



RUNWAY PROPERTY GROUP LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 2019/547292/06

Share code: ZXRPG ISIN: ZAE ZAEZ00000059

("Runway" or "the Company")

ANNOUNCEMENT OF DIVIDEND ELECTION AND AVAILABILITY OF DIVIDEND REINVEST OPTION

1. INTRODUCTION

- 1.1 As announced on Wednesday, 31 May 2023, the Board of Runway have declared a cash dividend of 87.14 cents per share for the year ended 28 February 2023.
- 1.2 Shareholders have been provided with the election to reinvest the cash dividend in return for Runway shares ("the Re-investment Option").
- 1.3 Shareholders will be entitled, in respect of all or part of their shareholding, to elect to participate in the re-investment option, failing which, they will receive the cash dividend that will be paid to those shareholders not electing to participate in the re-investment option.
- 1.4 The number of shares to which Shareholders are entitled will be determined with reference to the ratio that 87.14 cents per share bears to the re-investment price.
- 1.5 The re-investment price will be determined by Runway with reference to market conditions at the time, including a 3% discount determined with reference to the spot price per Runway share (less the cash dividend) and/or the weighted average traded price per Runway share for up to 30 days prior to the finalisation date (less the cash dividend).
- 1.6 The re-investment price will be announced on the finalisation date, which will be no later than 10h00 on Friday, 23 June 2023.

2. SALIENT DATES AND TIMES

	2023
Publication of Runway results, including the declaration of an interim distribution published on the CTSE Announcements	Wednesday, 31 May
Circular posted to shareholders	Friday, 9 June
Finalisation of information, including the share ratio and re-investment price per share, published on the CTSE Announcements by 10h00	Friday, 23 June
Last day to trade in order to participate in the election to receive shares in terms of the re-investment option or to receive a cash dividend ("LDT")	Tuesday, 4 July
Shares trade ex-dividend	Wednesday, 5 July
Last day to elect to receive shares in terms of the re-investment option or to receive a cash dividend (no late forms of election will be accepted) at 10h00	Thursday, 6 July
The record date for the election to receive shares in terms of the re-investment option or to receive cash dividend ("record date")	Friday, 7 July
Listing of the maximum number of shares under the re-investment option	Monday, 10 July
Announcement of results of cash dividend and re-investment option released on CTSE Announcements	Wednesday, 12 July
Dematerialised Shareholder's CSDP or broker accounts credited with the cash dividend payment	Friday, 14 July
Dematerialised Shareholder's CSDP or broker accounts credited with the new shares	Tuesday, 18 July
Adjustment to the number of shares listed on or about	Wednesday, 19 July

NOTES

- Shareholders electing to the re-investment option are alerted to the fact that the new shares will be listed on LDT + 3 days and that these new shares can only be traded on LDT + 3, due to the fact that settlement of the shares will be three days after the record date, which differs from the normal one-day settlement process
- Shares may not be dematerialised or rematerialised between Wednesday, 5 July 2023 and Friday, 7 July 2023, both days inclusive.
- The above dates and times are subject to change and Shareholders will be advised.

3. TAX IMPLICATIONS

- 3.1 Runway is listed on the Cape Town Stock Exchange (CTSE) as a REIT in line with the REIT structure as provided for in the Income Tax Act, No. 58 of 1962, as amended (the "Income Tax Act") and Chapter 17 of the CTSE Listings Requirements.
- 3.2 The REIT status is a tax regime that allows a REIT to deduct qualifying distributions paid to investors, in determining its taxable income.
- 3.3 The cash dividend of 87.14 cents per share meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act ("qualifying distribution") with the result that qualifying distributions received or accrued to a shareholder must be included in the gross income of such shareholders and will not be exempt from income tax (in terms of the exclusion to the general dividend exemption, contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because such qualifying distributions are distributed by a REIT. These qualifying distributions are, however, exempt from dividends withholding tax in the hands of shareholders, provided that such shareholders provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:
- a declaration that the dividend is exempt from dividends tax; and
 - a written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner,
- both in the form prescribed by the Commissioner for the South African Revenue Service ("SARS"). Shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted prior to the payment of the dividend if such documents have not already been submitted.
- 3.4 Shareholders are advised that in electing to participate in the re-investment option, pre-taxation funds are utilised for the purposes and that taxation will be due on the total cash dividend amount of 69.71 cents per share.

4 OTHER INFORMATION

- 4.1 The issued ordinary share capital of Runway is 47 995 092 ordinary shares of no par value before any election to re-invest the cash dividend.
- 4.2 Income Tax Reference Number of Runway: 9596/960/18/8
- 4.3 This cash dividend or the re-investment option may have tax implications for resident shareholders. Shareholders are therefore encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

Fractions

- 4.4 Trading in the Strate environment does not permit fractions and fractional entitlements. Accordingly, where a shareholder's entitlement to the shares in relation to the re-investment option calculated in accordance with the formula mentioned in paragraph 2 of this announcement gives rise to an entitlement to a fraction of a new share, such fraction will be rounded down to the nearest whole number with the cash balance of the dividend being retained by the Shareholders.

BY ORDER OF THE BOARD OF DIRECTORS OF RUNWAY

ISSUER AGENT

Juba Statutory Services Proprietary Limited

COMPANY SECRETARY

Juba Statutory Services Proprietary Limited

Reg No. 2010/006409/07

13 June 2023