SA CORPORATE
REAL ESTATE

INDUSTRIAL | RETAIL | RESIDENTIAL | REST OF AFRICA

2023
INTEGRATED ANNUAL REPORT

CONTENTS

ABOUT OUR INTEGRATED REPORT

Our integrated report is divided into four sections to explain our capacity to generate and preserve value, as well as to reduce the risk of value erosion. The report should be read in conjunction with the ESG Report, available on www.sacorporatefund.co.za, for more detailed information on environmental, social and governance ("ESG") issues.

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Frangipani, 96 Oxford Street , Randburg

ABOUT THIS REPORT

SA Corporate Real Estate Limited ("the Company") and its subsidiaries ("the Group") are pleased to present the Integrated Annual Report ("IAR"), which has been prepared for the benefit of all stakeholders. The aim is to provide a succinct overview of the Group's performance for the financial year ended 31 December 2023.

INTEGRATED THINKING

SA Corporate's strategy and sustainability are closely aligned with the material matters and requirements of all its stakeholders. As these inform and shape SA Corporate's strategic direction, they are identified and endorsed by the Group's Board and management team through ongoing input from all the Group's stakeholders, including employees, investors and shareholders, as well as analysts, regulators, tenants, suppliers and the media.

How are our material matters identified?

We consider issues to be material if they reflect on the six capitals as detailed on pages 22 to 24, in a manner that could substantially impact and influence the decisions of stakeholders in assessing the Group's ability to create value in the short, medium and long term. As such, we have identified the following as our key material issues:

1. **Macro-economic conditions** affect our vacancies, reversions and property values, among others. *IAR, page 37*
2. **Value extraction within our portfolio** is key to generating sustained shareholder returns. *IAR, page 8*
3. Talented and engaged people reflecting **gender equity and social diversity,** without whom we cannot operate. *IAR, page 24*
4. **Sustainable development** is essential to our role as a responsible corporate citizen. *IAR page 22 as well as this ESG Report*

THE PROCESS WE FOLLOW FOR THE INTEGRATED REPORT

The Board identifies the material matters that need to be addressed in the IAR to provide a balanced view of all matters that are salient to the ability of the Group to continue to add value to its stakeholders. The content of the IAR is selected and prepared by management, with oversight and input from the Board. The IAR is reviewed by the Audit and Risk Committee ("ARC") and recommended to the Board for approval.

Assurance of the reporting information

Certain information included in the IAR has been extracted from and independently verified by the following independent entities:

Key Activities	Company
External auditor for the Group Annual Financial Statements ("AFS")	PricewaterhouseCoopers Inc. ("PwC")
External Auditor for Indluplace	BDO South Africa
Internal Auditor for SA Corporate Group	BDO Advisory Services ("BDO")
B-BBEE level verification	AQRate
Group property portfolio valuation (excl. Indluplace)	Quadrant Properties
Indluplace portfolio valuation	Real Insight Yield Enhancement Solutions
Carbon footprint assessment	Terra Firma Solutions
Traditional portfolio property management	Broll Property Management ("Broll")

Nehemiah, 13 Blockhouse Street, Kempton Park

ABOUT THIS REPORT *CONTINUED*

Report boundary and scope

Integrated reporting is recognised as playing a fundamental role in demonstrating the Group's ability to account for its commitment to creating and sustaining value across all sustainable components, ultimately for the benefit of its stakeholders. The report covers the financial performance and property portfolio of all wholly-owned property investment subsidiaries (including the recently acquired Indluplace Properties Limited ("Indluplace"), SA Corporate Real Estate Fund Managers (RF) (Pty) Ltd ("Manco"), two co-owned properties, as well as the investment in three joint ventures ("JV" or "JVs") in Zambia. The governance aspects and social as well as environmental impact of all the South African operations are also covered in the report. The property management in respect of the Zambian JVs has been outsourced to our Zambian partners.

The reporting frameworks that we are aligned with

The information included in the integrated report has been provided in accordance with:

	Integrated Report	Annual Financial Statements
International Reporting Framework ("<IR> Framework")	✔	
Companies Act, 71 of 2008 as amended	✔	✔
JSE Limited Listings Requirements	✔	✔
King IV Report on Corporate Governance for South Africa, 2016 (King IV™)	✔	✔
IFRS Accounting Standards ("IFRS")	✔	✔

The Group has also adopted a number of the United Nations' Sustainable Development Goals ("SDG"). For ESG reporting, disclosure has been aligned to these SDGs as well as the six capitals defined within the Internal Integrated Reporting Council's ("IIRC") standards.

SA Corporate confirms that it has adopted distribution per share as a measure for trading statement purposes.

How to navigate the integrated annual report

This icon signifies related information elsewhere in this report

This icon signifies related information available on our website at www.sacorporatefund.co.za

This icon signifies related information in our ESG Report

Other icons are used to identify the strategic objectives and capitals, as applicable.

Other sources of information available on our website

This report should be read in conjunction with the following reports to get a comprehensive view of SA Corporate's performance over the past financial year and its prospects:

- SENS announcements;
- Annual Financial Statements ("AFS");
- Notice of Annual General Meeting ("AGM");
- ESG Report; and
- King IV™ compliance register.

FORWARD-LOOKING STATEMENTS

The IAR contains certain forward-looking statements. By their very nature, such statements cannot be considered guarantees of future performance and outcomes as they are dependent on events and circumstances, the predictability of which is uncertain and not necessarily within the Group's control.

BOARD APPROVAL

The Board acknowledges its responsibility to ensure the integrity of the IAR. The Board believes that the 2023 IAR is presented in accordance with the <IR> Framework, addresses all material matters and offers a balanced view of the performance of the Group and the impact on its stakeholders. The Board has accordingly approved this IAR for publication.

Non-executive directors	Executive directors
MA Moloto (Independent Chairman)	TR Mackey (CEO)
OR Mosethlhi (Lead Independent)	SY Moodley (CFO)
EM Hendricks (Independent)	NNN Radebe (COO)
SS Mafoyane (Independent)	
N Ford-Hoon (Fok) (Independent)	
GJ Heron (Independent)	

Beryl Street , Jet Park

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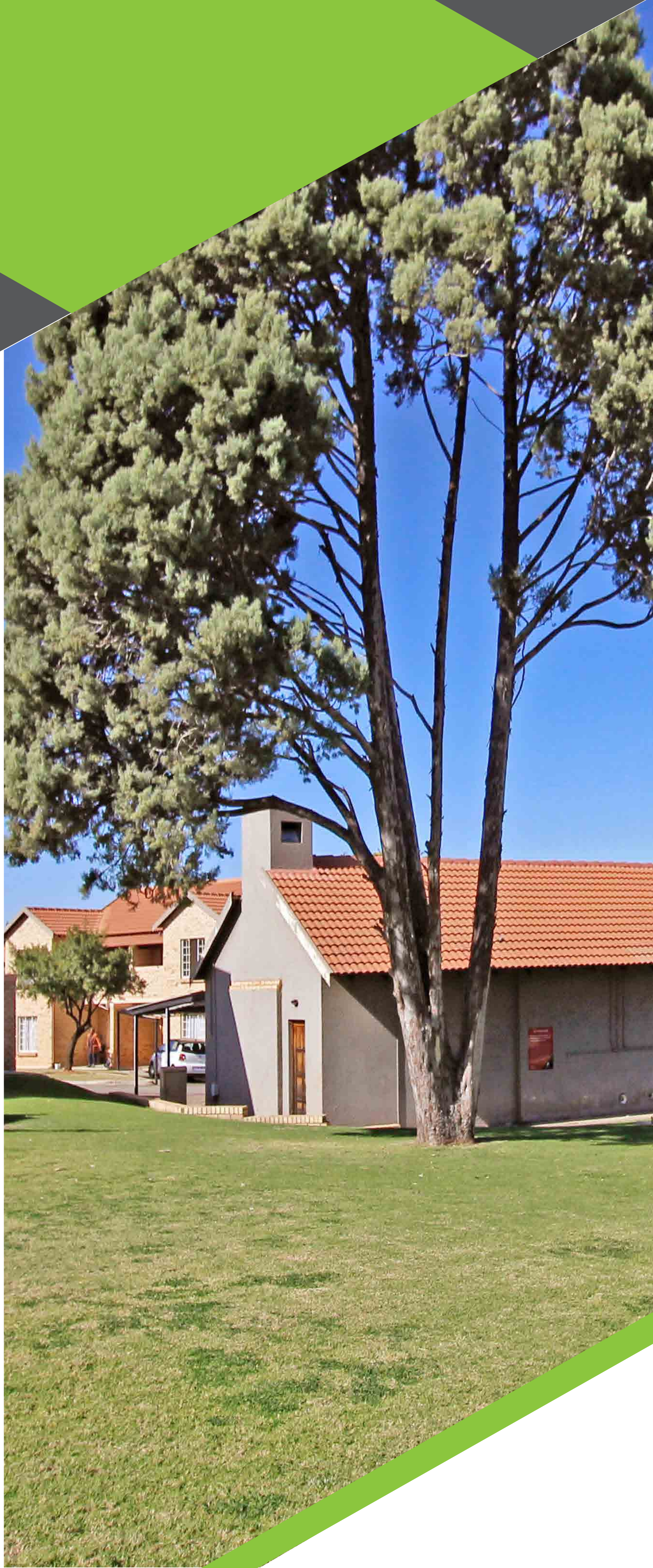


Ironwood, Colleen Street, Honey Park, Roodepoort

SA CORPORATE AT A GLANCE

SA Corporate is a JSE-listed Real Estate Investment Trust ("REIT") and, together with its subsidiaries, owns a diversified portfolio of quality industrial, retail and residential buildings, primarily located in the major metropolitan areas of South Africa, with a secondary node in Zambia.

SA Corporate, established in 1995, is one of the oldest established property companies in the South African market.

LEVEL 1 B-BBEE CONTRIBUTOR

OUR VISION

Our vision is to produce sustainable distribution growth and long-term capital appreciation for investors, through investment in a well-diversified, defensive and balanced property portfolio. We will remain cognisant of our role as responsible corporate citizens and aim to achieve our vision in a manner that benefits all our stakeholders, while preserving the environment.

OUR VALUES

Integrity
Innovation
Accountability
Respect

PURSUING THE HIGHEST STANDARDS OF ETHICAL BEHAVIOUR AND ACCOUNTABILITY

REIT STATUS

Since 2015

Cambridge Crossing, Cnr Witkoppen Road & Stone Haven Street , Sandton

OUR PROPERTY PORTFOLIO

PORTFOLIO ATTRIBUTES

- A defensive retail portfolio specialising in convenience (which includes storage facilities)
- A best-in-class residential rental portfolio
- A quality logistics focused industrial portfolio
- A minor office portfolio, the divestment from which is ongoing
- A joint venture, primarily in retail properties in Zambia

THE LOCATION OF OUR PROPERTIES

NUMBER OF PROPERTIES

23 Retail

45 Industrial

179 Afhco & Indluplace

18 Storage

2 Commercial/ Office

3 Rest of Africa (not shown on map)

Assets under management

R19.0 billion

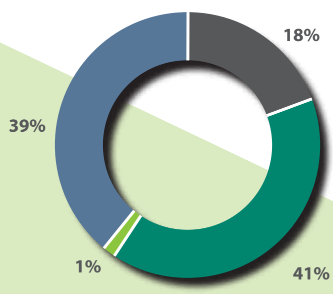
267 properties

Valued at R17.7 billion (excluding three Zambian properties which are held in JVs)

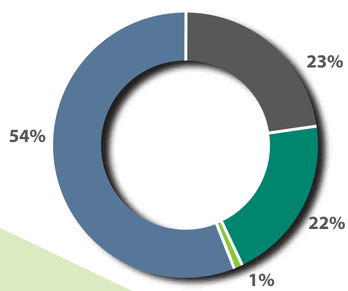
Gross lettable area ("GLA") (m²)

1.7 million

REVENUE (R'000)



RENTAL AREA (m²)



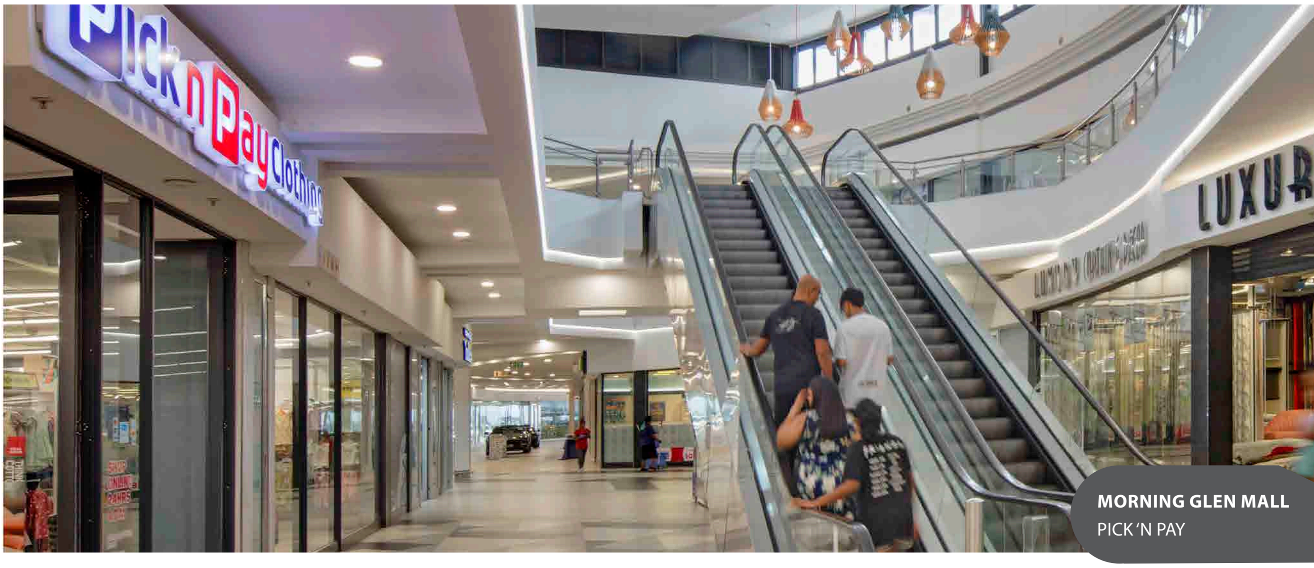
WHAT DIFFERENTIATES US?

OUR FOCUS ON CONVENIENCE RETAIL

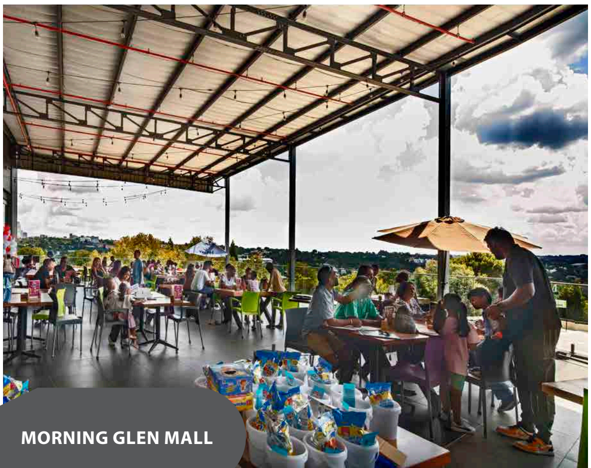
One area in which SA Corporate's retail portfolio excels is convenience shopping, which encompasses providers of basic goods and services. The retail portfolio is made up of 63.6% grocery stores, pet stores, pharmacies and personal care, general dealers, butcheries, liquor stores, and hardware stores.

To accentuate our convenience shopping offering, the Musgrave Shopping Centre in KwaZulu-Natal continues to enhance the tenant mix which, amongst others, includes the introduction of a new Checkers Emporium with a high-end Checkers Fresh X, Checkers Pets and Checkers Liquor in 2024 - everything you need in one place!

MORNING GLEN MALL
FOOD LOVER'S MARKET



MORNING GLEN MALL
PICK 'N PAY



MORNING GLEN MALL

ENHANCED AMENITY AND LIFESTYLE ATTRACTIONS

SA Corporate's shopping centres feature new and popular lifestyle attractions. Six padel courts, a family restaurant with a large number of child-friendly play areas, a street soccer facility, a bespoke food market with 26 individual food and beverage stalls and a skatepark are a few examples of attractions that were added to Morning Glen Mall in the last year. In addition, we also opened Golden Tee, which was a first of its kind in the country and has a virtual golf simulator, a bar and a restaurant.

Afhco provides various amenities to our inner city residential tenants, such as free Wi-Fi, outdoor gyms, braai and other relaxation areas, as well as laundry and transportation services. The construction of an indoor gym at the Jeppe Post Office commenced in 2023 and is nearing completion.

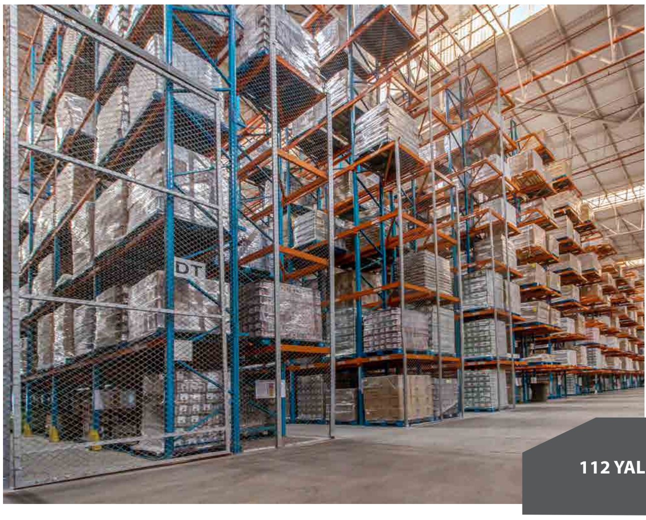
A number of our suburban residential portfolio's properties have also undergone significant lifestyle feature enhancements, including children's amenities, synthetic turf sports fields with lights, and upgraded courtyards.

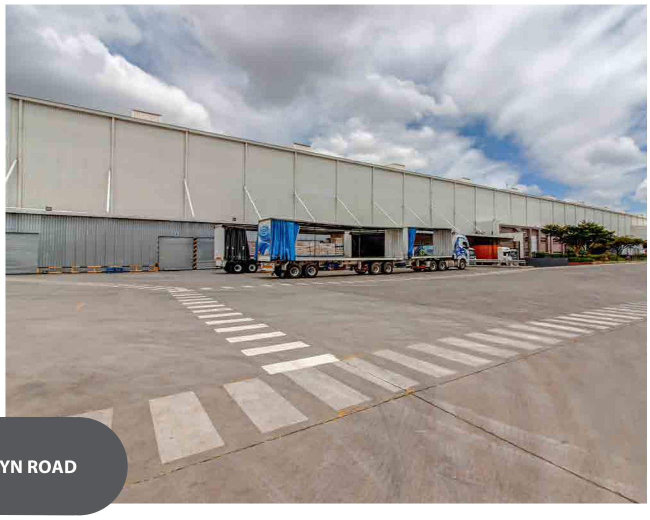
WHAT DIFFERENTIATES US? *CONTINUED*

FOCUS ON QUALITY LOGISTICS ASSETS

Large, contemporary logistics facilities, which currently make up approximately 82.0% of SA Corporate's industrial portfolio, are still in high demand.

To ensure renewals and maintain tenant retention, management continues to explore opportunities for further value-added amenities. In 2023, 1.4 MWp solar PV was installed on our properties and additional capacity will be installed in 2024.





112 YALDWYN ROAD

OUR ATTRACTIVE RESIDENTIAL PORTFOLIO

Elevators, water pumps, common area lights, access control, Wi-Fi, and other vital building equipment all have power during loadshedding and other power outages in the majority of Afhco's inner city high-rise buildings. The low number of vacancies has in part been attributed to the capacity to serve tenants with as much continuous energy supply as possible. Most Afhco tenants throughout our inner city and suburban portfolio are provided with free Wi-Fi as part of their rent, and a plan to roll out Wi-Fi in the Indluplace suburban portfolio has commenced, to further strengthen the attractiveness of the portfolio.

Indluplace provides borehole water at approximately 15 residential properties to ensure water security. Afhco has also commenced with a rollout of boreholes in the residential portfolio and 12 are scheduled to be undertaken in 2024. Selected solar projects in the Afhco and Indluplace suburban portfolios will also be undertaken in 2024 to provide greater security in respect of electricity to tenants, a reduction in our carbon footprint, and cost savings to Afhco.

In addition to the amenities previously mentioned, state-of-the-art CCTV cameras have also been installed at select buildings in the inner city for added security. The construction of an indoor gym at Jeppe Post Office and a recreational area for residents of Newgate commenced in late 2023 and is nearing completion, and a walking track was completed at South Hills in late 2023.

With the Indluplace acquisition, our residential portfolio has increased considerably as has our presence across Gauteng, allowing prospective tenants and owners an even bigger variety.

OUR CONVENIENTLY LOCATED AND WELL-EQUIPPED STUDENT ACCOMMODATION

The Afhco student portfolio includes a large number of self-contained apartments with study rooms, games rooms, gyms, social areas and backup facilities. Generators have also been installed in the buildings, ensuring that students can study uninterrupted. Through the Indluplace acquisition, this portfolio also increased in numbers and regions.

EN GEDI
BENONI

MPUMELELO
JOHANNESBURG

POSITIONING FOR A BETTER FUTURE

THE VALUE WE CREATED IN 2023

VALUE CREATION | VALUE PRESERVATION | VALUE EROSION

FINANCIAL CAPITAL

- Assets under management of **R19.0 billion** (2022: R16.6 billion)
- Total net property income ("NPI") of **R1.3 billion** (2022: R1.2 billion)
- Like-for-like portfolio NPI of **R1.01 billion** (2022: R0.96 billion)
- Traditional* portfolio retention rate of **89.3%** (2022: 82.6%)
- Traditional* portfolio vacancy rate of **2.0%** by GLA (2022: 2.3%)
- Loan-to-value ratio of **41.9%**# (2022: 38.1%)

** Retail, Office and Industrial*
 # Net debt LTV excluding derivatives

MANUFACTURED CAPITAL

- **R334 million** spent on improvements to investment property
- Divestments transferred since January 2023 **R1.01 billion**
- **Property portfolio refined**
  - Logistics properties make up **82%** of the Industrial portfolio; all leasehold properties sold
  - Divestment from **5** non-precinct inner city properties
  - JV portfolio expanded through acquisition

HUMAN CAPITAL

- 93% of our employees are from previously disadvantaged groups, of which
  - 45% are female
  - 80% of our directors are from previously disadvantaged groups and
  - 50% of our directors are female
  - 86% of employees trained are from previously disadvantaged groups
- **R2.9 million** training spend

HOW WE PRESERVED VALUE

VALUE PRESERVATION IN 2023

- Expanding the Group's convenience retail offering
- Improving security in the residential portfolio
- Renewing blue-chip tenancy in the industrial portfolio
- Ensuring compliance with health and safety regulations, B-BBEE, governance requirements and reporting standards
- Prudent use of swaps to hedge interest rate risk

POSITIONING FOR A BETTER FUTURE *CONTINUED*

INTELLECTUAL CAPITAL

- Successful refinancing of **R1.2 billion** debt facilities at a reduced margin
- Execution of favourable swap contracts of **R645 million**
- Establishment of unlisted residential fund
- Indluplace acquisition finalised and integrated into the Group's business

NATURAL CAPITAL

- Generated renewable energy of **14 003 MWh**, a saving of **R26 million** in costs and **12 758 tonnes** of CO_2e ("tCO_2e")
- Electricity consumption (tCO_2e per m^2 of GLA) has decreased by **38%** against 2016 baseline
- **1 812 m^3** of waste, representing 1 812 tonnes, recycled

SOCIAL AND RELATIONSHIP CAPITAL

- Level 1 B-BBEE retained for 2023 verification period
- **852** scholars at CityKidz

  42 scholars at CityTotz

  R2 million bursaries to 626 scholars at CityKidz
- Student accommodation increased by **134%** to **4 291*** beds

**Due to the Indluplace acqusition*

ENABLERS TO **STRENGTHEN** OPERATIONS

Key executive appointments | In-house strategic retail leasing capability | Operational optimisation | Execution discipline

PREVENTING VALUE EROSION IN 2023

- Divesting from industrial properties with poor logistics characteristics
- Reducing exposure to the office sector challenged by high vacancies
- Undertaking preventative and corrective maintenance on the Group's properties
- Applying a payout policy appropriate to ensure the preservation of the Group's capital base
- Allocating defensive capital spend to maintain the attractiveness and relevance of the properties for tenants
- Increasing stand-by power capacity and solar PV installations to alleviate the effect of loadshedding

WHERE VALUE EROSION OCCURRED IN 2023

- 114 bps increase in JIBAR impacted on unhedged portion of debt

HOW WE MANAGE OUR BUSINESS

PRIMARILY REGULATED BY:

JSE

Ensure compliance with JSE Listings Requirements and the recommended practices of King IV™

Provide market for trading of shares

All relevant South African legislation

Including, but not limited to, the Companies Act and the Income Tax Act of South Africa

A MEMBER OF:

SA REIT Association:

Promotes SA REITs as an investment proposition, while addressing issues and meeting challenges within the sector

MANAGED BY:

Board and Committees (provide oversight)

Refer to the Board of Directors and Governance and Compliance on pages 28 and 30

Asset management

The executive team provides strategic management of the Group's assets

Property management

Broll and Afhco Property Management manage the Group's South African portfolio, and our JV partner manages the Zambian portfolio

SA CORPORATE REAL ESTATE

- Wholly-owned property investment subsidiaries (including the newly acquired Indluplace)

- Two co-owned properties:
  - Umlazi Mega City
  - 50 Griffiths Mxenge Highway

- JVs in Zambia (50%)

OUR INVESTMENT PHILOSOPHY

SA Corporate is focused on achieving long-term sustainable distribution growth by ensuring its portfolio comprises defensive assets that generate robust NPI. To achieve this, the Group embraces active asset management and uses acquisitions, developments, disposals, and the recycling of capital to achieve its objectives.

SA Corporate has and will continue to consider both development and investment partnerships where it can achieve a balance between risk and reward within the framework of its determined risk appetite and tolerance levels.

FUNDING PARAMETERS

The Group can make use of gross debt and corporate guarantees up to a maximum of 50% LTV as per its lenders' covenant requirements. The long-term strategy of the Board is to maintain a net borrowing limit of 38% (excluding derivatives) of the underlying assets of the Group over the long term. The recovery in operational performance, partial settlement of debt from divestment proceeds and prudent increase in borrowings have maintained debt metrics at robust levels of 43.4% lender LTV, which is well within the lenders' covenant requirements of 50% LTV.

The Group had anticipated that, following its initial steps towards its residential rental property strategy, which commenced with the acquisition of Indluplace, its Corporate ICR would decline. This is due to the increase in finance charges as a result of the additional debt consolidated from the acquisition of Indluplace, combined with rising interest rates. The Group therefore proactively approached its lenders who agreed to an interim measurement period covenant for its Corporate ICR and Transactional ICR covenants, of 1.75x and 1.5x respectively, to allow the Group a window within which to complete the key steps in its residential rental property strategy, including the raising of equity capital from impact investors. These steps would most notably result in deleveraging the balance sheet, thereby allowing its covenants to revert to more normalised levels.

OUR KEY STRENGTHS

- A solid asset base
- Balanced portfolio with minimal office exposure
- High national grocer anchor base
- Sound financial fundamentals
- Strong exposure to community and neighbourhood shopping centres
- Attractive growth properties
- Exposure to quality industrial properties
- A best-in-class residential portfolio of scale
- Experienced team
- Proven ability to extract value from properties

Northways, Cnr Claim &
Jager Street, Johannesburg

OUR VALUE CREATING BUSINESS MODEL

OUR VALUES

We strive to uphold our Company's values in everything that we do:

- Respect
- Integrity
- Innovation
- Accountability

OUR ENABLING BUSINESS ACTIVITIES

Our governance structures
(page 30)

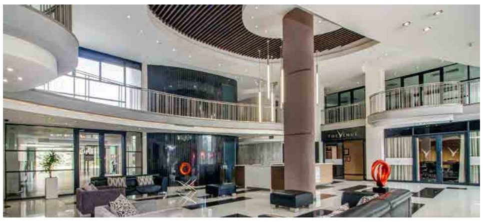
- Identify attractive prospects
- Optimal capital structure
- Acquire properties at accretive yields
- Develop existing assets
- Dispose of non-core and low-quality assets at yields below our cost of funding
- Efficient management of our portfolio

Management and innovation
(Refer to the Chief Executive Officer's Review on page 38)

Value creation
(page 8)

OUR OUTPUTS

A portfolio which is managed and developed to enhance value and generate sustainable returns



An empowering, diverse culture in which team members can thrive

Sustainable shareholder returns

OUR STRATEGIC OBJECTIVES

- Convenience retail
- Divesting from commercial
- Human capital development
- Operational optimisation
- Quality industrial portfolio
- Best-in-class residential portfolio
- Financial sustainability
- Execution discipline

Refer to the Chief Executive Officer's review on page 38 for more information

OUR OUTCOMES

Our outcomes are numerous and include:

- Disposal pipeline of R1.21 billion sold at 6.0% premium to valuation
- Successfully refinanced debt at reduced margins
- Indluplace acquisition finalised
- Solar PV generating capacity increased to 16.3 MWh
- Established an unlisted residential fund

For a more detail on our company outcomes, refer to pages 8 and 9

OUR KEY RISKS

Our top risks are categorised as follows:

- Strategic financial risks
- Property market risks
- People risks
- Reporting risks
- Compliance risks
- Stakeholder risks
- Sustainability risks

For a detailed discussion on the risks, refer to page 44

OUR VALUE CREATING BUSINESS MODEL *CONTINUED*

	FINANCIAL CAPITAL	MANUFACTURED CAPITAL	INTELLECTUAL CAPITAL	HUMAN CAPITAL	SOCIAL AND RELATIONSHIP CAPITAL	NATURAL CAPITAL
OUR INPUTS	**EQUITY** • Equity of R11.0 billion (2022: R10.3 billion) • Debt of R8.1 billion (2022: R6.4 billion)	**OUR PROPERTIES AND INVESTMENTS** • 267 properties, valued at R17.7 billion	**OUR BRAND, KNOWLEDGE, SYSTEMS, PROCEDURES, AND PROTOCOLS** • Strategic positioning of the portfolio • Efficient systems and processes	**OUR EMPLOYEES' COMPETENCIES, CAPABILITIES AND EXPERIENCE** • Leadership development and training expenditure of R2.9 million • Experienced management team	**OUR COMMUNITIES, SUPPLIERS, TENANTS AND OTHER NETWORKS** • Good relationships with our stakeholders • Social impact initiatives are above B-BBEE benchmarks • Tenant initiatives • CityKidz	**NATURAL RESOURCES** • Solar installations generating 14 003 MWh of renewable energy in 2023 • Water-saving efforts led to a decrease of 16% in water consumption
THE CAPITAL CONSTRAINTS AND TRADE-OFFS WE FACE	• **COST OF INTEREST RATE SWAPS VERSUS THE NEED FOR PROTECTING THE INCOME STATEMENT** The length and intensity of interest rate cycles often are unknown factors that carry the risk of volatility in interest expenses. Interest rate swaps protect against this volatility but come at a cost • **DISTRIBUTION PAYOUT RATIO** The Company constantly has to weigh up investors' desire to maximise distribution against prudent allocation of capital	• **CONTINUED OCCUPANCY VERSUS POSITIVE RENTAL REVERSIONS** Managing vacancies and retaining tenants is a key driver of sustainable growth, and depending on market conditions may come at the cost of negative rental reversions • **INVESTMENT IN TENANT INSTALLATION** Strengthens tenant mix and tenant retention but requires capital investment • **ADDITIONAL AMENITIES** Provide a competitive edge in attracting and retaining tenants but require capital investment	• **MAINTAINING A QUALITY PORTFOLIO** We constantly have to assess the quality of our property assets, recycling from those that do not meet our investment criteria to those that will better contribute to sustainable distribution growth	• **TALENT MANAGEMENT** In building our talent pool, we constantly have to balance the shortage of skills in the country against our transformational aspirations and invigoration of the talent pool with new appointments against development from within	• **SHAREHOLDER RETURNS** Increasing shareholder returns versus fulfilling our social imperatives	• **FINANCIAL SUSTAINABILITY VERSUS ENVIRONMENTAL SUSTAINABILITY** Implementing water- and electricity-saving strategies may impact the company's short-term liquidity position but provide long-term benefits in terms of reduced environmental impact, lower occupancy costs and consistent energy supply for tenants

My Place, 40 Sixth Avenue,
Florida, Roodepoort

ACTIVE TWO-WAY ENGAGEMENT WITH OUR STAKEHOLDERS

The Group appreciates the importance of maintaining a sustainable balance with the interests of our stakeholders and recognises that the quality of these relationships supports our ability to create and protect value for the business as well as the stakeholders, while minimising the risk of value erosion. Engaging with our stakeholders, therefore, forms a critical part of our business strategy and value system. The Group invests in understanding stakeholders' views and needs and ensuring that transparent, balanced and timely information is accessible to all.

SA Corporate maintains a formalised and Board-approved Stakeholder Engagement Policy, which includes disclosure control procedures and is aimed at identifying and prioritising all individuals, entities and groups who may impact or be impacted by the Group's investments, operations and activities. The policy also sets a method of engagement with stakeholders who impact and influence the Group's long-term resilience, guides the building and the maintaining of an open relationship between the Group and its stakeholders, develops and promotes a good understanding of stakeholders' needs, interests, and expectations, offers guidelines on how the Group should be engaging with its stakeholders and reinforces the Group's commitment to all its stakeholders. This commitment is based on the principles of:

- *Relevance:* Focusing on those issues of material concern to its stakeholders and the Group and identifying how best to address them for mutual benefit.
- *Responsiveness:* Engaging with stakeholders on these issues and giving relevant, timely and meaningful feedback.

The Board's Committees, in particular the Social, Ethics and Environmental Committee ("SEEC") and, to the extent relevant, the ARC, Remuneration Committee, Investment Committee and Nomination Committee, assist the Board in carrying out this responsibility by considering and discussing specific stakeholder issues and disclosure matters at their meetings.

The primary stakeholder engagements during 2023 and their outcomes are provided on the following pages.

ACTIVE TWO-WAY ENGAGEMENT WITH OUR STAKEHOLDERS *CONTINUED*

	Quality of relationship	Engagement methods	Stakeholder priorities	Our response	Strategic objectives addressed
INVESTMENT COMMUNITY **In the past year:** The Group maintained active and regular engagement	The Group provides timeous, relevant and comprehensive information to investors, analysts and the media audiences The relationship is mutually beneficial with robust and healthy engagement	• Perception surveys • Half-year and year-end results presentations and pre-close webinars • One-on-one meetings with major shareholders and analysts • Trading updates, SENS announcements and press releases • AGM • Investor roadshows • Corporate website • Integrated Annual Reporting suite	• Acceptable and sustainable growth in distributions • Appropriate return on investment • Sound corporate governance, compliance and risk management • Consistent financial performance • Good corporate citizenship • Fair and transparent executive remuneration and incentives • Capital preservation • Loyalty and retention of tenants	• We aim to achieve sustainable, quality returns, which deliver both profit and cash to our shareholders • Robust engagement keeps us abreast of shareholder needs and preferences	Financial sustainability

Relationship contribution to value creation	Risks	Opportunities
• Shareholders provide capital to facilitate growth in the business • Analysts provide market intelligence on opportunities and peer comparisons • SA Corporate aims to build and maintain a broad base of well-informed and rewarded shareholders who will support the Group over the long term	• Reputational damage • Increased cost of capital • Slowing or even negative distribution growth • Safeguarding against liquidity risks	• A strengthened investment case • A share price valuation that reflects an appropriate value for the Group • Introducing new convenience, defensive retailer brands and concepts

ACTIVE TWO-WAY ENGAGEMENT WITH OUR STAKEHOLDERS *CONTINUED*

	Quality of relationship	Engagement methods	Stakeholder priorities	Our response	Strategic objectives addressed
TENANTS **In the past year:** There was a significant focus on improving amenities and quality of the environment for tenants, as well as addressing challenges with loadshedding interruptions	Engagements with tenants are aimed at gaining an understanding of their challenges and the Group's opportunities, so that mutually beneficial outcomes may be achieved	· Meetings with centre managers and on-site employees · Strategic relations with national retailers and blue chip tenants · Partnering with tenants · Property manager meetings · On-site marketing consultants at retail centres · Tenant visits · Collaborating with tenants on corporate social investment ("CSI") initiatives · Walk-in Centre, email, WhatsApp, telephone, chatbot, notices and letters for residential tenants · Tenant bursaries · Student mentorship programme	· Reasonability of cost of occupancy · Quality of property · Tenant safety and security · Location of property · Tenant mix improvements · Client service excellence · Increasing foot traffic · Increased competition · Environmental pressure as far as it impacts the tenant cost · Accurate measuring of water and electricity · B-BBEE rating · Administrative accuracy · Tenant amenities	· We continuously strive to accommodate tenant requirements, within acceptable parameters · Installing solar panels as well as energy-efficient lighting and promoting energy-saving initiatives with tenants · Improving security and amenities in the residential portfolio: Afhco's Johannesburg portfolio is to be concentrated in mixed-use precincts in which it can ensure accessibility, good infrastructure, quality residential and retail products, a secure environment and a broad range of lifestyle amenities to enhance the Afhco offer to tenants. Similar initiatives are being investigated in the Indluplace portfolio · Installing generators to ensure ongoing operation of key building infrastructure during loadshedding · Investigating borehole and water tank solutions where water issues are identified	Operational optimisation Execution discipline

Relationship contribution to value creation	Risks	Opportunities
· The Group aims to build and maintain a strong quality tenant base, and to enhance tenanting and administrative processes to optimise the customer service experience for our tenants · The renting of available space enables SA Corporate to grow its business	· Tenant concerns may damage our reputation · Tenant safety and security · The inability of tenants to afford the cost of occupation · Lack of tenant retention	· Early warning system to protect against reputational damage · Resolving tenant complaints quickly and effectively leads to increased tenant satisfaction and loyalty · High retention reduces the costs of sourcing new tenants · Supporting tenants in challenging times improves retention, as well as SA Corporate's reputation as a landlord · Referrals from tenants · Providing affordable rental accommodation

ACTIVE TWO-WAY ENGAGEMENT WITH OUR STAKEHOLDERS *CONTINUED*

	Quality of relationship	Engagement methods	Stakeholder priorities	Our response	Strategic objectives addressed
COMMUNITIES **In the past year:** Focus on community upliftment New CityTotz Early Development Centre opened in 2024 to cater for pre-school children	The Group strives to be a responsible corporate citizen and recognises that its activities affect the broader community and impact the social- and natural environment within which it operates The relationship is mutually beneficial	• Retail centre social initiatives • Inner city community upliftment initiatives • Management of the Albert and End Street parks on behalf of the city • Urban agriculture initiatives • Facilitating broad-based community participation through other CSI initiatives • Enterprise Development support in the form of The Seed Project • Supplier Development in the form of office space • Building relationships with Ward Councillors in the inner city	• Job creation • Safety, security and cleanliness • Responsible corporate citizenship • Environmental impact	• We partner with our communities and strive to play our part in the success and well-being of the communities in which we operate • SA Corporate has this year, as part of our social investment, invested in funding skills development for the disabled and previously disadvantaged people • R2 million paid in bursaries to support CityKidz's parents with outstanding school debt and 2023 fees • Student bursaries from Afhco • Afhco contributes towards several City Improvement Districts ("CIDs") to ensure a cleaner and safer environment • Afhco has been managing End Street Park for the City of Johannesburg for over a decade and Albert Street Park for over five years • In conjunction with SAPS and Afhco-appointed private security, Afhco opened a control centre in its Frank & Hirsch building to ensure greater SAPS presence to combat crime • Afhco's annual Winter Drive and Mandela Day initiatives in support of various charities	Human capital development Best-in-class residential portfolio Convenience retail

Relationship contribution to value creation	Risks	Opportunities
• Encourages community support for the business • A better understanding of the needs of the community aligns the business with the community's needs • Positive impact on the communities	• A breakdown in relationships in a community could harm our reputation and increase vacancies • A deterioration in the environment surrounding our properties will ultimately impact their value	• Strong community relationships will support mutually beneficial outcomes for community developments, as well as increased footfall in our malls and higher value for our residential properties

ACTIVE TWO-WAY ENGAGEMENT WITH OUR STAKEHOLDERS *CONTINUED*

	Quality of relationship	Engagement methods	Stakeholder priorities	Our response	Strategic objectives addressed
EMPLOYEES **In the past year:** Adjusting to hybrid working conditions and confirming ethical conduct with awareness initiatives	Employees are a key resource, and their knowledge, skills and commitment are essential to meeting the Group's strategic objectives The relationship is strong with mutual trust and understanding	· Employee meetings · Performance reviews, including 360-degree evaluations of executive directors, development discussions and opportunities for all employees · Employee succession readiness assessment · Participation in stakeholder presentations · Lyra Wellbeing (formerly know as ICAS) Employee Wellness Programme consultation sessions · Team building initiatives · Wellness days	· Job security · Fair remuneration and incentives · Conducive work environment · Group values · Financial sustainability, including Group performance · Training and career development opportunities	· We invest in skills development to ensure that our employees are equipped to provide excellent service · We strive to remunerate our employees well and provide an appealing employee value proposition to attract high-calibre employees · A hybrid model of working · Engagement in the proposed new Code of Conduct · Creating appropriate channels for concerns and grievances · Awareness initiatives on the "Speak-up" campaign · Offering bursaries to employees for further studies · Providing employees with access to the Lyra Wellbeing (formerly know as ICAS) Employee Wellness programme · Providing employees with growth opportunities through internal promotions · Providing employees with a gym and relaxation area at GreenPark Corner	**Operational optimisation** **Human capital development**

Relationship contribution to value creation	Risks	Opportunities
· Highly skilled and engaged employees who are adequately remunerated, incentivised and motivated to execute our strategic objectives · Employee retention	· Negative perceptions from employees might cause disruption of operations and unproductive behaviour · Lack of employee retention leads to disruptions and increased costs	· Ensuring a committed and engaged workforce will lead to a satisfied tenant base and profitable growth

ACTIVE TWO-WAY ENGAGEMENT WITH OUR STAKEHOLDERS *CONTINUED*

	Quality of relationship	Engagement methods	Stakeholder priorities	Our response	Strategic objectives addressed
DEBT PROVIDERS **In the past year:** Engagement with lenders and the refinancing of facilities Lender approval for cover and relaxation while raising capital for the unlisted residential fund	Engagements with lenders are regular and aimed at proactively maintaining covenant compliance The relationship is sound and value-adding	• Regular meetings to provide feedback and maintain long-standing professional relationships • Proactive management of, and compliance with, lender covenants • Proactive engagements for relaxation of covenants • Regular reporting on covenant adherence, requirements as well as risk tolerances and thresholds • Predefined sustainability performance targets and KPIs on sustainability-linked funding	• Competent treasury function • Ability to service debt • Appropriate LTV and ICR covenant ratios • Adhering to covenants and other contractual requirements • Appropriate and adequate security	• We keep our lenders informed through regular reporting and engagement and manage the organisation within the required parameters to reduce the risk for ourselves and lenders alike • Regular engagement with funders to proactively manage ongoing compliance with lender covenants • Monthly reviews are circulated to the ARC to ensure that all risk tolerances and thresholds are monitored	Financial sustainability

Relationship contribution to value creation	Risks	Opportunities
• Provision of funding to facilitate business objectives	• Lack of capital • Reputational damage • Onerous financial covenants • Breach of covenants	• Identifying opportunities for improved disclosure and value-add • Increasing sources of funding and additional funding instruments to broaden the base of potential lenders • Securing additional facilities and/or less onerous funding terms to ensure liquidity

	Quality of relationship	Engagement methods	Stakeholder priorities	Our response	Strategic objectives addressed
REGULATORS, INDUSTRY AND BUSINESS ORGANISATIONS **In the past year:** Maintained a social housing development in partnership with the Social Housing Regulatory Authority ("SHRA")	The Group maintains open, honest and transparent relationships and ensures compliance with all legal and regulatory requirements The Group supports and enables the efforts of industry bodies to promote and protect the Group and the sector's interests The relationship is mutually beneficial	• Attendance and participation with the SA REIT Association and related property industry forums • Regular engagements with the JSE through SA Corporate's sponsor • Communication on matters affecting the property industry and sharing of experiences, as well as joint lobbying on matters of mutual interest • Engagement with the newly-formed South African Multi-Family Residential Rental Association ("SAMRRA")	• Sector-specific issues • Introduction of new legislation	• We keep abreast of JSE Listings Requirements and changes in regulations • Founding member of the newly-formed SAMRRA	Operational optimisation

Relationship contribution to value creation	Risks	Opportunities
• Guidance on matters affecting the property industry and sharing of experiences • Financial savings • Joint lobbying on matters of mutual interest	• Non-compliance with industry regulations • Non-compliance with JSE/REIT requirements	• Co-operation with peers may lead to outcomes that benefit all parties

ACTIVE TWO-WAY ENGAGEMENT WITH OUR STAKEHOLDERS *CONTINUED*

	Quality of relationship	Engagement methods	Stakeholder priorities	Our response	Strategic objectives addressed
LOCAL AND NATIONAL GOVERNMENT **In the past year:** Continued engagement with municipalities with respect to integrated urban development and traffic management Engagement with authorities in contributing to community upliftment projects and renewable energy generation	The Group endeavours to build relationships and a shared understanding of its business and its contribution to regions and local communities where it operates, as well as with local and national government departments and agencies SA Corporate's belief in strong and ethical leadership and collaboration for sustainable development underpins its relationships with government	• Regular meetings and consultations • Employment equity reports • Participation in the Johannesburg Property Owners and Managers Association's interactions with the City of Johannesburg • B-BBEE scorecard and reporting on the Group's B-BBEE performance and transformation agenda • Collaboration with the Johannesburg City Council and establishing a more balanced public-private partnership	• Compliance with legal and regulatory requirements • Service delivery • Contribution to economic development • Urban regeneration • By-law enforcement • Elimination of illegal dumping • Fight against poverty and unemployment • Transformation • Collection of billings • Maintenance of public open space and infrastructure • B-BBEE	• We are committed to ethical business and governance practices and are active participants, willing to collaborate to maximise service delivery for tenants	**Best-in-class residential portfolio** **Financial sustainability**

Relationship contribution to value creation	Risks	Opportunities
• Partnering to encourage good service delivery for our tenants and community upliftment • Providing regulatory frameworks which are transparent and fair to all parties • Enforcing local and national laws and regulations to ensure compliance	• Non-compliance or deterioration in relationship with regulators may jeopardise SA Corporate's licence to operate • Non-payment of utilities may lead to interrupted service delivery	• Our established track record assists us in obtaining access to, and cooperation from, the relevant authorities

Noordheuwel Heights, 7 Matroosberg Street, Noordheuwel

NURTURING OUR CAPITALS

This is a condensed version - for a full report on our capitals, please refer to the ESG Report.

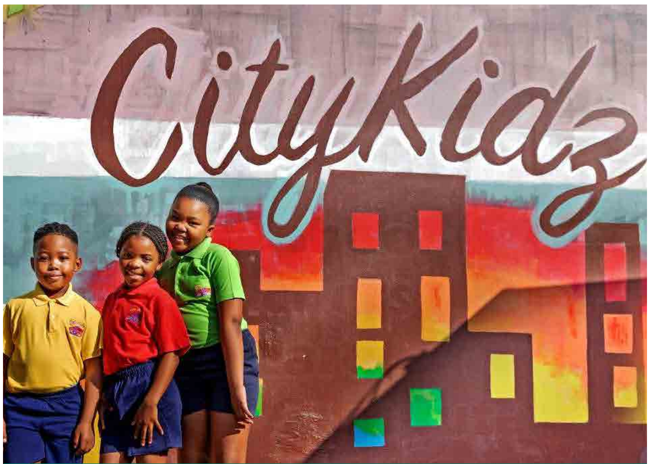
"The Group believes that embracing Environmental, Social and Governance principles is not just a moral imperative, it is a strategic necessity in a world where sustainability, ethical conduct and responsible governance are increasingly defining factors of success." Ms EM Hendriks, Chairperson of the SEEC

SOCIAL AND RELATIONSHIP CAPITAL

Our relationships with suppliers, tenants, property and asset managers, communities and other networks form the core of our social and relationship capital.

The Group recognises its responsibility to lessen inequality and hardship in society and engages in a range of social programmes, with an emphasis on advancing education.

CityKidz Pre-and Primary School, a non-profit company, was started in 2008 as a social initiative by Afhco. The school provides quality care and education for Grades RR to 7. At the start of the school year in 2024, there were **852 learners** registered, with an average of **28 children per class.**



SA Corporate donated **R2 million** in bursaries in 2023, benefitting **626 scholars**

In 2024, the CityKidz family grew with the opening of **CityTotz, a brand-new Early Childhood Development** ("ECD") **Centre** in Mooi Street, Johannesburg. The new ECD centre is well-equipped with age-appropriate toys and equipment for both individual and group play. At the start of the school year in 2024, there were **42 learners** registered.

RETAIL CENTRE SOCIAL INITIATIVES

SA Corporate promotes and supports a range of social and community events. These initiatives, which include fundraising for charity, healthcare, and education, are centred on assisting and improving the community in surrounding areas.

SOS SUPPORT OUR SCHOOLS
Education grows communities

Support our Schools is an initiative launched by the SA Corporate Retail Portfolio in 2018 to give back to the community and assist with the improvement of schools. Several of our centres made donations in 2023 toward education facilities within their communities.

NURTURING OUR CAPITALS *CONTINUED*

NATURAL CAPITAL

SA Corporate has taken proactive steps to reduce the natural resources it uses and its environmental impact. Among the environmental initiatives SA Corporate carried out this year are:

SOLAR PHOTOVOLTAIC ("PV") ELECTRICITY GENERATION

Solar PV has been successfully installed on the roofs of all retail shopping centres where feasible, delivering some 11.6% of the total electricity of the retail portfolio. This has resulted in significant reductions in the cost of electricity.

Although solar is often not feasible in inner city buildings, installations at Afhco Corner and Newgate were also completed in 2023, and plans are in place to gradually expand solar, where possible, in the suburban portfolio. Some of our industrial buildings also have solar installed. The focus in 2024 will be to save diesel costs by integrating solar installations with our generators.

SAVING WATER

SA Corporate is concerned about the state of the water supply and water quality. Water-saving efforts during the year led to a decrease of 16% in water consumption and the Group is investigating further investment into boreholes and water tanks for its locations in the 2024 fiscal year.

WASTE REDUCTION EFFORTS

As part of SA Corporate's commitment to minimise retail waste, recycling of waste takes place at all retail properties. These efforts have led to1 812m^3 of waste being recycled.

In 2023, SA Corporate generated **14 003 MWh** of renewable energy and saved **R26 million in costs** and **12 758 tonnes** of CO_2e, which is equivalent to **231 375 tree seedlings** grown in 10 years

CARBON FOOTPRINT

SA Corporate's carbon footprint is calculated annually based on the equity share approach, which means that SA Corporate accounts for its greenhouse gas emissions from operations according to its share of equity in the operations. The operational boundaries include scope 1 direct emissions (mobile combustion, stationary combustion and refrigerant gases), scope 2 indirect emissions (SA Corporate, Afhco and Indluplace common areas electricity consumption) and scope 3 indirect emissions (tenants electricity consumption and water).

For the SA Corporate portfolio (excluding Indluplace), like-for-like emissions have decreased by 15.0% compared to 2022.

CARBON FOOTPRINT
2023

166 005
tCO_2e

FOR THE GREENHOUSE GAS PROTOCOL
NON KYOTO GASES: 136 tCO_2e

SCOPE 1	SCOPE 2	SCOPE 3
1%	99%	90%
1 676 tCO_2e	15 506 tCO_2e	148 823 tCO_2e

The acquisition of Indluplace increased the total Scope 1, 2 and 3 emissions, **by 1%.** However, the acquisition also increased the overall square meterage, resulting in the tCO_2e/m^2 **reducing by 21%.**

Solar installations at East Point Shopping Centre

NURTURING OUR CAPITALS *CONTINUED*

HUMAN CAPITAL

The Group views its employees as an essential resource. Meeting strategic objectives and preserving stakeholder relationships depend heavily on the expertise, abilities, dedication and motivation of the employees. By providing training, recognition and awards, SA Corporate fosters employee growth and engagement as well as leadership development.

A diverse and well-trained **employee** complement

RACE

76% African   5% Coloured   9% Indian   10% White

GENDER

53% Male   47% Female

DEVELOPMENT AND TRAINING

The skills development plan and training requirements for employees are based on needs identified in performance reviews and additional skills and qualifications required due to changes in legislation and best practices for the property sector. Employees are encouraged to join industry bodies and attend conferences to remain up to date with the latest trends and prospective industry changes that could be beneficial to or impact the Group in any way.

EMPLOYEE WELLNESS

The Group subscribes to the Lyra Wellbeing (formerly known as ICAS) Employee Wellness programme, which offers all employees (including Afhco and Indluplace) participation in a broad range of wellness areas, i.e. financial, health, legal, family and mental. This programme is not only available to the employees but also to their extended families.

Several activities were also arranged for employees during a wellness week, such as health screening, financial awareness sessions, a self-defence class and a community talk by SAPS.

INTELLECTUAL CAPITAL

The Group's intellectual capital comprises its brands, knowledge, systems, procedures and protocols. We strive to grow SA Corporate as a property investment brand for prospective investors and for Afhco to become the residential property brand of choice.

MANUFACTURED CAPITAL

Our quality property portfolio forms the basis of our manufactured capital.

For more information on our portfolios, please refer to pages 60 to 82 for the property portfolio discussion.

FINANCIAL CAPITAL

Access to funding is intrinsic to SA Corporate's ability to create value, so debt and equity form the basis of our financial capital.

Please refer to the Chief Financial Officer's Review on page 54 for a comprehensive discussion of our efforts in this regard.

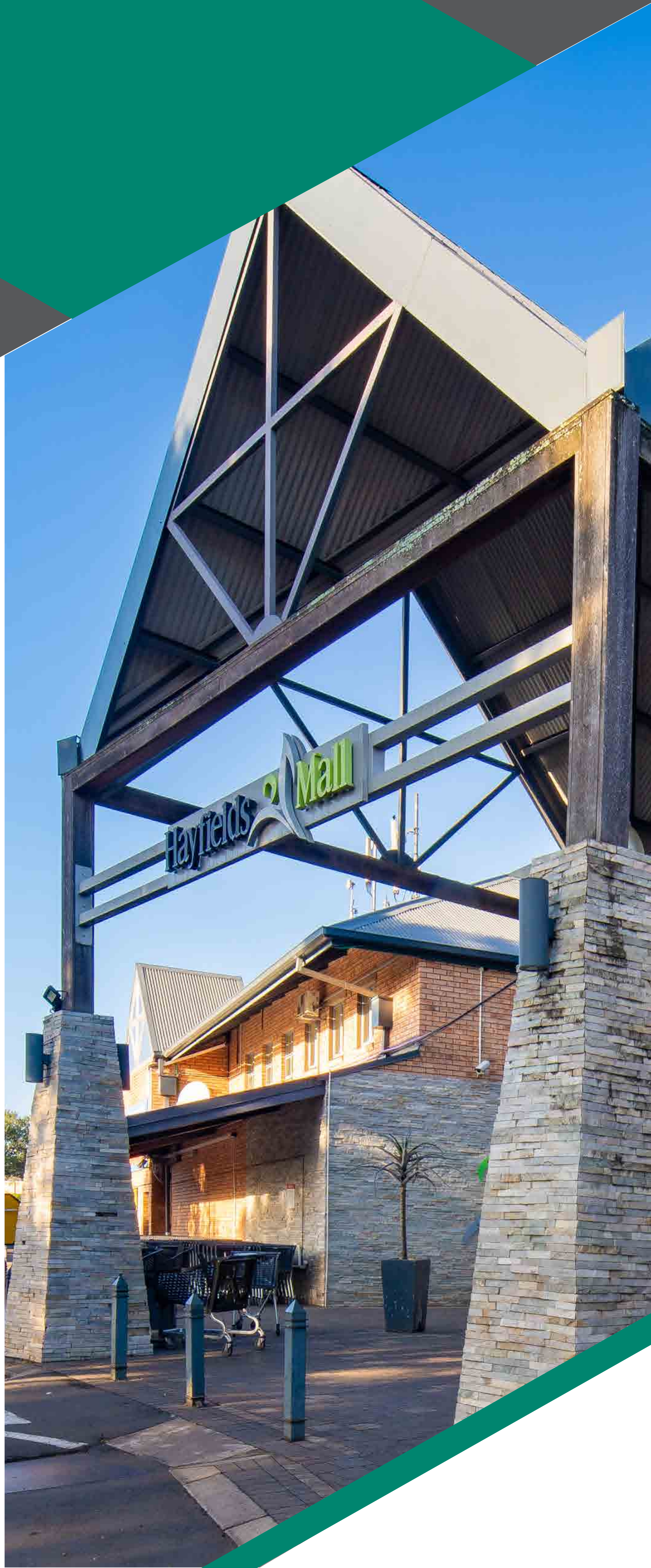
2

GOVERNANCE FOR VALUE CREATION

26 Chairman's Statement

28 Board of Directors

30 Governance and compliance



Hayfields Mall, 7 Cnr Blackburrow Road & Cleland Roads, Pietermaritzburg

CHAIRMAN'S STATEMENT

2023 has been a period of strategic growth and proactive response to external challenges for the Group

ARTHUR MOLOTO
Chairman: SA Corporate

Dear Shareholders,

I am pleased to present my Chairman's Report for the 2023 financial year. SA Corporate has managed to limit its decline in annual distributable income to 4.0% in an environment of low economic growth, deteriorating business and consumer confidence, high inflation, high interest rates and unpredictable electricity supply. Excellent progress was made in the reduction of vacancies and improving reversions, which was countered by uncovered loadshedding expenses. A significant highlight was the successful conclusion of the Indluplace transaction during the year, which is discussed in ***more detail in the CEO's report on page 38.***

STRATEGY AND PORTFOLIO DEVELOPMENT

Our strategy remains robust, focusing on convenience retail and logistics properties strategically linked to key transport nodes and aligned with the burgeoning developments in eCommerce. In residential, we have maintained a dual focus on both inner city and suburban properties. Notably, inner city vacancies have remained lower than suburban vacancies in 2023, underscoring the prudence of our strategic selection. Our industry leadership in residential was again underscored by Afhco vacancies, which at 4.2%, convincingly outperformed the market average of approximately 9.2%.

Concentration is a major risk in property portfolios, which can arise in different forms, be it regional, sectoral or tenant-related. We continue to monitor this and are comforted that SA Corporate's diversified portfolio and tenant mix, as well as its strong tenant covenants, protect the Group from this risk.

The acquisition of Indluplace this year has been a pivotal transaction that will not only add scale but also further diversify our residential portfolio geographically, extending our reach across South Africa's major commercial centres: Johannesburg, Cape Town, Durban, and Pretoria. SA Corporate now has one of the largest listed residential property portfolios in South Africa, valued at R7.3 billion. Establishing an unlisted fund for residential properties will attract funding from socially responsible external impact investors and Development Financial Institutions (DFIs), to eventually list this fund separately, thus enhancing liquidity for our residential portfolio. ***More on this in our CEO's report on page 38.***

ADDRESSING INFRASTRUCTURE CHALLENGES

We acknowledge the challenges posed by deteriorating municipal and national infrastructure in South Africa. In response, we have implemented timely off-grid energy solutions, including solar PV installations across the Group's portfolio wherever feasible. We are also proactive in addressing water solutions, with an increased focus anticipated for 2024. Furthermore, in inner city centres, we have taken initiatives to enhance security, cleanliness, and urban aesthetics for the benefit of our tenants. However, escalating municipal rates above inflation remain an industry concern, impacting distributable income. We monitor municipal property valuations closely and do everything in our power to increase cost efficiencies to mitigate this risk.

GOVERNANCE, LEADERSHIP TRANSITION AND TRANSFORMATION

The employment contract of the Group's CEO and executive director, Rory Mackey, was renegotiated to postpone his retirement to 31 December 2024.

After new appointments early in 2023 to address skills and diversity gaps at the Board level, there have been no changes to the Board in 2023. We now have a relatively young Board, with productive and diverse skills, equal gender representation and comprising 80% from historically disadvantaged South African groups. Our focus on transformation is well-reflected within the leadership team as well as the Board. It is further reflected in SA Corporate's enhanced B-BBEE score, which retained the Level 1 B-BBEE rating for the 2023 verification period. This was due to a concerted effort to improve or maintain scores achieved in the past and mitigating possible impacts of the Indluplace acquisition. In 2023, SA Corporate initiated an Employee Bursary programme to encourage employees to obtain formal qualifications, with employees in Afhco and Indluplace benefitting specifically, and made a substantial bursary donation to cover school fees for 626 children at CityKidz Pre- and Primary School, an Afhco initiative.

CHAIRMAN'S STATEMENT *CONTINUED*

OUTLOOK

While the environment remains volatile, we are optimistic that interest rates could have peaked in 2023 and, together with low vacancies and improving reversions, support positive trends in net operating income. We have a focused portfolio positioned for growth with additional upside stemming from opportunities to reposition the Indluplace portfolio.

Looking ahead, the Board's focus for the upcoming financial year will, among others, revolve around:

- Successfully integrating Indluplace personnel and systems into Afhco.
- Disposing of non-core Indluplace properties, aiming to realise approximately R500 million.
- Continuing to improve key property metrics to reduce vacancies and enhance the quality of our portfolio offerings.

APPRECIATION

We have made considerable progress in recent years in repositioning SA Corporate as a property company with a high-quality, diverse portfolio in attractive sectors, an able and experienced management team and a robust balance sheet. I thank my fellow Board members for their commitment and guidance throughout this process.

To the management team and employees, I congratulate you on another successful year and thank you for your energy and drive. I also extend my gratitude to our tenants, shareholders, and other stakeholders for their continued support. Despite the challenges, we remain steadfast in our commitment to driving sustainable growth and delivering value to all stakeholders.

Post the reporting period, Ms Gloria Zandile Ningi Khumalo ("Ningi"), resigned as an independent non-executive director from the Board, and as a member of the Audit and Risk Committee and the Remuneration Committee, all with effect from 19 April 2024. The Board and I would like to extend our appreciation to Ningi for her valuable contribution to the Company and wish her well in her future endeavours.

Arthur Moloto
Chairman, SA Corporate

Springfield Value Centre, Cnr Umgeni & Electron Roads, Springfield

BOARD OF DIRECTORS

BOARD STRUCTURE

NON-EXECUTIVE DIRECTORS

MABOTHA ARTHUR MOLOTO (55)
BA (Hons); Postgrad Eco Principles; MSc in Finance and Financial Law

South African
Appointed: 7 July 2014

Chairman of the Board

ORATILE REFILOE MOSETLHI (45)
LLB

South African
Appointed: 17 July 2019

Lead Independent Director

EMILY MAURISTENE HENDRICKS (50)
Dip in Teaching; LLB; LLM ; CISL (High impact leadership)

South African
Appointed: 2 April 2014

Independent non-executive director

SEAPEI SHELE MAFOYANE (46)
B.Sc in Microbiology and Genetics; MBA

South African
Appointed: 11 February 2021

Independent non-executive director

NAIDENE FORD-HOON(FOK) (55)
BCom; CTA; CA(SA)

South African
Appointed: 17 July 2019

Independent non-executive director

I INVESTMENT COMMITTEE
N NOMINATION COMMITTEE
R REMUNERATION COMMITTEE
A AUDIT AND RISK COMMITTEE
SEE SOCIAL, ETHICS AND ENVIRONMENTAL COMMITTEE

CHAIRMAN

NON-EXECUTIVE DIRECTORS *CONTINUED*

GREGORY JAMES HERON (58)

BCom; DipAcc; CA(SA)

South African
Appointed: 17 July 2019

Independent non-executive director

GLORIA ZANDILE NINGI KHUMALO (49)

NDip Acc, CTA, CA(SA)

South African
Appointed: 1 February 2023
Resigned: 19 April 2024

Independent Non-Executive Director

EXECUTIVE DIRECTORS

TERENCE RORY MACKEY (62)

BSc Eng; Postgrad Dip Eng; Pr Eng; Pr CPM

South African
Appointed: 1 August 2012

Chief Executive Officer

SAMESHAN YANASEGRAN MOODLEY (46)

BCom(Acc); BCom(Informatics); Postgrad Dip Acc; ACMA; CA(SA)

South African
Appointed: 1 March 2022

Chief Financial Officer

NOMFUNDO NOMKOSI NOMZAMO RADEBE (47)

BCom, Postgrad Dip Acc, Cert. PD, CPP, CA(SA)

South African
Appointed: 1 February 2023

Chief Operating Officer

More information about the Board members is available on the Company's website at www.sacorporatefund.co.za

All non-executive directors are deemed independent

GOVERNANCE AND COMPLIANCE

This is a condensed version – for a full corporate governance report, please refer to the ESG Report.

SA Corporate's governance and compliance framework lends itself to the application of the principles and recommended practices of King IV™ and the JSE Listings Requirements. The Group strives to attain best-in-class governance practices.

KING IV™ APPLICATION

BOARD OF DIRECTORS

Steers and sets strategic direction for the Group | Approves policy and planning to give effect to the Group's strategy | Oversees and monitors implementation and execution by management | Ensures accountability for organisational performance

- Leadership, ethics and corporate citizenship
- Strategy, performance and reporting
- Governing structures and delegation
- Governance functional areas
- Stakeholder relationships

✓ Ethical culture ✓ Good performance ✓ Effective control ✓ Legitimacy

The Board is satisfied that the Group complies with the governance requirements prescribed by the JSE Listings Requirements and King IV™.

ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP

Code of Conduct and Code of Ethics

- Board members, management and employees at all levels subscribe to the Group's Code of Conduct and Code of Ethics
- Whistleblowing reports, issued by an external hotline provider, are tabled at the ARC and SEEC for discussion, investigation and then actioned by the Board, as required

CONFLICTS OF INTEREST

Closely monitored

- Board members make full and timely disclosures of business and financial interests
- Actual, perceived or potential conflicts are dealt with in accordance with the provisions of the Companies Act

Values

Values are integrated into the Group's performance management process and shape behaviour and business conduct

The Group's Code of Conduct and Code of Ethics are available on the website.

BOARD RESPONSIBILITIES

Board charter

- Aligned to King IV™
- Sets out rules for Board and Committee compositions, roles and responsibilities, establishment of Committees, fees, performance appraisals and policies
- Provides for a balance of power and authority at Board level to ensure that no one director has unfettered powers of decision making

Governance principles

- Allows for specific responsibilities by Board members collectively, while acting in the Group's best interest
- Approvals framework sets out matters reserved for Board, Committees and management
- Approvals framework applies to all Group subsidiaries and JVs

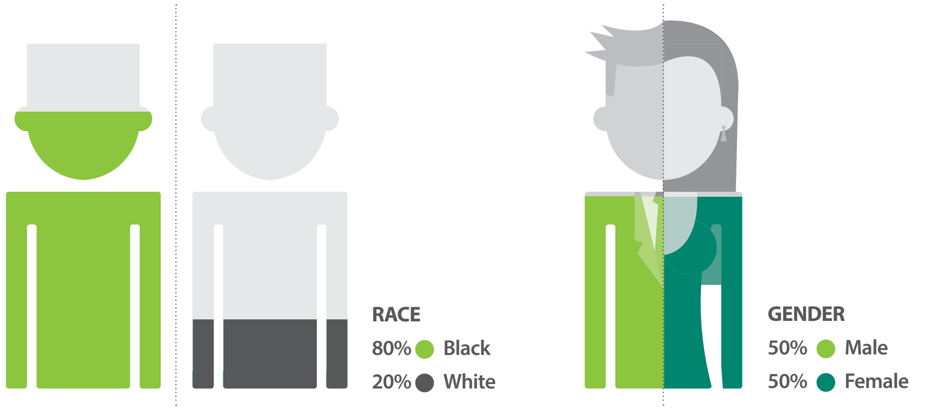
The Board is satisfied with the delegation of authority framework for role clarity and effective arrangements and confirms that the Company complied with the Companies Act and conformed with its Memorandum of Incorporation ("MOI") during the past financial year.

The Board charter is available on the website.

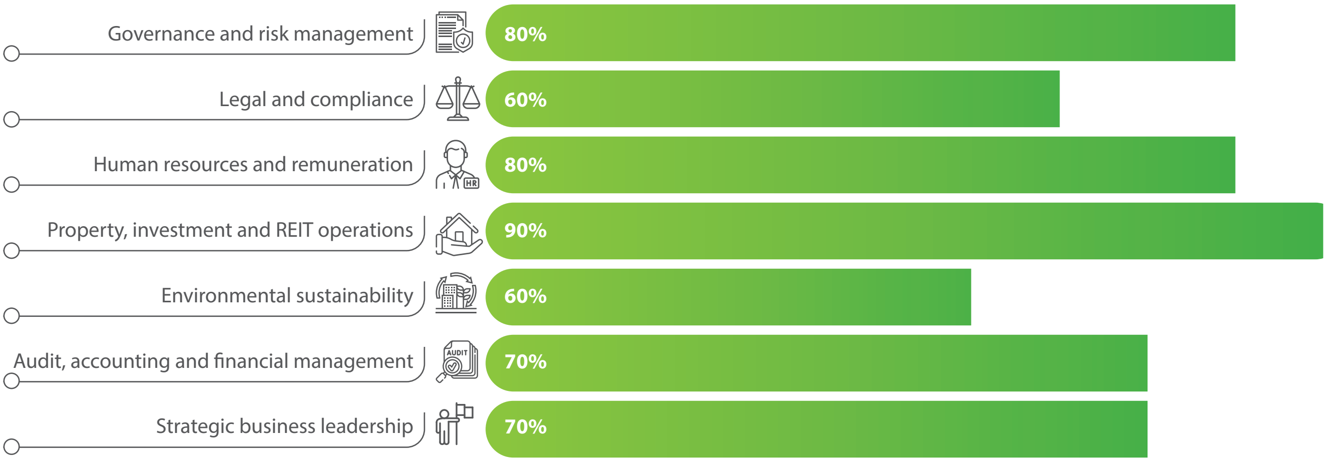
EFFECTIVE OVERSIGHT

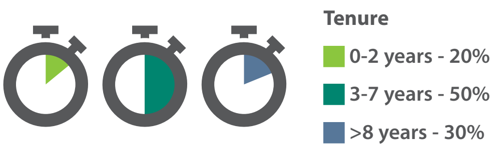
Eight scheduled and special Board meetings in 2023 – 100% attendance

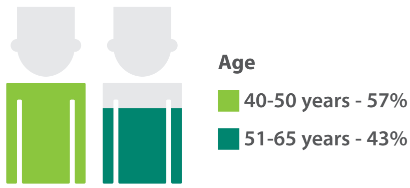
A DIVERSE BOARD



Board areas of expertise, primary skills and experience:







Broad representation achieved

- Board Diversity Policy targets achieved, promoting broader diversity and inclusiveness
- Targeted 40% female representation exceeded with the appointment of a female non-executive director and a female Chief Operating Officer in 2023
- Policies and targets reviewed periodically
- 80% of directors are from previously disadvantaged groups, including five women
- Qualification and experience coupled with broader diversity considerations in all appointments

The Board is satisfied that its composition reflects an appropriate mix of skills, knowledge, qualifications, diversity, experience and independence.

More information about the Board members is available on pages 28 and 29 and on the website.

B-BBEE

- The Group retained a Level 1 B-BBEE contributor status for the 2023 verification period.
- Property industry's B-BBEE Property Sector Code applied
- Committed to transformation
- Promoting a vibrant and growing property sector

For a full corporate governance report, please refer to the ESG Report, page 7.

GOVERNANCE AND COMPLIANCE *CONTINUED*

MANAGEMENT OF GOVERNANCE PROCESS

APPOINTMENTS AND ROTATION

Considering a balance of skills, knowledge, qualifications, diversity and experience

Nomination Committee identifies suitable candidates

↓

Board considers appointment

↓

Appointment letters are issued

↓

Shareholders approve/ratify appointment at AGM

Transparent and formal procedure, including probity checks

At least one-third of non-executive directors are subject to retirement by rotation and re-election annually, and those who served more than nine years must stand for re-election every year.

PERFORMANCE EVALUATIONS

Formal evaluation of the Board, individual directors, Committees, the Chairman and the Company Secretary is undertaken every two years

↓

Outcomes of evaluations are considered, and improvement plans are developed

INDEPENDENCE OF THE DIRECTORS

All non-executive directors are subject to an independence review by the Board, with the assistance of the Nomination Committee. The Board considers, against the King IV™ indicators of independence, on a substance-over-form basis, whether a non-executive director is independent in character and judgement, and whether there are any relationships or circumstances which are likely to affect, or could appear to affect, a director's independence. Based on the findings of this evaluation, **the Board concluded that all non-executive directors serving on the Board are independent.**

DEVELOPMENT OF DIRECTORS

New directors receive induction on the Group's governance and business

↓

Ongoing training on business undertakings, legal developments, changes in risk, amongst others

SUCCESSION PLANNING

The Board considers its current composition to be suited to the business of the Group. The Nomination Committee considers non-executive director succession periodically as a standing agenda item. **Overall, the Board is confident that it has the right level of knowledge, experience and skill to ensure objective and effective oversight and governance, as well as the depth of skill among current directors to meet succession requirements.** Board vacancies are filled based on skills profiling and any gaps identified from periodic Board skills assessments undertaken. The Board's Remuneration Committee ensures that succession planning is in place for executive directors and senior management. The employment contract of the CEO was renegotiated such that his retirement has been postponed to 31 December 2024, and a process has commenced to identify a suitable successor and ensure a smooth handover.

DISCLOSURE CONTROLS

The Group regularly reviews its disclosure controls and procedures, as part of its **Stakeholder Engagement Policy**. In this regard, in SA Corporate's context, disclosure controls and procedures are designed to:

- ensure that information required to be disclosed in terms of all legal and regulatory requirements to which SA Corporate is subject are recorded, processed, summarised and reported within the periods specified in terms of those rules or regulations relevant to SA Corporate;
- ensure that price-sensitive information is identified and disclosed adequately and timely to all investors;
- ensure that unpublished price-sensitive information is kept confidential (for a limited period and subject to certain requirements) until it is disclosed; and
- ensure that the information disclosed is not misleading in any way.

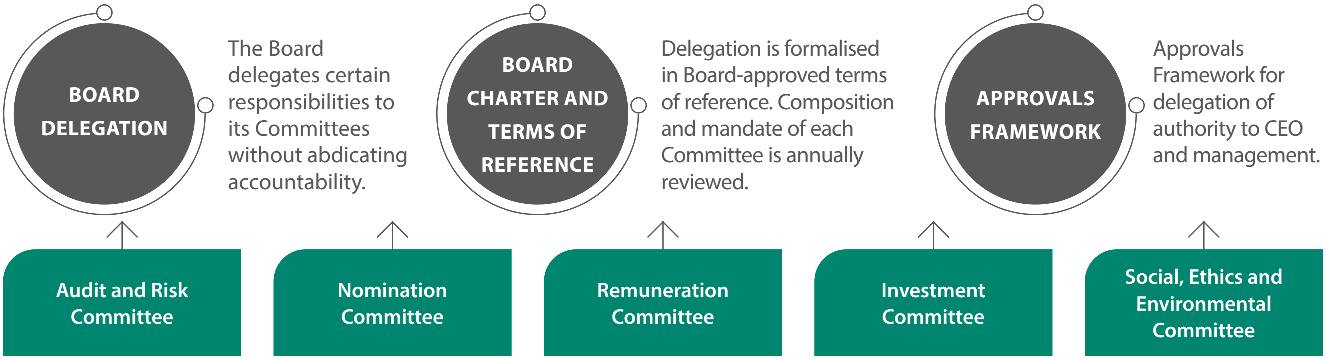
For more information on the Group's Stakeholder Engagement Policy and Disclosure Controls, refer to the Group's website and the Stakeholder Engagement section, page 15.

ACCESS TO INFORMATION AND PROFESSIONAL ADVICE

SA Corporate directors have unrestricted access to all Group information, records, documents and property. Information is distributed promptly before Board meetings to enable directors to prepare and apply their minds adequately.

The Board recognises that there may be occasions where one or more directors deem it necessary to seek independent, professional advice. In this regard, the Board's charter provides that **any director is empowered to consult independent experts when necessary** and within his/her duties as a director of SA Corporate. All requests for independent, professional advice should be directed in writing to the Chairman and/or the Group Company Secretary. Costs incurred as a result of the independent advice will be borne by SA Corporate, subject to approval by the Chairman.

BOARD COMMITTEES



The Board may appoint ad hoc Committees from time to time to deal with specific matters that fall outside the scope of the existing Committees.

The Board is satisfied that its Committees fulfilled their respective mandates in compliance with each of their terms of reference, as approved by the Board.

AUDIT AND RISK COMMITTEE	**Chairman:** N Ford-Hoon (Fok)	**Number of meetings:** 8 **Attendance:** 100%
Members: GZN Khumalo*, GJ Heron, SS Mafoyane		
2023 Highlights • Recommended the re-appointment of the External Auditor • Reviewed the External Auditor's independence and terms of engagement, and approved the external audit fees • Determined and approved the nature and extent of allowable non-audit services • Reviewed the adequacy, effectiveness and quality of the internal- and external audit processes • Assessed the adequacy of the expertise and resources of the Internal Audit function • Met separately with the external- and internal auditors without management present • Monitored compliance with applicable legislation and regulation • Considered and applied the JSE's feedback on proactive monitoring of financial statements • Reviewed the effectiveness of the Group's system of internal financial control and ensured that the Combined Assurance Framework was applied to provide a coordinated approach to all assurance activities • Reviewed the integrity of the interim results, Group annual financial statements and the IAR, including the public announcements of the Group's financial results • Recommended the Group- and Company annual financial statements and the IAR to the Board for approval • Oversaw the management of financial and other risks that affect the integrity of external reports issued by the Group • Reviewed the Group's insurance cover • Reviewed the expertise, resources and experience of the CFO and the finance function • Considered the acquisition and related accounting treatment of Indluplace • As a consequence of the Indluplace acquisition, the ARC had to approve the refinancing of debt facilities, which included the approval of an acquisition facility from a lender		**2024 Focus** • Continued focus on further embedding enterprise risk management and combined assurance considerations • Maintaining focus on continuous auditing from an internal audit perspective • The Committee's composition, skill set and succession plan • Overseeing the further automation of financial processes • Overseeing financial and tax implications arising from corporate actions

* Appointed effective 1 February 2023

INVESTMENT COMMITTEE	**Chairman:** GJ Heron	**Number of meetings:** 6 **Attendance:** 97%
Members: TR Mackey^, MA Moloto, OR Mosetlhi, N Ford-Hoon(Fok)		
2023 Highlights • Monitored the Group's disposal progress • Evaluated targeted yields through post-acquisition reviews • Reviewed Broll's performance against agreed KPIs • Approved material transactions, recommended corporate action and approved leases within the Committee's mandate • Reviewed the Group's property portfolio performance quarterly • Recommended the acquisition of Indluplace and the creation of an unlisted residential fund to the Board for approval		**2024 Focus** • Monitor the ongoing execution of the Group's investment strategy and specifically recent corporate action • Unlisted residential fund and divestment of non-core properties, predominantly in the Indluplace portfolio • Monitor Broll's performance against agreed KPIs • Consider new and future material transactions and leases within the Committee's mandate

^ Executive Director

GOVERNANCE AND COMPLIANCE *CONTINUED*

NOMINATION COMMITTEE	Chairman: MA Moloto	Number of meetings: 4 Attendance: 100%
Members: EM Hendricks, OR Mosetlhi		
2023 Highlights • Recommended the election and re-election of directors retiring by rotation • Recommended the election of ARC members • Reviewed independence of non-executive directors • Reviewed the Board and Board Committees' structure, size and composition, taking into consideration the Board's succession plans • Assisted the Chairman and the Board in evaluating the performance of the Board, its committees, individual directors and the Group Company Secretary		**2024 Focus** • Consider the Board and Board Committees' structure, size and composition, taking into consideration the Board's succession plans, and making appropriate recommendations to the Board • Recommending the notice of the AGM, including a recommendation on directors retiring by rotation and those recommended for election to the ARC at the AGM

REMUNERATION COMMITTEE	Chairman: OR Mosetlhi	Number of meetings: 4 Attendance: 100%
Members: GZN Khumalo*, MA Moloto		
2023 Highlights • Reviewed the appropriateness and relevance of the Remuneration Policy and oversaw the implementation and execution thereof • Oversaw the review and approval of the Group's remuneration report, and recommended the report to the Board • Recommended the appointment of the COO, and considered succession planning for senior management and executive directors, specifically the postponement of the retirement of the CEO • Considered the evaluation of the performance of the executive directors, and reviewed the accuracy and relevance of performance measures that govern the vesting of incentives • Reviewed remuneration practices and employment conditions across the Group • Recommended the non-executive directors' fees to the Board for recommendation to the AGM • Recommended the percentage annual salary increase for employees to the Board		**2024 Focus** • Consider succession planning for the executive directors and senior management • Review and recommend the Remuneration Report to the Board • Recommend the non-executive directors' fees to the AGM

* Appointed effective 1 February 2023

SOCIAL, ETHICS AND ENVIRONMENTAL COMMITTEE	Chairman: EM Hendricks	Number of meetings: 3 Attendance: 100%
Members: SS Mafoyane, OR Mosetlhi, SY Moodley^		
2023 Highlights • Considered, monitored and oversaw the Group's economic, workplace, social- and natural environmental impact • Monitored the Group's B-BBEE verification process and the action plans and initiatives to improve the Group's recognition level • Oversaw the Group's progress with the implementation and further development of its primary SDGs • Considered and measured the Group's in-progress and planned initiatives to reduce the environmental impact of its business and operations on the natural environment • Approved the Group's Human Rights Policy Statement • Recommended the ESG Report to the Board for approval		**2024 Focus** • Monitor the implementation and further development of the Group's primary SDGs • Review and recommend the ESG Report to the Board • Oversee the finalisation of the Group's revised Code of Conduct • Oversee the maintenance of the Group's Level 1 B-BBEE contributor status

^ Executive Director

For a full corporate governance report, please refer to page 7 in the ESG Report.

The full terms of reference of all the Committees are available on the Group's website.

Frangipani, 96 Oxford Street, Randburg

3

SUSTAINABLE VALUE CREATION THROUGH OUR STRATEGY

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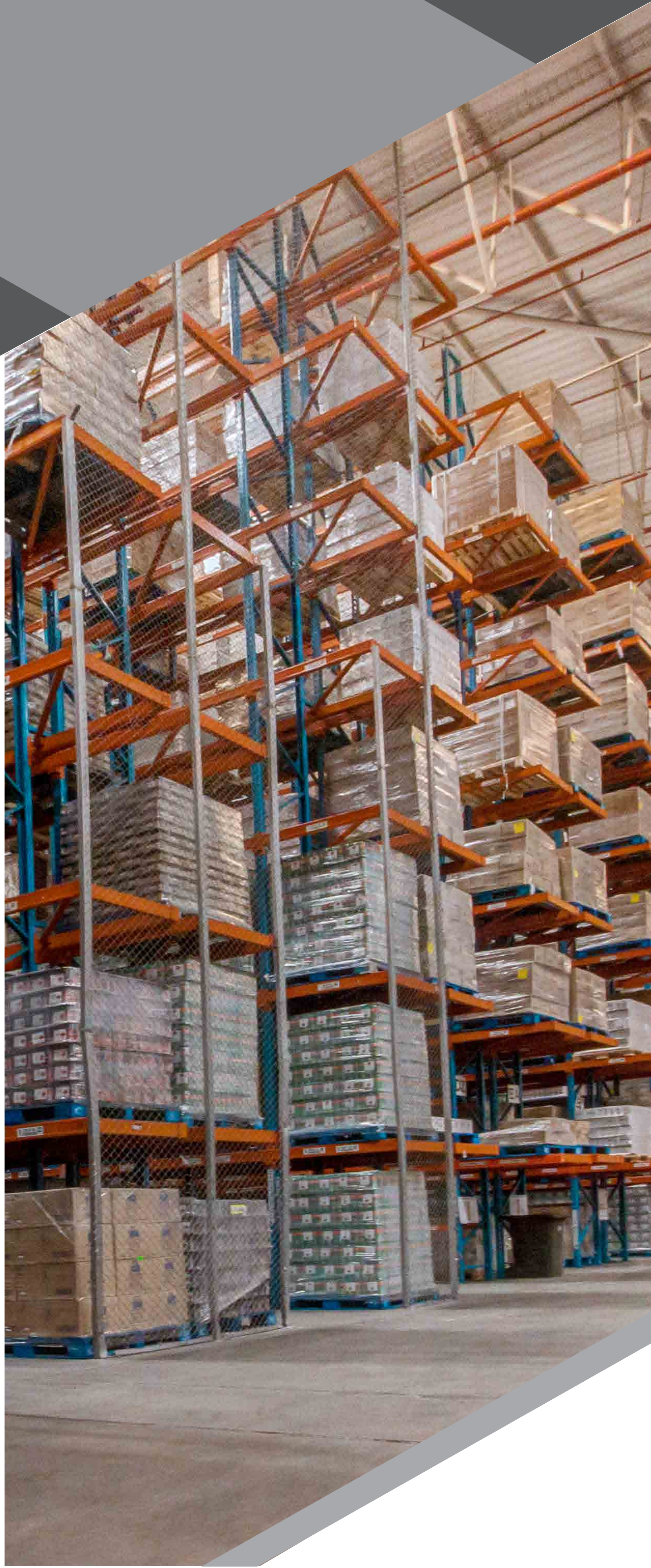


112 Yaldwyn Road, Jet Park

OPERATING CONTEXT

STRATEGIC OBJECTIVES

- Convenience retail
- Human capital development
- Quality industrial portfolio
- Divesting from commercial
- Financial sustainability
- Operational optimisation
- Best-in-class residential portfolio
- Execution discipline

The trends we experienced in 2023

	Lifestyle and value-add amenities	Loadshedding and increasing water shortages drive the demand for solutions	Preference for convenience	Preference for convenience and value	E-commerce	Residential demand
PREVAILING TREND	Increased demand for destination shopping that includes lifestyle enhancing amenities to integrate work, live and play, and incorporate outdoor facilities.	Increased demand for stable energy and water supply, as well as lower cost of occupation through alternative energy offerings.	Shopping behaviour has shifted towards a preference for convenient community and neighbourhood centres for daily needs. The performance of this sector has proven more resilient as a result.	Excess supply and reduced demand for office space has caused increased vacant space. This has necessitated the change to a hybrid and shared space model.	Increased investment into e-commerce capabilities creates higher demand for modern logistics and distribution warehouses, but also presents a challenge for the traditional bricks and mortar retail.	Increased urbanisation and high interest rates have increased the preference for rental over purchase. Affordable accommodation sought meeting the needs of the less affluent in challenging economic times.
OUR RESPONSE	**Convenience retail** Significant capital expenditure and adding innovative amenities have improved the attractiveness of our properties and reduced vacancies as a result. *Refer to the case studies on pages 67 and 79 for more information*	**Convenience retail** SA Corporate retail centres and high-rise residential buildings have been equipped with generators. **Best-in-class residential portfolio** Significant solar installations have been implemented and further opportunities are being explored. Water solutions, such as boreholes and water tanks, are being implemented.	**Convenience retail** Essential convenience shopping comprises 63.6% of the retail portfolio, including multiple food and pharma brands in our retail centres. Our athleisure brand offering is very popular.	**Divesting from commercial** Offices 1.3% of the total portfolio. Several successful office space conversions have reduced vacancies.	**Quality industrial portfolio** Logistics comprise 82% of the industrial portfolio. **Convenience retail** Retail malls repositioned as lifestyle destinations with a significant range of amenities in addition to stores.	**Best-in-class residential portfolio** Rebalancing and expansion of the portfolio is well on track. Acquisition of Indluplace portfolio has provided scale. Unlisted residential fund has been established.

CHIEF EXECUTIVE OFFICER'S REVIEW

SA Corporate is proud to present a set of results that confirms considerable progress on several strategic fronts, albeit with different financial outcomes in the first and second half of the year.

RORY MACKEY
Chief Executive Officer

INTRODUCTION

The first six months of the 2023 financial year were challenging due to a rise in costs, disruptions caused by loadshedding and the dilutive effect of our R1.4 billion divestment programme. The repo rate of the South African Reserve Bank ("SARB") reached its peak at 8.25% in 2023, which had a significant impact on the Group's interest costs and consequently, on distributable income. Pleasingly, financial performance in the second half of the year notably improved with distributable income up 5.5% against the comparable six months in 2022, evidence of strong operational performance and the initial accretion from the Indluplace transaction. The Group reported distributable income for the full year that was 4.0% lower than the prior year, in line with guidance provided to the market during the year.

Operational metrics continued to improve with reduced vacancies across all portfolios, a recovery in reversions and a rebound in trade, all contributing to rising revenues. However, municipal and utility costs, which were increasing faster than inflation, continued to put pressure on net operating income. Of increasing concern for the capital budget, is the failing municipal and national infrastructure and the necessity for the private sector to step in to provide the infrastructure in an effort to create a more conducive operating environment for our tenants and ourselves.

STRATEGY UPDATE

The Group's resilience, which enables it to trade through economic downturns, is a result of our strategy to create a defensive portfolio for investors. SA Corporate's defensive portfolio is predicated on the pillars of:

(i) a robust retail property portfolio focused on convenience-orientated shopping centres which dominate their catchment areas;

(ii) a quality logistics portfolio which offers competitive rentals and that invests in established logistics precincts and properties that it can optimise to meet tenant needs;

(iii) a best-in-class residential rental portfolio in inner city precincts and suburban estates; and,

(iv) financial sustainability realised by actively monitoring and managing the Group's debt, hedging structures and financial covenants.

RESHAPING THE PORTFOLIO

Disposing of non-core and underperforming properties that do not fit our strategic vision is vital to our strategy implementation. We are pleased to be able to demonstrate SA Corporate's ability to execute in this regard. The Group's total contracted disposal pipeline from 1 January 2023 of R1.21 billion was sold at a 6.0% premium to the last valuation and at a weighted average exit yield of 8.7%. R192.2 million of the contracted disposals had not yet transferred by year-end.

The proceeds from the divestment pipeline were deployed in improving the quality of SA Corporate's retail portfolio and increasing its exposure in the defensive residential rental sector in which the Group's subsidiary, Afhco, is the market leader in South Africa. SA Corporate was able to recycle capital from property disposals contracted at full value to acquire listed Indluplace at a time when the South African listed property sector was trading at a substantial discount to net asset value. The Indluplace portfolio provides further exposure to the residential sector, a sound fit and additional scale for Afhco thereby contributing positively to the establishment of a best-in-class residential rental portfolio. The R2.4 billion accretive transaction occurred in the second half of the year and increased assets under management from R16.6 billion in 2022 to R19.0 billion at 31 December 2023. Post the integration of the Indluplace portfolio, we are actively refining the portfolio through the disposal of non-core residential assets.

UNLISTED RESIDENTIAL FUND

SA Corporate is in the process of establishing an unlisted residential fund that will hold the Afhco residential portfolio along with new assets acquired over time. The portfolio, co-owned by SA Corporate shareholders and other investors, will be managed by a Group subsidiary. The fund is targeting to raise capital from impact investors mandated to make socially responsible investments. Affordable residential rental property is an investment category that is well aligned with this mandate. The aim is that the investment by external investors will, over time, equal that of SA Corporate's shareholders, enabling the scaling up of the portfolio with well-priced capital. We envisage that SA Corporate will continue to control the fund, maintaining it as an unlisted REIT and affording both SA Corporate's shareholders and new direct impact investors tax efficiency.

Initially, at least R1.0 billion in equity and R783.4 million in new debt is anticipated to be raised in the fund with the latter not having recourse to SA Corporate's balance sheet. Proceeds will first be used to settle R1.8 billion of debt at the SA Corporate level. Additional capital to be raised thereafter

CHIEF EXECUTIVE OFFICER'S REVIEW *CONTINUED*

will be invested in new assets. An equity yield of between 9.5% and 10.0% is being targeted for the equity investment into the fund. It is anticipated that the first equity investor will be contracted by the end of June 2024. A pipeline of quality suburban residential estates is being explored to deploy this capital.

The changing landscape post the Covid-19 pandemic and the effect on real estate of the acceleration of developments in IT and E-commerce is certainly resulting in investment in residential property getting more attention. MSCI has reported that in 2022, residential assets account for 21% of global investment property by value, equal in size to industrial property and second only to offices at 35%, the attraction for the latter waning rapidly. MSCI has further noted that the residential asset class only accounts for 2% of the REIT sector in South Africa and that international residential income yields have been consistently well below that of all other real estate asset classes over the past 20 years, contrary to the case in South Africa. Against this backdrop, SA Corporate believes its efforts to offer increased exposure for investors to a well-managed residential portfolio is appropriate.

QUALITY RESIDENTIAL RENTAL PORTFOLIO

The Indluplace acquisition has increased the scale of the portfolio to 17 500 apartments and contributed to the residential strategy to rebalance the portfolio towards a more equal split between suburban estates and inner city precincts. The most pleasing operational highlights for this portfolio during the year were occupancy levels that the portfolio has not experienced in over seven years, showcasing the defensive nature of the residential portfolio.

THE VISION FOR THE RESIDENTIAL PORTFOLIO

Establishment of an unlisted residential fund to hold a best-in-class South African residential rental portfolio of scale with a diversified investor base

Average vacancies in Afhco's average residential portfolio reduced from 4.3% to 3.1%, and from 8.5% to 4.5% in the Indluplace residential portfolio. The Indluplace student portfolio occupancy improved from 50% to 98%. This led to Indluplace NPI outperforming forecasts at the time of acquisition. In the Afhco portfolio, like-for-like NPI grew by 3.3%, with an R2.8 million increase in diesel costs associated with loadshedding detracting from what would have been an NPI growth of 4.4%, excluding these costs. Rental increases averaged 3.9% and continued to steadily improve, supported by robust demand and an average annual occupancy of 97.0%.

The inner city continued to outperform the suburban portfolio, supporting our strategy to retain a quality inner city residential portfolio. Inner city vacancies recorded an all-time low of 0.8% in October 2023, before closing the year at 2.6%. The suburban portfolio had an annual average vacancy of 4.4% and closed the year at 6.0%. Performance was impacted by higher vacancies at South Hills Lifestyle Estate, due to recurring municipal electricity and water outages. The reduction in residential vacancies can be attributed to the implementation of strategic capital expenditure initiatives, coupled with effective promotional interventions and our online leasing capability through various platforms on mobile and PC devices.

In terms of the refinement of the residential portfolio, only R113 million remains to be contracted for sale of the circa R1 billion of properties identified in the Afhco portfolio as non-core. As pleasing, is that more than half of the Indluplace non-core properties identified for divestment are either contracted for sale or under offer, enabling SA Corporate at this time to negotiate the best terms from competing potential purchasers.

There is no sector in the real estate industry where the application of information technology and platform economics is having a greater impact than in the residential sector. Furthermore, this is a never-ending journey of ensuring that our infrastructure and systems ensure optimum performance at the least cost. The primary focus is the continued digitisation of the Afhco business where our current progress is that:

- we have completed the scoping of tenant and property information and the analysis thereof for business intelligence,
- Afhco is 50% complete with introducing a new building management system and we have commenced with the Indluplace portfolio,
- a WhatsApp BOT has been implemented to improve customer relationship management,
- document management is in trial for our financial systems,
- our online leasing system is being tested, and
- the sales online system has been implemented.

We intend to embrace new technologies in the field of artificial intelligence to improve the performance of our residential business that has at its core the need to serve humans. We are, therefore, in the process of scoping a project with the large dataset available to us within the requirements of legislation pertaining to the protection of personal information to be better able to predict tenant behaviour, particularly with respect to payment in good standing and occupancy tenor. This is aligned with our strategy to be a supplier of choice in respect of affordable residential rental accommodation thereby enabling us to be more analytical in our tenant vetting process.

CONVENIENCE RETAIL

OUR RETAIL ASPIRATION

A defensive niche retail portfolio, specialising in convenience-orientated shopping centres and generating sustainable, above inflation distribution growth.

Our strategic intent with the retail portfolio is well on track

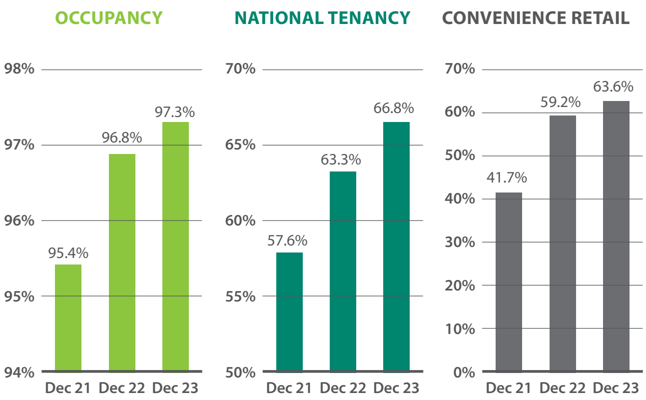
Our focus on the convenience factor of consumer staples, grocers, pharmaceuticals and wellness has culminated in these categories now comprising 63.6% of the retail portfolio, up from 41.7% two years ago. National tenants, with an emphasis on national grocers, have increased from 57.6% to 66.8% and the weighted average lease expiry of retail leases from 3.6 years to 4.0 years over the same period. The progress

CHIEF EXECUTIVE OFFICER'S REVIEW *CONTINUED*

made in repositioning this portfolio culminated in like-for-like revenue and net property income growth of 7.8% and 5.3%, respectively with the latter impacted by a once-off municipal credit in the prior year.

Trading density growth in 2023 was strong and for the like-for-like portfolio was 6.3%. However, the higher growth in trading density was with the inclusion of development properties which, supported by the Group's interventions to these, the trading density growth of the entire Retail portfolio including development properties was 9.4%.

A BELOW-SECTOR VACANCY OF 2.7%



In addition to the focus on convenience, we have also in recent years identified and attended to the growing demand for lifestyle amenities to differentiate the properties, thereby increasing footfall from customers and the attractiveness to tenants and supporting the generation of sustainable income growth.

For more information on the amenities introduced in our different portfolios, refer to What differentiates us on page 6

The emphasis in 2023 was on leveraging the capacity and extensive skills of the internal retail leasing team to reduce vacancies and improve the tenant mix at various properties, with a strong focus on increasing food exposure as the backbone of our convenience strategy.

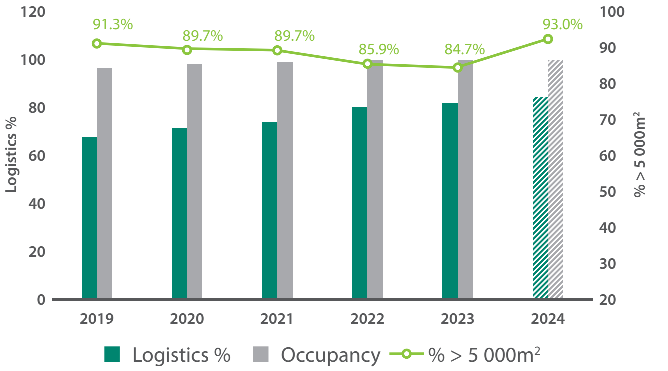
At East Point Shopping Centre, unused space was repurposed and combined with existing GLA and leased to Global Brands, further enhancing the sportswear offering of the Centre. Redevelopment projects were completed at Morning Glen Mall and Coachman's Crossing, resulting in strategic vacant areas being filled by national and convenience-orientated tenants. New tenancies such as Blueberry Beacon, Golden Tee, Willow Way Fitness and Foodies Feast Market complemented the lifestyle offering of Morning Glen Mall. The redevelopment of Coachman's Crossing resulted in the introduction of Woolworths Food and fast-food outlets complementary to the existing tenant mix, which attracted a notable new and enlarged customer base. Musgrave Centre is the property we are most excited about for the coming year, with the introduction of a Checkers Emporium with a Checkers Fresh, Checkers Pet store and Checkers Liquor store, on the fourth floor of the Centre. Musgrave Centre is being transformed into a dominant convenience retail destination with representation from Checkers, Food Lovers Market, Pick n Pay, Dis-Chem, Clicks and Woolworths, complimented by strong national apparel and food together with leisure activities, including a gym and padel courts.

QUALITY LOGISTICS FOCUSED INDUSTRIAL PORTFOLIO

THE AIM FOR LOGISTICS
A quality, low vacancy, logistics portfolio offering cost effective rentals with predictable cash flows

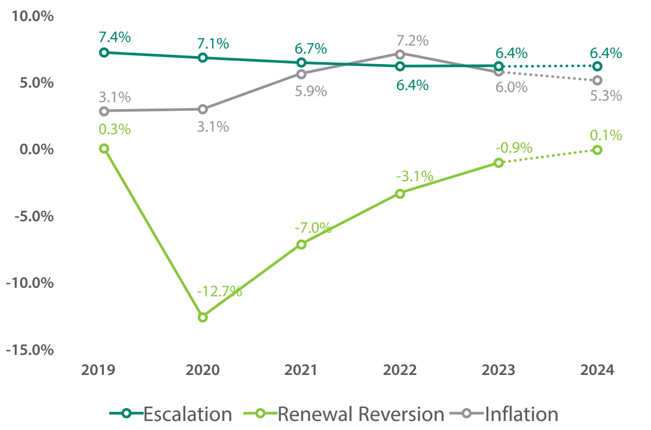
The resilience of the industrial portfolio is underlined by a 92.2% tenant retention rate and a negligible vacancy of 0.2% which compares favourably with a sector-wide vacancy of 2.1% (as per MSCI). The industrial portfolio delivered like-for-like NPI growth of 5.3%, driven largely by positive escalations in respect of 140 000m² of space, let to Imperial Health Sciences, Bell Equipment and Tiger Brands.

INDUSTRIAL PORTFOLIO



The Group continued to establish a firm foundation for future growth in this portfolio through divestment from non-core properties and focusing on high occupancy and the portfolio being predominantly logistics facilities greater than 5 000m². The above graph indicates the progress made: occupancy for the last two years at above 99%, logistics now at 82% of the portfolio, and 85% of industrial properties being above 5 000m². For 2024, we are targeting negligible vacancy, logistics being 85% of the portfolio and the percentage of properties greater than 5 000m² increasing to 93%.

INDUSTRIAL ESCALATIONS AND REVERSIONS



CHIEF EXECUTIVE OFFICER'S REVIEW *CONTINUED*

The renewal reversion on the portfolio of a negative 0.9% was not representative of the trend during the year and relates to the reversion on the renewal of the 155 Old Main Road motor showroom, which was a negative 10.4%. It is pleasing to see that these negative reversions in the SA Corporate portfolio are abating, and renewal revisions are anticipated to be flat in 2024.

With the bulk of industrial disposals finalised, the focus will now shift towards the upgrading of our properties to remain relevant, attractive and competitive.

COMMERCIAL PORTFOLIO

We intend to divest the office property portfolio in its entirety

Only two standalone properties remain in this portfolio - GreenPark Corner in Sandton and Nobel Street in Bloemfontein, representing less than 2% of the South African portfolio. A significant highlight this year has been the reduction in stand-alone office vacancy from 8% to 1% and substantial NPI growth exceeding 20%. We continue to make good progress in readying the small remaining portfolio for sale.

ZAMBIA PORTFOLIO

THE AMBITION FOR THE AFRICA JOINT VENTURE

Unlocking value through a risk-shared model

The Zambian portfolio delivered a strong set of results for the year ended 31 December 2023, with like-for-like NPI growth in USD of 6.3% and a growth in distributable income of 4.5% in rand terms. Growth was largely driven by a reduction in vacancies and the acquisition of the remainder of phases 5, 6 and 7 at East Park Mall. Our flagship East Park Mall continues to be one of the most aspirational malls in Lusaka and now comprises 71% of the Zambian portfolio value. At year-end, East Park Mall had a vacancy of 0.7% and all expiring leases during the year were renewed at a reversion of 2.3% in USD. Vacancies in the Zambian JV retail portfolio reduced to 2.6% from 5.4% at 31 December 2022.

SA Corporate (together with the Group's Zambian JV partner) acquired a 59.9% interest in the Lusaka Stock Exchange-listed Real Estate Investments Zambia Plc ("REIZ") in 2022. The transaction was at a 68.5% discount to its net asset value. The transaction was strategic, as, in addition to strengthening the retail nodal dominance of the Zambian joint venture, the transaction opened the opportunity to realise a value-unlock by establishing Zambia's first REIT with tax efficiencies, enabling investment appreciation and liquidity. Post the 2023 year-end, SA Corporate and its partner increased their shareholding in REIZ to 89.9% by transferring two of the joint venture's smaller properties to REIZ in return for shares in the company in anticipation of REIZ deriving the tax efficiencies associated with its conversion to REIT status. The transaction is still subject to regulatory approval from Zambia's Competition and Consumer Protection Commission.

FINANCIAL SUSTAINABILITY

It is pleasing to report that we have executed a successful refinancing of R1.2 billion of debt, reducing the margin by 1.63 bps, as well as introducing new facilities of R500 million during the year. Total debt drawn amounted to R8 098.5 million, an increase of R1 643.0 million from 31 December 2022. The Indluplace acquisition added R1 347.3 million of debt, with the balance largely attributable to capital expenditure during the year. This culminated in net debt LTV increasing from 38.1% as at 31 December 2022 to 41.9% as at 31 December 2023. It is our intention in the near term to bring our LTV back to our preferred range of between 35% to 39%, together with increasing our ICR through the introduction of new additional direct capital into our residential portfolio.

ESG PERFORMANCE

As part of the group's ESG objectives, we have identified the role that we can play in promoting home ownership to those households who find themselves in the property ownership gap, that being those households who earn too much to qualify for the RDP subsidy, but too little to easily afford homeownership. We have data on tenants who are potentially eligible to qualify for various funding mechanisms, including Finance Linked Individual Subsidy Projects ("FLISP"), pension-backed home loans and the government employees housing scheme and a large portion of the assets held within our residential portfolio fall within this group's affordability range. Divesting from non-core residential apartments to the retail market is also commercially attractive, as it enables the Group to exit properties that no longer meet our investment strategy at a significant premium to our historical cost, realised from pricing that is reflective of personal ownership. In 2023, we divested residential apartments for a total consideration of R132.5 million, at a weighted average exit yield of 7.1% and a premium of 24.6% on the last valuation.

The Group increased its solar PV generating capacity to 16.3 MWh in 2023 and this is programmed to increase to 18.4 MWh in 2024. As Solar PV has been successfully installed on the roofs of all retail shopping centres where it was practically feasible, further installations will be for the industrial and residential portfolios. We will also be upgrading generators to synchronize solar PV, which will reduce diesel usage (and cost) by up to two-thirds. Our water usage decreased by 16% as we focused on installing more boreholes, water-saving initiatives and water tanks. For more on our social and environmental activities please refer to the ***2023 ESG report on our website.***

DISTRIBUTION PHILOSOPHY

The Company is committed to a distribution policy that meets the investment thesis of REIT investors and has withheld 10.0% of distributable income from distribution to shareholders for capital expenditure that is defensive and recurring and which will not generate additional income nor enhance the value of property assets.

CHIEF EXECUTIVE OFFICER'S REVIEW *CONTINUED*

LOOKING AHEAD

Vacancy in the retail portfolio is anticipated to reduce marginally from the below-sector vacancy at the 2023 year-end. Above-inflation escalations are contracted for 88.5% of leases in 2024. Despite this, renewal reversions are expected to be flat, due to negative reversions that are expected with certain national tenants in areas undergoing reconfiguration. If the renewals affected by reconfiguration are excluded, the forecast renewal reversion would have been approximately 5.0%.

The defensive nature of SA Corporate's property portfolio provides the foundation for sustainable growth in NPI notwithstanding particularly challenging economic conditions in South Africa.

Strong performance is forecast in the industrial portfolio for the 2024 financial year, with a 100% let portfolio, escalations above inflation and reversions becoming positive.

In the residential portfolio, with the aggregation of the Indluplace portfolio with that of Afhco, vacancies for the combined portfolio will be marginally higher than previously reported for Afhco. Residential rental rates are also expected to continue their positive trend. Engagement with potential investors for the Group's unlisted residential fund continues.

Like-for-like NPI growth for the year for the total South African portfolio is forecast to be between 4.5% and 5.0%.

For the year ending 31 December 2024, distributable income is estimated to approximate inflation with the second half being greater than the first.

APPRECIATION

As we reflect on the accomplishments of this past year, I am grateful and proud of the dedication and hard work exhibited by each member of our team. I thank our Chairman and Board members for their guidance and vision, which have been instrumental in shaping our path to success. To our valued tenants, your trust and collaboration are the cornerstone of our business and we value your continued partnership. To our shareholders, we value your continued support. As we stand at the threshold of a new year, I am excited about the opportunities that lie ahead.

Midhill Gardens ,5 Ockerse Street,
Hillbrow, Johannesburg

RISK MANAGEMENT AND KEY RISK FACTORS

OVERVIEW

The Group's Board-approved Enterprise Risk Management ("ERM") process formalises the methodology, provides a pragmatic structure within which management identifies and assesses key risks facing the Group, and ensures that the necessary internal controls are implemented and maintained. The main purpose of the Group's ERM process is to adequately position the Group to understand and respond to the potential risks that could materially impact the execution of its strategic objectives and operations and to ensure timely response to appropriate opportunities.

Audit and Risk Committee

The Committee's risk oversight mandate aims to ensure that the Group implements and maintains an effective ERM framework, complies with laws, regulations and relevant best practice codes, and that information technology is governed in support of the Group's strategy and direction. The Committee further oversees the management of financial and other risks that affect the integrity of external reports and reporting disclosures issued by the Group, and monitors compliance with legal and regulatory requirements to the extent that it may have an impact on the financial statements and reporting of the Group.

Board Committees

The Board Committees' mandates in respect of risk management provide that each Committee supports the ARC and the Board in ensuring effective risk management oversight, specifically in relation to material risks and opportunities within their scope. Each Committee gives effect to this responsibility through:

- ensuring the effective monitoring of risk allocated to the Committee;
- considering and reviewing management's feedback and/or assurance provider reports on the design and operating effectiveness of existing key risk responses (with focus on major or significant deficiencies);
- considering management updates on action plans identified to remediate any key responses with significant or major deficiencies;
- considering management's feedback on key developments that have a potential material impact on the allocated risks, as well as the appropriateness of existing key responses or any new/additional key responses required; and
- providing feedback through the Committee Chairmans to the ARC and the Board on any material risk-related matters, specifically the key responses with major or significant deficiencies, key developments with a material impact, any new/additional key responses required or any potential breach of approved risk appetite and tolerance levels (as relevant and appropriate).

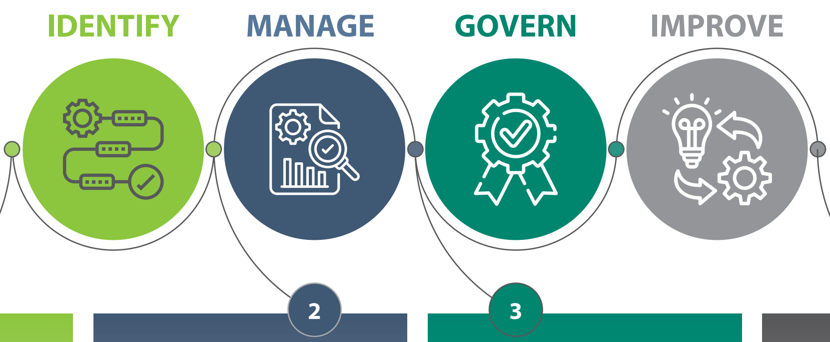
OUR ERM PROCESS

The Group's ERM processes are in place to ensure risks are identified, analysed, evaluated, treated and monitored consistently. To this end, the ERM process aims to align strategy, funding, process, people, technology and business intelligence to evaluate and manage business opportunities, uncertainties and threats in a structured, disciplined manner, ensuring that risk and funding implications are considered when making strategic and operational decisions.

ERM Objectives

RISK MANAGEMENT AND KEY RISK FACTORS *CONTINUED*

ERM Process



1

PROCESS
- *Identify risks*
- *Understand the risk*

OUTPUT
- *Determine risk profile*
- *Define response and controls*
- *Prioritise top risks*

2

PROCESS
- *Manage and monitor risks*

OUTPUT
- *Effective management of risks*

3

PROCESS
- *Govern and assure*

OUTPUT
- *Assurance on effectiveness of ERM*

4

PROCESS
- *Analyse and determine improvement*

OUTPUT
- *Act on improvement plans*

RISK APPETITE THRESHOLDS AND TOLERANCE LIMITS

The Group's Risk Appetite Threshold refers to the amount of risk that the Group is willing to accept while achieving its objectives. The Group's Risk Tolerance Limits refer to the acceptable deviation(s) from the level(s) set by the risk appetite and business objectives.

The Group has adopted conservative to receptive Risk Appetite Thresholds and Risk Tolerance Limits, which are assessed and approved on an annual basis by the Board and have an appropriate opportunity for interim reviews and adjustments as may be necessary. The Board receives regular reports on the Group's performance on these Risk Appetite Thresholds and Risk Tolerance Limits to ensure effective monitoring and opportune adjustments.

The Risk Appetite Thresholds and Risk Tolerance Limits at all times reflect an appropriate balance between risk and opportunity, with specific consideration to guide financial management, the Investment Policy and maximised shareholder value.

TOP RISKS

The Group annually undertakes an in-depth review of the top risks per the risk register, aimed at ensuring relevance, proportionality and accuracy. This review is done at the Board level, during the Board's annual strategy session. In addition, emerging risks and the extent to which identified risks become more pervasive are also considered.

The Board, with the assistance of the ARC and other Board Committees, have identified and considered the top risks that could impact the ability of the Group to achieve its strategic objectives. Management is responsible for ensuring that these risks are appropriately managed, on an ongoing basis, within the Group's Board-approved risk appetite levels and risk tolerance limits.

The Group's top risks are assessed based on materiality which considers both quantitative and qualitative likelihood and impact criteria, thereby ensuring a complete assessment across multiple factors.

RISK MANAGEMENT AND KEY RISK FACTORS *CONTINUED*

OUR STRATEGIC OBJECTIVES

Convenience retail	Human capital development	Quality logistics focused industrial portfolio	Financial sustainability
Divesting from commercial	Operational optimisation	Best-in-class residential portfolio	Execution discipline

OUR CAPITALS

FINANCIAL CAPITAL	HUMAN CAPITAL
MANUFACTURED CAPITAL	SOCIAL AND RELATIONSHIP CAPITAL
INTELLECTUAL CAPITAL	NATURAL CAPITAL

The Group's top risks have been identified as follows:

STRATEGIC FINANCIAL RISKS (Investment performance risk)	
Risk Non-sustainable or inadequate distributable income growth (in comparison to the listed property sector) **Opportunity** - Further corporate action to improve portfolio quality and long-term performance - Repurposing properties to exploit strategic opportunities - Divestment from properties not aligned with the Group's long-term strategy - Increasing the scale of the Group's Zambian JV	**Key responses and control highlights** - Monthly dashboard reports to the Board - Maintaining an optimal capital structure - Board-approved strategy, including investment strategy - The Board and Investment Committee has oversight of investment strategy execution and associated corporate action - Refining of portfolios to ensure defensive income including divestment from non-performing assets - Property transactions/developments are approved by the executive directors, the Investment Committee or the Board, as appropriate in terms of the Board-approved Group Approvals Framework - Post-acquisition and development reviews by Investment Committee - Board-approved risk appetite and tolerance levels - Detailed due diligence, viability and feasibility studies to inform investment decisions - Frequent portfolio performance reviews, post-acquisition reviews and detailed business plans - Benchmarking against relevant indices - Investor roadshows and communication with investors and analysts
Related strategic objectives	**Capitals applied/impacted**

RISK MANAGEMENT AND KEY RISK FACTORS *CONTINUED*

STRATEGIC FINANCIAL RISKS (Capital, funding and liquidity risk)	
Risk Unavailability of capital, increased cost of capital, increase in interest rates, increased cost of hedging, insufficient access to funding and inadequate liquidity **Opportunity** - Strategic redeployment of capital from disposals - Explore appropriate opportunities for debt and interest rate swaps - Further accessing Green Capital Funding opportunities - Explore alternative hedge instruments to improve the cost of hedging	- Divestment to improve the capital structure (lower gearing/improved ICR) - Negative rental reversions in favour of tenant retention - Distribution payout ratios reviewed and are presently at 90% - Applications for covenant waiver/relaxations, or amendments thereto where required - Short-term debt extension - Maintaining relationships and communication with investors and lenders - Manage and monitor lender covenant requirements to the approved risk appetite and tolerance levels - Debt Funding Policy and framework, including hedging - Maintaining a fixed hedge position of 70% - Manage and monitor the working capital cycle to improve liquidity
Related strategic objectives	**Capitals applied/impacted**

PROPERTY MARKET RISKS	
Risk Dependency on Eskom electricity and municipal water supply with the associated impact of loadshedding and water supply interruptions, increases in rates and utility costs, as well as poor or inconsistent service delivery by local authorities and poor municipal infrastructure maintenance, as well as damage to and/or loss of properties due to civil unrest and building hijackings **Opportunity** - Alternative sources for water and electricity offer the opportunity to decrease reliance on local Eskom supply and Water Boards - cost-effective and alternative sources of energy and water will also reduce the cost for tenants - Explore rainwater harvesting - Exploring mobile generation capability - Introduction of electricity wheeling	**Key responses and control highlights** - Effective energy consumption measuring - Improved expense management and benchmarking - Leases structured for expense recovery - Implement an energy savings strategy - Property expense monitoring against benchmarks - Monitor cost recovery ratios - Solar PV installations - Electricity smart meter installations - Monitor municipal valuations, as well as utility costs and rate increases - Key tenant/facility standby power - Property expenses are a fixed percentage of gross revenue for Zambian JV
Related strategic objectives	**Capitals applied/impacted**

RISK MANAGEMENT AND KEY RISK FACTORS *CONTINUED*

PROPERTY MARKET RISKS	
Risk Reduced NPI as a result of increased vacancies, negative reversions and arrears, and the consequential impact on valuations **Opportunity** - Seize the opportunity to redevelop ageing properties into modern green buildings at market-related yields - Invest in newly developed properties in good nodes and dispose of those in poor nodes - Further enhancement of convenience retail offerings, and introduction of additional residential amenities	**Key responses and control highlights** - Monthly dashboard reports to the Board and quarterly performance reporting to the Investment Committee and ARC - Review of tenant trading densities and cost of occupation - Effective arrears management, debt collection and litigation processes preceded by relief to tenants through payment plans - Stringent tenant approval process and well-formulated lease agreement repository - Mitigation of lease renewals (i.e. expired leases continue on a month-to-month basis) - Tenant retention ratio and average occupation duration are monitored to support informed decision-making coupled with reporting on reasons for tenant vacations - The utilisation of letting agents and in-house leasing capacity - Initiatives and projects for improved property fundamentals - Leasing approved in terms of Board-approved Approvals Framework - Broll's SLAs and KPIs, including aspects of performance management, internal audit and quarterly reporting on KPIs - Approved and implemented a Group-wide business continuity and disaster recovery plan (which includes Broll's disaster recovery plan)
Related strategic objectives	**Capitals applied/impacted**

PEOPLE RISKS	
Risk Inability to attract and retain the skills required for current and future business needs and promote and maintain an organisational environment in support of a high-performing and productive workforce **Opportunity** - Optimised incentive schemes across all employment levels	**Key responses and control highlights** - A formal Remuneration Policy implemented - Long- and short-term incentive schemes implemented - linked to Group and individual performance (business and personal scorecards in place) - Performance management where necessary - personal development plans for employees - Structured training and development opportunities - Executives - permanent employees with a three-month notice period - Executive and senior management succession planning - Benchmarking of non-executive and executive directors' remuneration every three years and personnel on an annual basis - Board composition review and succession planning by Nomination Committee - Appropriately mandated Remuneration Committee to monitor and provide oversight of Remuneration Policy and practices - Lyra Wellbeing (formerly know as ICAS) employee wellness programme - Holistic Human Resources Management system implemented
Related strategic objectives	**Capitals applied/impacted**

RISK MANAGEMENT AND KEY RISK FACTORS *CONTINUED*

PEOPLE RISKS

Risk

Risks associated with the inadequate promotion and maintenance of organisational culture and ethics; failure to ensure diversity and transformation objectives are met; inability to adequately manage organisational change; and failure to ensure good labour practices and relations

Opportunity

- Enhanced employee engagement across the Group

Key responses and control highlights

- Code of Conduct and Code of Ethics
- An externally operated Whistle-blowing Hotline is in place
- Annual B-BBEE verification was conducted and disclosed
- ESG Report – covering disclosures on people matters
- Employment Equity plan and reporting
- Labour practices and employee agreements in terms of the Basic Conditions of Employment Act
- Bi-annual SEEC meetings (oversight) – specifically including reports on economic development, labour and employment and organisational ethics matters. SEEC is appropriately mandated to provide oversight in terms of Regulation 43
- Board diversity targets include race and gender
- Remuneration Policy to support fair remuneration practices
- A suite of Group policies regulating expectations in terms of conduct
- Board charter and annual King IV™ application declaration (ethical leadership)

Related strategic objectives


Capitals applied/impacted


REPORTING RISKS

Risk

Risks that affect the validity, accuracy, and completeness of financial and other reporting, as well as the inability to effectively and timeously implement financial automation resulting in the extended application of manual processes with consequent delays in meeting reporting deadlines

Opportunity

- Further enhanced automation of financial reporting

Key responses and control highlights

- Bi-annual internal financial control reviews by Internal Audit
- Established and formalised (documented) systems, policies and standard operating procedures and processes
- Ongoing automation of financial reporting
- Monthly reporting dashboard to Board and ARC
- Broll's bi-annual (half-year-end/year-end) assurance letter
- Skilled and experienced employees. Recently increased capacity with ongoing employee skills enhancement, competence development and training
- Formal internal and external auditors' engagements
- Whistle-blowing Hotline
- ARC – reviews JSE proactive monitoring papers
- JSE equity Sponsor

Related strategic objectives


Capitals applied/impacted

RISK MANAGEMENT AND KEY RISK FACTORS *CONTINUED*

COMPLIANCE RISKS

Risk

Inadequate compliance with, or adherence to, legislative, regulatory, best-practice codes and/or corporate governance requirements resulting in reputational damage, and/or financial loss and/or loss of license to operate

Opportunity

- Ongoing optimisation of the corporate calendar to ensure cost- and time-effective discharge of governance activities
- Expansion of internal awareness and training on material governance and compliance matters

Key responses and control highlights

- Quarterly Compliance Reporting to the ARC
- Annual: compliance and REIT declarations – JSE, King IV™ application register, IAR suite and AGM
- Policies on Disclosure Control and Dealings in SA Corporate Securities
- Appropriately mandated Board Committees (ARC, SEEC, REM and NC) monitor and oversee compliance with applicable legislative and regulatory requirements within their mandate
- Established internal resources and procedures for compliance monitoring and reporting
- Formal governance framework in terms of JSE and Companies Act requirements
- Effective communication channels with JSE Sponsor, legal counsel and assurance advisors
- Combined assurance framework, including internal and external audit assurance
- Whistleblowing Hotline
- Board-approved Approvals Framework
- Appropriate Directors and Officers ("D&O") insurance cover
- Skilled and resourced Secretariat and Compliance function with governance, compliance and legal risk management expertise
- External governance reviews are conducted periodically

Related strategic objectives

Capitals applied/impacted

STAKEHOLDER RISKS

Risk

Risks associated with the Group being a credible stakeholder partner with a good corporate reputation; managing stakeholder relationships across a broad spectrum of key stakeholders; upholding human rights; and delivering on stakeholder commitments

Opportunity

- Further utilisation of investor relations technology platforms in support of targeted communication (per stakeholder group)

Key responses and control highlights

- Bi-annual SEEC meetings (oversight) – specifically including reports on social and economic development; good corporate citizenship; the environment, health and public safety. SEEC is appropriately mandated to provide oversight in terms of Regulation 43
- Board-approved Stakeholder Engagement Policy and Disclosure Controls
- Various structured stakeholder engagements in terms of JSE Listings Requirements and otherwise
- AGMs, result presentations, investor roadshows, SENS announcements
- ESG reporting annually (as part of the IAR suite)
- Structured Corporate Social Investment ("CSI") initiatives (social and natural environment)

Related strategic objectives

Capitals applied/impacted

SUSTAINABILITY RISKS

Risk

Risks associated with the Group's ability to develop and implement appropriate responses to environmental risks (carbon footprint, electricity, waste and water) and its ability to meet new and future policy and regulatory requirements

Opportunity

- Investing in green technology
- Engaging with tenants to ensure they reduce their impacts (i.e. consider offering incentives, and participation in energy, waste and water initiatives with commensurate favourable lease conditions/terms)

Key responses and control highlights

- Bi-annual SEEC meetings (oversight) – specifically including reports on natural environment impact. SEEC is appropriately mandated to provide oversight in terms of Regulation 43
- ESG reporting annually (as part of the IAR suite)
- Structured CSI initiatives (natural environment)
- Green strategy targets

Related strategic objectives

Capitals applied/impacted

RISK MANAGEMENT AND KEY RISK FACTORS *CONTINUED*

MONITORING EMERGING RISKS

The Group recognises effective identification and monitoring of, and response to, emerging risks as a critical component of the Group's value creation and value preservation efforts. In this regard, emerging risks are particularly important in the strategic planning process and through effective processes, the Group identifies imminent shifts in critical assumptions and develops or modifies strategies to mitigate negative outcomes and capitalise on appropriate opportunities that these risks present.

The Group's ERM is well-positioned for periodic strategic- and operational risk identification and reviews to consider new and emerging strategic risks and to identify shifts in known risks through mechanisms such as management and Committee meetings, environmental scanning, process reviews and the like.

COMPLIANCE WITH LAWS, REGULATIONS, RULES AND STANDARDS

SA Corporate complies with the provisions of the Companies Act, as amended, specifically relating to its incorporation, and is operating in conformity with its MOI.

During the year under review, no significant fines were levied for non-compliance with statutory and regulatory requirements and there were no regulatory censures. There were also no fines levied for non-compliance with any environmental laws and regulations. SA Corporate was not party to any legal action for uncompetitive behaviour, and no requests were received or denied for information in terms of the Promotion of Access to Information Act.

The risk of non-compliance with statutory and regulatory requirements forms part of the Group's identified risks and is assessed and responded to on an ongoing basis. In this regard, the ARC:

- monitors and oversees the Group's processes for compliance with laws, regulations and best practice codes relevant to the Group;
- will oversee the recommendation of a policy that articulates and gives effect to the Group's direction on compliance and identifies its compliance landscape to the Board for approval;
- monitors management's implementation and execution of effective compliance management;
- receives and considers reports on compliance matters, including matters of material litigation and the Group's whistle-blower hotline activity; and
- periodically reviews the effectiveness of the systems for monitoring compliance with laws and regulations to ensure adequacy.

SA Corporate has adopted a Risk Management Policy in line with section 13.46(h) of the JSE Listings Requirements. The policy is in accordance with industry practice and specifically prohibits SA Corporate from entering into any derivative transactions that are not in the normal course of SA Corporate's business. The ARC confirms that it has monitored compliance with the policy during the year under review and that the Company has, in all material respects, complied with the policy.

ASSURANCE AND INTERNAL CONTROLS

The Group's internal auditor, BDO, confirmed based upon the half-yearly Internal Financial Control Reviews performed for the 2023 financial year, and their scope of work and controls tested, as well as reliance on an independent internal auditor for Indluplace, that the system of internal financial controls in operation at SA Corporate is adequate and on aggregate operating as intended.

Regarding the overall effectiveness of SA Corporate's governance, risk management and control processes, BDO further confirmed that based upon the internal audit work performed for the months of May 2023 to February 2024 for the 2023 financial period as per their approved internal audit plan, they could conclude, based on their scope of work and controls tested, that the system of internal controls in operation at SA Corporate is adequate and operating as intended.

The ARC confirmed that nothing had come to its attention to indicate a material breakdown in the functioning of the financial reporting controls, procedures or systems during the year ended 31 December 2023.

BUSINESS CONTINUITY PLAN

The Group's Business Continuity Plan ("BCP"), including disaster recovery, has been implemented and periodic testing is conducted on the recovery of critical business systems.

Umlazi Mega City, 50 Griffiths Mxenge Highway , Umlazi

RISK MANAGEMENT AND KEY RISK FACTORS *CONTINUED*

COMBINED ASSURANCE

The ARC has the overall responsibility to ensure the Group's combined assurance model is effective, and specifically, that the Group applies an appropriate, proportionate and relevant combined assurance model to ensure a coordinated approach to all assurance activities.

The Group's combined assurance model is based on three levels of defence, as detailed in the following diagram:

COMBINED ASSURANCE

Provides assurance on the effectiveness of ERM processes and underlying controls

1st line
Functions that own and manage risks

- Responsible for implementing corrective actions to address process and control deficiencies.
- Responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis
- Identify, control and mitigate risks, guiding the development and implementation of internal policies and procedures and ensuring that activities are consistent with the Group's goals and objectives
- Design and implement detailed procedures that serve as controls and supervise execution of those procedures by employees
- Ensures that controls are designed into systems and processes under their guidance
- Adequate managerial and supervisory controls are in place to ensure compliance and to highlight control breakdown, inadequate processes and unexpected events

2nd line
Functions that provide oversight

Typical Group functions in this second line of defence include executive management, the ARC, the Board and its other Committees:

- **A risk management function** (i.e. via executive management and ARC) that facilitates and monitors the implementation of effective risk management practices by operational management and assists risk owners in defining the target risk exposure and reporting adequate risk-related information throughout the Group
- **Compliance function** to monitor specific risks such as non-compliance with applicable laws and regulations
- **A controllership function** that monitors financial risks and financial reporting issues

3rd line
Functions that provide independent assurance

- The Group's internal and external auditors provide the Board and executive management with comprehensive assurance based on the highest level of independence and objectivity within the Group
- Internal audit provides assurance on the effectiveness of governance, risk management and internal controls, including the way the first and second lines of defence achieve risk management and control objectives
- External audit has issued an unqualified audit report on the AFS
- Appropriately qualified and experienced property valuers are appointed to provide independent valuations of the investment properties held by the Group at half-year and year-end

4

MEASURING AND REWARDING VALUE CREATION

54 Chief Financial Officer's Review

60 Property Review

83 Remuneration Report

Comaro Crossing, Cnr Comaro Street & Boundary Lane, Oakdene

CHIEF FINANCIAL OFFICER'S REVIEW

FINANCIAL FEATURES

- **Assets under management of R19.0 billion** (2022: R16.6 billion)
- **Revenue of R2.5 billion** (2022: R2.0 billion)
- **Total net property income of R1.3 billion** (2022: R1.2 billion)
- **Total like-for-like net property income of R1.01 billion** (2022: R0.96 billion)
- **Operating profit of R1.8 billion** (2022: R1.0 billion)
- **Distributable income of R647.8 million or 25.76 cps[1]** (2022: R674.8 million or 26.83 cps[1])
- **Basic earnings per share[2] of 48.54 cents** (2022: 32.91 cps[2,3])
- **Headline earnings per share[2] of 22.98 cents** (2022: 30.96 cps[2,3])
- **Annual distribution per share[1] of 23.18 cents[4] at a 90% payout ratio**
- **Net asset value per share[1] of 439 cents** (2022: 410 cps[1])
- **Disposal pipeline contracted and still to transfer and divestments transferred since 1 January 2023 of R1.4 billion**
- **Loan to value ("LTV") ratio of 41.9%[5]** (2022: 38.1%[5])
- **Weighted average cost of funding of 10.2%** (2022: 8.8%), **exclusive of swaps and 9.4%** (2022: 9.0%) **inclusive of swaps and amortised transaction costs**
- **Weighted average tenor of debt of 2.6 years**
- **Effective fixed debt of 70.1% with a weighted average tenor of swaps of 1.5 years**
- **Net property income from the acquisition of Indluplace was 12.7% or R13.4 million greater than the acquisition model for the 5 months from 1 August 2023 to 31 December 2023.**

1 Cents per share, calculated on the shares in issue
2 Cents per share, calculated on the weighted average number of shares in issue (net of treasury shares)
3 Restated
4 Includes distribution of 11.39 cps paid in respect of H1 2023
5 Net debt excludes derivatives, which if included would be 41.6% (2022:37.8%)

SAM MOODLEY CA(SA)
Chief Financial Officer

INTRODUCTION

This financial review represents a condensed view of SA Corporate's annual financial results for 2023. This review should, therefore, be read in conjunction with the full Group annual financial statements, available on the SA Corporate website, in which PricewaterhouseCoopers Inc., the Group's Auditors, expressed an unmodified audit opinion.

The accounting policies applied in the preparation of the Group annual financial statements, from which the summary consolidated financial statements were derived, are in terms of IFRS Accounting Standards and are consistent with those accounting policies applied in the preparation of the 31 December 2022 Group annual financial statements.

In the current year, the Group has adopted all of the revised Standards and Interpretations issued that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2023. The adoption of these Standards and Interpretations has not resulted in any adjustment to the amounts previously reported for the year ended 31 December 2022.

INDLUPLACE ACQUISITION

During March 2023, SA Corporate and Indluplace entered into a scheme implementation agreement, in terms of which SA Corporate offered to acquire all of the Indluplace shares held by scheme participants for a cash consideration of R3.40 for every Indluplace share, being a discount of 57% to net asset value. The total property acquisition value was R2.4 billion. The scheme became commercially effective on 1 July 2023 and assets were transferred on 1 August 2023. The performance to date of Indluplace has been pleasing, with net property income since acquisition well ahead of our acquisition model.

SA REIT FUNDS FROM OPERATIONS

Funds from operations ("FFO"), as defined by the SA REIT Association ("SA REIT"), generated for the year was R647.8 million (2022: R674.8 million). Total SA REIT FFO per share for the year amounted to 26.03 cps, down 3.9% relative to 27.07 cps in 2022.

DISTRIBUTABLE EARNINGS

The 2023 full-year distributable income amounted to R647.8 million, representing a decrease of 4.0% compared to 2022. Distributable income for the six months ending 31 December 2023 was 5.5% up on the comparative period. Annual distribution declared amounted to 23.18 cps, with 11.39 cps declared and paid in respect of H1 2023 and 11.79 cps declared in respect of H2 2023. Total property revenue amounted to

CHIEF FINANCIAL OFFICER'S REVIEW *CONTINUED*

R2 480.5 million (2022: R2 042.5 million) with the like-for-like portfolio, excluding disposals, developments and acquisitions during 2022 and 2023, amounting to R1 825.0 million (2022: R1 726.4 million).

Total NPI increased by 10.7% to R1.3 billion, with the like-for-like portfolio increasing by 4.6% or R44.0 million to R1.01 billion. The increase in total NPI was largely driven by the acquisition of Indluplace, an increase in the like-for-like portfolio and, to a smaller degree, NPI from properties classified as in development, which benefited from reduced vacancies as well as positive reversions and rental escalations. These were partially offset by NPI lost from divestments of R70.6 million and a decrease in NPI attributable to properties held for sale.

Total property expenses, including Indluplace, increased to R1 155.3 million (2022: R960.6 million) without which total property expenses would have amounted to R1 000.1 million. Like-for-like property expenses increased by 7.2%. The above inflation increase in property expenses was attributable to an 8.3% increase in municipal costs and insurance expenses due to the higher cost of Sasria cover and a top-up of the Group's cell captive. Growth in other expenses was well contained to within inflation.

Dividends from listed shares declined from R18.2 million to R3.6 million, due to the disposal of the Safari Investments Limited ("Safari") and Transcend Residential Property Fund ("Transcend") shares during the year. The overall distributable income from the Zambian JV for the year increased by 4.5% to R58.3 million (2022: R55.8 million). This is due to reduced vacancies and increased income generated from new phases at East Park Mall in the current year. The increase in distributable income from the Zambian JV in ZAR further benefitted from the depreciation of the ZAR/USD average conversion rate by 12.9%.

Net finance cost, excluding the impact of IFRS 16, increased by 27.2% to R606.4 million (2022: R476.6 million). Net finance cost including capitalised interest amounted to R611.0 million (2022: R482.2 million), up 26.7%. The increase was largely due to a steep rise in the base rate, which resulted in the cost of debt increasing to 9.4% (2022: 9.0%), combined with higher average borrowings due to the drawdown for the acquisition of Indluplace and consolidation of Indluplace's borrowings and related net finance costs (R48.7 million) from 1 August 2023 to 31 December 2023.

The Group continues to generate stable and growing cashflows, with earnings before net finance costs, and any disposals, growing by 9% on the prior year.

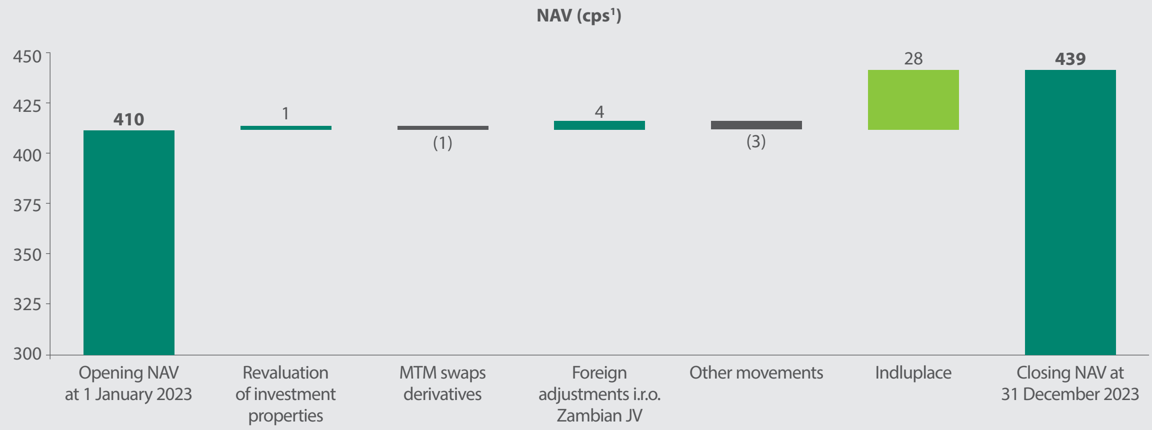
The higher net finance costs completely offset the 10.7% growth in total NPI, reducing distributable income by 4.0% compared to the prior year, and resulting in distributable income per share of 25.76 cps, relative to 26.83 cps in 2022, a decrease of 4.0%.

The Company has withheld 10% of distributable income from distribution to shareholders for capital expenditure that is defensive and recurring, and which will not generate additional income or enhance the value of property assets.

Having made allowances for this deduction, the Board approved a distribution of R583.0 million for the year ended 31 December 2023 (2022: R607.3 million), being 90% (2022: 90.0%) of distributable income and amounting to 23.18 cps (2022: 24.15 cps), a decrease of 4.0%. The total distribution comprised an interim distribution of 11.39 cps and a final distribution of 11.79 cps.

NET ASSET VALUE ("NAV")

Net asset value has increased from 410 cps to 439 cps. The main driver is the acquisition of Indluplace, which has added 28 cps to net asset value at 31 December 2023. The valuation of the Group's investment in Zambia added 4 cps, while other movements which include fair value adjustment on interest rate swap agreements, revaluation of investment property (excluding Indluplace properties) and smaller movements, caused a net decline of 3 cps.



[1] Based on IFRS and shares in issue

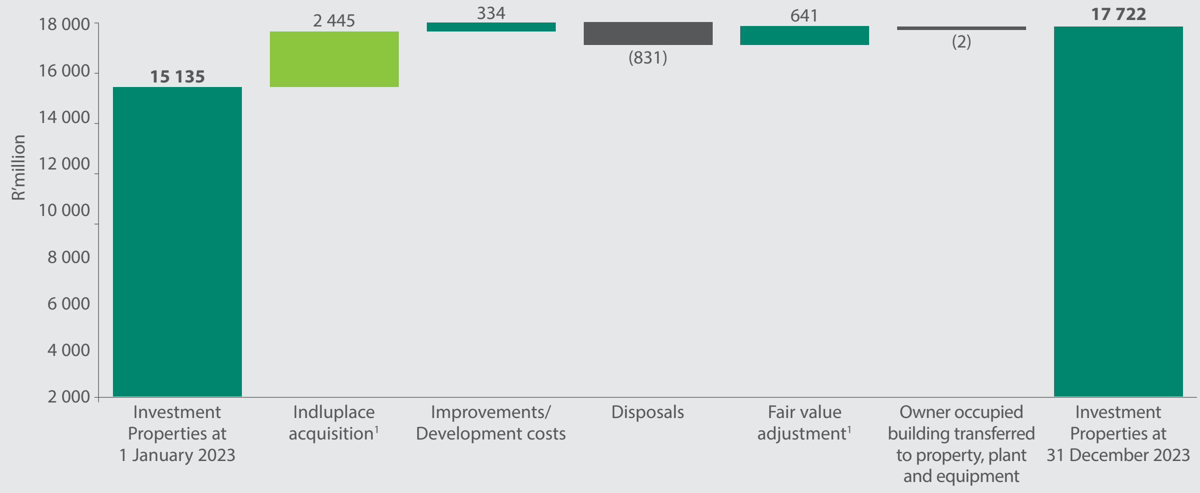
The SA REIT-defined NAV is calculated as NAV per the Summary Consolidated Statement of Financial Position; less goodwill and intangible assets, deferred taxation and any final dividend declared, and not paid in respect of the reporting period. The SA REIT NAV per share was 424 cents per share (31 December 2022: 396 cents per share) as at 31 December 2023, based on the diluted number of shares in issue.

CHIEF FINANCIAL OFFICER'S REVIEW *CONTINUED*

PROPERTY VALUATIONS

The Group's independently valued property portfolio, excluding properties held in the Zambian JV, increased by R2.5 billion to R17.7 billion for the year. The acquisition of Indluplace added R3.1 billion at 31 December 2023 valuation, whilst the appreciation of the property portfolio excluding Indluplace, due to improvements and developments, added R219.3 million in value. This increase was offset by the net disposal of non-core assets in the Traditional and Afhco portfolios of R831.4 million during the year.

INVESTMENT PROPERTIES ANALYSIS



[1] At acquisition, a value of R2.445 billion was attributed to the Indluplace properties (pre-acquisition value: R3.369 billion), and at year-end the properties were revalued to R3.130 billlion.

The Indluplace valuation of R3.1 billion represents a 28.0% increase on the accounting value of R2.4 billion above attributed to the acquisition, and a 6.3% decrease to that last reported by Indluplace before the acquisition. The like-for-like portfolio held for the full 12 months to 31 December 2023 increased by R252.0 million from 31 December 2022.

On a clean growth basis, valuations have increased by 1.5% for the 12 months to December 2023, with respect to the Traditional and Afhco portfolios on a combined basis. The increase of 1.5%, while below inflation, evidences a robust portfolio in the face of an increased, albeit flattening, cost of capital cycle and economic headwinds facing the country. The industrial portfolio continued to be the best performer of the South African portfolio with 3.1% clean growth for the 12 months to December 2023. The retail portfolio has shown a 2.0% clean growth in value from 1 January 2023 and reflects the improved quality of the portfolio with reduced vacancies, however, the valuation assumptions continue to be negatively impacted by concerns over increasing local authority expenses, and increased expenditure associated with the continued unpredictability of Eskom's electricity supply.

While the Afhco portfolio has continued to show a positive performance in the last year, this is not reflected in the value, with a slightly below-flat clean growth valuation for the year. The decline of 0.1% in value is the result of a conservative view of the residential capitalisation rate assumptions, in that increased inflationary pressures on the target market would limit rental growth. Nevertheless, given the low vacancies in the portfolio and continued demand for affordable rental accommodation, Afhco's valuations can be expected to increase in the future due to this robust base that exists.

On a clean growth basis, the Zambian portfolio has seen a substantial increase in USD value (USD11.6 million) over the prior year, largely driven by the valuation of the Group's share in the REIZ property portfolio, previously conservatively valued by SA Corporate upon initial acquisition in the prior year. The original three properties of the JV have seen valuations increase by 7.7% in USD on a clean growth basis, supported by the improved fundamentals of this portfolio and evident in negligible vacancies at the East Park Mall property. The depreciation of the ZAR of 9.1% against the USD has resulted in the ZAR value increasing by 19.4% of the original three properties. Overall, this is a satisfactory result in a region still recovering from the operational effects of the Covid-19 pandemic and a high cost of capital.

The discount and capitalisation rates applied in the valuations are discussed in detail in the investment property section in note 5 of the Annual Financial Statements

DISPOSALS

The Group's total contracted and transferred disposal pipeline from 1 January 2023 of R1.2 billion was sold at a 6.0% premium on the last valuation and at a weighted average exit yield of 8.7%. Residential apartments totalling R132.5 million were divested at a weighted average exit yield of 7.1% and a premium of 24.6% on the last valuation. Listed investments in respect of Safari and Transcend were disposed of for a total consideration of R164.1 million, the latter being executed at a historic exit yield of 9.2%.

CHIEF FINANCIAL OFFICER'S REVIEW *CONTINUED*

With the disposal of the seven industrial properties listed above totalling R365.6 million, the Group's industrial portfolio now comprises approximately 80.0% of logistics warehousing. These divestments are aligned with the Group's strategy of developing a quality logistics portfolio offering competitive rentals that invest in established logistics precincts. The balance of the disposal proceeds relating to the final tranche of the sale of nine Johannesburg inner city properties, totalling R265.7 million, was received in 2023. A further inner city retail property, Chapel Court, was contracted for disposal at R38.0 million in late 2023, with the transfer expected in Q2 2024. In addition, a total of 224 sectional title apartments were transferred in 2023 at a disposal value of R85.4 million. A further 130 apartments have been contracted at a value of R47.1 million and are expected to transfer during 2024.

In respect of Indluplace, the refinement of the portfolio through disposals is progressing, with four poorer quality non-core properties having been contracted for, at a total disposal consideration of R70.8 million and a weighted average exit yield of 11.0% at their last valuation. A further seven properties of similarly poorer quality are also under offer for a total consideration of R225.3 million.

The tables below reflect the pipeline of disposals which includes both properties that meet the definition of "held for sale" and those that do not meet the IFRS criteria in this regard due to suspensive conditions in sale agreements.

Transferred disposals:

Property	Transfer date	Gross selling price (Rm)	Region	Sector
Safari Investments - Listed shares	Jan 23	112.0		Listed Investments
31 Allen Drive, Bellville	Jan 23	20.0	Western Cape	Commercial
Five Johannesburg Inner City Properties *	Feb 23 - Sep 23	265.7	Gauteng	Residential
Celtis Ridge Shopping Centre, Centurion	Mar 23	143.0	Gauteng	Retail
Cnr Bismuth & Graniet Streets, Jet Park	Mar 23	9.0	Gauteng	Industrial
Wood Ibis Investments, Maydon Wharf, Durban	Apr 23	69.1	KwaZulu-Natal	Industrial
1 Baltex Road, Isipingo	Jul 23	136.5	KwaZulu-Natal	Industrial
15 Patrick Road, Jet Park	Aug 23	18.0	Gauteng	Industrial
Cnr Giel Basson & Nathan Mallach Road, Goodwood	Sep 23	84.0	Western Cape	Industrial - Motor Showroom
120 Loper Avenue, Aeroport Industrial Estate	Oct 23	19.0	Gauteng	Industrial
Transcend Property Fund - Listed shares	Nov 23	52.1		Listed Investments
Residential apartments	Jan 23 - Dec 23	85.4	Gauteng	Residential
Total		**1 013.8**		

* *Part of the FirstMile transaction.*

Contracted and unconditional disposals:

Property	Expected transfer date	Gross selling price (Rm)	Region	Sector
Portion of 11 Wankel Street, Jet Park	Apr 24	30.0	Gauteng	Industrial
Chapel Court, Johannesburg Inner City	May 24	38.0	Gauteng	Afhco Retail
Residential apartments [1]	Jan 24 - Apr 24	47.1	Gauteng	Residential
Total		**115.1**		

[1] *R13.2 million transferred subsequent to year-end.*

Contracted and conditional disposals:

Property	Expected transfer date	Gross selling price (Rm)	Region	Sector
Multi Glass, Johannesburg	Jun 24	3.6	Gauteng	Afhco Retail
Villakazi, Johannesburg [2]	Sep 24	1.1	Gauteng	Residential
No. 1 Eloff, Johannesburg [2]	Sep 24	42.0	Gauteng	Residential
Pomegranate, Johannesburg [2]	Sep 24	8.2	Gauteng	Residential
Empire Gardens, Johannesburg [2]	Sep 24	19.5	Gauteng	Residential
Hotel at Cullinan Jewel Shopping Centre, Pretoria	Sep 24	2.7	Gauteng	Retail
Total		**77.1**		

[2] *Indluplace properties.*
Excludes seven Indluplace non-core properties under offer to the value of R225.3 million.

DEBT PROFILE

The Group's funding strategy is to fund investments from a diverse set of lenders with a common security pool, held via security SPVs. This creates pricing tension while ensuring lender investment exposure is of equal quality.

Total debt drawn amounted to R8 098.5 million, an increase of R1 643.0 million from 31 December 2022, whilst net debt amounted to R8 036.5 million (December 2022: R6 375.8 million). The Indluplace acquisition added R1 347.3 million of debt, with the balance of the increase in drawn debt largely attributable to capital expenditure during the year. The USD loan increased by R41.6 million due to the depreciation of the ZAR/USD exchange rate

CHIEF FINANCIAL OFFICER'S REVIEW *CONTINUED*

from R17.04 in December 2022 to R18.58 in December 2023. The USD cross-currency swap was settled during January 2023 (December 2022: net liability of R50.9 million). The weighted average tenor of debt as at 31 December 2023 has decreased to 2.6 years. The Group successfully concluded the refinancing of long-term borrowing facilities amounting to R1 249.3 million expiring in 2024, and new facilities of R500.0 million during the second half of 2023. The Group has R612.3 million of borrowing facilities expiring in the 2024 financial year. At year-end, there were committed unutilised facilities of R640.0 million available to the Group.

The net debt LTV increased from 38.1% as at 31 December 2022 to 41.9% as at 31 December 2023, largely due to debt acquired through the acquisition of Indluplace. This excludes the fair value asset on interest rate swap derivatives of R58.3 million (December 2022: asset of R60.2 million).

The Group's weighted average cost of debt, excluding and including interest rate swaps, was 10.2% and 9.3% (December 2022: 8.8% and 8.9%) respectively, with a 114 bps increase in the JIBAR base rate since December 2022. There was only a 40 bps increase since the 2022 year-end, including swaps, versus 140 bps excluding them, evidence of the benefit derived from SA Corporate's hedging strategy. The weighted average swap margin was -0.9% (December 2022: 0.1%), and the weighted average debt margin was 2.0% (December 2022: 1.9%), with the increase due to a higher debt margin on existing Indluplace facilities. This is to be remedied in the short term with the debt restructuring of the unlisted residential fund. 70.1% of the total debt drawn was fixed through swaps in respect of the variable debt. The annualised amortised transaction costs imputed into the effective interest rate is 0.1%, resulting in an all-in weighted average cost of debt of 9.4%. The net interest cover ratio ("ICR") decreased to 2.1 times (December 2022: 2.4 times) as a result of the steep rate hiking cycle of the past two years, which has seen an average increase in JIBAR of 278 bps year-on-year.

The debt profile as at 31 December 2023 is detailed below:

	Maturity date	Value (Rm)	Interest rate%
Term loan facility	2024/05/16	305	9.49%
Revolving credit facility [1]	2024/10/31	–	10.09%
Term loan facility	2024/10/31	146	9.99%
Term loan facility	2024/11/16	76	10.29%
Term loan facility	2024/11/16	76	10.14%
Term loan facility	2025/01/11	107	9.53%
Term loan facility [2]	2025/01/15	502	4.96%
Term loan facility	2025/05/07	308	9.65%
Term loan facility	2025/05/07	300	9.69%
Term loan facility	2025/06/02	100	9.53%
Revolving credit facility [3]	2025/09/09	160	9.38%
Term loan facility	2025/09/09	200	9.42%
Revolving credit facility [4]	2025/09/09	198	9.41%
Term loan facility	2025/09/10	200	9.65%
Term loan facility	2025/10/31	227	9.64%
Term loan facility	2025/11/16	67	10.44%
Term loan facility	2025/11/16	67	10.24%
Term loan facility	2025/12/09	150	10.00%
Term loan facility	2025/12/11	150	10.02%
Revolving credit facility [5]	2026/06/30	–	9.42%
Term loan facility	2026/06/30	200	9.42%
Term loan facility	2026/09/08	200	9.71%
Term loan facility	2026/09/09	519	9.51%
Term loan facility	2026/09/09	913	9.51%
Revolving credit facility [6]	2026/10/11	100	9.38%
Term loan facility	2026/10/31	75	9.79%
Term loan facility	2026/10/31	146	10.09%
Term loan facility	2027/06/30	140	9.54%
Term loan facility	2027/09/09	700	9.64%
Term loan facility	2027/09/09	320	9.64%
Term loan facility	2027/09/09	298	9.61%
Revolving credit facility [7]	2027/09/09	–	9.61%
Term loan facility	2028/08/07	240	9.55%
Term loan facility	2028/08/07	564	9.54%
Term loan facility	2028/08/07	345	9.55%
Total interest-bearing borrowings [8]		**8 099**	

[1] *R10 million revolving credit facility undrawn*
[2] *US dollar denominated facility*
[3] *R200 million revolving credit facility*
[4] *R329 million revolving credit facility*
[5] *R160 million revolving credit facility undrawn*
[6] *R100 million revolving credit facility*
[7] *R300 million revolving credit facility undrawn*
[8] *Excluding capitalised transaction costs*

CHIEF FINANCIAL OFFICER'S REVIEW *CONTINUED*

KEY LENDER COVENANTS

At 31 December 2023, the Group was in compliance with all lender covenants applicable to the period.

Description	Covenant requirements as at 31 December 2023	Audited year ended 31 December 2023	Covenant requirements as at 31 December 2022	Audited year ended 31 December 2022
LTV	50.00%	43.40%	50.00%	39.90%
ICR [1]	1.75x[2]	1.9x	2.0x	2.2x

[1] This is gross ICR.

[2] Interim measurement period relaxed covenant agreed with lenders.

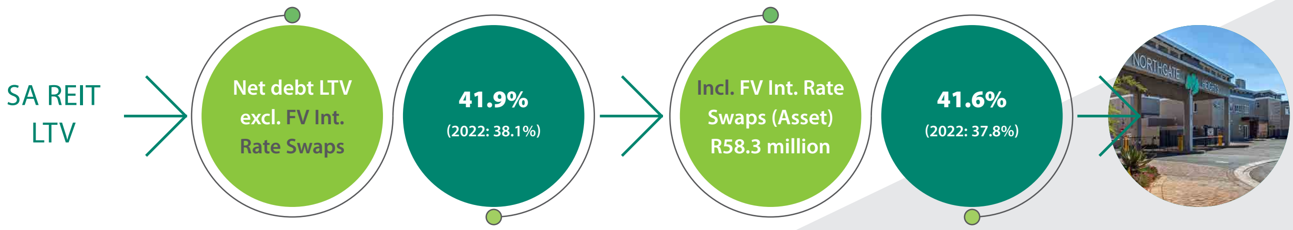
In full compliance with all lender covenants applicable to the period

The Group had anticipated that following its initial steps towards its residential rental property strategy, which commenced with the acquisition of Indluplace, its Corporate ICR would decline, this is due to the increase in finance charges as a result of the additional debt consolidated from the acquisition of Indluplace, combined with rising interest rates. The Group therefore proactively approached its lenders who agreed to an interim measurement period covenant for its Corporate ICR and Transactional ICR covenants, of 1.75x and 1.5x respectively, to allow the Group a window within which to complete the key steps in its residential rental property strategy including the raising of equity capital from impact investors. These steps would most notably result in deleveraging of the balance sheet, thereby allowing its covenants to revert to more normalised levels. The Group, however, continues to generate stable and growing cashflows, with earnings before net finance costs, and any disposals, growing by 9% on the prior year, more than adequate to enable the Group to comfortably service its interest costs into the future.

The lender LTV for the year has increased to 43.4%. Cash on hand, including committed undrawn facilities, excluding tenant deposits as at 31 December 2023, amounted to R702.0 million (December 2022: R677.3 million).

SA REIT LOAN TO VALUE

To improve comparability across the sector the REIT Association has introduced a basis for the determination of LTV as part of its best practice recommendations.



The LTV flow depicts the LTV build-up to the best practice recommendations commencing with the LTV based on net debt being gross borrowings net of cash and cash equivalents. Only unrestricted cash has been included in cash and cash equivalents. The net debt LTV on this basis, is 41.9% as at December 2023. If the fair value asset and the swap derivatives are included, the REIT LTV is 41.6%. The Group is committed to an LTV target in the medium to long term of below 40% and is progressing plans towards reducing its LTV to within the aforementioned level.

Sam Moodley
Chief Financial Officer: SA Corporate Real Estate Limited

PROPERTY REVIEW

INDUSTRIAL PORTFOLIO

18.5%
of South African portfolio value

Total GLA 381 840m² and 22.3% of South African portfolio GLA

STRATEGY: Divest from lower quality properties and strengthen the remaining tenant covenant. The refinement of our industrial portfolio will be dominated by logistics facilities with strong tenant covenant.

PERFORMANCE SYNOPSIS

Revenue: R424.3 million, down 5.0%

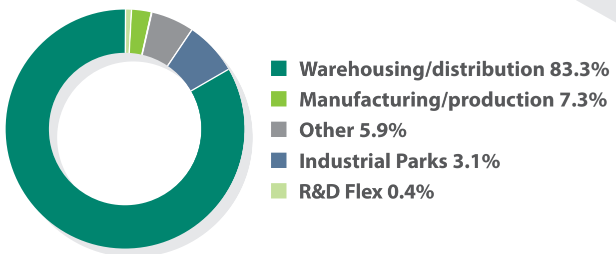
NPI: R300.2 million, down 4.3%

Key features in 2023:

- Vacancies remain negligible at 0.2%
- Logistics now 82.0% of the portfolio
- Negative rental reversion improved to -0.9%

Logistics comprises 82.0% of the portfolio by GLA, up from 80.4%

% BY MSCI TYPE BY VALUE



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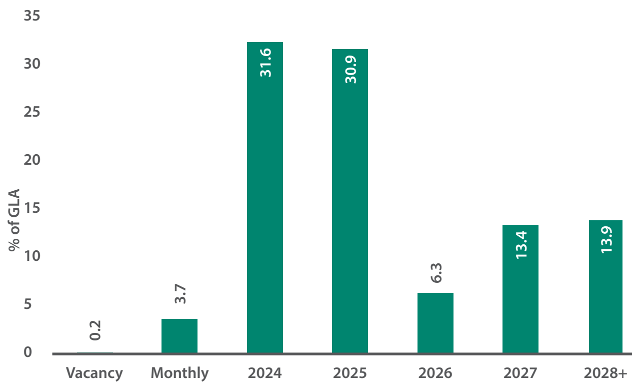


R3.3 billion Portfolio value	**45** Properties
Weighted average capitalisation rate **9.4%**	Cost to revenue ratio **29.3%**
Tenant retention rate **92.2%**	Arrears **2.4%**

PROPERTY REVIEW *CONTINUED*

OUR TOP 5 PROPERTIES BY VALUE

57 Sarel Baard Crescent

The Gateway Industrial Park is in Centurion, Pretoria.
5.4%* of traditional portfolio
Value R712 million
Size 42 144m²

Beryl Street

The property is situated in Jet Park, Johannesburg.
3.6%* of traditional portfolio
Value R360 million
Size 27 681m²

37 Yaldwyn Road

The property is situated in Jet Park, Johannesburg.
5.1%* of traditional portfolio
Value R295 million
Size 39 738m²

112 Yaldwyn Road

The property is situated in Jet Park, Johannesburg.
3.9%* of traditional portfolio
Value R209 million
Size 30 299m²

Tygerberg Business Park

The property is situated in Parow, Cape Town.
2.2%* of traditional portfolio
Value R172 million
Size 17 408m²

* By GLA

Rental reversions	Vacancies by GLA	Property expenses	WALE
(0.9)%	0.2%	(6.8)%	2.3 years

Weighted average discount rate	Weighted average contractual escalation	Recovery of property expenses	Rental income
14.8%	6.4%	(7.2)%	(4.1)%

PROPERTY REVIEW *CONTINUED*

OVERVIEW OF THE INDUSTRIAL PROPERTY MARKET

Industrial property continues to outperform other commercial property sectors. Continued strong logistics demand driven by omnichannel and supply chain optimisation and increasing e-commerce have been spurring demand for modern logistics and distribution warehouses. Limited new supply and speculative builds, as well as the cost of new builds, have prompted an upward shift in industrial rentals.

INDUSTRIAL PORTFOLIO PERFORMANCE

The Group remains committed to establishing a firm foundation for future growth from a predominantly logistics focused industrial portfolio. The quality of the property portfolio has been refined in recent years through the divestment of non-core properties. In the current year, this included the disposal of two motor showrooms. A further two motor showrooms remain in the portfolio and negotiations have commenced for the sale of these.

Logistics properties now represent **82.0%** of the industrial portfolio

Logistics properties have proven resilient with low vacancies. This is borne out by vacancy in the SA Corporate portfolio of 0.2% and tenant retention rate of 92.2%. The industrial portfolio showed favourable growth with like-for-like NPI growth of 5.3%. This is supported by negligible vacancy and the average lease escalations of 6.4%

The renewal reversion on the portfolio was a negative 0.9% at the end of the year. This was not representative of the trend during the year and relates to the reversion on the renewal of the 155 Old Main Road motor showroom, which was a negative 10.4%.

ACQUISITIONS, DISPOSALS AND REDEVELOPMENTS

The Group has decided to divest from motor showrooms due to the rapidly changing automotive retail sector. Consequently, the sale of two car dealerships was contracted this year. A few of the smaller, lower-quality industrial buildings were also disposed of, but significantly less than in previous years. The Group has largely disposed of those industrial properties that were identified as not meeting the criteria of a quality industrial portfolio in line with the Group's investment strategy.

SA Corporate's industrial vacancy of **0.2%** compares favourably with a sector-wide vacancy of 2.1% (MSCI)

No major developments were undertaken this year, apart from a vacant office block where SA Corporate obtained local authority approval to repurpose for industrial logistics use. This space is well-suited for the development of a 1 500m^2 warehouse with a hardened yard, for which there is high demand in the area.

The focus is now shifting towards readying our logistics properties to compete with new developments. To remain relevant and secure renewals, buildings are being upgraded with the latest amenities, with the tenants' highest priorities being a stable energy supply and lowering the cost of occupation. SA Corporate has responded by rolling out several solar projects.

Refer to the ESG Report for more information on the solar projects.

Disposals in 2023:

TRANSFERRED	
Description	**Sales price (R'million)**
Cnr Bismuth and Graniet Streets, Jet Park	9.0
Wood Ibis Investments, Maydon Wharf, Durban	69.1
1 Baltex Rd, Isipingo	136.5
15 Patrick Road, Jet Park	18.0
Cnr Giel Basson & Nathan Mallach Road, Goodwood	84.0
120 Loper Avenue, Aeroport Industrial Estate	19.0
Total	**335.6**

CONTRACTED AND UNCONDITIONAL	
Description	**Sales price (R'million)**
Portion of 11 Wankel Street, Jet Park	30.0
GRAND TOTAL	**365.6**

LOOKING AHEAD

We expect another resilient performance from this portfolio next year, despite the weak economic outlook. SA Corporate will continue to balance stability and tenure. Tenant retention remains high, and reversions are expected to be positive and stable.

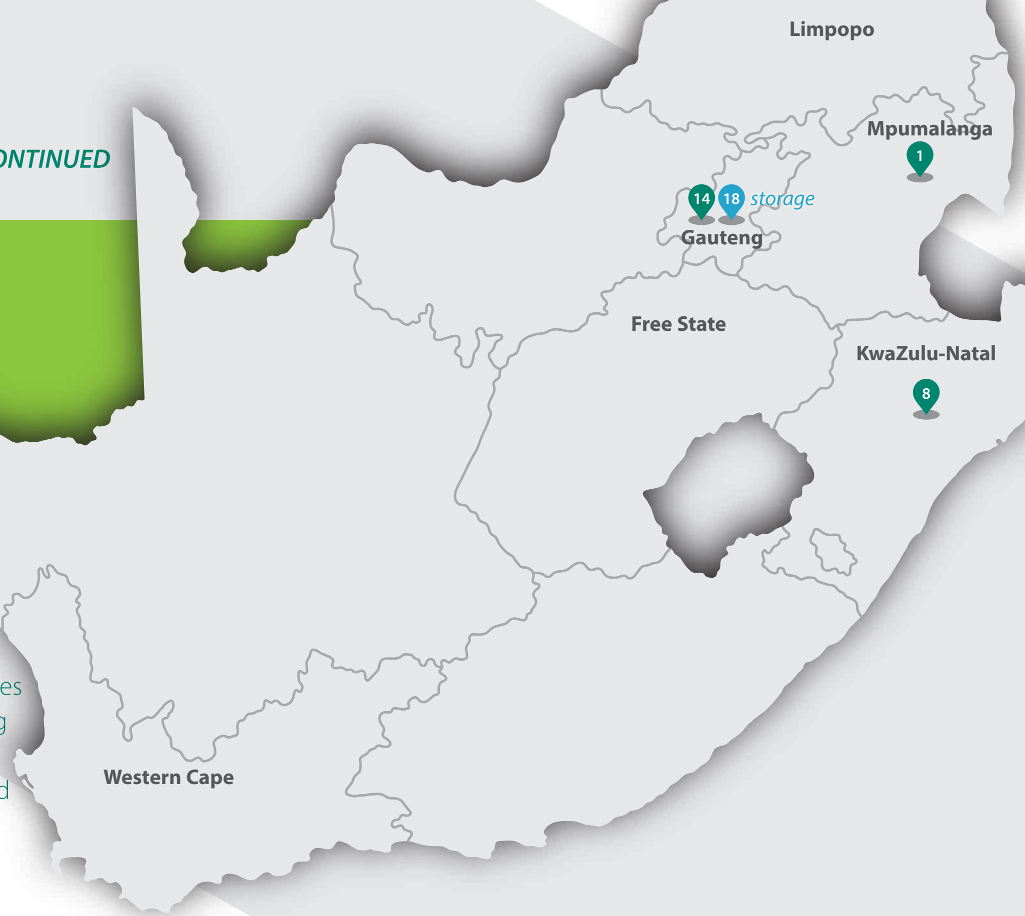
Beryl Street, Jet Park

PROPERTY REVIEW *CONTINUED*

RETAIL PORTFOLIO

38.7%
of South African portfolio value

Total GLA 374 810m² and 23.4% of South African portfolio GLA



STRATEGY: Our retail portfolio focuses on convenience orientated shopping centres, with a tenant mix that emphasises defensive categories, and particularly: groceries, food services, pharmaceutical offering.

PERFORMANCE SYNOPSIS

Revenue: R1 billion, up 5.5%

NPI: R533.7 million, up 2.2%

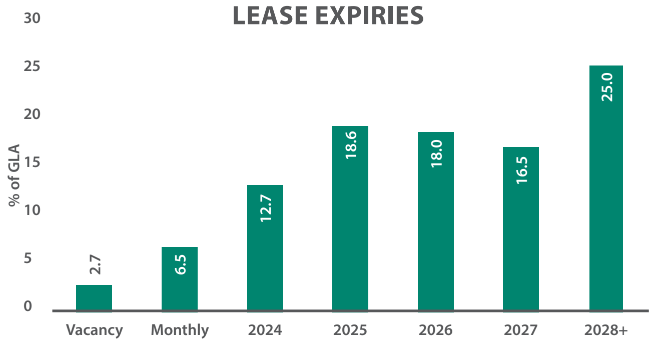
Key features in 2023:

- Vacancies reduced from 3.2% to 2.7%
- National tenants increased from 63.3% to 66.8%
- The convenience aspect of the portfolio continued to grow from 59.2% to 63.6%

Defensive categories comprise 63.6% of the portfolio by GLA and 63.4% by rental income

% BY MSCI TYPE BY VALUE

LEASE EXPIRIES



R6.9 billion Portfolio value	**41** Properties (including storage)
Weighted average capitalisation rate **9.2%**	Tenant retention rate **87.7%**
Collections **97.3%**	Arrears **5.8%**

PROPERTY REVIEW *CONTINUED*

Retail national tenants occupy **66.8%** of GLA and contribute **66.3%** of retail rental income
Grocers comprise **22.4%** of the retail portfolio GLA

OUR TOP 5 PROPERTIES BY VALUE

East Point Shopping Centre

The centre is situated in Boksburg and offers a variety retail mix of over 65 tenants.
5.7%* of traditional portfolio
Value R967 million
Size 44 464m^2

Umlazi Mega City

The centre is situated in Umlazi, Durban and has over 130 stores to choose from.
6.3%* of traditional portfolio
Value R609 million
Size 48 768m^2

Musgrave Centre

The centre is situated in Berea, Durban and is surrounded by office towers, residential apartments and strip malls on the main arterials.
4.8%* of traditional portfolio
Value R960 million
Size 37 720m^2

Bluff Towers

The centre is situated in Bluff, Durban and has a variety of retail outlets and restaurants.
3.1%* of traditional portfolio
Value R543 million
Size 24 008m^2

Springfield Value Centre

The centre is situated in Springfield, Durban and comprises value athleisure and other clothing outlets.
2.6%* of traditional portfolio
Value R610 million
Size 20 519m^2

*By GLA

Rental reversions	Vacancies by GLA	Property expenses	WALE
2.6%	2.7%	9.6%	4.0 years

Weighted average discount rate	Weighted average contractual escalation	Recovery of property expenses	Rental income
14.7%	6.4%	10.6%	2.7%

PROPERTY REVIEW *CONTINUED*

OVERVIEW OF THE RETAIL PROPERTY MARKET

Industry-wide, operational metrics continued to improve with lower vacancies and a modest recovery in reversions, notwithstanding a weak economic environment. This was countered by higher municipal costs as well as the cost of managing the consequences of failing municipal infrastructure, which continue to put pressure on net operating incomes.

Best of Bluff Readers' Choice Award 2023 voted our Bluff Shopping Centre as "Best Shopping Centre" for the 3rd consecutive year

The quality and defensive nature of SA Corporate's retail portfolio is particularly evident in such a challenging operating environment. Our well-located convenience centres have proven themselves resilient, as they cater to customers' essential needs with a basket of predominantly food, pharmaceuticals and other necessities. Our athleisure focus has also offered customers value and comfort when they needed it. This has been recognised by large retailers, culminating in an increase in our national tenancy in 2023. Trading densities grew year-on-year across the portfolios to 6.3%, more so in essential food and pharmacy stores, whereas trading in luxury items was more muted. Overall trading density growth was dampened by the current redevelopment at Musgrave. Interestingly, despite consumer spending being under pressure, fast food has performed surprisingly well due to loadshedding and the convenience of rapidly expanding food delivery platforms.

RETAIL PORTFOLIO PERFORMANCE (INCLUDING STORAGE)

The retail portfolio enjoyed a robust year-on-year with the growing trading densities converting into like-for-like revenue growth of 7.6% and an NPI growth of 4.4% year-on-year. Soaring diesel expenses and a R12 million rates credit at North Park Mall in the prior year caused the variance between revenue growth and NPI growth. These two items, if excluded, would have generated a like-for-like NPI growth ahead of inflation.

Vacancies reduced to 2.7%, notwithstanding North Park Mall which continues to be challenging, and downtime for the redevelopment at Musgrave where Ster-Kinekor vacated space at the end of January 2023. Almost 10 000 square meters of new retail space were leased this year, reducing our vacancy and increasing our national tenancy to 66.8%, and our convenience offering to 63.6% of retail portfolio GLA at the end of December.

Rentals grew modestly with tenants experiencing similar pressures to consumers, in addition to the negative impact of loadshedding and its associated costs. Rent reversions have improved to a positive 2.6% over the year, supported by recent favourable renewals by Pick n Pay at Montana Crossing and Absa at Musgrave Centre. This is a marked improvement over pre-Covid levels.

RETAIL HIGHLIGHTS

We completed a comprehensive redevelopment of Coachman's Crossing in October 2023, which has been very well received, attracting new tenants and an additional customer base. Morning Glen received a new arcade with a bespoke food market, additional play and activity areas, new tenants and improved access and parking.

We opened Global Brands in December 2023 at East Point, enabling us to take care of unproductive areas in the mall which are now generating feet and revenue. Last year was the first full year of trade of Springfield Valley Centre after the civil unrest and we opened a Total Sports store, while Nike returned as well. Umlazi Mall opened a Pick n Pay Clothing in December 2023 in what was the quieter side of the mall and this has served to increase the footfall and strengthen the tenant mix.

The fourth level of Musgrave is receiving a refurbishment in 2023/2024, with the cinema space being replaced with a Checkers Emporium which will commence trading in mid-2024. This node will include a high-end Checkers Fresh X, Checkers Pet and Checkers Liquor. This will bring new shoppers, increase our footfall and give shoppers a variety of different supermarkets, with Food Lovers Market, Pick n Pay and Checkers all under one roof.

Musgrave also installed the first padel courts at a KwaZulu-Natal mall in 2023, to generate alternative income while some stores had to close for the renovations on level 4. These proved massively popular and have since been installed at other shopping centres due to the demand. Various opportunities are being explored for the 6 200m² office block above Musgrave Shopping Centre to unlock value.

Solar PV has been successfully installed on the roofs of all retail shopping centres where feasible, delivering some 12% of the total electricity across retail. This has contributed to substantial savings on electricity expenses. The focus in 2024 will be on integrating the solar installations with our generators to save on diesel costs. Water outages are becoming more prevalent and on-site backup remedies in the form of self-sustaining solutions and/or backup tanks that are fed by municipal water when and if available, are being explored.

ACQUISITIONS AND DISPOSALS

There have been no acquisitions in this portfolio during 2023. We disposed of Celtis Ridge at the beginning of 2023 after it was contracted for sale in 2022.

OUTLOOK

We expect the tough trading conditions to continue due to loadshedding and pressure on the consumer with high inflation, high interest rates and high cost of living.

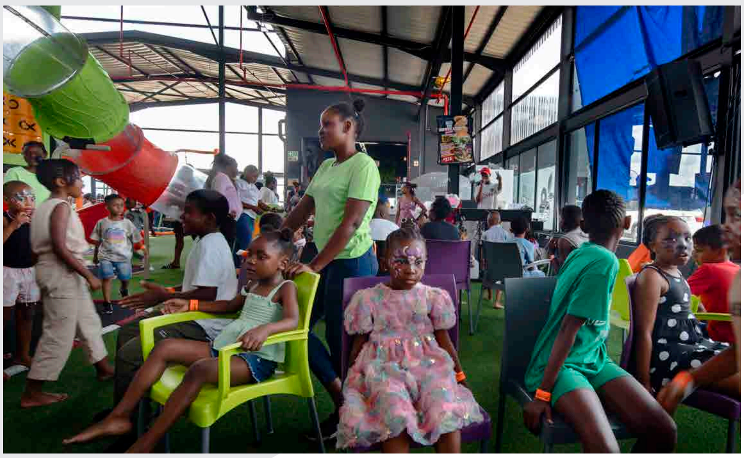
Despite the muted outlook, we are busy with some exciting projects for the year - developments at Musgrave and Montana Crossing, enhancing the tenant mix at Morning Glen and the opening of a new Spur at Coachman's Crossing.

PROPERTY REVIEW *CONTINUED*

DELIGHTING CUSTOMERS AND TENANTS WITH THE COACHMAN'S CROSSING REDEVELOPMENT

Coachman's Crossing is a convenience centre in a fantastic node in Bryanston, Johannesburg that required an upgrade. SA Corporate's comprehensive redevelopment of the centre was completed in the last quarter of 2023 and has been well received by the community. The redevelopment introduced a Woolworths Food store and a complete aesthetic upgrade of the centre. Bespoke tenants that are new to the area were added, some launching their flagship stores like Stud Burgers, Dough & Co Bakery, Plato Coffee, Frango Diablo and Tasko Sweets.

MORNING GLEN MALL HAS BEEN REPOSITIONED, REDEVELOPED AND TRANSFORMED



The centre features a fresh new look, bigger retail spaces, more food outlets, a better tenant mix and improved parking facilities. Our latest addition is a brand-new arcade with a Foodies Feast, a bespoke food market with 26 individual food and beverage stalls that opened in September 2023, on Spring day, as well as new tenants such as Blueberry Beacon, Golden Tee and Willow Way Fitness gym. This wing of the mall has been repositioned to take advantage of the incredible views, with an expansive deck offering outside seating for the restaurants. Blueberry Beacon, is a large family-orientated restaurant, with a high-energy play area, rides, games and life-size Transformers, Optimus Prime, Bumblebee and Marvel characters roaming around, making it lots of fun for the kids to visit. It is a popular destination for the many young families in the Wendywood / Gallo Manor area where no similar facilities exist. Golden Tee opened, which is a first of its kind in South Africa state-of-the-art virtual golf simulator, a sports bar and a restaurant.

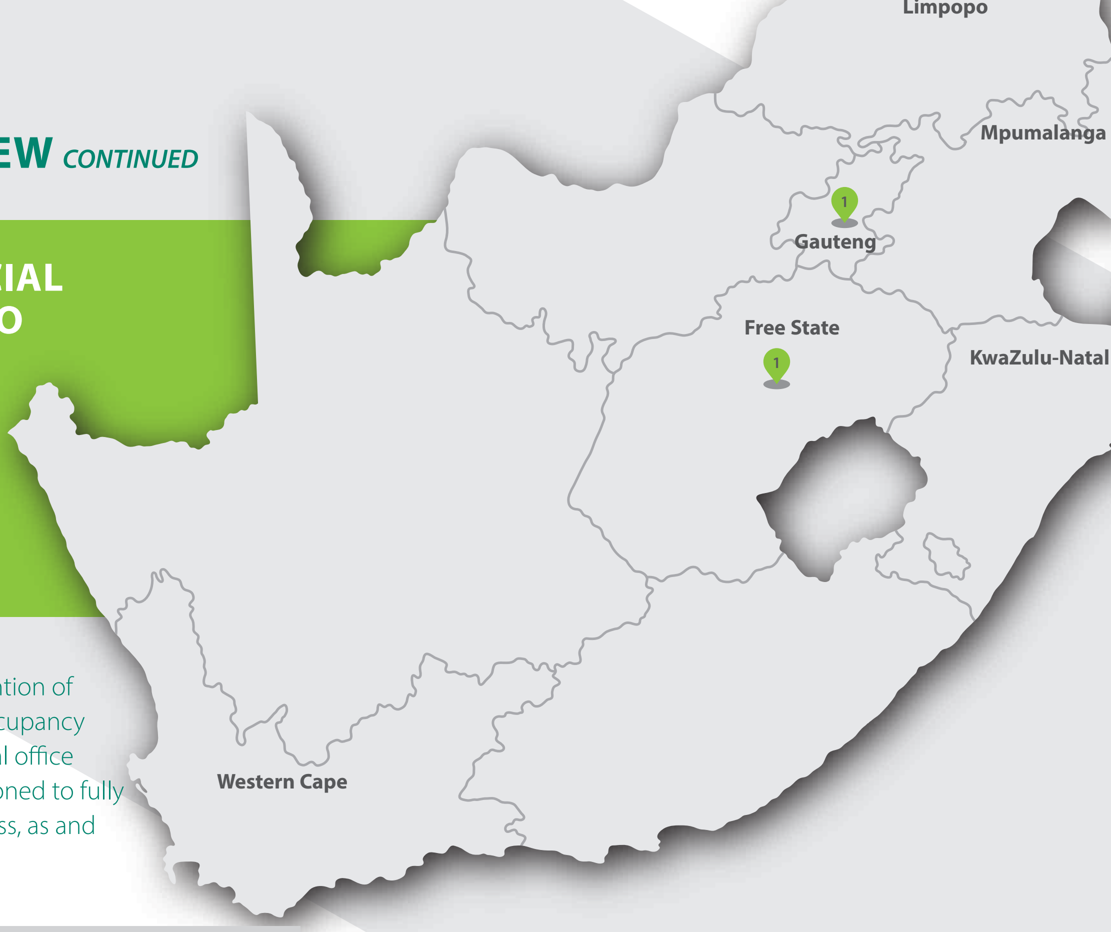
The Pick n Pay also received a full refurbishment. The Urban playground offers a skatepark, urban soccer and hip-hop dancing. Our Padel facility boasts six Padel courts. Along with improved access and more convenient parking for customers, we have created a shopping and lifestyle destination and a big playground for anyone, from young to old.

PROPERTY REVIEW *CONTINUED*

COMMERCIAL PORTFOLIO

1.5%
of South African portfolio value

Total GLA 21 756m² and 1.3% of South African portfolio GLA



STRATEGY: Ensure the retention of tenants and improve the occupancy of our remaining commercial office properties, to be well-positioned to fully divest from this property class, as and when this is opportune.

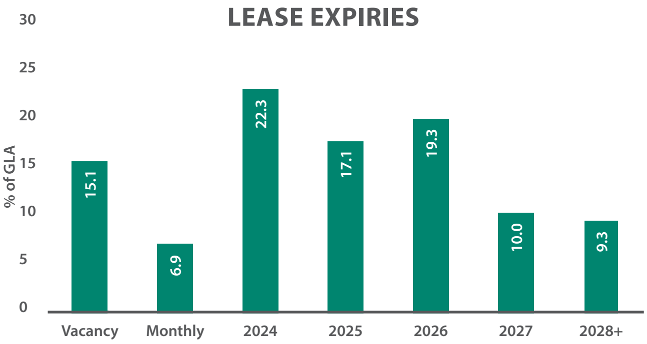
PERFORMANCE SYNOPSIS

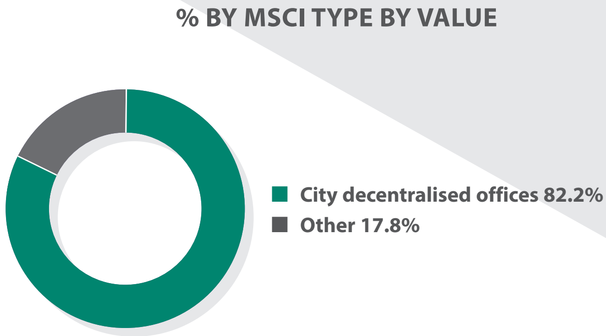
Revenue: R34.5 million down 14.3%

NPI: R10.6 million, up 7.1%

Key features in 2023:

- Vacancies reduced significantly
- Only two stand-alone properties remain





R0.3 billion Portfolio value	**2** Properties
Weighted average capitalisation rate **9.9%**	Tenant retention rate **78.0%**
Collections **107.4%**	Arrears **31.3%**

PROPERTY REVIEW *CONTINUED*

Rental reversions (0.2%)	Vacancies by GLA 15.1%	Weighted average discount rate 15.4%	Weighted average contractual escalation 6.5%
WALE 2.5 years	Rental income (29.5)%	Property expenses (21.3)%	Recovery of property expenses 5.3%

OUR PROPERTIES BY VALUE

GreenPark Corner

This office tower is situated in Sandton, Johannesburg.

1.9%* of traditional portfolio

Value R214 million

Size 15 043m^2

Nobel Street Office Park

The office park is located in Bloemfontein and hosts Vodacom, Phillip Morris and Regus.

0.9%* of traditional portfolio

Value R46 million

Size 6 713m^2

* By GLA

PROPERTY REVIEW *CONTINUED*

OVERVIEW OF THE COMMERCIAL PROPERTY MARKET

The tough trading environment in commercial property has persisted and while national vacancies have improved, they continue to hover above 15%. Landlords continue to have to balance rental growth and occupancy and consequently, asking rentals remain under pressure. To retain and attract tenants, generous incentives continue to be offered and rental reversions on expiring leases remain negative. Vacancies will only be sustainably reduced once robust economic growth and increased business confidence have dented the excess supply.

COMMERCIAL PORTFOLIO PERFORMANCE

It remains SA Corporate's intention to divest all office property and we continue to make good progress in readying the small remaining portfolio for sale. The remaining two standalone buildings, GreenPark Corner in Sandton and Nobel Street in Bloemfontein represent less than 2% of the South African portfolio.

A significant highlight this year has been the reduction in stand-alone office vacancy from 8% to 1% and substantial NPI growth, excluding the loss of NPI from divestments, exceeding 20%. This achievement was due to considerable vacancy take-up at both Nobel Street and GreenPark Corner. Here large vacancies were broken up into ready-to-move-in smaller office spaces, which were very well-received. With both these buildings now almost fully occupied, they will also be more attractive to prospective buyers.

The market has started to improve, albeit modestly. While total office renewal reversion was a negative 0.2%, SA Corporate negotiated a positive reversion on Nobel Street and for several renewals at GreenPark Corner, boding well for 2024.

Both buildings have been fitted with generators to ensure uninterrupted services. Diesel costs were a challenging aspect to navigate in 2023 during the periods of extended loadshedding. While these costs were not recovered from tenants in 2023, they will be charged to tenants in 2024.

SA Corporate's remaining office vacancy relates to offices that are part of shopping centres, where vacancy stands at 15%. The majority (3 192m^2) of this vacancy is a tower above Musgrave Shopping Centre, which is earmarked for conversion into residential apartments on a phased basis.

Disposals:

TRANSFERRED	
Description	**Sales price (R'million)**
31 Allen Drive, Bellville	20.0
TOTAL	**20.0**

LOOKING AHEAD

While the pressure in the commercial sector is unlikely to dissipate over the short term, the outlook for SA Corporate's portfolio is positive. Vacancies are expected to remain low, with only two small pockets vacating during 2024. Filling the remaining office vacancies at our shopping malls will require out-of-the-box thinking to attract and maintain tenants. In this regard, the residential conversion of office space at Musgrave, with the lower floors of the office block earmarked for the conversion during 2024.

SA Corporate remains committed to further reducing our exposure in this sector.

Mpumelelo, 62 Davies Street, Doornfontein

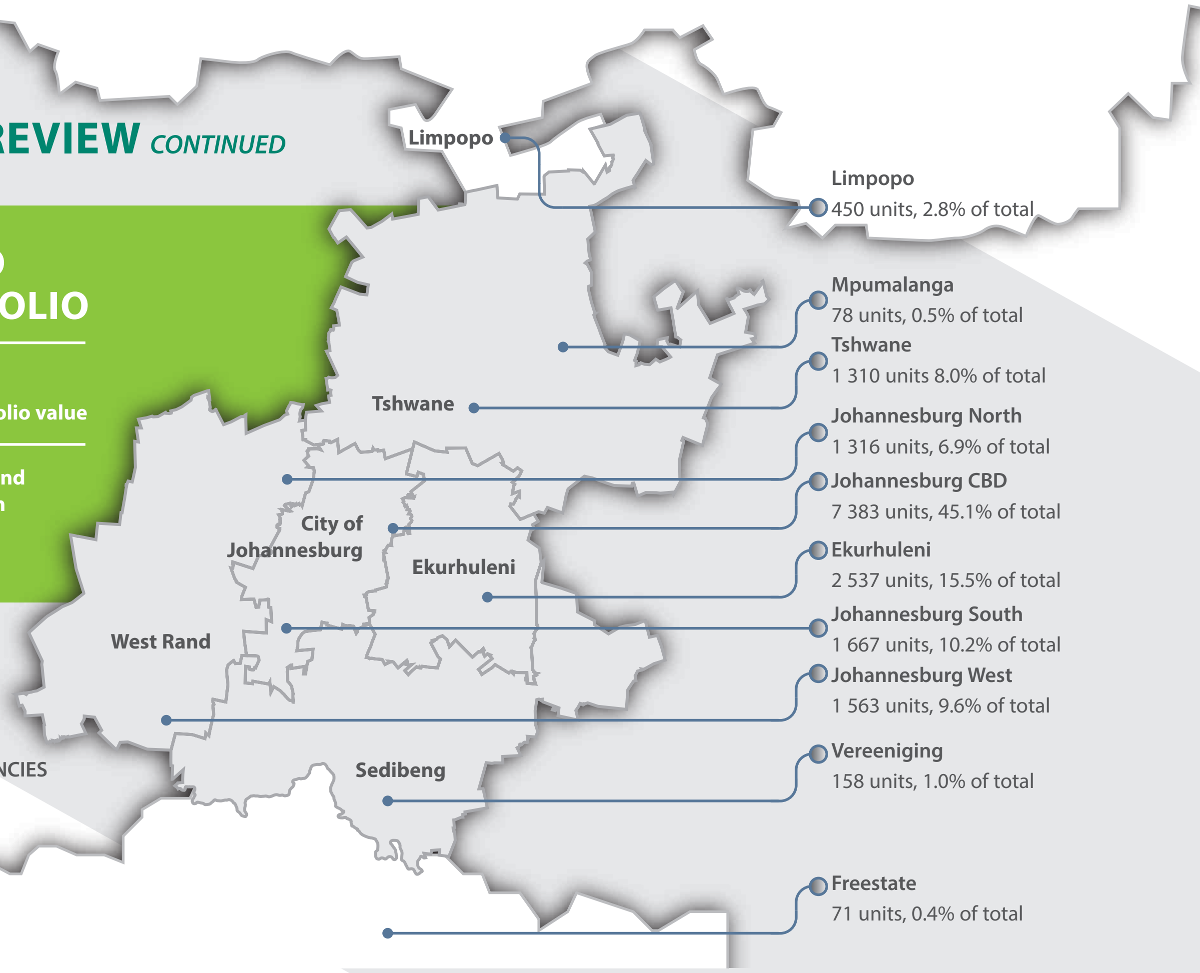
PROPERTY REVIEW *CONTINUED*

AFHCO PORTFOLIO

41.3%
of South African portfolio value

Total GLA 900 361m² and 53.0% of South African portfolio GLA

UNIT LOCATIONS AND VACANCIES



STRATEGY: Establishment of an unlisted residential fund and the optimisation of the residential portfolio to ensure a high-quality portfolio, sustained by a portfolio concentrated in sought-after suburban areas and inner city mixed-use precincts in close vicinity to transport nodes offering quality, security and amenities at competitive pricing.

This will be achieved through the divestment of properties not aligned to the Group's long-term strategy, the acquisition of quality properties that align with the strategy and by enhancing existing properties through upgrades and lifestyle amenities.

PERFORMANCE **SYNOPSIS**

Revenue: R976.8 million, up 40.5%

NPI: R454.1 million, up 38.9%

Key features in 2023:

- Afhco residential vacancies averaged 3.1% in 2023
- Indluplace residential vacancies reduced to 4.5% from 8.5% at the previous year-end
- Strong collections performance at 97.8%
- Divestment of remaining five non-precinct inner city residential properties and one retail property
- Disposal of 224 apartments in poorer quality buildings

RESIDENTIAL UNITS PER GLA MAKE UP 91.5% OF PORTFOLIO AND RETAIL UNITS 8.5%

R7.3 billion Portfolio value	Weighted average capitalisation rate **10.4%**	Cost to revenue ratio **44.8%**	Rental reversions **0.7%**
Weighted average contractual escalation **6.9%**	Residential vacancy in units **4.4%**	Development bulk **5 187m²**	

PROPERTY REVIEW *CONTINUED*

PORTFOLIO INFORMATION

179
Total buildings

16 353
Total residential units

4 291
Total student beds

76 490m²
Total retail size

823 871m²
Total residential size

RESIDENTIAL UNIT LOCATION

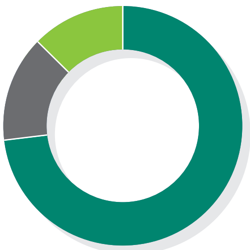
7 383	8 970
INNER CITY	SUBURBAN

RESIDENTIAL UNIT TYPES

766 UNITS	1 192 UNITS	2 692 UNITS	3 412 UNITS	7 318 UNITS	833 UNITS	140 UNITS
Room	Studio	Bachelor	1 bedroom	2 bedroom	3 bedroom	4 bedroom

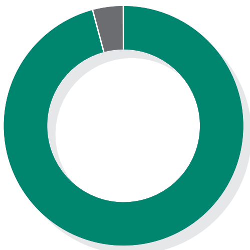
RENTAL INCOME SPLIT

PER CATEGORY



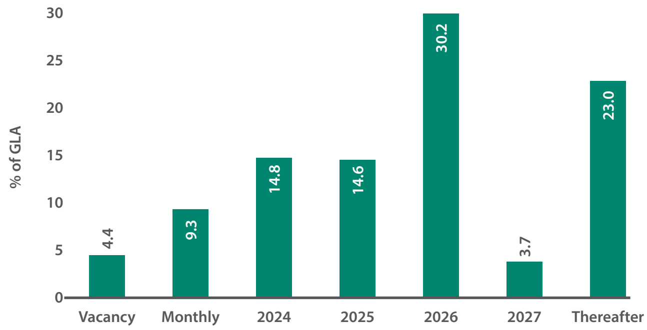
Residential 73%
Retail 14%
Student 13%

PER REGION



Gauteng 97%
Other 3%

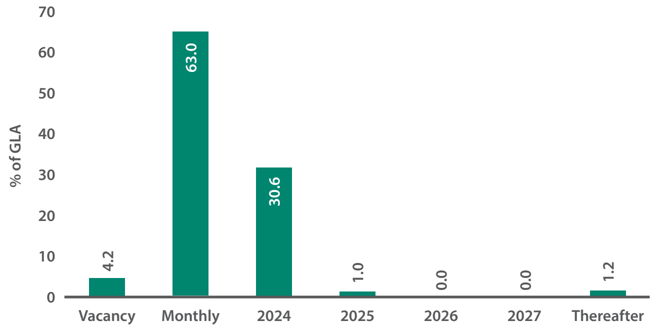
LEASE EXPIRIES - RETAIL



% BY MSCI TYPE BY VALUE

Residential 45.0%
Residential & Retail 49.6%
Retail 4.9%
Retail & Offices 0.5%

LEASE EXPIRIES - RESIDENTIAL



OUR TOP 5 PROPERTIES BY VALUE

Jeppe Post Office

The property is situated in Johannesburg central and comprises 486 apartments and retail anchored by Boxer.
Value R322 million
Size 34 853m²
7.9%* of portfolio

South Hills

The property is situated in South Hills and comprises 740 apartments.
Value R305 million
Size 31 820m²
7.2%* of portfolio

120 End Street

The property is situated in Doornfontein and comprises 925 apartments and retail anchored by Shoprite.
Value R288 million
Size 34 287m²
7.8%* of portfolio

Mpumelelo

The property is situated in Doornfontein and comprises 984 student beds and retail.
Value R280 million
Size 13 412m²
3.1%* of portfolio

The Falls Lifestyle Estate

The property is situated in Wilgeheuwel and comprises 200 apartments.
Value R175 million
Size 15 329m²
3.5%* of portfolio

* By GLA

PROPERTY REVIEW *CONTINUED*

OVERVIEW OF THE RESIDENTIAL PROPERTY MARKET

The acquisition of the Indluplace residential portfolio during the year and the proposed establishment of an unlisted residential fund are significant strategic developments that will produce considerable scale and establish one of the leading residential portfolios in the country. During 2024, high-quality assets pooled from the two portfolios will be transferred into the unlisted residential fund, while lesser-quality assets will be disposed of. New capital will be attracted from additional investors in the unlisted residential fund and will be applied towards acquiring a pipeline of quality residential properties located in suburban estates, predominantly in Gauteng, some of which have already been identified. *For more on this important development please refer to the CEO's report on page xxx.*

The table below provides an overview of how the Afhco residential portfolio has changed post the acquisition:

	2022	2023	2023	2023
Description	**Afhco portfolio**	**Afhco portfolio**	**Indluplace**	**Combined residential portfolio**
Number of properties	58	55	124	179
Total value	R4.5 bn	R4.2 bn	R3.1bn	R7.3bn
Residential units	8 373	7 556	8 797	16 353
Student beds	1 833	1 833	2 458	4 291
Residential m²	370 235	342 520	481 351	823 351
Retail m²	65 377	62 020	14 470	76 490
Total m²	435 612	404 540	495 821	900 361
Residential GLA %	85.0	84.7	97.1	91.5
Retail GLA %	15.0	15.3	2.9	8.5
Residential inner city units %	55	55	35	45
Residential suburban units %	45	45	65	55
Residential inner city by GLA m²	156 939	137 317	135 794	273 111
Residential suburban GLA m²	213 296	205 203	345 557	550 760
Residential inner city GLA %	43	40	28	33
Residential suburban GLA %	57	60	72	67

The combined residential portfolio comprises 16 353 apartments, 4 291 student beds, and 76 490m² of retail space in 179 buildings, situated predominantly in Gauteng, and is valued at R7.3 billion.

With recent disposals in the Afhco inner city portfolio and the acquisition of Indluplace, the residential portfolio weighting now favours suburban areas with 55%, compared with the 45% located in the inner city on a unit basis, whereas on a GLA basis, this increases dramatically to 67% and 33% respectively. This demonstrates the progression of the strategy to increase exposure to suburban areas.

PROPERTY REVIEW *CONTINUED*

OVERVIEW OF THE RESIDENTIAL PROPERTY MARKET

Robust demand and low vacancy evidence the portfolio's defensive nature and stability

The residential portfolio continued to perform well during the past year, which we believe is attributable to a considerable focus and investment in the product that we offer, the service that we deliver, and attractive pricing. While constraints on tenant affordability persist due to low economic growth, high inflation and continued rapidly rising municipal costs, with Afhco having rebased rentals in the portfolio during 2020-2021 due to the effects of Covid-19, the strong demand has translated into a continued steady improvement in residential rental increases. Vacancies also remained low throughout the year, particularly in the inner city in the Afhco portfolio. Despite the challenges to inner city retail, trading conditions have improved, translating into positive lease renewal revisions for Afhco and flat reversions for Indluplace.

After two consecutive years of very strong growth, Afhco has achieved like-for-like NPI growth of 3.3%. Operationally, the Afhco portfolio has performed well, with average vacancies reducing by more than 1% from 4.3% to 3.1% during the year. These achievements can be largely attributed to the diligent efforts of management to enhance the portfolio's quality by reinstating a robust tenant base combined with portfolio refinement, however, the high-interest rate environment has ensured the rental market remains strong as the increased cost of mortgages has raised the demand for rental in preference to property ownership. This, together with increased urbanisation, generated a robust demand for good quality accommodation in urban areas in South Africa.

The strong operational performance has, however, been offset by considerable diesel costs that have been incurred for the first time for generators installed at the end of 2022. Excluding the effects of this, underlying like-for-like NPI growth for the Afhco portfolio would have been 4.4%.

The Indluplace portfolio has performed well since its acquisition in the second half of the year, with NPI for the period to December 2023 12.7% (or R13.4 million) greater than the NPI that was forecast for Indluplace in our acquisition model. One of the contributors to the outperformance has been the increase in the student portfolio occupancy, which improved from 50% to 98%. Good progress has also been made with leasing the Indluplace residential portfolio where the vacancy decreased to 4.5% at year-end, down from 8.5% in September 2022, Indluplace's previous year-end.

Outperformance to budget can be attributed to ongoing efforts to provide superior service, which has resulted in a decline in the number of vacates monthly. This, together with leasing and marketing efforts, has contributed to good performance.

Municipal service delivery constraints provide major challenges, with water pressure issues and the absence of a steady water supply, loadshedding and security challenges the most material issues to deal with in this market sector over the medium term. To counter the loadshedding, Afhco introduced backup generators in most of its high-rise inner city residential buildings, to provide uninterrupted building infrastructure services as well as Wi-Fi. While inner city buildings are generally not conducive to solar installations, solar installations were undertaken in 2023 at Afhco Corner, Afhco's head office, and Newgate.

The plan is to steadily roll out solar in the suburban portfolio and four buildings have been identified for 2024 in the Afhco portfolio, with a further seven buildings in the Indluplace portfolio. Eight of Indluplace's buildings have been fitted with solar before its acquisition by Afhco.

To counter some of the water supply issues for tenants, Afhco has also commenced a reasonably aggressive rollout of boreholes. Indluplace, however, has made considerable headway in terms of borehole installations, with 12 properties already benefitting from borehole water.

Offering the necessary infrastructure to work from home as well as value-adding amenities, continue to be critical attributes in attracting new tenants. Afhco has continued with its amenity upgrade programme this year and has plans for further projects in 2024. In addition to extensive work previously undertaken at South Hills, a walking track was commissioned during the year, and at our Jeppe Post Office building, an indoor gym is in the final stages of completion for the free and exclusive use of tenants, as is a recreational area at Newgate, complete with facilities for adults and children.

RESIDENTIAL PORTFOLIO BREAKDOWN

The table below reflects the different residential units in the portfolio, the average size of the units as well as the average rental income per unit type:

	Average monthly rental		Average size	
Room	R1 779	766 units	$17m^2$	4.7% of total
Studio	R2 043	1 192 units	$16m^2$	7.3% of total
Bachelor	R3 259	2 692 units	$31m^2$	16.5% of total
1 Bedroom	R4 129	3 412 units	$41m^2$	20.9% of total
2 Bedroom	R5 311	7 318 units	$57m^2$	44.8% of total
3 Bedroom	R8 056	833 units	$94m^2$	5.1% of total
4 Bedroom	R7 427	140 units	$128m^2$	0.9% of total
Grand total		**16 353 units**		**100%**

PROPERTY REVIEW *CONTINUED*

Residential property now comprises 91.5% of the combined Afhco and Indluplace portfolios by GLA, of which approximately 67% (2022: 58%) are suburban properties, with the remainder in the inner city. Indluplace has a greater weighting of suburban properties at 72% compared to Afhco's 60%, whereas on a unit basis, the suburban portfolio accounts for 55% in total, with Afhco at 45% and Indluplace at 65%.

> We do our part to accommodate the nation – some 50 000 to 60 000 people are estimated to stay in the Afhco/Indluplace portfolio, with an average net monthly salary of R21 150 and average stay of 22.9 months

Residential vacancies reduced to 4.4% for the combined portfolio, with Afhco at 4.2% (2022: 2.9%) and Indluplace at 4.5% (2022: 8.5%), and rental increases on expiring leases improved to 3.9% (2022: 2.6%). Afhco successfully rebased the residential tenant base through discounting and promotional activity two years ago and has benefited from a continued steady improvement in rental increases given the strong demand and low vacancy.

INNER CITY

The inner city portfolio performance has remained strong in 2023, despite the numerous challenges experienced. In the Afhco portfolio, the inner city has outperformed the suburban portfolio over the past two years, with average vacancies in 2023 achieving their lowest level in more than 12 years at 1.8%, compared with 4.4% experienced in the suburban portfolio. Overall average vacancies were at a very low 3.1%. In contrast, the Indluplace inner city portfolio fared less well, which is understandable considering its poorer quality, however, has still staged a very good comeback over 2023. Average inner city vacancies for the year were 8.6% but closed the year stronger at 6.0%.

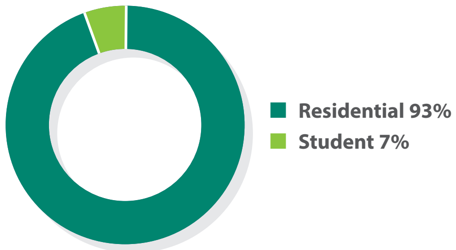
Despite their good performance, inner city properties remain less attractive to many for several reasons. Top of the list is that infrastructure and basic service delivery remain a challenge in the inner city, but also crime, and increased operational costs such as elevator maintenance and diesel running costs. These costs are generally not incurred in suburban properties as elevators or generators are unnecessary. Afhco addresses the challenges of service provision and crime in the inner city by offering security through state-of-the-art CCTV cameras at certain buildings and cleaning services. In addition, and to differentiate our offering, the inner city portfolio offers free, uncapped Wi-Fi and a range of amenities, including braai areas, playgrounds and indoor as well as outdoor gyms. Afhco has also undertaken projects to beautify and pedestrianise selected precincts.

Most Afhco buildings now supply electricity to lifts, water pumps, common area lighting, access control, Wi-Fi, and other key building infrastructure during loadshedding. The low vacancy rate is due in part to the ability to provide tenants with an uninterrupted energy supply. However, the volume and cost of diesel to supply these generators offer a further reason why high-rise inner city units are less attractive than suburban properties from an investment perspective.

Afhco's strategy to increase the weighting of the suburban portfolio will be achieved by continuing selective divestment of non-precinct inner city properties targeting the first-time home buyers ("FLISP") market.

SUBURBAN

UNITS PER CATEGORY



The suburban portfolio also performed well in 2023, with generally low vacancy performance attributable to management's ongoing efforts to provide quality apartments and service at affordable rentals with value-added benefits. In the Afhco portfolio, whilst the suburban portfolio performed less well compared to the inner city, the average vacancy for the year was only 4.4%. The performance of the suburban portfolio was harmed by municipal infrastructure and service delivery issues which impacted two properties in particular. At South Hills, recurring municipal outages of water and electricity affected tenanting and rain damage to Hendrik Potgieter Road in Wilgeheuwel early in 2023 created massive traffic congestion in and around the area and also affected tenanting at Afhco's flagship urban properties, The Falls Lifestyle Estate, and The Falls 2 Lifestyle Estate. The Indluplace suburban portfolio fared better however with average vacancies for the year at 4.1%, and having closed the year at 3.7%.

The Indluplace suburban portfolio will also benefit from the rollout of Wi-Fi and other amenity upgrades from 2024, thereby ensuring it "keeps pace" with the Afhco portfolio.

STUDENT ACCOMMODATION

> The Afhco/Indluplace portfolio accommodates some 4 300 students

The Afhco student portfolio performed reasonably well, with average vacancies for the year of c. 3.6%. The capping of student rentals by the NSFAS in 2023 in the Afhco student portfolio, dampened NPI in this category.

Indluplace owns three properties in Vanderbijlpark comprising student accommodation with 2 458 beds, which service students from the Vaal University of Technology (VUT). Occupancies in the Indluplace student portfolio increased from 50% in 2022 to circa 98% during the year, a key driver to the outperformance of NPI experienced against the acquisition model.

PROPERTY REVIEW *CONTINUED*

Student accommodation remains an attractive segment but competition has been increasing steadily in Johannesburg in particular, with pockets of oversupply. Amenities and quality of accommodation remain key differentiators to effectively compete in this sector, generally offering Wi-Fi, study rooms, games rooms, gyms, social areas, and most crucially, backup facilities. In addition to the above, generators in our student buildings ensure that they can continue studying uninterruptedly. The announcement by the National Student Financial Aid Scheme ("NSFAS") that a student loan scheme for parents who earn between R350 000 and R600 000 will be made available, should be positive for the industry as it should increase the demand for private accommodation.

OVERVIEW OF THE RETAIL/COMMERCIAL PROPERTY MARKET

Retail/commercial property comprises 8.5% of the combined Afhco and Indluplace portfolios by GLA, which equates to 76 490m^2. The percentage has naturally decreased with the acquisition of Indluplace, whose retail portfolio makes up a smaller component of its suburban dominant residential portfolio with no retail exposure, but also as a result of the disposal of five mixed-use properties during the year. Afhco and Indluplace's retail portfolios make up 15.3% and 2.9% of their respective portfolios.

Retail vacancies in this portfolio have remained below 6%

Retail continued to trade well under ongoing difficult economic conditions where consumer spending remains constrained. Some negative rental reversions are still being experienced in certain over-let spaces due to tenant affordability concerns, however, this number has declined, and positive reversions of 0.7% were experienced during the year in the Afhco portfolio whilst Indluplace was flat. National grocer trading densities continue to perform well given the densification of the inner city, with trading densities averaging between R3 750m^2 and R4 800m^2 monthly during the year. The retail portfolio vacancies continued to reflect the attractiveness of quality space in high-density nodes decreasing to 4.4% in the Afhco portfolio, with vacancies in the Indluplace portfolio trading at 10.5%. Positive strides have been made however with the leasing of inner city retail in the Indluplace portfolio where space has been let to Hungry Lion and Jam Clothing at Jozi House with trade commencing in Q1 and early Q2 respectively. The portfolio's overall vacancies were at 5.6% at year-end. Cross-border trade has improved further from the prolonged effects of Covid-19 and has further been compensated for by the high and increasing population density in the inner city, which ensures continued demand for space.

ACQUISITIONS, DISPOSALS AND DEVELOPMENTS

In addition to its strategy of creating an unlisted residential fund, Afhco is progressing a sub-strategy of upweighting suburban apartments within the portfolio through the disposal of inner city properties that does not fit its requirements.

Afhco's acquisition of Indluplace represents a significant transaction of scale, and one which is complimentary to Afhco's portfolio and strategy to own a well-diversified residential portfolio with a weighting that favours suburban estates, whilst retaining ownership of inner city properties in precincts it can ensure accessibility, security and lifestyle amenities. In pursuing this strategy, the remaining five Johannesburg inner city properties that were contracted in 2021 totalling R265.7 million were completed in 2023. A further retail property in the Johannesburg inner city was unconditionally contracted for sale for a consideration of R38.0 million. The property was damaged by a fire and the sale consideration and insurance proceeds to be received are equal to the last valuation of the property. In addition to this, Afhco continued with the sale of sectional title residential apartments in various schemes during the year.

A total of 224 units were transferred in 2023 at a disposal value of c. R85.4 million at a weighted average exit yield of 7.1% and a premium of 26.8% to the last valuation. A further 38 units at a disposal value of R13.2 million were transferred in 2024 and 130 units have been contracted at a value of R47.1 million and are expected to transfer during the year. The continued steps taken to divest from poorer quality apartments in suburban estates speaks to Afhco's well-established competence to sell sectional title units.

The residential conversion of North Park Mall into mixed-use social housing and units for the first-time buyer market was completed in 2022. North Park Residential, reserved for 133 social housing beneficiaries, was fully tenanted in 2023, indicating pleasing demand in that particular segment of the property market. All 123 residential units to be sold to the retail market have been contracted, with the remaining approximately 40% to be transferred before the end of May 2024.

In 2024, there will be a strong focus on disposing of non-core properties of lesser quality in the Indluplace portfolio, and the continued disposal of a pipeline of residential sectional title units in schemes where Afhco or Indluplace are not the sole owners. To achieve the latter, Afhco has bolstered its internal team and systems together with our partnerships with a bond originator and PropTech company to deliver on this strategic objective.

PROPERTY REVIEW *CONTINUED*

TRANSFERRED	
Description	**Sales price (R'million)**
Five Johannesburg inner city properties	265.7
Residential apartments	85.4
Total	**351.1**
CONTRACTED AND UNCONDITIONAL DISPOSALS	
Description	**Sales price (R'million)**
Residential apartments	47.1
Chapel Court, Johannesburg inner city	38.0
Total	**85.1**
CONTRACTED AND CONDITIONAL DISPOSALS	
Description	**Sales price (R'million)**
Vilakazi, Johannesburg [1]	1.1
No. 1 Eloff, Johannesburg [1]	42.0
Pomegranate, Johannesburg [1]	8.2
Empire Gardens, Johannesburg [1]	19.5
Multi Glass, Johannesburg	3.6
Total	**74.4**
GRAND TOTAL	**510.6**

[1] Indluplace properties

LOOKING AHEAD

Afhco remains a leading residential player with a proven track record in affordable as well as more affluent residential rentals, social housing, student accommodation, and valuable retail exposure. Afhco's reputation as a leading provider of affordable, quality and well-maintained residential accommodation has been further strengthened with the acquisition of Indluplace, where synergies between the portfolios will be unlocked. This new, larger, residential portfolio represents a significant and diversified portfolio in a defensive sector and managerial expertise provides a strong platform for sustainable growth in the future. It will capitalise on this platform in 2024 to create an unlisted residential fund which will be made up of the Afhco residential portfolio and the higher-quality properties from Indluplace, predominantly in suburban areas.

We are pleased with the progress made to integrate the Afhco and Indluplace businesses, with performance in the current year in rebalancing the residential portfolio, and further opportunities continue to be explored to dispose of non-core and lower-quality residential properties across both portfolios to achieve a more suburban dominant portfolio.

The current climate indicates that interest rates are likely to stay higher for longer, which continues to support renting over home ownership. This, together with continued urbanisation, suggests high occupancy rates for the foreseeable future, as there is a high demand for quality accommodation at attractive rentals. Whilst Afhco anticipates a stable year for the residential portfolio with continued robust occupancy levels, it must be stressed that affordability remains key as tenants face the negative impact of large increases in municipal services and high inflation, thereby leading to higher living and transportation costs.

The residential portfolio will continue to benefit from planned capital expenditure in 2024, with the rollout of solar and boreholes, but also Wi-Fi in the Indluplace suburban properties.

While the retail portfolio improved in 2023, cross-border trading has not yet fully recovered and disposable income remains constrained.

PROPERTY REVIEW *CONTINUED*

Montere, 113 Agulhas Road,
Hoogland, Johannesburg

In 2023, Indluplace strategically invested in capital improvements, undertaking refurbishments of five buildings, upgrading internal units, establishing children's play areas, and implementing Wi-Fi infrastructure. Additionally, we bolstered our commitment to tenant satisfaction by enhancing water backup systems and ensuring water security, all of which have been instrumental in adding significant value for our tenants. This focused deployment of capital in key areas has resulted in a marked improvement in the performance of our underlying assets, underscoring our dedication to optimizing asset value and tenant experience.

PROPERTY REVIEW *CONTINUED*

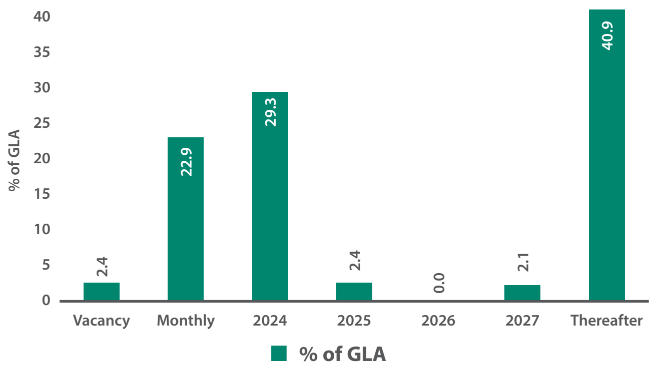
REST OF AFRICA PORTFOLIO

50%
investment in JV

50% Property value R1.8 billion

STRATEGY: Differentiate ourselves through a lifestyle offering aimed at attracting more foot count by introducing outside sports and entertainment areas that complement the current mall offering.

LEASE EXPIRIES: COMMERCIAL



PERFORMANCE **SYNOPSIS**

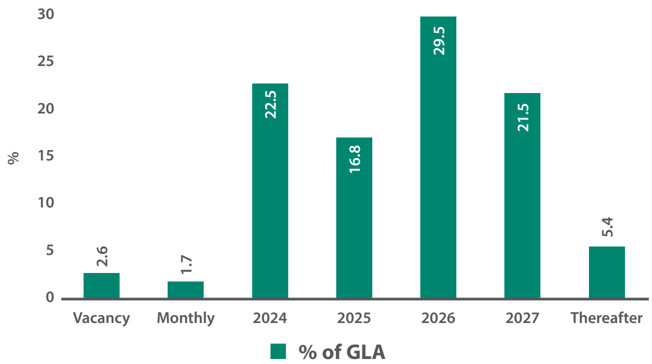
JV Distributable income: R58.3 million, up 4.5%

NPI: USD6.4 million, up 13.3%

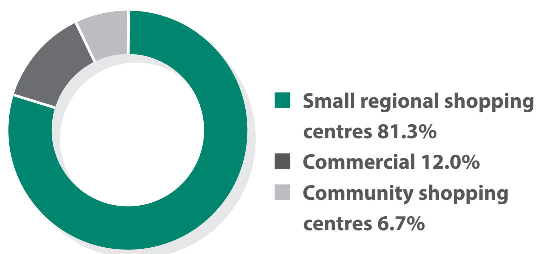
Key features in 2023:

- A notable reduction in vacancies across all three properties

LEASE EXPIRIES: RETAIL



% BY MSCI TYPE BY VALUE



PROPERTY REVIEW *CONTINUED*

R1.8 billion Portfolio value	3 Properties	Total GLA 95 815m^2 * * 100% of GLA	Rental reversions - retail 2.2%
Weighted average contractual escalation - commercial 2.5%	Weighted average contractual escalation - retail 2.7%	Vacancies by GLA - retail 2.6%	Vacancies by GLA - commercial 2.4%

OUR PROPERTIES

East Park Mall

The mall is conveniently located within Lusaka's new CBD area, making it the perfect destination for business lunches, last-minute gifting, weekly grocery shopping, after-work cocktails and much more.

Value	Size	% of portfolio	Vacancy	Rental escalation (USD)	Retention rate of expiring leases	Rental reversion (USD)
USD135.5 million*	68 302m^2	71.3%	0.7%	2.8%	100%	2.3%

Acacia Office Park

Acacia Park is conveniently located in the centre of Lusaka's burgeoning new CBD. It benefits from excellent access to Kenneth Kaunda Airport and internationally recognised Protea and Radisson Blu Hotels.

Value	Size	% of portfolio	Vacancy	Rental escalation (USD)	Retention rate of expiring leases	Rental reversion (USD)
USD24.7 million*	12 580m^2	13.1%	2.4%	2.7%	100%	2.5%

Jacaranda Mall

Situated at the entrance to Ndola, Jacaranda Mall is one of Ndola's primary convenience retail offerings. With its diverse range of stores, restaurants and businesses, it attracts shoppers from all over the city and further afield.

Value	Size	% of portfolio	Vacancy	Rental escalation (USD)	Retention rate of expiring leases	Rental reversion (USD)
USD13.8 million*	14 933m^2	15.6%	11.7%	2.2%	100%	2.2%

*100% of value

PROPERTY REVIEW *CONTINUED*

OVERVIEW OF THE ZAMBIAN MARKET

The Zambian economy has demonstrated resilience, with GDP growth for 2023 projected at 4.3%, mainly driven by agriculture and mining. Despite initial delays to Zambia's debt restructuring, the economy has responded favourably to the reforms implemented and the government's commitment to improved fiscal discipline. According to the Zambia Statistics Agency, inflation has increased from 9.9% in December 2022 to 13.1% in December 2023, albeit still significantly down from 22% in 2021. Whilst the Kwacha ("ZMW") depreciated by circa 44% during the year to close at ZMW26 to the US Dollar on 29 December 2023, compared to ZMW18 in December 2022, this was mitigated by the largely US Dollar-linked rentals of the property portfolio.

The general economy and retail, specifically, remained lacklustre, largely due to constrained consumer spending on the back of inflationary pressure. This is at variance with the experience in the upper demographic market in Zambia where shoppers have a fair availability of discretionary spending. SA Corporate's retail centres serve the upper demographic, indicating reasonable forward support and acceptable trading densities for retailers in the medium term. This is borne out by our joint venture flagship asset, the 70 000 square meter East Park Mall, which is trading extremely robustly.

PORTFOLIO PERFORMANCE

The Zambian portfolio delivered a strong set of results for the year ended 31 December 2023, with like-for-like NPI growth of 6.3% in US Dollar terms and growth in distributable income of 4.5% in Rand terms. Growth was largely driven by a reduction in vacancies and the acquisition of the remainder of phases 5, 6 and 7 at East Park Mall. Rental escalations across all three properties in Zambia remain equally robust whilst 100% of all leases that were expiring in 2023 have been renewed at a positive 2.4% rental escalation in US Dollar terms.

East Park Mall continues to be one of the most aspirational malls in Lusaka and has effectively competed for its share of diminished retail spending during the year. Vacancy reduced to less than 1%, despite the extension of the mall into phases 5, 6 and 7, almost doubling the size of the mall GLA to 68 302m^2. The Mall maintained a lease renewal rate of 100% and achieved reversions of 2.3% in US Dollars in 2023.

The Mall features national tenants as anchors and a good tenant retail mix. Its differentiating appeal, however, is its lifestyle offering. It boasts a gym and a game centre with tenpin bowling, an action sports arena for soccer and basketball, a music hall, a food emporium with al fresco dining and an outside events venue. These attractions have increased both footfall and linger time.

Vacancy in Acacia Office Park, which is primarily tenanted by financial institutions and is in the same node as East Park Mall, reduced to 2.4% from 13.8% and tenant retention was 100%, with expiring leased space of 2 879m^2 for FNB retained at a positive 2.4% renewal reversion in US Dollar.

The acquisition by the joint venture of the listed property company, REIZ, has created attractive synergistic opportunities with the rest of the portfolio. Good progress is being made with restructuring the joint venture and reversing most of the current JV properties into REIZ to achieve tax efficiency from REIT status. In addition, Arcades Shopping Centre, which comprises c.50% of the GLA of the REIZ portfolio, is adjacent to East Park Mall and Acacia Office Park, allowing for a nodal play with three dominant properties in the precinct. Both of these initiatives are primed to deliver a notable uplift in distribution going forward.

The Ndola area remains challenging, given its reliance on mining and the price of copper. At the Jacaranda Mall in Ndola, vacancies were successfully reduced from 19.1% to 11.7%. Renewal reversions of 2.2% in US Dollar were achieved on the renewal of expiring leased space to Hungry Lion and Unicom, with both tenants retained. The remaining vacancy at the back of the Jacaranda Mall remains problematic, but that has an immaterial impact on the financial performance of the joint venture.

LOOKING AHEAD

We anticipate a better year for our Africa operations in 2024, with Zambia's economic recovery expected to strengthen, with GDP growing by around 4.5%, inflation expected to decline to within the target range of 6-8% and firmer copper demand from China. This should enhance purchasing power and promote stability in the retail real estate market. The restructuring of the joint venture to achieve tax efficiency from REIT status will also have a positive impact during 2024.

The main focus in the coming year will be on keeping vacancies low in the current portfolio, reducing vacancies in the REIZ portfolio and developing the assets within the REIZ portfolio to their true potential. There should be some divesture from selected assets in the REIZ portfolio, the proceeds of which will strengthen the balance sheet and enable more redevelopments within the portfolio.

REMUNERATION REPORT

THE REMUNERATION COMMITTEE ("THE COMMITTEE") IS PLEASED TO SUBMIT ITS REPORT FOR THE YEAR ENDED 31 DECEMBER 2023.

BACKGROUND STATEMENT

SA Corporate believes that fair and responsible executive remuneration that is closely aligned with the interests of stakeholders, as well as being equitable with overall employee remuneration, is a vital component of sustainable value creation. SA Corporate's remuneration policy has been developed and approved with these objectives in mind. SA Corporate maintains disciplined adherence to the remuneration policy which sets clear targets and benchmarks for performance. The annual remuneration outcomes are comprehensively and transparently disclosed, and we invite robust engagement with shareholders to ensure the alignment of our practices with shareholders' interests.

OUTCOME OF THE MOST RECENT SHAREHOLDERS' VOTE ON THE REMUNERATION POLICY AND ITS IMPLEMENTATION

SA Corporate's remuneration practices were supported by shareholders through a non-binding advisory vote at the last AGM held on 5 June 2023 on the following basis:	
Endorsement of the remuneration policy	**92.3%**
Endorsement of the implementation report	**89.1%**

SA Corporate is pleased with the outcome of the remuneration vote from its most recent AGM. After broad engagement and significant efforts to enhance its remuneration practices and disclosure in recent years, this vote indicated continued shareholder endorsement.

The Committee remains committed to remuneration reporting that is comprehensive, balanced and transparent, and to adequately aligning compensation with performance and shareholder value creation.

INTERNAL AND EXTERNAL FACTORS THAT INFLUENCE REMUNERATION

The South African economy continues to be characterised by muted growth, constrained household consumption, high levels of unemployment and ongoing loadshedding, creating a challenging environment in which to achieve the performance objectives set for our employees and executives. These developments have also been considered in setting the performance objectives for 2024. Despite high unemployment, certain skills are scarce in the South African economy which often needs to be borne in mind when deliberating total remuneration and retention of employees. Transformation and equal opportunities remain key considerations in all employment and advancement decisions.

More information on the operating environment is available in the Chief Executive Officer's Review on page xx.

THE REMUNERATION COMMITTEE

The Committee assists the Board in setting the Company's remuneration policy and the directors' remuneration. The Committee consists of three independent non-executive directors, Adv OR Mosetlhi (Chairman), Mr MA Moloto and Ms GZN Khumalo. All three members have a wealth of operational and remuneration experience.

The Committee operates according to formal terms of reference and within the ambit of the Company's remuneration policy that is delegated to it by the Board and represents the scope of its responsibilities. The Committee met three times during the reporting year and confirms that it has discharged its functions and complied with its terms of reference for the year ended 31 December 2023.

Further details are provided in the Corporate Governance section of this report on page 34.

REMUNERATION REPORT *CONTINUED*

KEY ACTIVITIES AND DECISIONS OF THE REMUNERATION COMMITTEE

Remuneration governance	• Considered whether the outcomes of the remuneration policy achieved the set objectives • Considered whether the current mix of variable and fixed pay and the various pay elements continue to meet the Company's objectives • Ensured alignment between executive remuneration and shareholders' returns • Formulated and initiated development plans for executives and senior management • Considered and approved the 2023 Remuneration Report • Ensured that the remuneration policy and implementation report was put to a non-binding advisory vote at the AGM
Benchmarking of remuneration practices and levels	• Considered the appropriateness of the comparative group and reviewed the benchmarking outcomes
Remuneration increases	• Considered the overall cost of remuneration within the Company and approved an annual increase for employees • Assessed business and executive management performance for 2023 and approved annual increases for executive directors • Approved the 2024 business and executive management performance scorecards • Considered any risks to the retention of key employees
Short-term incentives ("STIs")	• Approved the 2023 STIs in respect of the 2022 financial year
Long-term incentives ("LTIs")	• Approved the award of the 2023 LTIs that will vest in 2026
Vesting of existing incentives	• Considered the performance against vesting requirements of LTIs and approved the percentage vesting of the LTIs issued in 2020
Non-executive director remuneration	• Considered non-executive director remuneration relative to benchmarks and recommended non-executive director fee increases for 2024

REMUNERATION POLICY

The remuneration policy referred to hereunder is in respect of SA Corporate employees employed by SA Corporate Real Estate Fund Managers (RF) (Pty) Ltd and is also applicable to the Managing Director and Finance Manager of Afhco. The remuneration of all employees, including those employed by Afhco, is reviewed periodically to ensure that the salaries and benefits remain market-related. The Committee utilises independent and objective remuneration consultants to facilitate this review as well as to review the remuneration policy.

No amendments were made to the remuneration policy in the current year

Refer to the remuneration policy on our website at
https://www.sacorporatefund.co.za/index.php/about-us/corporate-governance#moi-charters-policies-and-checklists

The Committee approved the following in respect of remuneration for 2023:

- Salary increases of up to 7%.
- STIs were paid in respect of the 2022 financial year in accordance with the incentive threshold achieved.
- LTIs were issued in accordance with the rules of the plan.

IN CONCLUSION

The Committee is satisfied that it has successfully responded to shareholder remuneration expectations for the year under review.

The Company's remuneration policy and implementation report will be presented to shareholders at the next AGM for a non-binding advisory vote. Should 25% or more of shareholders vote against one or both non-binding resolutions, SA Corporate undertakes to engage with the dissenting shareholder(s) to ascertain their concerns. Details of these engagements and steps taken to address reasonable concerns will be disclosed in the next Remuneration Report.

The Committee is satisfied that the objectives of the remuneration policy were achieved in the current year, without material deviation. We will nevertheless continue to review and streamline our policy and practices to ensure fair and competitive remuneration that allows SA Corporate to attract and retain the right calibre of human capital to achieve our objectives.

Adv OR Mosetlhi
Chairman of the Remuneration Committee

REMUNERATION REPORT *CONTINUED*

OVERVIEW OF REMUNERATION POLICY AND PHILOSOPHY

The remuneration policy outlines steps to achieve SA Corporate's remuneration objectives.

SA CORPORATE'S STRATEGIC INTENT AND OBJECTIVES

INPUTS
- Remuneration
- Incentives
- Conducive work environment
- Nimble entrepreneurial culture
- Employee wellbeing programme
- Talent assessments
- Filling of critical vacancies

HR ACTIVITIES
- Attract
- Employ
- Develop
- Incentivise
- Retain

OUTPUTS
- Employee retention and succession
- Skilled and engaged employees
- Employee wellbeing and satisfaction
- Superior business performance

REMUNERATION CONSIDERATIONS

SA Corporate is committed to transparent and easy-to-understand policies that emphasise superior individual and team performance and drive sustainable long-term growth in distributions, aligned with the strategy of the business.

Accordingly, the aim is to position total guaranteed packages initially towards the median of "the market" and ultimately at the median, with superior/stretch performance by employees enabling total remuneration to exceed the median level.

Remuneration of executives and senior managers is based on four core principles, namely:

1. Sustainable value creation through fair and responsible remuneration linked to sustained performance
2. Appropriate pay mix between fixed and variable pay, both short- and long-term
3. Transparent alignment of remuneration with strategy, pay policies, cost and performance
4. Regular periodic review and independent benchmarking

FAIR AND RESPONSIBLE REMUNERATION

All aspects of remuneration are defined and implemented to realise the principle of fair and responsible remuneration across the Group. Employees are graded according to skills, experience and seniority and appropriate remuneration is determined and benchmarked against market-related criteria. The Committee continuously assesses internal pay levels to ensure alignment with the principle of equal pay for equal work, as well as the reasonableness of differentiated remuneration by pay grade. Any unjustifiable remuneration disparities are addressed.

REMUNERATION REPORT *CONTINUED*

EXECUTIVE REMUNERATION BENCHMARKS

Remuneration is benchmarked every three years. The most relevant comparator group to benchmark against is the SA Listed Property Index ("SAPY"). Companies with significant foreign exposure are excluded from the comparator group. Within the remaining index, companies are sized according to EBITDA, total assets, turnover and market capitalisation. From this, a group of companies are selected that are similar in size to SA Corporate. For the current cycle of three years, SA Corporate conducted a benchmarking exercise against its peer group.

The Committee was satisfied with the Group's remuneration benchmarking process.

REMUNERATION COMPARATOR GROUP SELECTION PROCESS

COMPANIES LISTED ON THE JSE

SA PROPERTY INDEX

COMPANIES WITH INSIGNIFICANT FOREIGN EXPOSURE

COMPARATOR GROUP

Based on companies of similar size, EBITDA, total assets, turnover and market capitlisation

Springfield Value Centre, Cnr Umgeni & Electron Roads, Springfield

REMUNERATION REPORT *CONTINUED*

COMPONENTS OF REMUNERATION

The Company follows a total-cost-to-company approach to structure remuneration for all employees, comprising a guaranteed remuneration component to facilitate financial security, together with variable components to promote superior performance.

TYPES OF REMUNERATION COMPONENTS IMPLEMENTED

Total-cost-to-company

Includes guaranteed and variable remuneration

- Total guaranteed pay
  - Base salary
  - Benefits
- Variable pay
  - STI Plan
  - LTI Plan

The table below summarises the elements of executive and senior management's remuneration which have been applied since the first approval of the remuneration policy in May 2014. SA Corporate does not have any Prescribed Officers.

<table>
<tr><th colspan="3">Elements of remuneration</th><th colspan="2">Purpose</th><th colspan="5">Description</th></tr>
<tr><td>FIXED</td><td colspan="2">Total guaranteed pay ("TGP")</td><td colspan="2">Ensures that employees are compensated at market-related values that form the basis of the Group's ability to attract and retain the desired/ appropriate skills and experience</td><td colspan="5">TGP represents the base salary and all benefits, including, inter alia, medical aid, pension contributions, and life and disability benefits cover.</td></tr>
<tr><td rowspan="10">VARIABLE</td><td colspan="2">STI Plan</td><td colspan="2">Creates a performance culture that rewards employees for achieving strong results, measured on an annual basis against predetermined targets</td><td colspan="5">All employees are eligible to receive an annual STI paid in cash, which is based on the achievement of predetermined key performance areas ("KPAs").
Business scorecard components utilised to determine the STI:
• Financial measures 75%
• Non-financial measures 25%
• To qualify for STIs the business must achieve a minimum score of 50% and in addition, each participant must also achieve a minimum score of 50%</td></tr>
<tr><td colspan="9">The basis used to determine the STI is depicted below:</td></tr>
<tr><th rowspan="2">Annual TGP</th><th rowspan="2">Target incentive per role</th><th colspan="3">Business performance</th><th colspan="3">Personal performance</th><th rowspan="2">Total STI</th></tr>
<tr><th>Performance</th><th>Score</th><th>Multiplier</th><th>Performance</th><th>Score</th><th>Multiplier</th></tr>
<tr><td rowspan="3">Employee's TGP</td><td>CEO - 75%</td><td>Stretch</td><td>5/5</td><td>150%</td><td>Stretch</td><td>5/5</td><td>150%</td><td rowspan="3">Annual TGP x target incentive % x business multiplier % x personal multiplier %
= Total STI</td></tr>
<tr><td>CFO - 50%</td><td>On-target</td><td>3/5</td><td>100%</td><td>On-target</td><td>3/5</td><td>100%</td></tr>
<tr><td>COO - 50%</td><td>Threshold</td><td>2.5/5</td><td>50%</td><td>Threshold</td><td>2.5/5</td><td>50%</td></tr>
<tr><td colspan="9">*Business multiplier % x personal multiplier % is capped at a maximum of 200%</td></tr>
<tr><td colspan="9">The basis used to determine the LTIs is depicted below:</td></tr>
<tr><td colspan="2">LTI Plan</td><td colspan="2">Aligns participants with the interests of shareholders to drive long-term sustained performance and retain key employees</td><td colspan="5">Executives and selected senior management are eligible to receive LTIs. SA Corporate's LTIs are provided in the form of a Forfeitable Share Plan (FSP). Under the FSP, participants will annually receive an award of shares that are subject to forfeiture and disposal restrictions until the vesting date. An overview of the FSP is provided below.</td></tr>
</table>

REMUNERATION REPORT *CONTINUED*

LTI PLAN

FORFEITABLE SHARE PLAN ("FSP")

The basis used to determine the LTI is depicted below:	
Purpose and operation	The FSP aligns participants closely with shareholders' interests through the award of two (previously three) types of instruments: **Performance Shares**, the vesting of which are subject to predetermined performance metrics ("Performance Conditions") and continued employment ("Employment Condition"), and which are intended to be used primarily as an incentive to participants to deliver the Group's business strategy over the long term through the selection of appropriate and stretch Performance Conditions. **Retention Shares**, the vesting of which are subject to the Employment Condition, and which are aimed at retention in specific ad hoc circumstances where it is in SA Corporate's and shareholders' strategic and financial interests that a specific individual is retained.
On-target award levels	In the case of the CEO, the annual on-target LTI level is between 100% and 125% of TGP (as determined by the Committee) and 75% of TGP for the CFO and COO.
Performance measures for the vesting of shares	• The Performance Conditions for the vesting of FSP shares ("FSPs") were amended in 2020. • The results of the conditions for vesting of the FSPs awarded in 2020, which vested on 19 June 2023, are discussed on page 91 of the implementation report. • For the FSPs awarded in 2023, the vesting conditions are:

			Performance levels			Vesting date
Key Performance Measure	**Measure**	**Weight**	**Threshold 30% vesting**	**Target 60% vesting**	**Stretch 100% vesting**	
Financial (90% weighting)	Absolute Total Return (TR)[1]	30%	Risk-free Rate[4] plus 3%	Risk-free Rate[4] plus 4%	Risk-free rate[4] plus 5%	18 June 2026
	Relative Total Return FTSE/JSE SA REIT Index[3] (percentile)	30%	50th percentile	60th percentile	75th percentile	18 June 2026
	Relative Total Shareholder Return (TSR)[2] FTSE/JSE SA REIT Index[3] (percentile)	30%	50th percentile	60th percentile	75th percentile	18 June 2026
Non- financial (10% weighting)	Average personal score over a 3-year vesting period	10%	3	3.5	4	18 June 2026
Total		**100%**				

[1] TR= (closing tangible net asset value per share (TNAVPS) – opening TNAVPS) + DPS for the period/opening TNAVPS
[2] TSR = (closing 90-day VWAP – opening 90-day VWAP) + DPS for the period) / opening 90-day VWAP
[3] The FTSE/JSE SA REIT (SAPY) Index will be adjusted to exclude property entities with substantial foreign holdings and investments
[4] The risk-free rate = annual average 10-year bond yield

Performance period	The performance conditions are measured over three years, commensurate with the financial years of the Group.
Group and individual limits	The overall limit for the FSPs is 3% of the issued shares. The maximum number of shares that may be allocated and vested to an individual may not exceed 0.5% of the number of issued shares.

No retention shares were awarded during the reporting period.

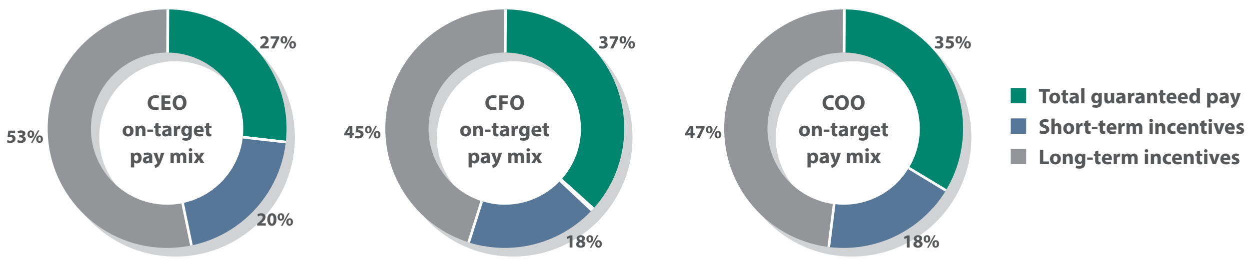
A full version of the rules of the FSP is available in the remuneration policy on the Group's website.

REMUNERATION REPORT *CONTINUED*

SENIOR EXECUTIVE REMUNERATION SCENARIOS

Remuneration should be delivered in the form of an appropriate pay mix between fixed and variable pay, both short and long-term, taking into consideration the Group's risk appetite. The lower fixed pay portion and higher variable pay portion of the on-target pay mix for the CEO, CFO and COO reward for performance is in line with good practice and local and global trends in remuneration.

PAY MIX



EXECUTIVE EMPLOYMENT CONTRACTS

In general, the executives have permanent contracts with a three-month notice period that do not provide balloon payments on termination. Executive contracts do not contain any restraint of trade clauses applicable on termination.

Based on the formulas and caps of the respective elements of remuneration, the potential pay mix of senior executives under threshold, on-target and stretch conditions, are depicted on page 91.

MINIMUM SHAREHOLDING REQUIREMENTS ("MSR") BY SENIOR EXECUTIVES

SA Corporate believes that senior executives should be encouraged to build up a shareholding in the Group, to align the interests of senior executives to that of the shareholders. Accordingly, a minimum shareholding condition has been implemented by the Group at levels that are appropriate for each senior executive. The senior executives are required to build up a personal shareholding in the Company over five years from vested FSPs to the extent that this can be achieved from the holding of at least 50% of post-tax vested FSP awards..

TARGETED MINIMUM SHAREHOLDINGS:

CEO – 200% of TGP
CFO – 150% of TGP
COO - 150% of TGP

The target will be measured at the end of the 2024 financial year for the incumbents and at the first financial year-end five years after the appointment of senior executives in the future.

MALUS AND CLAWBACK

All variable awards from the 2020 financial year are subject to the Group Malus and Clawback policy.

APPLICATION

All employees receiving incentives are subject to the malus provisions and all executive directors and senior management are subject to the clawback provisions contained in the remuneration policy.

MALUS

On or before the vesting date of a variable remuneration award, the Committee may in its judgement reduce the quantum of an award in whole or in part after an actual risk event occurs.

TRIGGER EVENTS

- Material failure of risk management / negligence, poor performance
- Reputational harm caused / misconduct / material error
- Inaccurate/misleading information used / misinterpretation
- Material downturn in financial performance
- Financial statements materially restated

CLAWBACK

The Committee may apply clawback and take steps to recover all, or part of awards that have vested as a consequence of a trigger event during the clawback period - period runs for three years from the vesting date

TRIGGER EVENTS

- Award was based on erroneous, inaccurate or misleading information
- Gross misconduct
- Events led to censure by regulatory authority or reputational damage
- Misstatement resulting in adjusted audited accounts

More information on the Company's Malus and Clawback Policy is available in the Remuneration Policy.

REMUNERATION REPORT *CONTINUED*

BASIS FOR SETTING FEES FOR NON-EXECUTIVE DIRECTORS

In terms of section 66(9) of the Companies Act, the Company annually tables reasonable market-related fees or remuneration payable to its non-executive directors for their services as directors, for shareholder approval. The fees proposed for 2024/2025 represent a six percent increase compared to the fees approved by shareholders at the previous AGM of the Company held on 5 June 2023.

REMUNERATION POLICY IMPLEMENTATION REPORT

EMPLOYEE REMUNERATION

Total compensation paid to employees

	2023	2022
Total compensation paid (R'000)	**124 292**	96 575
Number of employees	**499**	230

STIs paid to employees

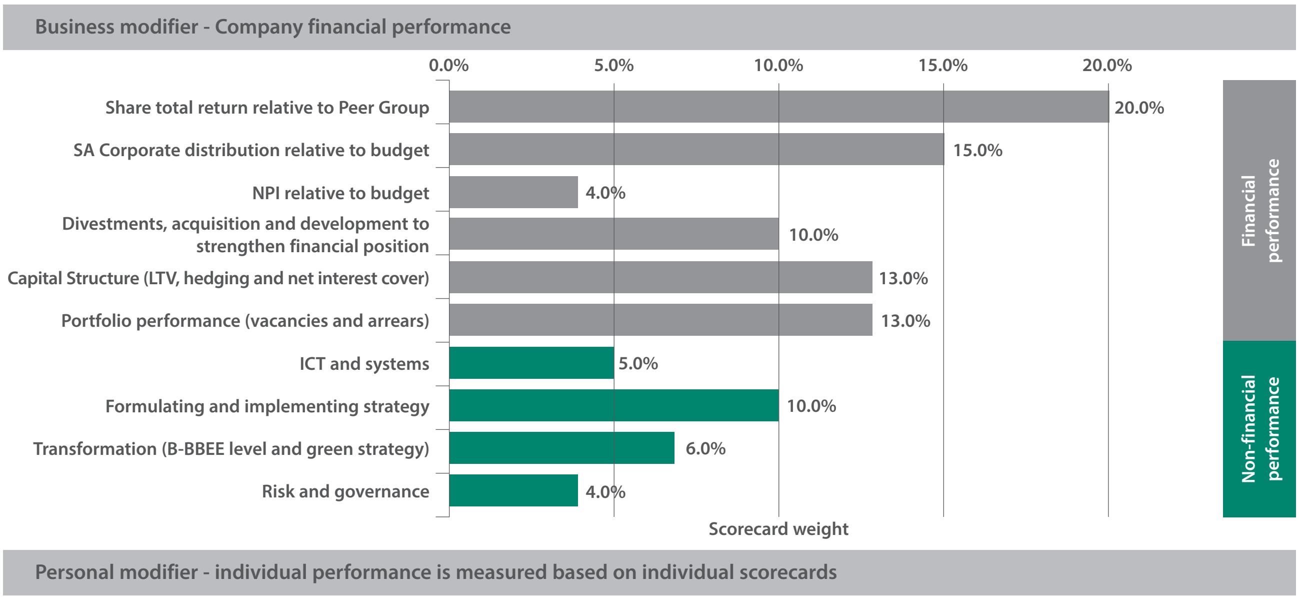
(R'000)	2023	2022
Total bonuses paid	**20 507**	10 945
Average bonus per employee	**45**	57

DIRECTORS' REMUNERATION

SENIOR EXECUTIVE REMUNERATION PAID - 2023

R'000	CEO	CFO	COO
TGP	3 554	2 975	2 979
STI	3 620	1 478	–
LTI (FSP)	3 084	–	–
Other (leave encashment)	78	–	–
Total	**10 336**	**4 453**	**2 979**

SHORT-TERM INCENTIVE PERFORMANCE MEASURES IN 2023



Please refer to pages 92 to 94 for the CEO and CFO scorecards.

REMUNERATION REPORT *CONTINUED*

SHORT-TERM INCENTIVE 2023 AWARDS *(in respect of 2022 financial results)*

	TGP[1] (R'000)	Target incentive (%)	Personal modifier (%)	Business modifier (%)	STI (R'000)
CEO	3 433	75.00	114.75	122.50	3 620
CFO	2 396[2]	50.00	114.75	107.50	1 478
TOTAL	**5 829**				**5 098**

[1] TGP used in STI calculation is before July 2023 salary increases
[2] TGP apportioned for 10 months

LONG-TERM INCENTIVE 2023 AWARDS

	% of annual TGP allocation per participant	Number of shares for target performance [1]	Number of shares for stretch performance [1]
CEO	125%	2 351 450	3 919 084
CFO	75%	1 181 133	1 968 555
COO	75%	1 314 780	2 191 301
TOTAL		**4 847 364**	**8 078 940**

[1] Allocated using the 30-day VWAP share price on the grant date

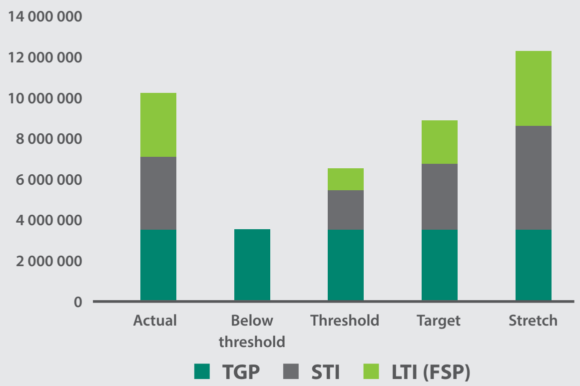
LONG-TERM INCENTIVE VESTING PERFORMANCE MEASURES – FSP AWARDED IN 2020 AND VESTED IN 2023[1]

	Absolute Total Return (TR)	Relative Total Return FTSE/JSE SA REIT index (Percentile)	Relative Total Shareholder Return (TSR) FTSE/JSE SA REIT index (Percentile)	Average personal score over 3-year vesting period	LTI vesting %	LTI vested (R'000)
	Weighting	Weighting	Weighting	Weighting		
CEO[2]	30	30	30	10	88	3 084

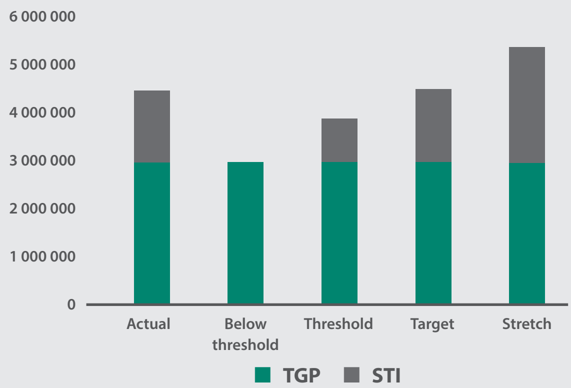
[1] 2020 FSP award is subject to a 3-year measurement period ended 31 December 2022
[2] Represent one-third vesting of 2022 awards following the two-thirds already vested in previous year

ACTUAL REMUNERATION SCENARIOS RELATIVE TO TARGETS

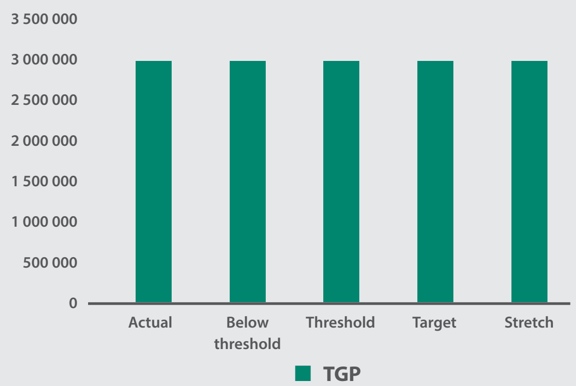
CEO 2023 REMUNERATION SCENARIOS (R)



CFO 2023 REMUNERATION SCENARIOS (R)



COO 2023 REMUNERATION SCENARIOS (R)



REMUNERATION REPORT *CONTINUED*

DIRECTORS' REMUNERATION

ACTUAL REMUNERATION RELATIVE TO TARGETS

PERSONAL PERFORMANCE SCORECARD

CEO

KPI	Weighting	Threshold	Target	Maximum	Actual Performance
Financial Measures 65%					
SA Corporate total return against Peer Group	17.5%	Median for Peer Group	63rd percentile	75th percentile	71st percentile
Distribution comparison to approved budget (cps)	13.5%	2% lower than budget	Budgeted Distribution	2% higher than budget	4% above budget
Growth in NAV (cps)	4.0%	Median for Peer Group	63rd percentile	75th percentile	> 75th percentile
NPI relative to budget	4.0%	< = 2% below budget	Equal budget	> = 2% above budget	13% in excess of budget
Divestments fulfilling the investment strategy	4.0%	Execute all contracted divestments excluding First Mile more than 2% below book value at contract date	Execute all contracted divestments including First Mile within 2% above or below book value at contract date	Execute all contracted divestments plus further strategic portfolio refinement in excess of 2% above contracted book value	Executed all contracted divestments at 5.4% above contracted book value
Quantum of accretion achieved on acquisitions and developments	4.0%	No Dilution below budget	No Dilution >= budget	>= 1% accretion	Indluplace acquisition > 12% accretion to acquisition model
Gearing (LTV) vs Optimal (Net Debt LTV excl. guarantees and MTM)	4.0%	Greater than 37% and all bank LTV covenants met	Equal to 37%	Less than 37%	Net debt LTV of 41.9% and all bank covenants in effect met
Debt refinancing	2.0%	Debt maturing at market related rates (Median for Peer Group)	Debt maturing at market related rates (63rd percentile) and no material debt maturing within 12 months of the year-end	Debt maturing at improved rates relative to the market (75th percentile) and no material debt maturing within 12 months of the year-end	63rd percentile of Peer Group and no material debt maturing in 2024
Vacancies by GLA - SA Corporate Traditional portfolio	5.0%	Equal to Peer Group	12.5% lower than Peer Group	25% lower than Peer Group	> 25% lower than peer group
Vacancies by units & GLA - Afhco portfolio (annual average unit vacancy for the year)	2.0%	10% higher than previous year	<5% lower than previous year to 5% higher	10% lower than previous year	16.5% lower than previous year
Arrears as a % of 12 months Income (SA Corporate Traditional Portfolio)	4.0%	Arrears % equal to previous year	12.5% lower than previous year	25% lower than previous year	Slightly higher than previous year
Arrears as a % of 12 months Income (Afhco Portfolio)	1.0%	Arrears % equal to previous year	12.5% lower than previous year	25% lower than previous year	Decrease of 5.7% from previous year
Non-financial measures 15%					
Additional distribution from growth strategy	9.0%	Strategy implementation which will achieve budgeted distribution growth in future years	1% additional distribution growth from strategy implementation	2% additional distribution growth from strategy implementation	1.4% additional distribution growth from strategy implementation
SA Corporate B-BBEE Level	4.0%	N/A	Level 2	Level 1	Level 1
Roll-out & implement the energy saving project plan	2.0%	Savings 10% less than target	Targeted savings achieved	Savings 10% greater than target	7.5% less than target
Leadership 20%					
Leadership and soft skills development (5 point scale) - Team Review	10.0%	360 degree feedback score = 1	360 degree feedback score = 3	360 degree feedback score = 5	360 degree feedback score = 4.1
Leadership and soft skills development (5 point scale) - Board Review	10.0%	360 degree feedback score = 1	360 degree feedback score = 3	360 degree feedback score = 5	360 degree feedback score = 4.6
Total	**100.0%**				

Peer Group as defined per the glossary of terms on page 107

As a result of the outcome of the scorecard, the overall personal multiplier for STI awards for 2023 was 1.30

REMUNERATION REPORT *CONTINUED*

SENIOR EXECUTIVES

PERSONAL PERFORMANCE SCORECARD

CFO

KPI	Weighting	Threshold	Target	Maximum	Actual Performance
Financial Measures 60%					
SA Corporate total return against Peer Group	15.0%	Median for Peer Group	63rd percentile	75th percentile	71st percentile
Distribution comparison to approved budget (cps)	12.0%	2% lower than budget	Budgeted Distribution	2% higher than budget	4% above budget
NPI relative to budget	5.0%	< = 2% below budget	Equal budget	> = 2% above budget	13% in excess of budget
Divestments fulfilling the investment strategy	3.0%	Execute all contracted divestments excluding First Mile more than 2% below book value at contract date	Execute all contracted divestments including First Mile within 2% above or below book value at contract date	Execute all contracted divestments plus further strategic portfolio refinement in excess of 2% above contracted book value	Executed all contracted divestments at 5.4% above contracted book value
Quantum of accretion achieved on acquisitions and developments	3.0%	No Dilution below budget	No Dilution >= budget	>= 1% accretion	Indluplace acquisition > 12% accretion to acquisition model
Budgeting, forecasting, financial modelling and capital structure plan	5.0%	Capital requirements met efficiently and market guidance within 3% accuracy	Capital requirements met efficiently and market guidance within 2% accuracy	Capital requirements met efficiently and guidance within 1% accuracy	Capital requirements met efficiently and on par with guidance
Gearing (LTV) vs Optimal (Net Debt LTV excl. guarantees and MTM)	5.0%	Greater than 37% and all bank LTV covenants met	Equal to 37%	Less than 37%	Net debt LTV of 41.9% and all bank covenants in effect met
Hedging	5.0%	Hedging % < 70% and > 60%; and hedging tenor >= 2 years	Hedging % = 70%; and hedging tenor = 3 years	Hedging % > 70%; and hedging tenor >3 years	Hedging % > 70% but tenor < 2 years
Net Interest Cover	3.0%	2 times cover and all bank ICR covenants met	3 times cover	> 3 times cover	2.1 times cover and all bank ICR covenants met
Debt refinancing	4.0%	Debt maturing at market related rates (Median for Peer Group)	Debt maturing at market related rates (63rd percentile) and no material debt maturing within 12 months of the year-end	Debt maturing at improved rates relative to the market (75th percentile) and no material debt maturing within 12 months of the year-end	63rd percentile of Peer Group and no material debt maturing in 2024
Non financial measures 13%					
SA Corporate B-BBEE Level	3.0%	N/A	Level 2	Level 1	Level 1
Roll-out & implement the energy saving project plan	2.0%	Savings 10% less than target	Targeted savings achieved	Savings 10% greater than target	7.5% less than target
Improvement of HR process and the automation of financial consolidation and close	4.0%	Plan Implemented by Q4 2023	Plan Implemented by Q3 2023	Plan Implemented by Q2 2023	HR system implementation achieved in Q2 2023; financial consolidation automation not completed
Additional distribution from growth strategy	4.0%	Strategy implementation which will achieve budgeted distribution growth in future years	1% additional distribution growth from strategy implementation	2% additional distribution growth from strategy implementation	1.4% additional distribution growth from strategy implementation

REMUNERATION REPORT *CONTINUED*

SENIOR EXECUTIVES

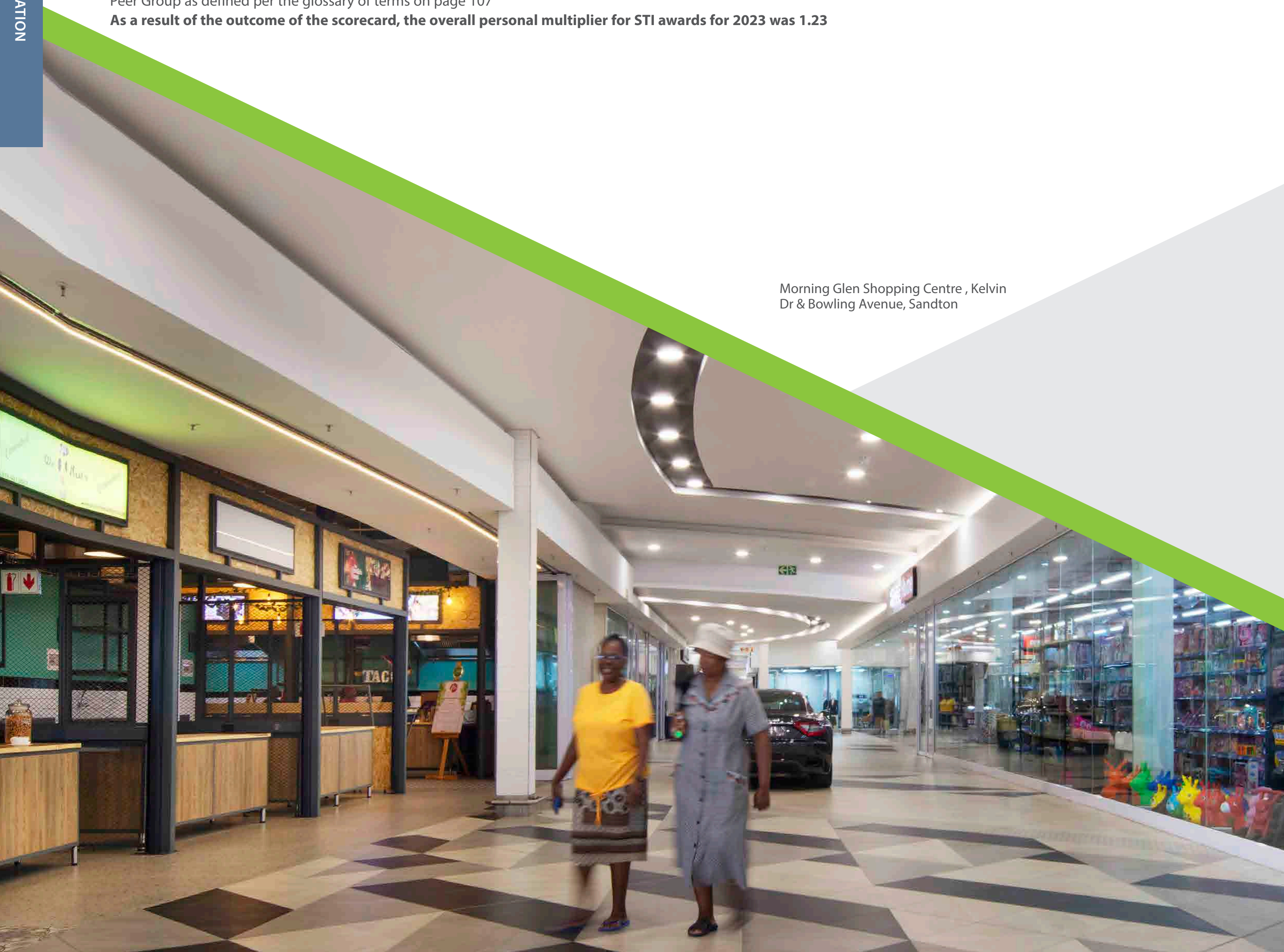
PERSONAL PERFORMANCE SCORECARD

CFO continued

KPI	Weighting	Threshold	Target	Maximum	Actual Performance
Risk and Governance 17%					
Audit, Accounting and Tax Compliance Review	5.0%	No material audit qualification	No material audit findings issued and risk mitigation in place	Insignificant audit findings and risk mitigation in place	No material audit findings issued and risk mitigation in place
Supervise half year and final results, AFS and IAR (Manco and Fund) - External Reporting	5.0%	Late and/or incorrect	On time and correct	High Quality	Improvement from prior year on process and quality
Supervise half year and final results and annual report (Manco and Fund) - Internal Reporting	3.0%	Late and/or incorrect	On time and correct	High Quality	Improvement from prior year on process and quality
Monitor Debt Covenant Compliance	2.0%	Non Compliance	100% Compliance	Less burdensome covenants	In compliance with all covenants in effect at year-end
Compliance of statutory investments and legislative requirements	2.0%	Minor non-compliance	Substantially compliant	100% compliant	100% compliant
Leadership 10%					
Leadership and soft skills development (5 point scale) - Team Review	5.0%	360 degree feedback score = 1	360 degree feedback score = 3	360 degree feedback score = 5	360 degree feedback score = 4.0
Leadership and soft skills development (5 point scale) - Board Review	5.0%	360 degree feedback score = 1	360 degree feedback score = 3	360 degree feedback score = 5	360 degree feedback score = 4.4
Total	**100.0%**				

Peer Group as defined per the glossary of terms on page 107

As a result of the outcome of the scorecard, the overall personal multiplier for STI awards for 2023 was 1.23



Morning Glen Shopping Centre , Kelvin Dr & Bowling Avenue, Sandton

REMUNERATION REPORT *CONTINUED*

SENIOR EXECUTIVES

PERSONAL PERFORMANCE SCORECARD

COO

KPI	Weighting	Threshold	Target	Maximum	Actual Performance
Financial Measures 70%					
SA Corporate total return against Peer Group	10.0%	Median for Peer Group	63rd percentile	75th percentile	71ST percentile
Distribution comparison to approved budget (cps)	7.5%	2% lower than budget	Budgeted distribution	2% higher than budget	4% above budget
Growth in NAV (cps)	5.0%	Median for Peer Group	63rd percentile	75th percentile	> 75th percentile
NPI relative to budget	5.0%	< = 2% below budget	Equal budget	> = 2% above budget	13% in excess of budget
Divestments fulfilling the investment strategy	5.0%	Execute all contracted divestments excluding First Mile more than 2% below book value at contract date	Execute all contracted divestments including First Mile within 2% above or below book value at contract date	Execute all contracted divestments plus further strategic portfolio refinement in excess of 2% above contracted book value	Executed all contracted divestments at 5.4% above contracted book value
Vacancies by GLA - SA Corporate Traditional portfolio	6.0%	Equal to Peer Group	12.5% lower than Peer Group	25% lower than Peer Group	> 25% lower than peer group
Vacancies by units & GLA - Afhco portfolio (annual average unit vacancy for the year)	1.5%	10% higher than previous year	<5% lower than previous year to 5% higher	10% lower than previous year	16.5% lower than previous year
Arrears as a % of 12 months Income (SA Corporate Traditional Portfolio)	6.0%	Arrears % equal to previous year	12.5% lower than previous year	25% lower than previous year	Slightly higher than previous year
Arrears as a % of 12 months Income (Afhco Portfolio)	1.5%	Arrears % equal to previous year	12.5% lower than previous year	25% lower than previous year	Decrease of 5.7% from previous year
Timeous delivery of accurate realistic budget and forecasts	7.5%	Guidance within 3% accuracy	Guidance within 2% accuracy	Guidance within 1% accuracy	0.2% higher than Guidance forecast
Cost to income ratio (SA Corporate Traditional portfolio)	4.0%	2% worse than MSCI benchmark	At benchmark	5% better than MSCI benchmark	2% better than MSCI benchmark
Cost to income ratio (Afhco portfolio)	1.0%	Equal to prior year	12.5% better than prior year	25% better than prior year	Slightly higher than previous year
Tenant retentions	5.0%	<= 70%	75%	>= 85%	89.3% retention
Property Manager Peformance	5.0%	Property Manager Score = 50	Property Manager Score = 60	Property Manager Score = 70	Score of 67.8
Non-financial measures 20%					
Additional distribution from growth strategy	5.0%	Strategy implementation which will achieve budgeted distribution growth in future years	1% additional distribution growth from strategy implementation	2% additional distribution growth from strategy implementation	1.4% additional distribution growth from strategy implementation
Quality of reports and information provided	5.0%	Second submission approval	First time submission approval (with limited ED revision)	High quality	First time submission approval (with limited ED revision)
Disposal price above book value	5.0%	5% below book	At book	5% above book	5.7% above book value
SA Corporate B-BBEE Level	3.0%	N/A	Level 2	Level 1	Level 1
Roll-out and implement the energy saving project plan approved by SEEC	2.0%	Savings 10% less than target	Targeted savings achieved	Savings 10% greater than target	7.5% less than target
Leadership 10%					
Leadership and soft skills development (5 point scale) - Team Review	5.0%	360 degree feedback score = 1	360 degree feedback score = 3	360 degree feedback score = 5	360 degree feedback score = 3.4
Leadership and soft skills development (5 point scale) - Board Review	5.0%	360 degree feedback score = 1	360 degree feedback score = 3	360 degree feedback score = 5	360 degree feedback score = 4.3
Total	**100.0%**				

Peer Group as defined per the glossary of terms on page 107

As a result of the outcome of the scorecard, the overall personal multiplier for STI awards for 2023 was 1.30

REMUNERATION REPORT *CONTINUED*

SENIOR EXECUTIVES' COMPENSATION RATIO (%)

	2023	2022
Weighted average TGP paid to executive directors relative to average TGP paid to employees	7.7%	5.9%

SHARE-BASED PAYMENTS

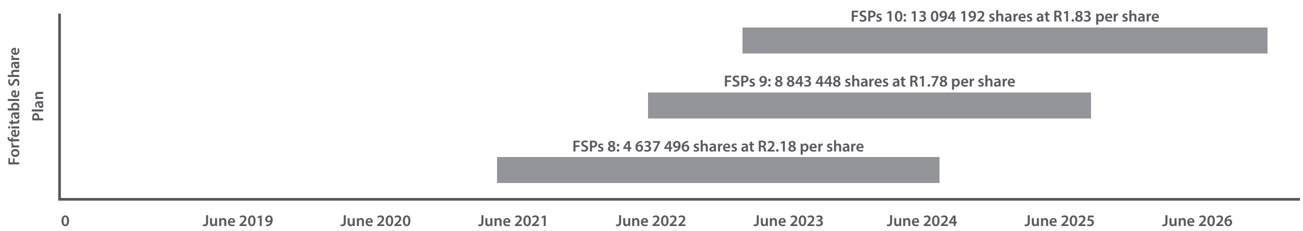
The table below depicts the movements in share-based payments, in respect of the number of shares granted, vested and forfeited in the respective share schemes during the year.

	FSPs
Movements in shares during the year	
Balance at beginning of the year	20 150 938
Granted during the year	13 094 192
Forfeited during the year	(816 261)
Vested during the year	(5 853 734)
Balance at end of the year	**26 575 135**

VALUATION OF OUTSTANDING GRANTED SHARES AT 31 DECEMBER 2023

	Shares	Valuation price per share R	Fair value R'000	Year-end valuation based on time elapsed R'000
Revaluation of shares 2023				
FSPs	26 575 136	1.87	25 416	10 853
Revaluation of shares 2022				
FSPs	20 150 938	2.17	23 219	11 678

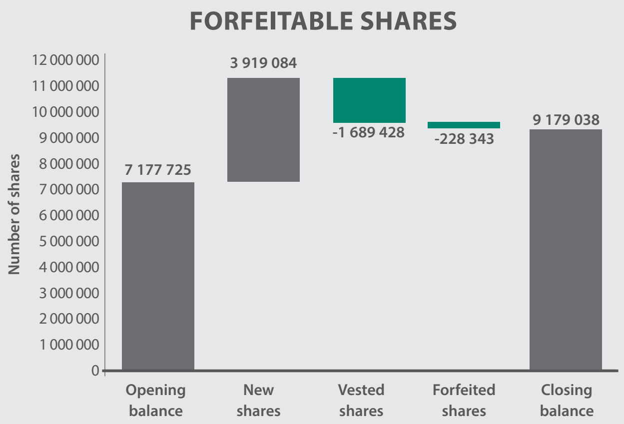
UNVESTED SHARE AWARDS AS AT 31 DECEMBER 2023



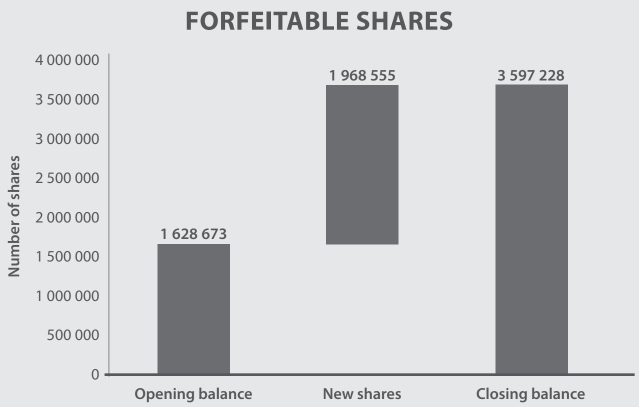
REMUNERATION REPORT *CONTINUED*

SENIOR EXECUTIVES' SHARE GRANTS

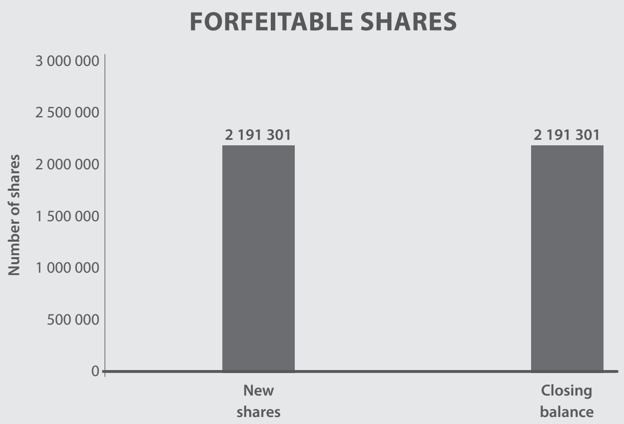
TR MACKEY (CEO)



SY MOODLEY (CFO)



NNN RADEBE (COO)



REMUNERATION REPORT *CONTINUED*

OUR STRATEGIC OBJECTIVES

Convenience retail | Human capital development | Quality logistics focused industrial portfolio | Financial sustainability | Divesting from commercial | Operational optimisation | Best-in-class residential portfolio | Execution discipline

BUSINESS SCORECARD FOR THE 2023 YEAR

The business scorecards are aimed at promoting the achievement of the Company's strategic objectives and the targeted KPIs and the Group's performance against these targets are set out below:

KPI	Link to strategic pillars	Weighting	Threshold	Target	Maximum	Actual Performance
Financial measures 75%						
SA Corporate total return against Peer Group		20.0%	Median for Peer Group	63rd percentile	75th percentile	71st percentile
Distribution comparison to approved budget (cps)		15.0%	2% lower than budget	Budgeted Distribution	2% higher than budget	4% above budget
NPI relative to budget		4.0%	< = 2% below budget	Equal budget	> = 2% above budget	13% in excess of budget
Divestments fulfilling the investment strategy		7.5%	Execute all contracted divestments excluding First Mile more than 2% below book value at contract date	Execute all contracted divestments including First Mile within 2% above or below book value at contract date	Execute all contracted divestments plus further strategic portfolio refinement in excess of 2% above contracted book value	Executed all contracted divestments at 5.4% above contracted book value
Quantum of accretion achieved on acquisitions and developments		2.5%	No Dilution below budget	No Dilution >= budget	>= 1% accretion	Indluplace acquisition > 12% accretion to acquisition model
Gearing (LTV) vs Optimal (Net Debt LTV excl. guarantees and MTM)		4.0%	Greater than 37% and all bank LTV covenants met	Equal to 37%	Less than 37%	Net debt LTV of 41.9% and all bank covenants in effect met
Hedging Level compared to Policy		3.0%	Below 70% and above 65%	70%	>70% @ best pricing	70.1%
Net Interest Cover		3.0%	2 times cover and all bank ICR covenants met	3 times cover	> 3 times cover	2.1 times cover and all bank ICR covenants met
Hedging Tenor		3.0%	Greater than or equal to 2 years	Equal to 3 years @ best pricing	Greater than 3 years @ best pricing	1.5 years
Vacancies by GLA - SA Corporate Traditional portfolio		6.0%	Equal to Peer Group	12.5% lower than Peer Group	25% lower than Peer Group	> 25% lower than peer group
Vacancies by units & GLA - Afhco portfolio (annual average unit vacancy for the year)		2.0%	10% higher than previous year	<5% lower than previous year to 5% higher	10% lower than previous year	16.5% lower than previous year
Arrears as a % of 12 months Income (SA Corporate Traditional Portfolio)		4.0%	Arrears % equal to previous year	12.5% lower than previous year	25% lower than previous year	Slightly higher than previous year
Arrears as a % of 12 months Income (Afhco Portfolio)		1.0%	Arrears % equal to previous year	12.5% lower than previous year	25% lower than previous year	Decrease of 5.7% from previous year

REMUNERATION REPORT *CONTINUED*

BUSINESS SCORECARD FOR THE 2023 YEAR

KPI	Link to strategic pillars	Weighting	Threshold	Target	Maximum	Actual Performance
Non-financial measures 25%						
Improvement of HR process and the automation of financial consolidation and close		5.0%	Plan implemented by Q4 2023	Plan implemented by Q3 2023	Plan implemented by Q2 2023	HR system implementation achieved in Q2 2023 ; financial consolidation automation not completed
Additional distribution from growth strategy		10.0%	Strategy implementation which will achieve budgeted distribution growth in future years	1% additional distribution growth from strategy implementation	2% additional distribution growth from strategy implementation	1.4% additional distribution growth from strategy implementation
SA Corporate B-BBEE Level		4.0%	N/A	Level 2	Level 1	Level 1
Roll-out and implement the energy saving project plan approved by SEEC		2.0%	Savings 10% less than target	Targeted savings achieved	Savings 10% greater than target	7.5% less than target
Audit and Compliance Review		4.0%	No material audit qualification	No material audit findings issued and risk mitigation in place	Insignificant audit findings and risk mitigation in place	No material audit findings issued and risk mitigation in place

Peer Group as defined per the glossary of terms on page 107

As a result of the outcome of the scorecard, the overall business multiplier for STI awards for 2023 was 1.21

Cedar Valley, 426 Rifle Range Road, Rosettenville, Johannesburg

REMUNERATION REPORT *CONTINUED*

BUSINESS SCORECARD FOR THE 2024 YEAR

KPI	Weighting	Threshold	Target	Maximum
Financial measures 75%				
SA Corporate total return against Peer Group	20.0%	Median for Peer Group	63rd percentile	75th percentile
Distribution comparison to approved budget (cps)	15.0%	2% lower than budget	Budgeted Distribution	2% higher than budget
NPI relative to budget	4.0%	< = 2% below budget	Equal budget	> = 2% above budget
Divestments fulfilling the investment strategy	7.5%	33% Non-core assets divested	50% Non-core assets divested	65% Non-core assets divested
Quantum of accretion achieved on acquisitions and developments	2.5%	No Dilution below budget	No Dilution >= budget	>= 1% accretion
Gearing (LTV) vs Optimal (Net Debt LTV excl. guarantees and MTM)	4.0%	Greater than 40% and all bank LTV covenants met	Equal to 40% and all bank LTV covenants met	Less than 40% and all bank LTV covenants met
Hedging pricing and tenor	6.0%	Actual cost of debt is equal to the unhedged cost of debt and tenor equal to 1 year	Actual cost of debt 25bps lower than unhedged cost of debt and tenor equal to 1 year	Actual cost of debt 75bps lower than unhedged cost of debt and tenor greater than 2 years
Net Interest Cover	3.0%	Bank ICR covenants met after relaxation	Bank ICR covenants met without relaxation	Bank ICR >2.1
Vacancies by GLA - SA Corporate Traditional portfolio	6.0%	Equal to Peer Group	12.5% lower than Peer Group	25% lower than Peer Group
Vacancies by units & GLA - Afhco portfolio (annual average unit vacancy for the year)	2.0%	10% higher than previous year and equal to Peer Group average	<5% lower than previous year to 5% higher	10% lower than previous year
Arrears as a % of 12 months Income (SA Corporate Traditional Portfolio)	4.0%	Arrears % equal to previous year	12.5% lower than previous year	25% lower than previous year
Arrears as a % of 12 months Income (Afhco Portfolio)	1.0%	Arrears % equal to previous year	12.5% lower than previous year	25% lower than previous year
Non financial measures 25%				
A strategy for Group Financial forecasting automation and consolidation	5.0%	Prepared by Q4 2024	Approved by the end of the year	Approved by Q3 2024
Unlisted Residential Fund Implementation	10.0%	R1 billion equity raised	R2 billion equity raised and R1 billion pipeline executed	R2.5 billion equity raised and R1 billion pipeline executed
SA Corporate B-BBEE Level	4.0%	N/A	Level 2	Level 1
Roll-out and implement the energy saving project plan approved by SEEC	2.0%	Savings 10% less than target	Targeted savings achieved	Savings 10% greater than target
Audit and Compliance Review	4.0%	No material audit qualification	No material audit findings issued and risk mitigation in place	Insignificant audit findings and risk mitigation in place
Total	**100.0%**			

REMUNERATION REPORT *CONTINUED*

NON-EXECUTIVE DIRECTORS' FEES

Non-executive directors' fees comprise a combination of an annual retainer fee, in recognition of their ongoing fiduciary duties and responsibilities, and an attendance fee per meeting. Directors who serve on Committees were paid attendance fees at approved rates. In addition, for unscheduled meetings, directors were paid at a rate of R3 400 per hour, which payment was capped at one-third of their respective annual fees.

	2023 Actual R'000	2022 Actual R'000
Non-executive directors:		
N Ford-Hoon (Fok)	681	606
EM Hendricks	392	365
GJ Heron	558	558
MA Moloto	943	787
OR Mosetlhi	700	589
SS Mafoyane	462	422
GZN Khumalo*	441	-
Total	**4 177**	**3 496**

* Appointed 1 February 2023

Town Square Shopping Centre, Cnr Hendrik Potgieter Road & Albert Street, Weltevredenpark

REMUNERATION REPORT *CONTINUED*

PROPOSED NON-EXECUTIVE DIRECTORS' FEES FOR 2024

At the Company's AGM, scheduled for 6 June 2024, the Company will seek authority from its shareholders to pay reasonable market-related fees or remuneration to its non-executive directors for their services as directors in accordance with section 66(9) of the Act. The fees proposed represent a six percent increase compared to the fees approved at the previous AGM.

	Annual Retainer Fee* 2024 (R)	Fee* per meeting 2024 (R)	Annual Retainer Fee* 2023 (R)	Fee* per meeting 2023 (R)
Board				
Chairman[1]	631 463	–	595 720	–
Lead Independent Director	195 787	33 557	184 705	31 658
Members	159 063	33 557	150 059	31 658
Audit and Risk Committee				
Chairman	96 043	32 015	90 607	30 203
Members	56 055	18 685	52 882	17 627
Investment Committee				
Chairman	96 187	16 031	90 742	15 124
Members	64 100	10 683	60 472	10 078
Nomination Committee				
Chairman	39899	19 949	37 641	18 820
Members	22 880	11 440	21 585	10 792
Remuneration Committee				
Chairman	48 105	24 052	45 382	22 691
Members	21 962	10 981	20 719	10 359
Social, Ethics and Environmental Committee				
Chairman	40 197	13 399	37 922	12 641
Members	31 979	10 659	30 169	10 056
Conference and strategy sessions flat fee (Each of a 2-day Board Strategy session; 1-day Board Risk Workshop)	–	11 800	–	11 200
Ad hoc (special/unscheduled) meetings per hour, calculated per 15 min thereof (capped at one-third of the specific meeting fee and an annual cap equal to one-third of the total annual fees for that Committee or the Board, as the case may be)	–	3 600	–	3 400

[1] The Chairman of the Board does not receive a fee per meeting for scheduled Board meetings.

* The proposed fees exclude value added tax ("VAT"). VAT is paid to directors, in addition to their approved directors' fees, but only if they are registered vendors and provide SA Corporate with tax invoices for the output tax.

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SUPPLEMENTARY INFORMATION

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Musgrave Centre, 115 Musgrave Road, Musgrave

ANALYSIS OF ORDINARY SHAREHOLDERS

as at 31 December 2023

	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Shareholder spread				
1 – 1 000	3 115	50.36%	452 779	0.02%
1 001 – 10 000	1 262	20.40%	5 726 283	0.23%
10 001 – 100 000	1 197	19.35%	42 695 529	1.70%
100 001 – 1 000 000	400	6.47%	139 036 189	5.53%
Over 1 000 000	212	3.43%	2 326 821 315	92.53%
Total	**6 186**	**100.00%**	**2 514 732 095**	**100.00%**

	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Distribution of shareholders				
Assurance Companies	26	0.42%	86 775 412	3.45%
Close Corporations	41	0.66%	5 793 420	0.23%
Collective Investment Schemes	266	4.30%	1 186 700 171	47.19%
Custodians	14	0.23%	291 521	0.01%
Foundations & Charitable Funds	45	0.73%	24 478 405	0.97%
Hedge Funds	1	0.02%	43 800	0.00%
Insurance Companies	3	0.05%	305 973	0.01%
Investment Partnerships	14	0.23%	1 583 400	0.06%
Managed Funds	18	0.29%	12 922 478	0.51%
Medical Aid Funds	15	0.24%	28 280 089	1.12%
Organs of State	6	0.10%	480 617 875	19.11%
Private Companies	100	1.62%	25 471 068	1.01%
Public Companies	6	0.10%	24 065 145	0.96%
Public Entities	2	0.03%	1 271 858	0.05%
Retail Shareholders	5 149	83.24%	65 189 580	2.59%
Retirement Benefit Funds	172	2.78%	464 846 166	18.48%
Scrip Lending	8	0.13%	22 172 620	0.88%
Share Schemes	1	0.02%	26 575 136	1.06%
Sovereign Funds	1	0.02%	3 100 000	0.12%
Stockbrokers & Nominees	17	0.27%	20 319 497	0.81%
Trusts	279	4.51%	33 811 425	1.34%
Unclaimed Scrip	2	0.03%	117 056	0.00%
Total	**6 186**	**100.00%**	**2 514 732 095**	**100.00%**

*Pursuant to the provisions of Section 56 of the Companies Act, 2008, disclosures from foreign nominee companies have been included in this analysis.

	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Non-public shareholders	**8**	**0.13%**	**54 744 612**	**2.18%**
Directors and Associates of the Company				
Direct holding	4	0.06%	8 221 783	0.33%
Indirect holding	3	0.05%	19 947 693	0.79%
Share Schemes				
SA Corporate Real Estate Fund Managers	1	0.02%	26 575 136	1.06%
Public Shareholders	**6 178**	**99.87%**	**2 459 987 483**	**97.82%**
Total	**6 186**	**100.00%**	**2 514 732 095**	**100.00%**

ANALYSIS OF ORDINARY SHAREHOLDERS *CONTINUED*

as at 31 December 2023

	Number of shares	% of issued capital
Fund Managers with a holding greater than 3% of the issued shares		
Public Investment Corporation	418 241 623	16.63%
M & G Investments	306 768 286	12.20%
Catalyst Fund Managers	207 675 275	8.26%
Ninety One	201 213 849	8.00%
Old Mutual Investment Group	196 119 212	7.80%
Meago Asset Management	179 553 790	7.14%
Sesfikile Capital	150 073 849	5.97%
Stanlib Asset Management	84 832 896	3.37%
Total	**1 744 478 780**	**69.37%**
Beneficial shareholders with a holding greater than 3% of the issued shares		
Government Employees Pension Fund	434 257 667	17.27%
Old Mutual Group	300 061 314	11.93%
Eskom Pension & Provident Fund	170 452 496	6.78%
M & G Investments	141 047 701	5.61%
Ninety One	138 432 287	5.50%
Sanlam Group	91 564 468	3.64%
Stanlib	84 981 605	3.38%
Momentum Metropolitan Holdings Limited	76 850 424	3.06%
Total	**1 437 647 962**	**57.17%**

SHARE PRICE PERFORMANCE

Opening Price 3 January 2023	R2.42
Closing Price 29 December 2023	**R2.32**
Closing High for period	**R2.40**
Closing Low for period	**R1.77**
Number of shares in issue	2 514 732 095
Volume traded during period	927 519 411
Ratio of volume traded to shares issued (%)	36.88%
Rand value traded during the period	R1 816 927 731
Price/earnings ratio as at 29 December 2023	8.47
Earnings yield as at 29 December 2023	11.81%
Dividend yield as at 29 December 2023	9.73%
Market capitalisation at 29 December 2023	R5 834 178 460

GLOSSARY *CONTINUED*

Afhco/Afhco Group	Afhco Holdings (Pty) Ltd and its subsidiaries acquired by SA Corporate on 1 July 2014.
Antecedent distribution	When shares are issued part-way through a distribution period, those shares are entitled to the full distribution on the payment date. In order not to dilute existing shareholders' distributions, new shares issued during a period are therefore required to contribute a pro-rata amount towards the upcoming distribution, which they effectively receive back on payment of the distribution.
B-BBEE	Broad-Based Black Economic Empowerment Act.
Black people	Means Africans, Coloureds and Indians (a) who are citizens of the Republic of South Africa by birth or descent; or (b) who became citizens of the Republic of South Africa by naturalisation- (i) before 27 April 1994; or (ii) on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalisation before that date
Bps	Basis points expressed as a hundredth of a percentage.
Broll	Broll Property Group (Pty) Ltd, SA Corporate's property manager for its Traditional Portfolio.
CAGR	Compound annual growth rate.
Capital return	Movement in the share price expressed as a percentage of the opening share price.
Capitalisation ("cap") rates	The interest rate or yield at which the annual net income from an investment is capitalised to ascertain its capital value at a given date.
CISP	Collective Investment Scheme in Property.
Closed period	A closed period is defined in the JSE Listings Requirements as: • the date from the financial year-end up to the date of the earliest publication of the preliminary report abridged report or provisional report; • the date from the expiration of the first six-month period of a financial year up to the date of publication of the interim results; • the date from the expiration of the second six-month period of the financial year up to the date of publication of the second interim results, in cases where the financial period covers more than 12 months; and • any period when an issuer, or any listed major subsidiary thereof, or any of their listed securities, are either dealing with or executing actions, which in terms of the JSE Listings Requirements are price sensitive.
Corporate REIT	A Real Estate Investment Trust ("REIT") is a company with shares listed on the JSE, and in the case of conversion means the company that acquired the assets and liabilities of the CISP.
Cps/cps	Cents per share.
Discount rates	A rate of return used to convert a monetary sum, payable or receivable in the future, into a present value.
Distributable earnings	Net income that arises from the core business of the Group, i.e. net rental income after expenses, including net interest expenses, but excluding all items of a capital nature.
Distribution	The distributable income of the Group as distributed to shareholders. The Company does not pay any taxes on its distributions and shareholders receive pre-tax rentals, interest and dividends on a conduit principle. Distributions are paid for six months in April and October for the periods ending 31 December and 30 June respectively.
Exit yield	Income for the following 12 months divided by the sale price, expressed as a percentage.
FLISP	Finance Linked Individual Subsidy Projects.
GDP	Gross Domestic Product is the total value of goods and services produced over a specific period.
GLA	Gross lettable area.

GLOSSARY *CONTINUED*

Gross property expenses	The sum of property administration fees and property expenses.
H1	The first half of the financial year.
H2	The second half of the financial year.
IFRS	International Financial Reporting Standards.
Income (distribution) yield	Distributions for the previous 12 months divided by the opening share price for the year, expressed as a percentage.
Indluplace/ Indluplace Group	Indluplace Properties (Pty) Ltd (formerly, Indluplace Properties Limited) and its subsidiaries which were acquired by SA Corporate on 1 August 2023.
Initial (forward) yield	Expected income for the following 12 months divided by a current value/price, expressed as a percentage.
Interest cover	Interest cover is calculated as the number of times that distributable earnings, before net interest and taxation, cover interest paid.
JV	Joint venture in 50% of three Zambian property companies.
Like-for-like portfolio	Properties in the portfolio that have been held for the full current year and the comparable 12 months in the prior year. Acquisitions, developments and disposals in either the current or prior year are excluded from the like-for-like portfolio.
LTV	Loan to value. Loan value expressed as a percentage of direct and indirect property investments (excluding straight-line rental adjustment).
Manco	SA Corporate Real Estate Fund Managers (RF) (Pty) Ltd.
MSCI	An international investment research firm that provides as one of its products the listed SA property index, formerly known as the Investment Property Databank ("IPD"), used for benchmarking fundamental property performance.
Net asset value ("NAV")	The NAV of the Group, expressed in cents per share, is the net assets of the Company divided by the shares in issue at the end of the year.
Net cost-to-income ratio	Net property expense (property expense net of recovery) divided by revenue (excluding recoveries).
Net property expenses	Gross property expenses less recovery of property expenses.
Net property income ("NPI")	Rental income and recoveries less expense attributable to investment properties.
Non-controlling interest ("NCI")	NCI is the portion of equity in a subsidiary not attributable to SA Corporate, which has a controlling interest and consolidates the subsidiaries' financial results with its own.
Peer Group	The Peer Group comprises the SAPY index as a base. This is then adjusted to only include REITs of a similar size and that operate similar property portfolios, but with insignificant exposure to foreign operations.
Premium/(discount) to net asset value	The difference between the price at which the shares are trading and the NAV, divided by the NAV. A discount means that the shares are trading at a price below the asset value and a premium that they are trading above the asset value.
Property Portfolio	Properties identified in the property portfolio on pages 116 to 123 of the AFS. The properties are held by the subsidiaries of the Group. The property portfolio comprises: • Investment property at valuation • Property under development • Properties classified as held for disposal

GLOSSARY *CONTINUED*

Property Sector Charter ("PSC")	A transformation charter, published in the Government Gazette in June 2012 in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act, No. 53 of 2003 was replaced by the Amended Property Sector Code, published on 7 June 2017.
REIT	Real Estate Investment Trust is an investment vehicle that invests in and derives income from, real estate properties. Profits are taxed in the hands of investors.
Remco	Remuneration Committee.
Reversion	The increase/decrease in future rental is negotiated in terms of rental contract renewals.
SAMRRA	South African Multi-Family Residential Rental Association
SAPY/J253	JSE SA Property Index.
SEEC	Social, Ethics and Environmental Committee.
Straight-line rental adjustment	An accounting adjustment required in terms of IFRS to smooth fixed escalated rental income for the lease/debt. For example, if a lease is subject to an 8% annual escalation clause of five years, the cumulative accrued rental income over the five years is divided by five years to determine the annual straight-line amount. Distributable earnings are calculated by excluding the straight-line adjustment. Distributable earnings are calculated using the accrued rentals as opposed to a smoothed rental.
Tenant retention (renewal) rate %	The retention rate is calculated as the total square metres renewed expressed as a percentage of the total square metres expired during the same period.
Total returns	Total returns are calculated as the income yield plus the capital return, assuming that the distributions are reinvested into shares.
Vacancy as a percentage of lettable space	Unoccupied space (excluding unoccupied space in development buildings) in square metres divided by total lettable space.
Vacancy as a percentage of total income	Lost rental from unoccupied space (excluding unoccupied space in development buildings) divided by total rentals.
WACC	Weighted average cost of capital.
WALE	Weighted average lease expiry.
WAR	Weighted average rate.

ADMINISTRATION

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Share Code: SAC ISIN Code: ZAE000203238
Approved as a REIT by the JSE

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SY Moodley (Chief Financial Officer)*
NNN Radebe (Chief Operating Officer)*#
N Ford-Hoon (Fok)
EM Hendricks
GJ Heron
SS Mafoyane
GZN Khumalo#^

* Executive
# Appointed 1 February 2023
^ Resigned 19 April 2024

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