

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you have disposed of all of your shares in NEPI Rockcastle, this circular should be handed to the purchaser of such shares or to a central securities depository participant (“CSDP”), admitted institution, broker, custodian, banker or other agent through whom the disposal was effected.

**NO SCRIP ISSUE IS OFFERED FOR THE FINAL DIVIDEND. THE ATTENTION OF SHAREHOLDERS IS DRAWN TO THE AVAILABILITY OF AN OPTION TO RECEIVE THE FINAL DIVIDEND AS A CAPITAL REPAYMENT OR A CASH DIVIDEND. SHOULD SHAREHOLDERS NOT ACTION THE CONTENTS OF THIS CIRCULAR, THEY WILL BE DEEMED TO HAVE ELECTED TO RECEIVE THE CAPITAL REPAYMENT.**

**NEPI Rockcastle does not accept responsibility and will not be held liable for any failure on the part of the CSDP, admitted institution, broker, custodian, banker or other agent to notify a shareholder of the proposals set out in this circular.**

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

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

**Shareholders are referred to the “Salient Dates and Times” sections on page 1 of this circular for the dates and times applicable in respect of the final dividend.**

**THE ATTENTION OF SHAREHOLDERS IS DRAWN IN PARTICULAR TO THE FACT THAT THE SALIENT DATES AND TIMES APPLICABLE IN RESPECT OF SHARES TRADED ON THE JSE AND A2X AND IN RESPECT OF SHARES TRADED ON EURONEXT AMSTERDAM, DIFFER, AND THAT TRANSFERS OF SHARES FROM THE JSE OR A2X TO EURONEXT AMSTERDAM MAY NOT TAKE PLACE BETWEEN TUESDAY, 5 MARCH 2024 AND FRIDAY, 15 MARCH 2024, BOTH DAYS INCLUSIVE.**



**NEPI ROCKCASTLE N.V.**

(incorporated in the Netherlands)

Registration number: 87488329

Share code: NRP

ISIN: NL0015000RT3

(“NEPI Rockcastle” or the “Company”)

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**CIRCULAR TO NEPI ROCKCASTLE SHAREHOLDERS IN RESPECT OF THE FINAL DIVIDEND FOR THE SIX MONTHS ENDED 31 DECEMBER 2023**

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## SALIENT DATES AND TIMES

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### For shareholders holding shares traded on the JSE and/or A2X

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2024

Publication of financial results for the year ended 31 December 2023 and announcement of the final dividend	Tuesday, 20 February
Announcement on SENS and ANS regarding an election to receive either a capital repayment or a cash dividend and issue of circular	Tuesday, 27 February
Finalisation announcement on SENS and ANS of the exchange rate before 11:00am South African time	Tuesday, 5 March
Last day to trade on the JSE and A2X in order to be eligible for the capital repayment or cash dividend	Tuesday, 12 March
Shares commence trading on the JSE and A2X <i>ex</i> the final dividend	Wednesday, 13 March
Record date for receipt of the capital repayment or cash dividend	Friday, 15 March
Cash dividend elections to be made no later than 12:00pm South African time	Friday, 5 April
Announcement on SENS and ANS of the date of the amendment of the Articles to facilitate the capital repayment	Tuesday, 9 April
Amendment of Articles to reflect increase and subsequent reduction of the nominal value per share	Wednesday, 10 April
Payment of capital repayment or cash dividend	Friday, 12 April

#### Notes:

1. The above dates and times are subject to change. Any changes will be released on SENS and ANS and the website of the Company at [www.nepirockcastle.com](http://www.nepirockcastle.com).
2. NEPI Rockcastle shareholders are referred to page 3 of this circular for information on the action required to be taken by them.
3. For the avoidance of doubt, only those shareholders who hold NEPI Rockcastle shares on the record date will receive the capital repayment, or be entitled to elect to receive the cash dividend.
4. Transfers of shares between the Euronext Amsterdam and the JSE or A2X may not take place between Tuesday, 5 March 2024 and Friday, 15 March 2024, both days inclusive. Accordingly, the above dates and times will apply in respect of all shares traded on the JSE and A2X at the commencement of trade from Tuesday, 5 March 2024.
5. Shares may not be dematerialised or rematerialised between Wednesday, 13 March 2024 and Friday, 15 March 2024, both days inclusive.

### For shareholders holding shares traded on Euronext Amsterdam

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2024

Publication of financial results for the year ended 31 December 2023 and announcement of the final dividend	Tuesday, 20 February
Announcement on the Company's website regarding an election to receive either a capital repayment or a cash dividend and issue of circular	Tuesday, 27 February
Announcement on the Company's website of the exchange rate before 10:00am Central European Time	Tuesday, 5 March
Last day to trade on Euronext Amsterdam in order to be eligible for the capital repayment or cash dividend	Wednesday, 13 March
Shares commence trading on Euronext Amsterdam <i>ex</i> the final dividend	Thursday, 14 March
Distribution of the Technical Information Memorandum	Thursday, 14 March
Record date for receipt of the capital repayment or cash dividend	Friday, 15 March
Start of election period	Monday, 18 March
Accounts at Euroclear Nederland of the Admitted Institutions will be credited with dividend rights	Monday, 18 March
Close of election period	Friday, 5 April
Announcement on the Company's website of the date of the amendment of the Articles to facilitate the capital repayment	Tuesday, 9 April
Amendment of Articles to reflect increase and subsequent reduction of the nominal value per share	Wednesday, 10 April
Payment of capital repayment or cash dividend	Friday, 12 April

#### Notes:

1. The above dates and times are subject to change. Any changes will be released on the website of the Company at [www.nepirockcastle.com](http://www.nepirockcastle.com).
2. NEPI Rockcastle shareholders are referred to page 3 of this circular for information on the action required to be taken by them.
3. For the avoidance of doubt, only those shareholders who hold NEPI Rockcastle shares on the record date will receive the capital repayment, or be entitled to receive the cash dividend.
4. Transfers of shares between the Euronext Amsterdam and the JSE or A2X may not take place between Tuesday, 5 March 2024 and Friday, 15 March 2024, both days inclusive. Accordingly, the above dates and times will apply in respect of all shares traded on Euronext Amsterdam at the commencement of trade from Tuesday, 5 March 2024.

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## TERMS OF THE FINAL DIVIDEND FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

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### 1. INTRODUCTION

On Tuesday, 20 February 2024, NEPI Rockcastle released its reviewed condensed consolidated financial results for the year ended 31 December 2023 and announced a final dividend of 25.61 euro cents per NEPI Rockcastle ordinary share (“share” or “NEPI Rockcastle share”) in respect of the six months ended 31 December 2023 (“final dividend”), corresponding to a 90% dividend pay-out ratio.

The announcement of the final dividend follows the approval by shareholders on 14 June 2023 of adjustments to the nominal (par) value of each ordinary share through amendment of the Company’s articles of association (“the Articles”), in order to facilitate an option to receive any cash distribution declared by the Company for the six months ended 31 December 2023 as a capital repayment.

The board of directors of the Company has resolved to offer to NEPI Rockcastle shareholders the election to receive the final dividend either:

- (i) via a reduction and repayment in cash of the nominal value per share (“capital repayment”), by way of amendments to the Articles, as approved by shareholders at the annual general meeting held on 14 June 2023 (“the June 2023 AGM”); or
- (ii) as an ordinary cash dividend out of distributable profits (“cash dividend”).

**No scrip dividend alternative is offered in respect of the final dividend. Both options above will be settled in cash. The capital repayment will be paid to shareholders unless they elect to receive the cash dividend.**

Therefore, NEPI Rockcastle shareholders who wish to receive the cash dividend must ensure that their elections are lodged in accordance with the “Salient Dates and Times” section of this circular. The election by a shareholder of one option implies an opt-out of the other option.

The election is available in respect of all or part of a shareholder’s shareholdings as at the record date set out in the “Salient Dates and Times” section on page 1 of this circular.

The rationale for offering two alternatives as to how cash is received, namely as a capital repayment or a cash dividend, is to reduce the compliance costs of claiming tax refunds in respect of the cash dividend (detailed in paragraph 4).

As at the date of this circular, the Company has 660,826,020 ordinary shares of €0.01 each in issue.

### 2. TERMS OF THE DIVIDEND

#### 2.1 Capital repayment

**The capital repayment will be paid to shareholders unless they elect to receive the cash dividend.**

In order to facilitate the capital repayment option described in paragraph 1(i) above, adjustments to the nominal (par) value of each ordinary share (currently €0.01 (one euro cent)) will be effected through amendment of the Articles. These adjustments were approved by shareholders at the June 2023 AGM and will comprise:

- (i) an increase of the nominal value of each ordinary share by €0.35 (thirty-five euro cents), at the expense of the share premium reserve and by way of an amendment to the Articles; and
- (ii) a reduction of the nominal value of each ordinary share by €0.35 (thirty-five euro cents), by way of an amendment to the Articles, so as to reduce such nominal value back to €0.01 (one euro cent).

Following notification of the aforementioned intended amendments to the Articles and the conclusion of a mandatory two-month opposition period for creditors, no oppositions to the proposal were received. Accordingly, before the payment date of the final dividend, the Articles will be amended to effect an increase of the nominal value of each ordinary share by €0.35 (thirty-five euro cents), to €0.36 (thirty-six euro cents) per ordinary share, at the expense of the share premium reserve. The Articles will shortly thereafter be amended to effect a reduction of the nominal value of ordinary share by €0.35 (thirty-five euro cents), back to €0.01 (one euro cent) per ordinary share. For the avoidance of doubt, at the conclusion of this amendment process, the nominal value of each NEPI Rockcastle share will effectively be unchanged at €0.01 (one euro cent) per share, and the amendments to be effected to such nominal value are to facilitate the capital repayment option only.

Shareholders receiving the capital repayment (the default) will receive an amount of 25.61 euro cents per share in cash as a repayment of the nominal value of their shares. The aggregate amount by which the nominal value of ordinary shares is reduced will be partly paid to shareholders opting (or opting by default) to receive the capital repayment, such part representing the total of all distributions opted (or opted by default) to be received as a capital repayment by shareholders. The remaining balance will be added back to the share premium reserve.

Shareholders who hold shares traded on the JSE and/or A2X will receive the capital repayment in South African Rand (“ZAR”), converted from Euro at an exchange rate to be announced on Tuesday, 5 March 2024. Shareholders who hold NEPI Rockcastle shares traded on Euronext Amsterdam will receive the capital repayment in Euro.

## 2.2 Cash dividend

Shareholders who elect to receive the cash dividend will receive an amount of 25.61 euro cents per share in cash, net of any applicable withholding tax payable. The cash dividend will be paid out of the Company’s distributable profits.

The election to receive the cash dividend may be made by shareholders in respect of all or part of their shareholdings as at the record date set out in the “Salient Dates and Times” section on page 1 of this circular.

Shareholders who elect to receive the cash dividend and hold shares traded on the JSE and/or A2X will receive the cash dividend in ZAR, converted from Euro at an exchange rate to be announced on Tuesday, 5 March 2024. Shareholders who elect to receive the cash dividend and hold NEPI Rockcastle shares traded on Euronext Amsterdam will receive the cash dividend in Euro.

## 3. ACTION REQUIRED BY SHAREHOLDERS

If you wish to receive the capital repayment you need to take no further action. You will receive a capital repayment of 25.61 euro cents per share in cash on Friday, 12 April 2024.

If you wish to receive the cash dividend, please note the following action required to be taken by you:

### 3.1 If you hold shares traded on the JSE and/or A2X

Notify your duly appointed CSDP, broker or custodian that you wish to receive the cash dividend in the manner and the time stipulated in the agreement governing your relationship with your CSDP, broker or custodian.

If you elect to receive the cash dividend, you will receive an amount of 25.61 euro cents per share in cash on Friday, 12 April 2024, net of any applicable withholding tax payable in respect of the cash dividend as detailed in paragraph 4.2 below.

**Should you fail to elect the cash dividend, you will receive a capital repayment of 25.61 euro cents per share.**

### 3.2 If you hold shares traded on Euronext Amsterdam

Notify your custodian that you wish to receive the cash dividend in the manner and the time stipulated in the agreement governing your relationship with your custodian.

If you elect to receive the cash dividend, you will receive an amount of 25.61 euro cents per share in cash on Friday, 12 April 2024, net of any applicable withholding tax payable in respect of the cash dividend as detailed in paragraph 4.2 below.

**Should you fail to elect the cash dividend, you will receive a capital repayment of 25.61 euro cents per share.**

The Company shall not be liable for any loss arising out of a failure of any relevant party to receive the instruction that you wish to receive either the cash dividend before the applicable deadline.

## 4. TAX IMPLICATIONS

**The commentary below does not constitute tax advice and is intended only as a high-level guide. Shareholders should consult their own professional advisors to confirm their tax position *vis-à-vis* any distribution declared by the Company. The Company takes no responsibility for the submission of claims to any tax authority for or on behalf of any shareholder, for liaising with any tax authority for or on behalf of any shareholder in respect of any such claims, or for the outcome of any such claims. Claims to any tax authority are the sole responsibility of the shareholder concerned.**

Given NEPI Rockcastle's listing on the JSE and A2X, a relatively large proportion of the Company's shares are expected to be held by shareholders tax resident in South Africa ("**South African shareholders**"). The position of South African shareholders is therefore specifically addressed below. For shareholders residing outside of South Africa, the distribution of the final dividend may have other legal or tax implications and such shareholders are advised to obtain appropriate advice from their professional advisors in this regard.

#### 4.1 **Capital repayment**

Shareholders receiving the capital repayment (the default) will receive a distribution of 25.61 euro cents per share as a repayment of the nominal value of their shares, paid from share capital for Dutch tax purposes. No Dutch dividend tax will be withheld on these capital repayments paid to shareholders.

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

For U.S. shareholders, the tax implications of receiving the capital repayment are presented in the section on "U.S. Federal Income Tax Considerations" on page 6 of this circular.

#### 4.2 **Cash dividend**

##### 4.2.1 *Dutch tax implications*

###### 4.2.1.1 Main rule

The Company must withhold 15% Dutch dividend tax on the cash dividend, leaving a distribution amount per share net of Dutch dividend tax. The Dutch dividend tax will be remitted to the Dutch tax authorities on behalf of the recipient of the cash dividend. Where required, a dividend note will be issued.

###### 4.2.1.2 Refund procedure

The beneficial owner of the cash dividend may be entitled to a partial or full refund of the Dutch dividend tax on the basis of Dutch domestic law or a tax treaty that the Netherlands has concluded with the country of tax residence of the shareholder. Information on the refund can be found on the website of the Dutch tax authorities: <http://www.belastingdienst.nl/refunddividenttax>. Depending on your specific situation, you must either fill out a form and send it to the Dutch tax authorities (address is noted on the form) or register electronically and request the refund electronically. It is noted that most countries provide for some form of relief of double taxation, but usually not more than the tax that the Netherlands is allowed to levy on the basis of the applicable tax treaty. Foreign shareholders are therefore encouraged to request a refund to which they are entitled on the basis of the applicable tax treaty concluded with the Netherlands (if any).

###### 4.2.1.3 Reduction or exemption at source

A shareholder, not being a natural person, who beneficially owns an interest in the nominal paid up share capital of the Company of 5% or more (a "**Substantial Interest**"), or a shareholder who beneficially owned a Substantial Interest in the Company for at least 12 months and still owns shares that formed part of such Substantial Interest, may be entitled to a reduction or exemption at source. Such shareholder is advised to liaise with its own tax advisor to determine its possible entitlement to a reduction or exemption.

##### 4.2.2 *South African tax implications*

###### 4.2.2.1 General

Cash dividends received from a foreign (non-resident) company in respect of a share that is listed on the JSE are regarded as foreign dividends for South African income tax and dividends withholding tax purposes.

As a general rule, 20% South African dividends withholding tax ("**SADWT**") will be withheld by the regulated intermediary in South Africa (CSDP) on the cash dividend, leaving a distribution amount per share net of SADWT. This could be different if:

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

In order to qualify for any exemption from SADWT the beneficial owner of the cash dividend must provide the following documentation to the CSDP:

- 4.2.2.1.3 a written declaration that the cash dividend is exempt from SADWT in terms of South African domestic law; and
- 4.2.2.1.4 a written undertaking to inform the regulated intermediary in writing should the circumstances affecting the applicable exemption change, or should the beneficial owner cease to be the beneficial owner,

by the date determined by the CSDP, or where no date is determined, by the date of payment of the cash dividend.

The requirements in order to qualify for an exemption or rebate of SADWT in terms of a tax treaty are dealt with below.

#### 4.2.2.2 Tax implications for corporate shareholders

Where the South African resident beneficial owner of the cash dividend is a company, the cash dividend will be exempt from SADWT in terms of domestic law, provided the documentary requirements set out above are complied with.

#### 4.2.2.3 Tax implications for non-corporate shareholders

Where the South African resident beneficial owner of the cash dividend is a non-corporate shareholder, the cash dividend may be exempt from SADWT in terms of domestic law. Where the cash dividend does not qualify for one of the domestic exemptions, SADWT will be suffered at an initial rate of 20%.

One would then consider the application of the rebate mechanism described below in order to determine the final amount of tax payable.

#### 4.2.2.4 Rebate on SADWT suffered

A rebate on non-refundable foreign taxes imposed on the cash dividend paid is available to reduce the SADWT liability. This rebate is calculated with reference to the dividend withholding tax (“**DWHT**”) rate to which all qualifying companies resident in South Africa and all qualifying individual persons resident in South Africa are entitled in terms of the tax treaty concluded between the Netherlands and South Africa (“**NL-SA treaty**”) (and not the standard rate of 15% DWHT). The applicable rate of DWHT should be determined with reference to the analysis set out in paragraph 4.2.1 above.

The rebate will be limited to the SADWT imposed.

Where the cash dividend is exempt from DWHT in terms of Dutch domestic law as a result of the shareholder holding 5% or more of NEPI Rockcastle’s shares, no rebate will be available.

The CSDP is responsible for withholding SADWT from the cash dividend payable to shareholders holding shares trading on the JSE or A2X and paying such amounts to the South African Revenue Service.

In order to apply a rebate, the CSDP must be satisfied:

- 4.2.2.4.1 that DWHT was applied; and
- 4.2.2.4.2 that the relevant shareholder qualifies for a reduced rate of DWHT.

The rebate for foreign taxes is determined in ZAR by translating the foreign currency amount using the same rate used to translate the foreign dividend.

#### 4.2.2.5 Refund mechanism

Where the above results in shareholders holding shares trading on the JSE or A2X who are not exempt from SADWT suffering more than an aggregate 20% dividends withholding tax, such shareholders are advised to follow the procedures set out in paragraph 4.2.1.2 above in order to claim a refund in terms of the NL-SA treaty.

The maximum dividends withholding tax to be suffered by a South African shareholder will be 20%. Whether or not there is a refund due to the shareholder should be determined with reference to the specific facts applicable to that shareholder.

Where a CSDP is satisfied that a particular shareholder has suffered 15% DWHT, which is not recoverable by that shareholder from the Dutch tax authority, such CSDP should withhold 5% SADWT (being the 20% SADWT less 15% DWT), unless a specific South African domestic exemption applies and the required documentation as set out in paragraph 4.2.2.1 has been provided to the CSDP.

#### 4.2.3 *U.S. tax implications*

For U.S. shareholders, the tax implications of receiving the cash dividend are presented in the section on “U.S. federal income tax considerations” below.

### 4.3 **U.S. federal income tax considerations**

The following is a summary of certain U.S. federal income tax considerations relevant to U.S. shareholders (as defined below) of the capital repayment and the cash dividend. This summary is based on the U.S. Internal Revenue Code of 1986 (the “**Code**”), final, temporary and proposed U.S. Treasury regulations, administrative and judicial interpretations, all of which are subject to change, possibly with retroactive effect.

This summary does not discuss all aspects of U.S. federal income taxation that may be relevant to investors in light of their particular circumstances, such as investors subject to special tax rules (including, without limitation: (i) financial institutions; (ii) insurance companies; (iii) traders or dealers in stocks, securities, or currencies or notional principal contracts; (iv) regulated investment companies; (v) real estate investment trusts; (vi) tax-exempt organisations; (vii) entities that are treated as partnerships, or pass-through entities for U.S. federal income tax purposes, or persons that hold NEPI Rockcastle shares through such entities; (viii) holders that are not U.S. shareholders (as defined below); (ix) holders that own (directly, indirectly or constructively) 5 per cent. or more of the voting stock of the Company; (x) investors that hold NEPI Rockcastle shares as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes; (xi) investors that have a functional currency other than the U.S. dollar; and (xii) U.S. expatriates and former long-term residents of the United States), all of whom may be subject to tax rules that differ significantly from those summarised below. This summary does not address, U.S. federal estate, gift, Medicare contribution or alternative minimum tax considerations, or non-U.S., state or local tax considerations. This summary only addresses persons that hold NEPI Rockcastle shares as capital assets (generally, property held for investment).

For the purposes of this summary, a **U.S. shareholder** is a beneficial owner of NEPI Rockcastle shares that is for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation created in, or organised under the laws of, the United States or any state thereof, including the District of Columbia, (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source or (iv) a trust that is subject to U.S. tax on its worldwide income regardless of its source.

If a partnership holds NEPI Rockcastle shares, the tax treatment of a partner in such partnership generally will depend upon the status of the partner and the activities of the partnership. Any such partner or partnership should consult their tax advisors as to the U.S. federal income tax consequences to them of the capital repayment and cash dividend.

#### 4.3.1 *Capital repayment and cash dividend*

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

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

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

#### 4.3.2 ***PFIC rules***

In general, a corporation organised or incorporated outside the United States is a PFIC in any taxable year in which, after taking into account the income and assets of certain subsidiaries, either (i) at least 75 per cent. of its gross income is classified as “passive income” or (ii) at least 50 per cent. of the average quarterly value attributable to its assets produce or are held for the production of passive income. Passive income for this purpose generally includes dividends, interest, royalties, rents and gains from commodities and securities transactions.

The Company has not determined whether it was a PFIC for any taxable year, but believes there is a substantial possibility that it was a PFIC for the year ending on December 31, 2023 and that it may be a PFIC in future taxable years. If the Company is classified as a PFIC in any year that a U.S. shareholder is a shareholder, the Company generally will continue to be treated as a PFIC for that U.S. shareholder in all succeeding years, regardless of whether the Company continues to meet the income or asset test described above.

If a U.S. shareholder has not made a valid mark-to-market or qualified electing fund election, and the Company was a PFIC for any taxable year during which an investor is a U.S. shareholder, the investor will be subject to special tax rules with respect to any “excess distribution” received on the NEPI Rockcastle shares, which could include the capital repayment and the cash dividend. Distributions received in a taxable year that are greater than 125 per cent. of the average annual distributions received during the shorter of the three preceding taxable years or the U.S. shareholder’s holding period for the NEPI Rockcastle shares will be treated as excess distributions. Under these special tax rules: (i) the excess distribution or gain will be allocated rateably over the U.S. shareholder’s holding period for the NEPI Rockcastle shares; (ii) the amount allocated to the current taxable year and other years before the Company was a PFIC will be treated as ordinary income; and (iii) the amount allocated to each other year will be subject to tax at the highest tax rate in effect for that year and an interest charge (at the rate generally applicable to underpayments of tax for the period from such year to the current year) will be imposed on the resulting tax attributable to each such year. A U.S. shareholder will generally be subject to similar rules with respect to distributions to the Company by, and dispositions by the Company of the stock of, any direct or indirect subsidiaries of the Company that are also PFICs.

U.S. shareholders should consult their tax advisors regarding the effect of the PFIC rules on the capital repayment and the cash dividend.

#### 4.3.3 ***U.S. information reporting and backup withholding tax***

Payments made through a U.S. paying agent or U.S. intermediary to a U.S. shareholder may be subject to information reporting unless the U.S. shareholder establishes that payments to it are exempt from these rules. Payments that are subject to information reporting may be subject to backup withholding if a U.S. shareholder does not provide its taxpayer identification number and otherwise comply with the backup withholding rules. Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules are available to be credited against a U.S. shareholder’s U.S. federal income tax liability and may be refunded to the extent they exceed such liability, provided the required information is timely provided to the IRS.



## 5. EXCHANGE CONTROL REGULATIONS (FOR SHAREHOLDERS HOLDING SHARES TRADED ON THE JSE AND A2X ONLY)

The following is intended only as a guide and is therefore not a comprehensive statement of the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act, 1933, as amended (“**Exchange Control Regulations**”), and is applicable only to shareholders holding shares traded on the JSE and/or A2X.

All aspects relating to the Exchange Control Regulations will be managed by a shareholder’s CSDP or broker. Shareholders who are in any doubt as to the appropriate course of action to take should consult their CSDP, broker or other professional advisors.

### 5.1 Shareholders receiving the capital repayment

The capital repayment is freely transferable from South Africa. Receipt of cash by emigrants must be effected through an authorised dealer in foreign exchange controlling the emigrant’s remaining assets.

### 5.2 Shareholders receiving the cash dividend

As the cash dividend will be paid out of the Company’s distributable profits, such dividends are freely transferable from South Africa. Receipt of cash by emigrants must be effected through an authorised dealer in foreign exchange controlling the emigrant’s remaining assets.

For further information please contact:

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#### **NEPI ROCKCASTLE N.V.**

Rüdiger Dany/Eliza Predoiu

+31 20 237 4770

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#### **Corporate advisor and JSE sponsor**

Java Capital

+27 11 722 3050

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#### **Euronext Listing Agent**

ING Bank N.V.

+31 20 563 6685

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#### **Euronext Paying Agent**

ING Bank N.V.

+31 20 563 6685

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#### **Media relations**

[mediarelations@nepirockcastle.com](mailto:mediarelations@nepirockcastle.com)

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27 February 2024