**VUKILE PROPERTY FUND LIMITED**
(Incorporated in the Republic of South Africa)
(Registration number: 2002/027194/06)
JSE share code: VKE
ISIN: ZAE000180865
Bond company code: VKEI
NSX share code: VKN
(Granted REIT status with the JSE)
("**Vukile**" or "**the Company**")

# STRATEGIC ACQUISITION OF A PORTFOLIO OF LANDMARK SOUTH AFRICAN RETAIL PROPERTIES FROM OLD MUTUAL REAL ESTATE HOLDING COMPANY PROPRIETARY LIMITED

## 1. INTRODUCTION

1.1 Shareholders of the Company ("Shareholders") are advised that Vukile and Old Mutual Real Estate Holding Company Proprietary Limited ("OMREHC" or the "Seller"), a wholly owned subsidiary of Old Mutual Life Assurance Company (South Africa) Limited, which is ultimately wholly owned by Old Mutual Limited, have agreed to the terms of a transaction in terms of which Vukile will acquire 100% of the issued share capital in K2012150042 (South Africa) Proprietary Limited ("K2012") (the "Acquisition").

1.2 Upon implementation of the Acquisition, Vukile will own 100% of K2012, which will own the South African retail property portfolio described in paragraph 4 below, together with the associated letting enterprises and related assets and liabilities (the "Portfolio").

1.3 The Portfolio comprises approximately 514,707m² of gross lettable area ("GLA") across 18 individual assets grouped into 8 retail nodes in five provinces. It is anchored by Gateway Theatre of Shopping in Umhlanga and Cavendish Square in Claremont. The Portfolio also includes established regional, community and township centres such as Bedford Centre, The Zone, Vincent Park Mall, Riverside Mall, Kagiso Mall and Phumulani Mall. The Acquisition represents a significant expansion of Vukile's South African retail platform, combining established metropolitan and regional shopping centres with its existing township and rural retail portfolio. It provides an opportunity for Vukile to apply its specialist retail asset management capabilities across a substantially enlarged and more diversified domestic portfolio, with significant potential to extract value through proactive asset management.

1.4 The agreed gross asset value of the Portfolio is R16,080 million. The purchase consideration payable by Vukile will be based on the agreed net asset value of K2012, which is expected to be approximately R9,913 million (the "Acquisition Consideration") as at the Implementation Date (as defined in paragraph 8 below).

1.5 Vukile intends to fund the Acquisition Consideration and the associated transaction costs through a combination of new external third-party debt and the proceeds of an equity raise of approximately R7,100 million, to be implemented by way of an accelerated bookbuild of new Vukile ordinary shares to qualifying investors (the "Equity Raise"). Further details are set out in paragraph 6 below and in a separate announcement published by the Company on the Stock Exchange News Service ("SENS").

## 2. RATIONALE FOR THE ACQUISITION

2.1 The Acquisition advances Vukile's established strategy of investing in high-quality, nodally dominant retail assets where its specialist asset management capabilities can deliver sustainable income growth and long-term value creation. It materially expands the Company's South African platform, broadens its exposure across retail formats and consumer markets and reinforces its focus on the ownership and active management of leading shopping centres.

2.2 The Acquisition presents a rare opportunity to acquire a sizeable portfolio of unique, established South African shopping centres, anchored by Gateway Theatre of Shopping and Cavendish Square, which together account for more than 60% of the Portfolio's value. These prominent, iconic retail assets are of a scale, quality and strategic significance that would be challenging to replicate through individual acquisitions or new developments. Gateway Theatre of Shopping is situated in the heart of one of KwaZulu-Natal's most prominent and fastest-growing urban, commercial and residential development nodes and serves a broad catchment area with a high average household income. Cavendish Square is a well-established centre with a loyal and affluent customer base, located in Claremont, which is the economic, retail and transit hub of Cape Town's Southern Suburbs. Limited opportunities for new development in its catchment reinforce its resilience and prominence.

2.3 The Acquisition materially enhances the scale, quality and strategic positioning of Vukile's South African retail platform. It is expected to increase the value of Vukile's South African property portfolio by approximately 80%, further strengthening its defensive domestic earnings base. The Acquisition will materially increase the South African weighting in the Company's portfolio and will complement Vukile's offshore portfolio, highlighting its strategy of building specialist retail businesses across its selected markets. The Acquisition is expected to lift the value of Vukile's South African retail portfolio to approximately R36 billion, positioning Vukile as South Africa's largest owner of retail assets by GLA and the largest South African retail REIT on the JSE by market capitalisation. Post-implementation of the Acquisition, South African property assets will represent approximately 46% of Vukile's total portfolio on a gross asset value basis, with assets in Spain, Portugal and Italy comprising approximately 42%, 9% and 3% of the total portfolio, respectively.

2.4 The acquired metropolitan and regional centres will complement Vukile's established township and rural retail portfolio, creating a broader balance of retail formats, geographic exposures and customer segments. This combination is expected to diversify the sources of rental income and enhance the resilience of the South African portfolio through different economic conditions, while preserving Vukile's specialist retail focus.

2.5 Vukile has identified opportunities to enhance the Portfolio's income and long-term value through the application of its established leasing and operating practices. These practices include reducing vacancies, optimising tenant mix, improving operating cost efficiencies and recoveries, implementing energy and sustainability initiatives and selectively repositioning assets. The enlarged portfolio will provide a broader platform over which to apply these capabilities. In addition, property management services in respect of the Portfolio are currently outsourced to Excellerate Real Estate Services Proprietary Limited ("JHI"). JHI is an existing and longstanding service provider to Vukile, providing similar property management services on an outsourced basis in respect of a material proportion of Vukile's South African property portfolio. As such, Vukile expects a seamless transition of JHI's services with no disruption to the Portfolio as a result of the Acquisition.

2.6 The Acquisition, taking into account the proposed funding structure as set out in greater detail in paragraph 6 below, is expected to be accretive to Vukile's funds from operations ("FFO") per share from the first full financial year following implementation. The proposed funding structure, comprising the Equity Raise, new third-party debt facilities and existing third-party facilities in K2012, is designed to preserve balance sheet strength and will maintain Vukile's loan-to-value ratio within the range of 40% to 42% following implementation of the Acquisition. The Equity Raise is also expected to increase Vukile's market capitalisation and free float, potentially broadening its institutional investor base, enhancing share liquidity and supporting increased investor demand.

## 3. TRANSACTION STRUCTURE

3.1 K2012 is a South African private company which currently holds the Portfolio, as well as other non-retail assets which will not be included within the transaction perimeter of the Acquisition.

3.2 The Seller will undertake a series of pre-transaction steps in order to ensure that K2012 is delivered to Vukile on the Implementation Date in the form described in paragraph 4. These pre-transaction steps are outlined below:

3.2.1 The disposal or transfer by K2012 of the non-retail assets not included in the Portfolio, and related liabilities;

3.2.2 The introduction of additional non-related, third-party debt of R2,067 million into K2012;

3.2.3 The distribution of the proceeds of the amount in paragraph 3.2.2 above to OMREHC as a distribution. OMREHC is expected to apply at least R1,584 million of the proceeds of such distribution to settle existing third-party debt within the OMREHC corporate structure.

3.3 Vukile will not be a party to any agreement/s governing the above pre-Acquisition transaction steps, nor will it be a party to any distribution or other resolutions required for the distribution of the third-party debt proceeds to OMREHC, as described in paragraph 3.2.3 above.

3.4 Post implementation of the abovementioned pre-Acquisition transaction steps, K2012 will be acquired by Vukile in the form outlined in paragraph 4 below.

## 4. DESCRIPTION OF K2012 AND THE PORTFOLIO

4.1 K2012 is a South African private company which, immediately prior to implementation of the Acquisition, will own the Portfolio. The business conducted through K2012 will entail the ownership and letting of the South African retail properties comprising the Portfolio.

4.2 The Portfolio comprises a range of leading retail centres, in respect of which certain property-specific information is set out below*:

| Property name | Location | Sector | Rentable area (m²) | Weighted average net rental (R/m²)** |
|---|---|---|---|---|
| Gateway Theatre of Shopping | Umhlanga, KwaZulu-Natal | Retail | 170,113 | 345.10 |
| Gateway Hotel | Umhlanga, KwaZulu-Natal | Hotel | 8,315 | 235.96 |
| **Gateway node total** | | | **178,428** | **339.85** |
| Bedford Centre | Bedfordview, Gauteng | Mixed-use retail node | 54,249 | 213.08 |
| Bedford Square | Bedfordview, Gauteng | Retail | 30,114 | 168.29 |
| **Bedford node total** | | | **84,363** | **193.71** |
| Cavendish Square | Claremont, Western Cape | Retail | 45,452 | 330.89 |
| Cavendish Connect | Claremont, Western Cape | Retail | 12,562 | 287.32 |
| Dreyer Street | Claremont, Western Cape | Retail | 8,387 | 160.56 |
| The Place | Claremont, Western Cape | Retail | 903 | 187.12 |
| **Cavendish node total** | | | **67,304** | **299.61** |
| The Zone, Rosebank and Mutual Gardens*** | Rosebank, Gauteng | Mixed-use retail node | 21,948 | 214.65 |
| The Zone Phase 2 | Rosebank, Gauteng | Mixed-use retail node | 28,693 | 175.68 |
| Cradock Square | Rosebank, Gauteng | Mixed-use retail node | 10,759 | 59.63 |
| Regent Place | Rosebank, Gauteng | Retail | 7,075 | 249.98 |
| **The Zone node total** | | | **68,475** | **181.14** |
| Kagiso Mall | Kagiso, Gauteng | Retail | 11,392 | 201.92 |
| Phumulani Mall | Tembisa, Gauteng | Retail | 18,426 | 220.71 |
| Riverside Mall | Mbombela, Mpumalanga | Retail | 47,392 | 170.27 |
| Riverside Waterpark | Mbombela, Mpumalanga | Leisure/Retail leisure | 3,000 | Included in Riverside Mall data above |
| **Riverside node total** | | | **50,392** | **170.27** |
| Vincent Park Mall | Vincent, Eastern Cape | Retail | 35,927 | 214.74 |
| **Total/weighted average** | | | **514,707** | **261.31** |

** Information presented as at 30 June 2026.*
*** Monthly base rent (excluding recoveries) divided by occupied GLA.*
*** Mutual Gardens Parking refers to parking facilities and, accordingly, does not have conventional rentable area measured in m².*

## 5. ACQUISITION CONSIDERATION

5.1 The gross asset value attributed to the Portfolio for purposes of the Acquisition is R16,080 million (the "Agreed Portfolio Value"). The Acquisition Consideration, being the amount payable by Vukile to acquire 100% of the issued share capital of K2012, will be the agreed net asset value of K2012 on the Implementation Date, determined as: (i) the Agreed Portfolio Value; less (ii) external debt and other net liabilities of K2012. The Acquisition Consideration is expected to be approximately R9,913 million.

5.2 The Acquisition Consideration will be settled in cash on implementation and will be subject to certain customary adjustment and escalation provisions as will be more fulsomely set out in the binding legal agreement to give effect to the Acquisition ("Transaction Agreement").

5.3 A cash amount of R182 million ("Cash Balance") shall be retained by K2012 on the Implementation Date in order to fund certain identified capital expenditure requirements in respect of the Portfolio. The Cash Balance shall not be included in the calculation of the Acquisition Consideration in paragraph 5.1 above.

## 6. FUNDING OF THE ACQUISITION CONSIDERATION

6.1 The Acquisition Consideration of approximately R9,913 million, together with estimated transaction costs of approximately R135 million (in aggregate, representing 84bps of the Portfolio's gross asset value) and an antecedent dividend of approximately R172 million on the new Vukile ordinary shares to be issued in terms of the Equity Raise (an aggregate funding requirement of approximately R10,220 million), will be funded through a combination of:

6.1.1 new third-party debt facilities of approximately R3,099 million;

6.1.2 a portion of the proceeds of the Equity Raise of approximately R7,038 million; and

6.1.3 a portion of the Cash Balance.

Further details of the Equity Raise are set out in a separate announcement published by the Company on SENS.

6.2 Pending fulfilment of the conditions precedent to the Acquisition, Vukile will invest the proceeds of the Equity Raise in already agreed, short-term investment products yielding approximately 8.2%, to mitigate cash drag to Vukile's portfolio returns until the Acquisition is concluded.

6.3 Immediately after implementation of the Acquisition, Vukile will transfer the following properties into a newly incorporated, wholly-owned special purpose vehicle ("Gateway SPV"):

6.3.1 Gateway Theatre of Shopping, and

6.3.2 The Gateway Hotel,

collectively, the "Gateway Assets".

6.4 Following implementation of the transfer of the Gateway Assets as outlined above, Vukile will introduce a third-party equity partner into the Gateway SPV, namely Bopa Moruo Private Equity Fund Managers Proprietary Ltd ("Bopa Moruo"), by way of a subscription for ordinary shares in the Gateway SPV (the "Partner Subscription").

6.5 The Partner Subscription will result in Bopa Moruo acquiring a 49% shareholding in the Gateway SPV, with Vukile retaining a controlling 51% interest.

6.6 Bopa Moruo is an empowered private equity and real estate investor and fund manager with an approximately 15-year track record in private equity and real estate investment management.

6.7 The proceeds from the Partner Subscription will be applied towards the repayment of third-party debt incurred by Vukile to fund the Acquisition, thereby reducing leverage within the Portfolio and alignment thereof to Vukile's loan-to-value ratio of 40% to 42% for the Company on a consolidated basis. Given the size and Rand value of the Gateway Assets relative to the remainder of the Portfolio, the introduction of Bopa Moruo reduces Vukile's single-asset and geographic exposure in relation to Gateway Theatre of Shopping and the KwaZulu-Natal region respectively.

6.8 Notwithstanding the introduction of Bopa Moruo, Vukile will retain asset management responsibilities in relation to the Gateway Assets and will earn an asset management fee on the gross asset value of the Gateway Assets.

The partnership will enable Vukile to retain control of, and asset management responsibility for, the Gateway Assets while reducing the capital committed to a single retail node and enhancing the overall transaction yield.

## 7. CONDITIONS PRECEDENT

7.1 The implementation of the Acquisition is subject to the fulfilment or waiver (to the extent legally permissible) of the following conditions precedent ("Conditions Precedent"):

7.1.1 the passing of all requisite resolutions by the board of directors and, to the extent required, shareholders of either party, approving and authorising the entry into, and implementation of the Transaction Agreement and related documentation;

7.1.2 the conclusion of all other agreements relating to the Acquisition, including the agreements regulating the pre-transaction restructuring of K2012 and the transfer of the Gateway Assets to the Gateway SPV, and such agreements having become unconditional in accordance with their terms (save for any condition requiring the Transaction Agreement to become unconditional);

7.1.3 on or before the Implementation Date, the implementation of the agreed pre-transaction restructuring of K2012, in terms of which all assets that do not form part of the Portfolio will be disposed of by K2012 to the Seller;

7.1.4 on or before the Implementation Date, the board of directors of K2012 having adopted a resolution in terms of section 46 of the Companies Act, No. 71 of 2008, approving the declaration of a dividend by K2012 in favour of the Seller (the "Pre-Closing Dividend");

7.1.5 on or before the Implementation Date, the settlement by K2012 of the Pre-Closing Dividend, together with all taxes relating thereto;

7.1.6 the approval of the Acquisition by the competition authorities in terms of the Competition Act, No. 89 of 1998, either unconditionally or subject to such conditions as are acceptable to Vukile and the Seller;

7.1.7 the grant by the Financial Surveillance Department of the South African Reserve Bank of such approvals as are required in terms of the Exchange Control Regulations in connection with the implementation of the Acquisition, including the settlement of certain foreign-denominated debt of the Seller's group and the release of K2012 from its guarantee in respect of that debt;

7.1.8 the conclusion of a warranty and indemnity insurance policy in respect of the Acquisition on or before the first business day following signature of the Transaction Agreement;

7.1.9 the conclusion of the finance documents in respect of the unsecured bridge funding to be raised by K2012 prior to implementation of the Acquisition, such finance documents having become unconditional in accordance with their terms, and K2012 having delivered a request for the drawdown of such funding on the Implementation Date; and

7.1.10 the receipt of all third-party consents, approvals and waivers required to implement the Acquisition, including those of K2012's lenders in respect of the change of control of K2012 and of landlords and other material counterparties to contracts binding on K2012, either unconditionally or on terms reasonably acceptable to Vukile.

7.2 The Conditions Precedent are required to be fulfilled or waived, as applicable, by 30 June 2027 ("Long-Stop Date") (save for those which are required to be fulfilled on or before the Implementation Date, as indicated above), or such later date as may be agreed in writing by Vukile and the Seller. Either Vukile or the Seller may unilaterally extend the Long-Stop Date by a period of up to 3 months ("Extension Right"). Should the extension right be exercised, the agreed gross asset value of the Portfolio shall escalate at a rate of 0.25% per 3-month period from 1 July 2026 up to and including the day immediately preceding the Implementation Date.

7.3 Unless Vukile and the Seller agree in writing on or before 31 December 2027, if any Condition Precedent remains unfulfilled and has not been waived (where capable of waiver) on 31 December 2027, the Transaction Agreement shall automatically terminate.

## 8. EFFECTIVE DATE AND IMPLEMENTATION OF THE ACQUISITION

8.1 Implementation of the Acquisition will occur on the later of (the "Implementation Date"):

8.1.1 1 April 2027;

8.1.2 the first Business Day of the month following the month in which the last of the Conditions Precedent (other than those to be fulfilled on the implementation date) is fulfilled or waived. If the last Condition Precedent is only fulfilled or waived after the 15th day of a month, implementation will take place on the first Business Day of the second month after that month;

8.1.3 or on such other date as Vukile and the Seller may agree in writing.

8.2 The Acquisition will therefore become effective on the Implementation Date.

## 9. OTHER TERMS

9.1 The Transaction Agreement will contain representations, warranties, undertakings and indemnities by the Seller in favour of Vukile which are customary for a transaction of this nature. Vukile has obtained third-party warranty and indemnity insurance in respect of certain warranties given by the Seller.

9.2 The Transaction Agreement will also contain provisions governing the conduct of K2012 in respect of the Portfolio during the period between signature of the Transaction Agreement and the Implementation Date, the implementation of the agreed pre-transaction restructuring of K2012 and the limited circumstances in which the Transaction Agreement may be terminated.

## 10. FINANCIAL INFORMATION

10.1 As at 30 June 2026, being the date of the latest unaudited financial information relating to the Portfolio, the investment property carrying values and net operating income attributable to the properties which comprise the Portfolio were as follows:

| Property name | Investment property carrying value as at 30 June 2026 (R'm) | NOI for the six-month period ended 30 June 2026 (R'm) |
|---|---|---|
| Gateway Theatre of Shopping | 8,355 | 306 |
| Gateway Hotel | 172 | 9 |
| Bedford Centre | 884 | 32 |
| Bedford Square | 420 | 16 |
| Cavendish Square | 2,487 | 86 |
| Cavendish Connect | 437 | 19 |
| Dreyer Street | 117 | 6 |
| The Place | 2 | 1 |
| The Zone, Rosebank and Mutual Gardens* | 332 | 14 |
| The Zone Phase 2 | 318 | 16 |
| Cradock Square | 79 | 2 |
| Regent Place | 159 | 7 |
| Kagiso Mall | 259 | 12 |
| Phumulani Mall | 510 | 24 |
| Riverside Mall and Riverside Waterpark | 701 | 33 |
| Vincent Park Mall | 911 | 39 |
| **Total** | **16,142*** | **622** |

**Casting difference due to rounding.*

10.2 The aggregate carrying value of the investment properties which comprise the Portfolio was therefore R16,142 million as at 30 June 2026, and the aggregate net operating income attributable to those properties for the six-month period ended 30 June 2026 was R622 million. Net operating income comprises gross property revenue less property operating expenses, before finance costs, fair value adjustments and taxation. The above investment property carrying value implies an annualised (December) historic NOI yield of approximately 7.71%, and an annualised historic acquisition yield of approximately 7.74% (determined with reference to the agreed gross asset value of the Portfolio of R16,080 million).

10.3 Taking into account the transfer of the Gateway Assets to the Gateway SPV and the Partner Subscription as well as the asset management fees earned by Vukile from the Gateway SPV, it is expected that the Acquisition will achieve a one-year forward leveraged investment yield of approximately 8.6%.

10.4 The financial information set out above has been extracted from the unaudited management accounts of K2012/OMREHC for the six-month period ended 30 June 2026, which were prepared in accordance with International Financial Reporting Standards.

10.5 Any forecast financial information contained herein has not been reviewed or reported on by Vukile's external auditors.

## 11. CATEGORISATION OF THE ACQUISITION

11.1 The Acquisition constitutes a category 2 transaction in terms of the JSE Limited Listings Requirements.

11.2 No related parties are involved in the Acquisition.

## 12. INVESTOR PRESENTATION

12.1 Vukile will host an investor conference call tomorrow, 17 November 2026, at 10:00 (SAST), in respect of the Acquisition.

12.2 The investor conference call can be joined at the following link:
https://teams.microsoft.com/meet/3339608603752527?p=Jgojz0MjxIXEvAuqHk

12.3 A copy of the investor presentation, which will be presented to members of the investment community at the conference call, will be available on the Company's website at:
https://www.vukile.co.za/wp-content/uploads/2026/11/Vukile-OMREHC-November-2026.pdf.

## 13. NO CHANGE STATEMENT

13.1 Vukile is currently in a closed period ahead of the release of its interim results for the six months ended 30 September 2026, which are expected to be published on SENS on or about 30 November 2026.

13.2 Shareholders are referred to the pre-close operational update released on SENS on 29 September 2026 (the "Pre-close Update"). The board of directors of Vukile confirms that there have been no material changes to the information contained in the Pre-close Update, including the guidance of 8% to 10% growth in FFO per share and 10% to 12% growth in dividend per share, for the financial year ending 31 March 2027.

13.3 The information in this no change statement has not been reviewed or reported on by Vukile's external auditors.

Johannesburg
16 November 2026

**Exclusive financial adviser and transaction sponsor**
RMB

**Legal adviser**
CDH
CLIFFE DEKKER HOFMEYR

**Tax adviser**
DLA PIPER

**Property technical adviser**
TENUREY BSM
PROPERTY ADVISORY

**Financial adviser and transaction sponsor to the Seller**
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