

The resolution was carried as per the result of the poll.

Ordinary Resolution Number 8

To place 10% of the unissued authorised ordinary shares under the control of the directors, who are authorised to issue and allot any such shares at their discretion, subject to the Companies Act of 2008 as amended, the Company’s MOI, the JSE Listings Requirements and the limitations as set out in the notice of the AGM. The motion was proposed by the Chairman and seconded by Mr Biesman-Simons.

The results of the poll were as follows:

- 35,77%
- 64,23%
- 0.07%

The resolution was not carried as per the result of the poll.

Ordinary Resolution Number 9

To authorise the directors, by way of a specific standing authority, to issue ordinary shares as and when they deem appropriate for the exclusive purpose of affording shareholders opportunities from

time to time, to elect to reinvest distributions received by them in new ordinary shares in the Company. The motion was proposed by the Chairman and seconded by Mr Forbes.

The results of the poll were as follows:

- 99,32%
- 0,68%
- 0.06%

The resolution was carried as per the result of the poll.

Ordinary Resolution Number 10

To authorise the directors, by way of a general authority, to issue ordinary shares in the Company for cash, as and when they in their discretion deem fit, subject to the Companies Act 2008 as amended, the Company's MOI, the JSE Listing Requirements and the limitation as set out in the notice of the AGM and more specifically the number of shares issued for cash shall not in any one financial year exceed 5% of the Company's issued share capital. The motion was proposed by the Chairman and seconded by Mr Forbes.

The results of the poll were as follows:

- 67,47%
- 32,53%
- 0.06%

The resolution was not carried as per the result of the poll as per the JSE Listing Requirements a 75% majority is necessary for the resolution to be carried.

Special Resolution Number 1

To approve the remuneration to be paid to non-executive directors in respect of the financial year ended 31 December 2019 on the basis set out in the notice of the AGM. The fees for the board and each committee will be voted on individually. The Chairman proposed special resolution numbers 1.1 to 1.14 and these were seconded by Mr Biesman-Simons except for numbers 1.2, 1.3, 1.10 and 1.12 which were seconded by Mr Forbes.

The results of the poll were as follows:

Special resolution number 1: Fees payable to non-executive directors:			
	Favour %	Against %	Abstained %
1.1 Board – Chair	75,66%	24,34%	0.07%
1.2 Board – Member	76,69%	23,31%	0.07%
1.3 Audit Committee – Chair	76,69%	23,31%	0.07%
1.4 Audit Committee – Member	76,33%	23,67%	0.07%
1.5 Risk & Compliance Committee – Chair	76,69%	23,31%	0.07%
1.6 Risk & Compliance Committee – Member	76,69%	23,31%	0.07%
1.7 Nomination Committee – Chair	76,33%	23,67%	0.07%
1.8 Nomination Committee – Member	76,33%	23,67%	0.07%
1.9 Remuneration Committee – Chair	76,33%	23,67%	0.07%
1.10 Remuneration Committee – Member	76,33%	23,67%	0.07%
1.11 Investment Committee – Chair	76,69%	23,31%	0.07%
1.12 Investment Committee – Member	76,33%	23,67%	0.07%
1.13 Social, Ethics & Environmental Committee – Chair	76,69%	23,31%	0.07%
1.14 Social, Ethics & Environmental Committee – Member	76,33%	23,67%	0.07%

The resolutions were carried as per the result of the poll.

Special Resolution Number 2

To generally provide any financial assistance in terms of sections 44 and 45 of the Companies Act 2008 as amended, pursuant to and in connection with the Forfeitable Share Incentive Scheme and as set out in the notice of the AGM. The motion was proposed by the Chairman and seconded by Mr Biesman-Simons.

The results of the poll were as follows:

- 94,83%

- 5.17%
- 0.06%

The resolution was carried as per the result of the poll.

Special Resolution Number 3

To provide direct and indirect financial assistance as contemplated in section 45 of the Companies Act as amended, to related and inter-related parties and as set out in the notice of the AGM for a period of no more than two years. The motion was proposed by the Chairman and seconded by Mr Mowlana.

The results of the poll were as follows:

- 100,00%
- 0.00%
- 0.06%

The resolution was carried as per the result of the poll.

Special Resolution Number 4

To authorise the directors, to issue new ordinary shares to the persons contemplated in section 41(1) of the Companies Act 2008 as amended, which include directors and officers of the Company and persons related or inter-related to the company and its director and officers, who are shareholders and have elected to reinvest their distributions in accordance with the Distribution Reinvestment Alternative contemplated in ordinary resolution number 8. The motion was proposed by the Chairman and seconded by Mr Biesman-Simons.

The results of the poll were as follows:

- 99,32%
- 0.68%
- 0.41%

The resolution was carried as per the result of the poll.

Mr Mowlana advised that he preferred cash dividends to be paid unless the company needed to raise money for special investments.

Special Resolution Number 5

To acquire ordinary shares issued by the Company by way of general authority upon such terms and conditions and in such amounts as the directors may from time to time decide, but subject to the Companies Act 2008, as amended, the Memorandum of Incorporation and JSE Listings Requirements and as set out in the notice of the AGM. The motion was proposed by the Chairman and seconded by Mr Biesman-Simons.

The results of the poll were as follows:

- 94,51%
- 5.49%
- 0.06%

The resolution was carried as per the result of the poll.

RESULTS OF THE BALLOT

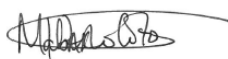
The Chairman read out the results which were recorded under each resolution above.

CLOSURE

The Chairman advised that the voting results for all resolutions would be released on SENS within 48 hours in terms of the JSE Listing Requirements.

There being no further business to discuss, the Chairman thanked all for their attendance and declared the meeting closed.

Confirmed as a correct record of the proceedings this twenty sixth day of May 2020.



CHAIRMAN: AM MOLOTO