

  
**VUKILE**  
PROPERTY FUND

REAL ESTATE. REAL GROWTH.

Summarised annual  
financial statements  
March 2018  
and notice of  
annual general  
meeting



# Notice of annual general meeting

## Vukile Property Fund Limited

(Incorporated in the Republic of South Africa)

(Registration number 2002/027194/06)

ISIN: ZAE000180865 • JSE code: VKE • NSX code: VKN

Granted REIT status with the JSE

(Vukile or the company)

Notice is hereby given that the 14th annual general meeting (AGM) of the shareholders of Vukile will be held in the main boardroom, One-on-Ninth, Corner Glenhove Road and Ninth Street, Melrose Estate, 2196, at 09:00 on Tuesday, 14 August 2018 for the purposes of:

- ▷ Considering and adopting the directors' report, the annual financial statements and the reports of the audit and risk committee and the social, ethics and human resources committee for the year ended 31 March 2018;
- ▷ Transacting any other business as may be transacted at an AGM of shareholders of a company; and
- ▷ Considering and, if deemed fit, adopting with or without modification, the shareholder ordinary and special resolutions set out below.

## Important dates to note

- ▷ Record date to receive this notice: Friday, 6 July 2018.
- ▷ Last day to trade in order to be eligible to participate in and vote at the AGM: Tuesday, 31 July 2018.
- ▷ Record date to participate in and vote at the AGM (voting record date): Friday, 3 August 2018.

## Section 63(1) of the Companies Act 71 of 2008 (the Companies Act): Identification of meeting participants

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a meeting. In this regard, all Vukile shareholders recorded in the register of the company on the record date for participating in and voting at the AGM will be required to provide identification satisfactory to the chairman of the AGM. Forms of identification include valid identity documents, driver's licences and passports.

## Section 62(3)(e) of the Companies Act

In terms of section 62(3)(e) of the Companies Act:

- ▷ A shareholder who is entitled to attend and vote at the AGM is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the meeting in the place of the shareholder; and
- ▷ A proxy need not be a shareholder of the company.

A summarised form of the annual financial statements for the year ended 31 March 2018 is set out on pages 16 to 26 of this notice. The complete annual financial statements are included in the integrated annual report available at [www.vukile.co.za](http://www.vukile.co.za).

## 1. Special resolution number 1

### Financial assistance to related or inter-related companies

"Resolved that, as a special resolution, the directors of Vukile be and are hereby authorised, at any time and from time to time during the period of 2 (two) years commencing on the date of passing this special resolution, to provide direct or indirect financial assistance through the lending of money, the guaranteeing of loans or other obligations and the securing of any debts or obligations, to any related or inter-related company as defined in section 1 of the Companies Act when, in their opinion, they deem fit, provided that such assistance is furnished in compliance with section 45 of the Companies Act. In as much as the company's provision of financial assistance to its subsidiaries will at any and all times be in excess of 1% of the company's net worth, the company hereby provides notice to its shareholders of that fact."

In order for special resolution number 1 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

### Reason for and effect of special resolution number 1

The company would like the ability to provide financial assistance, in appropriate circumstances and if the need arises, in accordance with section 45 of the Companies Act. This authority is necessary for the company to provide financial assistance in appropriate circumstances. Under the Companies Act, the company will, however, require the special resolution referred to above to be adopted, provided that the board of directors of the company is satisfied that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company and, immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test contemplated in the Companies Act. In the circumstances and in order to, *inter alia*, ensure that the company's subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial backing from the company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in special resolution number 1. Therefore, the reason for and effect of special resolution number 1 is to permit the company to provide direct or indirect financial assistance (within the meaning attributed to that term in section 45 of the Companies Act) to the entities referred to in special resolution number 1 above.

## 2. Special resolution number 2

### Financial assistance to employees for participation in the Conditional Share Plan

“Resolved that, as a special resolution, in terms of section 44 of the Companies Act, the shareholders of the company hereby grant authority to the company to provide at any time and from time to time during the period of 2 (two) years commencing on the date of passing this special resolution, direct or indirect financial assistance as contemplated in section 44 of the Companies Act to any of its present or future employees who are participating in the company’s Conditional Share Plan, to the extent that such participation will result in any direct or indirect financial assistance as contemplated in section 44 of the Companies Act, including to its chief executive officer, other executives, senior managers, heads of departments, professional staff, key full-time employees, or to any other person who is elected by the social, ethics and human resources committee of the company to participate in the Conditional Share Plan, provided that:

- (a) The recipient or recipients of such financial assistance, if participation in the Conditional Share Plan is found to amount to any such direct or indirect financial assistance as contemplated in section 44 of the Companies Act, and the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the Conditional Share Plan rules as approved by the social, ethics and human resources committee of the company, from time to time; and
- (b) The board may not authorise the company to provide any financial assistance pursuant to this special resolution unless the board meets all those requirements of section 44 of the Companies Act which it is required to meet in order to authorise the company to provide such financial assistance.”

In order for special resolution number 2 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

### Reason and effect of special resolution number 2

The reason for special resolution number 2 is to provide financial assistance to present or future employees for the purpose of participating in the Conditional Share Plan, if participation in the Conditional Share Plan is found to amount to any such direct or indirect financial assistance as contemplated in section 44 of the Companies Act, and the effect of special resolution number 2 will be that the company is authorised to do so, if required. A summary of the salient features of the Conditional Share Plan appears in the integrated annual report.

**It is highlighted that special resolution number 2 is an exact replication of special resolution number 2 – financial assistance to employees for participation in the Conditional Share Plan as contained in the 2016 notice of AGM and approved by shareholders on 29 August 2016.**

## 3. Special resolution number 3

### Financial assistance to executive directors and prescribed officers for participation in the Conditional Share Plan

“Resolved that, as a special resolution, in terms of section 45 of the Companies Act, the shareholders of the company hereby grant authority to the company to provide at any time and from time to time during the period of 2 (two) years commencing on the date of passing this special resolution, direct or indirect financial assistance as contemplated in section 45 of the Companies Act to executive directors and prescribed officers solely for the purpose of such persons participating in the Conditional Share Plan, to the extent that such participation will result in any direct or indirect financial assistance as contemplated in section 45 of the Companies Act, provided that:

- (a) The recipient or recipients of such financial assistance, if participation in the Conditional Share Plan is found to amount to any such direct or indirect financial assistance as contemplated in section 45 of the Companies Act, and the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the Conditional Share Plan rules as approved by the social, ethics and human resources committee, from time to time; and
- (b) The board may not authorise the company to provide any financial assistance pursuant to this special resolution unless the board meets all those requirements of section 45 of the Companies Act which it is required to meet in order to authorise the company to provide such financial assistance.”

In order for special resolution number 3 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

### Reason and effect of special resolution number 3

The reason for special resolution number 3 is to provide financial assistance to executive directors and prescribed officers for the purpose of participating in the Conditional Share Plan, if participation in the Conditional Share Plan is found to amount to any such direct or indirect financial assistance as contemplated in section 45 of the Companies Act, and the effect of special resolution number 3 will be that the company is authorised to do so. A summary of the salient features of the Conditional Share Plan appears in the integrated annual report.

**It is highlighted that special resolution number 3 is an exact replication of special resolution number 3 – financial assistance to executive directors and prescribed officers for participation in the Conditional Share Plan as contained in the 2016 notice of AGM and approved by shareholders on 29 August 2016.**

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## 4. Special resolution number 4

### Financial assistance to employees for participation in the Share Purchase Plan

“Resolved that, as a special resolution, in terms of section 44 of the Companies Act, the shareholders of the company grant authority to the company to provide, at any time and from time to time during the period of 2 (two) years commencing on the date of passing this special resolution, direct or indirect financial assistance as contemplated in section 44 of the Companies Act to any of its present or future employees who are participating in the company’s Share Purchase Plan, to the extent that such participation will result in any direct or indirect financial assistance as contemplated in section 44 of the Companies Act, including to its chief executive officer, other executives, senior managers, heads of departments, professional staff, key full-time employees, or to any other person who is elected by the social, ethics and human resources committee of the company to participate in the Share Purchase Plan, provided that:

- (a) The recipient or recipients of such financial assistance and the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the Share Purchase Plan rules as approved by the social, ethics and human resources committee of the company, from time to time; and
- (b) The board may not authorise the company to provide any financial assistance pursuant to this special resolution unless the board meets all those requirements of section 44 of the Companies Act which it is required to meet in order to authorise the company to provide such financial assistance.”

In order for special resolution number 4 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

### Reason and effect of special resolution number 4

The reason for special resolution number 4 is to provide financial assistance to present or future employees for the purpose of participating in the Share Purchase Plan, if participation in the Share Purchase Plan is found to amount to any such direct or indirect financial assistance as contemplated in section 44 of the Companies Act, and the effect of special resolution number 4 will be that the company is authorised to do so, if required. A summary of the salient features of the Share Purchase Plan appears in the integrated annual report.

**It is highlighted that special resolution number 4 is an exact replication of special resolution number 4 – financial assistance to employees for participation in the Share Purchase Plan as contained in the 2016 notice of AGM and approved by shareholders on 29 August 2016.**

## 5. Special resolution number 5

### Financial assistance to executive directors and prescribed officers for participation in the Share Purchase Plan

“Resolved that, as a special resolution, in terms of section 45 of the Companies Act, the shareholders of the company hereby grant authority to the company to provide, at any time and from time to time during the period of 2 (two) years commencing on the date of passing this special resolution, direct or indirect financial assistance as contemplated in section 45 of the Companies Act to executive directors and prescribed officers solely for the purpose of such persons participating in the Share Purchase Plan, to the extent that such participation will result in any direct or indirect financial assistance as contemplated in section 45 of the Companies Act, provided that:

- (a) The recipient or recipients of such financial assistance, if participation in the Share Purchase Plan is found to amount to any such direct or indirect financial assistance as contemplated in section 45 of the Companies Act, and form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the Share Purchase Plan rules as approved by the social, ethics and human resources committee, from time to time; and
- (b) The board may not authorise the company to provide any financial assistance pursuant to this special resolution unless the board meets all those requirements of section 45 of the Companies Act which it is required to meet in order to authorise the company to provide such financial assistance.”

In order for special resolution number 5 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

### Reason and effect of special resolution number 5

The reason for special resolution number 5 is to provide financial assistance to executive directors and prescribed officers for the purpose of participating in the Share Purchase Plan, if participation in the Share Purchase Plan is found to amount to any such direct or indirect financial assistance as contemplated in section 45 of the Companies Act, and the effect of special resolution number 5 will be that the company is authorised to do so. A summary of the salient features of the Share Purchase Plan appears in the integrated annual report.

**It is highlighted that special resolution number 5 is an exact replication of special resolution number 5 – financial assistance to executive directors and prescribed officers for participation in the Share Purchase Plan as contained in the 2016 notice of AGM and approved by shareholders on 29 August 2016.**

## 6. Special resolution number 6

### Financial assistance for subscription for securities

“Resolved that, as a special resolution, in terms of section 44 of the Companies Act, the shareholders of the company hereby grant authority to the company to provide, at any time and from time to time during the period of 2 (two) years commencing on the date of

the passing of this special resolution, direct or indirect financial assistance as contemplated in section 44 of the Companies Act to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, provided that:

- (a) The recipient or recipients of such financial assistance, and the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the board of directors of the company from time to time;
- (b) The board of directors of the company may not authorise the company to provide any financial assistance pursuant to this special resolution number 6 unless the board meets all those requirements of section 44 of the Companies Act which it is required to meet in order to authorise the company to provide such financial assistance; and
- (c) The financial assistance envisaged under this resolution implementation be and is restricted to arm's length commercial arrangements related to the acquisition of property assets (direct or indirect) and/or acquisition funding arrangements."

In order for special resolution number 6 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

#### **Reason and effect of special resolution number 6**

The reason for special resolution number 6 is to grant a general authority to the company to provide financial assistance, if and when required, for the subscription, issue or purchase of securities, including convertible securities or debt instruments to any person as contemplated in section 44 of the Companies Act, and the effect of special resolution 6 will be that the company is authorised to do so, if required.

**It is highlighted that special resolution number 6 is an exact replication of special resolution number 9 – financial assistance for subscription of securities as contained in the 2016 notice of AGM and approved by shareholders on 29 August 2016.**

## **7. Special resolution number 7**

### **Non-executive director remuneration**

"Resolved that, as a special resolution, the company be and is authorised, in terms of section 66 of the Companies Act, to pay remuneration to its directors for their services as directors for a period of two years from the date of passing of this resolution; and with effect from 1 April 2018, that annual retainers and meeting fees payable to non-executive directors be and are fixed as follows:

#### **Retainers**

7.1 Non-executive director	R193 000 per annum
7.2 Chairman of the board (all-inclusive fee)	R715 000 per annum
7.3 Chairman of the audit and risk committee	R176 000 per annum
7.4 Chairman of the social, ethics and human resources committee	R106 000 per annum
7.5 Chairman of the property and investment committee	R106 000 per annum
7.6 Lead independent director	R157 000 per annum

#### **Attendance fees**

7.7 Board (excluding the chairman)	R28 000 per meeting attended
7.8 Audit and risk committee	R34 000 per meeting attended
7.9 Social, ethics and human resources committee	R26 500 per meeting attended
7.10 Property and investment committee	R26 500 per meeting attended."

In order for special resolutions number 7.1 to 7.10 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

### **Reason for and effect of special resolution number 7**

A general increase in non-executive directors' remuneration for the year equal to 5.2% was approved by the board and is recommended to shareholders. Special board and committee meetings are remunerated at 50% of the normal attendance fee after consultation with the chairman of the board or committee regarding the specific circumstance of the meeting. The chairman of the board is not paid any meeting attendance fees, since he receives an all-inclusive fee.

## **8. Special resolution number 8**

### **Repurchase of shares**

"Resolved that, as a special resolution, the company or any of its subsidiaries be and are hereby authorised by way of a general authority to acquire ordinary shares issued by the company, in terms of sections 46 and 48 of the Companies Act, and in terms of the JSE Listings Requirements being that:

- (a) Any such acquisition of shares shall be implemented through the order book of the JSE and without any prior arrangement;
- (b) This general authority shall be valid until the company's next AGM, provided that it shall not extend beyond 15 months from the date of passing this special resolution;

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- (c) An announcement will be published as soon as the company or any of its subsidiaries have acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition pursuant to which the aforesaid 3% threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions;
- (d) Acquisitions of shares in aggregate in any one financial year may not exceed 20% (or 10% where the acquisitions are effected by a subsidiary) of the company's issued ordinary share capital as at the date of passing of this special resolution;
- (e) In determining the price at which shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such shares may be acquired will be 10% of the weighted average of the market value at which such shares are traded on the JSE over the five business days immediately preceding the date of repurchase of such shares;
- (f) The company (or a subsidiary) is duly authorised by its Memorandum of Incorporation (MOI) to acquire shares issued by it;
- (g) At any point in time, the company may only appoint one agent to effect any repurchase on the company's behalf;
- (h) The board of directors of the company must resolve that the repurchase is authorised, the company and its subsidiaries have passed the solvency and liquidity test, as set out in section 4 of the Companies Act, and since the test was performed, there have been no material changes to the financial position of the group; and
- (i) Repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the JSE Listings Requirements) unless a repurchase programme is in place (where the dates and quantities of shares to be repurchased during the prohibited period are fixed) and has been submitted to the JSE in writing prior to commencement of the prohibited period."

In order for special resolution number 8 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

## **Reason for and the effect of special resolution number 8**

In accordance with the JSE Listings Requirements, the directors record that, although there is no immediate intention to effect a repurchase of the shares of the company, the directors will utilise this general authority to repurchase shares as and when suitable opportunities present themselves, which opportunities may require expeditious and immediate action.

The directors undertake that, having considered the effects of a repurchase of the maximum number of shares allowed for under this general authority and the price at which the repurchases may take place pursuant to the repurchase general authority, for a period of 12 (twelve) months after the date of the notice of AGM:

- ▷ The company and the group will be able, in the ordinary course of business, to pay their debts;
- ▷ The consolidated assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards, will exceed the consolidated liabilities of the company and the group; and
- ▷ The company and the group's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.

The following additional information, some of which may appear in the integrated annual report, is provided in terms of the JSE Listings Requirements for purposes of the general authority:

- ▷ Major beneficial shareholders – in the integrated annual report available at [www.vukile.co.za](http://www.vukile.co.za).
- ▷ Share capital of the company – in the integrated annual report available at [www.vukile.co.za](http://www.vukile.co.za).

## **Directors' responsibility statement**

The directors, whose names appear on page 27 of this notice of AGM, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the Companies Act and the JSE Listings Requirements.

## **Material changes**

Other than the facts and developments reported on in the integrated annual report, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

## **9. Ordinary resolution number 1**

### **Adoption of annual financial statements**

"Resolved that the annual financial statements for the year ended 31 March 2018, including the reports of the directors and the audit and risk committee, be and are hereby received and adopted."

In order for ordinary resolution number 1 to be adopted, the support of a majority of votes cast by shareholders, present or represented by proxy, is required.

## **10. Ordinary resolution number 2**

### **Reappointment of auditors**

"Resolved to reappoint Grant Thornton (with the designated registered auditor being VR de Villiers) as auditors of the company from the conclusion of this AGM."

In accordance with paragraph 3.84(g)(iii) of the JSE Listings Requirements, the audit and risk committee has evaluated the suitability, performance and independence of Grant Thornton and VR de Villiers and recommend their reappointment as auditors of the company under section 90 of the Companies Act.

In order for ordinary resolution number 2 to be adopted, the support of a majority of votes cast by shareholders, present or represented by proxy at this meeting, is required.

## 11. Ordinary resolution number 3

### Re-election of directors

#### Directors

The following directors retire in terms of article 16 of the company's MOI, namely:

- ▷ Mr AD Botha
- ▷ Ms HC Lopion
- ▷ Mr NG Payne
- ▷ Dr RD Mokate
- ▷ Dr GS Moseneke
- ▷ Ms B Ngonyama
- ▷ Mr H Ntene.

*Availability of directors for re-election: Mr AD Botha.*

Mr Botha has indicated that, due to personal reasons, he wishes to retire from the board and has therefore not made himself available for re-election. Mr Botha has served as chairman of the board since the listing of the company on the JSE in 2004. The board expresses its immense gratitude to Mr Botha for his service to the company over a period of 14 years.

"Resolved that the following retiring directors, who are to retire in terms of the company's MOI, but being eligible, offer themselves for re-election, be and are hereby re-elected each on a separate (and not collective) basis:

- 3.1 Ms HC Lopion, who is to retire by rotation
- 3.2 Mr NG Payne, who is to retire by rotation
- 3.3 Dr RD Mokate, who is to retire by rotation
- 3.4 Dr GS Moseneke, who is to retire by rotation
- 3.5 Ms B Ngonyama, who retires due to her appointment during year
- 3.6 Mr H Ntene, who is to retire by rotation."

Brief CVs of all the directors appear on page 27 of this notice of AGM. In order for ordinary resolutions numbers 3.1, 3.2, 3.3, 3.4, 3.5 and 3.6 to be adopted, the support of a majority of votes cast by shareholders, present or represented by proxy at the AGM is required. The nominations committee has considered the past performance and contribution made by the retiring directors and recommends that they be re-elected as directors.

## 12. Ordinary resolution number 4

### Election of members to audit and risk committee

"Resolved that the following directors, who meet the requirements of section 94(4) of the Companies Act, be and are hereby elected on a separate (and not collective) basis as members of the audit and risk committee in terms of section 94(2) of the Companies Act until the next AGM:

- 4.1 Dr SF Booysen
- 4.2 Dr RD Mokate
- 4.3 Ms B Ngonyama

Brief CVs of all the proposed members of the audit and risk committee appear on page 27 of this notice of AGM.

In order for ordinary resolutions numbers 4.1, 4.2 and 4.3 to be adopted, the support of a majority of votes cast by shareholders, present or represented by proxy at the AGM, is required.

## 13. Ordinary resolution number 5

### Unissued shares

"Resolved that the authorised but unissued shares of the company be and are hereby placed under the control of the directors of the company until the next AGM, who are authorised to allot or issue any such shares at their discretion, subject at all times to the provisions of the Companies Act, the company's MOI and the JSE Listings Requirements provided that the number of shares issued under this authority *in aggregate* may not:

- ▷ Exceed 10% (ten percent)\* of the total number of shares in issue at the date of this notice of AGM, being 788 623 507 shares; plus
- ▷ That number of shares required to be issued under the company's dividend reinvestment scheme;
- ▷ That the maximum discount at which the shares may be issued is 5% (five percent) of the weighted average traded price of such shares measured over the 10 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares, adjusted for any dividend where the "ex" date of the dividend occurs during the relevant 10 business day period; and
- ▷ Where the allotment or issue is undertaken in terms of a vendor consideration placement, the minimum placing price is subject to the pricing limitations set out in the JSE Listings Requirements."

In order for ordinary resolution number 5 to be adopted, the support of a majority of votes cast by shareholders, present or represented by proxy at the AGM, is required.

\* For the avoidance of doubt it is highlighted that the 10% number referred to above includes any shares issued under the general authority to issue shares for cash as set out in ordinary resolution number 6 below but excludes any shares issued under the terms of the Encha SPV equity funding platform and related matching placement facility as contemplated in ordinary resolutions numbers 8 to 11 below and special resolutions numbers 9 and 10 below (being the equity tap structure resolutions).

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## 14. Ordinary resolution number 6

### General authority to issue shares for cash

“Resolved that, subject to the restrictions set out below, the directors be and are hereby authorised, pursuant, *inter alia*, to the company’s MOI and subject to the provisions of the Companies Act and the JSE Listings Requirements, until this authority lapses which shall be at the next AGM or 15 months from the date hereof, whichever is the earliest, to allot and issue shares of the company for cash on the following basis:

- ▷ The allotment and issue of shares must be made to persons qualifying as public shareholders and not to related parties, as defined in the JSE Listings Requirements;
- ▷ The shares which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue;
- ▷ The total aggregate number of shares which may be issued for cash in terms of this authority may not exceed 78 862 351 shares, being 10% the company’s issued shares as at the date of notice of this AGM. Accordingly, any shares issued under this authority prior to this authority lapsing shall be deducted from the 78 862 351 shares the company is authorised to issue in terms of this authority for the purpose of determining the remaining number of shares that may be issued in terms of this authority;
- ▷ In the event of a sub-division or consolidation of shares prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio;
- ▷ That the maximum discount at which the shares may be issued is 5% (five percent) of the weighted average traded price of such shares measured over the 10 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares, adjusted for any dividend where the ‘ex’ date of the dividend occurs during the relevant 10 business day period; and
- ▷ After the company has issued shares for cash which represent, on a cumulative basis, within the period that this authority is valid, 5% (five percent) or more of the number of shares in issue prior to that issue, the company shall publish an announcement containing full details of the issue, including the number of shares issued, the average discount to the weighted average trade price of the shares over the 30 days prior to the date that the issue is agreed in writing and an explanation, including supporting documentation (if any) of the intended use of the funds.”

In terms of the JSE Listings Requirements, in order for ordinary resolution number 6 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present in person or by proxy, is required to pass this resolution.

*It is highlighted that any proceeds from the issue of shares under ordinary resolution number 6 will only be used to acquire property assets (in direct or indirect form) or to repay debt.*

## 15. Ordinary resolution number 7

### Remuneration policy and implementation report (non-binding advisory vote)

- 7.1 “Resolved that, through a non-binding advisory vote, the company’s remuneration policy, as set out in the integrated annual report be and is hereby endorsed; and
- 7.2 Resolved that, through a non-binding advisory vote, the company’s remuneration implementation report 2018, as set out in the integrated annual report be and is hereby endorsed.”

In terms of King IV™ and the JSE Listings Requirements, an advisory vote should be obtained from shareholders on the remuneration policy and remuneration implementation report. The vote allows shareholders to express their views on the implementation of the company’s remuneration policy but will not be binding on the company.

In the event of 25% or more of shareholders voting against resolutions 7.1 and 7.2, the board of directors is committed to engaging actively with dissenting shareholders in this regard in order to ascertain the reasons therefore and to address all legitimate and reasonable objections and concerns.

## 16. Extension of the Encha SPV equity funding platform

Shareholders are referred to the circular issued to Vukile shareholders on 5 June 2013 (the **5 June 2013 circular**) wherein shareholders were advised that Vukile had entered into an empowerment transaction with Encha Properties (Pty) Ltd and/or its subsidiaries (**Encha Group**) and established an equity funding platform to facilitate the acquisition by a special-purpose vehicle within the Encha Group (the **Encha SPV**) of additional equity in Vukile thereby enhancing the empowerment credentials of Vukile and increasing the Encha Group’s strategic investment in Vukile, as well as to facilitate future Vukile capital raising through the placement of new Vukile shares into such equity platform (the **Encha SPV equity funding platform**).



At the general meeting held on 5 July 2013, all the resolutions in respect of the Encha SPV equity funding platform were approved for an initial four-year period. The maximum number of Vukile shares that Vukile was authorised to issued is 80 million Vukile shares and the aggregate maximum placement value of Vukile shares that Vukile was authorised to place with the Encha SPV in terms of the Encha SPV equity funding platform was R1 billion.

In order to prevent a dilutionary effect on other Vukile shareholders' holdings of Vukile shares following a placement under the Encha SPV equity funding platform, shareholders also approved the placement with Vukile shareholders (other than the Encha SPV) of an equivalent number of unissued shares as that number of shares placed under the Encha SPV equity funding platform (the **matching placement facility**).

As at the date of this notice of AGM, of the R1 billion of capacity granted under the Encha SPV equity funding platform, R500 million has been placed with Encha SPV during the initial four-year period. Accordingly, R500 million of the R1 billion share placement capacity under the Encha SPV equity funding platform was not utilised within the four-year period approved by shareholders.

The Encha SPV equity funding platform has proved to be a highly efficient and beneficial structure allowing the company to raise new share capital on market-competitive terms without diluting the company's empowerment credentials. Following the initial four-year period for the implementation of the Encha SPV equity funding platform and related matching placement facility (collectively the **equity tap structure**) the company extended the equity tap structure by an additional period of 12 months commencing from 1 August 2017 in order to provide the company with an opportunity to place the remaining R500 million placement value with the Encha SPV and an equivalent number of shares with other Vukile shareholders under the matching placement *mutatis mutandis* on the same terms and conditions under which the equity tap structure was approved by Vukile shareholders as detailed in the 5 June 2013 circular. Due to the fact that the remaining R500 million placement value has not been used at the date of this notice, the company wishes to extend the equity tap structure for a further 12 months from its expiry (if not used before then) until 31 July 2019.

## **Additional disclosure with regard to the Encha SPV equity funding platform**

### **Pro forma financial effects**

The 5 June 2013 circular contained the *pro forma* financial effects with regard to the implementation of the Encha SPV equity funding platform and related matching placement facility. There will be no additional financial effects as a result of the proposed extension of the equity tap structure.

### **Share capital information**

Shareholders are referred to the annual financial statements for the year ended 31 March 2018, which sets out the share capital information of Vukile.

Encha, as at the date of finalisation of this notice, held 51 670 033 ordinary shares in the issued share capital of Vukile, representing 6.55% of Vukile's issued share capital, and is therefore not a related party to Vukile.

The share price history of Vukile is summarised in Annexure 1 to this notice of AGM and extracts from the 5 June 2013 circular are set out in Annexure 2 to this notice of AGM.

### **Directors**

No directors' remuneration will be varied as a consequence of the extension of the equity tap structure to 31 July 2019.

None of the directors of Vukile have any material beneficial interests, whether direct or indirect, in any transactions that have been effected by the group during the current or preceding financial year, or during an earlier financial year that remain, in any respect, outstanding or unperformed.

The directors' interests in securities are disclosed in the annual financial statements for the year ended 31 March 2018.

The directors, whose names appear on page 27 of this notice of AGM, collectively and individually, accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the 5 June 2013 circular and this notice contain all information required by law and the JSE Listings Requirements.

### **Issue expenses**

The estimated costs related to the extension of the equity tap structure, excluding VAT, are set out below:

	R
JSE documentation fees	20 600.26
JSE listing fees	181 896.80

# Notice of annual general meeting continued

## Nature of business and prospects

Vukile is a retail-focused property company which was listed on the Johannesburg Securities Exchange (JSE) on 24 June 2004, and on the Namibian Stock Exchange on 11 July 2007. The company was awarded Real Estate Investment Trust (REIT) status by the JSE on 1 April 2013.

Vukile is very well positioned as a defensive, conservatively geared and managed retail REIT able to navigate an increasingly fragile economic and political environment in South Africa. As stated previously, the local focus will continue to be around accretive expansion and development opportunities within its own portfolio and, where possible, through acquisitions. The group is actively pursuing its international expansion through its recently announced Spanish transaction and expects to see good deal flow going forward.

Shareholders are referred to the results announcement released on SENS on 30 May 2018 which contains further information regarding anticipated growth for the coming year.

## Litigation statement

The directors, whose names appear on page 27 of this notice, are not aware of any legal or arbitration proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 (twelve) months, a material effect on the company or group's financial position.

## Documents available for inspection

The following documents will be available for inspection during normal office hours on business days from the date of this notice of AGM until 14 August 2018 at the registered office of Vukile at One-on-Ninth, Corner Glenhove Road and Ninth Street, Melrose Estate, 2196:

- ▷ The Memorandum of Incorporation of the company and its subsidiaries;
- ▷ The acquisition agreement which was the subject of the 5 June 2013 circular;
- ▷ The asset management and property management agreements referenced in the 5 June 2013 circular;
- ▷ The debenture trust deed referenced in the 5 June 2013 circular;
- ▷ Dr Sedise Moseneke's employment contract as referenced in the 5 June 2013 circular;
- ▷ The 5 June 2013 circular; and
- ▷ The audited financial statements of Vukile for the years ended 31 March 2018, 2017 and 2016.

## Inter-conditionality of certain resolutions

Ordinary resolutions numbers 8, 9, 10 and 11 and special resolutions numbers 9 and 10 below (collectively the equity tap structure resolutions) are inter-conditional. The failure to pass any one of the equity tap structure resolutions shall cause each of the remaining equity tap structure resolutions to fail (notwithstanding that the particular resolution/s may have been passed by the requisite majority of shareholders).

The interpretations and definitions set out above have, where appropriate, been applied to the resolutions set out below.

## Ordinary resolution number 8

### Extension of Encha SPV equity funding platform

"Resolved that the existing Encha SPV equity funding platform, approved in terms of the 5 June 2013 circular and effective from 1 August 2013, which would but for this resolution have expired on 31 July 2018 (after being extended at the AGM in 2017), be extended for an additional period of 12 months commencing 1 August 2018 (the extension period) on the same terms and conditions upon which the existing Encha SPV equity funding platform was approved by Vukile shareholders as originally stipulated in the 5 June 2013 circular."

Pursuant to the JSE Listings Requirements, in order for ordinary resolution number 8 to be adopted, votes in favour of the resolution must represent at least 75% of the voting rights cast at the meeting in respect of ordinary resolution number 8, excluding any votes which may be cast by the Encha SPV and its associates, as defined in the JSE Listings Requirements.

## Ordinary resolution number 9

### Extension of authority placing the unissued shares under the control of the directors for specific authority to give effect to the Encha SPV equity funding platform

"Resolved that, for the duration of the extension period, the authorised and unissued ordinary share capital of Vukile be and is hereby placed under the control of the directors of the company which directors are, subject to the JSE Listings Requirements and the provisions of the Companies Act, 71 of 2008, authorised to allot and issue any number of Vukile shares at such time or times, to the Encha SPV, and on the same terms and conditions upon which the existing Encha SPV equity funding platform was approved by Vukile shareholders as originally stipulated in the 5 June 2013 circular in order to give effect to and implement the extension of the Encha SPV equity funding platform as set out in ordinary resolution number 8.

It is recorded for the avoidance of any doubt that should there be a conflict between this authorisation placing the authorised and unissued ordinary share capital of the company under the directors' control for the purpose of allotting and issuing shares to the Encha SPV under the Encha SPV equity funding platform, and any other authorisation placing the authorised and unissued Vukile shares under the directors' control whether previously passed or to be passed at any time during the extension period by the requisite majority of shareholders, this authorisation shall be in addition to any such authorisation and shall prevail to the extent of any conflict between authorisations."

In order for ordinary resolution number 9 to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy, is required.

### **Ordinary resolution number 10**

#### **Unissued Vukile shares placed under the control of the directors for vendor consideration placings and/or general authority to issue Vukile shares for cash to facilitate the matching placement facility**

"Resolved that for the duration of the extension period, the authorised and unissued Vukile shares be and are hereby placed under the control of the directors of the company, which directors are, subject to the JSE Listings Requirements and the provisions of the Companies Act, 71 of 2008, authorised to allot and issue any number of Vukile shares at such time or times, to such persons, by way of:

- ▷ A vendor consideration placing, as defined in the JSE Listings Requirements, in compliance with paragraph 5.62 of the JSE Listings Requirements, and/or (subject to the votes in favour of ordinary resolution number 11 representing at least 75% of the voting rights exercised on that resolution) an issue of Vukile ordinary shares for cash as set out in ordinary resolution number 11; and
- ▷ Provided that each Vukile share issued under this authority, together with any shares issued under the general authority to issue shares for cash in terms of ordinary resolution number 11, may not exceed the aggregate number of Vukile shares placed with the Encha SPV under the terms of the Encha SPV equity funding platform set out in ordinary resolution number 8 (read with ordinary resolution number 9 in this notice of AGM).

It is recorded for the avoidance of any doubt that should there be a conflict between this authorisation placing the authorised and unissued Vukile shares under the directors' control for the purpose of allotting and issuing shares under the matching placement facility and any other authorisation placing the authorised and unissued shares under the directors' control previously passed, this authorisation shall be in addition to any such authorisation and shall prevail to the extent of any conflict between authorisations."

This proposed authority will be utilised for any vendor consideration placings (in compliance with paragraph 5.62 of the JSE Listings Requirements) undertaken during the extension period and/or, subject to the requisite percentage of voting rights being cast in favour of ordinary resolution number 11, an issue of shares for cash under that general authority undertaken during the extension period to make available for placement with shareholders, other than the Encha SPV, an equivalent number of shares as are placed with the Encha SPV under the equity funding platform.

In order for ordinary resolution number 10 to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy, is required.

### **Ordinary resolution number 11**

#### **General authority to issue Vukile shares for cash in terms of the matching placement facility**

"Resolved that for the duration of the extension period and subject to the provisions of the Companies Act, 71 of 2008, and the JSE Listings Requirements, the directors be and are hereby authorised by way of a general authority, to allot and issue Vukile shares for cash on the following basis:

- ▷ This authority shall endure for the extension period;
- ▷ All issues of shares for cash under this general authority shall be in compliance with the JSE Listings Requirements (including without limitation paragraph 5.52 of the JSE Listings Requirements); and
- ▷ The Vukile ordinary shares which are issued pursuant to the terms and conditions of this general authority and the authority to issue shares by way of vendor placement in terms of ordinary resolution number 10 (set out above), may not exceed that number of Vukile shares placed with the Encha SPV under the terms of the Encha SPV equity funding platform set out in ordinary resolution number 9 (read together with ordinary resolution number 10)."

This authority shall be restricted to the issue of Vukile shares for the purpose of raising equity capital on the basis that each Vukile share issued under this authority shall be matched by a Vukile share issued under the specific authority to issue Vukile shares to the Encha SPV under with ordinary resolution number 9 (read with ordinary resolution number 10).

Pursuant to the JSE Listings Requirements, in order for ordinary resolution number 11 to be adopted, votes in favour of the resolution must represent at least 75% of the voting rights cast at the meeting in respect of ordinary resolution number 11.

# Notice of annual general meeting continued

## **Special resolution number 9**

### **Financial assistance to Encha SPV and related and inter-related persons**

“Resolved that, as a special resolution, in terms of sections 44 and 45 of the Companies Act, 71 of 2008, the shareholders of the company hereby approve and authorise the company to provide, at any time and from time to time during the period of 1 (one) year commencing on 1 August 2018 subject to the terms summarised in paragraph 6.5.11 of the 5 June 2013 circular, financial assistance by way of loans to the Encha SPV to enable the Encha SPV to discharge the acquisition cost of the additional Vukile shares to be placed with the Encha SPV (under the Encha SPV equity funding platform) on terms to the effect that:

- ▷ Any mezzanine loans advanced by Vukile as more fully detailed in the 5 June 2013 circular (the mezz debt) will attract interest at Vukile’s then current cost of raising new debt plus 3% per annum (the 3% premium being the **mezz debt premium**).
- ▷ Vukile will be entitled to a mezzanine carry participation fee (payable forthwith after the eighth anniversary of the effective date) on Vukile shares acquired by the Encha SPV which are funded by the mezz debt as more fully detailed in the 5 June 2013 circular (the qualifying Vukile shares) in an amount equal to 30% of the net after-tax profit made by the Encha SPV calculated on each tranche of such qualifying Vukile shares less the aggregate of the mezz debt premium paid to Vukile.”

In order for special resolution number 9 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

## **Special resolution number 10**

### **Issue of Vukile shares to a director**

“Resolved that, as a special resolution, in terms of section 41(1) of the Companies Act, the shareholders of the company hereby approve and authorise the company to issue Vukile shares under the equity funding platform to the Encha SPV, which may be or become a person related or inter-related, as those terms are defined in the Companies Act, to the company or to a director or prescribed officer of the company.”

In order for special resolution number 10 to be adopted, the support of at least 75% of the total number of votes cast by shareholders, present or represented by proxy, is required.

The reason for special resolution number 10 is to authorise the company for the duration of the extension period in compliance with section 41(1) of the Companies Act, to issue Vukile shares under the equity funding platform to the Encha SPV, in the event that the Encha SPV is or becomes related or inter-related, as that term is defined in the Companies Act, to the company or to a director or prescribed officer of the company.

Dr Sedise Moseneke, who is an executive director of Vukile, directly or indirectly, has a beneficial interest in approximately 18% of the issued share capital of the Encha SPV and accordingly the Encha SPV may be regarded as a person related or inter-related to Dr Sedise Moseneke as contemplated under section 41(1) of the Companies Act, thus requiring this authorisation.

In addition, as the specific authority to issue Vukile shares under ordinary resolution number 10 is to endure for the extension period, it is within the contemplation of this authority that at any time during the extension period the Encha SPV may be or become related or inter-related, as that term is defined in the Companies Act, to the company or to a director or prescribed officer of the company.

Accordingly, the effect of this special resolution number 10 is to approve and authorise in terms of section 41(1) of the Companies Act, the company to issue Vukile shares under the equity funding platform to the Encha SPV, in the event that the Encha SPV is or becomes related or inter-related, as that term is defined in the Companies Act, to the company or to a director or prescribed officer of the company.

## **17. Ordinary resolution number 12**

### **Implementation of resolutions**

“Resolved that any director of the company, and where applicable the secretary of the company, be and is hereby authorised to do all such things, sign all such documents and take all actions as may be necessary to implement the above ordinary and special resolutions.”

In order for ordinary resolution number 12 to be adopted, the support of a majority of votes cast by shareholders, present or represented by proxy, is required.

## General instructions for shareholders

Shareholders are encouraged to attend, speak and vote at the AGM.

## Electronic participation

The company has made provision for Vukile shareholders or their proxies to participate electronically in the AGM by way of telephone conferencing. Should you wish to participate in the AGM by telephone conference call as aforesaid, you, or your proxy, will be required to advise the company thereof by no later than 09:00 on Tuesday, 7 August 2018 by submitting by email to the company secretary at johann.neethling@vukile.co.za, for the attention of Johann Neethling, relevant contact details, including an email address, cellular number and landline as well as full details of the Vukile shareholder's title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of materialised Vukile shares) and (in the case of dematerialised Vukile shares) written confirmation from the Vukile shareholder's CSDP confirming the Vukile shareholder's title to the dematerialised Vukile shares. Upon receipt of the required information, the Vukile shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the AGM. Vukile shareholders must note that access to the electronic communication will be at the expense of the Vukile shareholders who wish to utilise the facility. Vukile shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the AGM through this medium.

## Proxies and authority for representatives to act

A form of proxy is attached for the convenience of any Vukile shareholder holding certificated shares, who cannot attend the AGM but wishes to be represented thereat.

The attached form of proxy is only to be completed by those shareholders who are:

- ▷ Holding shares in certificated form; or
- ▷ Recorded on the company's sub-register in dematerialised electronic form with "own name" registration.

All other beneficial owners who have dematerialised their shares through a CSDP or broker and wish to attend the AGM, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy. For administrative purposes, the company requests that forms of proxy be deposited at the transfer secretaries, Link Market Services South Africa (Pty) Ltd at 13th Floor, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000) to be received by 09:00 on Friday, 10 August 2018. Alternatively, the form of proxy may be handed to the transfer secretaries or to the chairman of the AGM at the AGM, prior to the commencement of voting at the AGM or prior to voting on a resolution. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the AGM should the shareholder decide to do so.

A company that is a shareholder, wishing to attend and participate at the AGM should ensure that a resolution authorising a representative to so attend and participate at the AGM on its behalf is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company's transfer secretaries prior to the AGM.

By order of the board

Vukile Property Fund Limited

Johann Neethling

*Group company secretary*

### Registered office

One-on-Ninth

Cnr Glenhove Road and Ninth Street

Melrose Estate, 2196

### Transfer secretaries

Link Market Services South Africa (Pty) Ltd

13th Floor

19 Ameshoff Street

Braamfontein, 2001

# Notice of annual general meeting continued

## Annexure 1

### Share price and trading history of Vukile Property Fund Limited ordinary shares

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value (R)
<b>Monthly</b>					
<b>2017</b>					
June	1 992	1 777	1 830	34 149 795	652 836 954
July	1 963	1 831	1 930	29 619 834	562 339 545
August	2 038	1 852	1 875	28 083 490	540 530 851
September	1 994	1 865	1 977	25 152 639	485 386 384
October	2 090	1 885	1 970	26 777 616	529 194 157
November	2 057	1 886	2 035	16 607 814	326 240 799
December	2 098	1 894	2 075	22 155 922	441 959 535
<b>2018</b>					
January	2 178	1 980	2 066	22 316 344	467 382 777
February	2 199	1 925	2 114	55 039 223	1 132 500 962
March	2 283	2 050	2 188	45 670 624	982 444 642
April	2 300	2 106	2 250	30 284 480	662 807 127
May	2 278	2 050	2 187	17 985 888	391 735 821
<b>Daily</b>					
<b>2018</b>					
28 May	2 230	2 141	2 150	283 079	6 106 210
29 May	2 228	2 139	2 140	794 807	17 032 317
30 May	2 223	2 119	2 153	1 596 567	34 129 908
31 May	2 220	2 154	2 187	1 915 748	41 834 765
1 June	2 199	2 155	2 170	1 051 539	22 913 115
4 June	2 200	2 160	2 192	1 881 417	41 063 871
5 June	2 198	2 141	2 168	890 715	19 386 080
6 June	2 200	2 152	2 190	1 419 889	30 832 738
7 June	2 245	2 188	2 194	1 307 592	28 820 753
8 June	2 226	2 170	2 225	1 387 352	30 706 940
11 June	2 222	2 173	2 184	416 106	9 106 187
12 June	2 203	2 151	2 189	894 555	19 611 662
13 June	2 200	2 152	2 167	481 735	10 472 401
14 June	2 200	2 161	2 170	511 384	11 108 905
15 June	2 180	2 150	2 180	1 813 495	39 435 370
18 June	2 158	2 104	2 112	553 991	11 740 874
19 June	2 100	2 050	2 050	1 619 398	33 597 941
20 June	1 999	1 902	1 920	6 307 497	121 792 347
21 June	1 971	1 917	1 951	1 224 017	23 664 092
22 June	1 977	1 954	1 966	399 017	7 835 703
25 June	1 996	1 906	1 984	1 224 886	24 242 414
26 June	1 980	1 941	1 941	2 537 929	49 637 313
27 June	1 972	1 930	1 939	1 899 397	36 876 588
28 June	2 020	1 915	1 930	821 016	15 827 898
29 June	2 000	1 931	1 946	1 173 689	22 878 531
2 July	1 997	1 940	1 944	883 549	17 197 748
3 July	1 957	1 939	1 949	1 452 138	28 253 758
4 July	1 980	1 940	1 955	1 871 413	36 645 034
5 July	2 009	1 950	1 972	708 892	13 985 800
6 July	1 982	1 943	1 979	756 328	14 813 423

## Annexure 2

### Extracts from the 5 June 2013 circular to Vukile shareholders published on 5 June 2013

A copy of the 5 June 2013 circular may be obtained at Vukile's registered office, One-on-Ninth, Corner Glenhove Road and Ninth Street, Melrose Estate, 2196 and is available on the company's website at: [www.vukile.co.za/cmsAdmin/uploads/vke\\_circular\\_empowerment\\_transaction\\_5june2013.pdf](http://www.vukile.co.za/cmsAdmin/uploads/vke_circular_empowerment_transaction_5june2013.pdf)

#### “6.5 The equity funding platform

- 6.5.1 The equity funding platform will facilitate the acquisition by the Encha SPV of additional equity in Vukile which will both entrench the Encha property group's strategic equity holding in Vukile and enhance Vukile's empowerment credentials.
- 6.5.2 Vukile will only issue linked units to the Encha SPV under the equity funding platform if and to the extent that Vukile requires equity funding to finance acquisitions pursuant to vendor placements, developments or property upgrades in circumstances where such equity funding is not to be raised by way of rights offer or acquisition issue to vendors of assets to Vukile.
- 6.5.3 If the unitholder resolutions approving the matching placement facility are not passed by unitholders then the following shall apply – if during each 1 year period commencing on the effective date (each a “**1 year period**” and the first 4 years commencing on the effective date the “**initial 4 year period**”), Vukile requires to raise equity capital (other than by way of a rights offer and/or an issue of new Vukile units to vendors of assets to Vukile pursuant to an acquisition issue in terms of the JSE Listings Requirements) Vukile shall be obliged to place with the Encha SPV, in respect of each 1 year period, the lower of (i) R250 million in placement value of Vukile units plus the amount, if any, remaining to be issued to the Encha SPV in respect of prior 1 year periods in terms of the accumulation provisions set out in paragraph 6.5.6 below and (ii) the equity capital required to be raised by Vukile (other than by way of a rights offer and/or an issue of new Vukile units to vendors of assets to Vukile pursuant to an acquisition issue in terms of the JSE Listings Requirements).

An indicative example of the application of the equity funding platform where the matching placement facility authority is not approved by unitholders is set out in **Scenario 2** in paragraph 7.3 below.

- 6.5.4 If the unitholder resolutions approving the matching placement facility are duly passed by unitholders then the following shall apply – if during each of the 1 year periods Vukile requires to raise equity capital (other than by way of a rights offer and/or an issue of new Vukile units to vendors of assets to Vukile pursuant to an acquisition issue in terms of the JSE Listings Requirements) Vukile shall be obliged to place with the Encha SPV, in respect of each 1 year period, the lesser of (i) R250 million in placement value of Vukile units plus the amount, if any, remaining to be issued to the Encha SPV in respect of prior 1 year periods in terms of the accumulation provisions set out in paragraph 6.5.6 below and (ii), 50% of the total equity capital raised by Vukile (other than by way of a rights offer and/or an issue of new Vukile units to vendors of assets to Vukile pursuant to an acquisition issue in terms of the JSE Listings Requirements) such that Encha SPV and other Vukile unitholders will acquire an equal number of Vukile units pursuant to the placement process.

An indicative example of the application of the equity funding platform where the matching placement facility authority is approved by unitholders is set out in **Scenario 1** in paragraph 7.3 below.

# Notice of annual general meeting continued

- 6.5.5 The Vukile placement units shall be acquired by the Encha SPV at a price which equates to a discount of 2.5% to the 30 trading day volume weighted traded price of Vukile units for the period immediately prior to the date on which the placement is to be effected.
- 6.5.6 If during any 1 year period (during the initial 4 year period) Vukile places less than R250 million in placement value of Vukile units with the Encha SPV, the shortfall in the placement value of Vukile units for such 1 year period shall be accumulated so as to increase the potential placing of Vukile units with the Encha SPV in the next 1 year period such that over the initial 4 year period R1 billion of Vukile units (not including the Vukile consideration units) will be placed with and acquired by the Encha SPV via the equity funding platform.
- 6.5.7 In addition to any shortfall in the placement value of R250 million for Vukile units in any 1 year period being accumulated so as to increase the potential placing of Vukile units with the Encha SPV in the next 1 year period as set out above, at any time during the initial 4 year period, Vukile and Encha may agree in writing to accelerate in whole or in part(s) the obligation of Vukile to place with the Encha SPV and the obligation of the Encha SPV to subscribe or purchase in aggregate up to R1 billion (at placement value) of Vukile units (inclusive of all other Vukile units subscribed for by the Encha SPV under terms of the equity funding platform).
- 6.5.8 The maximum number of Vukile units to be issued under the equity funding platform (pursuant to the authority sought from unitholders) shall be 80 million Vukile units and the maximum placement value of Vukile units to be placed with the Encha SPV in terms of the equity funding platform shall be R1 billion.

Assuming the entire R1 billion of Vukile units was issued to the Encha SPV under the equity funding platform on the effective date at current pricing (*circa* R19.10 per Vukile unit) and that no further Vukile units were issued to any other parties, the Encha SPV would hold approximately 13% of Vukile's issued linked unit capital. Alternatively, assuming a reduction in the Vukile share price to R12.50 or below, which would result in the full 80 million Vukile units potentially being issued to the Encha SPV under the equity funding platform, Encha SPV's shareholding in Vukile would be approximately 19%.

- 6.5.9 The authority to issue Vukile units under the equity funding platform shall endure until expiry of the initial 4 year period.
- 6.5.10 As the authority to issue Vukile units under the equity funding platform is to endure until expiry of the initial 4 year period, it is within the contemplation of this authority that at any time during the initial 4 year period Encha SPV may become a non-public shareholder (as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements) or a related party (as described in paragraphs 10.1 to 10.3 of the JSE Listings Requirements) by virtue of, *inter alia*, the Encha SPV becoming interested in 10% or more of the Vukile units in issue from time to time.
- 6.5.11 To the extent that the acquisition of Vukile units by the Encha SPV cannot be funded by the Encha SPV utilising its senior debt capacity and/or its own resources, Vukile shall use its best endeavours and subject to its lending covenants, advance loans to the Encha SPV and such additional amounts from time to time to enable the Encha SPV to discharge the acquisition cost of the additional Vukile units to be placed with the Encha SPV on the following terms:
- 6.5.11.1 the mezzanine loans advanced by Vukile (the "**mezz debt**") will attract interest at Vukile's then current cost of raising new debt plus 3% per annum (the 3% premium being the "**mezz debt premium**").
- 6.5.11.2 Vukile will be entitled to a mezz carry participation fee (payable forthwith after the 8th anniversary of the effective date) on Vukile units acquired by the Encha SPV which are funded by the mezz debt (the "**qualifying Vukile units**") in an amount equal to 30% of the profit made by the Encha SPV calculated on each tranche of such qualifying Vukile units less the aggregate of the mezz debt premium paid to Vukile.



## **7. Matching placement facility**

### **7.1 Rationale for the matching placement facility**

Recognising that the allotment and issue of Vukile units under the equity funding platform will have a dilutionary effect on other Vukile unitholders' holdings of Vukile units, the board of directors of the company propose that the board be afforded the authority to place an equivalent number of Vukile units as are placed with Encha SPV pursuant to the equity funding platform with other Vukile unitholders to mitigate against any such dilution.

Recognising the matching placement facility is to facilitate the placement of an equal number of Vukile units with Vukile unitholders other than the Encha SPV as the number of Vukile units placed with the Encha SPV the maximum placement value of Vukile units which may be placed under the matching placement facility shall not exceed either R1 billion or 80 million Vukile units.

### **7.2 Terms of the matching placement facility**

If unitholders approve of the matching placement facility (by passing ordinary resolutions 4 and 5 in the notice of general meeting included in this circular) should Vukile (during the initial 4 year period) require to raise equity capital (other than by way of a rights offer and/or an issue of new Vukile units to vendors of assets to Vukile pursuant to an acquisition issue in terms of the JSE Listings Requirements) Vukile shall endeavour to raise such capital by placing an equal number of Vukile units as are placed with the Encha SPV under the equity funding platform with other Vukile unitholders.

Vukile will only issue linked units to the Encha SPV under the equity funding platform and consequently issue linked units under the matching placement facility if and to the extent that Vukile requires equity funding to finance acquisitions pursuant to vendor placements, developments or property upgrades in circumstances where such equity funding is not to be raised by way of rights offer or acquisition issue to vendors of assets to Vukile.

Vukile units issued under the matching placement facility may (if the relevant authorising resolutions are passed) be made available either by way of a vendor placement and/or in terms of an issue for cash to any Vukile unitholder which constitutes a public shareholder as contemplated by paragraph 4.25 of the JSE Listings Requirements (other than the Encha SPV)."

# Notice of annual general meeting continued

## 7.3 Indicative example of the application of the equity funding platform and the matching placement facility

**Scenario 1** – Equity funding platform and matching placement facility mechanics assuming matching placement facility authority granted

Equity capital to be raised by Vukile (in any of the 1 year periods) (R million)	Equity capital to be placed with Encha SPV (in any of the 1 year periods) (R million)	Equity capital to be placed with other Vukile unitholders (in any of the 1 year periods) (R million)
R100	R50	R50
R250	R125	R125
R500	R250	R250
R600	R250*	R250*
R600	R300**	R300**

\* If no agreement is reached to accelerate the terms of equity funding platform.

\*\* If Vukile and the Encha SPV agree in writing to increase the value of linked units placed with the Encha SPV in the particular 1 year period (eg to R300 million) the capacity to place the excess equivalent number of Vukile units with other Vukile unitholders will increase on a one-for-one basis (to facilitate the placement of R300 million of Vukile units also with other investors). Provided that the maximum placement value of Vukile units placed with the Encha SPV under the equity funding platform shall not exceed either R1 billion or 80 million Vukile units.

**Scenario 2** – Equity funding platform mechanics assuming no matching placement facility

Equity capital to be raised by Vukile (in any of the 1 year periods) (R million)	Equity capital to be placed with Encha SPV (in any of the 1 year periods) (R million)
R100	R100
R250	R250
R500	R250*

\* If Vukile and the Encha SPV agree in writing to accelerate in whole or in part(s) the obligation of Vukile to place with the Encha SPV and the obligation of the Encha SPV to subscribe or purchase in aggregate up to R1 billion (at placement value) of Vukile units (inclusive of all other Vukile units placed with the Encha SPV in terms of the equity funding platform) then such excess amount as agreed may be placed with the Encha SPV (provided that the maximum placement value of Vukile units placed with the Encha SPV under the equity funding platform shall not exceed either R1 billion or 80 million Vukile units). If there is insufficient placement capacity within the Encha SPV will (subject to the authorities granted to it by unitholders) raise its additional equity requirements from the market.

# Form of proxy

## VUKILE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)  
 (Registration number 2002/027194/06)  
 ISIN: ZAE000180865 • JSE code: VKE • NSX code: VKN  
 Granted REIT status with the JSE  
 (Vukile or the company)

This form of proxy is for use by:

- ▷ Registered shareholders who have not yet dematerialised their Vukile shares; and
- ▷ Registered shareholders who have already dematerialised their Vukile shares and which shares are registered in their own names in the company's sub-register.

For completion by the aforesaid registered shareholders of Vukile who are unable to attend the annual general meeting (AGM) of the company to be held in the main boardroom, One-on-Ninth Building, Corner Glenhove Road and Ninth Street, Melrose Estate, 2196, at 09:00 on Tuesday, 14 August 2018.

I/we \_\_\_\_\_ (BLOCK LETTERS PLEASE)  
 of \_\_\_\_\_ (address)  
 being the registered holder of \_\_\_\_\_ Vukile shares  
 hereby appoint:  
 1 \_\_\_\_\_ of \_\_\_\_\_ or failing him/her  
 2 \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

the chairman of the AGM as my/our proxy to vote for me/us on my/our behalf at the AGM of the company and at any adjournment or postponement thereof, for the purpose of considering, and if deemed fit, passing, with or without modification, the resolutions to be proposed at the AGM, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s), in the following manner:

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

		For*	Against*	Abstain*
Special resolution 1	Financial assistance to related or inter-related companies			
Special resolution 2	Financial assistance to employees for participation in the Conditional Share Plan			
Special resolution 3	Financial assistance to executive directors and prescribed officers for participation in the Conditional Share Plan			
Special resolution 4	Financial assistance to employees for participation in the Share Purchase Plan			
Special resolution 5	Financial assistance to executive directors and prescribed officers for participation in the Share Purchase Plan			
Special resolution 6	Financial assistance for subscription of securities			
Special resolution 7	Non-executive director remuneration			
Special resolution 7.1	Retainer – non-executive director			
Special resolution 7.2	Retainer – chairman of the board (all-inclusive fee)			
Special resolution 7.3	Retainer – chairman of the audit and risk committee			
Special resolution 7.4	Retainer – chairman of the social, ethics and human resources committee			
Special resolution 7.5	Retainer – chairman of the property and investment committee			
Special resolution 7.6	Retainer – lead independent director			
Special resolution 7.7	Attendance fees – board (excluding chairman)			
Special resolution 7.8	Attendance fees – audit and risk committee			
Special resolution 7.9	Attendance fees – social, ethics and human resources committee			
Special resolution 7.10	Attendance fees – property and investment committee			
Special resolution 8	Repurchase of shares			

# Form of proxy continued

		For*	Against*	Abstain*
Ordinary resolution 1	Adoption of annual financial statements			
Ordinary resolution 2	Reappointment of auditors			
Ordinary resolution 3	Re-election of directors			
Ordinary resolution 3.1	Ms HC Lopion			
Ordinary resolution 3.2	Mr NG Payne			
Ordinary resolution 3.3	Dr RD Mokate			
Ordinary resolution 3.4	Dr GS Moseneke			
Ordinary resolution 3.5	Ms B Ngonyama			
Ordinary resolution 3.6	Mr H Ntene			
Ordinary resolution 4	Election of members to audit and risk committee			
Ordinary resolution 4.1	Dr SF Booysen			
Ordinary resolution 4.2	Dr RD Mokate			
Ordinary resolution 4.3	Ms B Ngonyama			
Ordinary resolution 5	Unissued shares			
Ordinary resolution 6	General authority to issue shares for cash			
Ordinary resolution 7	Remuneration policy and implementation report			
Ordinary resolution 7.1	Non-binding advisory vote – remuneration policy			
Ordinary resolution 7.2	Non-binding advisory vote – implementation report			
Ordinary resolution 8	Encha – extension of the equity funding platform			
Ordinary resolution 9	Encha – unissued shares: equity funding platform			
Ordinary resolution 10	Encha – unissued shares: matching facility			
Ordinary resolution 11	Encha – issue for cash: matching facility			
Special resolution 9	Encha – financial assistance to Encha SPV			
Special resolution 10	Encha – issue of shares to a director			
Ordinary resolution 12	Implementation of resolutions			

\* One vote per share held by Vukile shareholders recorded in the register on the voting record date; mark “for”, “against” or “abstain” as required. If no options are marked the proxy will be entitled to vote as he/she thinks fit.

Unless otherwise instructed, my/our proxy may vote or abstain from voting as he/she thinks fit.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature \_\_\_\_\_ assisted by (if applicable) \_\_\_\_\_

A shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a shareholder of the company. Each shareholder is entitled to appoint one or more proxies to attend, speak and on a poll, vote in place of that shareholder at the AGM. Shareholders are requested to deposit the form of proxy at Link Market Services South Africa (Pty) Ltd (PO Box 4844, Johannesburg, 2000) or emailed to meetfax@linkmarketservices.co.za by 09:00 on Friday, 10 August 2018. Alternatively, the form of proxy may be handed to the transfer secretary or the chairman of the AGM at the meeting prior to the commencement of the AGM.

# Notes to form of proxy

## VUKILE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number 2002/027194/06)  
ISIN: ZAE000180865 • JSE code: VKE • NSX code: VKN  
Granted REIT status with the JSE  
(Vukile or the company)

- 1 Only shareholders who are registered in the register of the company under their own name on the date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Link Market Services South Africa (Pty) Ltd, being 3 August 2018 (voting record date) may complete a form of proxy or attend the annual general meeting (AGM). This includes shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration. The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow. A proxy need not be a shareholder of the company.
- 2 Certificated shareholders wishing to attend the AGM must ensure beforehand with the transfer secretaries of the company (being Link Market Services South Africa (Pty) Ltd) that their shares are registered in their own name.
- 3 Beneficial shareholders whose shares are not registered in their "own name", but in the name of another, for example, a nominee, may not complete a form of proxy, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instruction on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the AGM.
- 4 Dematerialised shareholders who have not elected "own name" registration in the register of the company through a central securities depository participant (CSDP) and who wish to attend the AGM, must instruct the CSDP or broker to provide them with the necessary authority to attend.
- 5 Dematerialised shareholders who have not elected "own name" registration in the register of the company through a CSDP and who are unable to attend, but wish to vote at the AGM, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
- 6 A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the chairman of the AGM". The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
- 7 The completion and lodging of this form will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the foregoing, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company.
- 8 The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date:
  - 8.1 stated in the revocation instrument, if any; or
  - 8.2 upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act, 71 of 2008, as amended (the Companies Act).
- 9 Should the instrument appointing a proxy or proxies have been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's Memorandum of Incorporation (MOI) to be delivered by the company to the shareholder must be delivered by the company to:
  - 9.1 the shareholder; or
  - 9.2 the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
- 10 A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI of the company or the instrument appointing the proxy provide otherwise.
- 11 If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument for appointing a proxy:
  - 11.1 such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
  - 11.2 the company must not require that the proxy appointment be made irrevocable; and
  - 11.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
- 12 Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
- 13 Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the AGM.
- 14 A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
- 15 A company holding shares in the company that wishes to attend and participate at the AGM should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company's transfer secretaries prior to the AGM.
- 16 Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present or represented at the meeting, that one of the said persons whose name appears first in the register of shareholders of such shares or his proxy, as the case may be shall alone be, shall be entitled to vote in respect thereof.
- 17 On a show of hands, every shareholder of the company present in person or represented by proxy shall have one vote only. On a poll a shareholder who is present in person or represented by a proxy shall be entitled to that proportion of the total votes in the company which the aggregate amount of the nominal value of the shares held by him bears to the aggregate amount of the nominal value of all the shares of the relevant class issued by the company.
- 18 The chairman of the AGM may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a shareholder wishes to vote.
- 19 A proxy may not delegate his/her authority to act on behalf of the shareholder to another person.
- 20 A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the AGM, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the AGM or other proxy to vote or to abstain from voting at the AGM as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
- 21 It is requested that this form of proxy be lodged or posted or emailed to the transfer secretaries, Link Market Services South Africa (Pty) Ltd at 13th Floor, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000), meetfax@linkmarketservice.co.za to be received by the company by 09:00 on 10 August 2018. Alternatively, the form of proxy may be handed to the transfer secretaries or to the chairman of the AGM at the AGM, prior to the commencement of voting at the AGM.
- 22 A quorum for the purposes of considering the ordinary and special resolutions shall comprise 25% of all the voting rights that are entitled to be exercised by shareholders in respect of each matter to be decided at the AGM. In addition, a quorum shall consist of three shareholders of the company personally present or represented by proxy (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the AGM.
- 23 This form of proxy may be used at any adjournment or postponement of the AGM, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
- 24 The foregoing notes contain a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.

# Summarised audited consolidated statement of financial position

at 31 March 2018

<b>GROUP</b>	<b>2018</b>	2017
	<b>R000</b>	R000
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>22 028 749</b>	15 850 308
Investment properties	<b>18 821 251</b>	13 219 530
Investment properties	<b>19 102 209</b>	13 497 445
Investment properties under development	<b>54 476</b>	51 191
Straight-line rental income adjustment	<b>(335 434)</b>	(329 106)
<b>Other non-current assets</b>	<b>3 207 498</b>	2 630 778
Straight-line rental income asset	<b>335 434</b>	329 106
Equity investments	<b>1 384 645</b>	1 366 239
Investment in associate	<b>1 199 292</b>	780 347
Goodwill	<b>63 288</b>	63 009
Furniture, fittings, computer equipment and intangible assets	<b>12 054</b>	14 049
Available-for-sale financial asset	<b>34 099</b>	23 855
Derivative financial instruments	<b>26 039</b>	1 722
Long-term loans granted	<b>103 672</b>	38 110
Deferred taxation assets	<b>48 975</b>	14 341
<b>Current assets</b>	<b>1 287 893</b>	1 589 768
Trade and other receivables	<b>186 743</b>	256 405
Derivative financial instruments	<b>–</b>	1 752
Current taxation assets	<b>7 290</b>	1 666
Cash and cash equivalents	<b>1 093 860</b>	1 329 945
<b>Investment properties held for sale</b>	<b>10 500</b>	76 632
<b>Total assets</b>	<b>23 327 142</b>	17 516 708
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>	<b>15 770 080</b>	13 111 425
<b>Non-controlling interest</b>	<b>81 311</b>	73 367
<b>Non-current liabilities</b>	<b>5 484 980</b>	2 964 638
Other interest-bearing borrowings	<b>5 346 371</b>	2 937 590
Derivative financial instruments	<b>131 304</b>	26 115
Deferred taxation liabilities	<b>7 305</b>	933
<b>Current liabilities</b>	<b>1 990 771</b>	1 367 278
Trade and other payables	<b>428 733</b>	354 370
Borrowings	<b>1 554 359</b>	1 002 581
Derivative financial instruments	<b>175</b>	–
Current taxation liabilities	<b>7 504</b>	8 892
Shareholder for dividend	<b>–</b>	1 435
<b>Total equity and liabilities</b>	<b>23 327 142</b>	17 516 708
<b>Net asset value (cents per share)<sup>(1)</sup></b>	<b>2010</b>	1868

<sup>(1)</sup>Excluding non-controlling interest.

# Summarised audited consolidated statement of profit and loss and other comprehensive income

for the year ended 31 March 2018

<b>GROUP</b>	<b>2018</b> <b>R000</b>	2017 R000
Property revenue	2 014 966	1 964 202
Straight-line rental income accrual	5 401	(161 077)
<b>Gross property revenue</b>	<b>2 020 367</b>	1 803 125
Property expenses	(705 891)	(717 970)
<b>Net profit from property operations</b>	<b>1 314 476</b>	1 085 155
Corporate and administrative expenses	(127 474)	(96 155)
Investment and other income	323 255	198 523
<b>Operating profit before finance costs</b>	<b>1 510 257</b>	1 187 523
Finance costs	(367 808)	(362 074)
<b>Profit before capital items</b>	<b>1 142 449</b>	825 449
Profit on sale of investment properties	13 405	25 250
Profit on sale of furniture and equipment	144	92
Fair value (loss)/gain on listed property securities	(16 411)	105 739
Fair value movement of derivative financial instruments	7 408	(6 251)
Cost of terminating derivative financial instruments	(3 250)	–
Foreign exchange profit	59 936	83 679
Profit on sale of subsidiary	–	54 813
Loss of control of subsidiary	–	(276 781)
Loss on sale of listed property securities	(26 240)	–
Other capital items	–	(971)
Goodwill written off on sale of properties by a subsidiary	–	(3 889)
Cost of acquisition of business combination	–	(66)
<b>Profit before property fair value adjustments</b>	<b>1 177 441</b>	807 064
<b>Fair value adjustments</b>	<b>1 149 988</b>	693 521
Gross change in fair value of investment properties	1 155 389	532 444
Straight-line rental income adjustment	(5 401)	161 077
<b>Profit before equity-accounted investment</b>	<b>2 327 429</b>	1 500 585
Profit share of associate	95 485	45 251
<b>Profit before taxation</b>	<b>2 422 914</b>	1 545 836
Taxation	(10 668)	(9 286)
<b>Profit for the year</b>	<b>2 412 246</b>	1 536 550
<b>Profit attributable to:</b>		
Owners of the parent	2 401 943	1 499 420
Non-controlling interests	10 303	37 130
<b>Other comprehensive loss</b>		
Items that will be reclassified subsequently to profit or loss		
Currency loss on translation of investments in foreign entities	(69 326)	(157 403)
Currency profit/(loss) on translation of goodwill	279	(378)
Cash flow hedges (net of tax)	(60 202)	(39 323)
Available for sale financial assets – current year loss	(17 610)	(15 206)
Other comprehensive loss for the year	(146 859)	(212 310)
<b>Total comprehensive income for the year</b>	<b>2 265 387</b>	1 324 240
<b>Total comprehensive income attributable to:</b>		
Owners of the parent	2 254 319	1 287 981
Non-controlling interest	11 068	36 259
Basic and diluted earnings per share (cents) <sup>(1)</sup>	320.65	217.93
Weighted average number of shares in issue	749 084 702	688 024 118
Number of shares in issue	784 766 367	701 885 532

<sup>(1)</sup>Vukile has no dilutionary shares in issue.

# Audited reconciliation of earnings to headline earnings

for the year ended 31 March 2018

	2018		2017	
	Group R000	Cents per share	Group R000	Cents per share
Attributable profit to owners of the parent	2 401 943	320.65	1 499 420	217.93
<b>Earnings</b>	<b>2 401 943</b>	<b>320.65</b>	1 499 420	217.93
Change in fair value of investment properties (net of allocation to non-controlling interest)	(1 148 906)	(153.37)	(676 899)	(98.38)
Write-off of goodwill on sale of properties sold by a subsidiary	-	-	3 889	0.56
Profit on sale of investment properties	(13 405)	(1.79)	(25 250)	(3.67)
Profit on sale of furniture, fittings and computer equipment	(144)	(0.02)	(92)	(0.01)
Profit on sale of subsidiary	-	-	(54 813)	(7.97)
Loss of control of subsidiary	-	-	276 781	40.23
Fair value earnings of associate – adjusted headline earnings	(10 267)	(1.37)	16 804	2.44
<b>Headline earnings of shares</b>	<b>1 229 221</b>		1 039 840	
<b>Weighted average number of shares in issue</b>	<b>749 084 702</b>		688 024 118	
<b>Headline and diluted headline earnings per share</b>		<b>164.10</b>		151.13

## Summarised audited consolidated statement of cash flows

for the year ended 31 March 2018

	2018 R000	2017 R000
<b>GROUP</b>		
Cash flow from operating activities	1 333 609	1 104 588
Cash flow from investing activities*	(4 599 117)	448 450
Cash flow from financing activities*	3 031 308	(1 155 176)
Net (decrease)/increase in cash and cash equivalents	(234 200)	397 862
Foreign currency movement in cash	(1 885)	(376)
Cash and cash equivalents at the beginning of the year	1 329 945	932 459
<b>Cash and cash equivalents at the end of the year</b>	<b>1 093 860</b>	<b>1 329 945</b>
<b>Major items included in the above</b>		
<b>Cash flow from operating activities</b>		
Profit before tax	2 422 914	1 545 836
Adjustments	(1 216 409)	(378 051)
<b>Cash flow from investing activities</b>		
Acquisition of and improvements to investment properties	(4 703 030)	(3 466 306)
Investment in associate	(418 281)	(180 677)
Net proceeds on sale of investment properties	175 316	4 113 776
<b>Cash flow from financing activities</b>		
Issue of shares	1 556 631	902 251
Dividends paid	(1 180 330)	(1 049 031)
Finance costs	(352 989)	(355 763)
Interest-bearing borrowings advanced/(repaid)	3 094 928	(622 474)

\*In the prior year available-for-sale financial assets were included as part of investing activities. This has been reclassified to financing activities. The reclassification amounted to a movement of R19.2 million.



# Summarised audited consolidated statement of changes in equity

for the year ended 31 March 2018

GROUP	Stated capital R000	Non-distributable reserves R000	Retained earnings R000	Shareholders' interest R000	Non-controlling interest R000	Total R000
<b>Balance at 31 March 2016</b>	7 068 563	4 387 231	476 780	11 932 574	556 681	12 489 255
Issue of share capital	902 251	–	–	902 251	–	902 251
Dividend distribution	–	–	(1 025 270)	(1 025 270)	(25 196)	(1 050 466)
	7 970 814	4 387 231	(548 490)	11 809 555	531 485	12 341 040
Profit for the year	–	–	1 499 420	1 499 420	37 130	1 536 550
Change in fair value of investment properties	–	532 444	(532 444)	–	–	–
Change in fair value of investment properties attributable to non-controlling interests	–	(16 622)	16 622	–	–	–
Share-based remuneration	–	17 413	–	17 413	–	17 413
Deferred taxation on change in fair value of derivatives	–	1 750	–	1 750	–	1 750
Transfer to non-distributable reserves	–	104 024	(103 315)	709	–	709
Non-controlling interest arising in respect of a subsidiary acquired	–	–	–	–	26 855	26 855
Share issue expenses of a subsidiary	–	(7 111)	–	(7 111)	(3 829)	(10 940)
Loss of control of subsidiary	–	(231 623)	232 751	1 128	(517 403)	(516 275)
Revaluation of equity investments	–	105 739	(105 739)	–	–	–
<b>Other comprehensive loss</b>	–	(211 439)	–	(211 439)	(871)	(212 310)
<b>Balance at 31 March 2017</b>	7 970 814	4 681 806	458 805	13 111 425	73 367	13 184 792
Issue of capital	1 556 631	–	–	1 556 631	–	1 556 631
Dividend distribution	–	–	(1 176 155)	(1 176 155)	(2 741)	(1 178 896)
	<b>9 527 445</b>	<b>4 681 806</b>	<b>(717 350)</b>	<b>13 491 901</b>	<b>70 626</b>	<b>13 562 527</b>
Profit for the year	–	–	2 401 943	2 401 943	10 303	2 412 246
Change in fair value of investment properties	–	1 155 389	(1 155 389)	–	–	–
Change in fair value of investment properties attributable to non-controlling interests	–	(6 486)	6 486	–	–	–
Share-based remuneration	–	21 077	–	21 077	–	21 077
Deferred taxation on change in fair value of derivatives	–	(2 241)	–	(2 241)	–	(2 241)
Transfer to non-distributable reserves – currency revaluation	–	59 936	(59 936)	–	–	–
Transfer from non-distributable reserve	–	(4 498)	12 835	8 337	–	8 337
Share issue expenses of a subsidiary	–	(3 637)	–	(3 637)	(59)	(3 696)
Change in shareholding of a subsidiary	–	324	–	324	(324)	–
Legal reserve transfer	–	217	(217)	–	–	–
Revaluation of equity investments	–	(16 411)	16 411	–	–	–
<b>Other comprehensive loss</b>	–	(147 624)	–	(147 624)	765	(146 859)
<b>Balance at 31 March 2018</b>	<b>9 527 445</b>	<b>5 737 852</b>	<b>504 783</b>	<b>15 770 080</b>	<b>81 311</b>	<b>15 851 391</b>

# Summarised operating segment analysis

for the year ended 31 March 2018

The revenues and profits generated by the group's operating segments and segment assets are summarised in the table below. As reported in the six-month period to 30 September 2017, there has been a change from prior periods in the measurement methods used to determine key operating segments and reported segment profits. The executive committee (Exco), the group's operating decision-making forum, driven by its international strategy and the fact that in excess of 90% of

GROUP	Southern Africa		
	Retail R000	Other R000	Total R000
<b>Group income for the year ended 31 March 2018</b>			
Property revenue <sup>①</sup>	1 232 435	124 674	1 357 109
Straight-line rental income accrual	4 780	484	5 264
	<b>1 237 215</b>	<b>125 158</b>	<b>1 362 373</b>
Property expenses (net of recoveries) <sup>①</sup>	(213 875)	(7 952)	(221 827)
<b>Profit from property operations</b>	<b>1 023 340</b>	<b>117 206</b>	<b>1 140 546</b>
<b>Profit from associate</b>			
<i>①The property revenue and property expense have been reflected net of recoveries. The summarised audited consolidated statement of profit or loss and other comprehensive income reflects the gross property revenue and gross property expenses.</i>			
<b>Group statement of financial position at 31 March 2018</b>			
<b>Assets</b>			
Investment properties	13 328 678	1 249 288	14 577 966
Add: Lease commissions			35 030
	<b>13 328 678</b>	<b>1 249 288</b>	<b>14 612 996</b>
Goodwill	48 218		48 218
Investment properties held for sale		10 500	10 500
	<b>13 376 896</b>	<b>1 259 788</b>	<b>14 671 714</b>
Add:			
Investment property under development			54 476
Equity investments			1 384 645
Investment in associate			–
Furniture, fittings, computer equipment and intangible asset			11 202
Available-for-sale financial asset			34 099
Derivative financial instruments	23 808	2 231	26 039
Loans receivable			103 672
Deferred taxation assets			48 975
Trade and other receivables			166 133
Taxation refundable			6
Cash and cash equivalents			826 371
<b>Total assets</b>			
<b>Equity and liabilities</b>			
Stated capital	8 710 972	816 473	9 527 445
Interest-bearing borrowings	4 437 744	415 947	4 853 691
	<b>13 148 716</b>	<b>1 232 420</b>	<b>14 381 136</b>
Add:			
Other components of equity and retained earnings			4 146 104
Non-controlling interest			47 990
Derivative financial instruments	82 528	45 885	128 413
Deferred taxation liabilities			934
Trade and other payables			339 325
Current taxation liabilities			7 347
<b>Total equity and liabilities</b>			

the southern Africa portfolio is retail, has taken a decision to measure operating segments and reported segment profits on a geographical basis, initially, Southern Africa, Spain and United Kingdom.

The results of the operating segments are reviewed regularly by Exco to assess performance and decisions to allocate capital to each of the segments.

United Kingdom R000	Retail R000	Spain Other R000	Total R000	Total group R000
	177 965	26 724	204 689	1 561 798
	137	–	137	5 401
	178 102	26 724	204 826	1 567 199
	(27 521)	(3 375)	(30 896)	(252 723)
	150 581	23 349	173 930	1 314 476
95 485				95 485
	4 113 957	375 256	4 489 213	19 067 179
			–	35 030
	4 113 957	375 256	4 489 213	19 102 209
		15 070	15 070	63 288
				10 500
	4 113 957	390 326	4 504 283	19 175 997
				54 476
				1 384 645
1 199 292				1 199 292
			852	12 054
				34 099
				26 039
				103 672
				48 975
			20 610	186 743
			7 284	7 290
			267 489	1 093 860
				23 327 142
				9 527 445
	2 047 039	–	2 047 039	6 900 730
	2 047 039	–	2 047 039	16 428 175
			2 096 531	6 242 635
			33 321	81 311
	3 066		3 066	131 479
			6 371	7 305
			89 408	428 733
			157	7 504
				23 327 142

# Summarised operating segment analysis continued

GROUP	Southern Africa		
	Retail R000	Other R000	Total R000
<b>Group income for the year ended 31 March 2017</b>			
Property revenue <sup>0</sup>	1 102 166	352 048	1 454 214
Straight-line rental income accrual	(118 385)	(42 692)	(161 077)
	983 781	309 356	1 293 137
Property expenses (net of recoveries) <sup>0</sup>	(190 906)	(23 429)	(214 335)
<b>Profit from property operations</b>	<b>792 875</b>	<b>285 927</b>	<b>1 078 802</b>
<b>Profit from associate</b>			
<i><sup>0</sup>The property revenue and property expense have been reflected net of recoveries. The summarised audited consolidated statement of profit or loss and other comprehensive income reflects the gross property revenue and gross property expenses.</i>			
<b>Group statement of financial position at 31 March 2017</b>			
<b>Assets</b>			
Investment properties	11 993 956	1 132 968	13 126 924
Add: Lease commissions			20 267
	11 993 956	1 132 968	13 147 191
Goodwill	48 218		48 218
Investment properties held-for-sale		76 632	76 632
	12 042 174	1 209 600	13 272 041
<i>Add:</i>			
Investment property under development			51 191
Equity investments			1 366 239
Investment in associate			–
Furniture, fittings, computer equipment and intangible asset			14 049
Available-for-sale financial asset			23 855
Derivative financial instruments	3 174	300	3 474
Loans receivable			38 110
Deferred taxation assets			14 341
Trade and other receivables			256 243
Taxation refundable			1 666
Cash and cash equivalents			1 304 585
<b>Total assets</b>			
<b>Equity and liabilities</b>			
Stated capital	7 282 863	687 951	7 970 814
Interest-bearing borrowings	3 448 939	325 792	3 774 731
	10 731 802	1 013 743	11 745 545
<i>Add:</i>			
Other components of equity and retained earnings			5 127 731
Non-controlling interest			73 367
Derivative financial instruments	23 861	2 254	26 115
Deferred taxation liabilities			933
Trade and other payables			349 072
Current taxation liabilities			8 531
Shareholder for dividend			1 435
<b>Total equity and liabilities</b>			

	United Kingdom R000	Spain		Total R000	Total group R000
		Retail R000	Other R000		
			7 131	7 131	1 461 345
			–	–	(161 077)
			7 131	7 131	1 300 268
			(778)	(778)	(215 113)
			6 353	6 353	1 085 155
	45 251				45 251
			350 254	350 254	13 477 178
				–	20 267
			350 254	350 254	13 497 445
			14 791	14 791	63 009
					76 632
			365 045	365 045	13 637 086
					51 191
					1 366 239
780 347					780 347
					14 049
					23 855
					3 474
					38 110
					14 341
			162		256 405
					1 666
			25 360		1 329 945
					17 516 708
					7 970 814
		165 440		165 440	3 940 171
		165 440		165 440	11 910 985
			12 880		5 140 611
					73 367
					26 115
					933
			5 298		354 370
			361		8 892
					1 435
					17 516 708

# Summarised operating segment analysis

for the year ended 31 March 2018

## Calculation of distributable earnings

	<b>31 March 2018 R000</b>	31 March 2017 R000	Variance %
Property revenue	<b>1 561 798</b>	1 461 345	6.87
Property expenses (net of recoveries)	<b>(252 723)</b>	(215 113)	(17.48)
<b>Net profit from property operations per segmental report excluding straight-line rental income accrual</b>	<b>1 309 075</b>	1 246 232	5.04
Corporate administration expenses	<b>(127 474)</b>	(96 155)	(32.57)
Investment and sundry income	<b>323 255</b>	198 523	62.83
<b>Operating profit before finance costs</b>	<b>1 504 856</b>	1 348 600	11.59
Finance costs	<b>(367 808)</b>	(362 074)	(1.58)
<b>Profit before equity-accounted income</b>	<b>1 137 048</b>	986 526	15.26
Profit share of associate	<b>95 485</b>	45 251	111.01
<b>Profit before taxation</b>	<b>1 232 533</b>	1 031 777	19.46
Taxation	<b>(10 668)</b>	(9 286)	(14.88)
<b>Profit for the year</b>	<b>1 221 865</b>	1 022 491	19.50
Costs of terminating interest rate swap	<b>(3 250)</b>	–	(100.00)
Profit on sale of subsidiary	<b>–</b>	54 813	(100.00)
Net profit attributable to non-controlling interests	<b>(10 303)</b>	(37 130)	72.25
<b>Attributable to Vukile group</b>	<b>1 208 312</b>	1 040 174	16.16
Adjustments on consolidation	<b>–</b>	1 552	(100.00)
Non-IFRS adjustments			
Shares issued <i>cum</i> dividend	<b>35 019</b>	31 847	9.96
Shares in Castellana subsidiaries acquired <i>cum</i> dividend	<b>44 940</b>	6 828	558.17
Dividends accrued on listed investments	<b>–</b>	7 195	(100.00)
Dividends accrued on listed associate net of share of income	<b>19 105</b>	22 085	(13.49)
Asset management income	<b>–</b>	8 000	(100.00)
Available for distribution	<b>1 307 376</b>	1 117 681	16.97
Proposed dividend (cents per share)	<b>168.82</b>	156.75	
Number of shares in issue at 31 March	<b>784 766 367</b>	701 885 532	

# Notes to the summarised financial statements

for the year ended 31 March 2018

## 1. Measurements of group fair value

### 1.1 Financial instruments

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

GROUP	March 2018			March 2017		
	Level 1 R000	Level 2 R000	Total R000	Level 1 R000	Level 2 R000	Total R000
<b>ASSETS</b>						
Investments	1 384 645	–	1 384 645	1 366 239	–	1 366 239
Available-for-sale financial assets	79 152	–	79 152	55 342	–	55 342
Derivative financial instruments	–	26 039	26 039	–	3 474	3 474
<b>Total</b>	<b>1 463 797</b>	<b>26 039</b>	<b>1 489 836</b>	<b>1 421 581</b>	<b>3 474</b>	<b>1 425 055</b>
<b>LIABILITIES</b>						
Available-for-sale financial liabilities	–	(45 053)	(45 053)	–	(31 487)	(31 487)
Derivative financial instruments	–	(131 479)	(131 479)	–	(26 115)	(26 115)
<b>Total</b>	<b>–</b>	<b>(176 532)</b>	<b>(176 532)</b>	<b>–</b>	<b>(57 602)</b>	<b>(57 602)</b>
<b>Net fair value</b>	<b>1 463 797</b>	<b>(150 493)</b>	<b>1 313 304</b>	<b>1 421 581</b>	<b>(54 128)</b>	<b>1 367 453</b>

#### Measurement of fair value

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

#### Investments

This comprises shares held in listed property companies at fair value which is determined by reference to quoted closing prices at the reporting date.

#### Available-for-sale financial assets

The available for-sale financial asset comprises the long-term reimbursement right, which is legally offset by the long-term employee benefit liability. This comprises equity-settled share-based long-term incentive reimbursement rights stated at fair value. Fair value has been determined by reference to Vukile's quoted closing price at the reporting date after deduction of executive and management rights.

#### Derivative financial instruments

The fair values of these derivative contracts are determined by Absa Capital, Rand Merchant Bank, Standard Bank, Nedbank Limited and Investec Bank Limited for Southern Africa, and Banco Popular, Banco Santander and Caixa Bank for Spain, using a valuation technique that maximises the use of observable market inputs. Derivatives entered into by the group are included in level 2 and is consistent with interest rate swap and forward exchange contracts.

# Notes to the summarised financial statements continued

for the year ended 31 March 2018

## 1. Measurements of group fair value continued

### 1.2 Non-financial assets

The following table reflects the levels within the hierarchy of non-financial assets measured at fair value at 31 March 2018:

	<b>2018</b> <b>Level 3</b> <b>R000</b>	2017 Level 3 R000
<b>GROUP</b>		
<b>ASSETS</b>		
Investment properties	<b>19 102 209</b>	13 497 445
Investment properties under development	<b>54 476</b>	51 191
Investment properties held for sale	<b>10 500</b>	76 632

#### Fair value measurement of non-financial assets (investment properties)

The fair values of commercial buildings are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields. The estimated rental stream takes into account current occupancy levels, estimates of future vacancy levels, the terms of in-place leases and expectations of rentals from future leases over the remaining economic life of the buildings.

The most significant inputs are the discount rate and the reversionary capitalisation rate. The inputs used in the valuations at 31 March 2018 were:

GROUP	2018				2017			
	Discount rate		Reversionary capitalisation rate		Discount rate		Reversionary capitalisation rate	
	Range	Weighted average	Range	Weighted average	Range	Weighted average	Range	Weighted average
South Africa	12.2% to 17.3%	13.4%	7.5% to 12.8%	8.6%	12.8% to 19.6%	14.0%	8% to 15.7%	9.1%
Spain	7.5% to 10.3%	8.8%	5% to 9.1%	6.1%	9.1% to 9.8%	9.2%	6.2% to 7.5%	6.5%

The estimated fair value would increase/(decrease) if the expected market rental growth was higher/(lower), expected expense growth was lower/(higher), the vacant periods were shorter/(longer), the occupancy rate was higher/(lower), the rent-free periods were shorter/(longer), the discount rate was lower/(higher) and/or the reversionary capitalisation rate was lower/(higher).



# Directorate – CVs

## **Laurence Gary Rapp (47)**

**Chief executive officer**

**BCom (Hons) cum laude, Wharton Executive Development Programme**

Laurence has been the driving force behind Vukile's transformation and growth since his appointment in 2011. He is closely involved in all aspects of dealmaking and the corporate finance function of Vukile. Prior to joining Vukile, Laurence was a director of Standard Bank and head of the insurance and asset management division. His experience spans the areas of investment banking, private equity, retail banking, insurance and asset management. He currently serves as a non-executive director of Atlantic Leaf Properties Limited and Castellana Properties SOCIMI, S.A.

**Appointed:** 1 August 2011

## **Michael John Potts (63)**

**Financial director**

**CA(SA), HDip Tax Law (Wits)**

Michael is a founding director of Vukile and prior to joining Vukile was an independent adviser to the Bridge Capital Group on property transactions, property portfolio assembly, financial structuring and capital raising. Prior to that, he was managing and financial director of the South African group that forms part of the UK-based Hanover Acceptances Group and a non-executive director of Hanover Acceptances Limited (United Kingdom) and Outspan International Limited for six and seven years respectively. He currently serves as a non-executive director of Castellana Properties SOCIMI, S.A.

**Appointed:** 17 May 2004

## **Hermina (Ina) Christina Lopion (58)**

**Managing director: southern Africa**

**BSc, University of Stellenbosch, Executive Development Programme: Manchester Business School**

Ina has 27 years' experience in the property market. She is responsible for asset management within Vukile. Ina is responsible for driving the day-to-day management of the portfolio and delivery on key operational goals. Ina is a board member of the SA Council of Shopping Centres.

**Appointed:** 1 January 2010

## **Gabaiphiwe Sedise Moseneke (42)**

**Executive director**

**BDS, CCPP**

Sedise is responsible for Vukile's transformation activities. He was chief executive of Encha Properties from 2004 up until Vukile's acquisition of a portfolio of government-tenanted properties from Encha in 2013. He is a past president of the South African Property Owners Association (SAPOA) and also sits on the board of Nu-Hold Group, an upmarket residential and commercial property development and investment company. He is a member of the South African Institute of Black Property Practitioners (SAIBPP).

**Appointed:** 1 August 2013

## **Anton Dirk Botha (64)**

**Chairman**

**BProc, BCom (Hons), Stanford Executive Programme**

Anton is a director and co-owner of Imalivest, an investment group. He also serves as a non-executive director on the boards of University of Pretoria, JSE Limited, Sanlam Limited and certain Sanlam subsidiaries, and African Rainbow Minerals Limited. Anton made his career in investments. As chief executive he led the team that built Gensec Limited into a leading South African investment banking group.

**Appointed:** 17 May 2004

## **Stefanes (Steve) Francois Booyen (55)**

**DCom, CA(SA)**

Steve is the former group chief executive officer of Absa Group Limited. Steve also serves on the boards of Steinhoff International Holdings Limited, Clover Industries Limited, Efficient Financial Holdings Limited and Senwes Limited.

**Appointed:** 20 March 2012

## **Peter Sipho Moyanga (53)**

Peter is an owner-operator franchisee of the world renowned fast foods franchise McDonald's, with whom he has eight restaurants. Previously, Peter held a senior management position with McDonald's Corporation for 10 years. In addition to his business interest, Peter is a director of Reach for a Dream Foundation.

**Appointed:** 17 May 2004

## **Nigel George Payne (58)**

**BCom (Hons), CA(SA), MBL**

Nigel serves on the boards of Bidvest Group Limited, JSE Limited, Mr Price Group Limited and Strate, where in both cases he holds the position of chairman.

**Appointed:** 20 March 2012

## **Hymie Mervyn Serebro (71)**

Mervyn is the former chief executive officer of Vusani Property Investments. He spent 32 years with the OK Bazaars Group within which he held a number of key positions and directorships, including that of group managing director. Mervyn was integrally involved in the establishment of the South African Bone Marrow Registry after the untimely death of his son Darren of leukemia. He is also the chairman of Reach for a Dream Foundation, a director of the Innovative Cancer Care Foundation and chairman of Syenap.

**Appointed:** 17 May 2004

## **Hatla Ntene (64)**

**BSc (QS)**

Hatla, a registered quantity surveyor, has over 27 years of experience in project management, cost engineering and contract administration. He is the executive chairman of Mvua Property Partners, a commercial property investment firm, and serves as a non-executive director of AECOM South Africa, Calgro M3 and Don Group.

**Appointed:** 25 October 2013

## **Renosi Denise Mokate (60)**

**BA, MA, PhD**

Renosi has over 29 years' experience in the field of development economics and planning and has served in various academic and executive roles. She is a former executive director of the World Bank as well as a former deputy governor of the South African Reserve Bank. She currently serves as a director of Bidvest Bank and is the chairperson of the Government Employees Pension Fund.

**Appointed:** 11 December 2013

## **Babalwa Ngonyama (43)**

**CA(SA), MBA, HDip (Banking Law)**

Babalwa is the chief executive officer of Sinayo Securities Proprietary Limited, a female owned and managed business. Babalwa currently serves on the boards of Aspen Pharmacare Holdings Limited, Impala Platinum Holdings Limited, Clover Industries Limited and The Efficient Group. She chairs both the Aspen and Clover audit committees.

# Corporate information

## Directors

Anton Dirk Botha <sup>(e, h)</sup>	(Chairman)
Laurence Gary Rapp <sup>(a, g)</sup>	(Chief executive)
Michael John Potts <sup>(a)</sup>	(Financial director)
Hermína Christina Lopion <sup>(a, g)</sup>	(Executive director: asset management)

Gabaiphiwe Sedise Moseneke<sup>(a)</sup>  
Stefanes Francois Booysen<sup>(c, d, i)</sup>  
Renosi Denise Mokate<sup>(e, c, i)</sup>  
Peter Siphó Moyanga<sup>(c, g)</sup>  
Hatla Ntene<sup>(g)</sup>  
Nigel George Payne<sup>(b, g)</sup>  
Hymie Mervyn Serebro<sup>(f)</sup>  
Babalwa Ngonyama

<sup>(a)</sup> Executive.

<sup>(b)</sup> Chairman of audit and risk committee.

<sup>(c)</sup> Member of audit and risk committee.

<sup>(d)</sup> Chairman of social, ethics and human resources committee.

<sup>(e)</sup> Member of social, ethics and human resources committee.

<sup>(f)</sup> Chairman of property and investment committee.

<sup>(g)</sup> Member of property and investment committee.

<sup>(h)</sup> Chairman of nominations committee.

<sup>(i)</sup> Member of nominations committee.

## Group secretary and registered office

### Johann Neethling

One-on-Ninth  
Corner Glenhove Road and Ninth Street  
Melrose Estate  
2196

PO Box 2234  
Parklands  
2121

## Sponsors

### South Africa

#### Java Capital

6A Sandown Valley Crescent  
Sandown  
Sandton  
2146

PO Box 522606  
Saxonwold  
2132

### Namibia

#### IJG Group

First Floor  
Heritage Square  
100 Robert Mugabe Avenue  
Windhoek

PO Box 186  
Windhoek

## Listing information

Vukile was listed on the JSE Limited on 24 June 2004 and on the Namibian Stock Exchange on 11 July 2007.

JSE code	VKE
NSX code	VKN
ISIN	ZAE000056370
Sector	Financial – retail REITs

## Transfer secretaries

### Link Market Services South Africa (Pty) Ltd

13th Floor  
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19 Ameshoff Street  
Braamfontein  
2001

PO Box 4844  
Johannesburg  
2000

## Auditors

### Grant Thornton Johannesburg Partnership

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52 Corlett Drive  
Illovo  
Johannesburg  
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Private Bag X5  
Northlands  
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## Principal bankers

### Absa Bank Limited

3rd Floor  
Absa Towers East  
160 Main Street  
Johannesburg  
2001

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Johannesburg  
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## Investor and media relations

### Marketing Concepts

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