

NEPI Rockcastle N.V.
Incorporated and registered in the Netherlands
Registration number 87488329
Share code: NRP
ISIN: NL0015000RT3
("NEPI Rockcastle" or "the Company")



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

Shareholders are referred to the circular issued on Tuesday, 3 September 2024 (the "**Circular**") in respect of an election to receive the dividend for the six months ended 30 June 2024 of 27.11 euro cents per share ("**interim 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 dividend out of distributable profits ("**cash dividend**").

with an alternative election available to receive the distribution of 27.11 euro cents per share by way of an issue of new shares with a nominal value of €0.01 each credited as fully paid up ("**scrip issue**").

Shareholders are now advised as follows:

- The scrip reference price is ZAR cents 14,126.58782 per share, being the five-day volume weighted average price (less the final dividend of 27.11 euro cents per share) of NEPI Rockcastle shares on the JSE as at 9 September 2024. For NEPI Rockcastle shares traded on Euronext Amsterdam, the scrip reference price is EUR7.12653, being the ZAR scrip reference price converted to Euro at an average exchange rate of EUR1.00:ZAR19.82254, determined over a five-day period comprising of 2, 3, 5, 6 and 9 September 2024.
- Shareholders electing to receive the scrip issue will receive 3.8041 new NEPI Rockcastle shares for every 100 NEPI Rockcastle shares held by such shareholders on the record date of Friday, 20 September 2024, representing the ratio that the 27.11 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 cash dividend in South African Rand converted from Euro at an average exchange rate of EUR1.00:ZAR19.82254. Accordingly, the capital repayment and cash dividend of 27.11 euro cents per share will be equal to ZAR cents 537.38906 per share. Shareholders holding shares traded on Euronext Amsterdam will receive any capital repayment or cash dividend in Euros.

Should all shareholders elect to receive the scrip issue, the maximum total number of new NEPI Rockcastle shares to be issued by NEPI Rockcastle pursuant to the scrip issue will be 25,138,452.

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>	
660,826,020 ordinary shares of EUR 0.01 each	6,608
<i>Share premium</i>	3,030,444
Total	3,037,052

Should all eligible NEPI Rockcastle shareholders elect to receive the scrip issue, 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>	
685,964,472 ordinary shares of EUR 0.01 each	6,860
<i>Share premium</i>	3,030,192
Total	3,037,052

If no shareholders were to elect to receive the scrip issue, the value of the aggregate capital repayments and cash dividends would amount to EUR179,149,934.02.

A summary of the Dutch, South African and United States (“U.S.”) tax implications is set out below. Shareholders are further referred to the detailed commentary on the Dutch, South African and U.S. tax implications as set out in the announcement of Tuesday, 3 September 2024.

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 ZAR cents 537.38906 per share for shareholders electing the capital repayment (the default option) subject to tax implication according to South African law.

Cash dividend (election)

The Company must withhold 15% Dutch dividend tax (“**Dutch DWHT**”) on the cash dividend, 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 cash dividend. Where required, a dividend note will be issued.

As a general rule, for private individuals tax resident in South Africa, the gross cash dividend 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 cash dividend is ZAR cents 403.04179 per share, being the gross dividend of ZAR cents 537.38906 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 27.11 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 issue (election)

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

U.S. tax implications

This is a brief summary of the relevant U.S. tax implications and shareholders should consult the Circular for further information.

Subject to the passive foreign investment company (“**PFIC**”) rules discussed in the Circular, a distribution made by the Company on the NEPI Rockcastle shares generally will be treated as a dividend includible in the gross income of a U.S. shareholder as ordinary income to the extent of the Company's current and accumulated earnings and profits as determined under U.S. federal income tax principles. To the extent the amount of such distribution exceeds the Company's current and accumulated earnings and profits as so computed, the distribution will be treated first as a non-taxable return of capital to the extent of such U.S. shareholder's adjusted tax basis in the NEPI Rockcastle shares and, to the extent the amount of such distribution exceeds such adjusted tax basis, will be treated as gain from the sale of such shares. The Company does not maintain calculations of earnings and profits for U.S. federal income tax purposes. Therefore, a U.S. shareholder should expect that cash distributions to the extent of the capital repayment and the cash dividend will generally be treated as a dividend. Such dividends will not be eligible for the dividends received deduction allowed to corporations. Additionally, the Company intends to treat a distribution of scrip pursuant to the scrip issue as a distribution of property for these purposes, and as such will be treated as a dividend. The amount of the dividend pursuant to the scrip issue will be the fair market value of the scrip received.

Distributions pursuant to the capital repayment, the cash dividend and the scrip issue generally will constitute income from sources outside the United States for foreign tax credit limitation purposes.

The capital repayment and the cash dividend will be paid in currency other than U.S. dollars. The U.S. dollar value of the capital repayment and the cash dividend in foreign currency must be calculated by reference to the exchange rate in effect on the date of receipt of such distribution by the U.S. shareholder, regardless of whether the foreign currency is in fact converted into U.S. dollars. If the foreign currency so received is converted into U.S. dollars on the date of receipt, such U.S. shareholder generally will not recognise foreign currency gain or loss on such conversion. If the foreign currency so received is not converted into U.S. dollars on the date of receipt, such U.S. shareholder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any gain or loss on a subsequent conversion or other disposition of the foreign currency generally will be treated as ordinary income or loss to such U.S. shareholder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

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 interim dividend and scrip issue 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, 3 September 2024 remain unchanged.

For further information please contact:

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This announcement does not constitute an offer of securities for sale in the United States or an offer to acquire or exchange securities in the United States. The new NEPI Rockcastle shares to be issued pursuant to the scrip issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States of America (the “U.S. ”) and may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the U.S. absent registration under the U.S. Securities Act or an exemption therefrom.
