

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

The definitions and interpretations commencing on page 6 of this circular have, where appropriate, been used on this cover page.

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

**Action required**

If you have disposed of all of your shares, then this circular, together with the attached forms of proxy and the revised listing particulars, should be handed to the purchaser of such shares or to the broker, CSDP, banker or other agent through whom the disposal was effected.

Beneficial shareholders who hold dematerialised shares through a CSDP or broker but who have not elected “own name” registration who wish to attend the general meeting must request their CSDP or broker to provide them with the necessary letter of representation to attend the general meeting or must instruct their CSDP or broker to vote on their behalf in terms of their respective agreements with their CSDP or broker.

Shareholders are referred to page 3 of this circular, which sets out the detailed action required of them in respect of the transaction set out in this circular.

**Castlevue does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of any holder of dematerialised shares to notify such shareholder of the action required of them in respect of the transaction set out in this circular.**



**Castlevue Property Fund Limited**

(Incorporated in the Republic of South Africa)

(Registration number 2017/290413/06)

(Approved as a REIT by the JSE)

(JSE share code: CVW)

(ISIN: ZAE000251633)

(“Castlevue” or “the company”)

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## CIRCULAR TO CASTLEVUE SHAREHOLDERS

relating to:

- the proposed acquisition by Castlevue of the issued share capital and claims of the acquisition companies from multiple vendors, all of whom are associates of I Group, a related party to Castlevue, for an aggregate purchase consideration of R5.2 billion which constitutes a related party transaction and a reverse takeover of Castlevue in terms of the Listings Requirements;
- specific issues of shares for cash;
- an authority to increase Castlevue’s authorised share capital in terms of section 36(2) of the Companies Act; and
- an authority to issue shares in excess of 30% of the current issued share capital of the company,

and enclosing:

- a notice of general meeting of Castlevue shareholders;
- a form of proxy to attend and vote at the general meeting of Castlevue shareholders for use by certificated shareholders and dematerialised shareholders who have elected “own name” registration only; and
- revised listing particulars.

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Corporate advisor and designated  
advisor to Castlevue



Independent expert



Independent reporting accountants



Independent property valuer



Independent property valuer



Legal and tax advisor to Castlevue



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Date of issue: Monday, 5 September 2022

*This circular is available in English only. Copies of this circular may be obtained from the registered office of the company at the address set out in the Corporate Information section of the circular between 08:30 and 17:00 from Monday, 5 September 2022 to Tuesday, 13 September 2022 both days inclusive. This circular will also be available on Castlevue’s website ([www.castlevue.co.za](http://www.castlevue.co.za)) from Monday, 5 September 2022.*

*This circular should be read with the revised listing particulars posted with this circular.*

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## CORPORATE INFORMATION

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### Registered office of Castleview

Castleview Property Fund Limited  
(Registration number 2017/290413/06)  
411 The Hills, Buchanan Square  
160 Sir Lowry Road  
Woodstock  
Cape Town, 7925  
(PO Box 1745, Milnerton, 7435)

### Corporate advisor

Java Capital Proprietary Limited  
(Registration number 2012/089864/07)  
6th Floor, 1 Park Lane  
Wierda Valley  
Sandton, 2196  
(PO Box 522606, Saxonwold, 2132)

### Independent property valuer

Mills Fitchet Magnus Penny Proprietary Limited  
(Registration number 1996/004736/07)  
Suite 303, 3rd Floor, Newspaper House,  
122 St. George's Mall,  
Cape Town, 8001  
(PO Box 4442, Cape Town, 8000)

### Independent reporting accountants

RSM South Africa Incorporated  
(Registration number 2016/324649/21)  
Executive City  
Cnr. Cross Street & Charmaine Avenue  
President Ridge  
Randburg, 2194  
(PO Box 1734, Randburg, 2125)

### Independent expert to Castleview

BDO Corporate Finance Proprietary Limited  
(Registration number 1983/002903/07)  
Wanderers Office Park  
52 Corlett Drive  
Illovo, 2196  
(Private Bag X60500, Houghton, 2041)

### Date and place of incorporation of Castleview

Incorporated in South Africa on 6 July 2017

### Company secretary

Statucor Proprietary Limited  
(Registration number 1989/005394/07)  
2nd Floor, Block D, The Boulevard  
Searle Street  
Woodstock  
Cape Town, 7925  
(PO Box 3883, Cape Town, 8000)

### Designated advisor

Java Capital Trustees and Sponsors Proprietary Limited  
(Registration number 2006/005780/07)  
6th Floor, 1 Park Lane  
Wierda Valley  
Sandton, 2196  
(PO Box 522606, Saxonwold, 2132)

### Independent property valuer

Spectrum Valuations and Asset Solutions Proprietary Limited  
(Registration number 2014/115326/07)  
IQ Business Park  
Q2, 2nd Floor,  
No. 3 Third Avenue,  
Rivonia, 2128

### Legal and tax advisor

Edward Nathan Sonnenbergs Incorporated  
(Registration number 2006/018200/21)  
35 Lower Loop Street  
Foreshore  
Cape Town, 8001  
(PO Box 783347, Sandton, 2146)

### Transfer secretaries

JSE Investor Services Proprietary Limited  
(Registration number 2000/007239/07)  
13th Floor, 19 Ameshoff Street,  
Braamfontein,  
Johannesburg, 2001  
(PO Box 4844, Johannesburg, 2000)

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## ACTION REQUIRED BY CASTLEVIEW SHAREHOLDERS

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The definitions and interpretations commencing on page 6 of this circular apply to this section.

### THE GENERAL MEETING

The implementation of the transaction is subject, *inter alia*, to Castlevision shareholders passing the requisite resolutions at the general meeting.

A notice convening the general meeting of Castlevision shareholders to be held at 09:00 on Tuesday, 13 September 2022 at the offices of the company, 411 The Hills, Buchanan Square, Sir Lowry Road, Woodstock, Cape Town, 7925, as well as virtually via a remote interactive electronic platform, Microsoft Teams, is attached to and forms part of this circular, for the purpose of considering and, if deemed fit, passing with or without modification, the resolutions necessary to approve and implement the transaction.

### FORM OF PROXY

Certificated shareholders and dematerialised shareholders who have elected “own name” registration in the sub-register of Castlevision and who are unable to attend the general meeting but who wish to be represented thereat are requested to complete and return the attached form of proxy in accordance with the instructions contained therein. It is recommended that duly completed forms of proxy are received by the transfer secretaries, JSE Investor Services, by no later than 09:00 on Friday, 9 September 2022.

If shareholders who have not dematerialised their shares or who have dematerialised their shares with “own name” registration, and who are entitled to attend, participate in and vote at the general meeting, do not deliver forms of proxy to the transfer secretaries by the relevant time, such shareholders will nevertheless be entitled to lodge the form of proxy in respect of the general meeting immediately prior to the exercising of the shareholders’ rights at the general meeting, in accordance with the instructions therein, with the chairman of the general meeting. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, participate in and vote in person at the general meeting should the shareholder decide to do so.

Dematerialised shareholders who have not elected “own name” registration in the sub-register of Castlevision and who wish to attend the general meeting, must instruct their CSDP or broker timeously in order that such CSDP or broker may issue them with the necessary letter of representation.

Dematerialised shareholders who have not elected “own name” registration in the sub-register of Castlevision and who do not wish to attend the general meeting but wish to vote thereat, must provide their CSDP or broker with their instruction for voting at the general meeting in the manner stipulated in the agreement between the shareholders concerned and the CSDP or broker governing the relationship between such shareholders and his/her CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

**Castlevision does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised shareholder to notify such shareholder of the general meeting or any business to be conducted thereat.**

### ELECTRONIC PARTICIPATION

Shareholders wishing to participate in the general meeting are requested, for administrative purposes, to submit notification of their intent (the “**electronic notice**”) by e-mail to the transfer secretaries, JSE Investor Services, at [meetingservices@jseinvestorservices.co.za](mailto:meetingservices@jseinvestorservices.co.za) as soon as possible and by no later than 09:00 on Friday, 9 September 2022. The electronic notice should include relevant contact details including email address, cellular number and landline, as well as full details of the shareholder’s title to the shares and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shareholders), and (in the case of dematerialised shareholders) written confirmation from the shareholder’s CSDP confirming the shareholder’s title to the dematerialised shares. The shareholder should also indicate whether the shareholder wishes to vote by proxy or wishes to exercise votes during the general meeting. Upon receipt of the required information, the shareholder concerned will be provided with a link to access the general meeting, which will take place via Microsoft Teams, together with any further instructions. The fact that shareholders are requested to submit an electronic notice to the transfer secretaries before 09:00 on Friday, 9 September 2022 will not in any way affect the rights of shareholders who submit an electronic notice after this date and who have been fully verified (as required in terms of section 63(1) of the Companies Act) to participate in and/or vote at the general meeting.

## **VOTING PROCEDURE AND QUORUM FOR THE GENERAL MEETINGS**

The quorum for the general meeting is at least three shareholders entitled to attend and vote and who are present in person or able to participate in the meeting by electronic communication, or represented by a proxy who is present in person or able to participate in the meeting by electronic communication and 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/her capacity as shareholder, on a show of hands, have only one vote irrespective of the number of shares he/she 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.

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## SALIENT DATES AND TIMES

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The definitions and interpretations commencing on page 6 of this circular apply *mutatis mutandis* to this salient dates and times section.

**2022**

Record date to receive the circular, incorporating the notice of general meeting and the revised listing particulars	Friday, 26 August
Circular, incorporating the notice of general meeting and the revised listing particulars posted	Monday, 5 September
Announcement relating to the issue of the circular, incorporating the notice of general meeting and the revised listing particulars released on SENS	Monday, 5 September
Last day to trade in order to be eligible to participate in and vote at the general meeting	Tuesday, 6 September
Last day to lodge forms of proxy for the general meeting with the transfer secretaries, by no later than 09:00. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting immediately before the commencement thereof	Friday, 9 September
Record date in order to vote at the general meeting	Friday, 9 September
General meeting of Castleview shareholders at 09:00	Tuesday, 13 September
Results of the general meeting released on SENS	Tuesday, 13 September
Expected date of the implementation of the transaction	Friday, 30 September

**Notes:**

1. All dates and times in this circular are local dates and times in South Africa and are subject to change. Any changes will be released on SENS.
2. Castleview shareholders are referred to page 3 of this circular for information on the action required to be taken by them.
3. Castleview shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three business days after such trades. Therefore, Castleview shareholders who acquire Castleview shares after close of trade on Tuesday, 6 September 2022 will not be eligible to vote at the general meeting.
4. Shares may not be dematerialised or rematerialized between Wednesday, 7 September 2022 and Friday, 9 September 2022, both days inclusive.
5. Castleview will propose a unanimous resolution in terms of section 62(2A) of the Companies Act and in accordance with a dispensation received from the JSE, in terms of which Castleview shareholders are requested to unanimously approve the waiver of the requisite 15 business days' notice period required in terms of the Companies Act, the Listings Requirements and the MOI. All shareholders will receive the notice of general meeting by electronic means.

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## DEFINITIONS AND INTERPRETATIONS

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In this circular and the annexures hereto, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column, as follows:

“10 Trek Road”	the immovable property numbered 2 in the schedule of properties contained in <b>Annexure 8</b> , owned by K346 and one of the K346 development properties;
“13 and 17 Nettleton Road”	the immovable property numbered 5 in the schedule of properties contained in <b>Annexure 8</b> , owned by K346 and one of the K346 development properties;
“14 Higgs Road”	the immovable property numbered 1 in the schedule of properties contained in <b>Annexure 8</b> , owned by K346 and one of the K346 development properties;
“14 Quebec Road”	the immovable property numbered 4 in the schedule of properties contained in <b>Annexure 8</b> , owned by K346 and one of the K346 development properties;
“115 Victoria Road”	the immovable property numbered 3 in the schedule of properties contained in <b>Annexure 8</b> , owned by K346 and one of the K346 development properties;
“acquisition”	the acquisition by Castlview, subject to the fulfilment or waiver (as the case may be) of the conditions precedent, of the acquisition companies and the K018 Emira shares in accordance with the terms of the acquisition agreements, further details of which are set out in paragraph 3 of the circular;
“acquisition agreements”	each of the following agreements: <ol style="list-style-type: none"><li>1. the asset for share agreement concluded between Castlview and the Willowbridge vendors on Wednesday, 27 July 2022 in terms of which Castlview will acquire the entire issued share capital of Willowbridge and indirectly the Willowbridge retail properties in exchange for shares in Castlview;</li><li>2. the asset for share agreement concluded between Castlview and the K346 vendor on Wednesday, 27 July 2022 in terms of which Castlview will acquire the entire issued share capital of K346 and indirectly the K346 development properties in exchange for shares in Castlview;</li><li>3. the asset for share agreement concluded between Castlview and IGFH on Wednesday, 27 July 2022 in terms of which Castlview will acquire an 85% interest in the share capital of iRes and indirectly the iRes residential properties, related shareholder loans, as well as iRes’ 50% shareholding in Resi Developments, in exchange for shares in the share capital of Castlview;</li><li>4. the asset for share agreement concluded between Castlview and U Big on Wednesday, 27 July 2022 in terms of which Castlview will acquire the entire issued share capital of and claims against TPS, its 46.07% interest in EPP Community Properties and, indirectly, its 25.7% interest in CPP held through its wholly-owned subsidiary, U Reit Collins, in exchange for shares in the share capital of Castlview;</li><li>5. the asset for share agreement concluded between Castlview and K018, which owns an approximate 2.7% interest in Emira, on Wednesday, 27 July 2022 in terms of which K018 shall dispose of and transfer all of its shares in Emira to Castlview in exchange for shares in the share capital of Castlview; and</li><li>6. the asset for share agreement concluded between Castlview and the IG EMI vendors on Wednesday, 27 July 2022 in terms of which Castlview will acquire the entire issued share capital of IG EMI, which, through its wholly-owned subsidiaries, U Reit and Maitlantic Investments, owns an approximate 47.3% interest in Emira, in exchange for shares in the share capital of Castlview;</li></ol>



“ <b>acquisition companies</b> ”	collectively, the entire issued share capital of Willowbridge, K346, IG EMI and TPS and 85% of the issued share capital of iRes and “acquisition company” means any one of them;
“ <b>Alt<sup>x</sup></b> ”	the Alternative Exchange of the JSE;
“ <b>asset manager</b> ” or “ <b>Castleview Asset Managers</b> ”	Castleview Asset Managers Proprietary Limited (Registration number 2017/363399/07) (formerly K2017363399 Proprietary Limited), a private company registered and incorporated in accordance with the laws of South Africa, the beneficial owners of which are U Big (66.7%) and Runner Duck Properties (33.3%);
“ <b>Aurora Sands</b> ”	the immovable property numbered 2 in the schedule of properties contained in <b>Annexure 9</b> . Auroura Sands is owned by iRes and forms part of the iRes residential properties;
“ <b>board</b> ” or “ <b>directors</b> ” or “ <b>board of directors</b> ”	the board of directors of Castleview as set out in page 15 of this circular;
“ <b>Bougainville shopping centre</b> ”	the immovable property numbered 6 in the schedule of properties contained in <b>Annexure 8</b> , owned by Willowbridge and forming part of the Willowbridge retail properties;
“ <b>business day</b> ”	any day other than a Saturday, Sunday or official public holiday in South Africa and in the event that a day referred to in terms of this circular should fall on a day which is not a business day, the relevant date will be extended to the next succeeding business day;
“ <b>Castleview</b> ” or the “ <b>company</b> ”	Castleview Property Fund Limited (Registration number 2017/290413/06), a public company incorporated and registered in accordance with the laws of South Africa and listed on the JSE;
“ <b>Castleview group</b> ” or the “ <b>group</b> ”	the company and its subsidiary;
“ <b>Castleview shareholders</b> ” or “ <b>shareholders</b> ”	the registered holders of Castleview shares;
“ <b>Castleview shares</b> ” or “ <b>shares</b> ”	the issued ordinary shares of no par value in the share capital of Castleview;
“ <b>category one acquisition</b> ”	an acquisition by an Alt <sup>x</sup> listed company in respect of which the consideration payable wholly or in part by the issue of shares in consideration for the acquisition which is anticipated to constitute 50% or more of the market capitalisation of the company or may result in a dilution of 50% or more of the issued shares of the company, as contemplated in the Listings Requirements;
“ <b>certificated shareholders</b> ”	Castleview shareholders who hold certificated shares;
“ <b>certificated shares</b> ”	shares which have not been dematerialised into the Strate system, title to which is represented by a share certificate or other physical documents of title;
“ <b>Cherrywood</b> ”	the immovable property numbered 6 in the schedule of properties contained in <b>Annexure 9</b> . Cherrywood is owned by iRes and forms part of the iRes residential properties;
“ <b>circular</b> ”	this document dated Monday, 5 September 2022 containing the circular and annexures thereto, the notice of general meeting and a form of proxy;
“ <b>CPP</b> ”	Collins Property Projects Proprietary Limited (Registration number 1967/011746/07), a private company registered and incorporated in terms of the laws of South Africa and an associate of TPS subsidiary U Reit Collins, which holds a 25.70% interest in CPP;
“ <b>CPP investment</b> ”	the resultant 25.7% investment in CPP through the acquisition of U Reit Collins;
“ <b>combined portfolio</b> ”	collectively, the existing portfolio and the I Group portfolio, the property specific details of which are set out in <b>Annexure 7</b> of the revised listing particulars;
“ <b>Companies Act</b> ”	the Companies Act, No. 71 of 2008, as amended;

“ <b>Competition Act</b> ”	the Competition Act, No. 89 of 1998;
“ <b>Competition Authorities</b> ”	the Competition Commission of South Africa, the Competition Tribunal of South Africa and/or the Competition Appeal Court of South Africa, as the case may be, being the regulatory and/or judicial authorities established in terms of the Competition Act;
“ <b>company secretary</b> ”	the company secretary of Castleview, Statucor Proprietary Limited, the full details of which are set out in the Corporate Information section;
“ <b>conditions precedent</b> ”	the conditions precedent to which the transaction is subject, as set out in paragraph 3 of this circular;
“ <b>consideration shares</b> ”	the Castleview shares, to be issued by the company to each vendor (in their respective proportions) in exchange for the issued shares in the acquisition companies and the K018 Emira shares, the calculation of which is set out in paragraph 3 of this circular;
“ <b>corporate advisor</b> ”	Java Capital Proprietary Limited (Registration number 2012/089864/07), a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
“ <b>CSDP</b> ”	a Central Securities Depository Participant as defined by the Financial Markets Act appointed by a shareholder for purposes of, and in regard to, dematerialisation and to hold and administer dematerialised shares or an interest in dematerialised shares on behalf of a shareholder;
“ <b>dematerialise</b> ” or “ <b>dematerialisation</b> ”	the process whereby certificated shares are replaced by electronic records of ownership under Strate and recorded in the sub-register of shareholders maintained by a CSDP or broker;
“ <b>dematerialised shareholders</b> ”	Castleview shareholders who hold dematerialised shares;
“ <b>dematerialised shares</b> ”	shares which have been incorporated into the Strate system, title to which is not represented by share certificates or other physical documents of title;
“ <b>designated advisor</b> ”	Java Capital Trustees and Sponsors Proprietary Limited (Registration number 2006/005780/07), a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
“ <b>DIPS</b> ”	distributable income per share;
“ <b>DPS</b> ”	distribution per share;
“ <b>documents of title</b> ”	share certificates, certified transfer deeds, balance receipts and any other documents of title to shares;
“ <b>effective date</b> ”	the date on which the last of the conditions precedent is fulfilled or waived, as the case may be or such later date as agreed between the parties;
“ <b>Emira</b> ”	Emira Property Fund Limited (Registration number 2014/130842/06), a limited liability public company duly registered and incorporated in the Republic of South Africa and a real estate investment trust listed on the Main Board of the JSE;
“ <b>Emira investment</b> ”	collectively, the 247 058 096 shares and the 14 275 529 shares of no par value in the issued share capital of Emira held, respectively, by IG EMI and K018, constituting more than 50% of the voting rights of Emira and c. 54% of the issued share capital of Emira, for IFRS purposes, as at the last practicable date;
“ <b>Essenhout</b> ”	the immovable property numbered 3 in the schedule of properties contained in <b>Annexure 9</b> . Essenhout is owned by iRes and forms part of the iRes residential properties;
“ <b>EPP GP</b> ”	EPP GP B.V. (Company number 72628030), a private company incorporated in accordance with the laws of The Netherlands;

“EPP Community Properties” or “EPP CP”	EPP Community Properties JV B.V. (Company number 84616776), a private company incorporated in accordance with the laws of The Netherlands and a joint venture between EPP GP (53.93%) and TPS (46.07%) in respect of the EPP Community Properties property portfolio;
“EPPCP investment”	the 152 190 777 shares in EPP Community Properties held by TPS, representing 46.07% of the shares in issue as at the last practicable date, which shares will provide Castleview with an indirect exposure to retail and office properties in Poland;
“existing portfolio”	the portfolio of 2 shopping centres currently owned by Castleview, the property specific details of which are set out in <b>Annexure 7</b> of the revised listing particulars;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“financial year”	the financial year of Castleview, for the time being ending on the last day of February of each year;
“general meeting”	the general meeting of Castleview shareholders to be held at 09:00 on Tuesday, 13 September 2022 at the offices of the company, 411 The Hills, Buchanan Square, Sir Lowry Road, Woodstock, Cape Town, 7925, as well as virtually via a remote interactive electronic platform, Microsoft Teams, for the purpose of considering and, if deemed fit, approving with or without modification the resolutions required to implement the transaction;
“Glen Valley”	the immovable property numbered 1 in the schedule of properties contained in <b>Annexure 9</b> . Glen Valley is owned by iRes and forms part of the iRes residential properties;
“Heritage Villas”	the immovable property numbered 8 in the schedule of properties contained in <b>Annexure 9</b> . Heritage Villas is owned by iRes and forms part of the iRes residential properties;
“investment committee”	the Castleview independent acquisition committee (a subcommittee of the Castleview board of directors) consisting of David Green, Gregg Bayly and Avesh Padayachee;
“IFRS”	International Financial Reporting Standards;
“IG EMI”	IG EMI Holdings Proprietary Limited (Registration number 2022/254344/07), a private company registered and incorporated in terms of the laws of South Africa. The shareholders of IG EMI are the IG EMI vendors;
“IG EMI vendors”	IGFH, Maitlantic 10 and K069;
“IG related parties”	Paul Munday and Wilhelmus Loubser, who are the ultimate beneficial owners of both Mirlem, a related party by virtue of its beneficial shareholding in Castleview and Castleview Asset Managers;
“IGFH” or the “iRes vendor”	I Group Financial Holdings Proprietary Limited (Registration number 2017/206408/07), a private company registered and incorporated in terms of the laws of South Africa. IGFH is a wholly owned subsidiary of I Group;
“IGCH”	I Group Consolidated Holdings Proprietary Limited (Registration number 2016/386393), a private company registered and incorporated in terms of the laws of South Africa. IGCH is a wholly owned subsidiary of I Group;
“I Group”	I Group Investments Proprietary Limited (Registration number 2012/206408/07), a private company registered and incorporated in terms of the laws of South Africa and a passive investment company. The shareholder of I Group is I Group Investment Trust, the beneficiaries of which are the IG related parties and other minorities who are unrelated to the transaction;
“I Group portfolio”	collectively, the Willowbridge retail properties, the K346 development properties and the iRes residential properties which will be owned by Castleview on the effective date, the specific details of which are set out in <b>Annexure 7</b> of this circular;

<b>“IH”</b>	Interurban Holdings Proprietary Limited (Registration number 2013/154207/07), a private company registered and incorporated in terms of the laws of South Africa. The sole shareholder of IH is U Big;
<b>“Income Tax Act”</b>	Income Tax Act, 58 of 1962, as amended;
<b>“independent expert” or “BDO”</b>	BDO Corporate Finance Proprietary Limited (Registration number 1983/002903/07), a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section, acting as independent expert and appointed to provide external advice to Castlevue shareholders in relation to the related party considerations in terms of the Listings Requirements;
<b>“independent property valuers”</b>	Spectrum and Mills Fitchet, as the context may require;
<b>“independent reporting accountants” or “RSM”</b>	RSM South Africa Incorporated (Registration number 2016/324649/21), 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;
<b>“Infinity Llandudno”</b>	the immovable property numbered 8 in the schedule of properties contained in <b>Annexure 8</b> , owned by K346 and forming part of the K346 development properties;
<b>“iRes”</b>	iRes Fund Proprietary Limited (Registration number 2018/405398/07), a private company registered and incorporated in terms of the laws of South Africa and the holding company of Resi Developments. The shareholders of iRes are IGFH (85%) and S L M Capital Proprietary Limited (15%), an unrelated party;
<b>“iRes residential properties”</b>	collectively, Aurora Sands, Cherrywood, Essenhout, Glen Valley, Heritage Villas, Nightingale, Sunrise Villas and Tuscan Villas;
<b>“JSE”</b>	Johannesburg Stock Exchange being the exchange operated by the JSE Limited (Registration number 2005/022939/06), a public company incorporated and registered in accordance with the laws of South Africa, and licensed to operate an exchange under the Financial Markets Act;
<b>“K018” or the “K018 Emira shares vendor”</b>	K2019451018 (South Africa) Proprietary Limited (Registration number 2019/451018/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IGFH;
<b>“K018 Emira shares”</b>	the 14 275 529 shares of no par value in the issued share capital of Emira to be acquired from K018;
<b>“K028”</b>	K2018366028 (South Africa) Proprietary Limited (Registration number 2018/366028/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IGFH;
<b>“K052”</b>	K2018366052 (South Africa) Proprietary Limited (Registration number 2018/366052/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IGFH;
<b>“K069”</b>	K2017034069 (South Africa) Proprietary Limited (Registration number 2017/034069/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IGFH;
<b>“K346”</b>	K2019141346 (South Africa) Proprietary Limited (Registration number 2019/141346/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of U Big;
<b>“K346 development properties”</b>	collectively, 10 Trek Road, 13 and 17 Nettleton Road, 14 Higgs Road, 14 Quebec Road, 115 Victoria Road and Infinity Llandudno, being the development properties owned by K346;
<b>“K796”</b>	K2016458796 (South Africa) Proprietary Limited (Registration number 2016/458796/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of U Big;

“K895”	K2018365895 (South Africa) Proprietary Limited (Registration number 2018/365895/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IGFH;
“K955”	K2018365955 (South Africa) Proprietary Limited (Registration number 2018/365955/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IGFH;
“K994”	K2018365994 (South Africa) Proprietary Limited (Registration number 2018/365994/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IGFH;
“last practicable date”	Wednesday, 24 August 2022, being the last practicable date prior to the finalisation of this circular;
“legal and tax advisor” or “ENSafrica”	Edward Nathan Sonnenbergs Incorporated (Registration number 2006/018200/21), a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
“Listings Requirements”	the Listings Requirements published by the JSE from time to time;
“LTV”	loan to value, being equal to loans divided by the carrying value of properties and listed investments;
“m <sup>2</sup> ”	square metres;
“Maitlantic Investments”	Maitlantic Investments Proprietary Limited (Registration number 2010/018359/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IG EMI;
“Maitlantic 10”	Maitlantic 10 Proprietary Limited (Registration number 2019/539058/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of IGCH;
“Makhaza Centre”	the immovable property numbered 3 in the schedule of properties contained in <b>Annexure 8</b> . Makhaza Centre will be owned by Willowbridge and forms part of the Willowbridge retail properties;
“material contracts”	restrictive funding arrangements and/or a contract entered into otherwise than in the ordinary course of the business carried on, or proposed to be carried on, by the company and (i) entered into within the two years prior to the date of this circular; or (ii) entered into at any time and containing an obligation or settlement that is material to the company as at the date of this circular;
“Mills Fitchet”	Mills Fitchet Magnus Penny Proprietary Limited (Registration number 1996/004736/07), a private company registered and incorporated in terms of the laws of South Africa, full details of which are set out in the Corporate information section. Mills Fitchet has valued the iRes residential properties;
“Mirlem”	Mirlem IP Proprietary Limited (Registration number 2004/024443/07), a private company registered and incorporated in terms of the laws of South Africa and a shareholder in Castleview. Mirlem is the beneficial owner of a 10% interest in the issued shares of Castleview and in terms of the Listings Requirements, is considered to be a material shareholder of and a related party to the company;
“Mitchells Plain shopping centre”	comprising a 50% undivided share in the immovable property numbered 2 in the schedule of properties contained in <b>Annexure 8</b> , the remaining 50% of which is held by Emira. Mitchells Plain shopping centre will be owned by Willowbridge on the effective date and forms part of the Willowbridge retail properties;
“MOI”	the memorandum of incorporation of the company;
“NAV”	net asset value;

<b>“Nightingale”</b>	the immovable property numbered 7 in the schedule of properties contained in <b>Annexure 9</b> . Nightingale is owned by iRes and forms part of the iRes residential properties;
<b>“notice of general meeting”</b>	the notice of the general meeting attached to and forming part of this circular;
<b>“own name” dematerialised shareholders”</b>	dematerialised shareholders who/which have elected “own name” registration;
<b>“Pick n Pay Hyper Klerksdorp”</b>	a 50% undivided share in the immovable property numbered 5 in the schedule of properties contained in <b>Annexure 8</b> , which will be owned by Willowbridge and forms part of the Willowbridge retail properties;
<b>“purchase consideration”</b>	the aggregate agreed purchase consideration payable by Castleview to the vendors, being an amount which is anticipated to be approximately R5 205 million, to be settled through the issue of the consideration shares;
<b>“R” or “Rand”</b>	South African Rand, the lawful currency of South Africa;
<b>“register”</b>	the securities register of Castleview;
<b>“REIT”</b>	a Real Estate Investment Trust, which is an entity which receives REIT status in terms of the Listings Requirements and qualifies as such in terms of the Income Tax Act;
<b>“related parties”</b>	collectively: <ul style="list-style-type: none"> <li>• the IG related parties; and</li> <li>• Avesh Padayachee, a non-executive director of Castleview and TPS;</li> </ul>
<b>“Resi Developments”</b>	Resi Developments Proprietary Limited (Registration number 2018/581078/07), a private company registered and incorporated in terms of the laws of South Africa, a joint venture company owned by iRes as to 50% and an independent unrelated party as to 50%;
<b>“revised listing particulars”</b>	the revised listing particulars of Castleview accompanying this circular issued on 5 September 2022 and providing additional information in relation to Castleview after the implementation of the transaction;
<b>“Runner Duck Properties”</b>	Runner Duck Properties Proprietary Limited (Registration number 2015/232241/07), a private company registered and incorporated in terms of the laws of South Africa. The sole shareholder of Runner Duck Properties is Sugar Loaf Property Trust, an associate of James Templeton, a director of Castleview;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE;
<b>“share subscription”</b>	the specific issue of shares for cash to the subscribers in accordance with the terms of the share subscription agreements;
<b>“share subscription agreements”</b>	the subscription agreements concluded between: <ol style="list-style-type: none"> <li>1. Castleview and Womens Soccer League; and</li> <li>2. Castleview and Streepperdjie,</li> </ol> whereby Womens Soccer League will subscribe for approximately 34 908 876 Castleview shares at an estimated price of R5.97 per share and Streepperdjie will subscribe for approximately 17 000 000 Castleview shares at an estimated price of R5.97 per share, which shares shall be issued on the subscription date;
<b>“Spectrum”</b>	Spectrum Valuations and Asset Solutions Proprietary Limited (Registration number: 2014/115326/07), a private company registered and incorporated in terms of the laws of South Africa, full details of which are set out in the “Corporate information” section. Spectrum has valued the Willowbridge retail properties, the K346 development properties and the existing portfolio;
<b>“South Africa”</b>	the Republic of South Africa;

<b>“Strate”</b>	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated and registered in accordance with the laws of South Africa, which is licensed to operate in terms of the Financial Markets Act and which is responsible for the electronic settlement system used by the JSE;
<b>“Streepperdjie”</b>	Streepperdjie Proprietary Limited (Registration number 2022/254379/07), a private company registered and incorporated in terms of the laws of South Africa. Petro Heydenrych is the sole shareholder of Streepperdjie;
<b>“subscribers”</b>	collectively, Womens Soccer League and Streepperdjie;
<b>“subscription date”</b>	the 3 <sup>rd</sup> (third) business day following the date on which the last of the conditions precedent to the share subscription agreements are fulfilled or, if permitted, waived;
<b>“subscription shares”</b>	the shares to be issued to the subscribers in terms of the share subscription agreements, which is estimated to be approximately 51 908 876 shares, constituting the share subscription;
<b>“Sunrise Villas”</b>	the immovable property numbered 5 in the schedule of properties contained in <b>Annexure 9</b> . Sunrise Villas is owned by iRes and forms part of the iRes residential properties;
<b>“Takeover Regulations”</b>	Chapter 5 of the Regulations to the Companies Act, 2011, published in terms of the Companies Act;
<b>“TNAV”</b>	tangible net asset value;
<b>“TRP”</b> or <b>“Takeover Regulation Panel”</b>	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
<b>“TPS”</b>	Tensai Property Services Limited (Registration number 2013/113717/06), a public company registered and incorporated in terms of the laws of South Africa. The sole shareholder of TPS is U Big;
<b>“transaction”</b>	together, the acquisition and the share subscription;
<b>“transfer secretaries”</b> or <b>“JSE Investor Services”</b>	JSE Investor Services Investor Services Proprietary Limited (Registration number 2000/007239/07), a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
<b>“Tuscan Villas”</b>	the immovable property numbered 4 in the schedule of properties contained in <b>Annexure 9</b> . Tuscan Villas is owned by iRes and forms part of the iRes residential properties;
<b>“U Big”</b> or the <b>“K346 vendor”</b> or the <b>“TPS vendor”</b>	U Big Investments Proprietary Limited (Registration number 2014/072886/07), a private company registered and incorporated in terms of the laws of South Africa. U Big is the controlling shareholder of Castlevue Asset Managers and a wholly owned subsidiary of IGCH;
<b>“U Reit”</b>	U Reit Holdings Proprietary Limited (Registration number 2016/426774/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly-owned subsidiary of IG EMI;
<b>“U Reit Collins”</b>	U Reit Collins Proprietary Limited (Registration number 2017/224756/07), a private company registered and incorporated in terms of the laws of South Africa and a wholly owned subsidiary of TPS;
<b>“VAT”</b>	value added tax as defined in the Value Added Tax Act, No. 89 of 1991;
<b>“vendors”</b>	collectively, the Willowbridge vendors; the K346 vendor, the K018 Emira shares vendor, the IG EMI vendors, the TPS vendor and the iRes vendor. I Group is the ultimate beneficial owner of the vendors;
<b>“VWAP”</b>	volume weighted average price;

<b>“Willowbridge”</b>	Interurban Willowbridge Proprietary Limited (Registration number 2016/336109/07), a private company incorporated and registered in accordance with the laws of South Africa. On the effective date, the shareholding in Willowbridge shall be held in the following approximate percentages: <ul style="list-style-type: none"> <li>• IH as to 22.7%;</li> <li>• U Big as to 24%;</li> <li>• K028, K052, K895, K955 and K994 all as to 9.96%; and</li> <li>• K796 as to 3.5%;</li> </ul>
<b>“Willowbridge retail properties”</b>	collectively, the Bougainville shopping centre, a 50% interest in the Mitchells Plain shopping centre, Makhaza Centre, a 50% interest in the Pick n Pay Hyper Klerksdorp and a 75% interest in the Willowbridge South shopping centre;
<b>“Willowbridge South shopping centre”</b>	the immovable property numbered 1 in the schedule of properties contained in <b>Annexure 8</b> and forming part of the Willowbridge retail properties. The owners of the Willowbridge South shopping centre are Willowbridge and Amrichprop 20 Proprietary Limited, an unrelated third party;
<b>“Willowbridge vendors”</b>	U Big, IH, K796, K895, K955, K994, K028 and K052; and
<b>“Womens Soccer League”</b>	Womens Soccer League Proprietary Limited (Registration number 2019/077315/07), a private company registered and incorporated in terms of the laws of South Africa. The shareholder of Womens Soccer League is Fairlawn Trust, the trustees and beneficiaries of which are independent of the company.





**Castleview Property Fund Limited**

(Incorporated in the Republic of South Africa)

(Registration number 2017/290413/06)

(Approved as a REIT by the JSE)

(JSE share code: CVW)

(ISIN: ZAE000251633)

("Castleview" or "the company")

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**Directors**

David James Green (*Chairman, independent non-executive director*)

James William Andrew Templeton (*Chief executive officer*)

Colin Peter Dockrall (*Financial director*)

Gregory Clifford Bayly (*Independent non-executive director*)

Ashraf Mohamed (*Independent non-executive director*)

Avesh Padayachee (*Independent non-executive director*)

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**CIRCULAR TO CASTLEVIEW SHAREHOLDERS**

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**1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR**

- 1.1 As announced on SENS on Thursday, 28 July 2022, Castleview has entered into:
- 1.1.1 the acquisition agreements in terms of which it will acquire, whether directly or indirectly:
    - 1.1.1.1 the shares in Willowbridge including a portfolio of retail assets, including the Bougainville shopping centre in Pretoria, a 50% interest in the Mitchells Plain shopping centre in Cape Town, the Makhaza Centre in Khayelitsha, a 50% interest in the property housing the Pick n Pay Hyper in Klerksdorp and in which Pick n Pay is the major tenant and a 75% interest in the Willowbridge South shopping centre in Bellville (the Willowbridge retail properties);
    - 1.1.1.2 a portfolio of development properties including vacant residential land, recently developed properties and properties held for redevelopment, all situated in the City of Cape Town and its surrounding suburbs (the K346 development properties);
    - 1.1.1.3 205 residential properties, all situated in the City of Cape Town and its surrounding suburbs (the iRes residential properties);
    - 1.1.1.4 the entire issued share capital of, and claims against, TPS, its 46.07% interest in EPP Community Properties (the EPPCP investment) and its wholly-owned subsidiary, U Reit Collins which has a 25.7% interest in CPP (the CPP investment); and
    - 1.1.1.5 more than 50% of the issued shares in Emira through the acquisition of IG EMI and the K018 Emira shares; and
  - 1.1.2 the share subscription agreements in terms of which it will issue, with effect from the subscription date, the subscription shares.
- 1.2 The vendors in terms of the acquisition agreements are related parties in terms of the Listings Requirements in that they are ultimately beneficially owned by the IG related parties, who are also the ultimate beneficial owners of:
- 1.2.1 Mirlem, a material shareholder in Castleview; and
  - 1.2.2 U Big, the controlling shareholder of Castleview Asset Managers.
- 1.3 The acquisition accordingly constitutes a category one related party acquisition in terms of paragraphs 9.5(b), 10.1(b)(i), (vi) and (vii), 21.11 and 21.12 of the Listings Requirements and consequently requires shareholder approval.

- 1.4 In terms of paragraph 5.51(g) of the Listings Requirements, the share subscription is subject to approval by Castleview shareholders.
- 1.5 The transaction, if implemented, will result in the issue of new Castleview shares in excess of 100% of the existing Castleview shares in issue and consequently constitutes a reverse takeover of Castleview in terms of the Listings Requirements. Revised listing particulars providing details of the enlarged Castleview have accordingly been posted to shareholders together with this circular.
- 1.6 The company will propose a unanimous resolution in terms of section 62(2A) of the Companies Act, in terms of which the Castleview shareholders are requested to unanimously approve the waiver of the requisite 15 business days' notice period required in terms of the Companies Act, the Listings Requirements and the MOI.
- 1.7 As required in terms of section 41(3) of the Companies Act, Castleview shareholders will be requested to approve, by way of a special resolution tabled for consideration at the general meeting, the allotment and issue of the consideration shares and the subscription shares pursuant to the transaction.
- 1.8 In terms of clauses 6.1.1 and 6.5 of the MOI and section 16 of the Companies Act, a special resolution to approve an increase in the authorised share capital and the amendment of the company's MOI, will be proposed to Castleview shareholders for approval at the general meeting.
- 1.9 The purpose of this circular is to:
  - 1.9.1 provide Castleview shareholders with all the relevant information relating to the transaction in accordance with the Listings Requirements; and
  - 1.9.2 to convene the general meeting, in terms of the notice of general meeting attached to and forming part of this circular, in order for shareholders to consider and, if deemed fit, approve, with or without modification, the resolutions necessary to approve and implement the transaction.

## 2. RATIONALE FOR THE ACQUISITION

- 2.1 Castleview is a property holding and investment company that was incorporated as a private company on 6 July 2017, converted into a public company on 2 November 2017 and listed as a retail REIT on the Alt<sup>x</sup> of the JSE on 20 December 2017.
- 2.2 Castleview's investment mandate is to deliver healthy total returns to its shareholders via a robust income stream and capital growth of its assets.
- 2.3 The company's strategy has been to accumulate a diversified portfolio of retail properties in South Africa, providing exposure to consumers from a cross-section of income categories and it is currently invested in two well-located South African shopping centres, the first, a small regional shopping centre in Gqeberha (previously known as Port Elizabeth), the second, a convenience centre in Goodwood, Cape Town.
- 2.4 I Group is an innovative property and development company based in Cape Town. I Group's strategy is to establish a diversified property portfolio by investing in South African and selected international real estate focused, firstly, on net asset value growth, and, secondly, on the maintenance of a sustainable yield. I Group's investments comprise of commercial properties, held directly and indirectly through listed and non-listed property companies, and residential properties, including residential developments.
- 2.5 The acquisition will accordingly result in the company acquiring a diversified, well-located and quality portfolio of direct and indirect assets across all property sectors and, together with the share subscription, will reposition the company as a mid-tier REIT with a net asset value of c. R5.75 billion.

## 3. TERMS OF THE ACQUISITION

- 3.1 Castleview will acquire the I Group portfolio, the EPPCP investment, the CPP investment and the Emira investment, valued at an aggregate amount equal to approximately R5.2 billion, with effect from the effective date through 6 separate acquisitions in exchange for the issue by the company of the consideration shares.
- 3.2 The aggregate number of consideration shares to be issued pursuant to the implementation of the acquisition shall be calculated on a NAV for NAV basis with reference to the NAV of the acquisition company concerned and the NAV of Castleview, each determined on the basis of the *pro forma* consolidated balance sheet of the acquisition company concerned (save that in respect of iRes, which shall be determined with reference to the *pro forma* balance sheet of iRes) and the *pro forma* consolidated balance sheet of Castleview on 31 August 2022, in terms of the following formula:

$$NCS = [(NAV_{co} \times PCoS)/NAV_p] \times TnPS$$

where:

**NCS** stands for the number of consideration shares, which shall be rounded up or down (as the case may be) to the nearest integer;

**NAV<sub>co</sub>** stands for the NAV of the acquisition company;

**PCoS** stands for the percentage that the sale shares comprise of the total issued shares of the relevant company as at 31 August 2022;

**NAV<sub>p</sub>** stands for the NAV of Castleview. For the avoidance of doubt, it is recorded that the calculation of the NAV of Castleview shall be determined before the implementation of the acquisition agreements, and shall therefore not have regard to the changes to NAV pursuant to the implementation of those agreements;

**TnPS** stands for 41 042 547 shares, being the total number of Castleview shares in issue as at 31 August 2022 (before having regard to the acquisitions), excluding treasury shares (if applicable).

3.3 The estimated number of consideration shares to be issued for each step of the acquisition is set out below:

3.3.1 Castleview will acquire the entire issued share capital of Willowbridge, and consequently the Willowbridge retail properties, valued at an aggregate amount of approximately R535.7 million, from the Willowbridge vendors in exchange for the issue of consideration shares as determined according to the formula set out in paragraph 3.2 above, expected to be 89 726 018 Castleview shares at an indicative issue price of R5.97 per share;

3.3.2 Castleview will acquire the entire issued share capital of K346 and indirectly the K346 development properties from the K346 vendor, collectively valued at an aggregate amount of approximately R221.6 million, in exchange for the issue of consideration shares as determined according to the formula set out in paragraph 3.2 above, expected to be 37 125 672 Castleview shares at an indicative issue price of R5.97 per share;

3.3.3 Castleview will acquire an 85% interest in the share capital and related shareholder loans of iRes and indirectly the iRes residential properties, including the 50% held in its subsidiary, Resi Developments, from the iRes vendor valued at an aggregate amount of approximately R197.7 million in exchange for the issue of consideration shares as determined according to the formula set out in paragraph 3.2 above, expected to be 33 107 790 Castleview shares at an indicative issue price of R5.97 per share.

3.3.4 Castleview will acquire the entire issued share capital of and claims against TPS and, accordingly the EPPCP investment and the CPP investment from the TPS vendor, valued at an aggregate amount of approximately R2 008.3 million in exchange for the issue of consideration shares as determined according to the formula set out in paragraph 3.2 above, expected to be 336 393 812 Castleview shares at an indicative issue price of R5.97 per share;

3.3.5 Castleview will acquire the K018 Emira shares from the K018 Emira shares vendor at an indicative issue price of R5.97 per share; and

3.3.6 Castleview will acquire the entire issued share capital of IG EMI and, accordingly, its wholly-owned subsidiaries, U Reit and Maitlantic Investments, which together own approximately 47.3% of the Emira shares in issue, from the IG EMI vendors. The Emira investment is valued at an aggregate amount of approximately R2 240.7 million and will be acquired in exchange for the issue of consideration shares as determined according to the formula set out in paragraph 3.2 above, expected to be 375 328 888 Castleview shares at an indicative issue price of R5.97 per share.

3.4 With respect to the loan claims against iRes being acquired in exchange for consideration shares, as described in paragraph 3.3.3 above, the number of consideration shares to be issued pursuant to the implementation of the acquisition shall be calculated with reference to the face value of the loan claims concerned and the NAV of Castleview, determined on the basis of the *pro forma* consolidated balance sheet of Castleview as at 31 August 2022, in terms of the following formula:

$$NCS = (FVSC_{co}/NAV_p) \times TnPS$$

where:

**NCS** stands for the number of consideration shares, which shall be rounded up or down (as the case may be) to the nearest integer;

**FVSC<sub>co</sub>** stands for the face value of the loan claims as at 31 August 2022;

**NAV<sub>p</sub>** stands for the NAV of the Castleview. For the avoidance of doubt, it is recorded that the calculation of

the NAV of Castleview shall be determined before the implementation of the acquisition agreements, and shall therefore not have regard to the changes to NAV pursuant to the implementation of those agreements;

**TnPS** stands for the total number of Castleview shares in issue as at 31 August 2022, excluding treasury shares (if applicable).

- 3.5 The acquisition companies will all become subsidiaries of Castleview.
- 3.6 Shareholders are advised that while Castleview will be acquiring an indirect interest in Emira that exceeds 35% of the general voting rights in Emira, I Group already holds in excess of 35% of the voting rights and will be the holding company of Castleview on transfer of the Emira interest to Castleview. Accordingly, as Castleview and I Group will be related persons and/or persons acting in concert for the purpose of the acquisition, as contemplated in section 123 of the Companies Act, and I Group already holds more than 35% of the general voting rights of Emira prior to the transaction, no mandatory offer needs to be submitted to Emira shareholders.

### 3.7 **Conditions precedent**

- 3.7.1 The acquisition is subject to the fulfilment or waiver, as the case may be, of the following conditions precedent:
- 3.7.1.1 the shareholders of Castleview approving all resolutions required to authorise the conclusion and implementation of the acquisition agreements in terms of the Listings Requirements;
  - 3.7.1.2 the boards of directors and shareholders of each of the counterparties to the acquisition agreements approving the conclusion and implementation of the acquisition agreements in terms of the relevant parties' memoranda of incorporation and the Companies Act;
  - 3.7.1.3 to the extent required, any financial institution(s) whose consent is required for the implementation of the acquisition agreements consent(s) in writing to the implementation of those agreements;
  - 3.7.1.4 the acquisition, if implemented, shall constitute an affected transaction as contemplated in the definition of "affected transaction" in the Companies Act, pursuant to the vendors crossing the 35% mandatory offer threshold contemplated in section 123 of the Companies Act, resulting in the vendors, jointly, being required to make a mandatory offer to the shareholders of Castleview in terms of section 123(3) of the Companies Act. The vendors are accordingly required to deliver to Castleview written confirmation that the Takeover Regulation Panel has either:
    - 3.7.1.4.1 granted an exemption in terms of section 119(6) of the Companies Act exempting the vendors from submitting a mandatory offer to the remaining shareholders of Castleview in terms of section 123 of the Companies Act and the Takeover Regulations pursuant to the implementation of the acquisition agreements; or
    - 3.7.1.4.2 issued a compliance certificate indicating compliance with the requirements in parts B and C of chapter 5 of the Companies Act and the Takeover Regulations;
  - 3.7.1.5 the acquisition agreements have all been concluded and become unconditional in accordance with their terms; and
  - 3.7.1.6 the unconditional approval of the transactions contemplated in the acquisition agreements by the Competition Authorities in terms of the Competition Act, or the conditional approval on terms and conditions acceptable to the affected parties.
- 3.7.2 Should any of the conditions precedent to the acquisition agreements not be fulfilled or waived, as the case may be, by 17:00 on 31 October 2022, or such other date as agreed by the parties, then the acquisition agreements shall not automatically lapse and be of no further force and effect. Rather, any party may on or after the aforementioned date and time, on written notice (the "**notice**") to the other parties, require that the condition precedent in question be fulfilled within one month after the date of the notice and, failing fulfilment of the condition precedent in question within the one-month period, then the acquisition agreements shall terminate.

### 3.8 Additional information relating to the EPPCP investment

- 3.8.1 TPS and EPP GP exercise joint control of EPP Community Properties in terms of a shareholders' agreement concluded between the parties (the "EPP Community Properties SHA"), provided that their respective shareholdings in EPP Community Properties remain above 42.5% of the total shares in issue.
- 3.8.2 In terms of the EPP Community Properties SHA and unless otherwise agreed by TPS and EPP GP, TPS is obliged to reinvest all or a portion of its semi-annual dividend from EPP Community Properties by subscribing for additional shares in EPP Community Properties, and/or being issued capitalisation shares by EPP Community Properties instead of a cash distribution. This arrangement is expected to result in TPS's relative shareholding in EPP Community Properties increasing and EPP GP's relative shareholding decreasing such that EPP GP's shareholding will, over time, drop below the 42.5% threshold and TPS will ultimately exercise control of EPP Community Properties.

### 3.9 Warranties

The acquisition agreements contain warranties normal for transactions of this nature and are limited to the respective parties capacity and authority to enter into, and perform their obligations in terms of, the acquisition agreements and entitlement to issue and/or transfer (as the case may be) unencumbered shares to the relevant party/ies.

### 3.10 Related party considerations and fairness opinion

- 3.10.1 The vendors of the acquisition companies are as follows:
- 3.10.1.1 Willowbridge: U Big, IH, K796, K895, K955, K994, K028 and K052;
  - 3.10.1.2 K346: U Big;
  - 3.10.1.3 IG EMI: IGFH, Maitlantic 10 and K069;
  - 3.10.1.4 TPS: U Big; and
  - 3.10.1.5 iRes: IGFH
- 3.10.2 As at the last practicable date, U Big was the controlling shareholder of Castleview Asset Managers.
- 3.10.3 As at the last practicable date, Mirlem was the registered owner of 10% of the total issued share capital of Castleview and, in terms of the Listings Requirements, is regarded as being a material shareholder and accordingly a related party to Castleview.
- 3.10.4 The IG related parties are the ultimate beneficial owners of the vendors, the asset manager and Mirlem.
- 3.10.5 The acquisition accordingly constitutes a transaction with a related party in terms of paragraphs 10.1(b) (i), (v), (vi) and (vii) of the Listings Requirements and, in terms of paragraph 10.4(d), is subject to approval by the shareholders of Castleview.
- 3.10.6 Although Mirlem will be taken into account in determining a quorum at the general meeting, it will be excluded from voting on the resolution required to approve the acquisition.
- 3.10.7 The board has appointed BDO to provide an independent opinion on the fairness of the acquisition. BDO concluded that the terms of the acquisition are fair to Castleview shareholders and their report is set out in **Annexure 1** of this circular.

## 4. PROSPECTS

- 4.1 The addition of the I Group portfolio, the Emira investment, the EPPCP investment and the CPP investment will substantially increase the asset base and future income streams of Castleview.
- 4.2 Further, Castleview believes that the composition of investments in the Castleview portfolio after the transaction will enable the company to deliver healthy net asset value growth, as well as return a sustainable income yield to its shareholders in accordance with its investment mandate.
- 4.3 Castleview will further benefit from having a geographically and sectorally diversified investment portfolio with individual capital and income return profiles:
- 4.3.1 the prospects for Castleview's single largest investment – Emira – are healthy, as Emira is well run with

strong prospects for NAV growth, including possibly through further utilisation of Emira's balance sheet, and a continued recovery in distributable income;

- 4.3.2 EPP Community Properties will provide Castleview with exposure to the fast-growing Polish economy via a portfolio of predominantly retail properties located in Poland, benefiting from continued increase in retail spending in Poland;
- 4.3.3 CPP offers Castleview a sizeable exposure to the logistics and industrial property sectors in South Africa, which has performed well due to the move to online retailing and is expected to outperform the office and retail sectors in the medium-term;
- 4.3.4 the addition of a further five, well-tenanted retail centres, will complement and enhance the company's existing direct retail portfolio; and
- 4.3.5 with its exposure to the Western Cape residential property market via iRes residential properties and the K346 development properties, Castleview will be well-placed to benefit from rising capital values in this property sub-sector.

## 5. THE SHARE SUBSCRIPTION

5.1 In terms of the share subscription Womens Soccer League will subscribe for 34 908 876 subscription shares and Streepperdjie will subscribe for 17 000 000 subscription shares.

5.2 The aggregate subscription consideration shall be calculated with reference to the NAV of Castleview on the basis of the *pro forma* consolidated balance sheet of Castleview on 31 August 2022, in terms of the following formula:

$$SC = (NAV_{CVW}/CVWs) \times SS$$

where:

**SC** stands for the aggregate subscription consideration for the subscription shares;

**NAV<sub>CVW</sub>** stands for the NAV of Castleview. For the avoidance of doubt, it is recorded that the calculation of the NAV of Castleview shall be determined before the implementation of the acquisition agreements, and shall therefore not have regard to the changes to NAV pursuant to the implementation of those agreements;

**CVWs** stands for 41 042 547 Castleview shares, being the total number of company shares in issue as at 31 August 2022 (before having regard to the shares to be issued in terms of the acquisition agreements), excluding treasury shares (if applicable); and

**SS** stands for the total number of subscription shares.

5.3 The estimated aggregate subscription consideration to be received by Castleview is set out below:

5.3.1 Womens Soccer League will subscribe for approximately 34 908 876 Castleview shares at an indicative subscription price of R5.97 per Castleview share for a total subscription consideration which is anticipated to be R208 405 989.70; and

5.3.2 Streepperdjie will subscribe for 17 000 000 subscription shares at an indicative subscription price of R5.97 per Castleview share for a total subscription consideration which is anticipated to be R101 490 000.

5.4 Womens Soccer League and Streepperdjie will also be afforded the opportunity to settle a portion of the subscription consideration in Emira shares on a NAV for NAV basis. If such election is exercised, the number of Emira shares to be delivered will be calculated with reference to the NAV of Emira, in terms of the following formula:

$$NCS = SC/NAV_{EMI}$$

where:

**NCS** stands for the number of Emira shares to be delivered, which shall be rounded up or down (as the case may be) to the nearest integer;

**SC** stands for the aggregate subscription consideration or the balance thereof not settled in cash as described above, as the case may be; and

**NAV<sub>EMI</sub>** stands for the NAV per Emira share.

- 5.5 The share subscription is subject to the following conditions precedent:
  - 5.5.1 the approval by Castlevision shareholders of the share subscription agreements;
  - 5.5.2 all other resolutions of the boards of directors and shareholders of the relevant parties required in order to authorise the conclusion of the share subscription agreements and the implementation thereof have been validly adopted; and
  - 5.5.3 those acquisition agreements identified by Castlevision have been concluded, become unconditional in accordance with their terms and are implemented.
- 5.6 The cash proceeds received from both Womens Soccer League and Streeperdjie pursuant to the share subscription will be used to reduce Castlevision's existing debt facilities and to provide capacity for further growth.
- 5.7 Both Womens Soccer League and Streeperdjie will be public shareholders of Castlevision in terms of the Listings Requirements. Castlevision will not be directly or indirectly financing the share subscription.
- 5.8 The indicative subscription price represents a 19.4% premium to the 30-day VWAP of the Castlevision shares on the JSE as at the last practicable date.
- 5.9 Information relating to the directors of Castlevision is set out in paragraph 3 of the revised listing particulars.
- 5.10 **Annexure 3** of the revised listing particulars contains details of the directors' emoluments.
- 5.11 The company's share capital is set out in **Annexure 6** of the revised listing particulars.
- 5.12 In terms of the Listings Requirements, the share subscription is required to be approved by an ordinary resolution of shareholders achieving a 75% majority of the votes cast on the resolution at the general meeting.

## 6. AUTHORISATION IN TERMS OF SECTION 41(3) OF THE COMPANIES ACT

As the voting power of the consideration shares and the subscription shares will exceed 30% of the voting power of all the shares held by Castlevision shareholders immediately before the issue of the consideration shares pursuant to the transaction, the issue of the consideration shares is required to be approved by a special resolution of Castlevision shareholders in terms of section 41(3) of the Companies Act.

## 7. OPINION AND RECOMMENDATION

- 7.1 The investment committee, being cognisant of actual and potential conflicts of interest that may exist in relation to the transaction, due to its nature, has taken care to ensure that the acquisition has been evaluated independently of any such conflicts. As disclosed in the relationship information set out in paragraph 17 below, Mr Avesh Padayachee is an independent non-executive director of both TPS and Castlevision. In light of this, the investment committee independently evaluated the acquisition without Mr Avesh Padayachee being present. The investment committee, after due consideration of the report of the independent expert on the fairness of the acquisition to Castlevision shareholders as well as the terms and conditions of the share subscription, duly approved the transaction and concluded that the Castlevision board recommend the transaction to Castlevision shareholders for approval.
- 7.2 As further disclosed in the relationship information set out in paragraph 17 below, Mr James Templeton, the chief executive officer of Castlevision, has an indirect shareholding of 33.33% in Castlevision Asset Managers, the asset manager appointed by Castlevision to manage its property portfolio. In order to ensure that there are no actual nor perceived conflicts of interest in the board's evaluation of the acquisition, the board independently evaluated the acquisition without Mr James Templeton or Mr Avesh Padayachee being present.
- 7.3 The Castlevision board of directors, following due consideration of *inter alia*, the report of the independent expert on the acquisition, the terms and conditions of the share subscription and the recommendation of the investment committee that the transaction be recommended to the shareholders of Castlevision for approval, is of the opinion that the acquisition is fair to the shareholders of Castlevision and that the terms and conditions of the share subscription are reasonable and accordingly, recommends that Castlevision shareholders vote in favour of the resolutions approving the transaction to be proposed at the general meeting.

## 8. FORECAST STATEMENTS OF COMPREHENSIVE INCOME

- 8.1 The following forecast statements of comprehensive income (collectively, the "**forecasts**"), have been prepared on the assumption that the effective date of the transaction will be 1 September 2022:
  - 8.1.1 a forecast in respect of the I Group portfolio, EPPCP investment and CPP investment for the 6 months ending 28 February 2023 and year ending 29 February 2024 ("**I Group acquisition forecast**"), as set out in **Annexure 2A** of this circular;

- 8.1.2 a forecast in respect of the anticipated income to be received by Castleview from the Emira investment for the 6 months ending 28 February 2023 and year ending 29 February 2024 (“**Emira investment forecast**”), as set out in **Annexure 2B** of this circular; and
- 8.1.3 a forecast in respect of Castleview as enlarged by the I Group Portfolio, the EPPCP investment, CPP investment and the share subscription (“**Castleview forecast**”) for the years ending 28 February 2023 and 29 February 2024, as set out in **Annexure 10C** of the revised listing particulars.
- 8.2 The I Group acquisition forecast and the Castleview forecast, including the assumptions on which they are based and the financial information from which they have been prepared, are the responsibility of the directors. The I Group acquisition forecast and the Castleview forecast have been prepared in accordance with the Listings Requirements and Castleview’s accounting policies, that are in compliance with IFRS and that are consistent with those applied in Castleview’s audited annual financial statements for the year ended 28 February 2022.
- 8.3 The Emira investment forecast, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the board of directors of Castleview. The Emira investment forecast has been prepared in accordance with the Listings Requirements read together with a dispensation received from the JSE permitting a non-IFRS forecast based on the fact that the Castleview directors do not have access to non-public information on Emira, and Castleview’s accounting policies that are consistent with those applied in Castleview’s audited annual financial statements for the year ended 28 February 2022.
- 8.4 The I Group acquisition forecast and the Emira investment forecast must be read in conjunction with the independent reporting accountants’ assurance reports on each forecast as contained in **Annexure 3A** and **Annexure 3B** of this circular, respectively. The Castleview forecast must be read in conjunction with the independent reporting accountants’ assurance report on that forecast as contained in **Annexure 11C** of the revised listings particulars.

## 9. **PRO FORMA CONSOLIDATED FINANCIAL INFORMATION**

- 9.1 The *pro forma* consolidated financial statements of Castleview after the transaction are set out in **Annexure 4** of this circular.
- 9.2 The *pro forma* financial effects, which are based on Castleview’s audited annual financial statements for the year ended 28 February 2022, have been prepared for illustrative purposes only to provide information on how the transaction may have affected the financial position and financial performance of Castleview assuming the transaction had been implemented on 28 February 2022 for statement of financial position purposes and on 1 March 2021 for statement of profit or loss and other comprehensive income purposes. Due to their nature, the *pro forma* financial effects may not fairly represent Castleview’s financial position, results of operations or changes in equity after the transaction.
- 9.3 The *pro forma* financial effects, including the assumptions on which they are based and the financial information from which they have been prepared, are the responsibility of the directors of Castleview. The *pro forma* financial effects have been prepared in accordance with the Listings Requirements, the Guide on *pro forma* financial information issued by the South African Institute of Chartered Accountants and Castleview’s accounting policies that are in compliance with IFRS and that are consistent with those applied in Castleview’s audited annual financial statements for the year ended 28 February 2022.
- 9.4 Extracts from the *pro forma* financial information of Castleview are set out below:

	<b>Before the transaction</b>	<b>After the transaction</b>	<b>Percentage change (%)</b>
Basic and diluted earnings per share (cents)	46.03	66.97	45.51
Headline earnings per share (cents)	47.47	67.92	43.09
Distribution per share (cents)	40.78	64.32	57.72
Net asset value per share (cents)	597.00	597.00	
Number of shares in issue	41 042 547	964 633 603	
Weighted average number of shares in issue	40 401 525	963 992 581	

- 9.5 Detailed notes and assumptions regarding the *pro forma* financial effects are set out in **Annexure 4**.
- 9.6 The independent reporting accountants’ report on the *pro forma* effects is set out in **Annexure 5** of this circular.
- 9.7 The independent reporting accountants’ review report on the value and existence of the assets and liabilities acquired by Castleview is set out in **Annexure 6** of this circular.



## 10. HISTORICAL FINANCIAL INFORMATION OF EMIRA

The historical financial information of Emira for the years ended 30 June 2022, 30 June 2021, and 30 June 2020, has been incorporated by reference in terms of paragraph 11.61 of the Listings Requirements and is available on Emira's website at: <https://emira.co.za>.

## 11. THE I GROUP PORTFOLIO

### 11.1 Overview of the I Group portfolio

The I Group portfolio, based on independent valuations is valued at R2.5 billion. Further details of the I Group portfolio are set out in **Annexure 7** of this circular.

### 11.2 Description of the I Group portfolio

#### 11.2.1 The Willowbridge retail properties

11.2.1.1 Bougainville shopping centre is a retail shopping centre situated at Redelinghuys Street, Daspoort, Pretoria, Gauteng. The centre consists of doctors' rooms and retail space with various national tenants which include Shoprite Checkers, First National Bank, Ackermans, Lancet and Netcare and offers ample parking space. The majority of the properties surrounding the centre are residential.

11.2.1.2 Mitchells Plain shopping centre is a retail centre situated at Symphony Walk, Mitchells Plain, Cape Town, Western Cape. The centre consists of retail space, offices and a banking hall, with various national tenants which include Shoprite Checkers, JET, Ackermans and Jumbo. The shopping centre is located in the central business district of Mitchells Plain close to the major taxi ranks and the main train station for this region. It is part of a development with many other retail components as well as a hospital and main transport hubs.

11.2.1.3 Makhaza Centre is situated at Govan Mbeki Road, Makhaza, Khayelitsha, Cape Town, Western Cape. The centre consists of retail space with various national tenants which include Shoprite Checkers, Cashbuild and Clicks.

11.2.1.4 Pick n Pay Hyper Klerksdorp is a community shopping centre situated at the corner of Buffelsdoorn Avenue and Tom Street, Wilkoppies, Klerksdorp, Gauteng. Pick n Pay is the dominant retailer and the centre also offers banking outlets and smaller retail space. The centre is situated in a popular commercial area and is easily accessible from the N12 freeway.

11.2.1.5 Willowbridge South shopping centre is a community lifestyle centre situated at Carl Cronje Drive, Tyger Valley, Bellville, Cape Town, Western Cape. The centre comprises retail and office space with various national tenants which include Woolworths, Pick n Pay and Dis-Chem. Although a 75% undivided share is being acquired by Castleview, the existing owner of the remaining portion of the property is considering acquiring a further 50% undivided share. This sale will not be effective until after the implementation of the transaction and has not been accounted for in the *pro forma* financial statements set out in **Annexure 4** of this circular.

#### 11.2.2 iRes residential properties

11.2.2.1 Aurora Sands is a residential complex situated at Aurora Sands Road in Muizenberg, Cape Town, Western Cape with a GLA of 1 144m<sup>2</sup> comprising 12 two- or three-bedroom units measuring between 86m<sup>2</sup> and 100m<sup>2</sup>. Lettings currently range from monthly gross rentals of R8 250 up to R10 500.

11.2.2.2 Cherrywood is a residential complex situated at Marimbe Crescent, Sonstraal Heights in Durbanville, Cape Town, Western Cape with a GLA of 3 770m<sup>2</sup> comprising 58 two-bedroom units measuring 65m<sup>2</sup>. Lettings currently range from monthly gross rentals of R7 250 up to R9 480.

11.2.2.3 Glen Valley is a residential complex situated at Faraday Street, Longlands, Strand, Cape Town, Western Cape with a GLA of 2 140m<sup>2</sup> comprising 20 three-bedroom units measuring 107m<sup>2</sup>. Lettings currently range from monthly gross rentals of R8 250 up to R9 623.

- 11.2.2.4 Heritage Villas is a residential complex situated at Hazelden Drive, Heritage Park, Somerset West, Western Cape with a GLA of 1 030m<sup>2</sup> comprising 10 two- or three-bedroom units measuring between 91m<sup>2</sup> and 111m<sup>2</sup>. Lettings currently range from monthly gross rentals of R9 300 up to R11 850.
- 11.2.2.5 Nightingale is a residential complex situated at Nightingale Crescent, Kuilsriver, Cape Town, Western Cape with a GLA of 1 534m<sup>2</sup> comprising 13 three-bedroom units measuring 118m<sup>2</sup>. Lettings currently range from monthly gross rentals of R10 500 up to R10 920.
- 11.2.2.6 Sunrise Villas is a residential complex situated at Baden Powell Drive, Muizenberg, Cape Town, Western Cape with a GLA of 2 852m<sup>2</sup> comprising 47 bachelor, one- and two- bedroom units measuring between 42m<sup>2</sup> to 76m<sup>2</sup>. Lettings currently range from monthly gross rentals of R4 465 to R9 700.
- 11.2.2.7 Tuscan Park Villas is a residential complex situated at Twist Street, Bellville, Cape Town, Western Cape with a GLA of 1 519m<sup>2</sup> comprising 17 two-bedroom units measuring between 67m<sup>2</sup> and 82m<sup>2</sup>. Lettings currently range from monthly gross rentals of R7 450 to R11 050.
- 11.2.2.8 Essenhout is a residential complex situated at Sterapple Crescent, Langeberg Heights, Cape Town, Western Cape with a GLA of 4 057m<sup>2</sup> comprising 28 three-bedroom units measuring between 110m<sup>2</sup> and 179m<sup>2</sup>. Lettings currently range from monthly gross rentals of R11 700 up to R15 000.
- 11.2.3 K346 development properties
- 11.2.3.1 10 Trek Road is a 3-storey residential property situated at 10 Trek Road, Higgovale, Oranjezicht, Cape Town, Western Cape measuring 1 363m<sup>2</sup> to be acquired for redevelopment. The property is located close to Kloof Nek Road in a residential area.
- 11.2.3.2 13 and 17 Nettleton Road are two adjoining vacant residential stands situated at 13 and 17 Nettleton Road, Clifton, Cape Town, Western Cape measuring in aggregate 3 812m<sup>2</sup>. Clifton is a prestigious residential neighbourhood located along the Atlantic seaboard between the suburbs of Camps Bay, Bantry Bay and Fresnaye.
- 11.2.3.3 14 Higgo Road is vacant residential stand situated at 14 Higgo Road, Higgovale, Oranjezicht, Cape Town, Western Cape measuring 931m<sup>2</sup>. The land is located close to Kloof Nek Road in a residential area.
- 11.2.3.4 14 Quebec Road, is a vacant residential stand situated at 14 Quebec Road, Camps Bay, Cape Town, Western Cape measuring 1 722m<sup>2</sup>. The stand has approval for the development of 6 new residential units.
- 11.2.3.5 115 Victoria Road is a residential complex comprising 5 units situated at 115 Victoria Road, Camps Bay, Cape Town, Western Cape measuring 691m<sup>2</sup>. The property is located along Victoria Road and close to private beaches. Plans for redevelopment of 12 new units are in the final approval stage.
- 11.2.3.6 Infinity Llandudno is a recently developed residential complex situated at 80 & 82 Llandudno Road, Llandudno, Western Cape measuring 980m<sup>2</sup>. The property consists of 4 exclusive residential sectional title units located on Llandudno Road and close to Llandudno beach.

### 11.3 Analysis of the I Group portfolio

An analysis of the completed properties within the I Group portfolio (which excludes the K346 development properties) as at 31 May 2022 is set out below:

#### 11.3.1 Geographic profile

	Based on GLA %	Based on number of units	Based on rental revenue %
Gauteng	11.0	1	8.8
North West	19.0	1	15.6
Western Cape	70.0	208	75.6
<b>Total</b>	<b>100.0</b>	<b>210</b>	<b>100.0</b>

### 11.3.2 Sectoral profile

	Based on GLA %	Based on rental revenue %
Retail	82.8	86.1
Residential	17.2	13.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### 11.3.3 Residential profile

	Average rental (m <sup>2</sup> )	Number of units	Percentage of units %
One bedroom*	116.80	27	13.2
Two bedrooms	113.98	102	50.0
Three bedrooms	85.32	75	36.8
<b>Total</b>	<b>99.38</b>	<b>204</b>	<b>100.0</b>

\* includes one bachelor unit

### 11.3.4 Tenant profile

	Based on GLA %	Based on rental income %
A	39.7	29.0
B	29.2	38.4
C	26.9	32.7
<b>Total</b>	<b>95.8</b>	<b>100.0</b>

For the table above, the following key is applicable:

- A. Large national tenants, large listed tenants, government and major franchisees, such as Pick n Pay, Shoprite, Woolworths, Jet, Dis-Chem and Cash Build.
- B. National tenants, listed tenants, franchisees, medium to large professional firms, such as Pepkor, FNB, The Crazy Store, Jumbo and Debonairs.
- C. Other tenants amounting to 302 tenants, which includes 195 individual tenants within the iRes residential properties.

### 11.3.5 Vacancy profile

		Units %	Based on GLA %
Retail	3 396 m <sup>2</sup>	N/A	4.0
Residential*	10 units	4.9	5.4
<b>Total</b>			<b>4.2</b>

\* of which no one bedroom units, 4 two bedroom units and 6 three bedroom units are vacant.

### 11.3.6 Lease expiry profile

#### **Total**

	<b>Based on GLA</b> %	<b>Based on rental</b> <b>revenue</b> %
Vacant	4.2	–
0 – 12 months	26.2	29.0
12 – 24 months	19.2	21.0
24 – 36 months	8.6	15.1
36 months and beyond	41.8	34.9
	<b>100.0</b>	<b>100.0</b>

#### **Retail**

	<b>Based on GLA</b> %	<b>Based on rental</b> <b>revenue</b> %
Vacant	4.0	–
0 – 12 months	12.7	18.2
12 – 24 months	22.4	23.8
24 – 36 months	10.4	17.5
36 months and beyond	50.5	40.5
	<b>100.0</b>	<b>100.0</b>

#### **Residential**

	<b>Number of</b> <b>units</b>	<b>Units</b> %	<b>Based on GLA</b> %	<b>Based on rental</b> <b>revenue</b> %
Vacant	10	4.9	5.4	–
0 – 12 months	187	91.2	91.1	96.2
12 – 24 months	8	3.9	3.5	3.8
	<b>205</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

### 11.3.7 Monthly weighted average rental per square metre by rentable area per sector

	<b>Weighted</b> <b>average rental</b> <b>per unit (R)</b>	<b>Weighted</b> <b>average rental</b> <b>per m<sup>2</sup></b>
Retail	N/A	127.25
Residential	8 465	97.40
<b>Total</b>		<b>122.11</b>

### 11.3.8 Weighted average rental escalation profile

	%
Retail	5.3
Residential	5.0
<b>Total</b>	<b>5.2</b>

### 11.3.9 The average annualised property yield is 7.8%, calculated for the I Group portfolio excluding non-yielding development property, using forecast net property income for the 12 months ending 29 February 2024 divided by the independent valuation as set out in **Annexure 7**.

#### 11.4 **Emira investment**

Following the implementation of the transaction, Castleview will hold or control at least 261 333 625 Emira shares, equating to more than 50% of the voting rights and c.54% of the issued share capital, for IFRS purposes, of Emira, with a market capitalisation of R2 796 269 787,50 as at the last practicable date. Given the nature of the acquisition, Castleview does not have access to non-public information on Emira. However, full details of the Emira portfolio are incorporated by reference in terms of paragraph 11.61 of the Listings Requirements and can be found in Emira's integrated annual report, which is available on the Emira website at the following link: [www.emira.co.za/financial-reporting/integrated-report-2021/](http://www.emira.co.za/financial-reporting/integrated-report-2021/).

### 12. **VALUATION REPORTS.**

- 12.1 The Willowbridge retail properties and the K346 development properties were valued at 31 May 2022 by EJ Hattingh of Spectrum.
- 12.2 The iRes residential properties were valued at 1 April 2022 by MGB Gibbons of Mills Fitchet,
- 12.3 Both EJ Hattingh of Spectrum and MGB Gibbons of Mills Fitchet are independent external registered professional valuers in terms of the Property Valuers Profession Act, 47 of 2000, as amended.
- 12.4 Detailed valuation reports have been prepared in respect of each of the Willowbridge retail properties, the K346 development properties and the iRes residential properties and are available for inspection in terms of paragraph 31 of the revised listing particulars.
- 12.5 Summaries of the detailed valuation reports in respect of the Willowbridge retail properties, the K346 development properties and iRes residential properties have been included in **Annexures 8** and **9** of this circular.

### 13. **VENDORS**

- 13.1 The salient details relating to the vendors are set out in **Annexure 15** of the revised listing particulars.
- 13.2 The vendors have not guaranteed the book debts or other assets of Willowbridge, K346, IG EMI, TPS or iRes, although they have warranted that immediately prior to implementation of the transaction they will collectively be the sole owners of the acquisition companies in their respective proportions. The acquisition agreements contain warranties which are usual for transactions of this nature.
- 13.3 The acquisition agreements do not preclude the vendors from carrying on business in competition with the Castleview group nor do the acquisition agreements impose any other restrictions on the vendors and therefore no payment in cash or otherwise has been made in this regard.
- 13.4 There are no liabilities for accrued taxation that are required to be settled in terms of the acquisition agreements.
- 13.5 The purchase consideration for the acquisition will be settled by the issue of the consideration shares on a NAV for NAV basis in accordance with the acquisition agreements.
- 13.6 The purchase consideration paid by Willowbridge, K346, iRes, IGI EMI and TPS is set out in **Annexure 15** of the revised listing particulars.
- 13.7 Other than the directors' interests as set out in the revised listing particulars and paragraph 15 of this circular, no director of Castleview (or any partnership, syndicate or other association in which a director had an interest) has any direct or indirect beneficial interest in the transaction.
- 13.8 No promoters are involved or interested in the transaction nor in any transactions in the three years preceding this circular.
- 13.9 The entire issued share capital of Willowbridge, K346, IG EMI and TPS and 85% of the issued share capital of iRes to be acquired in terms of the acquisition will be transferred into the name of Castleview in terms of the acquisition and the I Group portfolio has not, to the knowledge of Castleview, been ceded or pledged to any party, save as security for debt of I Group, which cession and pledges shall be released prior to the effective date. The properties in the combined portfolio referred to in **Annexure 7** of the revised listing particulars have been provided for security for borrowings as set out in **Annexure 16** of the revised listing particulars.

#### 14. GENERAL MEETING

14.1 A general meeting of Castleview shareholders will be held at 09:00 on Tuesday, 13 September 2022 at the offices of the company, 411 The Hills, Buchanan Square, Sir Lowry Road, Woodstock, Cape Town, 7925, as well as virtually via a remote interactive electronic platform, Microsoft Teams, 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.

14.2 Details of the actions required by Castleview shareholders are set out on page 3 of this circular.

#### 15. DETAILS OF DIRECTORS

**Annexure 3** of the revised listing particulars contains information pertaining to the directors of the company, including details of the directors' emoluments and interests in Castleview shares and transactions. As at the last practicable date, none of the directors of Castleview held a direct or indirect beneficial interest in Castleview shares.

#### 16. MAJOR AND CONTROLLING SHAREHOLDERS

16.1 Set out below are the names of Castleview shareholders, other than directors, that, directly or indirectly, are beneficially interested in 5% or more of the issued shares, with reference to the information available as at the last practicable date:

Shareholder	Nature of interest	Number of shares	% of total shares
Urban Retail Property Investments 1 Proprietary Limited	Indirect beneficial	36 938 293	90.0
Mirlem IP Proprietary Limited	Indirect beneficial	4 104 254	10.0
<b>Total</b>		<b>41 042 547</b>	<b>100.0</b>

16.2 Set out below are the names of Castleview shareholders, other than directors, that, directly or indirectly, are expected to be beneficially interested in 5% or more of the issued shares of Castleview post the implementation of the transaction:

Shareholder	Number of shares	% of total shares <sup>(2)</sup>
I Group	871 682 180	90.4%
<b>Total</b>	<b>871 682 180</b>	<b>90.4%</b>

Assumed net shares in issue: 964 633 603

16.3 The table in paragraph 16.2 above is based on *pro forma* shareholdings following the implementation of the transaction. To the extent that Castleview does not achieve the 10% public spread as required by the Listings Requirements, I Group has undertaken to sell sufficient shares such that the company will achieve the required spread.

16.4 As at the last practicable date, Urban Retail Property Investments 1 Proprietary Limited, is the controlling shareholder in Castleview. Post the implementation of the transaction, I Group will be the controlling shareholder of Castleview.

#### 17. RELATIONSHIP INFORMATION

17.1 An asset management agreement was entered into by Castleview and Castleview Asset Managers on 20 November 2017 to manage Castleview's property portfolio. James Templeton, the chief executive officer of Castleview, has an indirect shareholding of 33.33% in Castleview Asset Managers. Details of the asset manager are set out in **Annexure 3** of the revised listing particulars.

17.2 Save in respect of the interests of James Templeton as set out in paragraph 17.1 above, no director of Castleview has or had any material beneficial interest, whether 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.

17.3 Mr Avesh Padayachee is an independent non-executive director on both TPS and Castleview but is not a shareholder in either company. As noted in paragraph 7 above, the investment committee independently evaluated the acquisition without Mr Padayachee being present.

- 17.4 Save as disclosed in paragraphs 17.2 and 17.3 above, there is no relationship between any director or asset manager of Castleview and another person that may conflict with a duty to Castleview.
- 17.5 Other than as disclosed in this circular, the vendors do not have any beneficial interest, direct or indirect, in any shares to be issued by Castleview in order to finance the acquisition by Castleview of the issued share capital and claims of the acquisition companies.
- 17.6 Other than the fee paid to the asset manager in terms of the asset management agreement in respect of the acquisition of the Cravenby Shopping Centre in February 2021, the directors of Castleview, have not had a material beneficial interest in the acquisition or disposal of any properties of Castleview during the preceding two years.

#### 18. MATERIAL BORROWINGS AND LOANS RECEIVABLE

- 18.1 Details of material borrowings advanced to the Castleview group as at the last practicable date are set out in paragraph 17 and **Annexure 16** of the revised listing particulars.
- 18.2 Details of material loans receivable by the Castleview group at the last practicable date are set out in paragraph 17 and **Annexure 16** of the revised listing particulars.

#### 19. MATERIAL CONTRACTS

Other than as set out in paragraph 3 of this circular and paragraph 19 and **Annexure 17** of the revised listing particulars, there are no other material contracts which have been entered into either verbally or in writing by the Castleview group, being restrictive funding arrangements and/or contracts entered into otherwise than in the ordinary course of the business carried on and or proposed to be carried on, entered into within (i) the two years prior to the date of the revised listing particulars; (ii) or entered into at any time and containing an obligation or settlement that is material to the Castleview group, as the case may be, are set out in paragraph 19 and **Annexure 17** of the revised listing particulars.

#### 20. MATERIAL CHANGES

- 20.1 Other than as disclosed in this circular and in the revised listing particulars, there have been no material changes in the financial or trading position of the Castleview group since Castleview published its results for the year ended 28 February 2022 and up to the date of this circular.
- 20.2 Save as disclosed in this circular and the revised listing particulars, there has been no change in the business or trading objects of Castleview during the past five years.

#### 21. ADEQUACY OF CAPITAL

The directors have considered the effects of the acquisition and the share subscription and are of the opinion that the working capital available to the Castleview group is sufficient for the group's present requirements, that is, for at least the next 12 months from the date of issue of this circular.

## 22. LITIGATION STATEMENT

- 22.1 The directors have ascertained that 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 positions of each of Willowbridge, K346, IG EMI, TPS and iRes. The directors have also ascertained that each of Willowbridge, K346, IG EMI, TPS and iRes are not aware of any other proceedings that would have a material effect on the financial positions of each of Willowbridge, K346, IG EMI, TPS and iRes or which are pending or threatened against each of Willowbridge, K346, IG EMI, TPS and iRes.
- 22.2 Save as disclosed on this circular and the revised listing particulars, 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 Castleview group. Castleview is not aware of any other proceedings that would have a material effect on the financial position of the Castleview group or which are pending or threatened against the Castleview group.

## 23. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are set out in page 15 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 Listings Requirements.

## 24. CONSENTS

- 24.1 Each of Castleview's advisors being the company secretary, the designated advisor, the corporate advisor, the independent reporting accountants, the independent property valuers, the independent expert, the legal and tax advisor and the 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.
- 24.2 The independent reporting accountants, the independent property valuers and the independent expert have consented to the inclusion of their reports in the form and context in which they are included in the circular, which consents have not been withdrawn prior to the publication of this circular.

## 25. ISSUE EXPENSES

The company has not incurred any preliminary expenses in respect of the transaction in the preceding three years. The issue expenses (excluding VAT) which have been incurred or that are expected to be incurred are presented in the table below. The expenses relating to legal and tax advice and the valuation done by Mills Fitchet on the iRes residential properties, will be for the account of a related party of the I Group.

	<b>Recipient</b>	<b>R'000</b>
Corporate advisor	Java Capital	1 250
Designated advisor	Java Capital	750
Legal advisor	ENS	0
Tax advisory	ENS	0
Asset manager	Castleview Asset Managers	0*
Independent expert	BDO	300
Independent reporting accountants	RSM	600
Independent property valuation	Spectrum	46
Independent property valuation	Mills Fitchet	0
Transfer secretaries	JSE Investor Services	10
JSE listing and documentation	JSE	226
Printing and other costs	Ince	150
Contingency		622
<b>Total</b>		<b>3 954</b>

\* Transaction fees normally payable to the asset manager in terms of the asset management agreement have been waived in respect of this transaction



## 26. CONFLICTS OF INTEREST

- 26.1 The designated advisor, a wholly owned subsidiary of the corporate advisor, is acting as designated advisor to Castleview and maintains the appropriate procedures to maintain its independence of Castleview and any of its advisors as required under the Listings Requirements.
- 26.2 The designated advisor's team operates as a separate and distinct team from the corporate advisor and has various internal procedures in place to ensure that its ability to act independently as designated advisor is not compromised. As required in terms of the Listings Requirements, it is confirmed that in order to manage any potential or perceived conflicts of interest that might arise, the designated advisor and corporate advisor have in place appropriate checks and balances, including procedures and individual responsibilities to ensure the independence of the designated advisor relating to the transaction.
- 26.3 Taking cognisance of the above, the designated advisor does not believe that there is any matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain its independence.

## 27. DOCUMENTS INCORPORATED BY REFERENCE

The following information has been incorporated by reference and is available for viewing on Emira's website at <https://emira.co.za/>:

- 27.1 details of the Emira property portfolio, including the fair market value thereof; and
- 27.2 the audited historical financial information of Emira for the years ended 30 June 2022, 30 June 2021, and 30 June 2020.

## 28. DOCUMENTS AND CONSENTS TO BE AVAILABLE FOR INSPECTION

A list of the documents that are available for inspection is set out in paragraph 31 of the revised listing particulars. Copies of these documents will be available for inspection at the registered address of the company at any time during business hours from the date of issue of this circular up to and including the date of the general meeting. Copies of these documents will also be available for inspection electronically and may be obtained from the company by sending a request to [info@castleview.co.za](mailto:info@castleview.co.za).

**Signed in Cape Town on behalf of the Castleview board in terms of the written resolution passed by each of the directors.**

By order of the board

**Castleview Property Fund Limited**

**James Templeton**

*Chief Executive Officer*

24 August 2022

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## INDEPENDENT EXPERT'S REPORT ON THE TERMS OF THE ACQUISITION

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The Directors  
 Castleview Property Fund Limited  
 411 The Hills, Buchanan Square  
 160 Sir Lowry Road  
 Woodstock  
 Cape Town, 7925

25 August 2022

Dear Sirs/ Mesdames

### **FAIRNESS OPINION REGARDING THE PROPOSED ACQUISITION BY CASTLEVIEW OF THE ISSUED SHARE CAPITAL AND CLAIMS OF THE ACQUISITION COMPANIES FROM MULTIPLE VENDORS, ALL OF WHICH ARE ASSOCIATES OF I GROUP, A RELATED PARTY TO CASTLEVIEW, WHICH CONSTITUTE RELATED PARTY TRANSACTIONS**

#### **Introduction**

As announced on the Stock Exchange News Service operated by the JSE Limited (“JSE”) (“SENS”) on Thursday, 28 July 2022, Castleview Property Fund Limited (“Castleview” or the “Company”) has entered into various acquisition agreements in terms of which it will acquire on the date on which the last of the conditions precedent is fulfilled or waived, as the case may be or such later date as agreed between the parties (the “Effective Date”), through 6 separate transactions:

- from U Big Investments Proprietary Limited (“U Big”), Interurban Holdings Proprietary Limited, K2016458796 (South Africa) Proprietary Limited, K2018365895 (South Africa) Proprietary Limited, K2018365955 (South Africa) Proprietary Limited, K2018365994 (South Africa) Proprietary Limited, K2018366028 (South Africa) Proprietary and K2018366052 (South Africa) Proprietary Limited (together the “Willowbridge Vendors”) the entire issued share capital of Interurban Willowbridge Proprietary Limited (“Willowbridge”) (“Willowbridge Acquisition Shares”) which holds a portfolio of retail assets, including the Bougainville shopping centre in Pretoria, a 50% interest in the Mitchells Plain shopping centre in Cape Town, the Makhaza Centre in Khayelitsha, a 50% interest in the Pick n Pay Hyper in Klerksdorp and a 75% interest in the Willowbridge South shopping centre in Bellville (the “Willowbridge Retail Properties”) for a purchase consideration of R535 844 108 to be settled by the issue of 89 726 018 ordinary shares of no par value in the share capital of Castleview (“Castleview Shares”) (the “Willowbridge Consideration Shares”);
- from U Big (the “K346 Vendor”) the entire issued share capital of K2019141346 (South Africa) Proprietary Limited (“K346”) (“K346 Acquisition Shares”) which holds a portfolio of development properties including vacant residential land, recently developed properties and properties held for redevelopment, all situated in the City of Cape Town and its surrounding suburbs (the “K346 Development Properties”) for a purchase price of R221 714 647 to be settled by the issue of 37 125 672 Castleview Shares (“K346 Consideration Shares”);
- from I Group Financial Holdings Proprietary Limited (“IGFH”) an 85% interest in the share capital and related shareholder loans of iRes Fund Proprietary Limited (“iRes”), which holds 205 residential properties, all situated in the City of Cape Town and its surrounding suburbs (the “iRes Residential Properties”), as well as iRes’ 50% shareholding in Resi Developments Proprietary Limited (“Resi Developments”) (“iRes Acquisition Shares and Claims”), for a purchase consideration of R197 719 854 to be settled by the issue of 33 107 790 Castleview Shares (“iRes Consideration Shares”);
- from U Big, the entire issued share capital of, and claims against Tensai Property Services Limited (“TPS”) (“TPS Acquisition Shares”), its 46.07% interest in EPP Community Properties JV B.V. and its 25.7% interest in Collins Property Project Proprietary Limited (“CPP”) held through its wholly-owned subsidiary, U Reit Collins Proprietary Limited (“U Reit Collins”), for a purchase consideration of R2 008 945 078 to be settled by the issue of 336 393 812 Castleview Shares (“TPS Consideration Shares”); and
- from K2019451018 (South Africa) Proprietary Limited (“K018”) 14 275 529 shares of no par value in the issued share capital of Emira Property Fund Limited (“Emira”) (“Emira Shares”) and from IG FH, Maitlantic 10 Proprietary Limited (“Maitlantic 10”) and K2017034069 (South Africa) Proprietary Limited (“K069”) (the “IG EMI Vendors”) the entire issued share capital of IG EMI Holdings Proprietary Limited (“IG EMI”), and consequently its wholly owned subsidiaries, U Reit Holdings Proprietary Limited (“U Reit”) and Maitlantic Investments Proprietary Limited (“Maitlantic Investments”) which holds 247 057 096 Emira Shares. The above acquisition of Emira Shares from K018

and acquisition of IG EMI will result in the acquisition of 261 333 625 Emira Shares, amounting to more than 50% of the voting rights in Emira (“**Emira Share Portfolio Acquisition Shares**”) for an aggregate purchase price of R2 241 465 492 to be settled by the issue of 375 328 888 Castleview Shares (“**Emira Share Portfolio Consideration Shares**”)

(Willowbridge, K346, iRes, TPS, IG EMI and K018 are together the “**Acquisition Companies**”)

(the Willowbridge Acquisition Shares, K346 Acquisition Shares, iRes Acquisition Shares and Claims, TPS Acquisition Shares and Emira Share Portfolio Acquisition Shares are together the “**Acquisition Shares**.”)

(the Willowbridge Consideration Shares, K346 Consideration Shares, iRes Consideration Shares, TPS Consideration Shares and Emira Share Portfolio Consideration Shares are together the “**Consideration Shares**”)

(collectively, the “**Acquisition**”).

Full details of the Acquisition are set out in Paragraph 3 of the Circular.

### **Fairness opinions required in terms of the Listings Requirements**

Each of the vendors in respect of the Acquisition are associates of I Group Investments Proprietary Limited (“**I Group**”). The shareholder of I Group is I Group Investment Trust, the beneficiaries of which are Paul Munday and Wilhelmus Loubser (the “**IG related parties**”) and other minorities who are unrelated to the Acquisition. The IG related parties are the ultimate beneficial owners of each of the vendors in respect of the Acquisition, the asset manager of Castleview and Mirlem IP Proprietary Limited (“**Mirlem**”) which currently holds 10% of Castleview Shares and is a material shareholder in Castleview and a related party in terms of paragraphs 10.1(b)(i) of the JSE Listings Requirements (“**Listings Requirements**”). The Acquisition consequently requires shareholder approval.

In terms of Section 10.4 of the Listings Requirements, the board of directors of Castleview (the “**Board**” and/or the “**Directors**”) must obtain a fairness opinion, prepared in accordance with Schedule 5 of the Listings Requirements, which must be included in the circular to Castleview shareholders (“**Circular**”), confirming whether the Acquisition is fair insofar as the shareholders of Castleview (“**Castleview Shareholders**”) are concerned (the “**Fairness Opinion**”).

BDO Corporate Finance Proprietary Limited (“**BDO Corporate Finance**”) has been appointed as the independent expert to provide the Fairness Opinion.

### **Responsibilities of Directors**

Compliance with the Listings Requirements is the responsibility of the Board. Our responsibility is to report on the fairness of the Acquisition.

### **Explanation as to how the term “fair” applies in the context of the Acquisition**

Schedule 5.7 of the Listings Requirements states that the “fairness” of a transaction is based on quantitative issues. A transaction will typically be considered fair to a company’s shareholders if the benefits received by a company, as a result of a corporate action, are equal to or greater than the value ceded by a company.

The Acquisition would be considered fair to the shareholders if the fair value of the Consideration Shares is less than or equal to the fair value of the Acquisition Shares, or unfair if the fair value of the Consideration Shares is more than the fair value of the Acquisition Shares.

### **Details and sources of information**

In arriving at our opinion, we have considered the following principal sources of information:

- The terms and conditions of the Acquisition as defined in the Circular and acquisition agreements, namely:
  - the asset for share agreement concluded between Castleview and the Willowbridge Vendors in terms of which Castleview will acquire the entire issued share capital of Willowbridge and indirectly the Willowbridge Retail Properties in exchange for Castleview Shares;
  - the asset for share agreement concluded between Castleview and the K346 Vendor in terms of which Castleview will acquire the entire issued share capital of K346 and indirectly the K346 Development Properties in exchange for Castleview Shares;
  - the asset for share agreement concluded between Castleview and K018, which owns a 2.7% interest in Emira, in terms of which K018 shall dispose of and transfer all of its shares in Emira to Castleview in exchange for Castleview Shares;
  - the asset for share agreement concluded between Castleview and the IG EMI Vendors in terms of which Castleview will acquire the entire issued share capital of IG EMI and its wholly-owned subsidiaries, U Reit and Maitlantic Investments, which together own 47.3% of Emira, in exchange for Castleview Shares;
  - the asset for share agreement between Castleview and U Big in terms of which Castleview will acquire the entire issued share capital of and claims against TPS, its 46.07% interest in EPP Community Properties and its 25.7% interest in CPP held through its wholly-owned subsidiary, U Reit Collins, in exchange for Castleview Shares; and

- the asset for share agreement concluded between Castleview and IGFH in terms of which Castleview will acquire an 85% interest in the share capital of iRes and indirectly the iRes residential properties, related shareholder loans, as well as iRes' 50% shareholding in Resi Developments, in exchange for Castleview Shares (the “**Acquisition Agreements**”);
- Annual and integrated reports of Castleview for the years ended February 2020, 2021 and 2022;
- Forecast information of Castleview incorporating the effects of the Acquisition for the years ended February 2023 and 2024 prepared by management of Castleview;
- Statement of financial position of Willowbridge, K346, TPS, U Reit Collins, Maitlantic Investments, U Reit, iRes and Resi Developments as at 28 February 2022;
- Statement of financial position of Emira as at 30 June 2022;
- Internal valuation models in respect of the Acquisition prepared by management of Castleview (the “Models”);
- Independent property valuer’s report on Pier 14 and Cravenby (the “Castleview Properties”) as at 31 May 2022 prepared by EJ Hattingh of Spectrum, who is an independent external registered professional valuer in terms of the Property Valuers Profession Act, 47 of 2000, as amended (“Property Valuers Profession Act”) (“Castleview Independent Property Valuations”);
- Independent property valuer’s report on the Willowbridge Retail Properties and the K346 Development Properties as at 31 May 2022 prepared by EJ Hattingh of Spectrum, who is an independent external registered professional valuer in terms of the Property Valuers Profession Act (“Willowbridge and K346 Independent Property Valuations”);
- Independent property valuer’s report on the iRes Residential Properties as at 1 June 2022 prepared by MGB Gibbons of Mills Fitchet, who is an independent external registered professional valuer in terms of the Property Valuers Profession Act (“iRes Independent Property Valuations”, together with the Willowbridge and K346 Independent Property Valuations are the “Independent Property Valuations”);
- Investment statements received from Investec Wealth and Investment International (Pty) Ltd (“Investec Wealth”) in respect of the fair value of Emira Shares held as at 27 May 2022;
- Investment statements received from Nedbank Private Wealth Stockbrokers (Pty) Ltd (“Nedbank Wealth”) in respect of the fair value of Emira Shares held as at 27 May 2022;
- Discussions with management of the Company regarding the historical and forecast financial information;
- Discussions with management and/or advisors of Castleview on prevailing market, economic, legal and other conditions which may affect underlying value; and
- Publicly available information relating to Castleview as well as peer companies of Castleview, the retail and residential property sector in general.

The information relating to the Acquisition was secured from:

- Management and/or advisors of Castleview; and
- Third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing Castleview.

### **Procedures and consideration**

In arriving at our opinion, we have undertaken the following procedures and considered the following factors in evaluating the fairness of the Acquisition:

- Reviewed the terms and conditions of the Acquisition;
- Reviewed the audited and other financial information, as detailed above;
- Reviewed and obtained an understanding from management and/or advisors of Castleview with respect to the historical and forecast financial information of Castleview;
- Considered the professional competency and qualifications of the independent professional property valuers;
- Reviewed the Independent Property Valuations in respect of the Castleview Properties, Willowbridge Retail Properties, the K346 Development Properties and the iRes Residential Properties and considered the valuation methodologies and assumptions applied. Based on our review of the Independent Property Valuations we are satisfied that the valuation approaches adopted are consistent with standard valuation practice and the valuation assumptions are consistent with market parameters. Consequently, we are satisfied with the Independent Property Valuations and are placing reliance thereon;

- Performed a valuation of the Castleview Shares and each of the Willowbridge Acquisition Shares, K346 Acquisition Shares, iRes Acquisition Shares and Claims, TPS Acquisition Shares and Emira Share Portfolio Acquisition Shares using the net asset value (“NAV”) approach;
- Performed such other studies and analyses as we considered appropriate and have taken into account our assessment of general economic, market and financial conditions and our experience in other transactions, as well as our experience in securities valuation and knowledge of the property sector generally;
- Reviewed certain publicly available information relating to Castleview including Company announcements, media articles and available analyst coverage;
- Where relevant, representations made by management and/or advisors of Castleview were corroborated to source documents or independent analytical procedures were performed by us, to examine and understand the industry in which the Company operates, and to analyse external factors that could influence the Company; and
- Held discussions with management and/or advisors of Castleview as to their strategy and the rationale for the Acquisition and assessed prevailing economic and market conditions and trends in the real estate sector in the markets where Castleview operates.

### **Assumptions**

We arrived at our opinion based on the following assumptions:

- That all agreements that are to be entered into in terms of the Acquisition will be legally enforceable; and
- That the Acquisition will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives and advisors of Castleview.

### **Appropriateness and reasonableness of underlying information and assumptions**

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by determining the extent to which representations from management and/or advisors of Castleview were confirmed by documentary evidence as well as our understanding of Castleview and the economic environment in which the business operates.

### **Limiting conditions**

This opinion is provided in connection with and for the purposes of the Acquisition. The opinion does not purport to cater for each individual Castleview Shareholder’s perspective, but rather that of the general body of Castleview Shareholders. Should a Castleview Shareholder be in doubt as to what action to take, he or she should consult an independent adviser.

Individual Castleview Shareholder’s decisions regarding the Acquisition may be influenced by such shareholders’ particular circumstances and accordingly, individual shareholders should consult an independent advisor if in any doubt as to the merits or otherwise of the entering into of the Acquisition.

We have also assumed that the Acquisition will have the legal consequences described in discussions with, and materials furnished to us by representatives and advisors of Castleview and we express no opinion on such consequences.

The opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such development.

We have been neither a party to the negotiations entered into in relation to the Acquisition nor have we been involved in the deliberations leading up to the decision on the part of Castleview to enter into the Acquisition.

We do not, by this letter or otherwise, advise or form any judgement on the strategic, commercial or financial merits or risks of the Acquisition. All such evaluations, advice, judgements or comments remain the sole responsibility of the Board. We have however, drawn upon such evaluations, judgements and comments as we deem necessary and appropriate in arriving at our opinion.

The scope of our appointment does not require us to express, and nor do we express, a view on the future growth prospects, earnings potential or value of Castleview Shares. We do not express any view as to the price at which Castleview Shares may trade nor on the future value, financial performance, or condition of Castleview.

It is also not within our terms of reference to compare the merits of the Acquisition to any alternative arrangements that were or may have been available to Castleview. Such comparison and consideration remain the responsibility of the Board.

### **Independence**

We confirm that we have no direct or indirect interest in Castleview Shares or in the Acquisition. We also confirm that we have the necessary qualifications and competence to provide the fairness opinion on the Acquisition.

Furthermore, we confirm that our professional fees, payable in cash, are not contingent upon the successful implementation of the Acquisition.

## Fairness of the Acquisition

In considering the terms and conditions of the Acquisition we performed an independent valuation of the Acquisition Shares and Consideration Shares based on:

- the net asset value (“NAV”) approach in respect of Castlevue, Willowbridge, K346, iRes, based on the fair market value of the properties determined in respect of the Independent Property Valuations and the carrying value of financial assets and financial liabilities;
- the NAV approach in respect of TPS and U Reit Collins; and
- the income approach as a primary valuation approach and the market approach as a secondary methodology to support the results of the income approach in respect of Emira Share Portfolio.

The table below summarises the NAV of the Acquisition Companies and Castlevue used to arrive at the number of Consideration Shares issued in exchange for the Acquisition Shares:

Description	NAV (R'000)
Willowbridge	535 844
K346	221 715
iRes	197 720
TPS and U Reit Collins	2 008 945
Emira Share Portfolio	2 241 466
Castlevue	245 106

The below table breaks down the NAV of the Acquisition Companies and Castlevue into major components:

ZAR (R'000)	Willowbridge	K346	iRes	TPS and U Reit Collins	Emira Share Portfolio	Castlevue
Investment property	691 167	0	272 590	0	9 881 846	421 055
Non-current assets held for sale	330 800	0	0	0	661 966	0
Inventory	0	336 918	13 203	0	0	0
Investment in associate	0	0	0	2 971 119	3 009 010	0
Other assets	44 339	7 141	36 273	54 421	708 756	23 414
<b>Total assets</b>	<b>1 066 306</b>	<b>344 058</b>	<b>322 066</b>	<b>3 025 540</b>	<b>14 191 578</b>	<b>444 469</b>
Long-term borrowings	514 920	122 198	112 593	977 965	6 203 171	191 693
Other current liabilities	15 541	146	769	18 629	2 134 361	7 670
<b>Total Liabilities</b>	<b>530 462</b>	<b>122 344</b>	<b>113 362</b>	<b>1 016 595</b>	<b>8 337 352</b>	<b>199 363</b>
<b>Non-controlling interest</b>	<b>0</b>	<b>0</b>	<b>10 985</b>	<b>0</b>	<b>3 612 581</b>	<b>0</b>
<b>NAV</b>	<b>535 844</b>	<b>221 715</b>	<b>197 720</b>	<b>2 008 945</b>	<b>2 241 466</b>	<b>245 106</b>

### Willowbridge Retail Properties

Key internal value drivers to the valuation of the Willowbridge Retail Properties comprises gross lettable area, rental revenue, escalation and operating costs.

The key external value driver to the valuation of the Willowbridge Retail Properties comprises the exit capitalisation rates.

Willowbridge holds 5 properties. The below table details the key value drivers and assumptions in respect of the Willowbridge Retail Properties:

Willowbridge Retail Properties	Details
<b>Value Drivers:</b>	
<b>GLA</b>	<b>85,501 m<sup>2</sup></b>
75% interest in Willowbridge South shopping centre	26,657 m <sup>2</sup>
Bougainville shopping centre	11,337 m <sup>2</sup>
50% interest in the Mitchells Plain shopping centre	19,110 m <sup>2</sup>
50% interest in the Pick n Pay Hyper Makhaza Centre	19,602 m <sup>2</sup>
	8,795 m <sup>2</sup>

<b>Willowbridge Retail Properties</b>	<b>Details</b>
<b>Annual rental income (R'000)</b>	
75% interest in Willowbridge South shopping centre	R88,489
Bougainville shopping centre	R23,400
50% interest in the Mitchells Plain shopping centre	R34,663
50% interest in the Pick n Pay Hyper Makhaza Centre	R35,142
	R15,972
<b>Net annual operating income (R'000)</b>	
75% interest in Willowbridge South shopping centre	R50,249
Bougainville shopping centre	R12,309
50% interest in the Mitchells Plain shopping centre	R21,345
50% interest in the Pick n Pay Hyper Makhaza Centre	R22,997
	R12,166
Lease Escalation	5% – 9%
<b>Capitalization Rates:</b>	
75% interest in Willowbridge South shopping centre	8.00%
Bougainville shopping centre	9.00%
50% interest in the Mitchells Plain shopping centre	9.25%
50% interest in the Pick n Pay Hyper Makhaza Centre	9.00%
	8.75%

Source: Spectrum Valuations dated 31 May 2022

#### *K346 Development Properties*

Key internal value drivers to the valuation of the K346 Development Properties comprises gross lettable area.

The key external value driver to the valuation of the K346 Development Properties comprises the monthly market rental per m<sup>2</sup>.

K346 holds 6 development sites. The below table details the key value drivers and assumptions in respect of the K346 Development Properties:

<b>K346 Development Properties</b>	<b>Details</b>
<b>Value Drivers:</b>	
<b>Erf size m<sup>2</sup></b>	<b>9,834 m<sup>2</sup></b>
13 and 17 Nettleton Road, Clifton	3,812 m <sup>2</sup>
10 Trek Road, Higgovale	1,363 m <sup>2</sup>
14 Higgs Road, Higgovale	931 m <sup>2</sup>
80 & 82 Llandudno Road, Llandudno	1,315 m <sup>2</sup>
14 Quebec Road, Camps Bay	1,722 m <sup>2</sup>
115 Victoria Road, Camps Bay	691 m <sup>2</sup>
<b>Monthly market related rental (Rands per month)</b>	
13 and 17 Nettleton Road, Clifton	R40,000
10 Trek Road, Higgovale	R13,940
14 Higgs Road, Higgovale	R8,000
80 & 82 Llandudno Road, Llandudno	R67,681
14 Quebec Road, Camps Bay	R21,500
115 Victoria Road, Camps Bay	R50,000

Source: Spectrum Valuations dated 31 May 2022

#### *iRes Residential Properties*

Key internal value drivers to the valuation of the iRes Residential Properties comprises gross lettable area.

The key external value driver to the valuation of the iRes Residential Properties comprises the market related selling prices per m<sup>2</sup> or per unit.

iRes holds 8 residential properties.

The below table details the key value drivers and assumptions in respect of iRes Residential Properties and Resi Development:

<b>iRes Residential Properties</b>	<b>Details</b>
<b>Value Drivers:</b>	
<b>Erf size m<sup>2</sup></b>	<b>17,213 m<sup>2</sup></b>
Aurora	1,974 m <sup>2</sup>
Cherrywood	3,770 m <sup>2</sup>
Essenhout	3,950 m <sup>2</sup>
Glen Valley	2,410 m <sup>2</sup>
Heritage Villas	1,030 m <sup>2</sup>
Sunrise Villas	2,875 m <sup>2</sup>
Tuscan Park Villas	1,497 m <sup>2</sup>
<b>Number of units in development</b>	
Aurora	12
Cherrywood	58
Essenhout	28
Glen Valley	20
Heritage Villas	10
Sunrise Villas	51
Tuscan Park Villas	34
<b>Market related selling price/ m<sup>2</sup></b>	
Aurora	R8 308
Cherrywood	R17,615
Essenhout	R16,079
Glen Valley	R10,784
Heritage Villas	R17,817
Sunrise Villas	R17,306
Tuscan Park Villas	R15,030
<b>Value Drivers for Nightingale:</b>	
<b>Number of units in development</b>	13 units
<b>Market related selling price/ unit</b>	R1,65 million

Source: Mills Fitchet Valuations dated 1 June 2022

#### *TPS*

The primary investment held by TPS comprises a 46.07% interest in EPP Community Properties JV B.V. (“**EPP JV B.V.**”) accounted for as an investment in associate. As part of the EPP N.V. delisting pursuant to the offer by Redefine Properties Limited (“**Redefine**”), TPS increased its interest in EPP JV B.V. from 23.07% to 46.07% in exchange for the EPP N.V. shares which Redefine acquired. The net asset value of TPS comprises primarily the investment in associate. EPP JV B.V. holds 15 community and regional retail properties in Poland. The fair value of the property portfolio was established by the parties to be €634 290 000 for the purposes of the exchange of EPP N.V. shares for EPP JV B.V. shares. The fair value of the properties comprises 93.0% of the fair value of total assets of EPP JV B.V.

The fair value of the investment held by TPS in EPP JV B.V. is based on the NAV of EPP JV B.V. as at 24 August 2022, using the property values agreed as at 28 February 2022 for the purposes of the exchange of EPP N.V. shares for EPP JV B.V. shares. Based on a fair value of EPP JV B.V. of €258 791 270, the 46.07% interest held by TPS amounts to €119 225 138 converted at the prevailing ZAR:EUR exchange rate as at 24 August 2022 of R16.958 which translates to a fair value of R2,022 million as at 24 August 2022.

#### *U Reit Collins*

The primary investments held by U Reit Collins comprises 25.7% of the ordinary shares in the issued share capital of CPP. The adjusted NAV of CPP as at 28 February 2022 amounts to R3 557 708 984 with the 25.70% held by U Reit Collins amounting to R914.5 million as at 28 February 2022.

CPP holds investments in a number of property companies. The adjusted NAV of CPP has been prepared by the directors of Castlevue based on the fair value of the properties held by each of these property companies. The fair value of the properties of CPP subsidiaries comprises 93.0% of the fair value of the total assets of CPP’s subsidiaries.

We have not performed an independent valuation of CPP and have relied on the adjusted NAV of CPP as indicative of the fair value of CPP. The directors of Castlevue have represented that the properties held by these property companies were fairly valued as at 28 February 2022 for the purposes of the audited financial statements of these entities.



### *Emira Shares held by K018*

K018 holds 14 275 529 Emira Shares.

### *Emira Shares held by IG EMI and its wholly-owned subsidiary U Reit*

IG EMI holds 73 875 546 Emira Shares and its wholly-owned subsidiary, U Reit, whose primary investment comprises 173 182 550 Emira Shares.

### *Emira Shares*

Within the income approach, the methodology we adopted comprised of a capitalisation of income methodology, which entailed a review of historic and forecast forward distribution yields of South African based retail real estate investment trusts (“**REITs**”) selected as peer companies of Emira (“**Comparable REITs**”), based on the actual and one-year forward distribution of Comparable REITs as per consensus analysts’ forecasts.

A range for the fair market one-year forward income yields appropriate to Emira were determined and we capitalised the projected one-year forward distribution of Emira, based on consensus analysts’ forecasts, in order to produce a fair value for an Emira Share.

Emira’s distributable income per share (“**DIPS**”) and dividend per share (“**DPS**”) for the financial year ending 30 June 2022 is forecast to be c.118.2 cents per share and 112.3 cents per share respectively as per Refinitiv, being the key internal value driver.

A sensitivity analysis was performed by considering key value drivers. The key external value driver for the income capitalisation approach is a fair market forecast one-year forward income yield range for Comparable REITs of 9.8%.

A sensitivity analysis was performed by applying the distribution range noted above. The sensitivity analysis did not indicate a sufficient effect on the valuation of an Emira Share to alter our opinion in respect of the fairness of the Acquisition.

The key external value driver of the market approach is an appropriate price to book ratio for Emira. Published NAVs for Comparable REITs were compared to the clean share prices (i.e. excluding accrual for income distribution in the price) and clean 30-day volume weighted average prices (“**VWAPs**”). A range of ratios of fair market value to NAV was determined for Comparable REITs which were applied to the published NAV of Emira to determine the fair value range of an Emira Share.

The prevailing share prices and VWAP Indicators imply a fair market value to published NAV ratio (i.e. price to book ratio) of 0.77x.

### *Castlevue Properties*

Key internal value drivers to the valuation of the Castlevue Properties comprises gross lettable area, rental revenue, escalation and operating costs.

The key external value driver to the valuation of the Castlevue Properties comprises the exit capitalisation rates.

Castlevue holds two properties. The below table details the key value drivers and assumptions in respect of the Castlevue Properties:

<b>Castlevue Properties</b>	<b>Details</b>
<b>Value Drivers:</b>	
<b>GLA</b>	32 991 m <sup>2</sup>
Pier 14	29 690 m <sup>2</sup>
Cravenby	3 301 m <sup>2</sup>
<b>Annual rental revenue (R’000)</b>	
Pier 14	R60 089
Cravenby	R5 378
<b>Net annual operating income (R’000)</b>	
Pier 14	R35 939
Cravenby	R3 886
<b>Rental escalation</b>	5% – 8%
<b>Capitalization Rates:</b>	
Pier 14	9.25%
Cravenby	9.00%

Source: Spectrum Valuations dated 31 May 2022

As we have relied on the Independent Property Valuations a sensitivity analysis has not been performed. We have however satisfied ourselves as to the appropriateness and reasonableness of the underlying information and assumptions in the

Independent Property Valuation Reports with reference to the current Rode's Report and SAPOA Survey which indicate the capitalisation rate data for South Africa as of Q3 2021.

**Opinion**

BDO Corporate Finance has considered the Acquisition and, based on and subject to the conditions set out herein, is of the opinion that the Acquisition is fair to Castlevision Shareholders.

Our views are based on market, economic, industry, monetary and other conditions (where applicable) prevailing on, and our analysis of the information made available to us up to Wednesday, 24 August 2022 (the "**Last Practicable Date**"). We assume no responsibility to update, revise or reaffirm our opinion, factors or assumptions in light of any subsequent development after the Last Practicable Date that may affect our opinion or factors, or assumptions contained herein.

Accordingly, it should be understood that subsequent developments may affect this opinion, which we are under no obligation to update, revise or re-affirm.

Yours faithfully

N Lazanakis

*Director*

**BDO Corporate Finance Proprietary Limited**

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## FORECAST STATEMENTS OF COMPREHENSIVE INCOME

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The definitions and interpretations commencing on page 6 of this circular apply to this annexure, unless otherwise defined herein.

Set out below are the following forecast statements of comprehensive income (“**forecasts**”) (collectively, the “**Forecasts**”):

- a forecast in respect of the I Group portfolio, EPPCP investment and CPP investment for the 6 months ending 28 February 2023 and year ending 29 February 2024 (“**I Group acquisition forecast**”);
- a forecast in respect of the anticipated income to be received by Castlevision from the Emira investment for the 6 months ending 28 February 2023 and year ending 29 February 2024 (“**Emira investment forecast**”); and
- a forecast in respect of Castlevision as enlarged by the I Group Portfolio, the EPPCP investment, CPP investment and the share subscription (“**Castlevision Forecast**”) for the years ending 28 February 2023 and 29 February 2024.

## I GROUP ACQUISITION FORECAST

The I Group acquisition forecast, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the board of directors of Castleview. The I Group acquisition forecast has been prepared in accordance with the JSE Listings Requirements and Castleview's accounting policies that are in compliance with IFRS and that are consistent with those applied in Castleview's audited annual financial statements for the year ended 28 February 2022.

The I Group acquisition forecast is in respect of the 6 months ending 28 February 2023 and year ending 29 February 2024 (the "forecast periods") on the assumption the effective date of the acquisition is 1 September 2022.

The independent reporting accountant's report on the I Group acquisition forecast is set out in **Annexure 3**.

<i>R'000</i>	Notes	6 months ending 28 February 2023	Year ending 29 February 2024
<b>Income statement line items</b>			
Revenue	2	70 305	130 140
Other operating expenses	8, 9	(30 925)	(55 645)
<b>Operating profit</b>		<b>39 380</b>	<b>74 495</b>
Interest income	10	825	–
Finance costs	11	(62 807)	(120 663)
Other non-operating gains/losses	12	2 340	–
Income from associate	13	117 330	316 805
<b>Profit/loss before tax</b>		<b>97 068</b>	<b>270 637</b>
Normal tax	14	–	–
Deferred tax	14	–	–
<b>Profit/loss for the year</b>		<b>97 068</b>	<b>270 637</b>
Other comprehensive income		–	–
<b>Total comprehensive income</b>		<b>97 068</b>	<b>270 637</b>
<b>Income for the year attributable to:</b>			
Equity shareholders of Castleview		<b>97 068</b>	<b>270 637</b>
Non-controlling interests		–	–
<b>Reconciliation of earnings and headline earnings</b>			
Profit for the year attributable to Group's shareholders		<b>97 068</b>	<b>270 637</b>
<i>Adjusted for:</i>			
No adjustments			
<b>Headline profit attributable to shareholders:</b>		<b>97 068</b>	<b>270 637</b>
<i>Adjusted for:</i>			
Lease straight-lining adjustment		(2 155)	(2 877)
<b>Distributable earnings:</b>		<b>94 913</b>	<b>267 760</b>
Castleview consideration shares issued to finance I Group acquisition		496 353 292	496 353 292
Total weighted average number of Castleview shares		496 353 292	496 353 292
Basic earnings per Castleview share (cents)		19.56	54.53
Diluted earnings per Castleview share (cents)		19.56	54.53
Headline earnings per Castleview share (cents)		19.56	54.53
Diluted headline earnings per Castleview share (cents)		19.56	54.53
Distributable income per Castleview share (cents)		19.12	53.95

Notes and assumptions

The I Group acquisition forecast incorporates the following material assumptions in respect of revenue and expenses that can be influenced by the directors of Castleview:

1. The forecast is based on information derived from lease contracts, information provided by the property managers and historic information. The effective date of the acquisition of the I Group portfolio, EPPCP investment and CPP investment is assumed to be 1 September 2022.
2. Revenue includes rental income and recoveries, comprising of the following.

<i>R'000</i>	Notes	6 months ending 28 February 2023	Year ending 29 February 2024
<b>Rental income:</b>			
Contracted rental income	3	43 916	69 659
Near contracted rental income	4	2 738	14 295
Uncontracted rental income	5	2 747	9 825
Vacant	6	609	1 237
Turnover rental income	7	421	448
<b>Recoveries</b>		16 348	30 003
<b>Other income:</b>			
Parking		1 010	1 289
Other		361	507
<b>Straight lining</b>		2 155	2 877
<b>Total revenue</b>		<b>70 305</b>	<b>130 140</b>

3. Contracted rental income comprises revenue based on existing lease agreements, including stipulated increases, all of which are valid and enforceable.
4. Near contracted rental income comprises revenue for leases that expire during the forecast periods which have a reasonable expectation of renewal. In determining the forecast renewal rental, management have assessed each lease individually with reference to the specific tenant and the current rental in comparison to the prevailing market rental rates.
5. Uncontracted rental revenue comprises revenue for leases that have expired before the start of the forecast period and where tenants currently occupy the premises on a month-to-month basis.
6. Current vacant space has been assumed to remain vacant for the duration of the forecast period unless a tenant has been identified and a legally binding agreement has been finalised.
7. Turnover rental (based on the actual turnover of the tenant) has been forecast based on management's income budget.
8. Other operating expenses has been forecast by the property managers on a line-by-line basis based on management's review of historical expenditure, where available, and discussions with the property managers. On average these increases are expected to increase by approximately inflation, other than electricity and rates and taxes where the increases range from 8% to 12%. The following tables presents the material expense at an account level over the forecast period.

<i>R'000</i>	6 months ending 28 February 2023	Year ending 29 February 2024
Electricity	9 342	17 897
Rates and taxes	4 152	6 266
Other	17 431	31 482
<b>Total other operating expenses</b>	<b>30 925</b>	<b>55 645</b>

9. No material expense items are projected to increase by more than 15% over historic expenditure.
10. Finance income relates to interest received from loans receivable which are at prime.
11. Interest-bearing liabilities of R1.13 billion and R633 million, denominated in ZAR and Dollar, respectively, after offsetting cash held in advance, bear interest as reflected below:
  - a. ZAR rate 8.2% (6 months ending 28 February 2023) and 8.7% (Year ending 29 February 2024)
  - b. Dollar rate 6.7% (6 months ending 28 February 2023) and 7.0% (Year ending 29 February 2024)
  - c. All Dollar-denominated amounts are assumed to be converted to South African Rands at an exchange rate of R15.38 per Dollar.
12. Other non-operating gains and losses include dividend income on Tradehold Limited shares.
13. Income from associate consisting of:
  - a. R117.3 million for the period ending 28 February 2023 as forecast by Castleview management. No fair value adjustments on underlying properties are assumed.
  - b. R316.7 million for the year ending 29 February 2024 as forecast by Castleview management. No fair value adjustments on underlying properties are assumed.
14. It is assumed that taxable income is fully offset by distributions which are qualifying distributions for Income Tax Act purposes. A corporate tax rate of 28% is assumed.

The Forecasts incorporate the following material assumptions in respect of revenue and expenses that cannot be influenced by the directors of Castleview:

15. The forecasts have assumed no vis majeure (acts of God, riots, political instability).
16. There will be no unforeseen economic factors that will affect the lessee's ability to meet their commitments in terms of existing lease agreements.
17. Consumption based recoveries are consistent with the independent property valuers' property income statements.
18. No fair value adjustments have been provided for.

## EMIRA INVESTMENT FORECAST

The Emira investment forecast, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the board of directors of Castleview. The Emira investment forecast has been prepared in accordance with the JSE Listings Requirements read together with a dispensation received from the JSE and Castleview's accounting policies that are consistent with those applied in Castleview's audited annual financial statements for the year ended 28 February 2022.

The Emira investment forecast is in respect of the 6 months ending 28 February 2023 and year ending 29 February 2024 (the "forecast periods") on the assumption the effective date of the acquisition is 1 September 2022.

The independent reporting accountant's report on the Emira investment forecast is set out in **Annexure 3**.

<i>R'000</i>	Notes	6 months ending 28 February 2023	Year ending 29 February 2024
<b>Income statement line items</b>			
Emira distributable income	1	320 813	715 505
Emira distributions	2	291 884	652 864
Emira DIPS forecast (ZAR)		0.61	1.37
Emira DPS forecast (ZAR)		0.56	1.25
% of distributable income declared as distribution (payout ratio)	2	91%	91%
Number of Emira shares held by Castleview		261 333 625	261 333 625
<b>DIPS to Castleview</b>		<b>160 407</b>	<b>357 753</b>
Castleview debt relating to Emira investment		(74 282)	(152 688)
<b>Total comprehensive income</b>		<b>86 125</b>	<b>205 065</b>
Castleview consideration shares issued to finance Emira investment		375 328 888	375 328 888
Total weighted average number of Castleview shares in issue		375 328 888	375 328 888
Basic earnings per Castleview share in issue (cents)		22.95	54.64
Diluted earnings per Castleview share in issue (cents)		22.95	54.64
Headline earnings per Castleview share in issue (cents)		22.95	54.64
Diluted headline earnings per Castleview share in issue (cents)		22.95	54.64
Distributable income per Castleview share (cents)		22.95	54.64

Emira investment forecast incorporates the following material assumptions in respect of distributable income, distributions and associated debt that can be influenced by the directors of Castleview:

1. Emira has not released guidance with respect to distributable income or distributions which will fall within the 6 months ending 28 February 2023 and year ending 29 February 2024. Castleview management have forecast distributable income based on publicly available information related to investments held by Emira as well as market conditions both in South Africa and the USA.
2. A payout ratio of 91% for both periods has been assumed based on Emira's payout ratio for its year ended 30 June 2022 and 6 months ended 31 December 2021 of 95% and 90% respectively.
3. The investment was funded by 375 328 888 Castleview shares issued, R2 billion in equity. Interest-bearing liabilities, associated with the Emira investment of R 825 million and R1.31 billion denominated in ZAR and Dollar, respectively, bear interest as reflected below which are assumed for the purposes of the forecasts:
  - a. ZAR rate 8.5% (6 months ending 28 February 2023) and 9.0% (Year ending 29 February 2024)
  - b. Dollar rate 6.0% (6 months ending 28 February 2023) 6.0% for (Year ending 29 February 2024)
  - c. For the purpose of the forecasts, all Dollar-denominated amounts are assumed to be converted to South African Rands at an exchange rate of R15.38 per Dollar.

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## INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE I GROUP ACQUISITION FORECAST

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The Directors  
 Castleview Property Fund Limited  
 411 The Hills, Buchanan Square  
 160 Sir Lowry Road  
 Woodstock  
 Cape Town, 7925

### TO THE DIRECTORS OF CASTLEVIEW PROPERTY FUND LIMITED

#### INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE PROPERTY FORECAST INFORMATION OF CASTLEVIEW PROPERTY FUND LIMITED (I GROUP ACQUISITION FORECAST)

We have undertaken a reasonable assurance engagement in respect of the accompanying I Group acquisition forecast for the period 01 September 2022 to 28 February 2023 and the year ended 29 February 2024 set out in **Annexure 2A** of the Circular ("Circular") and **Annexure 10A** of the revised listing particulars ("RLPs") to Castleview Shareholders, to be issued on or about 02 September 2022, comprising the forecast statement of profit or loss and other comprehensive income and the vacancy and lease expiry profile of the property portfolio as a whole (the forecast information), as required by paragraph 13.15 of the JSE Limited Listings Requirements.

We have also undertaken a limited assurance engagement in respect of the directors' assumptions used to prepare and present the forecast information, disclosed in the notes to the forecast information, set out in **Annexure 2A** of the Circular and **Annexure 10A** of the RLPs, as required by paragraph 13.15 of the JSE Limited Listings Requirements.

#### *Directors' responsibility for the forecast information and for the assumptions used to prepare the forecast information*

The directors are responsible for the preparation and presentation of the forecast information and for the reasonableness of the assumptions used to prepare the forecast information as set out in the Notes to the forecast information in **Annexure 2A** to the Circular and **Annexure 10A** to the RLPs, in accordance with paragraphs 13.12 to 13.14 of the JSE Limited Listings Requirements (JSE Limited Listings Requirements for forecast information). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the forecast information on the basis of those assumptions that is free from material misstatement, whether due to fraud or error.

#### *Inherent Limitations*

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Consequently, readers are cautioned that this forecast may not be appropriate for purposes other than described in the purpose of the report paragraph below.

#### *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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

RSM South Africa Inc. 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.

#### *Limited assurance engagement on the reasonableness of the directors' assumptions*

#### *Reporting accountant's responsibility*

Our responsibility is to express a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the assumptions do not provide a reasonable basis for the preparation and presentation of the forecast information in accordance with the JSE Limited Listings Requirements for forecast information, based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3400, The Examination of Prospective Financial Information

(ISAE 3400), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the directors' assumptions provide a reasonable basis for the preparation and presentation of the forecast information.

A limited assurance engagement undertaken in accordance with ISAE 3400 involves assessing the source and reliability of the evidence supporting the directors' assumptions. Sufficient appropriate evidence supporting such assumptions would be obtained from internal and external sources including consideration of the assumptions in the light of historical information and an evaluation of whether they are based on plans that are within the entity's capacity. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included inquiries, observations of processes performed, inspection of documents, analytical procedures, evaluating the reasonableness of best-estimate assumptions and agreeing or reconciling with underlying records.

Our procedures included evaluating the directors' best-estimate assumptions on which the forecast information is based for reasonableness.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the directors' assumptions provide a reasonable basis for the preparation and presentation of the forecast information.

#### *Limited assurance conclusion on the reasonableness of the directors' assumptions*

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the directors' assumptions do not provide a reasonable basis for the preparation and presentation of the I Group acquisition forecast information for period 01 September 2022 to 28 February 2023 and the year ended 29 February 2024.

#### *Reasonable assurance engagement on the forecast information*

##### *Reporting accountant's responsibility*

Our responsibility is to express an opinion based on the evidence we have obtained about whether the forecast information is properly prepared and presented on the basis of the directors' assumptions disclosed in the Notes to the forecast information (the assumptions) and in accordance with the JSE Limited Listings Requirements for forecast information. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3400, The Examination of Prospective Financial Information (ISAE 3400), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether such forecast information is properly prepared and presented on the basis of the directors' assumptions disclosed in the Notes to the forecast information and in accordance with the JSE Limited Listings Requirements for forecast information.

A reasonable assurance engagement in accordance with ISAE 3400 involves performing procedures to obtain evidence that the forecast information is properly prepared and presented on the basis of the assumptions and in accordance with the JSE Limited Listings Requirements for forecast information. The nature, timing and extent of procedures selected depend on the reporting accountant's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error, of the forecast information. In making those risk assessments, we considered internal control relevant to Castlevue Property Fund Limited's preparation and presentation of the forecast information.

Our procedures included:

- Inspecting whether the forecast information is properly prepared on the basis of the assumptions;
- Inspecting whether the forecast information is properly presented and all material assumptions are adequately disclosed, including a clear indication as to whether they are best-estimate assumptions; and
- Inspecting whether the forecast statement of profit or loss and other comprehensive income is prepared on a consistent basis with the historical financial statements, using appropriate accounting policies.

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

#### *Opinion on the forecast information*

In our opinion, the I Group acquisition forecast information is properly prepared and presented on the basis of the assumptions and in accordance with the JSE Limited Listings Requirements for forecast information for the period 01 September 2022 to 28 February 2023 and the year ended 29 February 2024.



*Purpose of the report*

This report has been prepared for the purpose of satisfying the requirements of paragraph 13.15 of the JSE Limited Listings Requirements and for no other purpose.

*Report on other legal and regulatory requirements*

In accordance with our responsibilities set out in the JSE Limited Listings Requirements, paragraph 13.15(b), we have performed the procedures set out therein. If, based on the procedures performed, we detect any exceptions, we are required to report those exceptions. We have nothing to report in this regard.

**RSM SOUTH AFRICA INC.**

Jacqueline Kitching  
Chartered Accountant  
Registered Auditor  
Director  
Date: 25 August 2022

*Reporting accountant's address:*

Executive City  
Cnr Cross Street and Charmaine Avenue  
President Ridge  
Randburg  
2194

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## INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE REPORT ON THE EMIRA INVESTMENT FORECAST

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The Directors  
 Castleview Property Fund Limited  
 411 The Hills, Buchanan Square  
 160 Sir Lowry Road  
 Woodstock  
 Cape Town, 7925

### TO THE DIRECTORS OF CASTLEVIEW PROPERTY FUND LIMITED

#### INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE PROPERTY FORECAST INFORMATION OF CASTLEVIEW PROPERTY FUND LIMITED (EMIRA INVESTMENT FORECAST)

We have undertaken a limited assurance engagement in respect of the accompanying Emira investment forecasts for the period 01 September 2022 to 28 February 2023 and the year ended 29 February 2024 set out in **Annexure 2B** of the Circular ("Circular") and **Annexure 10B** of the revised listing particulars ("RLPs") to Castleview Shareholders, to be issued on or about 02 September 2022, comprising a forecast by the directors of Castleview Property Fund Limited of their expectation of dividend income from Emira Property Fund Limited.

#### *Directors' responsibility for the forecast information and for the assumptions used to prepare the forecast information*

The directors are responsible for the preparation and presentation of the forecast information and for the reasonableness of the assumptions used to prepare the forecast information as set out in the Notes to the forecast information in **Annexure 2B** to the Circular and **Annexure 10B** to the RLPs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the forecast information on the basis of those assumptions that is free from material misstatement, whether due to fraud or error.

#### *Inherent Limitations*

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Consequently, readers are cautioned that this forecast may not be appropriate for purposes other than described in the purpose of the report paragraph below.

#### *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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

RSM South Africa Inc. 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.

#### *Limited assurance engagement on the reasonableness of the directors' assumptions*

##### *Reporting accountant's responsibility*

Our responsibility is to express a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the assumptions do not provide a reasonable basis for the preparation and presentation of the forecast information in accordance with the JSE Limited Listings Requirements for forecast information, based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3400, The Examination of Prospective Financial Information (ISAE 3400), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the directors' assumptions provide a reasonable basis for the preparation and presentation of the forecast information.

A limited assurance engagement undertaken in accordance with ISAE 3400 involves assessing the source and reliability of the evidence supporting the directors' assumptions. Sufficient appropriate evidence supporting such assumptions would be

obtained from internal and external sources including consideration of the assumptions in the light of historical information and an evaluation of whether they are based on plans that are within the entity's capacity. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included inquiries, observations of processes performed, inspection of documents, analytical procedures, evaluating the reasonableness of best-estimate assumptions and agreeing or reconciling with underlying records.

Our procedures included evaluating the directors' best-estimate assumptions on which the forecast information is based for reasonableness.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the directors' assumptions provide a reasonable basis for the preparation and presentation of the forecast information.

*Limited assurance conclusion on the reasonableness of the directors' assumptions*

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the directors' assumptions do not provide a reasonable basis for the preparation and presentation of the Emira investment forecast information for period 01 September 2022 to 28 February 2023 and the year ended 29 February 2024.

*Purpose of the report*

This report has been prepared for the purpose of satisfying the requirements of paragraph 8.40(a)(i) of the JSE Limited Listings Requirements and for no other purpose.

**RSM SOUTH AFRICA INC.**

Jacqueline Kitching  
Chartered Accountant  
Registered Auditor  
Director  
Date: 25 August 2022

*Reporting accountant's address:*

Executive City  
Cnr Cross Street and Charmaine Avenue  
President Ridge  
Randburg  
2194

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## ***PRO FORMA* FINANCIAL INFORMATION**

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The definitions and interpretations commencing on page 6 of the circular apply to this annexure, unless otherwise defined herein.

Set out below are the consolidated *pro forma* statement of financial position and consolidated *pro forma* statement of profit or loss and other comprehensive income of Castlevew reflecting the adjustments as a result of the transaction on Castlevew (the “***pro forma financial effects***”).

The *pro forma* financial effects, which are based on Castlevew’s audited annual financial statements for the year ended 28 February 2022, have been prepared for illustrative purposes only, to provide information on how the transaction may have affected the financial position and financial performance of Castlevew, assuming the transaction had been implemented on 28 February 2022 for statement of financial position purposes and implemented on 1 March 2021 for statement of profit or loss and other comprehensive income purposes. Due to their nature, the *pro forma* financial effects may not fairly represent Castlevew’s financial position, results of operations or changes in equity after the transaction.

The *pro forma* financial effects, 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 Castlevew. The *pro forma* financial effects have been prepared in accordance with the JSE Listings Requirements, the Guide on *Pro forma* Financial Information issued by the South African Institute of Chartered Accountants and Castlevew’s accounting policies that are in compliance with IFRS and that are consistent with those applied in Castlevew’s audited annual financial statements for the year ended 28 February 2022.

The independent reporting accountant’s report on the *pro forma* financial effects is set out in **Annexure 5**.

Castleview Property Holdings Limited

Pro forma statement of financial position as at 28 February 2022

	Castleview as at 28 February 2022 Note 1	Castleview adjustment Note 2	Castleview subtotal Note 3	Willow- bridge Note 4	K346 Note 5	U Reit Collins Note 6	TPS Note 7	Emira Note 8
<b>ASSETS</b>								
<b>Non-current assets</b>	<b>362 167</b>	<b>72 670</b>	<b>434 837</b>	<b>505 012</b>	<b>168 683</b>	<b>931 225</b>	<b>1 568 157</b>	<b>13 882 416</b>
Investment property	348 386	72 670	421 056	490 750	-	-	-	9 811 846
Non-current asset held for sale	-	-	-	-	-	-	-	661 966
Property, plant, equipment	-	-	-	5 667	-	-	1 166	-
Inventory	-	-	-	-	166 710	-	-	-
Derivatives	3 756	-	3 756	-	-	-	-	-
Operating lease asset	10 025	-	10 025	8 566	-	-	-	-
Deferred tax	-	-	-	-	1 973	16 740	9 733	-
Investment in associate	-	-	-	-	-	914 485	1 472 419	3 009 010
Other non-current assets	-	-	-	-	-	-	-	399 594
Investment in subsidiaries	-	-	-	-	-	-	75 184	-
Investment in Emira	-	-	-	-	-	-	-	-
Loans to group companies	-	-	-	29	-	-	9 655	-
Other investments	-	-	-	-	-	-	-	-
<b>Current assets</b>	<b>9 633</b>	<b>-</b>	<b>9 633</b>	<b>7 445</b>	<b>382</b>	<b>-</b>	<b>893 907</b>	<b>189 148</b>
Loans to group companies	-	-	-	-	-	-	507 171	-
Trade and other receivables	2 448	-	2 448	2 441	170	-	54	122 372
Operating lease asset	1 420	-	1 420	684	-	-	-	-
Cash and cash equivalents	5 765	-	5 765	4 320	212	-	386 682	66 776
<b>Total assets</b>	<b>371 800</b>	<b>72 670</b>	<b>444 470</b>	<b>512 457</b>	<b>169 065</b>	<b>931 225</b>	<b>2 462 064</b>	<b>14 071 564</b>

	Castleview as at 28 February 2022 Note 1	Castleview adjustment Note 2	Castleview subtotal Note 3	Willow- bridge Note 4	K346 Note 5	U Reit Collins Note 6	TPS Note 7	Emira Note 8
<b>R'000</b>								
<b>Notes</b>								
<b>EQUITY AND LIABILITIES</b>								
<b>EQUITY</b>	<b>172 437</b>	<b>72 670</b>	<b>245 107</b>	<b>36 497</b>	<b>(5 074)</b>	<b>40 303</b>	<b>24 025</b>	<b>7 866 332</b>
Share capital	185 948	–	185 948	0	0	0	0	3 425 736
Accumulated (loss) profit	(13 511)	72 670	59 159	36 497	(5 074)	40 303	(50 024)	4 255 781
Non-controlling interest	–	–	–	–	–	–	–	4 376
Foreign currency translation reserve	–	–	–	–	–	–	74 049	180 439
<b>LIABILITIES</b>								
<b>Non-current liabilities</b>	<b>191 693</b>	<b>–</b>	<b>191 693</b>	<b>145 505</b>	<b>93 627</b>	<b>382 666</b>	<b>976 697</b>	<b>4 375 021</b>
Mortgage bond	–	–	–	–	–	–	–	–
Long term borrowings	191 693	–	191 693	6 774	93 627	382 666	976 697	4 070 871
Loans from group companies	–	–	–	131 993	–	–	–	–
Other non-current liabilities	–	–	–	–	–	–	–	304 150
Deferred tax	–	–	–	6 738	–	–	–	–
<b>Current liabilities</b>	<b>7 670</b>	<b>–</b>	<b>7 670</b>	<b>330 455</b>	<b>80 512</b>	<b>508 256</b>	<b>1 461 342</b>	<b>1 830 211</b>
Trade and other payables	7 670	–	7 670	5 546	146	–	517	375 765
Loans from parent company	–	–	–	–	–	–	–	–
Other current liabilities	–	–	–	213 243	–	–	18 112	1 454 446
Loans from group companies	–	–	–	111 666	80 366	508 256	1 442 713	–
<b>Total liabilities</b>	<b>199 363</b>	<b>–</b>	<b>199 363</b>	<b>475 960</b>	<b>174 139</b>	<b>890 922</b>	<b>2 438 039</b>	<b>6 205 232</b>
<b>Total equity and liabilities</b>	<b>371 800</b>	<b>72 670</b>	<b>444 470</b>	<b>512 457</b>	<b>169 065</b>	<b>931 225</b>	<b>2 462 064</b>	<b>14 071 564</b>
Number of shares in issue	37 411 169	3 631 378	41 042 547	–	–	–	–	–
NAV per share (Rand)			5.97					
TNAV per share (Rand)			5.97					
LTV ratio			43.0%					
Gearing ratio (liabilities / assets)			44.9%					

Pro forma statement of financial position (continued)

	U'Reit Note 9	Maitlantic Investments Note 10	iRes Note 11	Resi Developments Note 12	Share subscription Note 13	Share subscription & Transaction costs Note 14	Total adjustments Note 15	Pro forma after adjustments Note 16
<b>ASSETS</b>								
<b>Non-current assets</b>	<b>1 943 013</b>	<b>858 217</b>	<b>272 942</b>	<b>26 407</b>	<b>-</b>	<b>-</b>	<b>(1 449 673)</b>	<b>19 141 236</b>
Investment property	-	-	272 590	-	-	-	200 416	11 196 658
Non-current asset held for sale	-	-	-	-	-	-	330 800	992 766
Property, plant, equipment	-	-	-	-	-	-	(3 772)	3 061
Inventory	-	-	-	26 407	-	-	157 004	350 121
Derivates	-	-	-	-	-	-	-	3 756
Operating lease asset	-	-	-	-	-	-	(8 566)	10 025
Deferred tax	116 318	2 844	-	-	-	-	30 438	178 046
Investment in associate	-	-	-	-	-	-	584 215	5 980 129
Other non-current assets	-	-	-	-	-	-	-	399 594
Investment in subsidiaries	-	-	-	-	-	-	(75 184)	-
Investment in Emira	1 826 695	-	-	-	-	-	(1 826 695)	-
Loans to group companies	-	855 373	352	-	-	-	(865 057)	352
Other investments	-	-	0	-	-	-	26 728	26 728
<b>Current assets</b>	<b>538 804</b>	<b>1 617</b>	<b>29 405</b>	<b>174</b>	<b>310 000</b>	<b>(4 004)</b>	<b>(1 417 733)</b>	<b>558 778</b>
Loans to group companies	537 960	-	-	-	-	-	(1 045 131)	-
Trade and other receivables	-	1 608	134	-	-	-	9 814	139 041
Operating lease asset	-	-	-	-	-	-	(684)	1 420
Cash and cash equivalents	844	9	29 271	174	310 000	(4 004)	(381 732)	418 317
<b>Total assets</b>	<b>2 481 817</b>	<b>859 834</b>	<b>302 347</b>	<b>26 581</b>	<b>310 000</b>	<b>(4 004)</b>	<b>(2 867 406)</b>	<b>19 700 014</b>

	U Reit Note 9	Maitlantic Investments Note 10	iRes Note 11	Resi Developments Note 12	Share subscription Note 13	Share subscription & Transaction costs Note 14	Total adjustments Note 15	Pro forma after adjustments Note 16
<b>EQUITY AND LIABILITIES</b>								
<b>EQUITY</b>	<b>(411 403)</b>	<b>2 940</b>	<b>52 935</b>	<b>(439)</b>	<b>310 000</b>	<b>(4 004)</b>	<b>1 223 138</b>	<b>9 380 357</b>
Share capital	0	0	1	2	310 000	-	1 779 950	5 701 637
Accumulated (loss) profit	(411 403)	2 940	52 934	(441)	-	(4 004)	(3 921 514)	55 154
Non-controlling interest	-	-	-	-	-	-	3 619 190	3 623 566
Foreign currency translation reserve	-	-	-	-	-	-	(254 488)	-
<b>LIABILITIES</b>								
<b>Non-current liabilities</b>	<b>575 191</b>	<b>856 894</b>	<b>126 461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>722 936</b>	<b>8 446 691</b>
Mortgage bond	-	-	-	-	-	-	-	-
Long term borrowings	575 191	856 859	112 593	-	-	-	875 570	8 142 541
Loans from group companies	-	35	-	-	-	-	(132 028)	-
Other non-current liabilities	-	-	-	-	-	-	-	304 150
Deferred tax	-	-	13 868	-	-	-	(20 606)	-
<b>Current liabilities</b>	<b>2 318 029</b>	<b>-</b>	<b>122 951</b>	<b>27 020</b>	<b>-</b>	<b>-</b>	<b>(4 813 480)</b>	<b>1 872 966</b>
Trade and other payables	-	-	750	36	-	-	9 978	400 408
Loans from parent company	426 506	-	-	-	-	-	(426 506)	-
Other current liabilities	-	-	-	-	-	-	(213 243)	1 472 558
Loans from group companies	1 891 523	-	122 201	26 984	-	-	(4 183 709)	-
<b>Total liabilities</b>	<b>2 893 220</b>	<b>856 894</b>	<b>249 412</b>	<b>27 020</b>	<b>-</b>	<b>-</b>	<b>(4 090 544)</b>	<b>10 319 657</b>
<b>Total equity and liabilities</b>	<b>2 481 817</b>	<b>859 834</b>	<b>302 347</b>	<b>26 581</b>	<b>310 000</b>	<b>(4 004)</b>	<b>(2 867 406)</b>	<b>19 700 014</b>
Number of shares in issue	-	-	-	-	51 908 876	-	871 682 180	964 633 603
NAV per share in Castlevue	-	-	-	-	-	-	-	5.97
TNAV per share in Castlevue	-	-	-	-	-	-	-	5.97
LTV ratio	-	-	-	-	-	-	-	48.5%
Gearing ratio (liabilities / assets)	-	-	-	-	-	-	-	52.4%
LTV excluding non-bank funding (Notes)	-	-	-	-	-	-	-	41.6%



**Notes and assumptions:**

For the purpose of the *pro forma* statement of financial position, all Euro and Dollar-denominated amounts are assumed to be converted to South African Rands at an exchange rate of R17.25 and R15.38 per Euro and Dollar, respectively, as at 28 February 2022.

1. This column presents the consolidated statement of financial position extracted, without adjustment, from Castleview's audited published results for the year ended 28 February 2022 as published on SENS on 20 May 2022, which can be accessed on Castleview's website at [www.castleview.co.za](http://www.castleview.co.za).
2. This column presents the fair value adjustment to the external valuations performed by Spectrum, which exceed the carrying value at 28 February 2022, with respect to Pier 14 and Cravenby, the existing Castleview Properties. The valuation reports are available for inspection as set out in annexure 8 of the circular. In addition, Castleview offered shareholders the election to reinvest the dividend in relation to the year ended 28 February 2022 in return for Castleview shares, resulting in the issue of 3 631 378 new Castleview shares.
  - 2.1 Increase in Investment property fair value by R72.6 million and resultant increase in Accumulated profit by R72.6 million.
  - 2.2 Increase in shares in issue by 3 631 378 new Castleview shares.
3. This column presents the total of Castleview's statement of financial position results post adjustments referred to in note 2.
4. Presents the statement of financial position extracted, without adjustment, from Willowbridge's audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of Willowbridge for the year ended 28 February 2022 were audited by Nolands who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
5. Presents the statement of financial position extracted, without adjustment, from K346s audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of K346 for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
6. Presents the statement of financial position extracted, without adjustment, from U Reit Collins' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of U Reit Collins for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
7. Presents the statement of financial position extracted, without adjustment, from TPS' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of TPS for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
8. Presents the consolidated statement of financial position extracted, without adjustment, from Emira's annual results for the year ended 30 June 2022 as published on SENS on 17 August 2022, which can be accessed on Emira's website at [www.emira.co.za](http://www.emira.co.za). Castleview holds greater than 50% of the voting rights, being c. 54%, of the issued share capital for IFRS purposes of Emira. This comprises of c. 2.7%, a direct purchase from K018, and c. 47.3% held indirectly through a wholly owned newly incorporated subsidiary, IG EMI. IG EMI's audited financial statements for the period ended 28 February 2022, prepared in terms of IFRS, were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
9. Presents the statement of financial position extracted, without adjustment, from U Reit's audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of U Reit for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
10. Presents the statement of financial position extracted, without adjustment, from Maitlantic Investments' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of Maitlantic Investments for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
11. Presents the statement of financial position extracted, without adjustment, from iRes' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of iRes for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
12. Presents the statement of financial position extracted, without adjustment, from Resi Developments' audited financial statements for year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of Resi Developments for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.

13. Share subscription for cash of 51 908 876 Castlevision shares at the NAV per share of Castlevision estimated at R5.97. The subscribers have the option to settle a portion of the transaction amount in Emira shares on a NAV for NAV basis. Castlevision management expects the subscribers, Womens Soccer League and Streepperdjie, to elect to settle the majority of the share subscription in cash. Castlevision management does not view the impact of the elections (i.e. whether cash or share settled) as being material to the *pro forma* financial effects and have assumed that 100% of the share subscription is settled in cash. Should the subscribers elect to settle the entire R310 million in Emira shares, Castlevision would subsequently hold 19 034 754 more shares in Emira based on Emira's net asset value per share of 1 628.6 cents as reported in Emira's reviewed condensed preliminary financial results for the year ended 30 June 2022. Castlevision's NAV per share will remain unchanged due to the transaction being on a NAV for NAV basis. As set out in paragraph 5.5 of the circular, the share subscription is conditional to, *inter alia*, those acquisition agreements identified by Castlevision having been concluded, become unconditional in accordance with their terms and have been implemented.
14. Transaction costs expensed of R4 million reduce cash and cash equivalents and accumulated profit.
15. Total reflects all the adjustments made.

Adjustments per acquisition company

<b>R'000</b> <i>Notes</i>	<b>Willow- bridge</b> <i>Note 15.1</i>	<b>K346</b> <i>Note 15.2</i>	<b>TPS &amp; U Reit Collins</b> <i>Note 15.3</i>	<b>Emira</b> <i>Note 15.4</i>	<b>iRes</b> <i>Note 15.5</i>	<b>Total adjustments</b> <i>Note 15.6</i>
<b>ASSETS</b>						
<b>Non-current assets</b>	<b>538 072</b>	<b>174 993</b>	<b>526 104</b>	<b>(2 682 068)</b>	<b>(6 774)</b>	<b>(1 449 673)</b>
Investment property	200 416	–	–	–	–	200 416
Non-current asset held for sale	330 800	–	–	–	–	330 800
Property, plant, equipment	(3 772)	–	–	–	–	(3 772)
Inventory	–	170 207	–	–	(13 203)	157 004
Derivates	–	–	–	–	–	–
Operating lease asset	(8 566)	–	–	–	–	(8 566)
Deferred tax	19 223	4 786	–	–	6 429	30 438
Investment in associate	–	–	584 215	–	–	584 215
Other non-current assets	–	–	–	–	–	–
Investment in subsidiaries	–	–	(75 184)	–	–	(75 184)
Investment in Emira	–	–	–	(1 826 695)	–	(1 826 695)
Loans to group companies	(29)	–	(9 655)	(855 373)	–	(865 057)
Other investments	–	–	26 728	–	–	26 728
<b>Current assets</b>	<b>15 775</b>	<b>–</b>	<b>(893 854)</b>	<b>(539 567)</b>	<b>(87)</b>	<b>(1 417 733)</b>
Loans to group companies	–	–	(507 172)	(537 959)	–	(1 045 131)
Trade and other receivables	11 422	–	–	(1 608)	–	9 814
Operating lease asset	(684)	–	–	–	–	(684)
Cash and cash equivalents	5 037	–	(386 682)	–	(87)	(381 732)
<b>Total assets</b>	<b>553 847</b>	<b>174 993</b>	<b>(367 750)</b>	<b>(3 221 635)</b>	<b>(6 861)</b>	<b>(2 867 406)</b>
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>	<b>499 345</b>	<b>226 788</b>	<b>1 944 616</b>	<b>(1 603 820)</b>	<b>156 210</b>	<b>1 223 138</b>
Share capital	535 842	221 715	2 008 945	(1 184 269)	197 717	1 779 950
Accumulated (loss) profit	(36 497)	5 073	9 720	(3 847 317)	(52 492)	(3 921 514)
Non-controlling interest	–	–	–	3 608 205	10 985	3 619 190
Foreign currency translation reserve	–	–	(74 049)	(180 439)	–	(254 488)
<b>LIABILITIES</b>						
<b>Non-current liabilities</b>	<b>369 416</b>	<b>28 571</b>	<b>(361 398)</b>	<b>700 215</b>	<b>(13 868)</b>	<b>722 936</b>
Mortgage bond	–	–	–	–	–	–
Long term borrowings	508 147	28 571	(361 398)	700 250	–	875 570
Loans from group companies	(131 993)	–	–	(35)	–	(132 028)
Deferred tax	(6 738)	–	–	–	(13 868)	(20 606)
<b>Current liabilities</b>	<b>(314 914)</b>	<b>(80 366)</b>	<b>(1 950 968)</b>	<b>(2 318 030)</b>	<b>(149 203)</b>	<b>(4 813 480)</b>

<b>R'000</b> <i>Notes</i>	<b>Willow- bridge</b> <i>Note 15.1</i>	<b>K346</b> <i>Note 15.2</i>	<b>TPS &amp; U Reit Collins</b> <i>Note 15.3</i>	<b>Emira</b> <i>Note 15.4</i>	<b>iRes</b> <i>Note 15.5</i>	<b>Total adjustments</b> <i>Note 15.6</i>
Trade and other payables	9 995	–	–	–	(18)	9 978
Loans from parent company	–	–	–	(426 506)	–	(426 506)
Other current liabilities	(213 243)	–	–	–	–	(213 243)
Loans from group companies	(111 666)	(80 366)	(1 950 968)	(1 891 524)	(149 185)	(4 183 709)
<b>Total liabilities</b>	<b>54 502</b>	<b>(51 795)</b>	<b>(2 312 366)</b>	<b>(1 617 815)</b>	<b>(163 071)</b>	<b>(4 090 544)</b>
<b>Total equity and liabilities</b>	<b>553 847</b>	<b>174 993</b>	<b>(367 750)</b>	<b>(3 221 635)</b>	<b>(6 861)</b>	<b>(2 867 156)</b>
Number of shares in issue	89 726 018	37 125 672	336 393 812	375 328 888	33 107 790	871 682 180

- 15.1 Capitalisation of the accumulated profit (reflected post-adjustments) and loans from group companies to share capital, resulting from the acquisition of Willowbridge, post acquisition of the Willowbridge retail properties and associated assets and liabilities. The transaction values are at fair value, with the agreed NAV for transaction purposes of the entities' shares also being the agreed NAV for transaction purposes of the Castlevue consideration shares (being 89 726 018 Castlevue shares). The acquisition has been accounted for in terms of IFRS 3: Business Combinations.
- 15.1.1 Increased investment property and non-current assets held for sale by R200.4 million and R330.8 million, respectively. The increase in investment property includes the acquisition of R525 million subsequent to February 2022 through the purchase of Willowbridge retail properties less R330 million transferred to non-current assets held for sale.
- 15.1.2 Reclassification of property, plant and equipment amounting to R3.7 million which has been transferred to non-current assets held for sale.
- 15.1.3 Operating lease assets reversal of R8.6 million and deferred tax asset of R19.2 million accounted for.
- 15.1.4 Current assets amounting to R15.8 million resulting from the retail property owning companies transferred to Willowbridge.
- 15.1.5 Increase in debt as a result of the recently concluded ABSA facility in Willowbridge of R300 million secured against investment property acquired by Willowbridge with such facility being for a 36 month period incurring interest at a 3 month JIBAR + 2.3%.
- 15.1.6 Reversal of intra group loans totalling R131.9 million.
- 15.1.7 Reversal of deferred tax amounting to R6.7 million as a result of Castlevue's REIT status.
- 15.1.8 Current liabilities movements resulting in an increase in trade and other payables of R10 million resulting from the acquired retail property owning companies transferred to Willowbridge.
- 15.1.9 Reduction in loans from group companies of R111.6 million as a result of the capitalisation of shareholder and group loans in Willowbridge prior to the transaction.
- 15.2 Capitalisation of the accumulated profit (reflected post-adjustments) and loans from group companies to share capital, resulting from the purchase of K346. The transaction values are at fair value, with the agreed NAV for transaction purposes of the K346 shares also being the agreed NAV for transaction purposes of the Castlevue consideration shares (being 37 125 672 Castlevue shares) The acquisition of K346 has been accounted for in terms of IFRS 3: Business Combinations.
- 15.2.1 Inventory increased by R170.2 million. Of this increase, R12.8 million was a result of the valuation of inventory to external valuation. Of the balance, this reflects the acquisition of further land held for development to the amount of R72 million (being the external valuation of such properties), and the remainder, R85.4 million being with respect to completed inventory.
- 15.2.2 Increase in long term borrowings to reflect the extension of the debt facility in place for the K346 development properties. The facility is for 24 months at prime less 0.25%.
- 15.2.3 Reversal of intra group loans totalling R80.3 million.
- 15.3 Capitalisation of the accumulated profit (reflected post-adjustments), loans from group companies and foreign currency translation reserve to share capital, resulting from the purchase of TPS and U Reit Collins, a wholly owned subsidiary of TPS. The transaction values are at fair value, with the agreed NAV for transaction purposes

of the TPS and U Reit Collins shares also being the agreed NAV for transaction purposes of the Castleview consideration shares (being 336 393 812 Castleview shares). The acquisition of TPS and U Reit Collins has been accounted for in terms of IFRS 3: Business Combinations.

- 15.3.1 Conversion of the investment in EPP N.V. to EPP Community Properties reflected as an increase in investment in associate to the amount of R584.2 million. Cash and cash equivalents reduced by R386.6 million materially through the funding of the extension of the investment into EPP Community Properties as well as through inter-group transfers prior to the capitalisation of group loans prior to the transaction but after year-end.
- 15.3.2 A decrease in investment in subsidiaries to the amount of R75.1 million as a result of the consolidation of the investment in U Reit Collins rather than through holding at cost.
- 15.3.3 Additional assets obtained subsequent to year-end, but before the transaction reflected as an increase in other assets totalling R26.7 million.
- 15.3.4 Adjustment to debt as a result of the EPPCP investment and resultant settling of facilities.
- 15.4 Capitalisation of the accumulated profit (reflected post-adjustments), loans from group companies and foreign currency translation reserve to share capital, resulting from the Emira investment. The transaction values are at fair value, with the agreed NAV for transaction purposes of the Emira shares also being the agreed NAV for transaction purposes of the Castleview consideration shares (being 375 328 888 Castleview shares). The acquisition of Emira and IG EMI has been accounted for in terms of IFRS 3: Business Combinations.
  - 15.4.1 Consolidation adjustment reflected as a decrease in investment in Emira and increase in non-controlling interest to 45.9% for statement of financial position purposes.
- 15.5 Capitalisation of the accumulated profit (reflected post-adjustments) and loans from group companies to share capital, resulting from the purchase of iRes. The transaction values are at fair value, with the agreed NAV for transaction purposes of the iRes shares also being the agreed NAV for transaction purposes of the Castleview consideration shares (being 33 107 790 Castleview shares). The acquisition of iRes has been accounted for in terms of IFRS 3: Business Combinations.
  - 15.5.1 Impact on outside shareholder interests in iRes resulting in their non-controlling interest remaining at 15%.
  - 15.5.2 Reversal of deferred tax amounting to R13.8 million as a result of Castleview's REIT status.
  - 15.5.3 Decrease in inventory, cash, trade receivables and trade payables reflects joint venture accounting for Resi Developments.
- 15.6 Total reflects all the adjustments made.
- 16. Total reflects the pro-forma position.
- 17. There are no material subsequent events that require adjustments to the pro-forma financial effects.

Pro forma statement of profit or loss and other comprehensive income

	Castleview as at 28 February 2022 Note 1	Castleview adjustment Note 2	Castleview subtotal Note 3	Willow- bridge Note 4	K346 Note 5	U Reit Collins Note 6	TPS Note 7	Emira Note 8
Revenue	57 619	–	57 619	62 729	1	–	1 286	1 456 950
Operating expenses	(27 813)	–	(27 813)	(30 624)	–	–	(1 045)	(783 787)
<b>Operating profit</b>	<b>29 806</b>	–	<b>29 806</b>	<b>32 105</b>	<b>1</b>	–	<b>241</b>	<b>673 163</b>
Interest income	29	–	29	178	–	–	44	42 256
Finance costs	(12 446)	–	(12 446)	(42 935)	(249)	(24 543)	(74 113)	(396 629)
Admin and other expenses	–	–	–	–	(5 375)	(257)	(8 532)	–
Other income	–	–	–	617	–	–	28 256	4 855
Expected credit loss on loans receivable	–	–	–	–	–	–	–	(25 887)
Income from associate/ investments	–	–	–	–	–	93 692	52 828	526 477
Profit/loss on Forex exchange	–	–	–	–	–	–	–	115 602
Transaction costs	–	–	–	–	–	–	–	–
Fair value adjustment	(582)	–	(582)	(10 850)	–	–	–	(16 157)
Gain on interest rate swap	1 789	–	1 789	–	–	–	–	48 031
<b>Profit/loss before tax</b>	<b>18 596</b>	–	<b>18 596</b>	<b>(20 885)</b>	<b>(5 623)</b>	<b>68 892</b>	<b>(1 276)</b>	<b>971 711</b>
Normal tax	–	–	–	–	–	–	–	(1 730)
Deferred tax	–	–	–	4 619	1 574	11	(6 854)	–
<b>Profit/loss for the year</b>	<b>18 596</b>	–	<b>18 596</b>	<b>(16 266)</b>	<b>(4 049)</b>	<b>68 903</b>	<b>(8 130)</b>	<b>969 981</b>
Other comprehensive income	–	–	–	–	–	–	3 136	153 662
<b>Total comprehensive income</b>	<b>18 596</b>	–	<b>18 596</b>	<b>(16 266)</b>	<b>(4 049)</b>	<b>68 903</b>	<b>(4 994)</b>	<b>1 123 643</b>
Total comprehensive income attributable to:	–	–	–	–	–	–	–	–
Minorities	–	–	–	–	–	–	–	1 400
<b>Parent of the company</b>	<b>18 596</b>	–	<b>18 596</b>	<b>(16 266)</b>	<b>(4 049)</b>	<b>68 903</b>	<b>(4 994)</b>	<b>1 122 243</b>
Weighted average number of shares (excluding treasury shares)	36 770 147	3 631 378	40 401 525					
Basic earnings per share (cents)	50.57		46.03					
Diluted earnings per share (cents)	50.57		46.03					
<b>Profit (loss) attributable to shareholders</b>	<b>18 596</b>		<b>18 596</b>					
Loss on fair value adjustment – investment properties	582		582					

	Castleview as at 28 February 2022 <i>Note 1</i>	Castleview adjustment <i>Note 2</i>	Castleview subtotal <i>Note 3</i>	Willow- bridge <i>Note 4</i>	K346 <i>Note 5</i>	U Reit Collins <i>Note 6</i>	TPS <i>Note 7</i>	Emira <i>Note 8</i>
<b>R'000</b>								
<i>Notes</i>								
<b>Headline earnings</b>	<b>19 178</b>		<b>19 178</b>					
Headline earnings per share (cents)	52.16		47.47					
Diluted headline earnings per share (cents)	52.16		47.47					
<b>Headline earnings</b>	<b>19 178</b>		<b>19 178</b>					
Lease straight-lining adjustment	(652)		(652)					
Gain on interest rate swap	(1 789)		(1 789)					
<b>Distributable earnings</b>	<b>16 737</b>		<b>16 737</b>					
Number of shares (excluding treasury shares)	37 411 169	3 631 378	41 042 547					
Distribution per share (cents)	44.74		40.78					

Pro forma statement of profit or loss and other comprehensive income (continued)

	U Reit Note 9	Maitlantic Investments Note 10	iRes Note 11	Resi Developments Note 12	Share subscription Note 13	Transaction costs Note 14	Total adjustments Note 15	Pro forma after adjustments Note 16
Revenue	166 622	-	20 162	-	-	-	(95 936)	1 669 433
Operating expenses	-	-	(7 336)	(139)	-	-	(29 266)	(880 010)
<b>Operating profit</b>	<b>166 622</b>	-	<b>12 826</b>	<b>(139)</b>	-	-	<b>(125 202)</b>	<b>789 423</b>
Interest income	30 674	23 831	186	0	21 879	-	(54 430)	64 647
Finance costs	(264 315)	(23 537)	(11 033)	(0)	-	-	281 606	(568 194)
Admin and other expenses	(30)	(10)	(1 130)	-	-	-	6 483	(8 853)
Other income	-	-	9	-	-	-	-	33 737
Expected credit loss on loans receivable	-	-	-	-	-	-	-	(25 887)
Income from associate/ investments	-	-	-	-	-	-	(52 828)	620 170
Profit/loss on Forex exchange	-	(10 384)	-	-	-	-	-	105 218
Transaction costs	-	-	-	-	-	(4 004)	-	(4 004)
Fair value adjustment	619 063	-	18 421	-	-	-	(619 063)	(9 168)
Gain on interest rate swap	-	-	-	-	-	-	-	49 820
<b>Profit/loss before tax</b>	<b>552 014</b>	<b>(10 100)</b>	<b>19 279</b>	<b>(139)</b>	<b>21 879</b>	<b>(4 004)</b>	<b>(563 434)</b>	<b>1 046 909</b>
Normal tax	-	(15)	-	-	-	-	-	(1 745)
Deferred tax	(142 302)	2 828	(4 458)	-	-	-	153 614	9 032
<b>Profit/loss for the year</b>	<b>409 712</b>	<b>(7 287)</b>	<b>14 821</b>	<b>(139)</b>	<b>21 879</b>	<b>(4 004)</b>	<b>(409 820)</b>	<b>1 054 196</b>
Other comprehensive income	-	-	-	-	-	-	-	156 798
<b>Total comprehensive income</b>	<b>409 712</b>	<b>(7 287)</b>	<b>14 821</b>	<b>(139)</b>	<b>21 879</b>	<b>(4 004)</b>	<b>(409 820)</b>	<b>1 210 994</b>
Total comprehensive income attributable to:								
Minorities	-	-	2 223	(21)	-	-	561 790	565 393
<b>Parent of the company</b>	<b>409 712</b>	<b>(7 287)</b>	<b>12 598</b>	<b>(118)</b>	<b>21 879</b>	<b>(4 004)</b>	<b>(971 611)</b>	<b>645 601</b>





**Notes and assumptions:**

For the purpose of the *pro forma* statement of profit or loss and other comprehensive income, all Euro and Dollar-denominated amounts are assumed to be converted to South African Rands at an exchange rate of R17.25 and R15.38 per Euro and Dollar, respectively, as at 28 February 2022.

1. This column presents the consolidated statement of profit and loss and other comprehensive income extracted, without adjustment, from Castleview's published audited results for the year ended 28 February 2022 as published on SENS on 20 May 2022, which can be accessed on Castleview's website at [www.castleview.co.za](http://www.castleview.co.za).
2. Castleview offered shareholders the election to reinvest the dividend in relation to the year ended 28 February 2022 in return for Castleview shares, resulting in the issue of 3 631 378 new Castleview shares.
3. Reflects the total of Castleview post-adjustments statement of profit or loss and other comprehensive income.
4. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from Willowbridge's audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of Willowbridge for the year ended 28 February 2022 were audited by Nolands who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
5. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from K346's audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of K346 for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
6. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from U Reit Collins' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of U Reit Collins for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
7. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from TPS' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of TPS for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
8. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from Emira's financial statements for the year ended 30 June 2022. Castleview owns 50% plus 1 of the issued share capital of Emira comprising 2.7%, a direct purchase from K018, and 47.3% held indirectly through a wholly owned newly incorporated subsidiary, IG EMI. Their audited financial statements for the period ended 28 February 2022, prepared in terms of IFRS, were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
9. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from U Reit's audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of U Reit for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
10. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from Maitlantic Investments' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of Maitlantic Investments for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
11. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from iRes' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of iRes for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
12. Presents the statement of profit and loss and other comprehensive income extracted, without adjustment, from Resi Developments' audited financial statements for the year ended 28 February 2022 prepared in terms of IFRS. The audited financial statements of Resi Developments for the year ended 28 February 2022 were audited by RSM who issued an unqualified audit opinion which will be available for inspection at Castleview's registered offices.
13. Share subscription for cash, as set out on the same basis as note 13 in the *pro forma* statement of financial position, results in interest income of R22 million on cash surplus based on an assumed interest rate of 7.15%. Should the subscribers elect to settle the entire amount of the share subscription in Emira shares, the interest income of R22 million would be replaced with distributable income from the additional Emira shares received through the share subscription, being R24.5 million, based on distributable income per Emira share of 128.94 cents as reported in Emira's reviewed condensed preliminary financial results for the year ended 30 June 2022.
14. Transaction costs of R4 million incurred by Castleview are expensed.
15. Total reflects all the adjustments made.

## Adjustments per acquisition company

R'000 Notes	TPS & U Reit				Total adjustments Note 15.6
	Willow-bridge Note 15.1	K346 Note 15.2	Collins Note 15.3	iRes Note 15.5	
Revenue	70 686	—	—	—	(95 936)
Operating expenses	(29 266)	—	—	—	(29 266)
<b>Operating profit</b>	<b>41 420</b>	—	—	—	<b>(125 202)</b>
Interest income	39	—	—	—	(54 430)
Finance costs	14 084	—	21 807	4 431	281 606
Admin and other expenses	—	—	6 483	—	6 483
Other income	—	—	—	—	—
Expected credit loss on loans receivable	—	—	—	—	—
Income from associate/ investments	—	—	(52 828)	—	(52 828)
Profit/loss on Forex exchange	—	—	—	—	—
Transaction costs	—	—	—	—	—
Fair value adjustment	—	—	—	(619 063)	(619 063)
Gain on interest rate swap	—	—	—	—	—
<b>Profit/loss before tax</b>	<b>55 543</b>	—	<b>(24 538)</b>	<b>4 431</b>	<b>(563 434)</b>
Normal tax	—	—	—	—	—
Deferred tax	—	—	6 854	4 458	153 614
<b>Profit/loss for the year</b>	<b>55 543</b>	—	<b>(17 684)</b>	<b>8 889</b>	<b>(409 820)</b>
Other comprehensive income	—	—	—	—	—
<b>Total comprehensive income</b>	<b>55 543</b>	—	<b>(17 684)</b>	<b>8 889</b>	<b>(409 820)</b>
Total comprehensive income attributable to:	—	—	—	—	—
Minorities	—	—	—	669	561 790
<b>Parent of the company</b>	<b>55 543</b>	—	<b>(17 684)</b>	<b>8 220</b>	<b>(971 611)</b>
Weighted average number of shares (excluding treasury shares)	89 726 018	37 125 672	336 393 812	33 107 790	871 682 180

- 15.1 Movements resulting from the acquisition of Willowbridge, post acquisition of the Willowbridge retail properties and associated assets and liabilities:
  - 15.1.1 An increase in revenue amounting to R70.6 million
  - 15.1.2 An increase in associated operating expenses of R29.2 million
  - 15.1.3 Additional finance income of R39 000.
  - 15.1.4 Reversal of group interest results in a decrease in finance costs of R14.1 million
  - 15.1.5 A resultant increase in profit and loss for the year of R55.5 million
- 15.2 No adjustments made in respect of K346.
- 15.3 Adjustments resulting from the purchase of TPS and U Reit Collins, a wholly owned subsidiary of TPS.
  - 15.3.1 Reversal of costs not attributable to Castleview post-transaction results in a decrease in finance costs and admin and other expenses of R21.8 million and R6.4 million respectively.
  - 15.3.2 Reversal of income from investment no longer held (EPP N.V.) reflected as decrease in profit from associate and deferred tax of R52.8 million and R6.8 million, respectively.
- 15.4 Adjustments resulting from the Emira investment.
  - 15.4.1 Reversal of group interest resulting in a decrease in finance income and finance costs of R54.4 million and R241 million, respectively.
  - 15.4.2 The consolidation of Emira results in a decrease in dividend received of R166.6 million, fair value adjustment of R619 million, deferred tax of R142.3 million and an increase in minorities of R561.1 million.
- 15.5 Adjustments resulting from the purchase of iRes.
  - 15.5.1 Reversal of group interest resulting in a decrease in finance costs of R4.4 million.
  - 15.5.2 Reversal of deferred tax not applicable to Castleview as a REIT, resulting in a decrease in deferred tax and increase in minorities per agreement with minority party of R4.4 million and R670 000, respectively.
- 15.6 Total reflects all the adjustments made.
16. Total reflects the pro-forma position.
17. All adjustments are expected to have a continuing effect.

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE  
PRO FORMA FINANCIAL INFORMATION**

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The Directors  
Castlevue Property Fund Limited  
411 The Hills, Buchanan Square  
160 Sir Lowry Road  
Woodstock  
Cape Town, 7925

**TO THE DIRECTORS OF CASTLEVIEW PROPERTY FUND LIMITED**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION  
OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN THE CIRCULAR ("CIRCULAR") AND  
ACCOMPANYING REVISED LISTING PARTICULARS ("RLPs") FOR CASTLEVIEW PROPERTY FUND  
LIMITED**

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Castlevue Property Fund Limited (the company) compiled by the directors of the company. The *pro forma* financial information consists of the *pro forma* statement of financial position as at 28 February 2022 and the *pro forma* statement of comprehensive income for the period ended 28 February 2022 and related notes as set out in **Annexure 4** the Circular and **Annexure 12** of the RLPs issued by the company, on or about 02 September 2022. The applicable criteria on the basis of which the directors have compiled the *pro forma* financial information are, the JSE Limited (JSE) Listings requirements, the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants and the accounting policies of Castlevue Property Fund Limited, which are in compliance with International Financial Reporting Standards (IFRS).

The *pro forma* financial information has been compiled by the directors of the company to illustrate the impact of the corporate action, set out in paragraph 1.1 of the Circular and the RLPs respectively, on the company's statement of financial position as at 28 February 2022 as if the corporate action or event had taken place on the last day of the latest reporting period of 28 February 2022, and on its statement of comprehensive income for the period ended 28 February 2022 as if the corporate action had taken place at 01 March 2021. As part of this process, information about the company's financial position and financial performance has been extracted by the company's directors from the company's financial statements for the year ended 28 February 2022, on which an audit report has been published.

*The Directors' Responsibility for the Pro Forma Financial Information*

The Directors are responsible for compiling the *pro forma* financial information on the basis of:

- the JSE Limited (JSE) Listings requirements;
- the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants; and
- the accounting policies of Castlevue Property Fund Limited, which are in compliance with International Financial Reporting Standards (IFRS), consistent to those applied in the audited financial statement for the year ended 28 February 2022.

*Our Independence and Quality Control*

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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 Responsibilities*

Our responsibility is to express an opinion as required by JSE Listings Requirements paragraph 8.15 about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis of the applicable criteria.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro Forma* Financial Information Included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled, in all material respects, the *pro forma* financial information on the basis of the applicable criteria.

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.

The purpose of *pro forma* financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 28 February 2022, 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 by the directors in the compilation of the *pro forma* financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, 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.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

The 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.

In our opinion, the *pro forma* financial information, set out in **Annexure 4** of the Circular and **Annexure 12** of the RLPs, has been compiled, in all material respects, on the basis of the applicable criteria.

#### **RSM SOUTH AFRICA INC.**

Jacqueline Kitching  
Chartered Accountant  
Registered Auditor  
Director  
Date: 25 August 2022

*Reporting accountant's address:*

Executive City  
Cnr Cross Street and Charmaine Avenue  
President Ridge  
Randburg  
2194

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**INDEPENDENT REPORTING ACCOUNTANTS' REVIEW REPORT ON THE VALUE AND EXISTENCE OF THE ASSETS AND LIABILITIES ACQUIRED**

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The Directors  
 Castleview Property Fund Limited  
 411 The Hills, Buchanan Square  
 160 Sir Lowry Road  
 Woodstock  
 Cape Town, 7925

**TO THE DIRECTORS OF CASTLEVIEW PROPERTY FUND LIMITED**

**INDEPENDENT REPORTING ACCOUNTANT'S REVIEW REPORT ON THE ADJUSTMENT COLUMN IN THE *PRO FORMA* STATEMENT OF FINANCIAL POSITION OF CASTLEVIEW PROPERTY FUND LIMITED**

We have reviewed the assets and liabilities to be acquired by Castleview Property Fund Limited (the company), as reflected in the adjustment columns of the *pro forma* statement of financial position as at 28 February 2022, included in **Annexure 4** to the circular ("Circular") and **Annexure 12** to the revised listings particulars ("RLPs") to be issued on or about 02 September 2022 (the financial information) as required by paragraph 13.16(e) of the JSE Limited Listings Requirements.

*Directors' responsibility for the financial information*

The directors are responsible for the preparation and presentation of the financial information in accordance with paragraph 13.16(a)-(d) of the JSE Limited Listings Requirements (the JSE Limited Listings Requirements for the adjustment column of the *pro forma* statement of financial position), as set out in the Note 14 to the *pro forma* statement of financial position, as set out in **Annexure 4** to the Circular and **Annexure 12** to the RLPs, and for such internal control as the directors determine is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

*Reporting Accountant's responsibility*

Our responsibility is to express a conclusion on the financial information. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial information, taken as a whole, is not prepared in all material respects in accordance with the JSE Limited Listings Requirements for the adjustment column of the *pro forma* statement of financial position. This Standard also requires us to comply with relevant ethical requirements.

A review of financial information in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The reporting accountant performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the financial information.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial information is not prepared, in all material respects, in accordance with the JSE Limited Listings Requirements for the adjustment column of the *pro forma* statement of financial position, as set out in the Note 14 to the *pro forma* statement of financial position, as set out in **Annexure 4** to the Circular and **Annexure 12** to the RLPs.

*Purpose of report*

This report has been prepared for the purpose of satisfying the requirement of paragraph 13.16(e) of the JSE Limited Listings Requirements, and for no other purpose.

**RSM SOUTH AFRICA INC.**

Jacqueline Kitching  
Chartered Accountant  
Registered Auditor  
Director  
Date: 25 August 2022

*Reporting accountant's address:*

Executive City  
Cnr Cross Street and Charmaine Avenue  
President Ridge  
Randburg  
2194

## DETAILS OF THE I GROUP PORTFOLIO

The table below sets out the details of the I Group portfolio:

No.	Property name	Location	Sector	GLA (m <sup>2</sup> )	Number of units	Weighted average rental (R per/m <sup>2</sup> )	Weighted average rental (R)	Purchase price (Rm)	Valuation (R)
<b>The Willowbridge retail properties<sup>6</sup></b>									
1.	Bougainville shopping centre	Gauteng	Retail	11 337	-	95.65	-	143.0	136 800 000 <sup>2</sup>
2.	Mitchells Plain shopping centre	Western Cape	Retail	19 110	-	88.54	-	114.5	229 000 000 <sup>3</sup>
3.	Makhaza Centre	Western Cape	Retail	8 795	-	144.32	-	139.0	139 000 000
4.	Pick n Pay Hyper Klerksdorp	Gauteng	Retail	19 602	-	98.15	-	128.0	256 000 000 <sup>4</sup>
5.	Willowbridge South shopping centre	Western Cape	Retail	26 657	-	175.45	-	495.0	660 000 000 <sup>5</sup>
<b>The iRes residential properties<sup>7</sup></b>									
6.	Aurora Sands	Western Cape	Residential	1 144	12	-	8 963	16.400	16 400 000
7.	Cherrywood	Western Cape	Residential	3 770	58	-	7 863	66.410	66 410 000
8.	Glen Valley	Western Cape	Residential	2 140	20	-	7 677	23.000	23 000 000
9.	Heritage Villas	Western Cape	Residential	1 030	10	-	6 193	18.532	18 532 000
10.	Nightingale	Western Cape	Residential	1 534	13	-	9 725	22.035	22 035 000
11.	Sunrise Villas	Western Cape	Residential	2 852	47	-	6 843	49.357	49 357 350
12.	Tuscan Park Villas	Western Cape	Residential	1 519	17	-	7 763	22.500	22 500 000
13.	Essenhout	Western Cape	Residential	4 057	28	-	13 435	63.505	563 478 600
<b>The K346 development properties<sup>6</sup></b>									
14.	10 Trek Road	Western Cape	Development	1 363	-	-	-	19.0	19 000 000
15.	13 and 17 Nettleton Road	Western Cape	Vacant Land	3 812	-	-	-	153.0	153 000 000
16.	14 Higgs Road	Western Cape	Vacant Land	931	-	-	-	7.5	7 500 000
17.	14 Quebec Road	Western Cape	Vacant Land	1 722	-	-	-	37.0	37 000 000
18.	115 Victoria Road	Western Cape	Development	691	-	-	-	35.0	35 000 000
19.	Infinity Llandudno	Western Cape	Development	980	4	-	-	89.0	89 000 000
<b>Total</b>				<b>113 158</b>	<b>209</b>			<b>1 641.739</b>	<b>2 549 212 900</b>



**Notes:**

1. All of the properties set out in the table above will be acquired with effect from the effective date of the transaction.
2. Bougainville shopping centre has been valued by Spectrum at R136.8 million. The difference between Spectrum's valuation of the property and the purchase price arose as a result of a solar generation plant that will be developed on the property post-acquisition, the value of which has been included in the purchase price.
3. Castleview will acquire a 50% interest in the Mitchells Plain shopping centre.
4. Castleview will acquire a 50% interest in Pick n Pay Klerksdorp.
5. Castleview will acquire a 75% interest in Willowbridge South shopping centre.
6. The independent valuations of the Willowbridge retail properties and the K346 development properties, which were undertaken by Juan Hattingh of Spectrum, have an effective date of 31 May 2022. Juan Hattingh is an independent external valuer registered in terms of the Property Valuers Association Act, (Act 47 of 2000).
7. The independent valuations of the iRes residential properties which were undertaken by Michael Gibbons of Mill Fitchet, have an effective date of 1 June 2022. Michael Gibbons is an independent external valuer registered in terms of the Property Valuers Association Act, (Act 47 of 2000).

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**INDEPENDENT PROPERTY VALUER'S SUMMARY VALUATION REPORT ON THE WILLOWBRIDGE PROPERTIES AND THE K346 DEVELOPMENT PROPERTIES**

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25 August 2022

The Directors  
 Castleview Property Fund Limited  
 411 The Hills  
 Buchanan Square  
 160 Sir Lowry Road  
 Woodstock  
 Cape Town  
 7925

Dear Sirs,

**RE: INDEPENDENT PROPERTY VALUERS' REPORT OF THE PROPERTY PORTFOLIO FOR CASTLEVIEW PROPERTY FUND LIMITED AS DETAILED IN THE SUMMARY SCHEDULE ATTACHED AND FOR WHICH THERE ARE DETAILED VALUATION REPORTS HELD BY CASTLEVIEW PROPERTY FUND PREPARED BY SPECTRUM VALUATIONS AND ASSET SOLUTIONS PTY LIMITED**

In accordance with your instruction of received 10<sup>th</sup> March 2022, I confirm that we have visited and inspected the 13 (thirteen) properties listed in the attached schedule (“**the properties**”) during March & April 2022 (Section 13.23 (a) (iii)) and have received all necessary details required to perform a valuation in order to provide you with my opinion of the properties’ market values as at the 31<sup>st</sup> May 2022 (Section 13.23 (c)).

**1. INTRODUCTION**

The valuation of the properties has been carried out by the valuer who has carefully considered all aspects of all the properties. These properties each have a detailed valuation report which has been given to the management and directors. The detailed reports include commentary on the current economy, nature of the properties, locality, tenancy, risk profile, forward rent and earning capability and exposure to future expenses and property risk. All these aspects have been considered in the individual valuation reports of the properties. The detailed reports have further addressed the tenancy income capability and expenditure for each property and tenant. Historic expenditure profile as well as future expenditure increases have been considered. The value thus indicates the fair market value for each property which is detailed in the detailed report and which has been summarised on a summary schedule, attached hereto, for each property. There are 13 properties and the important aspects of the detailed valuation report including the property market value for all of the properties have been summarised in the attached schedule.

**2. BASIS OF VALUATION**

The valuation is based on market value.

Market value means the best price, at which the sale of an interest in a property may reasonably be expected to have been completed, unconditionally for a cash consideration on the date of valuation, assuming:

- 2.1 a willing seller and a willing buyer in a market;
- 2.2 that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the property, for the agreement of price and terms and for the completion of the sale; and
- 2.3 that the state of the market, level of values and other circumstances are, on any earlier assumed date of exchange of contracts, the same as on the date of the valuation.

### 3. VALUE CALCULATION

The calculation of the market value of these properties has been based on income capitalisation. This is the fundamental basis on which commercial income producing properties are traded on the market in South Africa. This is also due to there being strong supporting evidence of open market rental rates and capitalisation rates which are evidenced by sales in the market. (Section 13.23 (d)).

Properties traded in the current market reflect a yield rate relationship between revenue and capital value. This rate is an accurate determinant of the capitalisation rate.

The discounted cash flow value has, however, also been calculated for each property as a check to ensure that the capitalised value calculated is consistent with market norms and expectations.

The considerations for the capitalised valuations are as follows:

- 3.1 calculating the forward cash flow of all contractual and other income from the properties;
- 3.2 calculating the forward contractual and other expenditure as well as provisions for various expenses in order to provide for void or future capital expenditure to which the property may be exposed;
- 3.3 the current area vacancy as a percentage of the properties is approximately 2%. In order to apply a conservative approach, I have deducted approximately 2% to 4% of the net income as a provision for rental that may not be collected as a consequence of vacancy, tenant failure or tenant refitting during the course of the coming year. The current vacancy is market related. The void provision used in the valuation is therefore adequate. (Section 13.23 (f) (i));
- 3.4 there is no loss of rental due to renovations or refurbishments currently being carried out on the buildings. There is, however, ongoing external maintenance work and some tenant installation fitting that is currently in progress. There is no loss of rental as a result of these activities. (Section 13.23 (f) (ii));
- 3.5 generally the rentals are market related. This has been determined by comparing similar buildings in comparable areas to the properties valued, in terms of rental per square metre. The rental rate has also been checked against various published indices including the MSCI, SAPOA and Rode Reports. There are no properties that are over-rented, or that cannot be re-rented at the same or higher rental rate should such property become vacant. There is therefore minimal potential for rental flow reversion. This is provided that the economy remains in a slow recovery pattern as currently being experienced as that there are no major economic fluctuations which may upset the economy. (Section 13.23 (f) (iii));
- 3.6 capitalising the net contractual income derived from the properties for a period of 1 year in advance, calculated from 1<sup>st</sup> June 2022;
- 3.7 the valuation has considered published market statistics regarding rental rates and expenditure for the different types of properties. It is also considered numerous other portfolios of similar properties in order to determine if any properties are over rented or have excessive expenditure; and
- 3.8 various provisions for capital contingencies were deducted from the capitalised value.

### 4. SPARE LAND

There are none of the retail properties with large tracts of vacant zoned and serviced spare land. Only available land being valued additional in this portfolio is the potential to be developed residential erven. See the summary report for these properties and brief description below. (Section 13.26)

### 5. BRIEF DESCRIPTION

Erf 38722 Bellville – Willowbridge Centre. Large retail centre with GLA of 26,657m<sup>2</sup>. Through rental of R184.20/m<sup>2</sup>. Capitalised at 8% with a vacancy factor of 2%. Valued at R660 Million.

Erf 33262 Goodwood (Cravenby). Retail centre with GLA of 3056m<sup>2</sup>. Through rental of R134.49/m<sup>2</sup>. Capitalised at 9.25% with a vacancy factor of 2.75%. Valued at R44 Million.

Erven 29389, 29390, 47936 and Sections 3 and 4 Metro Centre (Erf 29392), Mitchells Plain. Melody Walk Centre. Through rental of R117.55/m<sup>2</sup>. Vacancy factor of 4%. Value of R229 Million based on a capitalisation rate of 9.25%. The GLA of this centre is 19,110m<sup>2</sup>.

Erf 59034 Khayelitsha known as the Makhaza Retail Centre. Gross lettable area of 8795m<sup>2</sup>. Vacancy applied of 3% linked to a through rental of R147.79/m<sup>2</sup> and a cap rate of 8.75% resulted in a value of R139 Million as on date of valuation.

Erf 3536 & 3801 North End, Gqeberha, Eastern Cape known as Pier 14 Centre (Retail). Retail GLA of 27,267m<sup>2</sup> with additional residential units of 2,339m<sup>2</sup> as well as parking. Through rate of R135/m<sup>2</sup> with a 5% vacancy factor. Capitalised at 9.25% gives a value of R388.5 million on date of valuation.

Section 2 Bougainville known as Bougainville Shoprite located in Daspoort, City of Tshwane. Sectional title unit used as retail centre with registered size of 11,975m<sup>2</sup> and a GLA of 11,337m<sup>2</sup>. Through rental of R103.70/m<sup>2</sup> linked to a 4.75% vacancy rate. Capitalised at 9% to give a final value of R136.8 million.

Erf 975 and 976 Wilkoppies, Klerksdorp. Developed with Pick 'n Pay Hyper. 19,602m<sup>2</sup> GLA. Vacancy used was 3% with a capitalisation rate of 9% and a through rental of R99/m<sup>2</sup>. Resulted in a valued of R256 Million. PnP linked to a long-term lease until 2041.

Erf 10058 and 10059 Hout Bay (Llandudno) has already been developed with residential luxury apartments and is valued as such. Known as Infinity Llandudno. Total of 4 units. Valued for R89 Million on date of Valuation.

Erf 115 and 860 Camps Bay is development land. Erf 860 does offer approved development rights and plans and can be developed immediately. No planning and /or development timelines provided. Erf 860 valued for R37 Million taking approved plans into account and Erf 115 valued for R35 Million taking demolition into account for old improvements.

Erf 2592 Oranjezicht valued as residential house. Valued as such, but also offers future development potential. Valued for R19 Million.

Erf 3368 Oranjezicht valued as vacant land with potential future development possible. Valued for R7.5 million on date of valuation.

Erf 266 and 274 Clifton vacant land with future development potential. No details on development start and /or exact type as on date of valuation. Valued as development land at a value of R153 Million. Valued at R40,000/m<sup>2</sup>.

In respect of the properties, the current net annual rental and the estimated future net annual rentals at specified dates and for specified periods are included in each individual detailed property valuation report where applicable.

## **6. VALUATION QUALIFICATIONS**

Qualifications are usually detailed as a consequence of: leases under negotiation that have not yet been formalised; leases of a large nature where the premises are difficult to re-let; specialised properties; large exposure to a single tenant; potential tenant failure due to over-rent; expenses required for major repairs; maintenance or other exposure to maintain the lettable of the building; contingent expropriations or servitudes that may be enforced; poor lease records whereby the lease may be disputed or rendered invalid.

I have, to the best of my knowledge, considered all of these aspects in the valuation of all the properties. There are no properties that are prejudiced in value by the influence of the above factors.

The valuer is however not responsible for the competent daily management of these properties that will ensure that this status is maintained, or for the change of any laws, services by local authority or economic circumstances that may adversely impact on the integrity of the buildings or the tenant profile.

## **7. OPTIONS OR BENEFIT/DETRIMENT OF CONTRACTUAL ARRANGEMENTS**

To my knowledge there are no contractual arrangements on the properties other than the leases as detailed in the report that have a major benefit or are detrimental to the fundamental value base of the properties. (Section 13.23 (g)).

To the best of my knowledge, there are no options in favour of any parties for any purchase of any of the properties. (Section 13.23 (h)).

## **8. INTRA-GROUP OR RELATED PARTY LEASES (SECTION 13.23 (A) (XI))**

Having inspected all the tenant schedules and leases it is noted that there are no intra-group or related party leases.

## **9. CURRENT STATE OF DEVELOPMENT**

There are no properties which are currently being developed. Note, however, that there is spare land in the form of vacant erven for development, but these are not part of current retail properties. (Section 13.24 and 13.25).

## 10. RENTALS USED IN VALUATIONS

Note that all these properties are all generally rented out. The current annual rental and future annual rentals have been calculated in a separate income capitalisation cash flow check schedule. It is noted that there are no material rental reversions and that the rentals for all the properties increase on average by approximately 4% to 7% compounding per annum.

## 11. EXTERNAL PROPERTY

Each of the properties valued is located in South Africa. The basis of valuation is set out in paragraph 3 above. (Section 13.28).

## 12. OTHER GENERAL MATTERS AND VALUATION SUMMARY (SECTIONS 13.30 AND 13.31)

A full valuation report is available on a property by property basis detailing tenancy, town planning, valuer's commentary, expenditure and other details. This has been given to the directors.

## 13. ALTERNATIVE USE FOR A PROPERTY (13.27)

The properties have been valued in accordance with their existing use which represents their market value. No alternative use for the properties have been considered in determining their value.

## 14. OTHER COMMENTS

Our valuation excludes any amounts of Value-added Tax, transfer duty, or securities transfer duty.

## 15. CAVEATS

### 15.1 Source of information and verification (Section 13.23 (a) (xiii))

Information on the properties regarding rental income, recoveries, turnovers and other income detail has been provided to me by the current owners and their managing agents.

Lease details all provided on lease schedules.

I have further compared certain expenditures given to me, to the market norms of similar properties. This has also been compared to historic expenditure levels of the properties themselves. Historical contractual expenditures and municipal utility services were compared to the past performance of the properties in order to assess potential expenditure going forward.

### 15.2 Full disclosure

This valuation has been prepared on the basis that full disclosures of all information and factors that may affect the valuation have been made to myself.

I have to the best of my ability researched the market as well as taken the steps detailed in paragraph 15.3 below.

### 15.3 Leases (Section 13.23 (a) (ix))

Our valuation has been based on a review of actual tenants' leases (which includes material terms such as repairing obligations, escalations, break options) and other pertinent details supplied to us by the managing agents and owners.

All recovery details in respect of the existing leases e.g. utility cost and other recoveries as provided for in the leases have been disclosed by way of the monthly tenant invoices and summary schedule supplied to us. Option terms and other lease information have been supplied to us by the owners and managing agents and we are familiar with such documents.

### 15.4 Lessee's credibility

In arriving at our valuation, cognizance has been taken of the lessee's security and rating. In some cases this has influenced the capitalisation rate by way of a risk consideration.

#### 15.5 Mortgage bonds, loans, etc.

The properties have been valued as if wholly-owned with no account being taken of any outstanding monies due in respect of mortgage bonds, loans and other charges. No deductions have been made in our valuation for costs of acquisition.

The valuation is detailed in a completed state and no deductions have been made for retention or any other set-off or deduction for any purposes which may be made at the discretion of the purchaser when purchasing the properties.

#### 15.6 Calculation of areas

All areas quoted within the detailed valuation reports are those stated in the information furnished and verified where plans were available. To the extent that plans were not available, reliance was placed on the information submitted by the managing agents.

Updated plans were not available for all the properties in respect of internal configuration. The properties generally appear to have the stated square meterage which could only be more accurately determined if remeasured by a professional.

#### 15.7 Structural condition

The properties have been valued in their existing state. I have not carried out any structural surveys, nor inspected those areas that are unexposed or inaccessible, neither have I arranged for the testing of any electrical or other services.

#### 15.8 Contamination

The valuation assumes that a formal environmental assessment is not required and further that none of the properties are environmentally impaired or contaminated, unless otherwise stated in our report.

#### 15.9 Town planning (Section 13.23 (a) (vi) and (vii))

Full town planning details and title deeds have been supplied in the detailed valuation reports including conditions and restrictions and the properties have been checked against such conditions. This is to ensure that they comply with town planning regulations and title deeds. There do not appear to be any infringements of local authority regulations or deeds by any of the property.

The valuation has further assumed that the improvements have been erected in accordance with the relevant Building and Town Planning Regulations and on inspection it would appear that the improvements are in accordance with the relevant town planning regulations for these properties.

There is no contravention of any statutory regulation, or town planning local authority regulation or contravention of title deed relating to any of the properties which infringement could decrease the value of the properties as stated.

### 16. MARKET VALUE

I am of the opinion that the aggregate market value of the properties as at the 31<sup>st</sup> May 2022 is R2,193,800,000.00 (excluding VAT). A summary of the individual valuations and details of each of the properties is attached.

To the best of our knowledge and belief there have been no material changes in circumstances between the date of the valuation inspection and the date of the valuation report and the date of valuation which would affect the valuation.

I have more than 25 years' experience in the valuation of all nature of property and I am qualified to express an opinion on the fair market value of the properties.

I trust that I have carried out all instructions to your satisfaction and thank you for the opportunity of undertaking this valuation on your behalf.

Yours faithfully,

for and on behalf of Spectrum Valuation and Asset Solutions (Pty) Ltd

Ezra Juan Hattingh  
Registered Professional Valuer  
SACPVP 4618/7

## SCHEDULE OF PROPERTIES

### Developed properties – Retail

No	Property name	Physical address	Registered legal description (Erf/Section details)	Description and use	Valuer's inspection date	Freehold/Leasehold	Rentable area (GLA) (m <sup>2</sup> )	Age of development (m <sup>2</sup> )	Building grade	Zoning details	Assumed perpetual vacancy	Income Projection for the period 1 June 2022 to 31st May 2023 Nett	Valuation as at the 31st May 2022
1	Willowbridge Mall	39 Carl Cronje Drive, Tyger Valley, Bellville	Erf 38722	Retail Shopping Centre	2021/10/22	Freehold	26 657m <sup>2</sup>	Approximately 16 years old	Small Regional Shopping Centre	General Business III	2.00%	R50 249 496.00	R660 000 000.00
2	Melody Walk	Kardoring Street, Mitchells Plain	Erven 29389, 29390, 47936 and Sections 3 and 4 Metro Centre (Erf 29392), Mitchells Plain	Retail Shopping Centre	2021/10/19	Freehold and Sectional Title	19 110m <sup>2</sup>	Older than 25 years	Community Shopping Centre	General Business 6	4.00%	R21 345 461.00	R229 000 000.00
3	Makhaza Centre	Jeff Masemola Road, Makhaza, Khayelitsha	Erf 59034	Retail Shopping Centre	2021/10/19	Freehold	8 795m <sup>2</sup>	Approximately 18 years old	Neighbourhood Centre	General Business 4	3.00%	R12 166 361.00	R139 000 000.00
4	Shoprite Cravenby	C/o Balvenie & Connought Roads	Erf 33262	Retail Shopping Centre	2022/02/04	Freehold	3 056m <sup>2</sup>	Older than 20 years	Neighbourhood Centre	General Business 4	2.75%	R3 886 030.00	R44 000 000.00
5	PnP Hyper Klerksdorp	Buffelsdoorn Avenue & Tom Streets	Erf 975 & 976	Retail Shopping Centre	2021/10/19	Freehold	19 602m <sup>2</sup>	Older than 20 years	Community Shopping Centre	Business	3.00%	R22 996 861.00	R256 000 000.00
6	Shoprite Bougainville	Redelinghuys Street	Sect 2 SS Bougainville, Daspoot	Retail Shopping Centre	2021/10/18	Sectional title	11 337m <sup>2</sup>	Older than 20 years	Neighbourhood Centre	Business II	4.75%	R12 309 052.00	R136 800 000.00
7	Pier 14	Govan Mbeki Road, North End	Erf 3536 & 3801 North End, Gqeberha	Retail and Residential	2022/02/08	Freehold	29 606m <sup>2</sup>	Various phases, oldest over 20 years	Small Regional Shopping Centre	Business Zone 1	5.00%	R35 938 562.00	R388 500 000.00

**Developed properties – Residential**

No	Property name	Physical address	Registered legal description (Erf/Section details)	Description and use	Valuer's inspection date	Freehold/Leasehold	Rentable area (GLA) (m <sup>2</sup> )	Age of development	Building grade	Zoning details	Assumed perpetual vacancy	Income Projection for the period 1 June 2022 to 31st May 2023	Nett	Valuation as at the 31st May 2022
1	Infinity	80 & 82 Llandudno Road	Units 1 to 4 SS Infinity, Erf 10058 and 10059 Hour Bay (Llandudno)	Residential luxury apartments	2022/03/17	Sectional title/Freehold	1 315m <sup>2</sup>	New	Residential Luxury	Residential	N/a	N/a	R89 000 000.00	

**Properties held for development – Residential**

No	Property name	Physical address	Registered legal description (Erf/Section details)	Description and use	Valuer's inspection date	Freehold/Leasehold	Land size (m <sup>2</sup> )	Zoning	Nature of proposed development	Expected duration of development period	Planning permission applied for	Permission for development obtained	Valuation as at the 31st May 2022
1	Erf 3368	14 Higgs Road, Higgovale	Erf 3368 Oranjezicht (Higgovale)	Vacant Land	17th March 2022	Freehold	931m <sup>2</sup>	Residential	Residential	Unknown	No	No	R7 500 000.00
2	Erf 2592	10 Trek Road, Higgovale	Erf 2592 Oranjezicht	Residential House	17th March 2022	Freehold	1 363m <sup>2</sup>	Residential	Residential	Unknown	No	No	R19 000 000.00
3	Erf 124	115 Victoria Road, Camps Bay	SS 115 Victoria Road, Erf 124 Camps Bay	Vacant land with house to be demolished	17th March 2022	Sectional title	691m <sup>2</sup>	Residential	Residential	Unknown	Yes	Unknown	R35 000 000.00
4	Quebec Road	14 Quebec Road	Erf 860 Camps Bay	Vacant Land	17th March 2022	Freehold	1 722m <sup>2</sup>	Residential	Residential	Unknown	Yes	Yes	R37 000 000.00
5	Nertleron Rd	13 & 17 Nertleron Road	Erf 266 and 274 Clifton	Vacant Land	17th March 2022	Freehold	3 812m <sup>2</sup>	Residential	Residential	Unknown	No	No	R153 000 000.00



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## INDEPENDENT PROPERTY VALUER'S SUMMARY VALUATION REPORT ON THE IRES RESIDENTIAL PROPERTIES

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The Directors  
 Castleview Property Fund Limited  
 411 The Hills, Buchanan Square  
 160 Sir Lowry Road  
 Woodstock  
 Cape Town  
 7925  
 25 August 2022

For Attention: Mr. James Templeton

Dear Sir

### RE: INDEPENDENT PROPERTY VALUER'S ABRIDGED REPORT ON THE PROPERTIES AS DETAILED IN THE SUMMARY SCHEDULE ATTACHED HERETO AND FOR WHICH THERE IS A DETAILED VALUATION REPORT IN RESPECT OF EACH OF THE PROPERTIES

In accordance with your instruction of received 10<sup>th</sup> March 2022, I confirm that we have visited and inspected the 13 (thirteen) properties listed in the attached schedule ("**the properties**") during March & April 2022 (Section 13.23 (a) (iii)) and have received all necessary details required to perform a valuation in order to provide you with my opinion of the properties' market values as at the 31<sup>st</sup> May 2022 (Section 13.23 (c)).

#### 1. INTRODUCTION

The valuations of the Properties have been carried out by the Independent Property Valuer who has carefully considered all aspects of all the Properties. A detailed valuation report has been prepared in respect of each of the Properties ("**Detailed Reports**"), which have been delivered to the directors of Castleview.

The Detailed Reports include commentary on the current economy and the (i) nature; (ii) locality; (iii) risk profile and property risks of each of the Properties. All these aspects have been considered in the individual valuations of each of the Properties. The Detailed Reports have not addressed the tenancy income capability and expenditure of each of the Properties and tenants as the valuation approach is based on the Direct Comparable Sales Method. The value reflected in each of the Detailed Reports indicates the fair market value for each of the respective Properties, which have been summarised in the summary schedule, attached hereto.

#### 2. BASIS OF VALUATION

The valuation of the Properties are based on market value.

Market value is defined as the best price at which the sale of an interest in a property may reasonably be expected to have been completed, unconditionally, for a cash consideration on the date of valuation, assuming:

- 2.1 a willing seller and a willing buyer in a market;
- 2.2 that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the property, for the agreement of price and terms and for the completion of the sale; and
- 2.3 that the state of the market, level of values and other circumstances are, on any earlier assumed date of exchange of contracts, the same as on the date of the valuation.

### **3. VALUE CALCULATION**

The calculation of the market value of these properties has been based on the Direct Comparable Sales Method. Given that they are residential properties, this is the deemed the most prudent approach. This approach provides indications of values by comparing the asset with identical or comparable (similar) assets for which price information is available. These benefits can be converted into an indication of market value through a capitalisation process.

The concluding our market valuations, we have taken the following into consideration:

- 3.1 Analysis of sales histories of residential property transactions in the area.
- 3.2 Analysis of all contractual and municipal expenses.
- 3.3 Analysis of purchaser demand and tempo of sales.
- 3.4 Consider all the risk inputs such as the micro and macro – economic influences, the availability of finance and the size of the market.
- 3.5 Consider comparative sales and trends as well as the value per square metre.
- 3.6 Capitalising the net contractual income derived from the properties for a period of 1 year in advance, calculated from 1<sup>st</sup> June 2022;

### **4. SPARE/VACANT LAND**

There is no spare or vacant land components forming part of these properties, consequently no valuation was necessary.

### **5. BRIEF DESCRIPTION**

The Properties comprise freehold and sectional title residential units.

### **6. VALUATION QUALIFICATIONS**

Qualifications are usually detailed as a consequence of: leases under negotiation that have not yet been formalised; leases of a large nature where the premises are difficult to re-let; specialised properties; large exposure to a single tenant; potential tenant failure due to excessive rental charges; expenses required for major repairs; maintenance or other exposure to maintain the lettable of the building; contingent expropriations or servitudes that may be enforced and/or poor lease records whereby the lease may be disputed or rendered invalid.

I have, to the best of my knowledge, considered all of these aspects in the valuations of all the Properties. In my opinion, none of the Properties are prejudiced in value by the influence of any of the above listed factors.

The Independent Property Valuer is however not responsible for the competent daily management of these Properties, which will ensure that this status is maintained, or for the change of any laws, services by local authority or economic circumstances which may adversely impact on the integrity of the buildings or the tenant profile of the Properties.

### **7. OPTIONS OR BENEFIT/DETRIMENT OF CONTRACTUAL ARRANGEMENTS**

To my knowledge there are no contractual arrangements on the Properties other than the leases as detailed in the Detailed Reports which have a major benefit or are detrimental to the fundamental value base of the Properties.

To the best of my knowledge, there are no options in favour of any parties for any purchase of any of the Properties.

### **8. INTRA-GROUP OR RELATED PARTY LEASES**

To the best of my knowledge, there are no related party leases.

### **9. CURRENT STATE OF DEVELOPMENT**

To the best of my knowledge none of the properties are currently being developed.

### **10. RENTALS USED IN VALUATIONS**

Not applicable

**11. EXTERNAL PROPERTY**

All of the Properties within this valuation summary are situated within the borders of the Republic of South Africa.

**12. OTHER GENERAL MATTERS AND VALUATION SUMMARY**

Full valuation reports are available in respect of each of the Properties detailing tenancies, town planning, valuer's commentary, expenditure and other details. These Detailed Reports have been delivered to the Directors of Castleview.

**13. ALTERNATIVE USE FOR PROPERTIES**

The Properties have been valued in accordance with their existing uses which represent their market values. No alternative uses for the Properties have been considered in determining their value.

**14. OTHER COMMENTS**

The valuations exclude any amounts of Value-added Tax, transfer duty or securities transfer duty.

**15. CAVEATS**

Information have been received from the developers and architects. All information received is assumed to be reliable and accurate.

Source of information and verification includes title deeds or sectional title certificates from the Deeds Office, site diagrams or sectional title plans from the Surveyor General's Office and Town Planning information from the respective local authorities.

The valuations contained in this summary report have been prepared on the basis that full disclosures of all information and factors which may affect the valuations, have been made to me by the Company and its management.

The Properties have been valued as if wholly-owned with no account being taken of any outstanding monies due in respect of mortgage bonds, loans and other charges. No deductions have been made to the valuations for any costs of acquisition.

The valuations are detailed in a completed state and no deductions have been made for retention or any other set-off or deduction for any purposes which may be made at the discretion of the Company when purchasing the Properties.

All areas quoted within the Detailed Reports are those stated in the information furnished and verified where plans were available. To the extent that plans were not available, reliance was placed on the information submitted by the current owners and managing agents of the Properties.

Updated plans were not available for all the Properties in respect of internal configuration. The Properties generally appear to have the stated square meterage which could only be more accurately determined if re-measured by a professional. The Properties have had some internal alterations which are not fully detailed on the existing plans. The reported square meterage is therefore considered to be as correct as possible, without full a re-measurement exercise being undertaken.

The Properties have been valued in their existing states. I have not carried out any structural surveys, nor inspected those areas that are unexposed or inaccessible, neither have I arranged for the testing of any electrical or other services.

The valuations assume that formal environmental assessments are not required and further that none of the Properties are environmentally impaired or contaminated, unless otherwise stated in the Detailed Reports.

Where full town planning details have not been supplied, we have spoken to the appropriate Town Planning Departments and have extracted zoning information from their websites. Title deeds have been supplied in the Detailed Reports including conditions and restrictions and the Properties have been checked against such conditions. This is to ensure that they comply with town planning regulations and title deeds. There do not appear to be any infringements of local authority regulations or deeds by any of the Properties.

The valuations have further assumed that the improvements have been erected in accordance with the relevant Building and Town Planning Regulations and on inspection it would appear that the improvements are in accordance with the relevant town planning regulations for the Properties.

There is no contravention of any statutory regulation, or town planning local authority regulation or contravention of title deed conditions relating to any of the Properties which infringement could decrease the value of the Properties as stated.

16. **MARKET VALUE**

I am of the opinion that the aggregate market value of the Properties as of 1 June 2022 is R281 739 300.00 (excluding VAT). A summary of the valuation and details of each of the Properties is attached.

To the best of my knowledge and belief there have been no material changes in circumstances between the date of the valuation and the date of this summary valuation report which would affect the valuation.

I have more than 29 years' experience in the valuation of all nature of property and I am qualified to express an opinion on the fair market value of the Properties.

I trust that I have carried out all instructions to your satisfaction and thank you for the opportunity of undertaking this valuation on your behalf.

Yours faithfully,

**M.R.B. GIBBONS**

**NAT. DIP. PROP. VAL. MIV(SA) MRICS**

**Professional Valuer**

**Registration No. 4127**

(Registered without restriction in terms of The Property Valuers Act No. 47 of 2000)

For and behalf of: Mills Fitchet Magnus Penny

Suite SG110, Ground Floor  
Great Westerford  
240 Main Road  
Rondebosch, 7725

## SCHEDULE OF PROPERTIES

No	Property name	Physical address	Registered legal description (Erf/Section numbers)	Independent Property Valuer's inspection date	Freehold/ Sectional title	Approximate age of buildings (in years)	Zoning & Town Planning	Valuation As of 01/06/2022
1	Glen Valley, Strand.	Newton Rd, Strand.	Erf 33758 – Erf 33767; Erf 33769 – Erf 33778 Strand.	June 2022	Freehold	15 Years	Single Residential	R23 000 000
2	Aurora Sands, Muizenberg.	St David's St, Muizenberg	Erven 172170; 172182; Erven 172185; 172186; Erven 172189 – 172191; Erven 172197; 172200; Erven 172205 & 172206 Muizenberg.	June 2022	Freehold	14 Years	Single Residential	R16 400 000
3	Essenhout Plein, Kraaifontein.	Sterappel & Merring Rds, Kraaifontein	Erven 37512 – 37514; Erven 37517 – 37519; Erven 37523; 37524; Erven 37532; 37536; Erven 37539 – 37543; Erven 37545 – 37547; Erven 37549 – 37554; Erven 37556; 37557; Erven 37569 & 37570; Kraaifontein.	June 2022	Freehold	02 Years	Single Residential	R63 505 000
4	Tuscan Park Villas, Bellville	5 Old Oak Rd, Bellville.	Sections 01 – 06; Sections 08; 19; Sections 21; 22; Sections 29; 49; Sections 78; 79; Sections 81 – 83; Sections 91 – 100; Sections 103; 104; Sections 106; 107; Sections 109; 115 & Section 116 SS Tuscan Park Villa's.	June 2022	Freehold	16 Years	Single Residential	R22 500 000

No	Property name	Physical address	Registered legal description (Erf/Section numbers)	Independent Property Valuer's inspection date	Freehold/ Sectional title	Approximate age of buildings (in years)	Zoning & Town Planning	Valuation As of 01/06/2022
5	Sunrise Villas; Muizenberg.	St Davids St, Muizenberg.	Sections 04; 06; Sections 11; 12; Sections 16; 20; Sections 21; 24; Sections 27; 43; Sections 45; 47; Sections 49; 63; Sections 77; 78; Sections 80; 82; Sections 83; 84; Sections 91; 97; Sections 99; 102; Sections 103 – 106. SS Sunrise Villas.	June 2022	Freehold	16 Years	Single Residential	R49 357 350
6	Cherrywood; Durbanville.	Marimba Crescent; Durbanville.	Sections 10; 11; Sections 14; 18; Sections 24; 25; Sections 27 – 35; Sections 37 – 40; Sections 42 – 53; Sections 55; 59; Sections 60 – 67; Sections 74; 75; Sections 78 – 82; Sections 88; 94; Sections 95; 102; Sections 105 – 108; Sections 110 & 111; SS Cherrywood.	June 2022	Freehold	13 Years	Single Residential	R66 410 000
7	Nightingale	Wren Street, Kraaifontein.	Erven 37395 – 37398; Erven 37383 – 37385 & Erven 37399 – 37403 Kraaifontein.	June 2022	Freehold	05 Years	Single Residential	R22 035 000
8	Heritage Villas	Heritage Park, Somerset West.	Sections 06 – 08; Sections 14; 15; Sections 17; 22; Sections 32; 33 & Section 39 SS Heritage Villas, Somerset West.	June 2022	Freehold	05 Years	Single Residential	R18 532 000



**Castleview Property Fund Limited**

(Incorporated in the Republic of South Africa)

(Registration number 2017/290413/06)

(Approved as a REIT by the JSE)

(JSE share code: CVW)

(ISIN: ZAE000251633)

(“Castleview” or “the company”)

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## NOTICE OF GENERAL MEETING OF SHAREHOLDERS

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

Notice is hereby given that a general meeting of shareholders of Castleview will be held at 09:00 on Tuesday, 13 September 2022 at the offices of the company, 411 The Hills, Buchanan Square, Sir Lowry Road, Woodstock, Cape Town, 7925, as well as virtually via a remote interactive electronic platform, Microsoft Teams, for the purpose of considering and, if deemed fit, passing with or without modification, the resolutions set out below.

In terms of section 62(3)(e) of the Companies Act:

- a shareholder who is entitled to attend and vote at the general meeting is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the general meeting in the place of the shareholder;
- a proxy need not be a shareholder of the company; and
- shareholders recorded in the registers of the company on the voting record date (including shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the general meeting. In this regard, all shareholders recorded in the registers of the company on the voting record date will be required to provide identification satisfactory to the chairman of the general meeting. Forms of identification include valid identity documents, drivers' licenses and passports.

### Important dates to note

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	<b>2022</b>
Record date for receipt of notice of the general meeting of shareholders	Friday, 26 August
Last day to trade in order to be eligible to participate in and vote at the general meeting of shareholders	Tuesday, 6 September
Last day to lodge forms of proxy for the general meeting of shareholders with the transfer secretaries by 09:00	Friday, 9 September
Record date for participation and voting at the general meeting of shareholders	Friday, 9 September
General meeting of shareholders at 09:00	Tuesday, 13 September
Results of general meeting of shareholders released on SENS	Tuesday, 13 September

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#### Notes:

1. All dates and times in this circular are local dates and times in South Africa and are subject to change. Any changes will be released on SENS.
2. Castleview shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three business days after such trades. Therefore, Castleview shareholders who acquire Castleview shares after close of trade on Tuesday, 6 September 2022 will not be eligible to vote at the general meeting.
3. Shares may not be dematerialised or rematerialised between Wednesday, 7 September 2022 and Friday, 9 September 2022, both days inclusive.

## **UNANIMOUS RESOLUTION NUMBER 1: WAIVER OF PRESCRIBED NOTICE PERIOD**

“Resolved by way of unanimous resolution that, in terms of section 62(2A) of the Companies Act, No 71 of 2008 (as amended) (“**Companies Act**”), the minimum notice period required in terms of the Companies Act, the Listings Requirements and the memorandum of incorporation of the company (“**MOI**”) for the general meeting is hereby waived, and shareholders hereby unanimously ratify any non-compliance of this notice of general meeting with the provisions of the Companies Act, the Listings Requirements and/or the MOI.”

In accordance with the provisions of the Companies Act and the JSE’s conditional approval for the inclusion of this resolution providing for a waiver of the prescribed notice period in this circular, in order for this unanimous resolution to be adopted, every shareholder of the company must be present in person or by proxy at the general meeting, and every shareholder must vote in favour of the resolution.

Should the unanimous resolution not be approved, then no further resolutions contained in this notice of general meeting shall be validly adopted at the general meeting.

### **Reason for and effect of the unanimous resolution number 1**

The reason for unanimous resolution number 1 is to allow the company to convene the general meeting by providing less days than the prescribed 15 business day period contemplated in the Companies Act, the Listings Requirements and the MOI. The effect of the resolution is to allow the general meeting to continue notwithstanding that less than the prescribed number of days’ notice has been provided to shareholders.

## **SPECIAL RESOLUTION NUMBER 1: AMENDMENT OF THE MEMORANDUM OF INCORPORATION AND INCREASE IN THE AUTHORISED SHARE CAPITAL**

“Resolved that, in terms of sections 16(1)(c) and 36(2)(a) of the Companies Act, and clauses 6.1.1 and 6.5 of the MOI:

- the authorised share capital of the company comprising of 1 000 000 000 (one billion) ordinary shares of no par value be and is hereby increased by the creation of an additional 1 000 000 000 ordinary shares of no par value, ranking *pari passu* in all respects with the existing ordinary shares in the authorised share capital of the company, so that after the increase, the authorised share capital shall comprise 2 000 000 000 (two billion) ordinary shares of no par value; and
- clause 6.1.1 of the MOI be amended by substituting the number of the authorised ordinary shares of no par value of “1,000,000,000 (one billion)” in clause 6.1.1 with “2,000,000,000 (two billion)” ordinary shares of no par value,

with effect from the date of filing of the required notice of amendment with the Companies and Intellectual Property Commission (“**CIPC**”).”

In order for this special resolution to be adopted, the support of at least 75% of the total number of votes exercisable by Castlevision shareholders, present in person or by proxy is required.

### **Reason for and effect of the special resolution number 1**

The reason for special resolution number 1 is to increase the number of authorised ordinary shares of no par value of the company to ensure that the company has sufficient authorised share capital to enable the company to issue new shares as contemplated in the below mentioned resolutions. The effect of the resolution is to amend the MOI and to increase its authorised share capital in order to give effect to the foregoing.

## **SPECIAL RESOLUTION NUMBER 2: AUTHORISATION TO ISSUE 30% OR MORE OF THE COMPANY’S CURRENT ISSUED SHARE CAPITAL**

“Resolved that, in accordance with section 41(3) of the Companies Act and subject to the approval of ordinary resolution 1, the issue by company of additional ordinary shares of no par value in the authorised share capital of the company, such that the voting powers of the additional shares will be equal to or exceed 30% of the voting power of the Castlevision ordinary shares held by Castlevision shareholders immediately before the issue of the additional shares on the basis that the directors will be authorised to allot and issue up to the aggregate number of the authorised but unissued ordinary shares of no par value of the company (including the additional authorised shares created pursuant to special resolution number 1) on such terms as may be determined by the directors of the company for the purposes of the transaction, as more fully set out in the circular to which this notice of general meeting is attached, is approved.”

In order for this special resolution to be adopted, the support of at least 75% of the total number of votes exercisable by Castlevision shareholders, present in person or by proxy is required.



## **Reason for and effect of special resolution number 2**

The reason for and effect of this special resolution is to permit Castleview to issue the consideration shares to the vendors in terms of the acquisition agreements, and the subscription shares in terms of the share subscription, as the voting power of the Castleview ordinary shares to be issued pursuant to the transaction will be equal to or exceed 30% of the voting power of all Castleview shares in issue immediately prior to the implementation thereof as further detailed in the circular to which this notice of general meeting is attached.

This special resolution is required in accordance with the provisions of section 41(3) of the Companies Act, as the voting power of the shares to be issued in terms of the transaction exceeds 30% of the voting power of all shares held by shareholders immediately before the issue of the consideration shares and the subscription shares.

## **ORDINARY RESOLUTION 1: APPROVAL OF THE ACQUISITION**

“Resolved that, subject to the approval of special resolution numbers 1 and 2 and in accordance with paragraph 9.20 and paragraph 10.4(e) of the Listings Requirements and subject to the conditions precedent to the acquisition as set out in paragraph 3.7 of the circular being fulfilled or waived, the direct and/or indirect acquisition by Castleview of (i) a portfolio of retail assets, including the Bougainville shopping centre in Pretoria, a 50% interest in the Mitchells Plain shopping centre in Cape Town, the Makhaza Centre in Khayelitsha, a 50% interest in the Pick n Pay Hyper in Klerksdorp and a 75% interest in the Willowbridge South shopping centre in Bellville; (ii) a portfolio of development properties including vacant residential land, recently developed properties and properties held for redevelopment, situated in the City of Cape Town and its surrounding suburbs; (iii) 205 residential properties, situated in the City of Cape Town and its surrounding suburbs; (iv) more than 50% of the shares of Emira through the acquisition of IG EMI and the K018 Emira shares; and (v) the entire issued share capital of and claims against TPS, its 46.07% interest in EPP Community Properties and its 25.7% interest in CPP held through its wholly-owned subsidiary, U Reit Collins, to be settled by the issue of consideration shares to each vendor (in their respective proportions) determined in accordance with the provisions of the acquisition agreements as more fully set out in the circular to shareholders containing the notice of general meeting of which this ordinary resolution number 1 forms part, be and is hereby approved.”

In order for ordinary resolution 1 to be adopted, the support of more than 50% of the voting rights exercised on the resolution by Castleview shareholders, present in person or by proxy, but excluding those voting rights exercisable by Mirlem, is required.

## **ORDINARY RESOLUTION 2: SPECIFIC AUTHORITY TO ISSUE SHARES FOR CASH**

“Resolved that subject to the approval of ordinary resolution 1, the directors are authorised to allot and issue up to 51 908 876 new shares in the authorised but unissued share capital of the company at a price determined in accordance with the subscription agreements, which price is anticipated to be approximately R5.97 per share, for a total subscription price of approximately R310 000 000 to the subscribers, as detailed in paragraph 5 of the circular.”

In terms of the Listings Requirements, in order for ordinary resolution 2 to be adopted, the support of at least 75% of the total number of votes exercisable by Castleview shareholders, present in person or by proxy, is required.”

## **ORDINARY RESOLUTION 3: AUTHORITY TO GIVE EFFECT TO RESOLUTIONS**

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

In order for ordinary resolution 3 to be adopted, the support of more than 50% of the voting rights exercised on the resolution by Castleview shareholders, present in person or by proxy, is required.

## **VOTING AND QUORUM**

On a show of hands, every shareholder of the company present in person or represented by proxy shall have one vote only. On a poll, every shareholder of the company present in person or represented by proxy shall have one vote for every share held in the company by such shareholder.

The record date on which Castleview shareholders must be recorded as such in the registers maintained by the transfer secretaries, JSE Investor Services Investor Services, for the purposes of being entitled to attend, participate in and vote at the general meeting is Friday, 9 September 2022.

The quorum for a meeting of shareholders to begin or for a matter to be considered, shall be at least three shareholders entitled to attend and vote and who are present in person or able to participate in the meeting by electronic communication, or represented by a proxy who is present in person or able to participate in the meeting by electronic communication. In addition –

- a meeting of shareholders may not begin until sufficient persons are present at the meeting to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting; and
- a matter to be decided at a meeting of shareholders may not begin to be considered unless sufficient persons are present at the meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.

Given that the transaction is a related party transaction in terms of paragraph 10.4(f) of the Listings Requirements, the shares held or controlled by the related parties, Mirllem and its associates, may be taken into account for the purposes of determining a quorum at the general meeting however the votes of the related parties, Mirllem and its associates, must be excluded for the purposes of determining the results of the voting in respect of ordinary resolution 1 at the general meeting.

## **SHAREHOLDERS**

### **General instructions**

Shareholders who are entitled to attend, speak and vote at the general meeting are encouraged to do so.

### **Electronic participation**

Shareholders wishing to participate in the general meeting are requested, for administrative purposes, to submit notification of their intent (the “**electronic notice**”) by e-mail to the transfer secretaries, JSE Investor Services, at meetingservices@jseinvestorservices.co.za as soon as possible and by no later than 09:00 on Friday, 9 September 2022. The electronic notice should include relevant contact details including email address, cellular number and landline, as well as full details of the shareholder’s title to the shares and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shareholders), and (in the case of dematerialised shareholders) written confirmation from the shareholder’s CSDP confirming the shareholder’s title to the dematerialised shares. The shareholder should also indicate whether the shareholder wishes to vote by proxy or wishes to exercise votes during the general meeting. Upon receipt of the required information, the shareholder concerned will be provided with a link to access the general meeting, which will take place via Microsoft Teams, together with any further instructions. The fact that shareholders are requested to submit an electronic notice to the transfer secretaries before 09:00 on Friday, 9 September 2022 will not in any way affect the rights of shareholders who submit an electronic notice after this date and who have been fully verified (as required in terms of section 63(1) of the Companies Act) to participate in and/or vote at the general meeting.

### **Proxies and authority for representatives to act**

The attached form of proxy is only to be completed by:

- certificated shareholders; or
- dematerialised shareholders recorded on the company’s sub-registers with “own name” registration,

who cannot attend the general meeting but wish to be represented thereat.

All other beneficial owners who have dematerialised their shares through a Central Securities Depository Participant (“**CSDP**”) or broker without “own name” registration and who wish to attend the general meeting of shareholders, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy.

Forms of proxy are requested to be deposited at the transfer secretaries, JSE Investor Services, 13th Floor, 19 Ameshoff Street, Braamfontein Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000), or emailed to meetingservices@jseinvestorservices.co.za, at least 48 hours prior to the date of the general meeting in order to allow for processing of the proxy forms. Alternatively, the form of proxy may be handed to the chairperson of the general meeting or the transfer secretaries present at the general meeting, prior to voting on any resolution proposed at the general meeting. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting of shareholders should the shareholder decide to do so.

A company that is a Castleview shareholder, wishing to attend and participate at the general meeting of shareholders should ensure that a resolution authorising a representative to so attend and participate at the general meeting of shareholders on its behalf is passed by its directors.

**Castleview does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised shareholder to notify such shareholder of the general meeting of shareholders or any business to be conducted thereat.**

#### **GENERAL NOTES**

1. A shareholder may appoint one or more proxies to participate in, and speak and vote at, the general meeting on behalf of that shareholder. A proxy need not be a shareholder of the company.
2. Shareholders who are companies or other bodies corporate may, by resolution of its directors or other governing body, authorise any person to act as its representative at the general meeting.
3. The chairperson of the general meeting will communicate that all resolutions put to the vote shall be decided by way of a poll.

**By order of the board**

**Castleview Property Fund Limited**

24 August 2022

#### **Registered office**

411 The Hills, Buchanan Square  
160 Sir Lowry Road  
Woodstock  
Cape Town, 7925





**Castleview Property Fund Limited**

(Incorporated in the Republic of South Africa)

(Registration number 2017/290413/06)

(Approved as a REIT by the JSE)

(JSE share code: CVW)

(ISIN: ZAE000251633)

(“Castleview” 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:**

- certificated shareholders; and
- dematerialised shareholders whose shares are registered in their own names in the company’s sub-registers.

For completion by the aforesaid registered shareholders of Castleview who are unable to attend the general meeting of shareholders of the company to be held at 09:00 on Tuesday, 13 September 2022 at the offices of the company, 411 The Hills, Buchanan Square, Sir Lowry Road, Woodstock, Cape Town, 7925, as well as virtually via a remote interactive electronic platform, Microsoft Teams.

If you are a dematerialised shareholder, other than with “own name” registration, do not use this form. Dematerialised shareholders, other than with “own name” registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (address)

Telephone number:

Cell phone number:

e-mail address:

being the holder(s) of  ordinary shares hereby appoint:

1.  or failing him/her
2.  of failing him/her
3. the chairman of the general meeting

as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the general meeting and at any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the general meeting, and to vote on the resolutions in respect of the Castleview shares registered in my/our name(s):

Please indicate with an “X” in the appropriate spaces below how you wish your votes to be cast. Unless this is done, the proxy will vote as he/she thinks fit.

	Number of votes		
	*In favour of	*Against	*Abstain
Unanimous resolution 1: Waiver of the prescribed notice period			
Special resolution 1: Amendment of the Memorandum of Incorporation and increase in the authorised share capital			
Special resolution 2: Authorisation to issue 30% or more of the company’s current issued share capital			
Ordinary resolution 1: Approval of the acquisition			
Ordinary resolution 2: Specific authority to issue shares for cash			
Ordinary resolution 3: Authority to give effect to resolutions			

*\*One vote per share held by Castleview shareholders, recorded in the registers on the voting record date*

Unless otherwise instructed my proxy may vote or abstain from voting as he/she thinks fit.

Signed this

day of

2022

Signature

Assisted by me (where applicable)

(State capacity and full name)

A shareholder entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a member of the company. Each shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that shareholder at the general meeting.

Forms of proxy are requested to be deposited at the transfer secretaries, JSE Investor Services, 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000), or emailed to meetingservices@jseinvestorservices.co.za, at least 48 hours prior to the date of the general meeting in order to allow for processing of the proxy forms. Alternatively, the form of proxy may be handed to the chairperson of the general meeting or the transfer secretaries present at the general meeting, prior to voting on any resolution proposed at the general meeting. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting of shareholders should the shareholder decide to do so.

**Please read notes on the reverse side hereof**

## NOTES TO THE FORM OF PROXY:

1. Only shareholders who are registered in the registers of the company under their own name on the date on which shareholders must be recorded as such in the registers maintained by the transfer secretaries, JSE Investor Services, in order to attend and vote at the general meeting being Friday, 9 September 2022 (the “**voting record date**”), may complete a form of proxy or attend the general meeting. This includes certificated shareholders or dematerialised shareholders with “own name” registration. A proxy need not be a shareholder of the company.
2. Certificated shareholders wishing to attend the general meeting have to ensure beforehand with the transfer secretaries of the company (being JSE Investor Services) that their shares are registered in their own name.
3. Beneficial shareholders whose shares are not registered in their “own name”, but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the general meeting.
4. Dematerialised shareholders who have not elected “own name” registration in the register of the company through a CSDP and who wish to attend the general meeting, must instruct the CSDP or broker to provide them with the necessary letter of representation to attend.
5. Dematerialised shareholders who have not elected “own name” registration in the register of the company through a CSDP and who are unable to attend, but wish to vote at the general meeting, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
6. A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder’s choice in the space provided, with or without deleting “the chairman of the general meeting”. The person whose name stands first on the form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the foregoing, 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.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy’s authority to act on behalf of the relevant shareholder as of the later of the date:
  - 8.1 stated in the revocation instrument, if any; or
  - 8.2 upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
9. Should the instrument appointing a proxy or proxies have been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company’s MOI to be delivered by the company to the shareholder must be delivered by the company to:
  - 9.1 the shareholder; or
  - 9.2 the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI of the company or the instrument appointing the proxy provide otherwise.
11. If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument appointing a proxy:
  - 11.1 such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
  - 11.2 the company must not require that the proxy appointment be made irrevocable; and
  - 11.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the general meeting.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the company that wishes to attend and participate at the general meeting should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company’s transfer secretaries prior to the general meeting.
16. Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the meeting, that one of the said persons whose name appears first in the register of shareholders of such shares or his proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. The chairman of the general meeting may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a shareholder wishes to vote.
18. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.
19. A shareholder’s instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the general meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the general meeting or other proxy to vote or to abstain from voting at the general meeting as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all of the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
20. It is requested that this form of proxy be lodged or posted or faxed to the transfer secretaries, JSE Investor Services, 13th Floor, 19 Ameshoff Street, Braamfontein Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000) to be received by no later than 09:00 on Friday, 9 September 2022.
21. This form of proxy may be used at any adjournment or postponement of the general meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
22. The foregoing notes include a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.