

FORTRESS REIT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2009/016487/06)

JSE share codes: FFA ISIN: ZAE000248498

FFB ISIN: ZAE000248506

Bond Company code: FORI

LEI: 378900FE98E30F24D975

(Approved as a REIT by the JSE)

("Fortress" or "the Company")



POSTING OF CIRCULAR AND NOTICE OF GENERAL MEETINGS

Shareholders are referred to the announcement released on SENS on 7 December 2021 wherein Fortress advised that the distributable earnings for the six-month period ended 31 December 2021 will be less than the A Distribution Benchmark, which is the prior year's distribution benchmark for the income period in question (irrespective of whether the prior year's distribution of income was paid or not), escalated by an amount equal to the lesser of 5% or the most recently available CPI figure ("**A Distribution Benchmark**").

In terms of the current Memorandum of Incorporation ("**MOI**"), if the board of directors of Fortress (the "**Board**") elects to declare a distribution and provided the Distributable Earnings are above the A Distribution Benchmark, the Board is required to first declare and pay the full A Distribution Benchmark. Failing the meeting of the A Distribution Benchmark, the Board is not authorised to declare a distribution to any shareholders. All things being equal, if the Distributable Earnings are below the A Distribution Benchmark, the Board is prohibited by the MOI from declaring any dividends and Fortress would retain the income earned, which would then form part of Fortress' capital base going forward.

In a scenario where Distributable Earnings for an income period are less than the A Distribution Benchmark but a distribution is required in order to assist in meeting the JSE Minimum Distribution Requirement, Fortress is of the view that it would be equitable to shareholders that such distribution should be treated in a similar manner to that of capital distributions whilst the Company remains a going concern, which are distributed, in terms of the MOI, on a *pari passu* basis to A and B shareholders.

Accordingly, shareholders are advised that the Company has issued a circular to Fortress shareholders (the "**circular**") relating to a proposed amendment to the Company's MOI to provide for the payment of an interim distribution to A and B shareholders on a *pari passu* basis for the First Income Period of the financial year ending 30 June 2022.

The circular contains:

- a notice of a combined general meeting of A shareholders and B shareholders ("**combined general meeting**") to be held at 10:00;
- a notice of an A shareholders general meeting ("**A shareholders' general meeting**") to be held at 10:15 or 5 minutes after the completion of the combined general meeting; and
- notice of a B shareholders general meeting ("**B shareholders' general meeting**") to be held at 10:30 or 5 minutes after the completion of the A shareholders' general meeting,

on Friday, 18 March 2022 virtually via a remote interactive electronic platform, Microsoft Teams, and at the offices of Fortress, Block C, Cullinan Place, Cullinan Close, Morningside, 2196, to consider and, if deemed fit, pass, with or without modification, the resolutions contained in the notice of the combined general meeting, the notice of the A shareholders' general meeting and the notice of the B shareholders' general meeting, pertaining to the amendment to the MOI. A copy of the circular incorporating the notice of the combined general meeting, the notice of the A shareholders' general meeting and the notice of the B shareholders' general meeting is available on Fortress' website at:

https://cmsignition.co.za/download/files_1184/CirculartoamendtheMoIforthefirstincomeperiodoffinancialyearending30June2022.pdf

The salient dates and times are set out below:

2022

Record date for determining which shareholders are entitled to receive this document together with the notices convening the combined general meeting, A shareholders' general meeting and B shareholders' general meeting	Friday, 11 February
Announcement relating to the issue of this document together with the notices convening the general meetings released on SENS	Thursday, 17 February
Circular together with the notices of general meeting issued	Thursday, 17 February
Last day to trade in Fortress shares in order to be recorded in the register on the Voting Record Date	Tuesday, 8 March
Voting Record Date	Friday, 11 March
Recommended last day to lodge forms of proxy for the combined general meeting, A shareholders' general meeting and B shareholders' general meeting with the transfer secretaries, by 10:00 (combined general meeting), 10:15 (A shareholders' general meeting) and 10:30 (B shareholders' general meeting). Forms of proxy not delivered by this time may be handed to the transfer secretaries or to the chairperson of the combined general meeting, A shareholders' general meeting or B shareholders' general meeting at any time prior to the commencement of either general meeting or at any time prior to voting on any resolution proposed at either general meeting, as applicable) on	Wednesday, 16 March
Combined general meeting held at 10:00 on	Friday, 18 March
A shareholders' general meeting held at the later of 10:15 or 5 minutes after the completion of the combined general meeting on	Friday, 18 March
B shareholders' general meeting held at the later of 10:30 or 5 minutes after the completion of the A shareholders' general meeting on	Friday, 18 March
Results of the combined general meeting, A shareholders' general meeting and B shareholders' general meeting released on SENS on or before	Friday, 18 March
Amendments to the MOI and special resolutions submitted to CIPC for filing	Tuesday, 22 March
Special resolution expected to be registered by CIPC	Friday, 1 April

Notes

1. All times given in this announcement are local times in South Africa.
2. All dates and times are subject to change. Any change will be released on SENS.
3. Fortress shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of a trade takes place three Business Days after such trade. Therefore, persons who acquire Fortress shares after Tuesday, 8 March 2022 will not be eligible to vote at the combined general meeting, the A shareholders' general meeting or the B shareholders' general meeting.

17 February 2022

Lead sponsor



Joint sponsor

