

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 15 of this circular have, where appropriate, been used on this cover page.

Action required

Shareholders are referred to page 8 of this circular, which sets out the detailed action required of them.

If you have disposed of all your shares in Rockcastle, this circular (together with the attached notice of general meeting, form of proxy, form of election and prospectus) should be handed to the purchaser of such shares or to the CSDP, broker, custodian, banker or other agent through whom the disposal was effected.

If you are in any doubt as to what action to take, please consult your CSDP, broker, custodian, banker, accountant, legal advisor or other professional advisor immediately.

All times indicated are local times in the country to which they refer.

Rockcastle does not accept responsibility and will not be held liable for any failure on the part of the CSDP, broker or custodian of any holder of dematerialised shares to notify such shareholder of the contents of this circular.



CIRCULAR TO SHAREHOLDERS

relating to the merger of Rockcastle and NEPI in an entity newly-incorporated in the Isle of Man (being NEPI Rockcastle), to be implemented with reference to an effective share swap ratio of 4.7 existing Rockcastle shares for every 1 existing NEPI share, by means of:

- the disposal by Rockcastle of all its assets and liabilities as at the merger implementation date, including 100% of the issued share capital of the subsidiary undertakings directly held by Rockcastle (but excluding any NEPI Rockcastle shares held by Rockcastle), to NEPI Rockcastle, in consideration for the right to have such number of new NEPI Rockcastle shares issued to Rockcastle as is determined based on the swap ratio;
- the distribution to Rockcastle shareholders of Rockcastle's rights to NEPI Rockcastle shares, pursuant to an election by Rockcastle shareholders either:
 - (i) to receive a distribution *in specie* as a dividend; or
 - (ii) to receive a distribution *in specie* as a return of capital,

such that Rockcastle shareholders will ultimately receive from NEPI Rockcastle 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held; and

- the delisting and subsequent winding up of Rockcastle,

and enclosing:

- a notice of general meeting of shareholders;
- a form of proxy (*white*) to vote at the general meeting of shareholders for use by dematerialised shareholders with "own-name" registration on the SA register and certificated shareholders on the Mauritian register; and
- a form of election (*blue*) for use by all shareholders on the Mauritian register electing to receive the distribution as a return of capital.

JSE sponsor



Independent reporting accountant



Mauritian legal advisor



SEM authorised representative and sponsor



Independent JSE transaction sponsor



Transactional legal advisor



Mauritian tax advisor



Date of issue: 9 June 2017

This circular is available in English only. Copies of this circular may be obtained at the company's JSE sponsor, Java Capital Trustees and Sponsors Proprietary Limited, 6A Sandown Valley Crescent, Sandton, 2196 from Friday, 9 June 2017 up to and including Tuesday, 18 July 2017. It will also be available on the website of the company (www.rockcastleglobalre.mu) from Friday, 9 June 2017.

Rockcastle is listed on the Main Board of the JSE and the SEM Official Market.

Statement of responsible persons

This circular includes particulars given in compliance with the Stock Exchange of Mauritius Ltd Rules Governing the Official Listing of Securities for the purpose of giving information with regard to the company. The directors, whose names appear on page 21, collectively and individually, accept full responsibility for the accuracy or completeness of the information contained in this circular and confirm, having made all reasonable enquiries and that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Forward-looking statements

This circular includes forward-looking statements. Forward-looking statements are statements including, but not limited to, any statements regarding the future financial position of the group and its future prospects. These forward-looking statements have been based on current expectations and projections about future results which although the directors believe them to be reasonable, are not a guarantee of future performance.

Disclaimer

The distribution of this circular may be restricted by law. Persons into whose possession this circular comes must inform themselves about and observe any and all such restrictions. This circular does not constitute an offer to sell or issue, or the solicitation of an offer to purchase or to subscribe for shares or other securities or a solicitation of any vote or approval in any jurisdiction in which such offer or solicitation would be unlawful. The shares to be issued in connection with the merger transaction have not been, and are not required to be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act"), or any United States state securities laws. The shares may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the US Securities Act. There is no intention to register the shares under the US Securities Act. These securities have not been approved or disapproved by the Securities Exchange Commission ("SEC") or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the merger transaction or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

CORPORATE INFORMATION

Registered office in Mauritius

Rockcastle Global Real Estate Company Limited
(Registration number 108869 C1/GBL)
Level 3, Alexander House
35 Cybercity, Ebene, 72201
Mauritius
(Postal address same as physical address above)

Place and date of incorporation

Incorporated in Mauritius on 30 March 2012

Independent JSE transaction sponsor

Nedbank Corporate and Investment Banking
A division of Nedbank Limited
(Registration number 1951/000009/06)
Nedbank Head Office
135 Rivonia Road
Sandton, 2196
South Africa
(PO Box 1144, Johannesburg, 2000)

SA Transfer Secretaries

Link Market Services South Africa Proprietary Limited
(Registration number 2000/007239/07)
13th Floor, Rennie House
19 Ameshoff Street
Braamfontein, Johannesburg, 2001
South Africa
(PO Box 4844, Johannesburg, 2000)

SEM authorised representative and sponsor

Perigeum Capital Limited
(Registration number 132257)
Ground Floor, Alexander House
35 Cybercity, Ebene, 72201
Mauritius
(Postal address same as physical address above)

Mauritian legal advisor

C&A Law
Suite 1005, Alexander House
35 Cybercity
Ebene 72201
Mauritius
(Postal address as above)

NEPI Rockcastle transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
South Africa
(PO Box 61763, Marshalltown, 2107)

Company Secretary

Intercontinental Trust Limited
(Registration number 23546/5396)
Level 3, Alexander House
35 Cybercity, Ebene, 72201
Mauritius
(Postal address same as physical address above)

JSE sponsor

Java Capital Trustees and Sponsors Proprietary Limited
(Registration number 2006/005780/07)
6A Sandown Valley Crescent, Sandton
Johannesburg, 2196
South Africa
(PO Box 2087, Parklands, 2121)

Independent reporting accountant

PricewaterhouseCoopers Inc.
(Registration number 1998/012055/21)
2 Eglin Road
Sunninghill, 2157
South Africa
(Private Bag X36, Sunninghill, 2157)

Transactional legal advisor

Dentons Europe Dąbrowski i Wspólnicy sp. k.
(Registration number 0000061089)
Rondo ONZ 1
00-124 Warsaw
Poland
(Postal address same as physical address above)

Mauritian tax advisor

Safyr Utilis Tax Services Ltd
7th Floor, Tower 1
NeXTeracom, Cybercity
Ebene
Mauritius
(Postal address as above)

Escrow Agent

Computershare Nominees Proprietary Limited
(Registration number 1999/008543/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
South Africa
(PO Box 61763, Marshalltown, 2107)

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Form of proxy (<i>white</i>)	Attached
Form of election (<i>blue</i>)	Attached

SALIENT DATES AND TIMES

1. FOR SHAREHOLDERS ON THE SA REGISTER

	2017
Record date to receive the circular	Friday, 2 June
Circular issued to shareholders	Friday, 9 June
Announcement relating to the issue of the circular and notice of general meeting released on SENS	Friday, 9 June
Announcement relating to the issue of the circular and notice of general meeting published in the press	Monday, 12 June
Last day to trade on the JSE in order to be eligible to participate in and vote at the general meeting	Tuesday, 20 June
Record date in order to vote at the general meeting	Friday, 23 June
Last day to lodge forms of proxy for the general meeting with the Company Secretary, by no later than 10:00	Thursday, 29 June
The general meeting of shareholders at 10:00	Monday, 3 July
Results of the general meeting released on SENS	Monday, 3 July
Results of the general meeting published in the press	Tuesday, 4 July
Expected date on which the merger transaction becomes unconditional ¹	Thursday, 6 July
Finalisation announcement released on SENS	Thursday, 6 July
Finalisation announcement published in the press	Friday, 7 July
Merger implementation date	Tuesday, 11 July
Transfer of Rockcastle assets and liabilities to NEPI Rockcastle	Tuesday, 11 July
Last day to trade on the JSE in order to receive NEPI Rockcastle shares pursuant to the implementation of the merger transaction	Tuesday, 11 July
Suspension of Rockcastle shares on the JSE trading system	Wednesday, 12 July
Listing and commencement of trade in NEPI Rockcastle shares under Alpha code: NRO and ISIN: IM00BDD7WV31 on the JSE, at 09:00 ²	Wednesday, 12 July
Listing and commencement of trade in NEPI Rockcastle on Euronext Amsterdam under ISIN: IM00BDD7WV31 ²	Wednesday, 12 July
Announcement on SENS of the cash payment due to shareholders in terms of the fractional entitlement principle referred to in paragraph 5.7.5.6 of the circular, determined with reference to the weighted average traded price of NEPI shares on the JSE on Tuesday, 11 July 2017, less 10%	Wednesday, 12 July
Record date for receipt by Rockcastle shareholders of the NEPI Rockcastle shares pursuant to the implementation of the merger transaction ³	Friday, 14 July
Last day for shareholders who wish to receive the distribution as a return of capital to lodge their form of election with the SA Transfer Secretaries, by no later than 12:00 ⁴	Friday, 14 July
Rockcastle issues Rockcastle shares to NEPI Rockcastle in terms of the NEPI Rockcastle subscription	Friday, 14 July
Announcement of the results of shareholder elections released on SENS	Monday, 17 July
Issue by NEPI Rockcastle of NEPI Rockcastle distribution shares (Alpha code: NRO; ISIN: IM00BDD7WV31) to Rockcastle shareholders receiving the distributions <i>in specie</i> and payment of cash due to shareholders in terms of the fractional entitlement principle⁵	Monday, 17 July
CSDP/custodian/broker accounts credited/updated with NEPI Rockcastle shares (Alpha code: NRO; ISIN: IM00BDD7WV31)	Monday, 17 July
Announcement of the results of shareholder elections published in the press	Tuesday, 18 July
Rockcastle delisted from the JSE at the commencement of trade	Tuesday, 18 July
Rockcastle withdrawn from the SEM ⁵	Tuesday, 18 July

Notes:

1. This is an estimate only, assuming all conditions precedent to the merger transaction have been fulfilled or waived on Thursday, 6 July 2017.
2. Transactions in NEPI Rockcastle shares will be settled in the electronic settlement system used by Strate and Euroclear Nederland, with settlement of trades taking place three business days after a trade is executed. Therefore, while NEPI Rockcastle shares will only be issued pursuant to the merger transaction on Monday, 17 July 2017 to those Rockcastle shareholders on the register on the record date, NEPI Rockcastle shares will be listed and commence trading on the JSE and Euronext Amsterdam on Wednesday, 12 July 2017. Rockcastle shareholders on the SA register will be entitled to commence trading NEPI Rockcastle shares from the commencement of trade on that date. Following the first trading date of NEPI Rockcastle shares on Euronext Amsterdam, settlement of trades in NEPI Rockcastle shares traded on Euronext Amsterdam will take place two business days after a trade is executed.
3. For the avoidance of doubt, **only those shareholders who are registered as Rockcastle shareholders on the record date will be entitled to receive NEPI Rockcastle shares** pursuant to the merger transaction.
4. Forms of election will not be accepted after 12:00 on Friday, 14 July 2017. Shareholders who submit a form of election after this time will receive a distribution as a dividend.
5. It is intended that Rockcastle shares will be withdrawn from the SEM on or around this date or as soon as possible thereafter. This is an estimated date only, given that technical delistings from the SEM (such as that envisaged by the merger) are not explicitly regulated in Mauritius and are subject to the approval of the SEM.
6. Rockcastle shareholders will retain their Rockcastle shares until such time as the company is wound up.
7. All dates and times in the table above are local dates and times in South Africa. The above dates and times are subject to change. Any changes will be released on SENS and published in the press.
8. Rockcastle shareholders are referred to page 8 of this circular for information on the action required to be taken by them.
9. Transfers of shares between sub-registers in South Africa and Mauritius may not take place after Tuesday, 11 July 2017.
10. Share certificates may not be dematerialised or rematerialised after Tuesday, 11 July 2017.

2. FOR SHAREHOLDERS ON THE MAURITIAN REGISTER

	2017
Record date to receive the circular	Friday, 2 June
Circular issued to shareholders	Friday, 9 June
Announcement relating to the issue of the circular and notice of general meeting released on the SEM website	Friday, 9 June
Last day to trade on the SEM in order to be eligible to participate in and vote at the general meeting	Tuesday, 20 June
Record date in order to vote at the general meeting	Friday, 23 June
Last day to lodge forms of proxy for the general meeting with the Company Secretary, by no later than 12:00	Thursday, 29 June
The general meeting of shareholders at 12:00	Monday, 3 July
Results of the general meeting released on the SEM website	Monday, 3 July
Expected date on which the merger transaction becomes unconditional ¹	Thursday, 6 July
Finalisation announcement released on the SEM website	Thursday, 6 July
Merger implementation date	Tuesday, 11 July
Transfer of Rockcastle assets and liabilities to NEPI Rockcastle	Tuesday, 11 July
Last day to trade on the SEM in order to receive NEPI Rockcastle distribution shares pursuant to the implementation of the merger transaction	Tuesday, 11 July
Announcement on the SEM website of the cash payment due to shareholders in terms of the fractional entitlement principle referred to in paragraph 5.7.5.6 of the circular, determined with reference to the weighted average traded price of NEPI shares on the JSE on Tuesday, 11 July 2017, less 10%	Wednesday, 12 July
Suspension of Rockcastle shares on the SEM trading system	Wednesday, 12 July
Listing and commencement of trade in NEPI Rockcastle shares on the JSE under Alpha code: NRO and ISIN: IM00BDD7WV31, at 11:00 ²	Wednesday, 12 July
Listing and commencement of trade in NEPI Rockcastle on Euronext Amsterdam under ISIN: IM00BDD7WV31 ²	
Record date for receipt by Rockcastle shareholders of the NEPI Rockcastle shares pursuant to the implementation of the merger transaction ³	Friday, 14 July
Last day for shareholders who wish to receive the distribution as a return of capital to lodge their form of election with the Company Secretary, by no later than 14:00 ⁴	Friday, 14 July
Rockcastle issues Rockcastle shares to NEPI Rockcastle in terms of the NEPI Rockcastle subscription	Friday, 14 July
Announcement of the results of shareholder elections released on the SEM website	Monday, 17 July
Issue by NEPI Rockcastle of NEPI Rockcastle distribution shares (Alpha code: NRO; ISIN: IM00BDD7WV31) to Rockcastle shareholders receiving the distributions <i>in specie</i> and payment of cash due to shareholders in terms of the fractional entitlement principle⁵ CSDP/custodian/broker/broker accounts credited/updated with NEPI Rockcastle shares (Alpha code: NRO; ISIN: IM00BDD7WV31)	Monday, 17 July
Rockcastle delisted from the JSE at the commencement of trade	Tuesday, 18 July
Rockcastle withdrawn from the SEM ⁶	Tuesday, 18 July

Notes:

1. This is an estimate only, assuming all conditions precedent to the merger transaction have been fulfilled or waived on Thursday, 6 July 2017.
2. Transactions in NEPI Rockcastle shares will be settled in the electronic settlement system used by Strate and Euroclear Nederland, with settlement of trades taking place three business days after a trade is executed. Therefore while NEPI Rockcastle shares will only be issued pursuant to the merger transaction on Monday, 17 July 2017 to those Rockcastle shareholders on the register on the record date, NEPI Rockcastle shares will be listed and commence trading on the JSE and Euronext Amsterdam on Wednesday, 12 July 2017. Following the first trading date of NEPI Rockcastle shares on Euronext Amsterdam, settlement of trades in NEPI Rockcastle shares traded on Euronext Amsterdam will take place two business days after a trade is executed.
3. For the avoidance of doubt, **only those shareholders who are registered as Rockcastle shareholders on the record date will be entitled to receive NEPI Rockcastle shares** pursuant to the merger transaction.
4. Forms of election will not be accepted after 14:00 on Friday, 14 July 2017. Shareholders who submit a form of election after this time will receive a distribution as a dividend.
5. Rockcastle shareholders whose shares are held on the Mauritian register have the option of receiving the NEPI Rockcastle shares to which they are entitled either on the NEPI Rockcastle South African register, with such shares trading on the JSE, or on the NEPI Rockcastle European register, with such shares trading on Euronext Amsterdam. Shareholders are required to provide details of an account held with a CSDP or broker in South Africa or custodian or brokerage account in Europe, as the case may be, to which such shares can be delivered. Should shareholders on the Mauritian register not provide details of such an account as required, the NEPI Rockcastle shares to which such shareholders are entitled will be held in escrow by the Escrow Agent on behalf of such shareholders, to be delivered to an account with a CSDP or broker in South Africa or custodian or brokerage account in Europe, as the case may be, as soon as details of such account have been provided and the Escrow Agent has been instructed to transfer such shares to the relevant account. **Shareholders on the Mauritian register are advised to open an account with a CSDP or broker in South Africa or custodian or brokerage account in Europe as soon as possible.**
6. It is intended that Rockcastle shares will be withdrawn from the SEM on or around this date or as soon as possible thereafter. This is an estimated date only, given that technical delistings from the SEM (such as that envisaged by the merger) are not explicitly regulated in Mauritius and are subject to the approval of the SEM.
7. Rockcastle shareholders will retain their Rockcastle shares until such time as the company is wound up.
8. All dates and times in the table above are local dates and times in Mauritius. The above dates and times are subject to change. Any changes will be released on the SEM website.
9. Rockcastle shareholders are referred to page 8 of this circular for information on the action required to be taken by them.
10. Transfers of shares between sub-registers in South Africa and Mauritius may not take place after Tuesday, 11 July 2017.
11. Share certificates may not be dematerialised or rematerialised after Tuesday, 11 July 2017.

ACTION REQUIRED BY ROCKCASTLE SHAREHOLDERS

The definitions and interpretations commencing on page 15 of this circular apply to this section.

If you have disposed of all your shares in Rockcastle, this circular (together with the attached notice of general meeting, form of proxy, form of election and prospectus) should be handed to the purchaser of such shares or to the CSDP, broker, custodian, banker or other agent through whom the disposal was effected.

Rockcastle does not accept responsibility and will not be held liable for any failure on the part of the CSDP, broker or custodian of any holder of dematerialised or certificated shares to notify such shareholder of the contents of this circular.

All times indicated below are local times in the country to which they refer.

Pursuant to the implementation of the merger transaction, and as further detailed in this circular, Rockcastle shareholders will receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held as at Friday, 14 July 2017. The issued share capital of NEPI Rockcastle will be listed on the Main Board of the JSE and concurrently on Euronext Amsterdam, as further detailed in the “Salient Dates and Times”, whereafter NEPI Rockcastle shares will be fully fungible between NEPI Rockcastle’s South African and European registers.

Rockcastle shareholders have the option to receive the NEPI Rockcastle shares to which they are entitled pursuant to (i) a distribution *in specie* declared by Rockcastle as a dividend or (ii) a distribution *in specie* made by Rockcastle as a return of capital. Shareholders who take no action will receive the NEPI Rockcastle shares to which they are entitled pursuant to a distribution *in specie* declared by Rockcastle as a dividend. **The merger transaction is a share-for-share transaction in terms of which Rockcastle shareholders receive NEPI Rockcastle shares. Save for cash payments due in respect of fractional entitlements, no cash will be distributed.**

Paragraph 7 of the circular sets out a high-level summary of the tax implications of receipt of NEPI Rockcastle shares by Rockcastle shareholders in both instances.

ALL SHAREHOLDERS SHOULD PAY PARTICULAR ATTENTION TO THE IMPORTANT INFORMATION SET OUT IN PARAGRAPHS 1 – 4 BELOW. IF SHAREHOLDERS ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN BY THEM, THEY ARE ADVISED TO CONTACT THEIR CSDP, BROKER, CUSTODIAN, BANKER, ACCOUNTANT, LEGAL ADVISOR OR OTHER PROFESSIONAL ADVISOR IMMEDIATELY.

1. DELIVERY OF AND TRADE IN NEPI ROCKCASTLE SHARES

1.1 Form of delivery of NEPI Rockcastle shares

- 1.1.1 **Rockcastle shareholders will be required to move into a dematerialised environment in order to take delivery of their NEPI Rockcastle shares.**
- 1.1.2 As required in terms of Isle of Man law, Rockcastle shareholders will not have registered ownership of the NEPI Rockcastle shares that they receive pursuant to the merger transaction. NEPI Rockcastle shares will instead be delivered to Rockcastle shareholders in the form of dematerialised security entitlements representing the beneficial ownership of such shares. References throughout this document to NEPI Rockcastle shares received or issued pursuant to the merger transaction or to any shareholding in NEPI Rockcastle following the JSE and Euronext listings should therefore be read as a reference to a receipt, issue or holding of security entitlements representing beneficial ownership of NEPI Rockcastle shares and not to any registered ownership of NEPI Rockcastle shares.
- 1.1.3 All NEPI Rockcastle shares will be registered in the name of one or both of PLC Nominees or Euroclear Nederland, for and on behalf of shareholders. NEPI Rockcastle shares traded on the JSE will be delivered in accordance with the rules of Strate and those traded on Euronext Amsterdam will be delivered in accordance with the rules of Euroclear Nederland.
- 1.1.4 Specific details as to how NEPI Rockcastle shares will be delivered to Rockcastle shareholders entitled thereto in terms of the distributions are set out in paragraph 3 of this “Action required” section of the circular.
- 1.1.5 For assistance in opening an account with any CSDP or broker in South Africa, shareholders should visit the website of the JSE (www.jse.co.za) or Strate Limited (www.strate.co.za/aboutstrate/participants), which set out all the names and numbers of the CSDPs and members of the JSE who can assist with the opening of such accounts. You will need to complete a custody mandate and provide verification in

terms of the Financial Intelligence Centre Act, No. 38 of 2001 to your chosen CSDP or broker, a process similar to opening a bank account in South Africa.

- 1.1.6 For assistance in opening a custodian or brokerage account in Europe to which your NEPI Rockcastle shares can be delivered, shareholders are advised to contact their CSDP, broker, custodian, banker or other professional advisor or agent in Europe. If shareholders wish, the required custodian and brokerage services are also provided by NEPI Rockcastle's European listing agent, ING Bank N.V. who can be contacted via the following link <https://www.ing.com/Products-Services.htm>.

1.2 Escrow arrangements

- 1.2.1 If any shareholder on the Mauritian register has not by Friday, 14 July 2017 provided details of either (i) a CSDP or broker account in South Africa or (ii) a custodian or brokerage account in Europe to which the NEPI Rockcastle shares to which such shareholder is entitled pursuant to the merger transaction are to be delivered, on Monday, 17 July 2017, the NEPI Rockcastle shares to which such shareholder is entitled will be delivered to an account in the name of the Escrow Agent, which will hold such shares in escrow for and on the shareholder's behalf. In this regard, each shareholder is deemed to have concluded the custody agreement with the NEPI Rockcastle transfer secretaries, which establishes a business relationship between the NEPI Rockcastle transfer secretaries and each shareholder. A copy of the custody agreement is available on the NEPI Rockcastle transfer secretaries' website at www.computershare.com.
- 1.2.2 Should a shareholder wish to claim the relevant NEPI Rockcastle shares from the Escrow Agent, it will have to complete such forms as may, from time to time, be specified by the NEPI Rockcastle transfer secretaries for the purposes of stipulating a valid account with a CSDP or broker in South Africa or custodian, or brokerage account in Europe into which the NEPI Rockcastle shares are to be delivered. Upon receipt of an instruction to transfer the NEPI Rockcastle shares, they will be delivered into such account as may have been specified by the shareholder concerned. Simultaneously with such delivery, the NEPI Rockcastle transfer secretaries will pay to the shareholder any amounts accrued (including dividends) in respect of the NEPI Rockcastle shares while held in escrow and to which the shareholder is entitled in accordance with the custody agreement.
- 1.2.3 Should a shareholder not wish to open an account with a CSDP or broker in South Africa or custodian, or brokerage account in Europe, it may, by completing such forms as the NEPI Rockcastle transfer secretaries may require, instruct the NEPI Rockcastle transfer secretaries to endeavour to sell the NEPI Rockcastle shares to which such shareholder is entitled and remit the proceeds of such sale (net of applicable fees, expenses, taxes and charges).
- 1.2.4 **Shareholders are advised to open an account with a CSDP or broker in South Africa or custodian or brokerage account in Europe as soon as possible.**

1.3 Trade in NEPI Rockcastle shares

- 1.3.1 As share trading on the JSE is on "T+3 settlement", share transactions are settled (i.e. both money and securities) 3 business days after the relevant trading date. Parties trading in shares on the JSE must settle their trades through their stockbrokers directly or through custodians. For those shareholders who have deposited shares in a South African broker account or in their designated South African-based CSDP account, settlement is effected electronically with Strate, the registered central securities depository in terms of the Financial Markets Act.
- 1.3.2 For the first trading day on Euronext Amsterdam, NEPI Rockcastle shares will also trade on Euronext Amsterdam on a "T+3 settlement" basis, with settlement effected electronically with Euroclear Nederland. Following the first trading date of NEPI Rockcastle shares on Euronext Amsterdam, settlement of trades in NEPI Rockcastle shares traded on Euronext Amsterdam will take place two business days after a trade is executed.
- 1.3.3 Accordingly, Rockcastle shareholders will be entitled to commence trading the NEPI Rockcastle shares to which they are entitled from Wednesday, 12 July 2017, notwithstanding that the NEPI Rockcastle shares will only be issued and delivered to their CSDP or broker accounts in South Africa and Euronext custodian or brokerage accounts on Monday, 17 July 2017. This ensures that shareholders are never "out of the market" and are able to trade their NEPI Rockcastle shares from the moment Rockcastle shares are suspended from trading.

- 1.3.4 Any shareholder on the Mauritian register who has a South African CSDP account may transfer such shareholder's Rockcastle shares to the SA register on or prior to Tuesday, 4 July 2017 using the existing transfer process in place between the Company Secretary and the SA Transfer Secretaries as described in paragraph 4 below. The Company Secretary can be contacted at rgrecl@intercontinentaltrust.com should you have any queries in relation to the share transfer process. Shareholders may also contact the SA Transfer Secretaries at valerier@linkmarketservices.co.za and jabulilem@linkmarketservices.co.za.

2. THE GENERAL MEETING

A notice convening a general meeting of Rockcastle shareholders, to be held at 12:00 Mauritian time (10:00 SA time) on Monday, 3 July 2017 at the registered office of Rockcastle, Level 3, Alexander House, 35 Cybercity, Ebene, 72201, Mauritius, to consider and, if deemed fit, approve with or without modification the resolutions necessary to implement the Rockcastle transaction in accordance with its terms, is attached to and forms part of this circular.

Please note that any shareholder of the company that is a company may authorise any person to act as its representative at the general meeting.

The quorum for the general meeting is persons holding at least 25% of all voting rights that are entitled to be exercised on each resolution proposed to be passed at the general meeting by shareholders (but not less than three shareholders) present in person or represented by proxy at the general meeting.

Every shareholder present in person or represented by proxy and entitled to vote shall, in his capacity as shareholder, on a show of hands, have only one vote irrespective of the number of shares he holds or represents. On a poll, every shareholder present in person or represented by proxy and entitled to vote, shall be entitled to one vote per issued share held by such shareholder.

In order to more effectively record the votes and give effect to the intentions of the shareholders, voting on all resolutions will be conducted by way of a poll.

2.1 Shareholders recorded on the SA register

2.1.1 *Dematerialised shareholders who do not have "own-name" registration*

- 2.1.1.1 If your dematerialised shares are not recorded in your own name in the electronic sub-register of Rockcastle, you should notify your duly appointed CSDP or broker, as the case may be, in the manner and subject to the cut-off time stipulated in the custody agreement governing your relationship with your CSDP or broker, of your instructions as regards voting your shares at the general meeting.
- 2.1.1.2 If you have not been contacted, it would be advisable for you to contact your CSDP or broker immediately and furnish your CSDP or broker with your instructions.
- 2.1.1.3 If your CSDP or broker does not obtain instructions from you, your CSDP or broker will be obliged to act in accordance with the instructions contained in the agreement concluded between you and your CSDP or broker.
- 2.1.1.4 CSDPs, or brokers or their nominees, as the case may be, recorded in the company's sub-register as holders of dematerialised shares should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the general meeting or by completing the attached form of proxy in accordance with the instructions thereon and return it to the Company Secretary, by no later than 12:00 Mauritian time (10:00 SA time) on Thursday, 29 June 2017. Alternatively, the form of proxy may be handed to the chairman of the general meeting at the general meeting at any time prior to the commencement of the general meeting.
- 2.1.1.5 You must **NOT** complete the attached form of proxy.
- 2.1.1.6 In accordance with the mandate between you and your CSDP or broker, you must advise your CSDP or broker if you wish to:
- attend, speak and vote at the general meeting; or
 - send a proxy to represent you at the general meeting.

- 2.1.1.7 If you wish to attend the general meeting, you must contact your CSDP or broker who will then issue the necessary letter of representation to you to attend the general meeting. You will not be permitted to attend, speak or vote at the general meeting, nor send a proxy to represent you at the general meeting without the necessary letter of representation and your CSDP or broker may then vote on your behalf in accordance with the mandate between you and your CSDP or broker.

2.1.2 *Dematerialised shareholders with “own-name” registration*

- 2.1.2.1 You may attend, speak and vote at the general meeting in person.
- 2.1.2.2 Alternatively, you may appoint a proxy to represent you at the general meeting by completing the attached form of proxy in accordance with the instructions contained therein and returning it to the registered office of the Company Secretary (whose details are set out in the form of proxy), to be received by no later than 10:00 SA time on Thursday, 29 June 2017. The form of proxy may be handed to the chairman of the general meeting at the general meeting or at any time prior to the commencement of the general meeting.
- 2.1.2.3 Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Please also note that the attached form of proxy must be delivered to the Company Secretary or handed to the chairman of the general meeting, before your proxy may exercise any of your rights as a member of the company at the general meeting.

2.2 **Shareholders recorded on the Mauritian register**

2.2.1 *Dematerialised shareholders*

- 2.2.1.1 If you hold dematerialised shares, you should notify your duly appointed broker in the manner and subject to the cut-off time stipulated in the custody agreement governing your relationship with your broker, of your instructions as regards voting your shares at the general meeting.
- 2.2.1.2 If you have not been contacted, it would be advisable for you to contact your broker immediately and furnish your broker with your instructions.
- 2.2.1.3 If your broker does not obtain instructions from you, your broker will be obliged to act in accordance with the instructions contained in the agreement concluded between you and your broker.
- 2.2.1.4 Brokers or their nominees, as the case may be, recorded in the company's sub-register as holders of dematerialised shares should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the general meeting or by completing the attached form of proxy in accordance with the instructions thereon and return it to the Company Secretary (whose details are set out in the form of proxy) by no later than 12:00 Mauritian time (10:00 SA time) on Thursday, 29 June 2017. Alternatively, the form of proxy may be handed to the chairman of the general meeting at the general meeting at any time prior to the commencement of the general meeting.
- 2.2.1.5 You must **NOT** complete the attached form of proxy.
- 2.2.1.6 In accordance with the mandate between you and your broker, you must advise your broker if you wish to:
- attend, speak and vote at the general meeting; or
 - send a proxy to represent you at the general meeting.
- 2.2.1.7 If you wish to attend the general meeting, you must contact your broker who will then issue the necessary letter of representation to you to attend the general meeting. You will not be permitted to attend, speak or vote at the general meeting, nor send a proxy to represent you at the general meeting without the necessary letter of representation and your broker may then vote on your behalf in accordance with the mandate between you and your broker.

2.2.2 *Certificated shareholders*

- 2.2.2.1 You may attend, speak and vote at the general meeting in person.
- 2.2.2.2 Alternatively, you may appoint a proxy to represent you at the general meeting by completing the attached form of proxy in accordance with the instructions contained therein and returning it to the registered office of the Company Secretary (whose details are set out in the form of proxy), to be received by no later than 12:00 Mauritian time on Thursday, 29 June 2017. The form of proxy may be handed to the chairman of the general meeting at the general meeting or at any time prior to the commencement of the general meeting.
- 2.2.2.3 Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Please also note that the attached form of proxy must be delivered to the Company Secretary or handed to the chairman of the general meeting, before your proxy may exercise any of your rights as a member of the company at the general meeting.

3. DISTRIBUTIONS

Shareholders will in terms of the merger transaction receive from Rockcastle the right to be issued NEPI Rockcastle shares either (i) as distribution *in specie* declared as a dividend or (ii) as a distribution *in specie* made as a return of capital such that Rockcastle shareholders will ultimately receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held. **Shareholders will receive the distribution as a dividend, unless they have specifically elected to receive the distribution as a return of capital.**

Full details of the distributions are set out in paragraph 5.7 and the “Salient Dates and Times” section of this circular.

Paragraph 7 of the circular sets out a high-level summary of the tax implications in South Africa, Isle of Man and Mauritius of the distributions *in specie*.

3.1 Distribution as a dividend

Shareholders who wish to receive the distribution as a dividend need not take any action. Such shareholders will receive their NEPI Rockcastle distribution shares as follows:

3.1.1 *Dematerialised shareholders on the SA register (with or without “own name” registration)*

On Monday, 17 July 2017, the NEPI Rockcastle distribution shares to which you are entitled will be credited to the account that you hold with your CSDP or broker.

3.1.2 *All shareholders recorded on the Mauritian register*

- 3.1.2.1 Shareholders recorded on the Mauritian register have the option of receiving the NEPI Rockcastle shares to which they are entitled either on the NEPI Rockcastle South African register, with such shares trading on the JSE, or on the NEPI Rockcastle European register, with such shares trading on Euronext Amsterdam.
- 3.1.2.2 Shareholders are advised to contact nepirockcastle@javacapital.co.za with details of their account with a CSDP or broker in South Africa or custodian or brokerage account in Europe and for further details on how to take delivery of their NEPI Rockcastle distribution shares and the cash payment due in terms of the fractional entitlement principle.
- 3.1.2.3 Should shareholders on the Mauritian register not provide details of an account held with a CSDP or broker in South Africa or custodian or brokerage account in Europe by Friday, 14 July 2017, the NEPI Rockcastle shares and cash payment to which such shareholders are entitled will be delivered to the Escrow Agent as further detailed in paragraph 1.2 above.
- 3.1.2.4 **Shareholders on the Mauritian register are advised to open an account with a CSDP or broker in South Africa or custodian or brokerage account in Europe as soon as possible.**

3.2 Distribution as a return of capital

Shareholders who wish to receive the distribution *in specie* as a return of capital should take the action set out below, as applicable. Shareholders who elect to receive the distribution as a return of capital make such election in respect of their entire holding.

3.2.1 *Dematerialised shareholders recorded on the SA register (with or without “own name” registration)*

- 3.2.1.1 If you wish to receive the distribution as a return of capital, you are required to notify your CSDP or broker in the manner and within the time stipulated in the agreement governing the relationship between you and your CSDP or broker so as to ensure that such CSDP or broker submits a form of election on your behalf by no later 12:00 SA time on Friday, 14 July 2017.
- 3.2.1.2 Should your election not be made by 12:00 SA time on Friday, 14 July 2017, you will receive the distribution as a dividend.
- 3.2.1.3 If you are not contacted by your CSDP or broker, you should contact your CSDP or broker and provide them with your instructions. If your CSDP or broker does not obtain instructions from you, it is obliged to act in terms of the mandate granted to them by you. If the mandate is silent in this regard, your CSDP or broker will not elect to receive the distribution as a return of capital on your behalf and you will receive the distribution as a dividend.
- 3.2.1.4 You must **NOT** complete the attached form of election.
- 3.2.1.5 If you have validly elected to receive the distribution as a return of capital you will on Monday, 17 July 2017 have the NEPI Rockcastle shares to which you are entitled credited to the account that you hold with our CSDP or broker.

3.3 **All shareholders recorded on the Mauritian register**

- 3.3.1 If you wish to receive the distribution as a return of capital you must complete the attached form of election in accordance with the instructions contained therein and lodge it with the Company Secretary (whose details are set out in the form of election), by no later than 14:00 Mauritian time on Friday, 14 July 2017.
- 3.3.2 Should the form of election not be received by the Company Secretary by 14:00 Mauritian time on Friday, 14 July 2017 and in accordance with the instructions contained in the form of election, your election to receive the distribution as a return of capital will be null and void and you will receive the distribution as a dividend.
- 3.3.3 Documents of title in respect of Rockcastle shares held are not required to be surrendered in order to receive the NEPI Rockcastle distribution shares.
- 3.3.4 *Should you wish to receive the NEPI Rockcastle distribution shares to which you are entitled on the NEPI Rockcastle South African register*
 - 3.3.4.1 You are required to provide details of an account with a CSDP or broker in South Africa to which such NEPI Rockcastle shares and the cash payment due in terms of the fractional entitlement principle can be delivered in the space provided in the attached form of election. If you do not have such account, you will need to establish one.
 - 3.3.4.2 Shareholders who have provided correct details of a CSDP or broker account in the “Details of CSDP or broker” box in the form of election will have their accounts at their CSDP or broker credited on Monday, 17 July 2017 with the relevant number of NEPI Rockcastle shares to which they are entitled and the cash payment due in terms of the fractional entitlement principle.
- 3.3.5 *Should you wish to receive the NEPI Rockcastle distribution shares to which you are entitled on the NEPI Rockcastle European register*
 - 3.3.5.1 You are required to provide details of a custodian, or brokerage account in Europe to which such NEPI Rockcastle shares can be delivered in the space provided in the attached form of election. If you do not have such account, you will need to establish one.
 - 3.3.5.2 Shareholders who have provided correct details of a custodian or brokerage account in Europe in the “Details of custodian or brokerage account in Europe” box in the form of election will have their accounts at their custodian or broker credited on Monday, 17 July 2017 with the relevant number of NEPI Rockcastle shares to which they are entitled
- 3.3.6 Should shareholders recorded on the Mauritian register not provide details of an account held with a CSDP or broker in South Africa or custodian or brokerage account in Europe as required, the NEPI Rockcastle distribution shares to which such shareholders are entitled and the cash payment due in terms of the fractional entitlement principle will be delivered to the Escrow Agent as further detailed in paragraph 1.2 above.

- 3.3.7 **Shareholders are advised to open an account with a CSDP or broker in South Africa or custodian or brokerage account in Europe as soon as possible.**

4. TRANSFER OF ROCKCASTLE SHARES TO THE SOUTH AFRICAN REGISTER

Rockcastle shareholders may wish to transfer their Rockcastle shares to the SA register on or before Tuesday, 11 July 2017. Set out below are the procedures for effecting such transfer.

4.1 Certificated shareholders holding Rockcastle shares wishing to transfer to the SA register

Shareholders who hold certificated shares on the Mauritian register who wish to transfer their Rockcastle shares to the SA register must submit a removal form and their current valid share certificate to the SEM authorised representative. Copies of the removal form can be requested from the SEM authorised representative at rgrecl@intercontinentaltrust.com. Once processed, shareholders will receive share certificates issued on the SA register in respect of their Rockcastle shares.

4.2 Uncertificated shareholders holding Rockcastle shares wishing to transfer to the SA register

Shareholders who hold uncertificated shares on the Mauritian register are advised that Rockcastle shares can only be transferred from the Mauritian register to the SA register in certificated form. Prior to transferring their Rockcastle shares to the SA register, shareholders who hold their uncertificated shares on the Mauritian register must convert their uncertificated shares to certificated shares by completing a stock withdrawal form through their broker. Once such Rockcastle shares have been converted into certificated form, a removal form must be completed and posted, along with the shareholder's original share certificate, to the SEM authorised representative. Copies of the removal form can be requested from the SEM authorised representative at rgrecl@intercontinentaltrust.com. Once processed, shareholders will receive share certificates issued on the SA register in respect of their Rockcastle shares.

After transferring their Rockcastle shares from the Mauritian register to the SA register, shareholders will hold their Rockcastle shares on the SA register in certificated form. Shareholders will accordingly have to move into the dematerialised environment prior to Wednesday, 12 July 2017.

DEFINITIONS AND INTERPRETATIONS

In this circular, unless the context indicates a contrary intention, the words in the first column shall have the meanings assigned to them in the second column; the singular includes the plural and *vice versa*; an expression which denotes one gender includes the other gender; a natural person includes a juristic person and *vice versa* and cognate expressions shall bear corresponding meanings.

“associate”	has the meaning given to that term in the JSE Listings Requirements, including but not limited to an individual’s immediate family, a controlled trust or controlled company;
“board” or “board of directors” or “directors”	the board of directors of Rockcastle;
“business day”	any day other than a Saturday, Sunday or official public holiday in either Mauritius or South Africa;
“CEE”	Central and Eastern Europe;
“certificated shareholders”	shareholders holding certificated shares in the company;
“certificated shares”	a share or other security which is not in uncertificated form or shares which have not yet been dematerialised title to which is represented by share certificates or other physical documents of title;
“circular” or “this circular”	this circular to Rockcastle shareholders dated 9 June 2017, including all annexures, the notice of general meeting of shareholders, a form of proxy (<i>white</i>) and the form of election (<i>blue</i>);
“common monetary area”	collectively, South Africa, the Kingdoms of Swaziland and Lesotho and the Republic of Namibia;
“Company Secretary” or “ITL”	Intercontinental Trust Limited (Registration number 23546/5396), a private company incorporated in Mauritius and the Mauritian management company and company secretary of the company, full details of which are set out in the “Corporate Information” section;
“Computershare SA”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in terms of the laws of South Africa, full details of which are set out in the “Corporate Information” section;
“constitution”	the constitution of the company, dated 9 October 2014 and as amended from time to time;
“contribution agreement”	the contribution agreement to be concluded between Rockcastle, NEPI and NEPI Rockcastle on the merger implementation date, the salient terms of which are set out in Annexure 7 ;
“CSDP”	a Central Securities Depository Participant in South Africa appointed by a shareholder for the purposes of, and in regard to, dematerialisation, and to hold and administer securities or an interest in securities on behalf of a shareholder;
“dematerialisation”	the process whereby physical share certificates and/or other tangible documents of title are replaced by electronic records of ownership and recorded in the sub-register of shareholders maintained by a CSDP or broker;
“dematerialised shareholders”	shareholders who hold dematerialised shares in the company;
“dematerialised shares”	ordinary shares having been dematerialised, title to which is no longer represented by physical documents of title;

“distribution shares” or “NEPI Rockcastle distribution shares”	NEPI Rockcastle shares to be issued to Rockcastle shareholders in accordance with the rights received by such shareholders from Rockcastle by way of the distributions <i>in specie</i> ;
“distributions” or “distributions in specie”	the distributions <i>in specie</i> by Rockcastle to Rockcastle shareholders of rights to NEPI Rockcastle shares as is determined based on the swap ratio, either made as a return of capital, if so elected, or declared as a dividend, and pursuant to which shareholders will receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held, as more particularly described in paragraph 5.7 of the circular;
“dividend”	a distribution made exclusively from retained earnings in accordance with the constitution and regarded as a “dividend” for purposes of Mauritian law;
“documents of title”	share certificates, certified transfer deeds, balance receipts and any other documents of title to shares acceptable to the board;
“emigrant”	an emigrant from South Africa whose address is outside the common monetary area;
“Escrow Agent”	Computershare Nominees Proprietary Limited (Registration number 1999/008543/07), a private company duly incorporated in terms of the laws of South Africa, full details of which are set out in the “Corporate Information” section;
“EU”	the European Union;
“EUR”, “Euro” or “€”	the currency used by the Institutions of the European Union and the official currency of the European Union;
“Euroclear Nederland”	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. or, if applicable, its UK nominee company, ENL Nominees; Limited
“Euronext Amsterdam”	Euronext Amsterdam N.V., a public company with limited liability, incorporated under Dutch law and the operator of the Euronext market (securities exchange) in Amsterdam, the Netherlands;
“Exchange Control Regulations”	the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act 9 of 1933, as amended;
“external property managers”	collectively, Apsys Polska S.A., Balmain Property Management Sp. z o.o., CBRE Sp. z o.o., Cushman & Wakefield, s.r.o., Heriot Properties Proprietary Limited and Trigranit Management Polska Sp. z o.o., in their respective capacities as property managers of certain properties forming part of the property portfolio, as more fully detailed in Annexure 5 , and “external property manager” shall mean any one of them, as the context may require;
“Financial Markets Act”	the Financial Markets Act, 19 of 2012, as amended;
“form of election”	the form (<i>blue</i>) attached to this circular to be completed by all shareholders on the Mauritian register who wish to receive the distribution <i>in specie</i> as a return of capital;
“form of proxy”	the form (<i>white</i>) attached to this circular to be completed by dematerialised shareholders who have elected “own-name” registration on the SA register and certificated shareholders on the Mauritian register who are unable to attend the general meeting and who wish to appoint an individual as a proxy to attend, participate in and speak and vote on behalf of such shareholders at the general meeting;

“fractional entitlement principle”	the allocation of NEPI Rockcastle shares in terms of the Rockcastle transaction will be such that any entitlement to a fraction of a NEPI Rockcastle share will be rounded down to the nearest whole number (resulting in allocation of whole NEPI Rockcastle shares only), with a cash payment being made to the relevant shareholder in respect of the fraction. The cash payment due to a shareholder will be determined with reference to the VWAP of a NEPI share on the JSE on Tuesday, 11 July 2017, less 10% (as prescribed by the JSE Listings Requirements), which amounts will be announced on SENS on Wednesday, 12 July 2017;
“framework agreement”	the framework agreement entered into between Rockcastle and NEPI on 13 December 2016, the salient terms of which are set out in Annexure 7 , as amended;
“general meeting”	the meeting of Rockcastle shareholders to be held at 12:00 Mauritian time (10:00 SA time) on Monday, 3 July 2017 at the registered office of the company;
“GLA”	gross lettable area being the total area of a property that can be rented to a tenant;
“IFRS”	International Financial Reporting Standards, as issued by the International Accounting Standards Board;
“Income Tax Act”	the South African Income Tax Act, 58 of 1962, as amended;
“independent JSE transaction sponsor” or “Nedbank”	Nedbank Corporate and Investment Banking, a division of Nedbank Limited (Registration number 1951/000009/06), a public company incorporated and registered in South Africa, full details of which are set out in the “Corporate Information” section;
“independent reporting accountants” or “PWC”	PricewaterhouseCoopers Incorporated (Registration number 1998/012055/21), a company registered and incorporated in accordance with the laws of South Africa, full details of which are set out in the “Corporate Information” section;
“Isle of Man” or “IOM”	the Isle of Man;
“Java Capital” or “JSE sponsor”	Java Capital Trustees and Sponsors Proprietary Limited (Registration number 2006/005780/07), a company duly incorporated in accordance with the laws of South Africa, full details of which are set out in the “Corporate Information” section;
“JSE”	JSE Securities Exchange, being the exchange operated by the JSE Limited (Registration number 2005/022939/06), licenced as an exchange under the Financial Markets Act, and a public company registered and incorporated in terms of the laws of South Africa;
“JSE Listings Requirements”	the Listings Requirements as published by the JSE, as amended from time to time;
“last practicable date”	Friday, 12 May 2017, being the last trading date before the finalisation of this circular;
“listed securities portfolio” or “listed securities”	the portfolio of listed securities forming part of the Rockcastle assets, as set out in paragraph 13;
“m²”	square metres;
“Mauritian register”	the sub-register of the Rockcastle register maintained on behalf of the company in Mauritius by the SEM authorised representative and recording those shareholders’ trading shares on the SEM;
“Mauritius”	the Republic of Mauritius;
“merger implementation date”	the date on which the NEPI disposal is implemented in accordance with its terms, being three business days following the date on which the last of the conditions precedent to the framework agreement have been satisfied or waived;

“merger transaction”	the transaction in terms of which Rockcastle will, in effect, merge its business with that of NEPI, in NEPI Rockcastle, to be implemented with reference to an effective share swap ratio of 4.7 existing Rockcastle shares for every 1 existing NEPI share;
“merger transaction agreements”	together, the framework agreement and the contribution agreement, being the agreements relating to and governing the merger transaction;
“NEPI”	New Europe Property Investments PLC, incorporated and registered in the Isle of Man (Registered number 001211V, registered as an external company with limited liability under the laws of South Africa (Registration number 2009/000025/10) and listed on the Main Board of the JSE and the regulated market of the Bucharest Stock Exchange;
“NEPI circular”	the circular to NEPI shareholders in respect of the merger transaction as it relates to NEPI, dated 9 June 2017;
“NEPI Rockcastle”	NEPI Rockcastle plc (Registered number 014178V), a company registered and incorporated in the Isle of Man and to be listed on the JSE and Euronext Amsterdam;
“NEPI Rockcastle European register”	the sub-register of the NEPI Rockcastle register to be maintained on behalf of NEPI Rockcastle and recording those shareholders beneficially holding NEPI Rockcastle shares traded on Euronext Amsterdam;
“NEPI Rockcastle register”	the register of shareholders to be maintained on behalf of NEPI Rockcastle and recording the details of all registered shareholders of NEPI Rockcastle;
“NEPI Rockcastle SA register”	the sub-register of the NEPI Rockcastle register to be maintained on behalf of NEPI Rockcastle and recording those shareholders beneficially holding NEPI Rockcastle shares traded on the JSE;
“NEPI Rockcastle shareholders”	beneficial holders of NEPI Rockcastle shares, unless otherwise specified;
“NEPI Rockcastle shares”	ordinary shares in the share capital of NEPI Rockcastle with a par value of €0.01 each;
“NEPI Rockcastle subscription”	the subscription by NEPI Rockcastle of up to approximately 394 885 776 Rockcastle shares (which are <i>cum</i> the entitlement to participate in the distributions <i>in specie</i>) for a consideration of up to approximately 84 018 250 NEPI Rockcastle shares to be settled by set-off, for the purposes of increasing stated capital, as further described in paragraph 5.8 of the circular;
“NEPI shareholder”	a registered holder of NEPI shares;
“NEPI shares”	ordinary shares in the share capital of NEPI with a par value of €0.01 each;
“non-resident”	a person not resident in South Africa for purposes of the relevant dispensation;
“Official List”	the list of all securities admitted for quotation on the SEM Official Market;
“own-name registration”	dematerialised shareholders who have registered their shares in their own-name with a CSDP or broker in terms of the Financial Markets Act;
“PLC Nominees”	PLC Nominees Proprietary Limited (Registration number 1989/002235/07), a private company registered and incorporated in South Africa and regulated nominee authorised to act as such by the South African Financial Services Board;
“press”	the Business Day newspaper in South Africa;
“promoter”	the parties responsible for the formation of a company and who earn/s a fee therefrom, in cash or otherwise, if any;
“property management agreements”	collectively, all management agreements entered into between any group company and any external property manager, in terms of which such property manager is appointed as the property manager of any one or more properties, further details of which are set out in Annexure 5 ;

“property portfolio” or “properties”	Rockcastle’s property portfolio, full details of which are set out in Section Three and in Annexure 4 ;
“prospectus”	the prospectus issued by NEPI Rockcastle dated 9 June 2017, a copy of which is available in electronic format on Rockcastle's website (www.rockcastleglobalre.mu);
“Rand” or “R” or “ZAR”	South African Rand, the lawful currency of South Africa;
“record date”	the date on which a Rockcastle shareholder must be recorded on the SA register or the Mauritian register, as the case may be, in order to receive NEPI Rockcastle shares pursuant to the implementation of the merger transaction;
“return of capital”	a distribution made exclusively other than from retained earnings, including from any amount described as being share premium, in accordance with the procedures and requirements of the constitution and not regarded as a “dividend” for purposes of Mauritian law;
“rights to NEPI Rockcastle shares”	the rights to have issued to the holder such number of new NEPI Rockcastle shares as is determined based on the swap ratio, which rights are freely transferable, fungible, divisible in respect of each NEPI Rockcastle share and may be transferred in respect of each and any number of NEPI Rockcastle shares and are to be transferred to Rockcastle shareholders in settlement of the distributions <i>in specie</i> ;
“Rockcastle” or “the company”	Rockcastle Global Real Estate Company Limited (Registration number 108869 C1/GBL), a company incorporated under the laws of Mauritius and holding a category one Global Business Licence issued by the Financial Services Commission of Mauritius, full details of which are set out in the “Corporate Information” section;
“Rockcastle disposal”	the sale by Rockcastle of all of its assets and liabilities as at the merger implementation date, including 100% of the issued share capital of the subsidiary undertakings directly held by Rockcastle as at the merger implementation date, (but excluding any NEPI Rockcastle shares held by Rockcastle), in consideration for rights to NEPI Rockcastle shares;
“Rockcastle group” or “the group”	the company, its subsidiaries, associates and joint ventures;
“Rockcastle register”	the register of shareholders containing the names and business or residential addresses of all persons who hold shares in the company;
“Rockcastle transaction”	the transaction detailed in Section One, comprising collectively the Rockcastle disposal, the distributions <i>in specie</i> , the listing of NEPI Rockcastle on the JSE and Euronext Amsterdam, and delisting and ultimate winding up of Rockcastle;
“SA register”	the sub-register of the Rockcastle register maintained on behalf of the company in South Africa by the SA Transfer Secretaries and recording those shareholders holding shares traded on the JSE;
“SA Transfer Secretaries”	Link Market Services South Africa Proprietary Limited (Registration number 2000/007239/07), a private company incorporated and registered in South Africa and the South African transfer secretaries to the company, full details of which are set out in the “Corporate Information” section;
“SARB”	South African Reserve Bank;
“SEM”	the Stock Exchange of Mauritius Limited established under the repealed Stock Exchange Act of Mauritius;
“SEM authorised representative and sponsor”	Perigeum Capital Limited (Registration number 132257), a private company incorporated in Mauritius and the SEM authorised representative and sponsor of the company, further details of which are set out in the “Corporate Information” section;
“SEM Official Market”	the Official List of the SEM;
“SEM Rules”	the Listing Rules of the SEM governing the SEM Official Market;

“SENS”	Stock Exchange News Service of the JSE;
“shareholders” or “Rockcastle shareholders”	a registered holder of Rockcastle shares;
“shares” or “Rockcastle shares”	ordinary no par value shares in the share capital of Rockcastle;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated in terms of the laws of South Africa, a registered central securities depository in terms of the Financial Markets Act;
“swap ratio”	4.7 Rockcastle shares for every 1 NEPI share;
“transactional legal advisor” or “Dentons”	Dentons Europe Dąbrowski i Wspólnicy sp. k. (Registration number 0000061089), a limited partnership registered and organised in Poland, full details of which are set out in the “Corporate Information” section;
“USD” or “US\$”	United States Dollars; and
“VWAP”	volume weighted average price.



ROCKCASTLE

GLOBAL REAL ESTATE COMPANY LIMITED

(Incorporated in the Republic of Mauritius)

(Registration number 108869 C1/GBL)

SEM share code: "Rock.N0000" JSE share code: "ROC" ISIN: MU0364N00003

("Rockcastle" or "the company")

Mark Olivier (*Independent non-executive chairman*)

Spiros Noussis (*Chief executive officer*)

Nick Matulovich (*Chief financial officer*)

Karen Bodenstein (*Executive director*)

Marek Pawel Noetzel (*Executive director*)

Barry Stuhler (*Non-executive director*)

Yan Ng (*Non-executive director*)

Rory Kirk (*Independent non-executive director*)

André van der Veer (*Independent non-executive director*)

CIRCULAR TO ROCKCASTLE SHAREHOLDERS

SECTION ONE: THE ROCKCASTLE TRANSACTION

1. INTRODUCTION

- 1.1 Rockcastle is a commercial property investor and developer that owns, develops and manages dominant retail assets in the CEE region and invests in global real estate listed securities. NEPI is a commercial property investor and developer that owns, develops and manages dominant retail assets and A-grade offices in the CEE region.
- 1.2 As announced on SENS and the website of the SEM on 14 December 2016, and further updated on 13 February 2017, 28 April 2017 and 11 May 2017, Rockcastle has agreed a transaction in terms of which it will, in effect, merge its business with that of NEPI, in an entity newly-incorporated in the Isle of Man (being NEPI Rockcastle) to be implemented with reference to an effective share swap ratio of 4.7 existing Rockcastle shares for every 1 existing NEPI share. Pursuant to the implementation of the merger transaction, Rockcastle shareholders will receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held as at Friday, 14 July 2017. Rockcastle shareholders have the option to receive the NEPI Rockcastle shares to which they are entitled pursuant to (i) a distribution *in specie* declared by Rockcastle as a dividend or (ii) a distribution *in specie* made by Rockcastle as a return of capital. Shareholders who take no action will receive the NEPI Rockcastle shares to which they are entitled pursuant to a distribution *in specie* declared by Rockcastle as a dividend.
- 1.3 The implementation of the merger transaction will ultimately result in Rockcastle and NEPI shareholders invested, in accordance with the swap ratio, in a dual JSE and Euronext Amsterdam listed property company with a market capitalisation of approximately R85 billion (€5.8 billion) and comprising the combined businesses, assets and liabilities of Rockcastle and NEPI.
- 1.4 Shareholders are referred to the prospectus for details of the business and affairs of NEPI Rockcastle at the time of listing on the JSE, and Euronext Amsterdam determined on the assumption that the merger transaction is implemented in accordance with its terms and determined with reference to all relevant information as it relates to Rockcastle and NEPI as at the last practicable date.
- 1.5 A separate circular has been issued to NEPI shareholders in respect of the merger transaction as it relates to NEPI.

1.6 The purpose of this circular is to:

- 1.6.1 provide Rockcastle shareholders with information relating to the Rockcastle transaction and the manner in which it will be implemented, so as to enable shareholders to make an informed decision as to whether or not they should vote in favour thereof; and
- 1.6.2 give notice convening the general meeting at which the resolutions necessary to approve and implement the Rockcastle transaction, as more fully detailed in this circular, will be considered and, if deemed fit, approved with or without modification. The notice convening the general meeting of Rockcastle shareholders is attached to and forms part of this circular.

2. RATIONALE FOR THE MERGER TRANSACTION

Highly selective acquisitions have contributed materially to Rockcastle's growth over the years. Historically, Rockcastle's acquisitions have been for cash on an asset by asset basis, funded by debt and equity, with a focus on managing a portfolio of global listed real estate securities and strategically recycling the capital in the listed securities portfolio into direct, higher-yielding, real estate assets acquired from passive financial investors, where opportune. In its acquisitions, Rockcastle is expanding into the greater CEE region from its Polish base, encountering NEPI as a competitive acquirer expanding from its Romanian base.

The proposed merger with NEPI is a logical next step for both companies and Rockcastle's first opportunity to acquire a complementary portfolio that meets its stringent acquisition criteria and offers critical mass in the CEE region. The merger would bring with it NEPI's pipeline of growth through acquisitions, developments and active asset management. Over and above the portfolio of quality assets and the pipeline, the merger offers Rockcastle integration with a management team that brings skills and experience, particularly in the Romanian market, such that the whole will be more valuable than the sum of the parts and positioning NEPI Rockcastle to further enhance its capacity to extract value from acquisitions and outperform its competitors. As the merger is proposed on a share swap basis, it is not conditional on access to new debt or equity. The board of directors is comfortable that the proposed share swap ratio appropriately reflects the relative values of Rockcastle and NEPI.

The CEE property market has become increasingly competitive, particularly in respect of the premium retail assets that Rockcastle targets. The merger will establish a diversified CEE real estate player of scale, with the envisaged enhancement to its credit rating positioning it to optimise its cost of funding. The scale and presence across the CEE region will allow NEPI Rockcastle to leverage its retail coverage to best effect in its offerings to a large base of retailers. As for acquisitions, asset management and relationships with retailers, the merger would enable NEPI Rockcastle to hold a leading position in the increasingly competitive landscape across the CEE region.

Rockcastle's assessment of the merger transaction is that it has a strong operational and capital markets rationale, driven by the following factors:

2.1 Strategic fit with complementary portfolios

- 2.1.1 The strategic fit between Rockcastle and NEPI is reflected in the many similarities between them as well as in their complementary portfolios. In Rockcastle's view, a merger with NEPI would be uniquely beneficial and appropriate as there are no comparable acquisitive opportunities available to the company in the CEE region.
- 2.1.2 There is a high degree of overlap between the shareholders of Rockcastle and NEPI. To date, the high-growth CEE real estate operations and strategies of both companies, derived from common management philosophies and cultures, have positioned them to access equity substantially from the same constituency of investors for deployment in acquiring, developing and managing prime (mainly retail) properties in adjacent territories in the CEE region.
- 2.1.3 Although the equity of both companies is highly rated by investors, it is unlikely that either company will encounter vendors of sizeable and desirable assets who would be willing to sell their assets in consideration for shares. The merger on a share swap basis allows for substantial non-organic growth without being dependent on raising fresh equity. The merger is not value dilutive as the share swap ratio, in Rockcastle's view, correctly reflects the relative values of Rockcastle and NEPI. For further details on the assessment of the swap ratio please refer to Section 3 below.
- 2.1.4 As Rockcastle expands south and NEPI expands west across the CEE region, competition between the two companies for assets in the region is inevitable. The merger is therefore a logical consideration for both companies, positioning NEPI Rockcastle as the preferred buyer of prime retail assets to maintain a leading position across the increasingly competitive CEE property market.

- 2.1.5 Rockcastle evaluated alternatives to the merger, including asset-specific joint ventures with NEPI, but prefers the merger route as it would result in greater benefits for the company, including enhanced management, operational and execution capabilities as well as advantages of scale and diversification.
- 2.1.6 NEPI has demonstrated its ability to source and execute on value-enhancing off-market acquisitions of prime retail properties in a competitive, liquid market. Rockcastle has evaluated NEPI's operating platform, pipeline and prospects for high growth in 2017 and beyond as secure and is of the view that the proposed timing and basis of the merger are opportune for Rockcastle. NEPI's acquisition strategy, to acquire and develop dominant retail properties, is consistent with Rockcastle's strategy.
- 2.1.7 Rockcastle's listed equity portfolio comprises select listed and liquid global real estate securities and constitutes an efficient cash warehousing platform. This would be a substantial source of liquidity for NEPI Rockcastle to invest in the higher-yielding direct real estate opportunities that are in the acquisition and development pipelines of each company. The flexibility of this source of funding would differentiate NEPI Rockcastle from competitors in the CEE region. This differentiation would be particularly impactful in market conditions in which access to new equity is more constrained and competition for prime retail assets is high.
- 2.1.8 Through the merger, both Rockcastle and NEPI will gain immediate exposure to significant high-quality portfolios in CEE countries where they currently lack a presence:
 - 2.1.8.1 Rockcastle investors will gain exposure to the largest retail real estate portfolio in Romania (which is the fastest growing economy in EU in 2016, according to IMF reports) as well as to the other attractive markets in which NEPI is established.
 - 2.1.8.2 NEPI investors will gain exposure to a significant portfolio in Poland, the largest and most liquid real estate market in the CEE region, and projected to be the second fastest growing economy in the CEE in 2017.
- 2.1.9 Both Rockcastle and NEPI shareholders stand to benefit from immediate geographical diversification of their combined portfolios through the merger. Geographical diversification will broaden the growth potential of NEPI Rockcastle and at the same time reduce overall risks, particularly exposure to predominantly single-country political and economic risks. This will be achieved without deviating from NEPI Rockcastle's investment strategy.
- 2.1.10 NEPI's operating infrastructure in Romania is substantial, with skilled and experienced personnel across retail asset management, developments, acquisitions, finance and administration and within shopping centres providing direct management and marketing skills.
- 2.1.11 The integration of the management and infrastructure of Rockcastle and NEPI will enhance Rockcastle's operational platform. The sharing of information and experience in adjacent jurisdictions on an integrated basis will substantially benefit NEPI Rockcastle and its shareholders. Management of NEPI Rockcastle would devolve naturally on geographic lines, reflecting the complementary locations of the portfolios of each company.
- 2.1.12 The merger transaction presents a unique opportunity for Rockcastle to combine its portfolio with another high-quality portfolio that is:
 - 2.1.12.1 strategically consistent with Rockcastle's existing portfolio comprising mainly large/dominant shopping centres and high-quality assets in areas that are densely populated or have good macro dynamics, with low vacancy levels, high collection rates and growth potential;
 - 2.1.12.2 the largest quality-compatible portfolio available to Rockcastle in Romania or anywhere else in the CEE region; and
 - 2.1.12.3 geographically adjacent to Rockcastle's portfolio, with NEPI Rockcastle benefitting from diversified direct property exposure across adjacent or proximate countries within CEE. The scale and strong local management teams to be established through the implementation of the merger transaction are essential to NEPI Rockcastle's presence in these countries.

Figure 1: CEE countries to which NEPI Rockcastle will have direct property exposure

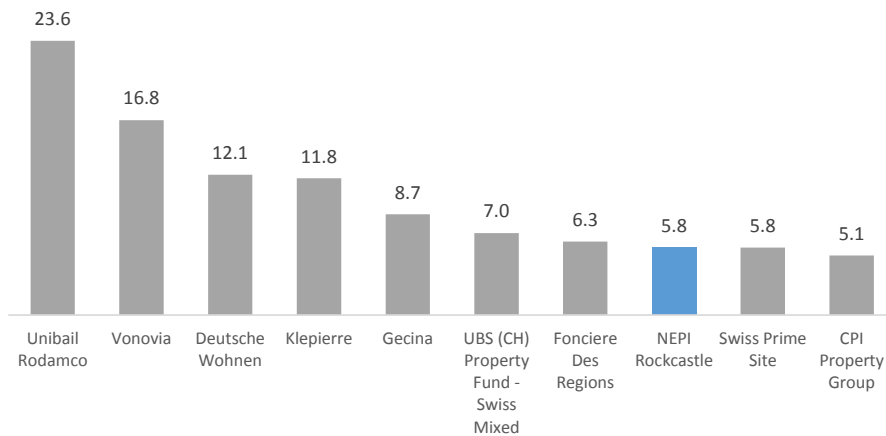


Source: Company information

2.2 Scale

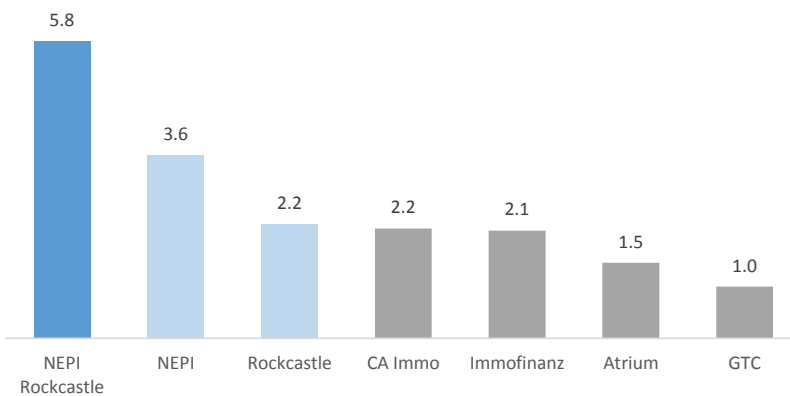
Upon implementation of the merger transaction, NEPI Rockcastle is projected to be the largest CEE retail real estate company, and one of the top retail real estate companies in Continental Europe.

Figure 2: Anticipated largest listed real estate companies in Continental Europe following the JSE listing, by market capitalisation (€bn)



Source: Datastream 12/05/2017

Figure 3: Anticipated largest listed real estate companies focused on CEE following the JSE listing, by market capitalisation (€bn)



Source: Datastream 12/05/2017

2.3 The merger would be credit positive and therefore will reduce cost of funding

2.3.1 NEPI Rockcastle is expected to benefit from a lower blended cost of capital, resulting from an anticipated improvement in the business and financial risk profile, driven by larger scale, further geographical diversification, increased liquidity and access to capital. Material financial synergies are envisaged from a lower cost of debt.

2.3.2 The potential credit rating upgrade will drive improved refinancing potential on upcoming maturities and bond programmes, at more attractive financial and commercial terms, including a relaxation of gearing covenants.

2.3.3 *Operational and asset management advantages*

2.3.3.1 While there is limited operating synergy potential due to geographically complementary portfolios and existing efficient platforms, long-term synergies are expected to be achieved through knowledge and platform sharing.

2.3.3.2 Active cooperation across platforms and countries will create value through cross-selling opportunities, wide-scale marketing and active asset management across a larger base of retailers. With the advantages of scale, NEPI Rockcastle will be positioned to meet the regional needs of the large retailers in Europe who are the anchor tenants in portfolios across the CEE region. NEPI Rockcastle would be the landlord of choice for retailers with a presence in the CEE region.

Through elimination of shared costs and improved leverage with suppliers, the merger transaction will result in operational cost savings for NEPI Rockcastle. These savings may not be material in the short run as they may take more than a year to materialise, but are expected to lead to more efficient operations as NEPI Rockcastle continues to grow.

2.4 Advantages of dual JSE and Euronext Amsterdam listings, including increased liquidity and index inclusion

2.4.1 NEPI Rockcastle will be dual listed on the JSE and Euronext Amsterdam. Although the listing on Euronext Amsterdam is not expected to result in additional access to equity in the short term, it will ultimately position the merged entity to attract new equity investors in the European markets. From the outset, the elevated public profile that will result from a Euronext listing will facilitate NEPI Rockcastle's access to European debt capital markets and in its positioning with European retailers and vendors of real estate.

2.4.2 Rockcastle and NEPI are both currently constituents of the FTSE/JSE SA Listed Property Index, but neither are constituents of the FTSE/JSE Top 40 Index. NEPI Rockcastle is projected to have the c. 28th largest free float market capitalisation on the JSE and is expected to qualify for inclusion in the FTSE/JSE Top 40 Index. This, together with the listing on Euronext Amsterdam, should lead to enhanced visibility and liquidity of its shares driven by enhanced index tracker demand and, over time, exposure to a broader base of international investors.

Figure 4: Excerpt of ranking of JSE All Share constituents by JSE defined investible market capitalisation (ZARbn)

23	Anglogold Ashanti Ltd	67.6
24	Woolworths Holdings Ltd	67.0
25	Bidvest Ltd	56.6
26	Redefine Properties Ltd	55.3
27	Nedbank Group Ltd	52.2
28	pro forma NEPI Rockcastle	48.4
29	Mediclinic Int plc	48.0
30	Netcare Limited	47.3
31	Fortress Inc Fund Ltd A & B	45.8
32	Sappi Ltd	44.4
33	RMB Holdings Ltd	43.7
34	Intu Properties plc	42.1
35	Reinet Investments S.C.A	41.3

Source: JSE data for 20/02/2017 quarterly review recalculated to include NEPI Rockcastle on a pro forma basis

2.4.2.1 The FTSE/JSE Top 40 Index comprises the 40 most investable companies in the FTSE/JSE All Share Index, ranked by investable market capitalisation. The JSE reviews the index constituents quarterly and the threshold for new entrants is a free float market capitalisation in the top 35 counters on the JSE.

2.4.2.2 Considering JSE data as at the last quarterly review (which is based on 20 February 2017 data), the nominal threshold for inclusion in the FTSE/JSE Top 40 Index would have been c. R41.3 billion, representing the 35th largest free float market capitalisation. This represents a c. 15% discount to the combined market capitalisation of Rockcastle and NEPI as at that date.

2.5 Growth opportunities and prospects

2.5.1 The merger will provide Rockcastle and NEPI with enhanced growth potential through improved access to accretive, sizeable acquisition targets. Rockcastle and NEPI have been two of the most acquisitive players in their markets in 2016. Together they will have enhanced market leverage.

Acquisitions of retail properties 2016 (value)

EUR million	NEPI	Rockcastle	% of total*
Poland	–	684	35
Czech Republic	83	80	20
Croatia	238	–	45
Romania	100	–	43
Slovakia	69	–	16

* Combined NEPI and Rockcastle share of total retail transactions in the country

Source: Company presentations

2.5.2 NEPI Rockcastle is well positioned for growth, driven by expansion of a best-in-class operating platform. Geographically diverse management skills will allow NEPI Rockcastle to pursue CEE property opportunities more efficiently, giving it a strategic advantage in the acquisition, development and management of properties.

- 2.5.3 NEPI Rockcastle will continue the active investment policy that fuelled the sustainable growth of Rockcastle and NEPI over the recent periods. A strong pipeline of acquisitions and developments is currently being pursued in all the countries where Rockcastle and NEPI are present, as well as in other CEE markets. Rockcastle and NEPI share a very similar investment philosophy, focused on quality dominant retail properties with growth potential, which will be applied by NEPI Rockcastle at a larger scale.

3. SWAP RATIO

3.1 Methodology

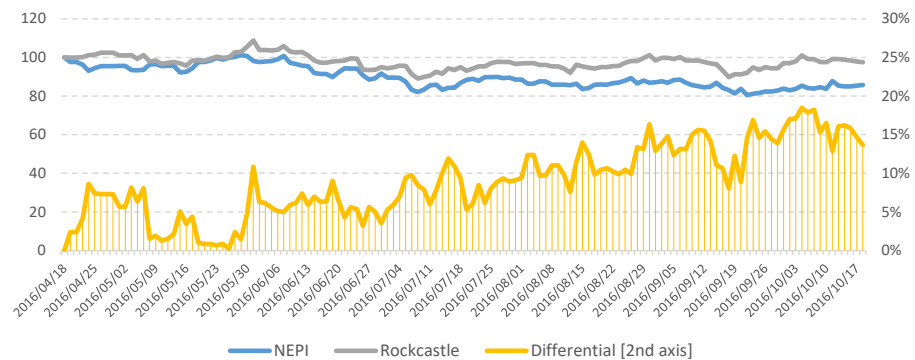
The swap ratio was negotiated after analysis and assessment of information and valuation metrics applying multiple methodologies:

- 3.1.1 NEPI provided Rockcastle with non-public information including its projections of net operating income showing earnings growth until the 2019 financial year, with Rockcastle having full opportunity to interrogate and undertake due diligence investigations in respect of NEPI's assets and internal forecasts;
- 3.1.2 analysis of the traded share prices of Rockcastle and NEPI, including calculation of the swap ratios implied by the relative traded share prices over the period pre and post the initial joint cautionary announcement relating to the merger;
- 3.1.3 analysis of historic and projected dividends based on guidance provided to the market. Consideration was given to the impact of capital structure on projected dividend growth rates;
- 3.1.4 assessment of the impact of the merger to Rockcastle and NEPI shareholders on both dividend per share and capital value. This included consideration of the timing and quantum of synergies expected to result from the merger;
- 3.1.5 comparison of the net asset values of both Rockcastle and NEPI, including consideration of the valuations of the underlying property assets (both direct and listed securities) and the pipelines of each of Rockcastle and NEPI;
- 3.1.6 comparison of relative premia over net asset value attributed to both Rockcastle and NEPI, including consideration of the premium attributed to individual components of the net asset value for each of them;
- 3.1.7 comparison of the price:book ratios and yields of Rockcastle and NEPI relative to a peer group of publicly traded companies. Consideration was given to the projected dividend growth rates of both Rockcastle and NEPI relative to that of their peer group;
- 3.1.8 consideration of the relative strengths and weaknesses of Rockcastle and NEPI, and the extent to which these would be impacted by a merger, recognising that a merger would be a means of deriving further value from NEPI's established infrastructure and know-how through integration with the Rockcastle platform; and
- 3.1.9 an assessment of indices that NEPI Rockcastle will likely qualify for post-merger, including consideration of the impact of increased liquidity and technical demand on NEPI Rockcastle's share price.

3.2 Share price analysis

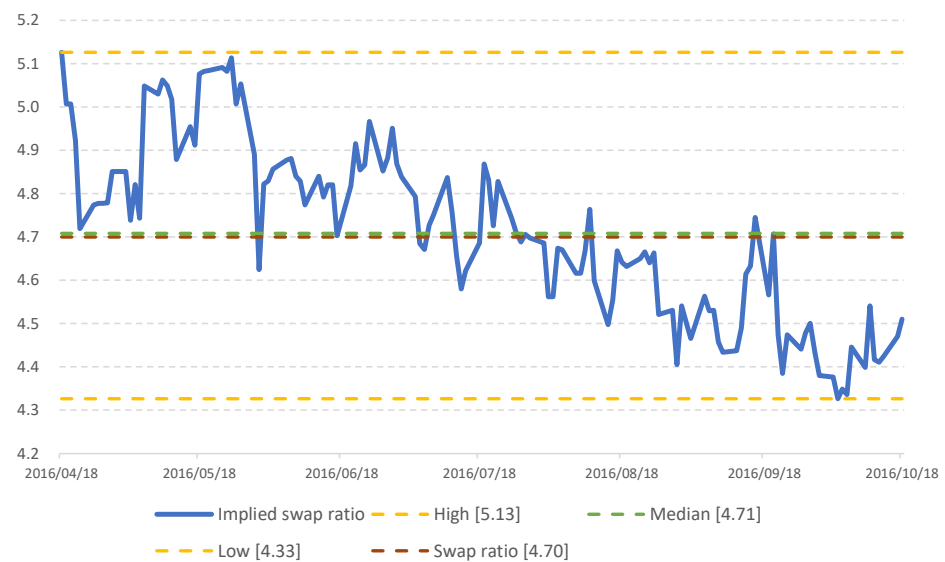
3.2.1 An analysis of the Rockcastle and NEPI share prices both pre and post the announcement of the intention to merge indicates that the share prices have tracked each other on a relative basis.

Figure 1: Rockcastle and NEPI's share price history indexed to 100 for six months prior to the release of a joint announcement indicating a potential merger on 20 October 2016



Source: Datastream

Figure 2: Implied swap ratio for six months prior to the release of a joint announcement indicating a potential merger on 20 October 2016



Source: Datastream

4. PROSPECTS

- 4.1 Post the implementation of the merger transaction, Rockcastle will be delisted from the JSE and, subject to the approval of the SEM, be withdrawn from the SEM. The company will ultimately commence the process of its winding-up.
- 4.2 Shareholders are referred to the prospectus for the opinion of the directors of NEPI Rockcastle as to the prospects of NEPI Rockcastle.

5. MECHANICS OF THE ROCKCASTLE TRANSACTION

- 5.1 As stated above, the implementation of the merger transaction will result in Rockcastle and NEPI shareholders holding shares, on the basis of the swap ratio, in a dual JSE and Euronext Amsterdam listed company with an estimated market capitalisation of approximately R85 billion (€5.8 billion) and comprising the merged businesses, assets and liabilities of Rockcastle and NEPI. Rockcastle shareholders will receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held on the record date.

- 5.2 From a NEPI perspective, the merger transaction will be implemented as follows:

- 5.2.1 on the merger implementation date, NEPI will sell all its assets and liabilities, including 100% of its ownership interest in all underlying subsidiaries (but excluding any NEPI Rockcastle shares held by NEPI), to NEPI Rockcastle, in consideration for rights to NEPI Rockcastle shares;
- 5.2.2 NEPI will transfer its rights to NEPI Rockcastle shares to NEPI shareholders. NEPI shareholders will elect on or before Friday, 14 July 2017 to receive such rights either:
 - 5.2.2.1 pursuant to a distribution in specie made by NEPI as a return of capital;
 - 5.2.2.2 pursuant to a distribution *in specie* declared by NEPI as a dividend; or
 - 5.2.2.3 in settlement of the consideration for the repurchase by NEPI of all the NEPI shares held by such shareholders, but only if such shareholders have not elected to receive the distribution as a dividend,

whereafter the board of directors will authorise the distribution *in specie* as a return of capital, declare the distribution *in specie* as a dividend and effect the repurchase, and in settlement, NEPI Rockcastle will issue NEPI Rockcastle shares to NEPI shareholders, such that they receive 1 NEPI Rockcastle share for every 1 NEPI share held on the record date;

- 5.2.3 the entire issued share capital of NEPI Rockcastle will be listed on the Main Board of the JSE and on Euronext Amsterdam; and
- 5.2.4 NEPI will be delisted from the JSE, with the intention (subject to the approval of the Bucharest Stock Exchange and the Romanian Financial Supervision Authority) to also delist from the Bucharest Stock Exchange, and ultimately be dissolved,

all of which are inter-conditional and form part of a composite transaction, as more fully described in the NEPI circular which will be issued to NEPI shareholders on 9 June 2017.

- 5.3 From a Rockcastle perspective, the merger transaction will be implemented as follows:

- 5.3.1 on the merger implementation date, Rockcastle will sell all its assets and liabilities, including 100% of its ownership interest in all underlying subsidiaries (but excluding any NEPI Rockcastle shares held by Rockcastle), to NEPI Rockcastle, in consideration for rights to NEPI Rockcastle shares as more fully detailed in paragraph 5.6 below;
- 5.3.2 Rockcastle will transfer its rights to NEPI Rockcastle shares to Rockcastle shareholders. Rockcastle shareholders will elect on or before Friday, 14 July 2017 to receive such rights either pursuant to:
 - 5.3.2.1 a distribution *in specie* declared by Rockcastle as a dividend; or
 - 5.3.2.2 a distribution *in specie* made by Rockcastle as a return of capital,

whereafter the board of directors will declare the distribution *in specie* as a dividend and authorise the distribution *in specie* as a return of capital, and in settlement, NEPI Rockcastle will issue NEPI Rockcastle shares to Rockcastle shareholders, such that they receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held on the record date, as more fully detailed in paragraph 5.7 below;

- 5.3.3 subject to receipt of SEM approval through the issue of new listing particulars by Rockcastle, NEPI Rockcastle will subscribe for up to approximately 394 885 776 Rockcastle shares for a consideration equal to the value of approximately 84 018 250 NEPI Rockcastle shares (which are *cum* the entitlement to participate in the distributions *in specie*), to be settled by set-off, for the purposes of increasing stated capital, as more fully detailed in paragraph 5.8 below;
 - 5.3.4 the entire issued share capital of NEPI Rockcastle will be listed on the Main Board of the JSE and on Euronext Amsterdam, as more fully detailed in paragraph 5.9 below; and
 - 5.3.5 Rockcastle will be delisted from the JSE suspended from trade and subsequently withdrawn from the SEM, and ultimately wound up, as more fully detailed in paragraph 5.10 below,
- all of which (save for the NEPI Rockcastle subscription) are inter-conditional and form part of the composite Rockcastle transaction, as more fully described below.
- 5.4 As required in terms of Isle of Man law, Rockcastle shareholders will not have registered ownership of the NEPI Rockcastle shares that they receive pursuant to the merger transaction. NEPI Rockcastle shares will instead be delivered to Rockcastle shareholders in the form of dematerialised security entitlements representing the beneficial ownership of such shares. References throughout this document to NEPI Rockcastle shares received or issued pursuant to the merger transaction or to any shareholding in NEPI Rockcastle following the JSE and Euronext listings should therefore be read as a reference to a receipt, issue or holding of security entitlements representing beneficial ownership of NEPI Rockcastle shares and not to any registered ownership of NEPI Rockcastle shares.
 - 5.5 All NEPI Rockcastle shares will be registered in the name of one or both of PLC Nominees or Euroclear Nederland, for and on behalf of shareholders. NEPI Rockcastle shares traded on the JSE will be delivered in accordance with the rules of Strate and those traded on Euronext Amsterdam will be delivered in accordance with the rules of Euroclear Nederland.
 - 5.6 **Rockcastle disposal**
 - 5.6.1 On the merger implementation date, Rockcastle will sell and NEPI Rockcastle will buy all assets owned by Rockcastle as at the merger implementation date, including if applicable (i) the shares held by Rockcastle directly in its group, (ii) the cash balance of Rockcastle, (iii) the intellectual property rights owned by Rockcastle, (iv) any listed securities directly owned by Rockcastle, (v) the benefits and rights of Rockcastle under all contracts, offers, orders, undertakings, arrangements, agreements or similar institutes entered into by Rockcastle, irrespective of whether they are legally binding or subject to any dispute or whether their principal obligations have been fulfilled before the merger implementation date, (vi) the receivables of Rockcastle under the loans granted by Rockcastle to any Rockcastle group company, (vii) the payables of Rockcastle under the loans granted by a Rockcastle group company to Rockcastle, and (viii) the receivables of Rockcastle under loans granted by Rockcastle to certain employees of Rockcastle or any Rockcastle group company, but excluding any NEPI Rockcastle shares held by Rockcsatl (together, the “**Rockcastle assets and liabilities**”).
 - 5.6.2 In consideration for the disposal of the Rockcastle assets and liabilities, Rockcastle will receive rights to NEPI Rockcastle shares, which rights will be transferred to Rockcastle shareholders as more fully detailed in paragraph 5.7 below, and which rights will be fulfilled on Rockcastle’s demand on Monday, 17 July 2017 through the issue of NEPI Rockcastle shares to Rockcastle shareholders such that they receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held as at Friday, 14 July 2017.
 - 5.6.3 Further details as to how the swap ratio has been agreed between Rockcastle and NEPI is set out in paragraph 3 above.
 - 5.6.4 The merger transaction agreements contemplate warranties, standstill arrangements and other provisions that are typical for transactions of this nature.
 - 5.6.5 The Rockcastle disposal constitutes a category one disposal for Rockcastle in terms of sections 9.5(b) and 9.20(a) of the JSE Listings Requirements, requiring the approval of Rockcastle shareholders by way of an ordinary resolution, and is categorised as a substantial transaction in terms of Chapter 13 of the SEM Rules, requiring the approval of Rockcastle shareholders by way of a special resolution.

5.7 Distributions of NEPI Rockcastle shares to Rockcastle shareholders

- 5.7.1 Pursuant to the implementation of the merger transaction, Rockcastle will transfer to NEPI Rockcastle shareholders its rights to NEPI Rockcastle shares, which rights will in turn be fulfilled by NEPI Rockcastle issuing the NEPI Rockcastle shares to which shareholders are entitled directly to Rockcastle shareholders.
- 5.7.2 In order to give shareholders maximum flexibility in terms of how they receive the rights to NEPI Rockcastle shares to which they are entitled in terms of the merger transaction, and to cater for each individual shareholder's circumstances and/or risk profile, shareholders are afforded the opportunity to elect to either:
- 5.7.2.1 receive a distribution *in specie* declared by Rockcastle as a dividend; or
 - 5.7.2.2 receive a distribution *in specie* made by Rockcastle as a return of capital, as more fully described below.
- 5.7.3 Shareholders who take no action will receive a distribution *in specie* as a dividend.
- 5.7.4 Rockcastle has not received any commitments from its shareholders as to the manner in which they intend to participate in the merger transaction.
- 5.7.5 *Terms of the distributions*
- 5.7.5.1 Rockcastle shareholders are afforded the opportunity to elect to receive a distribution *in specie* declared by Rockcastle as a dividend or a distribution *in specie* made by Rockcastle as a return of capital. **Shareholders will receive a distribution as a dividend, unless they waive their entitlement to receive the distribution as a dividend and instead elect to receive the distribution *in specie* as a return of capital. Any such election will be in respect of a shareholder's entire shareholding in Rockcastle.**
 - 5.7.5.2 Shareholders are referred to paragraph 3 of the "Action required" section of this circular, which sets out the detailed action required by shareholders wishing to receive a distribution as a return of capital. Shareholders wishing to receive their distribution *in specie* as a dividend need not take any action.
 - 5.7.5.3 Paragraph 7 below sets out a high-level summary of the tax implications of the distributions to Rockcastle shareholders.
 - 5.7.5.4 Following the shareholder elections, and subject to the board being satisfied on reasonable grounds that immediately after such distributions Rockcastle will continue to satisfy the solvency test, Rockcastle will:
 - 5.7.5.4.1 declare a distribution *in specie* as a dividend to shareholders holding Rockcastle shares as at the record date who have not validly elected to receive the distribution as a return of capital (i.e. to shareholders who have taken no action), in accordance with shareholder elections; and
 - 5.7.5.4.2 make a distribution *in specie* as a return of capital to shareholders holding Rockcastle shares as at the record date and who have validly elected to receive such distribution, in accordance with shareholder elections.
 - 5.7.5.5 The distributions will comprise the transfer of rights to be issued NEPI Rockcastle shares to Rockcastle shareholders, which rights will in turn be fulfilled by the issue of NEPI Rockcastle shares directly to the shareholders on Monday, 17 July 2017, such that shareholders shall receive 1 NEPI Rockcastle distribution share for every 4.7 Rockcastle shares held on the record date.
 - 5.7.5.6 In terms of the provisions of the JSE Listings Requirements regarding fractional entitlements, any entitlement to a fraction of a NEPI Rockcastle share will be rounded down to the nearest whole number (resulting in allocations of whole NEPI Rockcastle shares only), with a cash payment being made to the relevant shareholder in respect of the fraction. The table of entitlements in this regard is set out in **Annexure 1**. The cash payment due to a shareholder will be determined with reference to the VWAP of NEPI shares on the JSE on Tuesday, 11 July 2017, less 10% (as prescribed by the Listings Requirements), which amount will be announced on SENS on Wednesday, 12 July 2017. Upon the issue of the NEPI Rockcastle

shares, the CSDPs and/or brokers sell the surplus NEPI Rockcastle shares in the open market in order to fund the cash amounts.

- 5.7.5.7 To the extent that there are insufficient reserves, shareholders who are deemed to have elected to receive their distributions *in specie* as a dividend may receive a portion of their distributions *in specie* as a return of capital. In such event, the ratio of the distribution as a dividend to the distribution as a return of capital will be applied equitably to all Rockcastle shareholders who are deemed to have elected to receive their distribution as a dividend.
- 5.7.5.8 Shareholders who have elected to receive the distribution *in specie* as a return of capital will, subject to the resolution authorising the issue of shares to NEPI Rockcastle pursuant to the NEPI Rockcastle subscription being passed with the requisite majority of votes of shareholders, receive their distribution as a return of capital.

5.8 NEPI Rockcastle subscription

- 5.8.1 In order to increase stated capital so as to enable Rockcastle to meet shareholder elections to receive the distribution as a return of capital, on the record date to receive NEPI Rockcastle shares pursuant to the implementation of the merger transaction, NEPI Rockcastle will subscribe for such number of ordinary shares in Rockcastle (*cum* the entitlement to participate in the distributions *in specie*) which will be determined by the difference between the quantum of stated capital that is available in Rockcastle and the quantum of stated capital that is required to meet Rockcastle shareholder elections (“**the subscription shares**”). The NEPI Rockcastle subscription remains subject to receipt of SEM approval through the issue of a new listing particulars.
- 5.8.2 Assuming all shareholders elect to receive the distribution *in specie* as a return of capital, and with reference to (i) Rockcastle’s stated capital as at 31 December 2016 and (ii) an inferred market capitalisation of Rockcastle determined based on the NEPI share price and USD:ZAR exchange rate as at the last practicable date, calculated in accordance with the swap ratio, the number of Rockcastle shares to be issued to NEPI Rockcastle will be 394 885 776 Rockcastle shares. The actual number of Rockcastle shares to be issued will be determined with reference to actual shareholder elections to receive the distribution *in specie* as a return of capital, and (i) Rockcastle’s stated capital as at the merger implementation date and (ii) an inferred market capitalisation of Rockcastle as at the merger implementation date, determined based on the NEPI share price and USD:ZAR exchange rate as at the merger implementation date, calculated in accordance with the swap ratio.
- 5.8.3 NEPI Rockcastle will subscribe for the subscription shares *cum* the entitlement to participate in the distributions *in specie* to be declared or made, as the case may be, by Rockcastle.
- 5.8.4 The consideration payable by NEPI Rockcastle to Rockcastle for the subscription shares will be NEPI Rockcastle shares with a value equal to the NEPI Rockcastle shares *cum* the entitlement to participate in the distributions *in specie* (“**NEPI Rockcastle payment obligation**”).
- 5.8.5 As NEPI Rockcastle will be a shareholder in Rockcastle on the record date to receive NEPI Rockcastle shares pursuant to the implementation of the merger transaction, it will be entitled to receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held (“**distribution payment obligation**”).
- 5.8.6 Given that the number of NEPI Rockcastle shares to be issued to Rockcastle pursuant to the NEPI Rockcastle payment obligation will be equal to the number of NEPI Rockcastle shares which would ultimately be received by NEPI Rockcastle in fulfilment of rights to receive NEPI Rockcastle shares transferred pursuant to the distribution payment obligation, such obligations will be set-off and be economically neutral to the entire merger transaction, but will serve to increase the stated capital of Rockcastle through the issue of the subscription shares.
- 5.8.7 The NEPI Rockcastle subscription is subject to shareholder approval in terms of a special resolution. The voting rights controlled by NEPI Rockcastle and its associates will not be taken into account in determining the outcome of this resolution, although will be taken into account in determining the requisite quorum. It is however noted that, as at the last practicable date, neither NEPI Rockcastle nor any associate of NEPI Rockcastle held any shares in Rockcastle.
- 5.8.8 If the NEPI Rockcastle subscription is not duly authorised by shareholders and/or the SEM, shareholders who elect to receive a distribution as a return of capital may receive a portion of their distribution as a dividend. In such event, the ratio of the distribution as a return of capital to the distribution as a dividend will be applied equitably to all Rockcastle shareholders electing to receive their distribution as a return of capital.

5.9 Listing of NEPI Rockcastle on the JSE and Euronext Amsterdam

- 5.9.1 The entire issued share capital of NEPI Rockcastle will be listed on the JSE and on Euronext Amsterdam on Wednesday, 12 July 2017. Shares will be fully fungible between NEPI Rockcastle's South African and European registers.
- 5.9.2 Full details of the business and affairs of NEPI Rockcastle at the time of listing on the JSE and on Euronext Amsterdam, determined on the assumption that the merger transaction is implemented in accordance with its terms and with reference to all relevant information as it relates to Rockcastle and NEPI as at the last practicable date, are set out in the prospectus.

5.10 Delisting and winding up of Rockcastle

- 5.10.1 Upon implementation of the Rockcastle transaction, Rockcastle will no longer qualify for a listing under the JSE Listings Requirements and will be delisted from the JSE on Tuesday, 18 July 2017 or as soon as possible thereafter. Rockcastle will use its best efforts to also withdraw from the SEM around the same date or as soon as possible thereafter, subject to the approval of the SEM.
- 5.10.2 At the general meeting, approval will be sought from shareholders to authorise the board of directors to initiate, as and when it deems fit, procedures for the winding-up of the company under section 102 of the Mauritian Insolvency Act or an application for removal of the company from the register of companies in Mauritius under section 309 of the Mauritian Companies Act any time following the implementation of the merger transaction.

6. CONDITIONS PRECEDENT

The merger transaction is subject to the fulfilment or waiver of the conditions precedent summarised below, being satisfied or waived on or before 31 July 2017:

- 6.1 the merger transaction being approved by all relevant competition authorities, either unconditionally or subject to conditions acceptable to both Rockcastle and NEPI, or the merger transaction being deemed to be so approved or deemed not to require approval, such that the merger transaction may be implemented;
- 6.2 all other necessary regulatory consents in relation to the merger transaction in any jurisdiction whatsoever having been obtained;
- 6.3 all shareholder and board approvals of the merger transaction being obtained in respect of both Rockcastle and NEPI, whether in terms of any governing law, the rules of any recognised securities exchange or otherwise;
- 6.4 all necessary consents, waivers and releases pursuant to the Rockcastle and NEPI funding facilities having been received, as may be required to complete the merger transaction;
- 6.5 no appraisal rights, if any, being exercised or other actions taken which could impede the completion of the merger transaction;
- 6.6 all third party consents in all relevant jurisdictions having been received, as may be required to complete the merger transaction;
- 6.7 the listing of the NEPI Rockcastle shares on the JSE and Euronext Amsterdam having been formally approved by the relevant authorities; and
- 6.8 either Rockcastle or NEPI not having given written notice to the other that it does not wish to proceed with the merger transaction, where any matter, fact or circumstance has arisen which has or is likely to have a material adverse effect on the financial, legal or business condition of NEPI Rockcastle, the Rockcastle group or the NEPI group.

7. TAXATION IMPLICATIONS

The following constitutes a high-level summary of the South African and Mauritian tax consequences for Rockcastle shareholders in respect of the merger transaction and is based upon laws, regulations and income tax conventions (treaties) in effect and promulgated at the date of this circular. This summary does not purport to be a legal opinion or tax advice or to address all tax aspects that may be relevant to a holder of shares. Each shareholder is urged to consult its own tax advisor as to the particular tax consequences to such holder in relation to the ownership and transfer of the shares, including the applicability and effect of any other tax laws or tax treaties, and of pending or proposed changes in applicable tax laws as of the date of this circular, and of any actual changes in applicable tax laws after such date.

Shareholders resident or subject to the tax laws of jurisdictions other than South Africa or Mauritius should note that the taxation implications in respect of the distributions *in specie* might vary in terms of taxation legislation in the applicable tax jurisdictions. Shareholders who may be in any doubt regarding their position are urged to consult an appropriate professional advisor.

7.1 South Africa

7.1.1 *Foreign return of capital – resident shareholders*

- 7.1.1.1 In respect of South African tax resident shareholders (“**resident shareholders**”) electing to receive a distribution *in specie* by way of a return of capital, such distribution will be made in reduction of the share capital and/or share premium of Rockcastle and will constitute a “foreign return of capital” as defined in section 1 of the Income Tax Act.
- 7.1.1.2 In terms of paragraph 76B of the Eighth Schedule to the Income Tax Act such shareholders will be required to reduce the base cost of their Rockcastle shares with the amount of the foreign return of capital (which is the market value of the NEPI Rockcastle shares to be issued to the shareholder). If the amount of the foreign return of capital exceeds the base cost of the Rockcastle shares in the hands of the resident shareholder, the excess will constitute a capital gain in the hands of the shareholder and the shareholder must account for capital gains tax on such capital gain, unless the shareholder can rely on a capital gains tax exemption. In terms of paragraph 64B(4) of the Eighth Schedule to the Income Tax Act, a shareholder that holds at least 10% of the shares and voting rights in Rockcastle (whether alone or together with any other person forming part of the same group of companies as the shareholder) must disregard any capital gain in respect of the foreign return of capital – such a shareholder is accordingly effectively exempt from capital gains tax in respect of the foreign return of capital. It should be noted that this exemption would not be available to a beneficiary of a trust shareholder where the trust shareholder vests the capital gain in the beneficiary in the same year of assessment that the capital gain arises, as the beneficiary would not hold at least 10% of the shares and voting rights in Rockcastle in such a scenario (the trust being the holder of the shares and voting rights).
- 7.1.1.3 Shareholders with an exempt tax status should consider whether the capital gains tax exemptions applicable to them will extend to exempt a capital gain made in respect of the foreign return of capital.
- 7.1.1.4 Shareholders electing a return of capital will obtain the NEPI Rockcastle shares at a base cost equal to the market value of the NEPI Rockcastle distribution shares on the date of distribution.
- 7.1.1.5 A foreign return of capital is not subject to dividends tax.
- 7.1.1.6 No securities transfer tax (“**STT**”) will arise on the distribution of the NEPI Rockcastle shares as NEPI Rockcastle will not be listed on the JSE on the date of the distribution.

7.1.2 *Distribution in specie of a dividend – resident shareholders*

- 7.1.2.1 In respect of resident shareholders who are deemed to have elected to receive a distribution *in specie* by way of a dividend, such distribution will be made in reduction of the retained earnings of Rockcastle and will constitute a “foreign dividend” as defined in section 1 of the Income Tax Act. Such shareholders will be required to include the foreign dividend in their gross income for South African income tax purposes, but may claim an exemption for all or part of the foreign dividend as discussed below.
- 7.1.2.2 In terms of section 10B(2)(e) of the Income Tax Act, shareholders that are South African tax resident companies may claim a full income tax exemption in respect of the foreign dividend, as it constitutes a distribution of an asset *in specie* in respect of a share listed on the JSE.
- 7.1.2.3 Shareholders that are generally exempt from South African income tax should similarly be exempt in respect of the foreign dividend.
- 7.1.2.4 Furthermore, in terms of section 10B(2)(a) of the Income Tax Act, a shareholder that holds at least 10% of the shares and voting rights in Rockcastle (whether alone or together with any other company forming part of the same group of companies as that person), may claim a full income tax exemption in respect of the foreign dividend. It should be noted that this exemption would not be available to a beneficiary of a trust shareholder where the foreign dividend vests in the beneficiary in the same year of assessment as the foreign dividend is received by or accrues to the trust shareholder, as the beneficiary would not hold at least 10% of the shares and voting rights in Rockcastle in such a scenario (the trust being the holder of the shares and voting rights).

- 7.1.2.5 For shareholders that do not qualify for a full income tax exemption as set out above, a partial income tax exemption should be available. In terms of section 10B(3) of the Income Tax Act, such persons may claim an exemption of a portion of the foreign dividend determined by applying the following formula:

$$A = B \times C$$

where:

A is the amount that may be claimed as an exemption;

B is:

- where the shareholder is a natural person, deceased estate, insolvent estate or trust, the ratio of the number 25 to the number 45;
- where the shareholder is:
 - a person other than a natural person, deceased estate, insolvent estate or trust; or
 - an insurer in respect of its company policyholder fund, corporate fund and risk policy fund, the ratio of the number 8 to the number 28; or
- where the shareholder is an insurer in respect of its individual policyholder fund, the ratio of the number 10 to the number 30; and

C is the aggregate of any foreign dividends received by or accrued to the shareholder during the year of assessment that is not exempt in terms of section 10B(2) of the Income Tax Act.

- 7.1.2.6 The above exemption would result in a shareholder effectively paying a maximum of 20% income tax in respect of the foreign dividend (which could be less if the shareholder is not taxed at the maximum marginal income tax rates).
- 7.1.2.7 Shareholders who are deemed to have elected to receive their distribution *in specie* by way of a dividend should not have any capital gains tax in respect of the distribution *in specie*. Such shareholders will obtain the NEPI Rockcastle shares at a base cost equal to the market value of the NEPI Rockcastle shares on the date of distribution.
- 7.1.2.8 There is no dividends tax in respect of the distribution *in specie*.
- 7.1.2.9 No STT will arise on the distribution of the NEPI Rockcastle shares as NEPI Rockcastle will not be listed on the JSE on the date of the distribution.

7.1.3 *Non-South African resident shareholders*

Non-South African tax resident shareholders should only be subject to South African tax in respect of the transactions under consideration if they have a permanent establishment in South Africa in which case they should seek professional advice.

7.1.4 *Fractional entitlement principle*

To the extent that the shareholders also receive a cash payment (as a result of the rounding down to the nearest whole number in respect of fractional entitlements), the roll-over relief should not apply to the extent of the (nominal) cash payment and such amount will either constitute gross income in the hands of the shareholders to the extent that they hold their shares as trading stock or as proceeds for the purposes of determining their capital gains tax liability (if any) pursuant to the disposal of the shares to the extent that they hold the shares as capital assets.

7.1.5 *Illustrative example of the South African tax implications for South African company and a South African individual shareholder*

- 7.1.5.1 The table below sets out an illustrative indication of the South African tax implications for South African company and South African individual shareholders for each of the following scenarios:

- the shareholder obtains the distribution *in specie* as a dividend; or
- the shareholder obtains the distribution *in specie* as a return of capital.

- 7.1.5.2 Please note that the example below is illustrative only and accordingly based on fictitious numbers for purposes of illustrating the concepts as opposed to the actual amounts involved. Accordingly, for purposes of the illustrative examples below, it is assumed that the amount of the dividend or return of capital will be R100 and that the base cost of the Rockcastle shares in the hands of the relevant shareholder is R50. The example furthermore assumes that the relevant shareholder holds the Rockcastle shares as capital assets.

- 7.1.5.3 The example furthermore only sets out the position for South African tax resident individual and company shareholders. It does not address the tax position for any other person, including a South African trust. Furthermore, it assumes that no particular exemptions are available to the shareholder (which exemptions may be available to a shareholder holding 10% or more of the shares in Rockcastle, or shareholders which enjoy general exemptions).
- 7.1.5.4 Having regard to the generic nature of the example set out below, no reliance should be placed thereon and a shareholder who is uncertain of their tax position should obtain tax advice from their own professional advisors.

Scenario	Company shareholder	Individual shareholder
Dividend		
Income tax	R0.00 ¹	R20.00 ²
Capital gains tax	R0.00 ³	R0.00 ³
Dividends tax	R0.00 ⁴	R0.00 ⁴
Securities transfer tax	R0.00 ⁵	R0.00 ⁵
Total tax cost	R0.00	R20.00⁶
Return of capital		
Income tax	R0.00 ⁷	R0.00 ⁷
Capital gains tax	R11.20 ⁸	R9.00 ⁹
Dividends tax	R0.00 ¹⁰	R0.00 ¹⁰
Securities transfer tax	R0.00 ⁵	R0.00 ⁵
Total tax cost	R11.20	R9.00⁶

Notes:

1. The dividend should be fully exempt from income tax in terms of section 10B(2)(e) of the Income Tax Act.
2. The dividend should only be partially exempt from income tax – the extent of the exemption depends on the marginal income tax rate applicable to the individual shareholder – the maximum income tax that will be payable on the dividend should be R20. Shareholders that fall within lower tax brackets than that resulting in the maximum income tax rate of 45%, may be subject to income tax at a lower amount.
3. As there is no disposal of the Rockcastle shares and no return of capital, there should be no capital gains tax in respect of the distribution of a dividend to the Rockcastle shareholder.
4. As the dividend is a dividend in kind, it does not fall within the South African dividends tax regime.
5. As there is no transfer of shares, there should be no securities transfer tax.
6. This is the maximum tax cost for individual shareholders – if they fall within lower tax brackets than that resulting in the maximum income tax rate of 45%, this amount may be lower.
7. Assuming the Rockcastle shares are held by the shareholder as capital assets.
8. This is determined as the capital gains tax rate applicable to companies multiplied by the difference between the amount of the return of capital and the base cost, i.e. in this example 22.4% x (R100 – R50).
9. This is determined as the maximum capital gains tax rate applicable to individuals multiplied by the difference between the amount of the return of capital and the base cost, i.e. in this example 18% x (R100 – R50). Individual shareholders that fall within lower tax brackets than that resulting in the maximum income tax rate of 45% may be subject to a lower amount of capital gains tax.
10. A return of capital does not fall within the South African dividends tax regime.

7.2 Mauritius

7.2.1 Distribution as a return of capital

- 7.2.1.1 A distribution *in specie* of a capital nature i.e as a return of capital, should be outside the scope of the Mauritian Income Tax Act 1995 (“MITA”) and should therefore be non-taxable.
- 7.2.1.2 This position has been confirmed by the Mauritius Revenue Authority in past years by way of tax rulings.
- 7.2.1.3 The distribution *in specie* as a return of capital should therefore be classified as a distribution of capital and be non-taxable in Mauritius in hands of both South African shareholders and non-South African shareholders.

7.2.2 Distribution as a dividend

- 7.2.2.1 Pursuant to item 1(a) of Part II Sub Part B of the Second Schedule to MITA, a distribution as a dividend is generally exempt from income tax.

- 7.2.2.2 A dividend distribution is exempt from tax provided that the distribution is:
 - (i) made either in cash or in shares;
 - (ii) is approved by the board of directors; and
 - (iii) is paid out of retained earnings after having made good of accumulated losses at the start of the year.
- 7.2.2.3 On the basis that it is made in shares and paid out of accumulated retained earnings, the distribution *in specie* as a dividend should be exempt from income tax.
- 7.2.2.4 The exemption should apply both to South African shareholders and non-South African shareholders.

8. APPROVALS REQUIRED

- 8.1 The Rockcastle disposal, distributions *in specie*, listing of NEPI Rockcastle and delisting and winding up of Rockcastle are all inter-conditional and form part of the composite Rockcastle transaction. The following resolutions will be put to shareholders at the general meeting in order to *inter alia* approve the Rockcastle transaction:
 - 8.1.1 an ordinary resolution of shareholders to approve the Rockcastle transaction, in terms of section 9.20(a) of the JSE Listings Requirements;
 - 8.1.2 a special resolution of shareholders to approve the Rockcastle disposal in terms of the SEM Rules;
 - 8.1.3 an ordinary resolution of shareholders authorising the board to make the distribution *in specie* to shareholders who wish to receive the distribution *in specie* as a dividend;
 - 8.1.4 an ordinary resolution of shareholders authorising the board to make the distribution *in specie* to shareholders who wish to receive the distribution *in specie* as a return of capital;
 - 8.1.5 a special resolution of shareholders authorising the board to issue shares to NEPI Rockcastle pursuant to the NEPI Rockcastle subscription;
 - 8.1.6 a special resolution of shareholders authorising the board to undertake a reduction of stated capital;
 - 8.1.7 an ordinary resolution of shareholders authorising the delisting from the JSE and SEM;
 - 8.1.8 a special resolution of shareholders authorising the company to initiate, as and when it deems fit, procedures for the winding-up of the company and/or removal of the company from the register of companies in Mauritius at any time following the implementation of the merger transaction; and
 - 8.1.9 a special resolution, *inter alia*, authorising the company do all such things as may be necessary to give full effect to the merger transaction.
- 8.2 The voting rights controlled by NEPI Rockcastle and its associates will not be taken into account in determining the outcome of the resolution contemplated in paragraph 8.1.5 above, although will be taken into account in determining the requisite quorum. It is however noted that, as at the last practicable date, neither NEPI Rockcastle nor any associate of NEPI Rockcastle held any shares in Rockcastle.
- 8.3 Those directors who hold a beneficial interest in Rockcastle shares intend voting in favour of all resolutions to be proposed at the general meeting.

9. BOARD OPINION AND RECOMMENDATION

The board of Rockcastle, having evaluated the rationale for, and the terms and conditions of, the Rockcastle transaction, is of the opinion that the Rockcastle transaction is beneficial to Rockcastle shareholders and recommends that Rockcastle shareholders vote in favour of the resolutions necessary to implement the Rockcastle transaction.

10. GENERAL MEETING

- 10.1 A general meeting of shareholders will be held at 12:00 Mauritian time (10:00 SA time) on Monday, 3 July 2017 at the registered office of the company at Rockcastle, Level 3, Alexander House, 35 Cybercity, Ebene, 72201, Mauritius, for shareholders to consider and, if deemed fit, pass with or without modification the resolutions set out in the notice of general meeting of shareholders attached to this circular.
- 10.2 Details of the actions required by shareholders are set out on page 8 of this circular.

SECTION TWO: FINANCIAL INFORMATION

11. CONSOLIDATED *PRO FORMA* FINANCIAL INFORMATION

- 11.1 The consolidated *pro forma* statement of comprehensive income and the consolidated *pro forma* statement of financial position (“**the *pro forma* financial statements**”) of Rockcastle, reflecting the effects of the merger transaction on Rockcastle, are set out in **Annexure 2**.
- 11.2 The *pro forma* financial statements have been prepared for illustrative purposes only, to provide information about how the merger transaction may have affected the financial position of Rockcastle assuming that the merger transaction had been implemented on 31 December 2016 for statement of financial position purposes and implemented on 1 January 2016 for statement of comprehensive income purposes. Due to their nature, the *pro forma* financial statements may not fairly represent Rockcastle’s financial position, changes in equity and results of operations or cash flows after the merger transaction.
- 11.3 The *pro forma* financial statements of Rockcastle, including the assumptions on which they are based and the financial information from which they have been prepared, are the responsibility of the board of directors of Rockcastle.
- 11.4 The *pro forma* financial statements have been reviewed by the independent reporting accountant whose report on the *pro forma* financial statements is contained in **Annexure 3** and will be available for inspection as set out in paragraph 31.
- 11.5 Set out in the table in paragraph 11.6 are the *pro forma* financial effects of the merger transaction on Rockcastle, extracted from the *pro forma* financial statements set out in **Annexure 2**. The *pro forma* financial effects are based on Rockcastle’s audited consolidated financial statements for the 18 months ended 31 December 2016 and summarised unaudited consolidated interim financial statements for the six months ended 31 December 2015, and should be read in conjunction with the independent reporting accountants assurance report included in **Annexure 3**.
- 11.6 The *pro forma* financial effects of the merger transaction on Rockcastle are as follows:

	Before the merger transaction	<i>Pro forma</i> after the merger transaction	% change
Net asset value per share (USD)	1.65	–	(100)
Net tangible asset value per share (USD)	1.62	–	(100)
Basic earnings per share (USD cents)	19.90	–	(100)
Headline earnings per share (USD cents)	14.50	–	(100)
Distribution per share (USD cents)	9.97	–	(100)

Detailed notes and assumptions regarding the *pro forma* financial statements are set out in **Annexure 2**.

- 11.7 Set out in the table in paragraph 11.9 below are the *pro forma* financial effects for a Rockcastle shareholder taking into account the swap ratio. These *pro forma* financial effects are based on the audited consolidated financial statements of Rockcastle for the 18 months ended 31 December 2016, the summarised unaudited consolidated interim financial statements of Rockcastle for the six months ended 31 December 2015, the consolidated financial statements report of NEPI for the year ended 31 December 2016 and the audited financial statements of NEPI Rockcastle for the period ended 31 December 2016.
- 11.8 The *pro forma* financial effects for a Rockcastle shareholder have been calculated in respect of 4.7 Rockcastle shares held before the implementation of the merger transaction and 1 NEPI Rockcastle share held after implementation of the merger transaction.

11.9 The *pro forma* financial effects of the merger transaction for a Rockcastle shareholder are as follows:

Per Rockcastle share/NEPI Rockcastle equivalent share	Before the merger transaction ¹	<i>Pro forma</i> after the merger transaction ²	% change
Net asset value per share (USD)	1.65	1.39	(15.7)
Net tangible asset value per share (USD)	1.62	1.35	(16.4)
Basic earnings per share (USD cents)	19.90	(14.55)	(173.1)
Headline earnings per share (USD cents)	14.50	9.81	(32.3)
Distribution per share (USD cents)	9.97	9.24	(7.3)

Notes and assumptions

1. The financial information in the “Before the merger transaction” column is set out in the consolidated *pro forma* financial statements in **Annexure 2**.
2. The financial information in the “*Pro forma* after the merger transaction” column is based on the financial information set out in the “*Pro forma* after the adjustments” column of the consolidated *pro forma* financial statements of NEPI Rockcastle, as set out in **Annexure 18** of the prospectus, divided by the swap ratio of 4.7, being 4.7 Rockcastle shares for 1 NEPI Rockcastle share, and converted from EUR (NEPI Rockcastle’s reporting currency) to USD (Rockcastle’s reporting currency) using the exchange rate of EUR1.00:USD1.054 as at 31 December 2016.

12. HISTORICAL FINANCIAL INFORMATION

- 12.1 The historical financial information of Rockcastle in respect of the audited 18 month period ended 31 December 2016 and the years ended 30 June 2015 and 30 June 2014 (“**historical financial information**”) has been incorporated by reference in terms of paragraph 11.61 of the JSE Listings Requirements and is available both on the company’s website at the following link: <http://www.rockcastleglobalre.mu/investor-relations/reports/> and for inspection as set out in paragraph 31.
- 12.2 The Rockcastle historical financial information has been audited by BDO & Co Ltd, who issued unqualified audit reports thereon.
- 12.3 The Rockcastle historical financial information is the responsibility of the board of directors of Rockcastle.
- 12.4 There have been no material changes in the historical financial information referred to in paragraph 12.1 since publication and the last practicable date of the circular.

SECTION THREE: ASSET PORTFOLIO

13. LISTED SECURITY PORTFOLIO

- 13.1 The listed security portfolio, which forms part of the Rockcastle assets as at the last practicable date, comprises shares in large, liquid real estate companies that dominate their markets and consistently outperform their competitors. As at 31 December 2016, the gross exposure of the listed security portfolio was US\$1 195 502 183, with the top ten investment holdings by gross exposure as at that date – representing 93% of Rockcastle's total gross listed security portfolio – set out below.

Gross listed security exposure*	Primary sector	Jurisdiction	Gross exposure as at 31 December 2016
(US\$m)			
Hammerson plc	Retail	Great Britain	394.2
Simon Property Group Inc	Retail	USA	205.5
Unibail – Rodamco	Retail	Europe	169.9
Avalonbay Communities Inc	Residential	USA	69.1
Ventas Inc	Healthcare	USA	64.1
Prologis Inc	Industrial	USA	62.2
Host Hotels & Resorts Inc	Hotel	USA	40.4
KIMCO Realty Corporation	Retail	USA	38.7
General Growth Properties	Retail	USA	32.0
Westfield Group	Retail	Australia	29.9
Total			1 106.00

* During the year ended 31 December 2016, revised prime brokerage agreements were signed with improved terms. As a result, the listed security portfolio as at 31 December 2016 represents only fully-funded derivative positions and physical positions. Positions disclosed under listed security investments in Rockcastle's audited annual financial statements for the 18 months ended 31 December 2016 include physical positions held at 31 December 2016 as well as derivative positions that are 100% collateralised in cash for funding and dividend yield optimisation purposes.

* In Rockcastle's audited annual financial statements for the 18 months ended 31 December 2016, listed security investments are categorised as financial investments at fair value through profit or loss with the fair value of the listed security investments determined based on quoted prices in active markets, and cash required to be held with prime brokers in order for the Rockcastle group to obtain exposure to the listed security portfolio is disclosed as equity derivative collateral.

- 13.2 Since 31 December 2016, Rockcastle has continued to implement its strategy of selling listed investments and re-investing the proceeds in direct properties and developments. Rockcastle has also been actively trading in listed securities in the intervening period, and will continue to do so until the merger implementation date. To facilitate the strategy of moving from listed investments to direct property, substantial long-term holdings were sold in favour of smaller and more liquid listed investments.

- 13.3 Following the implementation of the merger transaction, NEPI Rockcastle, intends to reduce its exposure to listed securities in favour of increasing direct property investments.

14. THE PROPERTY PORTFOLIO

- 14.1 As at 31 December 2016, Rockcastle's portfolio of investment properties comprised 13 income producing properties.

- 14.2 Property specific details of the property portfolio are set out in **Annexure 4**.

15. ANALYSIS OF THE PROPERTIES ON A PORTFOLIO BASIS

An analysis of the property portfolio in respect of geographic, sectoral, tenant, vacancy, and lease expiry profiles, as well as the rental per square metre, rental escalation and average annualised property yield, as at 31 December 2016, is provided in the tables below.

15.1 Geographic profile

	Based on GLA %	Based on gross rentals %
Poland	86	89
Czech Republic	11	6
Zambia	3	4
UK	<1	<1
Total	100	100

15.2 Sectoral profile

	Based on GLA %	Based on gross rentals %
Retail	99	99
Office	<1	<1
Residential	<1	<1
Total	100	100

15.3 Tenant profile

	Based on GLA %	Based on gross rentals %
A	65	51
B	5	5
C	30	44
Total	100	100

For the tenant profile table, the following key is applicable:

- A. Large international and national tenants, large listed tenants, government and major franchisees (companies with assets and/or turnovers in excess of €200 million).
- B. Smaller international and national tenants, smaller listed tenants and medium to large professional firms (companies with assets and/or turnovers ranging from €100 to €200 million).
- C. Other local tenants and sole proprietors. This comprises 633 tenants.

15.4 Vacancy profile

Based on existing leases, the portfolio has an aggregate vacancy of 33 748m² which represents 8% of the total GLA. Out of the 33 748m² of rentable area vacant as at 31 December 2016, 31 461m² was retail space (93%) and 2 287m² was office (7%).

15.5 Lease expiry profile

15.5.1 *Retail*

	Based on GLA %	Based on gross rentals %
To 31 December		
Vacant	7	0
2017	4	5
2018	12	18
2019	29	36
2020	8	9
2021	12	15
2022	2	2
2023	3	3
2024	4	4
2025	2	1
>2025	17	7
Total retail	100	100

15.5.2 *Office*

	Based on GLA %	Based on gross rentals %
To 31 December		
Vacant	67	0
2017	21	59
2018	0	0
2019	9	27
2020	0	0
2021	0	0
2022	0	0
2023	0	0
2024	0	0
2025	0	0
>2025	3	14
Total residential	100	100

15.5.3 *Residential*

	Based on GLA %	Based on gross rentals %
To 31 December		
Vacant	0	0
2017	100	100
2018	0	0
2019	0	0
2020	0	0
2021	0	0
2022	0	0
2023	0	0
2024	0	0
2025	0	0
>2025	0	0
Total residential	100	100

15.5.4 *Total portfolio*

	Based on GLA %	Based on gross rentals %
To 31 December		
Vacant	8	0
2017	4	5
2018	12	18
2019	29	36
2020	8	9
2021	12	15
2022	2	2
2023	3	3
2024	4	4
2025	2	1
>2025	16	7
Total	100	100

15.6 **Weighted average rental per square metre**

	Based on GLA €/m ² /month
Retail	14.6
Office	4.9
Residential	4.0
Total	14.5

15.7 **Weighted average rental escalations**

	Based on GLA %
In 2016	
Retail	0.77
Office	0.02
Residential	0.00
Total	0.77

15.8 **Average annualised yield**

The average annualised property yield, based on the net property income attributable to the property portfolio for the year ended 31 December 2016, is 6.1%.

16. **VALUATION REPORTS**

16.1 The properties were valued by one of:

- 16.1.1 Mark Freeman of Cushman & Wakefield Polska Sp.z.o.o, who is an independent registered professional valuer and a professional associate of The Royal Institution of Chartered Surveyors;
- 16.1.2 Jan Zibura MRICS and Petra Piskova MRICS of Jones Lang LaSalle, s.r.o., both independent external registered professional valuers and members of The Royal Institution of Chartered Surveyors, a recognised property valuers regulatory body;
- 16.1.3 Peter Parfitt of Quadrant Properties Proprietary Limited, an independent external registered professional valuer registered in terms of the South African Property Valuers Profession Act, No. 47 of 2000; or
- 16.1.4 John O'Neill BLE FRICS of Cushman & Wakefield LLP, an independent external registered professional valuer and member of The Royal Institution of Chartered Surveyors, a recognised property valuers regulatory body.

- 16.2 Detailed valuation reports have been prepared in respect of each of the properties and will be available for inspection as is set out in paragraph 31. The summary of the detailed valuation reports has been incorporated by reference in terms of paragraph 11.61 of the JSE Listings Requirements and is available in the prospectus and on the company's website at the following link: <http://www.rockcastleglobalre.com/investor-relations/reports/>.

17. RELATIONSHIP INFORMATION

- 17.1 None of the directors or the promoters, have had any beneficial interests, direct or indirect, in relation to any property held or property to be acquired by the company nor are they contracted to become a tenant of any part of the property of the company.
- 17.2 There is no relationship between any parties mentioned in paragraph 17.1 above and another person that may conflict with a duty to the group.
- 17.3 The property management function of the group is partly undertaken internally, and partly outsourced on market-related terms to the external property valuers set out in **Annexure 5**.
- 17.4 Where undertaken internally, the property management function is undertaken by an in-country management team with a proven real estate track record in the relevant region, and that benefits from a strong understanding of the property portfolio and long-term relationships with tenants.
- 17.5 Save in respect of Bonarka City Center, where the centre manager leases office space in the mall, no external property manager nor any members of any external property manager has any beneficial interest, direct or indirect, in relation to any property held by the group or any property to be acquired by the group, nor is any external property manager or any member of any external property manager contracted to become a tenant of any part of the property of the group.
- 17.6 No external property manager has any beneficial interest, direct or indirect, in any securities or participatory interests to be issued by the company in order to finance the acquisition of any properties.
- 17.7 Further details of the external property managers are set out in **Annexure 5**. The property management agreements will be available for inspection in terms of paragraph 31.
- 17.8 The vendors of the properties acquired by the group did not have any beneficial interest, direct or indirect, in any securities or participatory interests issued or to be issued by the group in order to finance the acquisition of any properties in the property portfolio.
- 17.9 Save as in relation to the directors' holdings of Rockcastle shares as disclosed in paragraph 22 below, the directors of Rockcastle and the promoters have not had a material beneficial interest, whether directly or indirectly, in the acquisition or disposal of any properties of the group during the two years preceding the date of the valuations.

SECTION FOUR: ADDITIONAL MATERIAL INFORMATION

18. HISTORY AND NATURE OF BUSINESS

- 18.1 Rockcastle was established in Mauritius as a category one Global Business Licence company with the primary objective of investing in global real estate assets and companies that are high yielding with the prospect of capital appreciation. Its investments may comprise global real estate securities, unlisted or over-the-counter real estate securities, other instruments derived from such real estate securities, and a global portfolio of direct property assets (which the company owns and manages), including commercial property development projects, existing properties and real estate companies.
- 18.2 Historically, Rockcastle's investments have comprised listed real estate securities in selected developed jurisdictions including Canada, New Zealand, Australia, Singapore, France, the Netherlands, Hong Kong, the United States and the United Kingdom. However, Rockcastle has since 2015 aggressively implemented its strategy of selling listed investments and reinvesting the proceeds in direct properties and developments particularly in Poland and the Czech Republic.

19. DIVIDENDS

- 19.1 Following the listing of NEPI Rockcastle on the JSE and Euronext Amsterdam, NEPI Rockcastle intends distributing at least 90% of its distributable income to shareholders. NEPI Rockcastle's first dividend will be in respect of the period from 1 January 2017 to 30 June 2017.
- 19.2 Further details of NEPI Rockcastle's dividend policy are set out in paragraph 22 of the prospectus.

20. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

- 20.1 The following is not a comprehensive statement of the Exchange Control Regulations, but merely a brief summary of the application of some of these regulations in respect of the distributions *in specie*. Shareholders who are in any doubt as to the action they should take should consult their professional advisors.
- 20.2 Should any cash become payable to an emigrant from South Africa, such amount will be forwarded to the authorised dealer in foreign exchange controlling the emigrant's remaining South African assets for credit to the emigrant's blocked accounts. Payments to non-residents are freely transferable from South Africa.
- 20.3 A certificated shareholder who is an emigrant and whose documents of title have been restrictively endorsed under the Exchange Control Regulations will, following the distributions *in specie*, have their new documents of title similarly endorsed "emigrant" and sent to the authorised dealer controlling the blocked assets of the emigrant.
- 20.4 A dematerialised shareholder, whose registration as a holder has been marked as being an emigrant will, following the distributions *in specie*, have their dematerialised NEPI Rockcastle shares credited to their emigrant blocked share accounts at the CSDP controlling their blocked portfolios.
- 20.5 A non-resident of South Africa who is reflected in the register as having an address outside the common monetary area and whose document/s of title are in dematerialised form and have been restrictively endorsed under the Exchange Control Regulations, will have the new documents of title credited to the share account at the CSDP controlling the portfolio.
- 20.6 A non-resident of South Africa who is reflected in the register as having an address outside the common monetary area and whose document/s of title are in certificated form and have been restrictively endorsed under the Exchange Control Regulations, will have the new documents of title forwarded to the authorised dealer in foreign exchange in South Africa nominated by the holder or, failing such nomination, issue the relevant NEPI Rockcastle shares by crediting them to an account in the name of the Rockcastle shareholder with the SA Transfer Secretaries, until such time as such Rockcastle shareholder has opened a CSDP or broker account, at which point the relevant NEPI Rockcastle shares will be credited to the account of the Rockcastle shareholder's nominated CSDP or broker, as the case may be.

21. DIRECTORS' EMOLUMENTS

21.1 Disclosure of the remuneration of directors for the 18 months ended 31 December 2016 in terms of the SEM Rules.

Name	Remuneration paid by the group USD	Bonus paid by the group USD	Fees for services as a director USD	Total USD
Mark Olivier	–	–	33 000	33 000
Spiros Noussis	718 000	408 000	–	1 127 000
Nick Matulovich	368 000	208 000	–	577 000
Karen Bodenstein ¹	48 000	–	–	48 000
Marek Pawel Noetzel ²	112 000	20 000	–	132 000
Paul Pretorius ³	75 000	–	–	75 000
Barry Stuhler ⁶	–	–	27 000	27 000
Yan Ng ⁵	–	–	–	–
Rory Kirk	–	–	33 000	33 000
André van der Veer	–	–	33 000	33 000
Andries de Lange ⁴	–	–	6 000	6 000
Total	1 322 000	637 000	132 000	2 090 000

1. Karen Bodenstein was appointed to the board in November 2015.

2. Marek Noetzel was appointed to the board in August 2016.

3. Paul Pretorius resigned from the board in November 2015.

4. Andries de Lange resigned from the board in September 2015.

5. Yan Ng's remuneration is incorporated into the fees paid by the company to Intercontinental Trust Limited, the Company Secretary.

6. Barry Stuhler was appointed to the board in September 2015.

7. The company did not pay any fees, benefits or bonuses to directors other than the remuneration as disclosed in the table above.

21.2 Save as envisaged in this circular, the remuneration of the directors of Rockcastle will not be affected by the Rockcastle transaction. However, the merger transaction contemplates the delisting of Rockcastle from the JSE and SEM, to be (in the sole discretion of the board of directors) ultimately wound-up, whereupon the board of directors will be dissolved. A new board of directors has been constituted for NEPI Rockcastle. Details of directorships is set out in paragraph 2 of the prospectus.

21.3 Other than existing service contracts with executive directors and the Company Secretary, the company has not entered into any other contracts relating to the directors' and managerial remuneration, secretarial and technical fees and restraint payments.

22. DIRECTORS' INTERESTS

22.1 Directors' interests in Rockcastle shares

22.1.1 Set out below are the interests of directors in the company as at 31 December 2016, being the end of the preceding financial year. This includes the interests of persons who are no longer directors, but resigned during the 18 months preceding the last practicable date. Direct and indirect beneficial interests are disclosed. In addition, interests of associates of directors, where the director has no beneficial interest, are separately disclosed (this relates principally to the holdings of spouse and minor children):

Director	Beneficial		Associates	Total	%
	Direct	Indirect			
Mark Olivier	–	410 296	–	410 296	0.04
Spiros Noussis	–	7 801 789	7 775	7 809 564	0.83
Nick Matulovich	69 984	4 101 692	–	4 106 526	0.44
Karen Bodenstein	–	–	–	–	–
Marek Noetzel	381 244	–	–	381 244	0.04
Barry Stuhler	–	10 938 140	–	10 938 140	1.16
Yan Ng	–	–	–	–	–
Rory Kirk	1 085	–	–	1 085	<0.01
André van der Veer	59 650	–	3 252	62 902	0.01
Total	511 963	23 251 917	11 027	23 774 907	2.47

- 22.1.2 Set out below are the interests of directors in the company post the implementation of the scrip dividend undertaken for the six months ended 31 December 2016. This includes the interests of persons who are no longer directors, but resigned during the 18 months preceding the last practicable date. Direct and indirect beneficial interests are disclosed. In addition, interests of associates of directors, where the director has no beneficial interest, are separately disclosed (this relates principally to the holdings of spouse and minor children):

Director	Beneficial		Associates	Total	%
	Direct	Indirect			
Mark Olivier	–	419 593	–	419 593	0.04
Spiros Noussis	–	7 807 615	7 954	7 815 569	0.81
Nick Matulovich	71 569	3 934 067	–	4 005 636	0.42
Karen Bodenstein	–	–	–	–	–
Marek Noetzel	389 883	–	–	389 883	0.04
Barry Stuhler	–	11 185 998	–	11 185 998	1.16
Yan Ng	–	–	–	–	–
Rory Kirk	1 110	–	–	1 110	<0.01
André van der Veer	84 584	–	5 829	90 413	0.01
Total	547 146	23 358 300	13 783	23 919 229	2.48

- 22.1.3 On 1 March 2017, Andre van der Veer and Laurine van der Veer (an associate of Andre van der Veer) acquired 21 479 and 2 448 Rockcastle shares, respectively, on-market through the JSE. After 31 December 2016, an associate of Nick Matulovich ceased to be his associate, which had the effect of reducing his indirect non-beneficial holding in Rockcastle. Save for these acquisitions and reductions and save for such acquisitions and any increase in shareholding pursuant to the scrip dividend undertaken for the six months ended 31 December 2016, there have been no changes to the interests of the directors of Rockcastle in Rockcastle shares between the end of the financial year ended 31 December 2016 and the last practicable date.

22.2 Directors' interests in transactions

- 22.2.1 Save as in relation to their holding of Rockcastle shares as disclosed in paragraph 22.1 above and their holdings in NEPI shares as set out in **Annexure 6**, none of the directors of Rockcastle will benefit directly or indirectly, in any manner as a consequence of the implementation of the merger transaction.
- 22.2.2 Save for paragraph 22.2.1 above, none of the directors of Rockcastle, including a director who resigned during the last 18 months, has or had any material beneficial interest, direct or indirect, in transactions that were effected by Rockcastle during the current or immediately preceding financial year or during any earlier financial year and which remain in any respect outstanding or unperformed.
- 22.2.3 There is no contract or arrangement subsisting at the date of this circular in which a director of the company is materially interested and which is significant in relation to the business of the group.

23. MAJOR AND CONTROLLING SHAREHOLDERS

- 23.1 Set out below are the names of shareholders, other than directors who, directly or indirectly, are beneficially interested in 5% or more of the issued shares of Rockcastle as at the last practicable date.

Name of shareholder	Number of shares	%
Resilient Properties Proprietary Limited*	165 523 205	17.2
Fortress Income 2 Proprietary Limited**	147 381 272	15.3
Public Investment Corporation Limited	59 393 524	6.2
Total	372 403 457	38.7

* Where holdings are aggregated on a group basis, Resilient REIT Limited holds 200 403 894 shares as at the last practicable date, representing 20.8% of Rockcastle's issued share capital.

** Where holdings are aggregated on a group basis, Fortress Income Fund Limited holds 358 432 099 shares as at the last practicable date, representing 37.2% of Rockcastle's issued share capital.

- 23.2 During the last five years the company has not had a controlling shareholder. However, when aggregated on a group basis, Fortress Income Fund Limited is a controlling shareholder of Rockcastle.

24. MATERIAL CONTRACTS

Save for the summaries of the material contracts of the group set out in **Annexure 7**, the Rockcastle group has not entered into any other material contract either verbally or in writing, being restrictive funding arrangements and/or contracts entered into otherwise than in the ordinary course of the business carried on, or proposed to be carried on, within the two years prior to the date of the circular; or at any time and containing an obligation or settlement that is material to Rockcastle or any of its subsidiaries at the date of the circular.

25. MATERIAL CHANGES

Save for the merger transaction:

25.1 there have been no material changes in the financial or trading position of the group since Rockcastle published its audited results for the 18 month period ended 31 December 2016 and the date of the circular; and

25.2 there has been no change in the business or trading objects of the Rockcastle group during the past five years.

26. MATERIAL BORROWINGS

Post the implementation of the merger transaction, the borrowings of Rockcastle will be transferred to NEPI Rockcastle. Shareholders are referred to the prospectus for details of the material borrowings of NEPI Rockcastle.

27. LITIGATION STATEMENT

There are no legal or arbitration proceedings which may have, or have during the 12 months preceding the date of this circular had, a material effect on the financial position of the group. Rockcastle is not aware of any other proceedings that would have a material effect on the financial position of the group or which are pending or threatened against the group.

28. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are set out on page 21 of this circular, 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 the omission of which would make any statement false or misleading and that they have made all reasonable enquiries to ascertain such facts and that this circular contains all information required by law and the JSE Listings Requirements.

29. CONSENTS

29.1 Each of the JSE sponsor, the independent reporting accountant, the independent JSE transaction sponsor, the transactional legal advisor, the Mauritian legal advisor, the Mauritian tax advisor, the SEM authorised representative and sponsor, the Company Secretary and the SA Transfer Secretaries have consented in writing to act in the capacities stated and to their names appearing in this circular and have not withdrawn their consent prior to the publication of this circular.

29.2 The independent reporting accountant has consented to the inclusion of its report in the form and context in which it is included in the circular, which consent has not been withdrawn prior to the publication of this circular.

30. PRELIMINARY EXPENSES AND ISSUE EXPENSES

The estimated preliminary and issue expenses (excluding VAT) relating to the merger transaction which have been incurred in respect of the Rockcastle transaction are presented in the table below. The merger transaction agreements provide that the costs of listing NEPI Rockcastle on the JSE and on Euronext Amsterdam, as well as the costs of obtaining competition approval of the merger transaction will be borne 60% by NEPI and 40% by Rockcastle. All costs of each party that become payable after completion of the merger transaction shall be borne by NEPI Rockcastle.

Advisor	Payable to	USD
JSE sponsor fees	Java Capital	258 875
Independent JSE transaction sponsor fees	Nedbank	60 000
Transactional advisory legal fees	Dentons	100 000
SEM documentation fees: substantial transaction	SEM	1 000
SEM sponsor fees	Perigeum	6 000
Independent reporting accountant's fees	PWC	12 160
Mauritian legal advisory fees	C&A Law	5 000
Mauritian tax advisory fees	Safyr Utilis	2 000
Restructuring fees	B&I Advisory	100 000

Advisor	Payable to	USD
Printing and other costs	INCE	60 000
JSE documentation fees: category 1 disposal and distributions <i>in specie</i>	JSE	3 386
Contingency		150 000
Total		758 421

31. DOCUMENTS AND CONSENTS TO BE AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the company's registered office and at the JSE sponsor's office, at no charge, during the respective business hours in Mauritius and South Africa, on weekdays (official public holidays excluded) for a period of 14 business days from the date of this circular:

- 31.1 the circular;
- 31.2 the prospectus;
- 31.3 the NEPI circular;
- 31.4 the constitution of Rockcastle and its major subsidiaries;
- 31.5 the memorandum and articles of association of NEPI Rockcastle;
- 31.6 the material contracts referred to in **Annexure 7**;
- 31.7 the loan agreements in respect of the loans referred to in the prospectus;
- 31.8 the property management agreements, the salient details of which are set out in **Annexure 5**;
- 31.9 the summary valuation report and the detailed valuation reports referred to in paragraph 16 above;
- 31.10 copies of service agreements with executive directors;
- 31.11 the signed report prepared by the independent reporting accountant, the text of which is set out in **Annexure 3**;
- 31.12 the written consents detailed in paragraph 29 above; and
- 31.13 the audited annual financial statements of Rockcastle for the 18 month period ended 31 December 2016 and the years ended 30 June 2015 and 30 June 2014.

32. INCORPORATED BY REFERENCE

The following information has been incorporated by reference and is available for viewing on the company's website as set out below and is available for inspection at the company's registered office and at the JSE sponsor's office, at no charge, during the respective business hours in Mauritius and South Africa, for a period of 14 business days from the date of this circular, in accordance with the provisions of paragraph 31 above. Where information has materially changed since publication and the last practicable date, such changes have been disclosed.

Information incorporated by reference	Website link
The summary valuation report prepared by the independent property valuer on the property portfolio	http://www.rockcastleglobalre.com/investor-relations/reports/
The historical financial information of Rockcastle in respect of the audited 18 month period ended 31 December 2016 and the years ended 30 June 2015 and 30 June 2014	http://www.rockcastleglobalre.mu/investor-relations/reports/

Signed in London by Spiros Noussis on his behalf and on behalf of all the directors of the company on Wednesday, 17 May 2017

Spiros Noussis
Chief Executive Officer

26 May 2017

TABLE OF ENTITLEMENTS

Pursuant to the merger transaction, shareholders are to receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held on the record date. The table of entitlements in this regard is set out below. The allocation of NEPI Rockcastle shares in terms of the Rockcastle transaction will be such that any entitlement to a fraction of a NEPI Rockcastle share will be rounded down to the nearest whole number (resulting in the allocation of whole NEPI Rockcastle shares only), with a cash payment being made to the relevant shareholder in respect of the fraction.

Number of Rockcastle shares held	Rounded number of NEPI Rockcastle shares to which a shareholder is entitled	Number of Rockcastle shares held	Rounded number of NEPI Rockcastle shares to which a shareholder is entitled
1	0.00	53	11.00
2	0.00	54	11.00
3	0.00	55	11.00
4	0.00	56	11.00
5	1.00	57	12.00
6	1.00	58	12.00
7	1.00	59	12.00
8	1.00	60	12.00
9	1.00	61	12.00
10	2.00	62	13.00
11	2.00	63	13.00
12	2.00	64	13.00
13	2.00	65	13.00
14	2.00	66	14.00
15	3.00	67	14.00
16	3.00	68	14.00
17	3.00	69	14.00
18	3.00	70	14.00
19	4.00	71	15.00
20	4.00	72	15.00
21	4.00	73	15.00
22	4.00	74	15.00
23	4.00	75	15.00
24	5.00	76	16.00
25	5.00	77	16.00
26	5.00	78	16.00
27	5.00	79	16.00
28	5.00	80	17.00

Number of Rockcastle shares held	Rounded number of NEPI Rockcastle shares to which a shareholder is entitled	Number of Rockcastle shares held	Rounded number of NEPI Rockcastle shares to which a shareholder is entitled
29	6.00	81	17.00
30	6.00	82	17.00
31	6.00	83	17.00
32	6.00	84	17.00
33	7.00	85	18.00
34	7.00	86	18.00
35	7.00	87	18.00
36	7.00	88	18.00
37	7.00	89	18.00
38	8.00	90	19.00
39	8.00	91	19.00
40	8.00	92	19.00
41	8.00	93	19.00
42	8.00	94	20.00
43	9.00	95	20.00
44	9.00	96	20.00
45	9.00	97	20.00
46	9.00	98	20.00
47	10.00	99	21.00
48	10.00	100	21.00
49	10.00	1 000	212.00
50	10.00	10 000	2 127.00
51	10.00	100 000	21 276.00
52	11.00	1 000 000	212 765.00

CONSOLIDATED *PRO FORMA* FINANCIAL INFORMATION

Set out below is the consolidated *pro forma* statement of comprehensive income and the consolidated *pro forma* statement of financial position (“**the *pro forma* financial statements**”) of Rockcastle, reflecting the effects of the merger transaction (including the distributions *in specie*) on Rockcastle.

The *pro forma* financial statements have been prepared for illustrative purposes only to provide information about how the merger transaction may have affected the financial position of Rockcastle assuming the merger transaction had been implemented on 31 December 2016 for statement of financial position purposes and implemented on 1 January 2016 for statement of comprehensive income purposes. Due to their nature, the *pro forma* financial statements may not fairly represent Rockcastle’s financial position, changes in equity and results of operations or cash flows after the merger transaction.

The *pro forma* financial statements of Rockcastle, including the assumptions on which they are based and the financial information from which they have been prepared, are the responsibility of the board of directors of Rockcastle.

The *pro forma* financial statements have been prepared in compliance with IFRS, The Guide on *Pro forma* Financial Information issued by SAICA and the accounting policies of the company.

The *pro forma* financial statements have been reviewed by the independent reporting accountants whose report on the *pro forma* financial statements is set out in **Annexure 3**.

PRO FORMA STATEMENT OF FINANCIAL POSITION

	Rockcastle as at 31 December 2016 Note 1 USD'000	Adjustment for transaction costs Note 2 USD'000	Adjustment for subsequent events Note 3 USD'000	Adjustment for the NEPI Rockcastle share subscription Note 4 USD'000	Adjustment for the Rockcastle disposal Note 5 USD'000	Adjustment for the distributions <i>in specie</i> and the delisting and winding up of Rockcastle Note 6 USD'000	<i>Pro forma</i> after the adjustments USD'000
ASSETS							
Non-current assets	1 739 084	–	–	–	(1 739 084)	–	–
Investment property	1 258 786	–	–	–	(1 258 786)	–	–
Straight-lining of rental revenue adjustment	199	–	–	–	(199)	–	–
Investment property under development	5 611	–	–	–	(5 611)	–	–
Intangible assets	7 341	–	–	–	(7 341)	–	–
Goodwill	17 433	–	–	–	(17 433)	–	–
Listed security investments	383 994	–	–	–	(383 994)	–	–
Property, plant and equipment	499	–	–	–	(499)	–	–
Investment in and loans to joint ventures	37 000	–	–	–	(37 000)	–	–
Rockcastle management incentive loans	26 968	–	–	–	(26 968)	–	–
Deferred tax assets	1 253	–	–	–	(1 253)	–	–
Current assets	340 218	(758)	–	–	2 082 856	(2 413 650)	–
Equity derivative collateral	244 524	–	–	–	(244 524)	–	–
Financial assets at fair value through profit or loss	18 004	–	–	–	(18 004)	–	–
Investment income receivable	2 810	–	–	–	(2 810)	–	–
Trade and other receivables	50 376	–	–	–	(50 376)	–	–
Income tax receivable	414	–	–	–	(414)	–	–
NEPI Rockcastle shares for distribution	–	–	–	–	2 413 650	(2 413 650)	–
Cash and cash equivalents	24 090	(758)	(8 665)	–	(14 667)	–	–
Total assets	2 079 302	(758)	(8 665)	–	343 772	(2 413 650)	–

	Rockcastle as at 31 December 2016	Adjustment for transaction costs	Adjustment for subsequent events	Adjustment for the NEPI Rockcastle share subscription	Adjustment for the Rockcastle disposal	Adjustment for the distributions in <i>specie</i> and the delisting and winding up of Rockcastle	<i>Pro forma</i> after the adjustments
	Note 1 USD'000	Note 2 USD'000	Note 3 USD' 000	Note 4 USD'000	Note 5 USD'000	Note 6 USD'000	USD'000
EQUITY AND LIABILITIES							
Total equity attributable to equity holders	1 556 106	(758)	(8 665)	–	866 968	(2 413 650)	–
Stated capital	1 383 676	–	40 398	989 576	–	(2 413 650)	–
Retained income	371 467	(758)	(49 063)	(989 576)	866 968	(199 037)	–
Non-distributable reserves	(168 723)	–	–	–	–	168 723	–
Currency translation reserve	(30 314)	–	–	–	–	30 314	–
Non-controlling interest	532	–	–	–	(532)	–	–
Total equity	1 556 638	(758)	(8 665)	–	868 436	(2 413 650)	–
Total liabilities	522 664	–	–	–	(522 664)	–	–
Non-current liabilities	450 552	–	–	–	(450 552)	–	–
Interest-bearing borrowings	425 230	–	–	–	(425 230)	–	–
Deferred tax liabilities	25 322	–	–	–	(25 322)	–	–
Current liabilities	72 112	–	–	–	(72 112)	–	–
Financial liabilities at fair value through profit or loss	6 633	–	–	–	(6 633)	–	–
Interest-bearing borrowings	1 538	–	–	–	(1 538)	–	–
Trade and other payables	63 872	–	–	–	(63 872)	–	–
Income tax payable	69	–	–	–	(69)	–	–
Total equity and liabilities	2 079 302	(758)	(8 665)	–	343 772	(2 413 650)	–

	Rockcastle as at 31 December 2016 Note 1 USD'000	Adjustment for transaction costs Note 2 USD'000	Adjustment for subsequent events Note 3 USD' 000	Adjustment for the NEPI Rockcastle share subscription Note 4 USD'000	Adjustment for the Rockcastle disposal Note 5 USD'000	Adjustment for the distributions in <i>specie</i> and the delisting and winding up of Rockcastle Note 6 USD'000	<i>Pro forma</i> after the adjustments USD'000
Net asset value & Net tangible asset value per share							
Net asset value	1 556 638	(758)	(8 665)	–	866 436	(2 413 650)	–
Intangible asset	(7 341)	–	–	–	7 341	–	–
Goodwill	(17 433)	–	–	–	17 433	–	–
Net tangible asset value	1 531 864	(758)	(8 665)	–	891 210	(2 413 650)	–
Net asset value per share							
(USD)	1.65	–	–	–	–	–	–
Net tangible asset value per share (USD)	1.62	–	–	–	–	–	–
Number of shares in issue	–	–	–	–	–	–	–
Total number of share in issue	945 502 019	–	17 653 890	394 885 776	–	(1 358 041 685)	–

Notes and assumptions:

1. Extracted, without adjustment, from the audited consolidated financial statements of Rockcastle for the 18 months ended 31 December 2016.
2. Represents the adjustment for the once-off transaction costs of USD0.76 million as set out in paragraph 30 of this circular.
3. Represents the adjustment for the return of capital and the related costs of USD29 224 whereby shareholders were given the option to receive their dividend for the six months ended 31 December 2016 either in cash at USD 0.05189 per share or as a return of capital by way of an issue of 2.266 new Rockcastle shares for every 100 Rockcastle shares held on record date, being 17 February 2017. In accordance with the result of the dividend election, 17 653 890 new Rockcastle shares are issued at an issue price of USD2.29 per share, with the remainder of the dividend being paid out in cash totalling USD8.636 million
4. Represents the adjustment for the NEPI Rockcastle subscription. Prior to the issue of NEPI Rockcastle shares to NEPI and Rockcastle shareholders pursuant to the implementation of the merger, NEPI Rockcastle will subscribe for such number of ordinary shares in Rockcastle which will be determined by the difference between the quantum of stated capital that is available and the quantum which is required to meet the shareholder elections for all shareholders electing to receive the distribution *in specie* as a return of capital. For purposes of this *pro forma* consolidated statement of financial position, the number of Rockcastle shares to be issued to NEPI Rockcastle has been determined assuming all shareholders elect to receive the distribution *in specie* as a return of capital, and with reference to (i) Rockcastle's stated capital as at 31 December 2016 and (ii) an inferred market capitalisation of Rockcastle determined based on the NEPI share price and USD:ZAR exchange rate as at the last practicable date, calculated in accordance with the swap ratio. The actual number of Rockcastle shares to be issued will be determined with reference to actual shareholder elections to receive the distribution *in specie* as a return of capital, and with reference to (i) Rockcastle's stated capital as at the merger implementation date and (ii) an inferred market capitalisation of Rockcastle as at the merger implementation date, determined based on the NEPI share price and USD:ZAR exchange rate as at the merger implementation date, calculated in accordance with the swap ratio. On the assumption that 100% of shareholders elect to receive a distribution *in specie* as a return of capital and based on the aforementioned assumptions, USD 989.58 million additional stated capital is required in order to ensure that the stated capital is equal to the assumed consideration for the sale of the Rockcastle assets of USD2 413.65 million. Immediately following the NEPI Rockcastle share subscription, NEPI Rockcastle shares shall be issued to Rockcastle shareholders.
5. Represents the adjustment for the Rockcastle disposal, in terms of which Rockcastle sells all of its assets and liabilities, including 100% of the issued share capital of the subsidiary undertakings directly held by Rockcastle, in consideration for the ultimate issue to Rockcastle shareholders of 1 NEPI Rockcastle share for every 4.7 Rockcastle shares in terms of the swap ratio. The aggregate value of the consideration shares is USD2 413.65 million (based on closing prices on 12 May 2017, being the last practicable date, of ZAR157.12 per NEPI share and an exchange rate of USD1.00:ZAR13.34).
6. Represents the adjustment for the distributions *in specie*. It is assumed that shareholders elect to receive the distributions *in specie* as a return of capital to the amount of stated capital, being USD2 413.65 million which is made up of the stated capital as at 31 December 2016, adjusted for the scrip dividend. Rockcastle is then delisted and wound up.
7. Rockcastle's investment property is classified as level three in terms of the IFRS13 fair value hierarchy. Please refer to note 3 of Rockcastle's audited consolidated financial statements for the 18 months ended 31 December 2016.
8. Save for transaction costs, all adjustments are expected to have a continuing effect.

PRO FORMA STATEMENT OF COMPREHENSIVE INCOME

	Rockcastle results for the 18 months ended 31 December 2016 Note 1 USD'000	Rockcastle results for the 6 months ended 31 December 2015 Note 2 USD'000	Rockcastle results for the 12 months ended 31 December 2016 Note 3 USD'000	Adjustment for transaction costs Note 4 USD' 000	Adjustment for subsequent events Note 5 USD'000	Adjustment for the Rockcastle disposal Note 6 USD'000	Adjustment for the distributions <i>in specie</i> and the delisting and winding up of Rockcastle Note 7 USD'000	<i>Pro forma</i> after the adjustments USD'000
Net rental and related revenue	36 942	(4 619)	32 323	–	–	(32 323)	–	–
Recoveries and contractual rental revenue	49 417	(5 404)	44 013	–	–	(44 013)	–	–
Straight-lining of rental revenue adjustment	199	(625)	(426)	–	–	426	–	–
Rental revenue	49 616	(6 029)	43 587	–	–	(43 587)	–	–
Property operating expenses	(12 674)	1 410	(11 264)	–	–	11 264	–	–
Income from derivatives and listed securities	90 254	(32 730)	57 524	–	–	(57 524)	–	–
Income from joint ventures	8 263	(609)	7 654	–	–	(7 654)	–	–
Gain on acquisition of subsidiary	1 731	–	1 731	–	–	(1 731)	–	–
Fair value gain on investment property and listed security investments	134 200	(63 076)	71 124	–	–	(71 124)	–	–
Adjustment resulting from straight-lining of rental revenue	(199)	625	426	–	–	(426)	–	–
Fair value gain on investment property	43 228	–	43 228	–	–	(43 228)	–	–
Fair value loss of financial instruments at fair value through profit or loss	(19 407)	–	(19 407)	–	–	19 407	–	–
Fair value gain on listed security investments	110 578	(63 701)	46 877	–	–	(46 877)	–	–
Foreign exchange gain/(loss)	12 169	(1 225)	10 944	–	–	(10 944)	–	–
Transaction costs	–	–	–	(758)	–	758	–	–
Operating expenses	(5 974)	1 305	(4 669)	–	–	4 669	–	–
Profit on sale of net assets	–	–	–	–	–	866 968	(866 968)	–
Profit before net finance costs	277 585	(100 954)	176 631	(758)	–	691 095	(866 968)	–

	Rockcastle results for the 18 months ended 31 December 2016 Note 1 USD'000	Rockcastle results for the 6 months ended 31 December 2015 Note 2 USD'000	Rockcastle results for the 12 months ended 31 December 2016 Note 3 USD'000	Adjustment for transaction costs Note 4 USD' 000	Adjustment for subsequent events Note 5 USD'000	Adjustment for the Rockcastle disposal Note 6 USD'000	Adjustment for the distributions <i>in specie</i> and the delisting and winding up of Rockcastle Note 7 USD'000	<i>Pro forma</i> after the adjustments USD'000
Net finance costs	(2 656)	18 644	15 988	–	–	(15 988)	–	–
Finance income								
Interest income	3 359	(1 402)	1 957	–	–	(1 957)	–	–
Finance costs								
Interest on borrowings	(7 871)	10 294	2 423	–	–	(2 423)	–	–
Capitalised interest	1 856	(524)	1 332	–	–	(1 332)	–	–
Fair value adjustment on interest rate derivatives	–	10 276	10 276	–	–	(10 276)	–	–
Fair value adjustment on bond shorts	–	–	–	–	–	–	–	–
Profit before income tax expense	274 929	(82 310)	192 619	(758)	–	675 107	(866 968)	–
Income tax expense	(6 838)	279	(6 559)	–	–	6 559	–	–
Profit for the period	268 091	(82 031)	186 060	(758)	–	681 666	(866 968)	–

	Rockcastle results for the 18 months ended 31 December 2016 Note 1 USD'000	Rockcastle results for the 6 months ended 31 December 2015 Note 2 USD'000	Rockcastle results for the 12 months ended 31 December 2016 Note 3 USD'000	Adjustment for transaction costs Note 4 USD' 000	Adjustment for subsequent events Note 5 USD'000	Adjustment for the Rockcastle disposal Note 6 USD'000	Adjustment for the distributions <i>in specie</i> and the delisting and winding up of Rockcastle Note 7 USD'000	<i>Pro forma</i> after the adjustments USD'000
OTHER								
COMPREHENSIVE INCOME NET OF TAX								
Items that may be reclassified to profit or loss								
Exchange differences on translation of foreign operations – equity holders of the company	(32 775)	(3 073)	(35 848)	–	–	35 848	–	–
Exchange differences on translation of foreign operations – non-controlling interest	(121)	–	(121)	–	–	121	–	–
Exchange differences on joint ventures on sale of investments	1 657	–	1 657	–	–	(1 657)	–	–
	(31 239)	(3 073)	(34 312)	–	–	34 312	–	–
Total comprehensive income for the period	236 852	(85 104)	151 748	(758)	–	715 978	(866 968)	–
Profit for the period attributable to:								
Equity holders of the company	267 449	(82 031)	185 418	(758)	–	682 308	(866 968)	–
Non-controlling interest	642	–	642	–	–	(642)	–	–
	268 091	(82 031)	186 060	(758)	–	681 666	(866 968)	–
Total comprehensive income/(loss) for the period attributable to:								
Equity holders of the company	236 331	(85 104)	151 227	(758)	–	716 499	(866 968)	–
Non-controlling interest	521	–	521	–	–	(521)	–	–
	236 852	(85 104)	151 748	(758)	–	715 978	(866 968)	–

	Rockcastle results for the 18 months ended 31 December 2016 Note 1 USD'000	Rockcastle results for the 6 months ended 31 December 2015 Note 2 USD'000	Rockcastle results for the 12 months ended 31 December 2016 Note 3 USD'000	Adjustment for transaction costs Note 4 USD' 000	Adjustment for subsequent events Note 5 USD'000	Adjustment for the Rockcastle disposal Note 6 USD'000	Adjustment for the distributions <i>in specie</i> and the delisting and winding up of Rockcastle Note 7 USD'000	<i>Pro forma</i> after the adjustments USD'000
RECONCILIATION OF PROFIT FOR THE PERIOD TO DIVIDEND DECLARED								
Profit for the period attributable to equity holders	267 449	(82 031)	185 418	(758)	—	682 308	(866 968)	—
Foreign exchange (gain)/loss	(12 169)	1 225	(10 944)	—	—	10 944	—	—
Fair value loss on bond shorts	—	—	—	—	—	—	—	—
Fair value gain on listed security investments	(110 578)	63 701	(46 877)	—	—	46 877	—	—
Unrealised fair value loss of financial instruments at fair value through profit or loss	20 969	—	20 969	—	—	(20 969)	—	—
Fair value gain on investment property	(43 228)	—	(43 228)	—	—	43 228	—	—
Income from derivatives and listed securities	(90 254)	32 730	(57 524)	—	—	57 524	—	—
Fair value loss on interest rate derivatives	—	(10 276)	(10 276)	—	—	10 276	—	—
Gain on acquisition of subsidiary	(1 731)	—	(1 731)	—	—	1 731	—	—
Accrued income from listed securities investments	102 118	(45 491)	56 627	—	—	(56 627)	—	—
Adjustments related to joint-ventures	(5 360)	(816)	(6 176)	—	—	6 176	—	—
Shares issued cum dividend	1 977	(1 302)	675	—	—	(675)	—	—
Deferred tax expense	6 649	—	6 649	—	—	(6 649)	—	—
Transaction costs	—	—	—	758	—	(758)	—	—
Profit on sale of net assets	—	—	—	—	—	(866 968)	866 968	—
Distributable earnings for the year	135 842	(42 260)	93 582	—	—	(93 582)	—	—

	Rockcastle results for the 18 months ended 31 December 2016 Note 1 USD'000	Rockcastle results for the 6 months ended 31 December 2015 Note 2 USD'000	Rockcastle results for the 12 months ended 31 December 2016 Note 3 USD'000	Adjustment for transaction costs Note 4 USD' 000	Adjustment for subsequent events Note 5 USD'000	Adjustment for the Rockcastle disposal Note 6 USD'000	Adjustment for the distributions <i>in specie</i> and the delisting and winding up of Rockcastle Note 7 USD'000	<i>Pro forma</i> after the adjustments USD'000
Less:	(135 842)	42 260	(93 582)	–	–	93 582	–	–
Interim dividend declared (December 2015)	(42 260)	42 260	–	–	–	–	–	–
Interim dividend declared (June 2016)	(44 520)	–	(44 520)	–	–	44 520	–	–
Final dividend declared	(49 062)	–	(49 062)	–	–	49 062	–	–
Earnings not distributed	–	–	–	–	–	–	–	–
Number of shares entitled to distribution: interim (December 2015)*	912 540 104	912 540 104	912 540 104	–	412 539 666	–	(1 325 079 770)	–
Number of shares entitled to distribution: interim (June 2016)*	930 994 319	930 994 319	930 994 319	–	412 539 666	–	(1 343 533 985)	–
Number of shares entitled to distribution: final*	945 502 019	945 502 019	945 502 019	–	412 539 666	–	(1 358 041 685)	–
*Includes the additional shares issued as a part of the scrip dividend amounting to 17 653 890 shares and acquisition issue of shares amounting to 394 885 776 amounting to 394 885 776								
Distributable earnings per share (USD cents)	(14.60)	4.63	(9.97)	–	–	–	–	–
Less (USD cents per share):	(14.60)	4.63	(9.97)	–	–	–	–	–
Interim dividend per share (USD cents) – declared (December 2015)	(4.63)	4.63	–	–	–	–	–	–
Interim dividend per share (USD cents) – declared (June 2016)	(4.78)	–	(4.78)	–	–	–	–	–
Final dividend per share (USD cents) – declared	(5.19)	–	(5.19)	–	–	–	–	–
Distributable earnings per share not distributed	–	–	–	–	–	–	–	–

	Rockcastle results for the 18 months ended 31 December 2016 Note 1 USD'000	Rockcastle results for the 6 months ended 31 December 2015 Note 2 USD'000	Rockcastle results for the 12 months ended 31 December 2016 Note 3 USD'000	Adjustment for transaction costs Note 4 USD' 000	Adjustment for subsequent events Note 5 USD'000	Adjustment for the Rockcastle disposal Note 6 USD'000	Adjustment for the distributions <i>in specie</i> and the delisting and winding up of Rockcastle Note 7 USD'000	<i>Pro forma</i> after the adjustments USD'000
RECONCILIATION OF PROFIT FOR THE PERIOD TO HEADLINE EARNINGS								
Basic earnings – profit for the period attributable to equity holders	267 449	(82 031)	185 418	(758)	–	682 308	(866 968)	–
Adjusted for:								–
– fair value gain on investment property of joint ventures	(5 360)	–	(5 360)	–	–	5 360	–	–
– adjustment on sale of interest in joint ventures	706	(706)	–	–	–	–	–	–
– fair value gain on investment property	(43 228)	–	(43 228)	–	–	43 228	–	–
– profit on sale of net assets	–	–	–	–	–	(866 968)	866 968	–
– gain on acquisition of subsidiary	(1 731)	–	(1 731)	–	–	1 731	–	–
Headline earnings	217 836	(82 737)	135 099	(758)	–	(134 341)	–	–
Rockcastle has no dilutionary instruments in issue								
Weighted average number of shares in issue*	916 429 393	866 949 489	931 918 048	–	412 539 666	–	(1 344 457 714)	–
Basic earnings per share (USD cents)	29.18	(9.46)	19.90					–
Headline earnings per share (USD cents)	23.77	(9.54)	14.50					–

* Includes the additional shares issued as a part of the scrip dividend amounting to 17 653 890 shares and acquisition issue of shares amounting to 394 886 776

Notes and assumptions:

1. Extracted, without adjustment, from the audited consolidated financial statements of Rockcastle for the 18 months ended 31 December 2016.
2. Extracted, without adjustment, from the summarised unaudited consolidated interim financial statements of Rockcastle for the six months ended 31 December 2015.
3. Rockcastle's results for the 12 months ended 31 December 2016 were calculated by subtracting Rockcastle's unaudited results for the six months ended 31 December 2015 from Rockcastle's audited results for the 18 months ended 31 December 2016.
4. Represents the adjustment for the once-off transaction costs of USD0.76 million as set out in paragraph 30 of this circular.
5. The effect on the *pro forma* statement of comprehensive income for the cash and scrip dividend for the six months ended 31 December 2016, as well as the adjustment for the NEPI Rockcastle share subscription (as further detailed in Note 4 to the *pro forma* consolidated statement of financial position above), has been considered. The impact is deemed immaterial and no adjustment has been provided for.
6. Represents the adjustment for the Rockcastle disposal, in terms of which Rockcastle sells all of its assets and liabilities, including 100% of the issued share capital of the subsidiary undertakings directly held by Rockcastle, in consideration for the issue to Rockcastle shareholders of 1 NEPI Rockcastle share for every 4.7 Rockcastle shares in terms of the swap ratio.
 - 6.1 The aggregate value of the consideration shares is USD2 413.65 million based on closing prices on 12 May 2017, being the last practicable date, of ZAR157.12 per NEPI share and an exchange rate of USD1.00:ZAR13.34). Rockcastle will realise a profit on the disposal of USD866.97 million, being the difference between the aggregate fair value of the consideration and the book value of assets and liabilities sold of USD1 546.68 million, which includes the impact of the return of capital less Rockcastle's once-off transaction costs of USD0.76 million relating to the merger transaction.
 - 6.2 The Rockcastle disposal is assumed to be implemented on 1 January 2016 for purposes of the *pro forma* statement of comprehensive income. On this assumption, Rockcastle would not have earned any rental income or incurred any operational expenses for the period. Accordingly, all statement of comprehensive income items have been reversed.
7. Represents the adjustment for the distributions *in specie*.
8. Save for transaction costs and profit on the sale of the net assets, all adjustments are expected to have a continuing effect.
9. Save for the adjustments set out above, there are no other material events requiring adjustment to the *pro forma* statement of comprehensive income.

INDEPENDENT REPORTING ACCOUNTANT'S LIMITED ASSURANCE REPORT ON THE *PRO FORMA* FINANCIAL STATEMENTS

17 May 2017

The Board of Directors
Rockcastle Global Real Estate Company Limited
 Level 3, Alexander House
 35 Cyberville
 Ebene
 Mauritius

Independent reporting accountants' assurance report on the compilation of *pro forma* financial information of Rockcastle

Introduction

Rockcastle Global Real Estate Company Limited ("**Rockcastle**" or "**the Company**") is issuing a circular to its shareholders ("**the Circular**") regarding the proposed merger of its business with that of New Europe Property Investment Plc ("**NEPI**") ("**the Merger Transaction**"), and distributions *in specie* to Rockcastle shareholders, followed by the delisting and subsequent winding-up of Rockcastle (collectively "**the Rockcastle Transaction**").

At your request and for the purposes of the Circular to be dated on or about 9 June 2017, we present our assurance report on the compilation of the *pro forma* financial information of Rockcastle by the directors. The *pro forma* financial information, presented in paragraph 11 and **Annexure 2** to the Circular, consists of the *pro forma* statement of financial position as at 31 December 2016, the *pro forma* statement of comprehensive income for the 12 months ended 31 December 2016 and the *pro forma* financial effects ("**the Pro forma Financial Information**"). The *Pro forma* Financial Information has been compiled on the basis of the applicable criteria specified in the JSE Limited ("**JSE**") Listings Requirements.

The *Pro forma* Financial Information has been compiled by the directors to illustrate the impact of the Rockcastle Transaction on the Company's reported financial position as at 31 December 2016, and the Company's financial performance for the 12 months then ended, as if the Rockcastle Transaction had taken place at 31 December 2016 and 1 January 2016, respectively. As part of this process, information about the Company's financial position and financial performance has been extracted by the directors from the Company's financial statements for the year ended 31 December 2016.

Directors' responsibility

The directors of Rockcastle are responsible for the compilation, contents and presentation of the *Pro forma* Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 11 and **Annexure 2** of the Circular. The directors of Rockcastle are also responsible for the financial information from which it has been prepared.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors ("**IRBA Code**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part A and B).

The firm applies International Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountant's responsibility

Our responsibility is to express an opinion about whether the *Pro forma* Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information included in a Prospectus. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the *Pro forma* Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *Pro forma* Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *Pro forma* Financial Information.

As the purpose of *Pro forma* Financial Information included in a circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *Pro forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *Pro forma* Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *Pro forma* Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the corporate action or event in respect of which the *Pro forma* Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *Pro forma* Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *Pro forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in paragraph 11 and **Annexure 2** of the Circular.

PricewaterhouseCoopers Inc.

Victor Muguto

Director

Registered Auditor

Sunninghill”

DETAILS OF THE PROPERTY PORTFOLIO

As at 31 December 2016, Rockcastle's portfolio of investment properties comprised 13 income producing properties. Property specific details of the individual properties within the property portfolio, including property name, type, location, GLA, weighted average rental per square meter and valuation are set out below.

Property name	Type	Location	GLA (m ²)	Valuation/ cost to date (€'m)	Weighted by ownership		Average rental (€/m ² / month)
					GLA (m ²)	Valuation/ cost to date (€'m)	
1. Bonarka City Center (Note 8)	Super-Regional Mall	Poland	72 500	374.1	72 500	374.1	22.6
2. Galeria Warminska	Super-Regional Mall	Poland	42 700	154.0	42 700	154.0	17.8
3. Karolinka Shopping Centre	Super-Regional Mall	Poland	70 000	147.4	70 000	147.4	10.6
4. Focus Park Zielona Gora	Regional Mall	Poland	28 900	116.3	28 900	116.3	20.2
5. Forum Liberec Shopping Centre (Note 5)	Regional Mall	Czech Republic	47 100	82.1	47 100	82.1	8.7
6. Pogoria Shopping Centre	Regional Mall	Poland	36 700	77.0	36 700	77.0	11.2
7. Galeria Wolomin (Note 8,13)	Regional Mall	Poland	24 200	53.1	24 200	53.1	12.1
8. Platan Shopping Centre (Note 14)	Regional Mall	Poland	25 300	52.0	25 300	52.0	10.8
9. Solaris Shopping Centre	Regional Mall	Poland	17 700	58.5	17 700	58.5	19.1
10. Focus Mall Piotrkow Trybunalski	Regional Mall	Poland	35 100	49.0	35 100	49.0	10.0
11. Cosmopolitan Mall (Note 6,8,10)	Super-Regional Mall	Zambia	26 200	70.3	13 100	35.2	18.8
12. Galeria Tomaszow (Note 8)	Regional Mall	Poland	18 500	32.0	18 500	32.0	11.8
Total retail			444 900	1 265.8	431 800	1 230.7	14.5
13. Rockcastle House (Note 7,11)	Office	UK	600	2.5	600	2.5	22.3
Total office			600	2.5	600	2.5	22.3
TOTAL INCOME PRODUCING PROPERTIES			445 500	1 268.3	432 400	1 233.2	14.5

As at 31 December 2016, Rockcastle's portfolio of developments under construction comprised one property and developments under permitting and pre-leasing comprise six properties. Property specific details of the individual properties within the property portfolio, including property name, type, location, GLA, cost to date and market value of the land are set out below.

Property name	Type	Location	GLA (m ²)	Cost to date (€'m) (Note 16)	Weighted by ownership		
					GLA (m ²)	Cost to date (€'m) (Note 16)	Market value of the land (Note 15)
14. Galeria Wolomin (Note 8,13)	Retail – Extension	Poland	6 700	2.5	6 700	2.5	2.2
Total developments under construction			6 700	2.5	6 700	2.5	2.2
15. Platan Shopping Centre	Retail – Extension	Poland	16 000	4.9	16 000	4.9	4.9
16. Focus Park Zielona Gora	Retail – Extension	Poland	15 900	–	15 900	–	–
17. Solaris Shopping Centre (Note 13)	Retail – Extension	Poland	8 000	0.2	8 000	0.2	–
18. Bonarka City Center	Retail – Extension	Poland	4 000	–	4 000	–	–
19. Karolinka Shopping Centre	Retail – Extension	Poland	2 500	–	2 500	–	–
20. Pogoria Shopping Centre	Retail – Extension	Poland	1 300	–	1 300	–	–
Total developments under permitting and pre-leasing (Note 9)			47 700	5.1	47 700	5.1	4.9
TOTAL DEVELOPMENTS			54 400	7.6	54 400	7.6	7.1
TOTAL PORTFOLIO			499 900	1 275.9	486 800	1 240.8	n/a

Notes:

1. All properties were valued as at 31 December 2016.
2. All properties will be disposed of to NEPI Rockcastle with effect from the merger implementation date.
3. As the properties are effectively being acquired by NEPI Rockcastle through its acquisition of all of the issued share capital of the subsidiary undertakings directly held by Rockcastle, no purchase price per property has been ascribed. NEPI Rockcastle will issue a number of ordinary shares (determined with reference to the swap ratio in terms of the contribution agreement) to Rockcastle shareholders in ultimate consideration for the Rockcastle assets and liabilities.
4. Save for Forum Liberec Shopping Centre, Cosmopolitan Mall and Rockcastle House, the properties in use were valued by Mark Freeman MRICS, an independent, registered professional valuer in terms of The Royal Institution of Chartered Surveyors.
5. Forum Liberec Shopping Centre was valued by Jan Zibura MRICS and Petra Piskova MRICS, both independent registered professional valuers in terms of The Royal Institution of Chartered Surveyors. Forum Liberec Shopping Centre was valued as at 30 September 2016, however the independent valuer has confirmed that the valuation at that date is unchanged as at 31 December 2016. The GLA of Forum Liberec as disclosed above includes 2 804m² of office space (6% of total GLA) and 974m² of residential space (3% of total GLA).
6. Cosmopolitan Mall was valued by Peter Parfitt, an independent registered professional valuer registered in terms of the South African Property Valuers Profession Act, No. 47 of 2000.
7. Rockcastle House was valued by John O'Neill BLE FRICS, an independent external registered professional valuer and member of The Royal Institution of Chartered Surveyors, a recognised property valuers regulatory body.
8. The group holds a 50% interest in Cosmopolitan Mall. The group holds a 90% and 85% interest in Galeria Wolomin and Galeria Tomaszow, respectively, however, it controls the assets and consolidates in full. Auchan, a major tenant, owns their premises in Bonarka City Center. Including the Auchan premises, Bonarka City Center has a GLA of 93 200m². The GLA of Bonarka City Center also includes a small area of office space.
9. The GLA of developments under permitting and pre-leasing depends on permitting.
10. Cosmopolitan Mall was valued at USD74 000 000, and converted to Euro at the US\$:EUR exchange rate on 31 December 2016 of US\$1.00: EUR0.95010.
11. Rockcastle House was valued at GBP2 100 000, and converted to Euro at the GBP:EUR exchange rate on 31 December 2016 of GBP1.00: EUR1.1738.
12. The valuation of Galeria Wolomin excludes the extension under construction as at 31 December 2016.
13. Accounting costs attributable to the extensions to Galeria Wolomin and Solaris Shopping Centre are converted from US\$ to Euro at the US\$:EUR exchange rate on 31 December 2016 of US\$1.00: EUR0.950101.
14. The valuation of Platan Shopping Centre excludes the adjacent Platan Retail Park, which is held for redevelopment and valued separately as a property under permitting and pre-leasing.
15. The market value of land in respect of which an extension is to be developed has been disclosed where this has been separately valued by an independent registered valuer. Where no value is indicated, this has been incorporated in the valuation of the relevant income producing property.
16. "Costs to date" in respect of development properties represents market value of the land, plus accounting costs incurred as at 31 December 2016.

DETAILS OF PROPERTY MANAGERS

Details of all external property managers, in respect of which the property management function of certain properties is outsourced, are set out below.

Name:	Apsys Polska S.A. (" Apsys ")
Address:	Al. Jana Pawła II 27, 00-867 Warsaw, Poland
Shareholder(s):	Financiere Apsys S.A.S
Directors:	Benoit Charles, Maciej Wroblewski, Piotr Madzurek, Marek Bledowski
Properties managed:	Platan Shopping Centre, Poland Focus Mall Piotrkow Trybunalski, Poland Focus Park Zilona Gora, Poland
Functions performed:	Apsys will perform <i>inter alia</i> the following services in respect of the properties: property management services; lease management services; budgeting (Platan Shopping Centre only); reporting; and kiosk leasing services.
Duration of appointment:	Platan Shopping Centre: 1 January 2017 – 31 December 2017, with automatic renewal for a further two year term on a rolling basis. Focus Mall Piotrkow Trybunalski and Focus Park Zilona Gora: Date of signing the final hand over protocol in terms of which the property was acquired, being 30 November 2016, for a period of two years, with automatic renewal for a further two year term on a rolling basis.
Termination of appointment:	Terminable (i) by the owner of the property if the property is sold to a non-related party, on three months' written notice, or (ii) for cause, including due to a material breach of the agreement or a failure to pay fees owed. No termination fees are payable.
Name:	Balmain Property Management Sp. z o.o. (" Balmain ")
Address:	ul. Sienna 39, 00-121, Warsaw, Poland
Shareholder(s):	Balmain Asset Management CEE Sp. z o.o.
Directors:	James Turner, Paul Cawood and Tim Rylance
Properties managed:	Solaris Shopping Centre, Poland Karolinka Shopping Centre, Poland Pogoria Shopping Centre, Poland
Functions performed:	Balmain will perform <i>inter alia</i> the following services in respect of the property: property management services; marketing services (only for Solaris Shopping Centre); property management; budgeting; reporting; and kiosk leasing services.
Duration of appointment:	Solaris Shopping Centre: 1 June 2016 – 31 December 2017, with automatic renewal for a further one year term on a rolling basis (not beyond 31 December 2022). Karolinka Shopping Centre and Pogoria Shopping Centre: 1 January 2017 – 31 December 2017, with automatic renewal for a further one year term on a rolling basis (not beyond 31 December 2022).
Termination of appointment:	Terminable (i) by the owner of the property if the property is sold or any third party acquires a 50% interest in the property, on three months' written notice, or (ii) for cause, including due to a material breach of the agreement or a failure to pay fees owed. No termination fees are payable.

Name:	CBRE Sp. z o.o. (“ CBRE ”)
Address:	Rondo 1, 24th Floor, Rondo ONZ 1, 00-124, Warsaw, Poland
Shareholder(s):	Relam Amsterdam Holdings B.V.
Directors:	Andreas Ridder, Daniel Bienias, Duncan Green and Marco Hekman
Properties managed:	Galeria Wolomin, Poland Galeria Tomaszow, Poland Galeria Warminska, Poland
Functions performed:	CBRE will perform <i>inter alia</i> the following services in respect of the properties: property management services; marketing services (only for Galeria Tomaszow and Galeria Wolomin) property management; budgeting; reporting; and kiosk leasing services.
Duration of appointment:	Date of signing the final hand over protocol in terms of which the property was acquired, being 6 October 2016 (Galeria Wolomin), 26 October 2016 (Galeria Tomaszow) and 15 December 2016 (Galeria Warminska) – 31 December 2017, with automatic renewal for a further one year term on a rolling basis (not beyond 31 December 2022).
Termination of appointment:	Terminable (i) if the property is sold or any third party acquires a 50% interest in the property, on three months’ written notice, or (ii) for cause, including due to a material breach of the agreement or a failure to pay fees owed. No termination fees are payable.
Name:	Cushman & Wakefield, s.r.o. (“ C&W Czech ”)
Address:	Quadrio Offices, Purkynova 2121/3, Praha 1, 110 00, Prague, Czech Republic
Shareholder(s):	Cushman & Wakefield Global Holdco Limited, Cushman & Wakefield (France Holdings) SAS,
Directors:	Jonathan Hallet
Properties managed:	Forum Liberec Shopping Centre, Czech Republic
Functions performed:	C&W Czech will perform <i>inter alia</i> the following services in respect of the property: lease management and tenant liaison; property management accounting; reporting; marketing; other property management services; and facility management services.
Duration of appointment:	Indefinite appointment, commencing on 24 June 2016.
Termination of appointment:	Terminable (i) by either party on six months’ written notice, for any reason, (ii) by the property owner if there is a change in majority owner of C&W Czech and the new owner’s activities are competing with those of the property owner, (iii) by C&W Czech if there is a change in majority owner of the property owner, and (iv) for cause, including due to a material breach of the agreement or a failure to pay fees owed. No termination fees are payable.

Name:	Heriot Properties Pty Ltd (“ Heriot ”)
Address:	Suite 1, Ground Floor, 3 Melrose Boulevard, Melrose Arch, 2196, Johannesburg, South Africa
Shareholder(s):	Gusi Trust
Directors:	Steven Herring
Properties managed:	Cosmopolitan Mall, Zambia
Functions performed:	Heriot will perform <i>inter alia</i> the following services in respect of the property: strategies and mandates; budgets; collectable income; credit control; leasing management; maintenance and technical management; account payments; accounting and statutory returns; reporting; and control procedures.
Duration of appointment:	Indefinite appointment, commencing on 24 March 2016.
Termination of appointment:	Terminable (i) by either party on three months’ written notice, provided that no such notice may be given before the commencement of the 34th month following the commencement of the appointment, (ii) if the property is sold by the owner, or (iii) due to a material breach of the agreement.
Name:	Trigranit Management Polska Ps. z o.o. (“ Trigranit ”)
Address:	Ul. Twarda 18 Budynek, “Spektrum”, 00-105, Warsaw, Poland
Shareholder(s):	Trois Holdings S.a.r.l.
Directors:	Tomasz Lisiecki, Agnieszka Turowska and Beata Jarmolkowicz
Properties managed:	Bonarka City Center, Poland
Functions performed:	Trigranit will perform <i>inter alia</i> the following services in respect of the properties: property management services; accounting services; budgeting; and reporting.
Duration of appointment:	20 September 2016 – 31 August 2018
Termination of appointment:	Terminable (i) if the property is sold or any third party acquires a 50% interest in the property, on three months’ written notice, or (ii) for cause, including due to a material breach of the agreement or a failure to pay fees owed. No termination fees are payable.

All property management agreements concluded by any group company will be available for inspection in terms of paragraph 31 of the circular.

DIRECTORS' INTERESTS IN NEPI

The table below set out the interests of the directors and associates of directors, of Rockcastle in NEPI as at the last practicable date.

Director	Beneficial		Associates	Total	%
	Direct	Indirect			
Mark Olivier	—	—	—	—	—
Spiros Noussis	—	52 204 ¹	1 595	53 799	0.02
Nick Matulovich	22 389	—	—	22 389	<0.01
Karen Bodenstein	—	—	—	—	—
Marek Pawel Noetzel	—	—	—	—	—
Barry Stuhler	—	4 889 050	—	4 889 050	1.46
Rory Kirk	—	—	—	—	—
André van der Veer	73 580	178 579	6 133	258 292	0.08
Total	95 969	5 119 833	7 728	5 223 530	1.56

Note:

- 40 539 shares of the 52 204 shares are held *via* Noussis Investments (Pty) Ltd which is 50% owned by The Dainsfield Trust (of which Spiros Noussis is a trustee and beneficiary).

MATERIAL CONTRACTS

Set out below are the salient terms of all material contracts concluded by Rockcastle or its subsidiaries, being:

- (i) contracts entered into otherwise than in the ordinary course of business, either within the two years prior to the date of this circular or at any other time and containing an obligation or settlement that is or may be material to the company or its subsidiaries at the last practicable date; and
- (ii) contracts that are otherwise considered material by the company.

Reference to an “agreement” shall be reference to the specific agreement in respect of which the terms are detailed, as the context may require.

1. FRAMEWORK AGREEMENT

Summary of the framework agreement concluded between Rockcastle and NEPI on 13 December 2016 as amended.

- 1.1 Completion of the merger transaction is conditional on the following conditions being satisfied or waived:
 - 1.1.1 the merger transaction being approved by all relevant competition authorities, either unconditionally or subject to conditions acceptable to both Rockcastle and NEPI, or the merger transaction being deemed to be so approved or deemed not to require approval, such that the merger transaction may be implemented;
 - 1.1.2 all other necessary regulatory consents in relation to the merger transaction in any jurisdiction whatsoever having been obtained;
 - 1.1.3 all shareholder and board approvals of the merger transaction being obtained, whether in terms of any governing law, the rules of any recognised securities exchange or otherwise;
 - 1.1.4 all necessary consents, waivers and releases pursuant to the Rockcastle and NEPI funding facilities having been received, as may be required to complete the merger transaction;
 - 1.1.5 no appraisal rights being exercised or other actions taken which could impede the completion of the merger transaction;
 - 1.1.6 all third party consents in all relevant jurisdictions having been received, as may be required to complete the merger transaction;
 - 1.1.7 the listing of NEPI Rockcastle’s issued share capital on the JSE and Euronext Amsterdam having been formally approved by the relevant authorities; and
 - 1.1.8 either Rockcastle or NEPI not having given written notice to the other that it does not wish to proceed with the merger transaction, where any matter, fact or circumstance has arisen which has or is likely to have a material adverse effect on the financial, legal or business condition of NEPI Rockcastle, the Rockcastle group or the Rockcastle group.
- 1.2 The numbers of shares to be issued by NEPI Rockcastle in accordance with the terms of the contribution agreement will be set based on a share-swap ratio of 4.7 (four point seven) existing Rockcastle shares for every 1 (one) existing NEPI share. The swap ratio is an expression of the agreed relative value of the NEPI group and the Rockcastle group. Agreement of the swap ratio has been reached having regard to and on the basis of the following information and assumptions:
 - 1.2.1 all publicly available information relating to each of the parties;
 - 1.2.2 the number of Rockcastle and NEPI shares in issue as at the signature date; and
 - 1.2.3 certain non-public information that has been exchanged between the parties for this purpose.
- 1.3 At or before the merger implementation date, each of NEPI and Rockcastle and NEPI shall acquire from Cornelius Eduard Cassell, being the sole registered shareholder of NEPI Rockcastle, in accordance with the swap ratio the relevant number of the existing shares (the “**existing shares**”) representing together 100% of the share capital of NEPI Rockcastle. In order to facilitate this, NEPI and Rockcastle will, to the extent required, instruct Mr Cassell to increase the authorised share capital of the company and to issue such minimum number of new shares paid up as to their nominal value that can be acquired by NEPI and Rockcastle in the same proportions in which NEPI Rockcastle shares will be issued by NEPI Rockcastle to NEPI’s and, respectively, Rockcastle’s shareholders in accordance with the contribution agreement, without transferring fractions of shares.

- 1.4 Completion of the Rockcastle disposal and equivalent NEPI disposal shall take place on the date which is three business days after the date on which the last of the conditions to be satisfied or waived is satisfied or waived. On completion, Rockcastle, NEPI and NEPI Rockcastle will execute the contribution agreement.
- 1.5 At any time before the merger implementation date, either party (the first party) may by notice in writing to the other party elect to terminate this agreement, if the other party is in material breach of its obligations in terms of the actions to be taken pending completion of the merger transaction or is in material breach of the warranties given by it, unless such breach is cured prior to the date on which completion of the merger transaction would otherwise take place.
- 1.6 NEPI and Rockcastle and NEPI each undertake to initiate, as soon as reasonably practicable after the merger implementation date:
 - 1.6.1 the listing of NEPI Rockcastle on the JSE and on Euronext Amsterdam;
 - 1.6.2 in case of NEPI, subject to the board of NEPI being satisfied, on reasonable grounds, that the solvency test set out in section 49 of the IOM Companies Act will be met immediately following such distributions, to approve the distributions by way of (a) a distribution in specie made as a return of capital, and/or (b) a distribution in specie declared as a dividend, and/or (c) a repurchase of shares from NEPI's shareholders, which distributions shall be settled by the transfer by NEPI to its shareholders of rights to NEPI Rockcastle shares, and to give notice by email to NEPI Rockcastle to inform it that NEPI has transferred the rights to NEPI Rockcastle shares to its shareholders; and
 - 1.6.3 in case of Rockcastle, to approve the distributions by way of (a) a distribution in specie made as a dividend and or (b) a distribution in specie made as a return of capital, which distributions shall be settled by the transfer by Rockcastle to its shareholders of its rights to NEPI Rockcastle shares, and to give notice by email to NEPI Rockcastle to inform it that Rockcastle has transferred its rights to NEPI Rockcastle shares to its shareholders.
- 1.7 NEPI and Rockcastle each further undertake:
 - 1.7.1 to complete the distributions and listings contemplated above in compliance with the applicable law as soon as reasonably possible but in any event within two months from the merger implementation date, without prejudice to any steps taken or initiated prior to the merger implementation date;
 - 1.7.2 to ensure that no later than the first business day to occur after receipt by NEPI Rockcastle of the last of the emails contemplated in paragraphs 1.6.2 and 1.6.3 above (the "**shares issuance date**"), the board of directors of NEPI Rockcastle passes a resolution for the registration of the respective shareholders of NEPI or their nominees and the respective shareholders of Rockcastle or their nominees as members of NEPI Rockcastle and as the respective holders of the NEPI Rockcastle shares issued to them;
 - 1.7.3 to ensure that on the shares issuance date:
 - 1.7.3.1 NEPI Rockcastle allots and issues credited as fully paid:
 - 1.7.3.1.1 such number of new NEPI Rockcastle shares as is determined based on the swap ratio (having regard to the existing shares acquired by NEPI on the terms of the framework agreement) to NEPI's shareholders in accordance with their entitlement;
 - 1.7.3.1.2 such number of new NEPI Rockcastle shares as is determined based on the swap ratio (having regard to the existing shares acquired by Rockcastle on the terms of the framework agreement) to Rockcastle's shareholders in accordance with their entitlement;
 - 1.7.3.1.3 if applicable, share certificates are issued by NEPI Rockcastle to NEPI's shareholders for their respective NEPI Rockcastle shares and to Rockcastle's shareholders for their respective NEPI Rockcastle shares;
 - 1.7.3.1.4 NEPI Rockcastle repurchases the existing shares owned by NEPI and Rockcastle for their nominal value.
- 1.8 NEPI and Rockcastle acknowledge and agree that no claim under any warranties given by the other party may be brought against that party after the board of directors of that party has approved the relevant distributions in specie and repurchase.

2. CONTRIBUTION AGREEMENT

Summary of the contribution agreement to be concluded between NEPI, Rockcastle and NEPI Rockcastle on the merger implementation date, in order to complete and implement the merger transaction.

- 2.1 Rockcastle will sell and NEPI Rockcastle will buy all assets owned by Rockcastle as of the merger implementation date, including if applicable (i) the shares held by Rockcastle directly in its group, (ii) the cash balance of Rockcastle, (iii) the intellectual property rights owned by Rockcastle, (iv) any listed securities directly owned by Rockcastle, (v) the benefits and rights of Rockcastle under all contracts, offers, orders, undertakings, arrangements, agreements or similar institutes entered into by Rockcastle, irrespective of whether they are legally binding or subject to any dispute or whether their principal obligations have been fulfilled before the merger implementation date, (vi) the receivable of Rockcastle under the loans granted by Rockcastle to any Rockcastle group company, (vii) the payables of Rockcastle under the loans granted by a Rockcastle group company to Rockcastle, and (viii) the receivables of Rockcastle under loans granted by Rockcastle to certain employees of Rockcastle or a Rockcastle group company, but excluding any existing shares in NEPI Rockcastle held by Rockcastle (together, the “**Rockcastle net assets**”).
- 2.2 NEPI will sell and NEPI Rockcastle will buy all assets owned by NEPI as of the merger implementation date, including if applicable (i) the shares held by NEPI directly in its group, (ii) the cash balance of NEPI, (iii) the intellectual property rights owned by NEPI, (iv) any listed securities directly owned by NEPI, (v) the benefits and rights of NEPI under all contracts, offers, orders, undertakings, arrangements, agreements or similar institutes entered into by NEPI, irrespective of whether they are legally binding or subject to any dispute or whether their principal obligations have been fulfilled before the merger implementation date, (vi) the receivable of NEPI under the loans granted by NEPI to any NEPI group company, (vii) the payables of NEPI under the loans granted by a NEPI group company to NEPI, and (viii) the receivables of NEPI under loans granted by NEPI to certain employees of NEPI or a NEPI group company, but excluding any existing shares in NEPI Rockcastle held by NEPI (together, the “**NEPI net assets**”).
- 2.3 The purchase price for the NEPI net assets will be satisfied by the issue of the right to receive such number of NEPI Rockcastle ordinary shares as is determined based on the share swap ratio (having regard to the existing shares acquired by NEPI in terms of the framework agreement). Similarly, the purchase price for the Rockcastle net assets will be satisfied by the issue of the right to receive such number of NEPI Rockcastle ordinary shares as is determined based on the share swap ratio (having regard to the existing shares acquired by Rockcastle in terms of the framework agreement).
- 2.4 The rights to receive NEPI Rockcastle shares as contemplated in paragraph 2.3 above are freely transferable, fungible, divisible in respect of each NEPI Rockcastle share and may be transferred in respect of each and any number of NEPI Rockcastle shares.
- 2.5 With effect from the merger implementation and to the extent that such liabilities have not been effectively transferred to NEPI Rockcastle, NEPI Rockcastle:
 - 2.5.1 is responsible for all NEPI and Rockcastle’s liabilities;
 - 2.5.2 shall promptly pay, when due, all NEPI and Rockcastle’s liabilities;
 - 2.5.3 shall indemnify, and keep indemnified, NEPI and Rockcastle on demand against each loss, liability and cost which NEPI or Rockcastle, as the case may be, incurs as a result of NEPI Rockcastle’s failure to comply with its obligations under paragraph 2.5.1 and 2.5.2 above and against any other liability arising out of or in connection with the ownership or operation of the NEPI assets and/or Rockcastle assets after the transfer of such assets to NEPI Rockcastle, but excluding any liability of NEPI or Rockcastle arising under the warranties given in the contribution agreement;
 - 2.5.4 shall perform all NEPI and Rockcastle’s obligations to be performed after the merger implementation date under any contract (other than payment of the liabilities referred to in paragraph 2.5.2) in accordance with the terms of such contract; and
 - 2.5.5 shall indemnify, and keep indemnified, NEPI and Rockcastle on demand against each loss, liability and cost which NEPI or Rockcastle, as the case may be, incurs as a result of NEPI Rockcastle’s performance of NEPI or Rockcastle’s obligations, as the case may be, under any contract (as referred to in paragraph 2.5.4 above).
- 2.6 The parties may only enter into the contribution agreement upon completion of the framework agreement concluded between Rockcastle and NEPI on 13 December 2016 and, for the avoidance of doubt, after all conditions in such agreement have been satisfied or waived in accordance with its terms.



ROCKCASTLE

GLOBAL REAL ESTATE COMPANY LIMITED

(Incorporated in the Republic of Mauritius)

(Registration number 108869 C1/GBL)

SEM share code: "Rock.N0000" JSE share code: "ROC" ISIN: MU0364N00003

("Rockcastle" or "the company")

NOTICE OF A GENERAL MEETING OF SHAREHOLDERS

If you are in any doubt as to what action you should take arising from the following resolutions, please consult your stockbroker, banker, attorney, accountant or other professional advisor immediately. Rockcastle has its primary listing on both the Official Market of the Stock Exchange of Mauritius Ltd ("**SEM**") and the Main Board of the JSE ("**JSE**").

Where appropriate and applicable, the terms defined in the circular to which this notice of general meeting is attached bear the same meanings in this notice of general meeting and, in particular, in the resolutions set out below.

Notice is hereby given that a general meeting of shareholders of Rockcastle will be held at the company's registered office, at c/o Intercontinental Trust Limited, Level 3, Alexander House, 35 Cyberville, Ebene 72201, Mauritius, on Monday, 3 July 2017 at 12:00 Mauritian time (10:00 South African time) for shareholders to consider and, if deemed fit, pass with or without modification the resolutions set out below.

Shareholders are referred to the circular, which sets out the information and explanatory material that they may require in order to determine whether to participate in the general meeting and vote on the resolutions set out below.

Any person (whether a shareholder of the company or not) may be appointed to act as a proxy. Deposit of an instrument of proxy shall not preclude a shareholder from attending and voting in person at the general meeting in respect of which the proxy is appointed or at any adjournment of it.

Save for special resolution 2 (the passing of which, for the avoidance of doubt, is not a condition to the validity of any other resolution), the resolutions set out in this notice of general meeting are all inter-conditional and are further each subject to the fulfilment or, if applicable, waiver of the conditions precedent to the merger transaction, as set out in paragraph 6 of the circular, save for any such condition precedent relating to the passing of such resolution.

Important information regarding delivery of NEPI Rockcastle shares

As required in terms of Isle of Man law, Rockcastle shareholders will not have registered ownership of the NEPI Rockcastle shares that they receive pursuant to the merger transaction. NEPI Rockcastle shares will instead be delivered to Rockcastle shareholders in the form of dematerialised security entitlements representing the beneficial ownership of such shares. References throughout this document to NEPI Rockcastle shares received or issued pursuant to the merger transaction or to any shareholding in NEPI Rockcastle following the JSE and Euronext listings should therefore be read as a reference to a receipt, issue or holding of security entitlements representing beneficial ownership of NEPI Rockcastle shares and not to any registered ownership of NEPI Rockcastle shares.

All NEPI Rockcastle shares will be registered in the name of one or both of PLC Nominees or Euroclear Nederland, for and on behalf of shareholders. NEPI Rockcastle shares traded on the JSE will be delivered in accordance with the rules of Strate and those traded on Euronext Amsterdam will be delivered in accordance with the rules of Euroclear Nederland.

Specific details as to how NEPI Rockcastle shares will be delivered to Rockcastle shareholders entitled thereto in terms of the distributions are set out in paragraph 3 of the "Action required" section of the circular.

Important dates to note

Shareholders on the SA register

	2017
Last day to trade on the JSE in order to be eligible to participate in and vote at the general meeting	Tuesday, 20 June
Record date in order to vote at the general meeting (“ voting record date ”)	Friday, 23 June
Last day to lodge forms of proxy for the general meeting with the Company Secretary, by no later than 10:00	Thursday, 29 June
The general meeting of shareholders at 10:00	Monday, 3 July
Results of the general meeting released on SENS	Monday, 3 July
Results of the general meeting published in the press	Tuesday, 4 July

Notes

1. All dates and times in this circular are local dates and times in South Africa. The above dates and times are subject to change. Any changes will be released on SENS and published in the press.
2. Rockcastle shareholders are referred to page 8 of the circular for information on the action required to be taken by them.
3. Transfers of shares between sub-registers in South Africa and Mauritius may not take place after Tuesday, 11 July 2017.
4. Share certificates may not be dematerialised or rematerialised after Tuesday, 11 July 2017.

Shareholders on the Mauritian register

	2017
Last day to trade on the SEM in order to be eligible to participate in and vote at the general meeting	Tuesday, 20 June
Record date in order to vote at the general meeting (“ voting record date ”)	Friday, 23 June
Last day to lodge forms of proxy for the general meeting with the Company Secretary, by no later than 12:00	Thursday, 29 July
The general meeting of shareholders at 12:00	Monday, 3 July
Results of the general meeting released on the SEM website	Monday, 3 July

Notes

1. All dates and times in this circular are local dates and times in Mauritius. The above dates and times are subject to change. Any changes will be released on SEM website.
2. Rockcastle shareholders are referred to page 8 of the circular for information on the action required to be taken by them.
3. Transfers of shares between sub-registers in South Africa and Mauritius may not take place after Tuesday, 11 July 2017.
4. Share certificates may not be dematerialised or rematerialised after Tuesday, 11 July 2017.

ORDINARY RESOLUTION 1: APPROVAL OF ROCKCASTLE TRANSACTION

“Resolved in terms of section 9.20(a) of the JSE Listings Requirements that the Rockcastle transaction as detailed in Section One of the circular to Rockcastle shareholders to which a copy of this notice of general meeting is attached, comprising:

1. the sale by Rockcastle of all its assets and liabilities, including 100% of its ownership interest in all underlying subsidiaries (but excluding any NEPI Rockcastle shares held by Rockcastle), to NEPI Rockcastle, in consideration for rights to have such number of new NEPI Rockcastle shares issued to Rockcastle as is determined based on the swap ratio;
2. the transfer of rights to NEPI Rockcastle shares to Rockcastle shareholders, on the basis of an election by Rockcastle shareholders to receive such rights either:
 - (i) pursuant to a distribution *in specie* declared by Rockcastle as a dividend; or
 - (ii) pursuant to a distribution *in specie* made by Rockcastle as a return of capital,

whereafter the board of directors will declare the distribution *in specie* as a dividend and authorise the distribution *in specie* as a return of capital, and in settlement, NEPI Rockcastle will issue NEPI Rockcastle shares to Rockcastle shareholders, such that they receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held on the record date;

3. the listing of the entire issued share capital of NEPI Rockcastle on the Main Board of the JSE and on Euronext Amsterdam; and
4. the delisting of Rockcastle from the JSE and (subject to the approval of the SEM) the withdrawal of Rockcastle from the SEM and subsequent winding up of Rockcastle,

all on the basis outlined in the circular to Rockcastle shareholders to which a copy of this notice of general meeting is attached, be and is hereby authorised.”

In order for ordinary resolution 1 to be adopted, the support of a majority in excess of 50% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on ordinary resolution 1.

SPECIAL RESOLUTION 1: APPROVAL OF ROCKCASTLE DISPOSAL

“Resolved in terms of the SEM Rules that Rockcastle be and is hereby authorised to dispose of all its assets and liabilities as at the merger implementation date, including 100% of its ownership interest in all underlying subsidiaries but excluding any NEPI Rockcastle shares held by Rockcastle, to NEPI Rockcastle, in consideration for rights to have such number of new NEPI Rockcastle shares issued to Rockcastle as is determined based on the swap ratio.”

In order for special resolution 1 to be adopted, the support of a majority in excess of 75% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on special resolution 1.

ORDINARY RESOLUTION 2: DISTRIBUTION *IN SPECIE* AS A DIVIDEND

“Resolved in terms of section 5.85(c) of the JSE Listings Requirements and the SEM Rules, to the extent required, that, if declared by the board pursuant to shareholders’ elections as contemplated in paragraph 5.7 of the circular to Rockcastle shareholders to which a copy of this notice of general meeting is attached, a distribution *in specie* as a dividend, namely exclusively from retained earnings, be and is hereby authorised, which distribution is to be satisfied wholly by transferring to Rockcastle shareholders the right to receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held as at the record date.”

In order for ordinary resolution 2 to be adopted, the support of a majority in excess of 50% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on ordinary resolution 2.

ORDINARY RESOLUTION 3: DISTRIBUTION *IN SPECIE* AS RETURN OF CAPITAL

“Resolved in terms of section 5.85(c) of the JSE Listings Requirements that, if authorised by the board pursuant to shareholders’ elections as contemplated in paragraph 5.7 of the circular to Rockcastle shareholders to which a copy of this notice of an general meeting is attached, a distribution *in specie* as a return of capital, namely exclusively other than from retained earnings, including from any amount described as being share premium, be and is hereby authorised, which distribution is to be satisfied wholly by transferring to Rockcastle shareholders the right to receive 1 NEPI Rockcastle share for every 4.7 Rockcastle shares held as at the record date.”

In order for ordinary resolution 3 to be adopted, the support of a majority in excess of 50% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the extraordinary general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on ordinary resolution 3.

SPECIAL RESOLUTION 2: APPROVAL OF THE ISSUE OF SHARES PURSUANT TO THE NEPI ROCKCASTLE SUBSCRIPTION

“Resolved as required by and subject to the company’s constitution, the Mauritian Companies Act 2011 and the JSE Listings Requirements, that the directors are authorised to allot and issue up to approximately 394 885 776 Rockcastle shares in the authorised but unissued share capital of the company to NEPI Rockcastle as detailed in paragraph 5.8 of the circular to which this notice of general meeting is attached. The aforementioned number of shares has been determined assuming all shareholders elect to receive the distribution *in specie* as a return of capital and with reference to (i) Rockcastle’s stated capital as at 31 December 2016 and (ii) an inferred market capitalisation of Rockcastle determined based on the NEPI share price and USD:ZAR exchange rate as at the last practicable date, calculated in accordance with the swap ratio. The actual number of Rockcastle shares authorised to be issued will be determined with reference to actual shareholder elections to receive the distribution *in specie* as a return of capital, and (i) Rockcastle’s stated capital as at the merger implementation date and (ii) an inferred market capitalisation of Rockcastle as at the merger implementation date, determined based on the NEPI share price and USD:ZAR exchange rate as at the merger implementation date, calculated in accordance with the swap ratio.”

In order for special resolution 2 to be adopted, the support of a majority in excess of 75% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on special resolution 2. The voting rights controlled by NEPI Rockcastle and its associates will not be taken into account in determining the outcome of the special resolution 2, although will be taken into account in determining the requisite quorum. It is however noted that, as at the last practicable date, neither NEPI Rockcastle nor any associate of NEPI Rockcastle held any shares in Rockcastle.

SPECIAL RESOLUTION 3: REDUCTION OF STATED CAPITAL

“Resolved, to the extent required and for the purposes of enabling a distribution out of capital, that the company be and is hereby authorised to reduce its stated capital to such amount as the board of directors may determine and as would enable the company to make a distribution as a return of capital to the shareholders having so elected in accordance with the circular to Rockcastle shareholders to which a copy of this notice of general meeting is attached.”

In order for special resolution 3 to be adopted, the support of a majority in excess of 75% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on special resolution 3.

ORDINARY RESOLUTION 4: DELISTING OF ROCKCASTLE

“Resolved that the delisting of Rockcastle from the Main Board of the JSE and the Stock Exchange of Mauritius Limited, on the basis outlined in the circular to Rockcastle shareholders to which a copy of this notice of general meeting is attached, be and is hereby authorised.”

In order for ordinary resolution 4 to be adopted, the support of a majority in excess of 50% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on ordinary resolution 4.

SPECIAL RESOLUTION 4: WINDING UP

“The board of directors be and is hereby authorised to initiate, as and when it deems fit, procedures for the winding-up of the company under section 102 of the Mauritian Insolvency Act or an application for removal of the company from the register of companies in Mauritius under section 309 of the Mauritian Companies Act 2001 at any time following the implementation of the merger transaction.”

In order for special resolution 4 to be adopted, the support of a majority in excess of 75% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on special resolution 4.

SPECIAL RESOLUTION 5: AUTHORITY TO EFFECT THE MERGER TRANSACTION

“The company be and is hereby authorised to do all such things as may be necessary to give effect to the merger between Rockcastle and NEPI in the manner set forth in the circular to Rockcastle shareholders to which a copy of this notice of general meeting is attached and that the directors of the company be authorised to execute any ancillary documents which may be necessary in the future in connection with the implementation of the transactions contemplated in the circular and complete all necessary filing formalities with the relevant authorities.”

In order for special resolution 5 to be adopted, the support of a majority in excess of 75% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on special resolution 5.

ORDINARY RESOLUTION 5: AUTHORITY TO GIVE EFFECT TO RESOLUTIONS

“Resolved that any director or the company secretary of Rockcastle be and is hereby authorised to do all such things and sign all such documents required to give effect to special and ordinary resolutions proposed above and passed at the general meeting.”

In order for ordinary resolution 5 to be adopted, the support of a majority in excess of 50% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on ordinary resolution 5.

QUORUM

Shareholders are encouraged to attend, speak and vote at the extraordinary general meeting.

No business shall be transacted at the general meeting unless a quorum is present when the meeting proceeds to business. At least 25% of all voting rights that are entitled to be exercised and at least three shareholders entitled to attend and vote at the general meeting present in person or by proxy shall constitute a quorum. Once a quorum is established, the shareholders that constitute a quorum must be present at the meeting to hear any matter that must be considered.

Where a quorum is not present within 30 minutes after the time appointed for the general meeting, the meeting shall be adjourned to the same day in the following week at the same time and place, or to such other date, time and place as the

directors may appoint. Where, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the shareholders or their proxies present shall be a quorum.

VOTING AND PROXY

Unless a poll is demanded, voting at the general meeting shall be either by voting by voice or voting by show of hands, whichever method is determined by the chairperson of the meeting. A poll may be demanded either before or after the vote is taken on a resolution, in which case votes shall be counted according to the votes attached to the shares of each shareholder present in person or by proxy and voting.

Shareholders holding shares in dematerialised form in “own name”:

- may attend and vote at the general meeting; alternatively
- may appoint an individual as a proxy (who need not also be a shareholder of the company) to attend, participate in and speak and vote in your place at the general meeting by completing the attached form of proxy and returning it to the Company Secretary, by no later than 12:00 Mauritian time (10:00 South African time) on Thursday, 29 June 2017. Alternatively, the form of proxy may be handed to the chairman at the general meeting at the general meeting or at any time prior to the commencement of the general meeting. Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Please also note that the attached form of proxy must be delivered to the Company Secretary or handed to the chairman of the general meeting, before the proxy may exercise any of your rights as a member of the company at the general meeting.

Please note that any shareholder of the company that is a company may authorise any person to act as its representative at the general meeting.

Please note that if you are the owner of dematerialised shares held through a CSDP or broker (or their nominee) and are not registered as an “own name” dematerialised shareholder, then you are not a registered shareholder of the company, but your CSDP or broker (or their nominee) would be.

Accordingly, in these circumstances, subject to the mandate between yourself and your CSDP or broker as the case may be:

- if you wish to attend the general meeting you must contact your CSDP or broker, and obtain the relevant letter of representation; alternatively
- if you are unable to attend the general meeting but wish to be represented at the general meeting, you must contact your CSDP or broker, and furnish it with your voting instructions in respect of the general meeting and/or request it to appoint a proxy. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, within the time period required by your CSDP or broker;
- CSDPs or brokers or their nominees, as the case may be, recorded in the company’s sub-register as holders of dematerialised shares should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the general meeting or by completing the attached form of proxy (white) in accordance with the instructions thereon and return it to the Company Secretary, by no later than 12:00 Mauritian time (10:00 South African time) on Thursday, 29 June 2017. Alternatively, the form of proxy may be handed to the chairman of the general meeting at the general meeting at any time prior to the commencement of the general meeting.

In order to more effectively record the votes and give effect to the intentions of members, voting on all resolutions will be conducted by way of a poll.

By order of the board
Intercontinental Trust Ltd

Company secretary

9 June 2017

Address of registered office
c/o Intercontinental Trust Ltd
Level 3, Alexander House, 35 Cybercity,
Ebene 72201, Mauritius

Address of SA Transfer Secretaries
Link Market Services South Africa Proprietary Limited
13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844 Johannesburg 2000)



ROCKCASTLE

GLOBAL REAL ESTATE COMPANY LIMITED

(Incorporated in the Republic of Mauritius)

(Registration number 108869 C1/GBL)

SEM share code: "Rock.N0000" JSE share code: "ROC" ISIN: MU0364N00003

("Rockcastle" or "the company")

FORM OF PROXY

Where appropriate and applicable, the terms defined in the circular to which this form of proxy is attached bear the same meanings in this form of proxy.

THIS FORM OF PROXY IS ONLY FOR USE BY:

- Dematerialised shareholders on the South African register with "own name" registration; and
- Certificated shareholders on the Mauritian register

For use by the aforesaid shareholders at the general meeting of shareholders of the company to be held at the company's registered office, Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius, on Monday, 3 July 2017 at 12:00 Mauritian time (10:00 South African time), or at any adjournment thereof if required. Additional forms of proxy are available from the company's registered office.

Not for use by dematerialised shareholders on the South African register who have not selected "own-name" registration and/or dematerialised shareholders on the Mauritian register. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the general meeting and request that they be issued with the necessary letter of representation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the general meeting in order for the CSDP or broker to vote in accordance with their instructions at the general meeting.

I/We _____ name in block letters)

of _____ (address)

being the registered holder of _____ ordinary shares in the capital of the company hereby appoint:

1. _____ or failing him/her

2. _____ or failing him/her

3. the chairman of the general meeting

as my/our proxy to act for me/us on my/our behalf at the general meeting to be held on Monday, 3 July 2017 at 12:00 Mauritian time (10:00 South African time) or any adjournment thereof, which will be held for purposes of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions to be proposed thereat as detailed in the notice of general meeting; and to vote for and/or against such resolutions and/or to abstain from voting for and/or against the resolutions in respect of the shares registered in my/our name in accordance with the following instructions:

	Number of votes		
	*For	*Against	*Abstain
Ordinary resolution 1 (Approval of Rockcastle transaction)			
Special resolution 1 (Approval of Rockcastle disposal)			
Ordinary resolution 2 (Distribution <i>in specie</i> of listed NEPI Rockcastle shares by way of a dividend)			
Ordinary resolution 3 (Distribution <i>in specie</i> of listed NEPI Rockcastle shares by way of a return of capital)			
Special resolution 2 (Approval of the NEPI Rockcastle subscription)			
Special resolution 3 (Reduction of stated capital)			
Ordinary resolution 4 (Delisting of Rockcastle)			
Special resolution 4 (Winding up)			
Special resolution 5 (Authority to give effect to the merger transaction)			
Ordinary resolution 5 (Authority to give effect to the resolutions)			

* (Indicate instructions to proxy in the spaces provided above). Unless otherwise instructed, my proxy may vote as he/she thinks fit.

Please read the notes below.

Signed at _____ on _____ 2017

(Signature) _____

Assisted by (if applicable) _____

Forms of proxy must be deposited at, posted, faxed or emailed by no later than 12:00 Mauritian time (10:00 SA time) on Thursday, 29 June 2017 as detailed below:

By hand to:

The Company Secretary
Rockcastle Global Real Estate Company Limited
Level 3, Alexander House
35 Cybercity, Ebene 72201,
Mauritius

By post to:

The Company Secretary
Rockcastle Global Real Estate Company Limited
Level 3, Alexander House
35 Cybercity, Ebene 72201,
Mauritius

By facsimile to:

Rockcastle Global Real Estate Company Limited
(230) 402 0801

By electronic mail to:

Rockcastle Global Real Estate Company Limited
rgrecl@intercontinentaltrust.com

Alternatively, forms of proxy can be hand delivered to the chairperson prior to the commencement or at the general meeting.

Notes to the proxy form:

1. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
2. Shareholders that are entitled to attend and vote at the general meeting may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the chairperson of the general meeting", but any such deletion must be initialled by the shareholder(s). Such proxy(ies) may participate in, speak and vote at the general meeting in the place of that shareholder at the general meeting. The person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is named on a lodged form of proxy the chairperson shall be deemed to be appointed as the proxy.
3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the shareholder in the appropriate box(es) provided. Failure to comply with the above will be deemed to authorise the proxy, in the case of any proxy other than the chairperson, to vote or abstain from voting as deemed fit and in the case of the chairperson to vote in favour of the resolution.
4. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder, but the total of the votes cast or abstained may not exceed the total of the votes exercisable in respect of the shares held by the shareholder.
5. 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. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as at the later of the date stated in the revocation instrument, if any; or the date on which the revocation instrument was delivered in the required manner.
6. A vote given in terms of an instrument of proxy shall be valid in relation to the general meeting notwithstanding the death of the person granting it, unless an intimation in writing of such death is received by the Company Secretary not less than 24 hours before the commencement of the general meeting.
7. The chairperson of the general meeting may reject or accept any form of proxy which is completed and/or received otherwise than in compliance with these notes, provided that, in respect of acceptances, the chairperson is satisfied as to the manner in which the shareholder concerned wishes to vote.
8. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
9. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the company or the Company Secretary or waived by the chairperson of the general meeting.
10. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the company or the Company Secretary.
11. Where there are joint holders of shares, the vote of the first joint holder who tenders a vote, as determined by the order in which the names stand in the register of shareholders, will be accepted and only that holder whose name appears first in the register in respect of such shares need to sign this form of proxy.



ROCKCASTLE

GLOBAL REAL ESTATE COMPANY LIMITED

(Incorporated in the Republic of Mauritius)

(Registration number 108869 C1/GBL)

SEM share code: "Rock.N0000" JSE share code: "ROC" ISIN: MU0364N00003

("Rockcastle" or "the company")

FORM OF ELECTION

Where appropriate and applicable, the terms defined in the circular to which this form of election is attached bear the same meanings in this form of election.

For the terms and conditions governing the election, refer to the circular to which this form of election was attached. Shareholders should refer to the "Action required by Rockcastle shareholders" section of the circular.

Only for use by shareholders on the Mauritian register who wish to receive their NEPI Rockcastle distribution shares as a return of capital.

NO LATE FORMS WILL BE ACCEPTED

Instructions

1. Full instructions are set out in the "Action Required" section of the circular.
2. A separate form of election is required for each shareholder.
3. The election must be made in respect of your entire shareholding in Rockcastle.
4. **Part A** must be completed by all of the aforesaid registered shareholders who wish to receive their NEPI Rockcastle distribution shares by way of a return of capital.
5. **Part B** must be completed by those shareholders who wish to hold their NEPI Rockcastle shares on NEPI Rockcastle's South African register and who have a CSDP or broker account in South Africa.
6. **Part C** must be completed by all those shareholders who wish to hold their NEPI Rockcastle shares on NEPI Rockcastle's European register and who have a custodian or brokerage account in Europe via which they can hold shares on NEPI Rockcastle's European register.
7. The form of election should be retained as no further copies will be circulated. Additional copies may be requested from the Company Secretary at the address disclosed in the "Corporate Information" section.
8. Should you not provide correct details of a CSDP or broker account in South Africa or custodian or brokerage account in Europe in the spaces provided below, the NEPI Rockcastle shares to which you are entitled will be held in escrow by the Escrow Agent as detailed in paragraph 1.2 of the "Action Required" section of the circular.

The form of election may be submitted to the Company Secretary, as applicable, by hand, post, fax or email by no later than 14:00 Mauritian time (12:00 SA time) on Friday, 14 July 2017 as detailed below.

Shareholders on the Mauritian register

by hand to:

The Company Secretary
Rockcastle Global Real Estate Company Limited
Level 3, Alexander House
35 Cybercity, Ebene 72201,
Mauritius

by facsimile to:

Rockcastle Global Real Estate Company Limited
(230) 402 0801

by post to:

The Company Secretary
Rockcastle Global Real Estate Company Limited
Level 3, Alexander House
35 Cybercity, Ebene 72201,
Mauritius

by electronic mail to:

Rockcastle Global Real Estate Company Limited
rgrecl@intercontinentaltrust.com

NO LATE FORMS OF ELECTION WILL BE ACCEPTED.

Part A: To be completed by all of the aforesaid shareholders who wish to receive their NEPI Rockcastle distribution shares as a return of capital

Please complete the details below in CAPITAL LETTERS.

I/We

- acknowledge that pursuant to the Rockcastle transaction I/we am/are entitled to receive either a distribution *in specie* declared by Rockcastle as a dividend or a distribution *in specie* made by Rockcastle as a return of capital, in settlement of which I/we will ultimately be issued 1 NEPI Rockcastle share for every 4.7 Rockcastle shares I/we hold on the record date;
- irrevocably elect to receive my/our NEPI Rockcastle shares pursuant to distribution *in specie* as a return of capital *in lieu* and instead of as a dividend, in respect of my/our entire shareholding in Rockcastle and on the terms and conditions contained in this form of election and in the circular;
- acknowledge that this form of election is applicable only in respect of Rockcastle shares of which I/we was/were the registered holder(s) at the close business on the record date (Friday, 14 July 2017);
- acknowledge that in settlement of the distribution I/we am/are only entitled to fully paid NEPI Rockcastle shares, subject to the fractional entitlement principle, determined by applying the swap ratio to that number of Rockcastle shares held by me/us on the record date (Friday, 14 July 2017);
- acknowledge that, as a result of this election, I/we am/are not entitled to (and hereby irrevocably waive any entitlement to) also receive a distribution *in specie* declared by Rockcastle as a dividend in respect of my/our shareholding in Rockcastle; and
- acknowledge that if I/we do not provide correct details of a CSDP or broker account in South Africa or custodian or brokerage account in Europe via which I/we can hold shares on NEPI Rockcastle's European register in the spaces provided below, the NEPI Rockcastle shares to which I/we am/are entitled will be held in escrow by the Escrow Agent as detailed in paragraph 1.2 of the "Action Required" section of the circular.

Signed at _____ On _____ 2017

Signature _____

Assisted by (where applicable) _____ Signature _____

Home number: _____ Mobile number: _____

Email address: _____

Stamp and address of agent lodging this form (if any): _____

Details of the registered Rockcastle shareholder	
Name and address:	
Contact number:	
Email address:	

Part B must be completed by all shareholders who wish to hold their NEPI Rockcastle shares on NEPI Rockcastle's South African register and who have a CSDP or broker account in South Africa.

Please complete the information below if you have an account with a broker or CSDP and wish such account to be credited with the listed NEPI Rockcastle shares:

Name of account holder: _____

Name of broker: _____

Name of CSDP: _____

Account number of broker: _____

Account number of CSDP: _____

Telephone number of broker/CSDP _____

SCA number of broker/CSDP _____

Please note: Should the account details provided by you above be incorrect or incomplete, it will not be possible to credit such account with the listed NEPI Rockcastle shares which you are entitled to, in which case you the NEPI Rockcastle shares will be issued to the Escrow Agent as further detailed in paragraph 1.2 of the “Action Required” section of the circular. Shareholders are referred to the “Action Required” section of the circular, which sets out the detailed action required by shareholders in respect of the procedure to receive NEPI Rockcastle shares.

Part C must be completed by all of the aforesaid shareholders who wish to hold their NEPI Rockcastle shares on NEPI Rockcastle’s European register and who have a custodian or brokerage account in Europe via which they can hold shares on NEPI Rockcastle’s European register.

Please complete the information below if you have an account with a custodian and broker via which you can hold shares on NEPI Rockcastle’s European register and wish such account to be credited with the listed NEPI Rockcastle shares:

Name of account holder:

Name of broker:

Name of custodian:

Account number of broker:

Account number of custodian:

Telephone number of broker/custodian:

SCA number of broker/custodian:

Please note: Should the account details provided by you above be incorrect or incomplete, it will not be possible to credit such account with the listed NEPI Rockcastle shares which you are entitled to, in which case the NEPI Rockcastle shares will be issued to the Escrow Agent as further detailed in paragraph 1.2 of the “Action Required” section of the circular. Shareholders are referred to the “Action Required” section of the circular, which sets out the detailed action required by shareholders in respect of the procedure to receive NEPI Rockcastle shares.

NOTES TO THE FORM OF ELECTION

1. If you have any doubt as to how to complete this form of election, please consult your accountant, attorney, banker, broker or other professional adviser.
2. Shareholders should refer to the “Action Required” section of the circular. Terms in this form of election bear the same meaning as in the circular unless the context indicates otherwise.
3. In order to be valid, this form of election must be properly completed and received by the Company Secretary in accordance with the salient dates and times mentioned in the circular.
4. The signature of this form of election by any person who is under legal disability shall be accompanied by the signature of such person’s parent, guardian or legal representative, as the case may be.
5. Rockcastle reserves the right in its discretion to:
 - 5.1 treat as invalid (in which case you will receive the distribution *in specie* as a dividend) any form of election not complying with the terms of the election, any instruction or the circular; and
 - 5.2 require proof of the authority of the person signing this form of election where such proof has not yet been lodged with or recorded by the Company Secretary.
6. Any alteration or correction made to this form of election must be signed in full and not only initialled by the signatory(ies).
7. Persons who have acquired shares in Rockcastle after the date of posting of the circular to which this form of election is attached can obtain copies of the form of election and the said document from the JSE sponsor, Java Capital Trustees and Sponsors Proprietary Limited, 6A Sandown Valley Crescent, Sandton, 2196 from Friday, 9 June 2017 up to and including Friday, 14 July 2017. It will also be available on the website of the company (www.rockcastleglobal.com) from Friday, 9 June 2017.
8. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts.
9. Signatories may be called upon for evidence of their authority or capacity to sign this form of election.
10. If this form of election is signed under a power of attorney, then such power of attorney, or a notarially certified copy hereof, must be sent with this form of election for noting, unless it has already been noted by the Company Secretary, or it has been lodged with a broker and this form bears the stamp of that broker.
11. Where there are joint holders of any shares, only that holder whose name appears first in the register in respect of such shares need sign the form of election.
12. The signature of this form of election by any person who is under legal disability shall be accompanied by the signature of such person’s parent, guardian or legal representative, as the case may be.
13. If the shareholder is a deceased estate, this form of election must be accompanied by a certified copy of the letter of executorship, unless the relevant documents have already been lodged with the Company Secretary, or with a broker and this form of election bears the stamp of that broker.
14. A minor must be assisted by his or her parent or guardian, unless the relevant documents establishing his or her legal capacity are produced or have been registered by the Company Secretary.
15. If this form of election is not signed by the shareholder, such shareholder will be deemed to have irrevocably appointed the Company Secretary to implement the obligations of the shareholder in terms of the election to receive a distribution in specie as a return of capital on his or her behalf.
16. All times indicated are local times in the country to which they refer.

17. If a form of election is not received by the Company Secretary or if a form of election is received by the Company Secretary, as applicable, timeously in accordance with the salient dates and times mentioned in the circular but is not completed in accordance with the above instructions, you will receive the distribution *in specie* as a dividend in accordance with your shareholding in the company on the record date, being Friday, 14 July 2017. Should you have any queries as to the completion of the form of election, please contact the Company Secretary.

