

NEPI ROCKCASTLE N.V.
(formerly NEPI ROCKCASTLE S.A.)
Incorporated in the Netherlands
Registration number: 87488329
Share code: NRP
ISIN: NL0015000RT3
("NEPI Rockcastle" or "the Company")



FINALISATION ANNOUNCEMENT: ELECTION TO RECEIVE A CAPITAL REPAYMENT, ORDINARY CASH DISTRIBUTION OR SCRIP DIVIDEND

Shareholders are referred to the circular issued on Tuesday, 28 February 2023, in respect of an election to receive the final dividend for the six months ended 31 December 2022 of 27.85 euro cents per share ("**final dividend**") either:

- (i) via a reduction and repayment in cash of the nominal value per share ("**capital repayment**") (the default); or
- (ii) as an ordinary cash distribution out of distributable profits ("**ordinary cash distribution**"),

with an alternative election available to receive a distribution of 29.32 euro cents per share by way of an issue of new shares with a nominal value of €0.01 each paid up from the share premium reserve ("**scrip dividend**").

Shareholders are now advised as follows:

- The scrip reference price is ZAR 101.39525 per share, being a 3% discount to the five-day volume weighted average traded price (less the final dividend of 27.85 euro cents per share) of NEPI Rockcastle shares on the JSE as at 6 March 2023. For NEPI Rockcastle shares traded on Euronext Amsterdam, the scrip reference price is EUR 5.22729, being the ZAR scrip reference price converted to Euro at an average exchange rate of EUR 1.00:ZAR 19.39730, determined over a two-day period commencing on Friday, 3 March 2023 and ending on Monday, 6 March 2023.
- Shareholders electing to receive the scrip dividend will receive 5.60902 new NEPI Rockcastle shares for every 100 NEPI Rockcastle shares held by such shareholders on the record date of Friday, 17 March 2023, representing the ratio that the 29.32 euro cents per share bears to the scrip reference price.
- Shareholders holding shares traded on the JSE and A2X will receive any capital repayment or ordinary cash distribution in South African Rand converted from Euro at an average exchange rate of EUR 1.00:ZAR 19.39730. Accordingly, the capital repayment and ordinary cash distribution of 27.85 eurocents per share will be equal to ZAR 5.40215 per share. Shareholders holding shares traded on Euronext Amsterdam will receive any capital repayment or ordinary cash distribution in Euros.

Should all shareholders elect to receive the scrip dividend, the maximum total number of new NEPI Rockcastle shares to be issued by NEPI Rockcastle pursuant to the scrip dividend will be 34,046,751.

The share capital of the Company as at the date of this announcement is as follows:

	'000 EUR
<i>Authorised share capital</i>	
2,600,000,000 ordinary shares of EUR 0.01 each	26,000
<i>Issued share capital</i>	
607,000,000 ordinary shares of EUR 0.01 each	6,070
<i>Share premium</i>	3,190,735
Total	3,196,805

Should all eligible NEPI Rockcastle shareholders elect to receive the scrip dividend, the share capital of the Company after issue of the new NEPI Rockcastle shares will be as follows:

	'000 EUR
<i>Authorised share capital</i>	
2,600,000,000 ordinary shares of EUR 0.01 each	26,000
<i>Issued share capital</i>	
641,046,751 ordinary shares of EUR 0.01 each	6,410
<i>Share premium</i>	3,190,395
Total	3,196,805

If no shareholders were to elect to receive the scrip dividend, the value of the aggregate capital repayment and ordinary cash distributions would amount to EUR 169,049,500.

A summary of the Dutch and South African tax implications is set out below. Shareholders are further referred to the detailed commentary on the Dutch and South African tax implications as set out in the announcement of Tuesday, 28 February 2023.

Capital repayment (default option)

No Dutch dividend tax will be withheld on capital repayments paid to shareholders.

For South African shareholders, the capital repayment should be treated as a return of capital (because from a Dutch standpoint it is treated as repayment of capital), therefore no South African dividend tax should apply. The capital repayment will reduce the shares' tax base, resulting in a potentially higher capital gain in the future when the shares are sold. Insofar as the repayment exceeds the shares' tax base, it may immediately result in capital gains tax.

Thus, the gross capital repayment amount paid by the Company is 540.21500 ZAR cents per share for shareholders electing the capital repayment (the default option) subject to tax implication according to South African law.

Ordinary cash distribution (election)

The Company must withhold 15% Dutch dividend tax ("**Dutch DWHT**") on the ordinary cash distribution, leaving a distribution amount per share net of Dutch DWHT. The actual amount withheld may vary slightly due to rounding, depending on the number of shares owned and the applied exchange rate. The Dutch DWHT will be remitted to the Dutch tax authorities on behalf of the recipient of the ordinary cash distribution. Where required, a dividend note will be issued.

As a general rule, for private individuals tax resident in South Africa, the gross ordinary cash distribution is subject to 20% South African dividends withholding tax ("**SADWT**"), leaving a distribution amount per share net of SADWT (i.e. 80% of the gross distribution), as discussed hereafter.

- Where a regulated intermediary in South Africa ("**CSDP**") is satisfied that a particular private individual tax resident in South Africa has suffered non-recoverable Dutch DWHT, such CSDP should withhold 10% SADWT (being the 20% SADWT less 10% Dutch DWHT, according to the tax treaty between the Netherlands and South Africa ("**NL/SA Treaty**").
- Private individuals who are tax resident in South Africa and beneficially own the distributions are generally entitled to a refund of 5% Dutch DWHT of the gross distribution which they may request from the Dutch tax authorities on the basis of the NL/SA Treaty.

Thus, the net dividend amount for shareholders (private individuals) electing the ordinary cash distribution is 405.16125 ZAR cents per share, being the gross dividend 540.21500 ZAR cents per share affected by 15% Dutch DWHT withheld by the Company and 10% SADWT withheld by the CSDP. A refund of 5% Dutch DWHT applied to 27.85 euro cents from Dutch tax authorities is available subject to tax claim processes initiated by shareholder or its appointed agent.

The above could be different if sufficient proof has been provided to the CSDP of the below:

- a shareholder qualifies for an exemption from SADWT on the basis of South African domestic law; and
- the formal requirements to apply such exemption from SADWT are timely satisfied (insofar as applicable).

Issuance of new NEPI Rockcastle shares as a scrip dividend (election)

The issuance of NEPI Rockcastle shares pursuant to the scrip dividend is not subject to Dutch DWHT or SADWT.

The information provided above does not constitute tax advice and is intended only as a high-level guide on the tax treatment of the distributions detailed in this announcement. Shareholders should consult their own professional advisers to confirm their tax position. For shareholders residing outside of South Africa, the final dividend and scrip dividend may have other legal or tax implications and such shareholders are advised to obtain appropriate advice from their professional advisers in this regard.

The salient dates and times announced on Tuesday, 28 February 2023 remain unchanged.

For further information please contact:

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