

RESILIENT REIT LIMITED

Incorporated in the Republic of South Africa

Registration number: 2002/016851/06

JSE share code: RES

ISIN: ZAE000209557

Bond company code: BIRPIF

LEI: 378900F37FF47D486C58

(Approved as a REIT by the JSE)

("Resilient" or "the Company")



DISTRIBUTION BY RESILIENT OF SHARES IN LIGHTHOUSE PROPERTIES P.L.C.

Shareholders are referred to the audited summarised consolidated financial statements for the six months ended 31 December 2021 published on 17 March 2022, wherein shareholders were advised that the Resilient Board has resolved to distribute Lighthouse Properties p.l.c. ("**Lighthouse**") shares to Resilient shareholders at a ratio of 0,48000 Lighthouse shares for each Resilient share held, subject to rounding and payment in cash for fractions ("**Distribution**").

The rationale for the Distribution is that some Resilient shareholders have indicated a preference to own Lighthouse shares directly instead of through their investment in Resilient. The Resilient Board is mindful that Lighthouse has and will continue to benefit from the support of Resilient as a significant shareholder, but is willing to enhance direct market access to Lighthouse by reducing Resilient's holding of Lighthouse shares. Following the implementation of the Distribution, Resilient will own approximately 30,8% of the Lighthouse shares in issue.

Lighthouse is listed on the Main Board of the JSE and has direct property holdings in France, Portugal and Slovenia. It also owns European listed real estate and infrastructure securities. Lighthouse has migrated its domicile to Malta and made public its intention to list on a major European exchange.

The Distribution will be effected as a distribution *in specie* to Resilient shareholders in terms of section 46(1)(a)(ii) of the Companies Act, 71 of 2008 (the "**Companies Act**") and will take the form of a return of capital as defined in section 1 of the Income Tax Act, 58 of 1962 (the "**Income Tax Act**").

The salient dates and times in relation to the Distribution are set out below:

	2022
Last day to trade in Resilient shares in order to participate in the Distribution	Tuesday, 17 May
Trading in Resilient shares 'ex' the entitlement to participate in the Distribution commences	Wednesday, 18 May
The price for fractional entitlements announced on SENS (by 11:00)	Thursday, 19 May
Distribution record date (at close of trade)	Friday, 20 May
Lighthouse shares credited to the accounts of Resilient shareholders at their CSDP or broker (at 09:00)	Monday, 23 May
Market value of Lighthouse shares for purposes of the Distribution announced on SENS	Monday, 23 May

Notes

1. The above dates and times are South African dates and times and are subject to amendment. Any such amendment will be released on SENS.
2. Resilient shares may not be dematerialised or rematerialised between Wednesday, 18 May 2022 and Friday, 20 May 2022, both days inclusive.

Implementation of the Distribution

Pursuant to the Distribution, Resilient will distribute 190 741 186 Lighthouse shares to Resilient shareholders at a ratio of 0,48000 Lighthouse shares for every one Resilient share held on the record date. Documents of title in respect of Resilient shares held are not required to be surrendered in order to receive Lighthouse shares pursuant to the Distribution.

In implementing the Distribution, Resilient is required to apply the JSE's rounding principle. As such, if a Resilient shareholder becomes entitled to a fraction of a Lighthouse share arising from the Distribution, such Lighthouse share will be rounded down to the nearest whole number, resulting in the allocation of whole Lighthouse shares and a cash payment for the fraction. The value of such cash payment will be the volume-weighted average traded price of Lighthouse shares less 10% on the first day Resilient shares trade 'ex' the entitlement to receive the Distribution, being Wednesday, 18 May 2022, and will be announced on SENS on Thursday, 19 May 2022 by 11:00.

Pursuant to the implementation of the Distribution, Resilient will remain compliant with its loan covenants.

The Distribution is not subject to shareholder approval.

Dematerialised shareholders

Dematerialised Resilient shareholders need not take any action in order to receive the Lighthouse shares to which they are entitled pursuant to the Distribution. Dematerialised shareholders will receive 0,48000 Lighthouse shares for every one Resilient share held on the record date, credited to their CSDP or broker account at the commencement of trade on Monday, 23 May 2022.

Certificated shareholders

Certificated Resilient shareholders are required to move their Resilient shares into the dematerialised environment in order to take delivery of the Lighthouse shares to which they are entitled.

If they have not done so on or before the record date, the Lighthouse shares to which certificated shareholders are entitled will be delivered to accounts in the name of the shareholders with the transfer secretaries, which will hold such shares in escrow for and on such shareholders' behalf. In this regard, certificated shareholders will be deemed to have concluded a custody agreement with the transfer secretaries, which establishes a business relationship with the transfer secretaries in respect of the escrow arrangement. A copy of the custody agreement is available on the transfer secretaries' website at www.jseinvestorservices.co.za.

Should certificated shareholders wish to subsequently claim their Lighthouse shares from the transfer secretaries, they will have to complete such forms as may, from time to time, be specified by the transfer secretaries for the purposes of stipulating a valid account with a CSDP or broker into which the Lighthouse shares are to be delivered. Upon receipt of an instruction to transfer the Lighthouse shares, and upon verifying a shareholder's entitlement thereto, they will be delivered into the specified account. Simultaneously with such delivery, the transfer secretaries will pay to the relevant shareholder any amounts accrued (including dividends) in respect of the Lighthouse shares while held in escrow and to which such shareholder is entitled in accordance with the custody agreement.

Certificated shareholders are advised to open an account with a CSDP or broker as soon as possible.

Should certificated shareholders not wish to open an account with a CSDP or broker, they may, by completing such forms as the transfer secretaries may require, instruct them to endeavour to sell the Lighthouse shares to which such shareholders are entitled and which are being held in escrow by the transfer secretaries, and remit the proceeds of such sale (net of applicable fees, expenses, taxes and charges) to the shareholders.

Foreign shareholders

The distribution of Lighthouse shares to foreign shareholders, in terms of the Distribution, may be affected by the laws of such foreign shareholders' relevant jurisdiction. It is the responsibility of any foreign shareholder to observe the applicable legal requirements in his/her/its relevant jurisdiction and to satisfy him/her/itself as to the full observance of the laws of the relevant jurisdiction or territory in connection with the Distribution, including obtaining requisite

governmental or other consents, observing any other requisite formalities and paying any issue, transfer costs or taxes due in such jurisdiction or territory. In the event that foreign shareholders have any doubts in this regard, they should consult their professional advisers. Resilient shareholders residing in the Common Monetary Area should be eligible to receive the Distribution but should consult their professional advisers in this regard.

Any foreign shareholder who is unable to receive Lighthouse shares, or any foreign shareholder that Resilient is not permitted to distribute Lighthouse shares to, on account of the laws of the jurisdiction of that shareholder, is an “excluded shareholder” and will not receive Lighthouse shares pursuant to the Distribution.

The Lighthouse shares to which any excluded shareholders are entitled pursuant to the Distribution will be aggregated and disposed of on the JSE by the transfer secretaries on behalf of and for the benefit of such excluded shareholders as soon as it is reasonably practicable following the Distribution, at the best price that can reasonably be obtained at the time of sale. Excluded shareholders will receive the average consideration per Lighthouse share to which they were entitled (net of transaction and currency costs) at which all excluded shareholders’ Lighthouse shares were disposed of. The average consideration will be calculated and the consideration due to each excluded shareholder will be paid only once all shares have been disposed of.

All Resilient shareholders who are resident or whose registered addresses are in any country other than South Africa are deemed to be excluded shareholders unless such shareholders, on or before the record date:

- provide the transfer secretaries, either personally or through a representative or CSDP, with proof satisfactory to the transfer secretaries and the Resilient Board that they are entitled to receive the Lighthouse shares and therefore not an excluded shareholder; or
- contact the transfer secretaries to make an alternative arrangement.

CSDPs will be responsible for informing the transfer secretaries of all dematerialised shares held by them on behalf of excluded shareholders. The transfer secretaries will determine which certificated shareholders are excluded shareholders.

Exchange control

Lighthouse shares will not be freely transferable from the Common Monetary Area and must be dealt with in terms of the Exchange Control Regulations. The following summary of the Exchange Control Regulations is not comprehensive and is intended as a guide only. In the event that shareholders have any doubts in respect of their obligations in terms of the Exchange Control Regulations, they should consult their professional advisers.

Emigrants from the Common Monetary Area

Lighthouse shares received by Resilient shareholders who are emigrants from the Common Monetary Area and whose registered address is outside the Common Monetary Area will:

- in the case of dematerialised shareholders, be credited to their blocked share accounts at the CSDP controlling their blocked portfolios; or
- in the case of shareholders who have rematerialised their shares such that they are evidenced by a share certificate or other physical document of title, have their document of title endorsed “non-resident” in terms of the Exchange Control Regulations and sent to the authorised dealer in foreign exchange controlling their blocked assets.

The CSDP or broker will ensure that all requirements of the Exchange Control Regulations are adhered to in respect of their clients falling into this category of investor, whether shares are held in dematerialised or certificated form.

All other non-residents of the Common Monetary Area

Lighthouse shares received by Resilient shareholders who are not residents of the Common Monetary Area and who have never resided in the Common Monetary Area and whose registered address is outside of the Common Monetary Area will:

- in the case of dematerialised shareholders, be credited to their share accounts at the CSDP controlling their portfolios; or
- in the case of shareholders who have rematerialised their shares such that they are evidenced by a share certificate or other physical document of title, be deposited with an authorised dealer in foreign exchange in South Africa nominated by such shareholder. It will be incumbent on the shareholder concerned to nominate the authorised dealer and to instruct the nominated authorised dealer as to the disposal of the relevant shares. If the information regarding the authorised dealer is not given, the Lighthouse shares will be held in trust for the shareholder concerned pending the receipt of the necessary information or instruction.

The CSDP or broker will ensure that all requirements of the Exchange Control Regulations are adhered to in respect of their clients falling into this category of investor, whether shares are held in dematerialised or certificated form.

Working capital statement

The Resilient Board is of the opinion that, after considering the effect of the Distribution and all reasonably foreseeable financial circumstances of the Company:

- following the Distribution, the assets of the Company, as fairly valued, will equal or exceed the liabilities of the Company, as fairly valued; and
- it appears that the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months following the Distribution.

Taxation considerations relating to the Distribution

The summary below contains a high-level, generic discussion of the most relevant South African tax implications applicable to South African tax residents that hold Resilient shares.

The Distribution will be made in reduction of the contributed tax capital of Resilient and should constitute a “return of capital” as defined in section 1 of the Income Tax Act. The Distribution is accordingly not a dividend as defined in the Income Tax Act and will therefore not attract dividends tax.

Resilient shareholders who hold their shares as capital assets will be required in terms of paragraph 76B of the Eighth Schedule to the Income Tax Act to reduce the base cost of their Resilient shares with the amount of the Distribution (which should be the market value of the Lighthouse shares distributed to such shareholders). If the amount of the return of capital exceeds the base cost of the Resilient shares in the hands of the shareholders, the excess will constitute a capital gain in the hands of the shareholders and the shareholders must account for capital gains tax on such capital gain, unless the shareholders can rely on a capital gains tax exemption. Resilient shareholders who hold their shares as trading stock should obtain advice on the correct tax treatment of the return of capital.

The Distribution will qualify as a “transfer” as defined in section 1 of the Securities Transfer Tax Act No. 25 of 2007 and should be subject to securities transfer tax at a rate of 0,25% of the closing price of the Lighthouse shares on Friday, 20 May 2022.

The market value of the Lighthouse shares forming the subject matter of the Distribution will be announced on SENS on Monday, 23 May 2022.

The information provided above does not constitute tax advice and shareholders are advised to obtain appropriate advice from their professional advisers in this regard.

The following profitability metrics are attributable to Lighthouse for the year ended 31 December 2021:

	Euro cents
Distributable earnings per share	1,95
Basic and diluted loss per share	(3,11)
Headline and diluted headline loss per share	(1,98)

Resilient shares in issue at the date of declaration of the Distribution: 397 377 471

Resilient's income tax reference number: 9579269144

26 April 2022

Sponsor and corporate advisor

The logo for JAVACAPITAL, featuring the word "JAVACAPITAL" in a bold, sans-serif font. A blue horizontal line is drawn through the middle of the letters "A" and "V".