

NEPI Rockcastle PLC

Incorporated and registered in the Isle of Man

Registered number 014178V

Share code: NRP

ISIN: IM00BDD7WV31

(“NEPI Rockcastle” or “the Company”)



REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY TO THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY TO BE HELD ON 10 MAY 2022

Dear Shareholders,

In accordance with article 420-26 (5) of the Luxembourg law on commercial companies dated 10 August 1915 as amended (the **Law**), the board of directors of the Company (the **Board**) submits for your review this report on the proposal to be made at the extraordinary general meeting of the shareholders of the Company to be held on 10 May 2022 (the **Meeting**) regarding the set-up of a new authorised share capital of the Company in an amount of EUR 20,000,000 (twenty million euros), for a period of 5 (five) years starting on the date of the Meeting, thereby authorising the Board to issue up to 2,000,000,000 (two billion) new shares with a nominal value of EUR 0.01 (one cent), for a duration of five (5) years following the date of the Meeting and the authorisation to be granted to the Board to cancel or limit the pre-emptive rights of the shareholders set out in the Law in connection with such authorised capital (the **Authorisation**).

1. PURPOSE OF THE AUTHORISATION

In terms of the Company’s current articles of association in the Isle of Man, subject to specified pre-emption rights, the authorised share capital of the Company is at the permanent disposal of the Board. The default position under Luxembourg law, however, is that only the general meeting of shareholders can resolve to issue shares of the Company.

The purpose of the Authorisation is to replicate the powers of the Board in the Isle of Man following migration to the Grand Duchy of Luxembourg (**Luxembourg**), to the fullest extent possible in terms of Luxembourg law and having regard to limitations imposed by Luxembourg law as to the duration of the Authorisation.

As is the position in the Isle of Man, all the cases referred to below might call for immediate and flexible action, in order to react quickly and efficiently to fluctuations in the market and to the particular needs of the Company under certain internal or external circumstances. As such, it is necessary to create an accelerated procedure as opposed to the requirement to convene a general shareholders’ meeting, unless required in terms of Luxembourg law or the listing rules and/or regulations issued from time to time by any regulated stock exchanges upon which the shares of the Company are listed and traded from time to time (**Applicable Listing Requirements**), which will at all times be complied with. The Authorisation accordingly empowers the Board, for a period of 5 (five) years following the migration of the Company to Luxembourg, to issue up to 2,000,000,000 (two billion) shares, by way of issuance of rights, options, convertible instruments or by way of direct share issues (whether on a regulated or unregulated market), i.e. by share offerings, whether or not made to the existing shareholders of the Company.

The Authorisation could in particular, without limitation, be used in order to:

- issue shares based on previous authorisations granted prior to the Company’s migration to Luxembourg;

- engage in restructuring programmes, public offerings, acquisition (private or public) or merger transactions, or, generally, additional equity financing programmes;
- increase the share capital by incorporation of reserves or issuance premium;
- issue shares for cash or the acquisition of assets;
- afford shareholders opportunities from time to time to elect to reinvest their dividends in new shares of the Company pursuant to a reinvestment option;
- issue shares as contemplated in the NEPI Rockcastle Share Incentive Plan or other approved employee share option plan; or
- remunerate shareholders by way of a distribution in kind,

at all times in accordance with Applicable Listing Requirements. This includes the requirement to obtain shareholder approval to issue shares for cash in terms of the JSE Listings Requirements, both generally (proposed annually at the Company's annual general meeting) and on a specific basis, as well as the requirement to obtain shareholder approval for certain categorizable and/or related party transactions, which requirements for the avoidance of doubt will continue to apply and are not overridden by the Authorisation.

2. RELATIONSHIP WITH CURRENT ISSUED SHARE CAPITAL

The authorised share capital of the Company in the Isle of Man, currently, is EUR 20,000,000 (twenty million euros) divided into 2,000,000,000 (two billion) shares with a nominal value of EUR 0.01 (one cent) each, all of which at the disposal of the Board. This authorised share capital includes shares already in issue, being 608,994,907 (six hundred eight million nine hundred ninety-four thousand nine hundred seven) shares, as at the date of this report.

The Authorisation contemplated in this report and in the notice convening the Meeting excludes shares already in issue. The Authorisation therefore empowers the Board to issue shares up to the amount of the Authorisation (i.e. 2,000,000,000 (two billion) shares) in addition to those shares already in issue.

The granting by shareholders of the Authorisation will not impact the Company's shares already in issue.

3. AUTHORISATION TO CANCEL OR RESTRICT THE SHAREHOLDERS' PRE-EMPTIVE RIGHTS

The Authorisation includes the authorisation for the Board to cancel or limit the pre-emptive rights of the shareholders set out in the Law in connection with such authorised capital. The Board deems this authorisation, effectively to permit the Board to issue shares without offering them to existing shareholders, to be indispensable to achieve the goals as described above.

The Board therefore proposes that it be authorised to cancel or restrict shareholders' pre-emptive rights in respect of issuances of shares undertaken in terms of the Authorisation, as it deems fit.

4. ISSUE PRICE

The issue price of the new shares to be issued under the Authorisation will in each case correspond at least to the nominal value of the existing shares (at the time of the respective issuance of any such new shares or at the time of the grant of options or issue of other securities or instruments convertible into shares, as the case may be), and further be subject to any minimum imposed by Applicable Listing Requirements.

The Board may decide, at its discretion but always subject to the corporate interest of the Company, to issue new shares under the Authorisation at a price which is higher than the nominal value of the existing shares (at the time of the respective issuance of any such new shares).

8 April 2022

The Board