

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 11 of this Circular apply *mutatis mutandis* throughout this Circular.

Action required

If you have disposed of all of your Transcend Shares, then this Circular, together with the attached notice of Scheme Meeting, Form of Proxy (*blue*) and Form of Surrender (*Pink*) should be forwarded to the purchaser to whom, or the Broker, agent, CSDP or banker through whom, you disposed of your Shares.

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

Beneficial Shareholders who hold Dematerialised Shares through a CSDP or broker but who have not elected own name registration who wish to attend the Scheme Meeting must request their CSDP or broker to provide them with the necessary letter of representation to attend the Scheme Meeting or must instruct their CSDP or broker to vote on their behalf in terms of their agreement with their CSDP or broker.

Shareholders are referred to page 7 of this Circular, which sets out the detailed action required of them in respect of the transaction set out in this Circular.

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.

Neither Transcend nor the Offeror accepts any responsibility, or will be held liable, for any action of, or omission by, any CSDP or Broker of a Dematerialised Shareholder to notify such Shareholder of the transaction set out in this Circular, including the Scheme Meeting, or to take any action on behalf of such Shareholder.



Residential Property Fund

Transcend Residential Property Fund Limited

Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2016/277183/06)
Share code: TPF ISIN: ZAE000227765
("Transcend" or "the Company")



Emira Property Fund Limited

Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2014/130842/06)
JSE share code: EMI ISIN: ZAE000203063
JSE bond company code: EMII
("Emira" or "the Offeror")

COMBINED CIRCULAR TO TRANSCEND SHAREHOLDERS

relating to:

- a scheme of arrangement in terms of sections 114(1)(c) and 115 of the Companies Act proposed by the Transcend Board between Transcend and Transcend Shareholders which, if successfully implemented, will result in the Offeror acquiring all of the Transcend Shares held by Scheme Participants, for a consideration of R6.30 per Transcend Share;
- the subsequent delisting of all Transcend Shares from the Main Board of the JSE pursuant to the Scheme becoming operative;

and incorporating:

- a report prepared by the Independent Expert in terms of sections 114(2) and 114(3) of the Companies Act (read with regulation 90 of the Companies Regulations);
- a notice convening the Scheme Meeting;
- a Form of Proxy (*blue*) for use by Certificated Shareholders and Dematerialised Shareholders with own-name registration only;
- a Form of Surrender (*pink*) for use by Certificated Shareholders only.

Corporate Advisor and Transaction Sponsor



Independent Expert



Date of issue: Friday, 1 September 2023

This Circular is available in English only. Copies of this Circular may, by prior arrangement, be obtained from the registered offices of the Company and the offices of the Corporate Advisor and Transaction Sponsor (the addresses of which appear in the "Corporate Information and Advisors" section of this Circular) between 09:00 and 16:30 from the date of issue of this Circular to the date on which the Scheme Meeting is held. The Circular will also be available on Transcend's website (www.transcendproperty.co.za) from the date of issue of this Circular.

CORPORATE INFORMATION

TRANSCEND

Directors

Executive

M Kritzinger (*Chief Executive Officer*)

NI Watchorn (*Chief Financial Officer*)

Non-executive

GM Jennett (*Chairman*)

GS Booyens

RN Wesselo

Independent non-executive

MS Aitken (*Lead Independent Non-Executive Director*)

TL Makofane

SD Stewart

Corporate Advisor and Transaction Sponsor

Questco Proprietary Limited

(Registration number 2002/005616/07)

Ground Floor, Block C

Investment Place, 10th Road

Hyde Park, 2196

(Postal address same as physical address)

Transfer secretaries

JSE Investor Services Proprietary Limited

(Registration number 2000/007239/07)

One Exchange Square, 2 Gwen Lane

Sandown

Sandton, 2196

(PO Box 4844, Johannesburg, 2000)

EMIRA

Directors

Executive

GM Jennett (*Chief Executive Officer*)

GS Booyens (*Chief Financial Officer*)

U Van Biljon (*Chief Operating Officer*)

Non-Executive

J Templeton

Independent Non-Executive

G Van Zyl (*Chairman*)

V Mahlangu

J Nyker

D Thomas

V Nkonyeni

W McCurrie

B Moroole

Registered Office

Transcend Residential Property Fund Limited

54 Peter Place, Block C, Cardiff House

Peter Place Office Park

Bryanston

Johannesburg, 2191

(PO Box 1686, Randburg, 2125)

Website: www.transcendproperty.co.za

Date of incorporation: 8 July 2016

Place of Incorporation: Republic of South Africa

Company Secretary

Corpstat Governance Services Proprietary Limited
(Registration Number 2004/001556/07)

Bryanston Gate Office Park

Block 4, First Floor

Homestead Avenue

Bryanston

Johannesburg, 2191

(PO Box 724, Melville, 2109)

Independent Expert

Valeo Capital Proprietary Limited

(Registration number 2021/834806/07)

Unit 12, Paardevlei

Specialist Centre

Somerset West, 7130

(Postal address same as physical address)

Company Secretary and registered office

Acorim Proprietary Limited

(Registration number 2013/087325/07)

1st Floor, Block A, Knightsbridge

33 Sloane Street, Bryanston, 2191

(PO Box 69104, Bryanston, 2021)

Place of incorporation: Pretoria, South Africa

Date of incorporation: 1 July 2015

Transaction Sponsor

Questco Corporate Advisory Proprietary Limited
(Registration number 2011/106751/07)

Ground Floor, Block C

Investment Place, 10th Road

Hyde Park, 2196

(Postal address same as physical address)

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IMPORTANT LEGAL NOTICES

The definitions and interpretations commencing on page 11 of this Circular have, where applicable, been used in this section.

FOREIGN SHAREHOLDERS

This Circular has been prepared for the purposes of complying with the JSE Listings Requirements, the Companies Act and the Companies Regulations and is published in terms thereof and the information disclosed may not be the same as that which would have been disclosed if this Circular had been prepared in accordance with the laws and regulations of any jurisdiction outside of South Africa. The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than South Africa should inform themselves about and observe any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

This Circular is not intended to and does not constitute or form part of an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction other than South Africa. This Circular does not constitute a prospectus or a prospectus-equivalent document. Shareholders are advised to read this Circular, which contains the full terms and conditions of the Scheme, with care.

The Scheme, which is the subject of this Circular, may be affected by the laws of the relevant jurisdictions of Non-Resident Shareholders. Such Non-Resident Shareholders should familiarise themselves with and observe any applicable legal requirements of such jurisdictions. It is the responsibility of any Non-Resident Shareholder to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Scheme, which is the subject of this Circular, including the obtaining of any governmental, exchange control or other consents or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any issue, transfer or other taxes or other requisite payments due to such jurisdiction.

Any Shareholder who is in doubt as to its position, including, without limitation, tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

Any decision to approve or disapprove of the Scheme or to respond to the proposals set out herein should be made only on the basis of the information in this Circular.

FORWARD-LOOKING STATEMENTS

This Circular contains statements about Transcend that are, or may be, forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditures, acquisition strategy, expansion prospects or future capital expenditure levels and other economic factors, such as, *inter alia*, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Transcend cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Transcend operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions regarding Transcend, as made by Transcend, and although Transcend believes them to be reasonable, they are inherently uncertain.

Such estimates, assumptions or statements may not materialise. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to Transcend or not currently considered material by Transcend.

Transcend Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Transcend not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Transcend has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

Any forward-looking statement has not been reviewed nor reported on by the external auditors.

DISCLAIMER

The contents of this Circular do not purport to constitute legal advice or deal with the regulatory and tax implications of the Scheme for each Transcend Shareholder comprehensively. Transcend Shareholders are accordingly advised to consult their professional advisers about their personal legal, regulatory and tax positions regarding the Scheme.

Shareholders should take note that the TRP does not consider the commercial advantages or disadvantages of affected transactions when it approves such transactions.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 11 of this Circular apply *mutatis mutandis* to these salient dates and times.

2023

Record date for Shareholders to be recorded in the Register in order to be entitled to receive the Circular	Friday, 25 August
Circular together with the accompanying Notice, Form of Proxy and Form of Surrender distributed to Transcend Shareholders	Friday, 1 September
Announcement relating to the distribution of the Circular to Shareholders and Notice released on SENS	Friday, 1 September
Announcement relating to the distribution of the Circular to Shareholders and Notice published in the press	Monday, 4 September
Last day to trade in Transcend Shares on the JSE in order to be recorded in the register to vote at the Scheme Meeting on	Tuesday, 19 September
Voting Record Date to be eligible to vote at the Scheme Meeting	Friday, 22 September
Last date and time to lodge Forms of Proxy (<i>blue</i>) in respect of the Scheme Meeting with the Transfer Secretaries by 10:00 on (alternatively, the Form of Proxy (<i>blue</i>) may be handed to the chairperson of the Scheme Meeting at any time)	Thursday, 28 September
Last date for Shareholders to give Notice of Objection to the Scheme Resolution in terms of section 164(3) of the Companies Act by no later than 10:00 on	Monday, 2 October
Scheme Meeting to be held at 10:00 on	Monday, 2 October
Results of Scheme Meeting published on SENS	Monday, 2 October
Results of Scheme Meeting published in the Press on or about	Tuesday, 3 October

If the Scheme Resolution is approved at the Scheme Meeting by Scheme Members with sufficient voting rights:

Last day for Shareholders who voted against the Scheme Resolution to require the Company to seek Court approval for the Scheme in terms of section 115(3)(a) of the Companies Act (if at least 15% of the total votes of Shareholders at the Scheme Meeting were exercised against the Scheme), on	Monday, 9 October
Last day on which Shareholders who voted against the Scheme Resolution can make application to Court in terms of section 115(3)(b) of the Companies Act (if at least 15% of the total votes of Shareholders at the Scheme Meeting were exercised against the Scheme), on	Monday, 16 October
Last date for the Company to give Notice of Adoption in terms of section 164(4) of the Companies Act on	Monday, 16 October
Last date for Dissenting Shareholders, by reason of adoption of the Scheme Resolution, to make Valid Appraisal Demands in terms of section 164(7) of the Companies Act	20 Business Days after Notice of Adoption issued

The following dates assume that no Court approval or review of the Scheme in terms of section 115(3) of the Companies Act is required and that all the Scheme Conditions Precedent (save for the Scheme Condition Precedent in respect of receipt of unconditional approval from the TRP in terms of a compliance certificate or exemption to be issued in terms of the Companies Act in relation to the Scheme) are fulfilled or, where applicable, waived and will be confirmed in the finalisation announcement if the Scheme becomes unconditional:

Expected date on which the Scheme is declared wholly unconditional and TRP clearance certificate received	Wednesday, 18 October
Finalisation announcement in respect of the Scheme expected to be published on SENS by 11:00 on	Tuesday, 31 October
Finalisation announcement in respect of the clean-out distribution expected to be released on SENS by 11:00 on	Tuesday, 31 October
Expected Scheme LDT to be recorded in the Register on the Scheme Record Date on	Tuesday, 7 November
Expected LDT to be recorded in the Register on the Clean-out Distribution Record Date to receive the Clean-out Distribution on	Tuesday, 7 November
Expected date of suspension of listing of Shares on the JSE on	Wednesday, 8 November
Scheme Record Date to receive settlement of the Scheme Consideration in terms of the Scheme on	Friday, 10 November
Expected Clean-out Distribution Record Date on	Friday, 10 November
Expected Scheme Implementation Date on	Monday, 13 November
Dematerialised Scheme Participants expected to have their accounts held at their Broker or CSDP debited with the Scheme Consideration (Discharge Date) on	Monday, 13 November
Expected date of settlement of the Scheme Consideration (Discharge Date) to be paid electronically to certificated Scheme Participants on	Monday, 13 November
Expected date for the Clean-out Distribution to be paid to Transcend Shareholders recorded in the Register on the Clean-out Distribution Record Date on	Monday, 13 November
Expected date of the termination of listing of the Shares on the JSE at the commencement of trade on	Tuesday, 14 November

Notes:

- All dates and times in respect of the Scheme are subject to change with the approval of the JSE and/or the TRP to the extent required. The dates have been determined based on certain assumptions regarding the dates by which certain regulatory approvals including, but not limited to, that of the JSE and TRP, will be obtained and that no Court approval or review of the Scheme will be required. Any change of the dates will be released on SENS.
- Shareholders are referred to paragraph 5.6 of the Circular (which contains a summary of Dissenting Shareholders' Appraisal Rights) regarding timing considerations relating to the Appraisal Rights afforded to Shareholders.
- 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 trade. Therefore, persons who acquire Transcend Shares after the Voting LDT (i.e., Tuesday, 19 September 2023) will not be eligible to vote at the Scheme Meeting but will, provided the Scheme is approved and they acquire the Transcend Shares on or prior to the Scheme LDT (expected to be Tuesday, 7 November 2023), participate in the Scheme.
- For administrative purposes, Shareholders are requested to submit a Form of Proxy (*blue*) to the Transfer Secretaries before 10:00 on Thursday, 28 September 2023. A Form of Proxy (*blue*) not lodged with the Transfer Secretaries may be handed to the Chairperson of the Scheme Meeting at any time before the appointed proxy exercises any of the relevant Shareholder's rights at the Scheme Meeting (or any adjournment of the Scheme Meeting). Dematerialised Shareholders who are not Own-name Dematerialised Shareholders but who wish to attend the Scheme Meeting or appoint a proxy to represent them at the Scheme Meeting should instruct their CSDPs or Brokers to issue them with the necessary letters of representation to attend the Scheme Meeting in the manner stipulated in their Custody Agreement.
- If the Scheme Meeting is adjourned or postponed, Forms of Proxy (*blue*) submitted for the initial Scheme Meeting will remain valid in respect of any adjournment or postponement of the Scheme Meeting.
- Certificated Shareholders are required to have completed the attached Form of Surrender (*pink*) in accordance with its instructions and returned it, together with the relevant Documents of Title, to the Transfer Secretaries, to be received by no later than the designated time and date set out in paragraph 3.2 of the "Action Required by Shareholders in respect of the Scheme" section below.
- All times given in this Circular are local times in South Africa.
- If the Scheme becomes operative, share certificates may not be Dematerialised and Dematerialised Shares may not be rematerialised (i.e., converted into physical Documents of Title) after the Scheme LDT.

ACTION REQUIRED BY SHAREHOLDERS IN RESPECT OF THE SCHEME

The definitions and interpretations commencing on page 11 of this Circular shall apply *mutatis mutandis* to this section.

If you have disposed of all your Shares, then this Circular, together with the attached Notice, Form of Proxy (*blue*) and Form of Surrender (*pink*), should be handed to the purchaser of such Shares or to the Broker, CSDP, banker or other agent through whom the disposal was effected.

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

Neither Transcend nor the Offeror accepts any responsibility, or will be held liable, for any action of, or omission by, any CSDP or Broker of a Dematerialised Shareholder to notify a Shareholder of the transaction set out in this Circular, including the Scheme Meeting, or to take any action on behalf of such Shareholder.

The Scheme Meeting will be held at 10:00 on Monday, 2 October 2023 at the registered offices of Transcend (54 Peter Place, Block C, Cardiff House, Peter Place Office Park, Bryanston, Johannesburg, 2191) for the purpose of considering and, if deemed fit, passing, with or without modification, the resolution to approve and implement the Scheme in terms of section 114(1)(c) of the Companies Act (read with section 115 of the Companies Act). A notice of Scheme Meeting is attached to and forms part of this Circular.

1. DEMATERIALISED SHAREHOLDERS WHO DO NOT HAVE OWN-NAME REGISTRATION

1.1 Voting at the Scheme Meeting

If you (or the relevant holder of voting rights as contemplated in section 57(1) of the Companies Act) wish to attend the Scheme Meeting, you (or the relevant holder of voting rights) should instruct your CSDP or Broker to issue you (or the relevant holder of voting rights) with the necessary letter of representation to attend the Scheme Meeting in person, in the manner stipulated in the Custody Agreement. 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.

You will not be permitted to attend, participate in or vote at the Scheme Meeting, nor appoint a proxy to represent you at the Scheme Meeting, without the necessary letter of representation being issued to you.

If you (or the relevant holder of voting rights) do not wish to, or are unable to, attend the Scheme Meeting, but wish to vote at the Scheme Meeting, you (or the relevant holder of voting rights) should provide the CSDP or Broker with your voting instructions in the manner stipulated in the Custody Agreement. 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.

If your CSDP or Broker does not obtain instructions from you, your CSDP or Broker will be obliged to act in accordance with the instructions contained in the Custody Agreement concluded between you and your CSDP or Broker.

If you have not been contacted, it would be advisable for you to contact your CSDP or Broker immediately and furnish your CSDP or Broker with your instructions.

You must **not** complete the attached Form of Proxy (*blue*).

Transcend does not accept responsibility and will not be held liable for any failure on the part of the CSDP of a Dematerialised Shareholder to notify such Shareholder of the Scheme Meeting or any business to be conducted thereat.

1.2 Surrender of Documents of Title

You do not have to surrender any Documents of Title. The transfer of the Scheme Shares will be handled by your CSDP or Broker.

2. DEMATERIALISED SHAREHOLDERS WHO HAVE OWN-NAME REGISTRATION

2.1 Voting at the Scheme Meeting

You may attend and vote at the Scheme Meeting.

Own Name Dematerialised Shareholders who are unable to attend the Scheme Meeting but who wish to be represented thereat are requested to complete and return the attached Form of Proxy (*blue*) in accordance with the instructions contained therein. The duly completed Forms of Proxy are requested to be received by the Transfer Secretaries by no later than 10:00 on Thursday, 28 September 2023. Forms of Proxy not lodged with the Transfer Secretaries in time may be handed to the chairperson of the Scheme Meeting immediately before the commencement thereof.

2.2 Surrender of Documents of Title

You do not have to surrender any Documents of Title. The transfer of the Scheme Shares will be handled by your CSDP or Broker.

3. CERTIFICATED SHAREHOLDERS

3.1 Voting at the Scheme Meeting

You may attend and vote at the Scheme Meeting.

Certificated Shareholders who are unable to attend the Scheme Meeting but who wish to be represented thereat are requested to complete and return the attached Form of Proxy (*blue*) in accordance with the instructions contained therein. The duly completed Forms of Proxy are requested to be received by the Transfer Secretaries by no later than 10:00 on Thursday, 28 September 2023. Forms of Proxy not lodged with the Transfer Secretaries in time may be handed to the chairperson of the Scheme Meeting immediately before the commencement thereof.

3.2 Surrender of Documents of Title

Certificated Shareholders will, subject to the Scheme becoming operative and being implemented, only be entitled to receive the Scheme Consideration in respect of their Shares once they have surrendered their Documents of Title.

In order to surrender your Documents of Title, you must complete the attached Form of Surrender (*pink*) in accordance with the instructions contained therein and return it, together with your Documents of Title, to the Transfer Secretaries, JSE Investor Services (One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196) to be received by them by no later than 12:00 on the Scheme Record Date.

You may surrender your Documents of Title in anticipation of the Scheme being implemented. No receipts or proof of receipt will be issued unless specifically requested. Documents of Title surrendered in anticipation of the Scheme being implemented will be held in trust by the Transfer Secretaries, at the relevant Shareholder's risk, pending the implementation of the Scheme.

Your attention is drawn to the fact that, if you surrender your Documents of Title in advance, you will be unable to dematerialise and/or trade in those Shares on the JSE from the date of surrender. However, your right to attend and vote at the Scheme Meeting will remain unaffected.

The Form of Surrender (*pink*) should be retained as no further copies will be circulated. Additional copies may be requested from the Transfer Secretaries.

If Documents of Title relating to any Shares to be surrendered are lost or destroyed, Transcend may dispense with the surrender of such Documents of Title upon production of evidence satisfactory to Transcend that the Documents of Title in question have been lost or destroyed, and upon provision of a suitable indemnity on terms satisfactory to the Company. Accordingly, if the Documents of Title in respect of any of your Shares have been lost or destroyed, you should nevertheless return the attached Form of Surrender (*pink*), duly signed and completed, together with a duly signed and completed indemnity form which is obtainable from the Transfer Secretaries.

Where, on or subsequent to the Scheme Implementation Date, a person who was not a registered holder of Certificated Shares on the Scheme Record Date tenders to the Transfer Secretaries documents of title together with a duly stamped Form of Surrender (*pink*) purporting to have been

executed on or before the Scheme Record Date by or on behalf of the then registered holder of such Shares, and provided that the Scheme Consideration will not already have been posted or delivered to the registered holder of the relevant Scheme Shares, then such transfer shall be accepted by Transcend as if it were a valid transfer to such person of the Shares concerned. The Scheme Consideration will be settled to such person in accordance with the provisions of paragraph 6.4 below, subject to proof satisfactory to the Transfer Secretaries as to the payment of any duty or tax payable, and provided that Transcend is given an indemnity on terms acceptable to it in respect of the Scheme Consideration, if so required by it.

Should you surrender your Documents of Title in anticipation of the Scheme becoming operative and the Scheme then does not become operative the transfer secretaries shall return the Documents of Title to you, by registered post, at your own risk.

4. ADDITIONAL INFORMATION

4.1 Electronic participation at the Scheme Meeting

The Company has made provision for Shareholders or their proxies to participate electronically in the Scheme Meeting by way of video conferencing, via the remote interactive electronic platform, Microsoft Teams. Should you wish to participate in the Scheme Meeting via the video conferencing facility, you, or your proxy, should advise the Company thereof by no later than 10:00 on Thursday, 28 September 2023, by e-mail to the Company Secretary at ballardyce@corpstat.co.za, the relevant contact details, including an e-mail address, cellular number and/or landline number as well as full details of your title to Transcend Shares and proof of identity, in the form of copies of identity documents and Share certificates (in the case of Certificated Shares) or written confirmation from your CSDP confirming your title to the Dematerialised Shares (in the case of Dematerialised Shares). Upon receipt of the required information, you will be provided with a secure link and instructions to access the video conferencing facility during the Scheme Meeting. Any Shareholder experiencing difficulties in accessing the Scheme Meeting via the video conferencing facility should contact the Company Secretary telephonically at the telephone number provided to such Shareholder together with the secure link and instructions to access the video conferencing facility during the Scheme Meeting. Shareholders should note that access to the video conferencing facility will be at the expense of the shareholders who wish to utilise the facility.

Shareholders and their appointed proxies attending via the video conferencing facility will not be able to cast their votes at the Scheme Meeting through this medium. Accordingly, Shareholders making use of the electronic participation facility are requested to submit their Forms of Proxy (*blue*) to the Company, as directed.

4.2 Voting procedure and quorum for the Scheme Meeting

The quorum requirement for the Scheme Meeting to begin or for a matter to be considered at the Scheme 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. In addition:

- the Scheme Meeting may not begin until sufficient persons are present in person or represented by proxy 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 Scheme Meeting; and
- a matter to be decided at the Scheme Meeting may not begin to be considered unless sufficient persons are present in person or represented by proxy 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.

Every Shareholder present in person or represented by proxy and entitled to exercise voting rights at the Scheme Meeting shall be entitled to vote on a show of hands, irrespective of the number of voting rights that Shareholder would otherwise be entitled to exercise. On a poll, a Shareholder who is present in person or represented by proxy shall be entitled to one vote in respect of each Share they hold. No objection shall be raised to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.

4.3 Court approval

Transcend Shareholders are advised that, in terms of section 115(3) of the Companies Act, Transcend may, in certain circumstances, not proceed to implement the special resolution required to approve the Scheme despite the fact that it has been adopted at the Scheme Meeting without the approval of the Court.

A copy of section 115 of the Companies Act pertaining to the required approval for the Scheme is set out in **Appendix A** of **Annexure 1** to this Circular.

4.4 Dissenting shareholders appraisal rights

At any time before the Scheme Resolution is to be voted on at the Scheme Meeting, a Shareholder may give Transcend written notice objecting to the Scheme Resolution.

Within 10 Business Days after Transcend has adopted the Scheme Resolution, Transcend must send a notice that the Scheme Resolution has been adopted to each Shareholder who gave Transcend written notice of objection and has neither withdrawn that notice nor voted in favour of the Scheme Resolution.

A Shareholder who has given Transcend written notice in terms of section 164 of the Companies Act objecting to the Scheme Resolution and has complied with all of the procedural requirements set out in section 164 of the Companies Act may, if the Scheme Resolution has been adopted, make a demand in writing within:

- 20 Business Days after receipt of the notice referred to above: or
- if the Shareholder does not receive the notice from Transcend referred to above, 20 Business Days after learning that the Scheme Resolution has been adopted, demanding that Transcend pay the Shareholder the fair value (in terms of and subject to the requirements set out in section 164 of the Companies Act) for all the Shares held by that Shareholder.

If a Shareholder exercises their appraisal rights in terms of section 164 of the Companies Act, such Shareholder will have no further rights in respect of those Shares other than to be paid their fair value.

If a Shareholder has exercised their appraisal rights as set out above, but has subsequently withdrawn their demand in terms of section 164(9) of the Companies Act, such Shareholder's rights in respect of his Shares will be reinstated and he will participate in the implementation of the Scheme as a Scheme Participant and will receive the Scheme Consideration as set out in paragraph 6.4 of the Circular provided that such Shareholder has either surrendered their Documents of Title or provided their instructions to the CSDP or broker, as the case may be, as set out above.

A copy of section 164 of the Companies Act pertaining to the Dissenting Shareholders' appraisal rights is set out in **Appendix B** to **Annexure 1** of this Circular.

4.5 Dematerialisation

If you wish to dematerialise your Transcend Shares, please contact your CSDP or broker. Transcend Shareholders are advised that no dematerialisation or rematerialisation of Transcend Shares may take place after the Scheme LDT, which is expected to be Tuesday, 7 November 2023.

4.6 Non-Resident Shareholders

Non-Resident Shareholders must satisfy themselves as to the full observance of any applicable laws concerning the receipt of the Scheme Consideration, including, without limitation, obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such jurisdiction. Non-Resident Shareholders who are in any doubt as to their positions should consult their professional advisors immediately.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context otherwise indicates, 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 hereunder have the meaning stated opposite them in the second column, as follows:

"AltX"	means the Alternative Exchange operated by the JSE;
"Appraisal Demand"	a written demand made by a Shareholder to the Company in terms of section 164(5) of the Companies Act, in terms of which a Shareholder demands that Transcend pays such Shareholder the fair value for all the Shares which such Shareholder holds;
"Appraisal Rights"	the rights afforded to Transcend Shareholders under section 164 of the Companies Act, as set out in Appendix A of Annexure 1 to this Circular;
"Authorised Dealer"	a person authorised by the Financial Surveillance Department of the SARB to deal in foreign exchange, as contemplated by the Exchange Control Regulations;
"Board", "Transcend Board" or "Directors"	the board of directors of Transcend for the time being and from time to time, which, as at the Last Practicable Date, comprise those persons identified as directors in the " <i>Corporate Information and Advisors</i> " section of this Circular;
"Broker"	any person registered as a " <i>broking member (equities)</i> " in terms of the rules of the JSE, made in accordance with the provisions of the Financial Markets Act, including any nominee of such person;
"Business Day(s)"	any day other than a Saturday, Sunday or an official public holiday in South Africa;
"Certificated Shareholder"	a holder of Certificated Shares;
"Certificated Shares"	Shares which are not Dematerialised, title to which is represented by Documents of Title;
"Circular"	this entire bound document dated Friday, 1 September 2023, including the annexures hereto, the Notice, Form of Proxy (<i>blue</i>), the Form of Surrender (<i>pink</i>) and the Electronic Participation Form;
"Clean-out Distribution"	the cash distribution to be declared by the Board as detailed in paragraph 10 of this Circular;
"Clean-out Distribution Record Date"	the record date for participation in the Clean-out Distribution, which record date is expected to be Friday, 10 November 2023 and will also be the Scheme Record Date;
"Common Monetary Area"	South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of eSwatini;
"Companies Act"	the Companies Act, No. 71 of 2008, as amended;
"Companies Regulations"	the Companies Regulations, 2011, promulgated in terms of section 223 of the Companies Act and Item 14 of Schedule 5 to the Companies Act under GN R351 in GG 34239 of 26 April 2011;
"Company" or "Transcend"	Transcend Residential Property Fund Limited (Registration number 2016/277183/06), a public company incorporated in accordance with the laws of South Africa, the Shares of which are listed on the Main Board of the JSE;

“Corporate Advisor” or “Transaction Sponsor”	Questco Proprietary Limited (registration number 2002/005616/07), a private company incorporated in accordance with the laws of South Africa, acting as the Corporate Advisor and Transaction Sponsor to Transcend on the Scheme, further details of which are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“Court”	any South African court with competent jurisdiction to approve the implementation of the Scheme Resolution set out in the Notice pursuant to section 115 of the Companies Act and/or to review the Scheme Resolution and/or to determine the fair value of the Shares and/or to make an order pursuant to section 164(14) of the Companies Act;
“CSDP”	a Central Securities Depository Participant, accepted as a “ <i>participant</i> ” in terms of the Financial Markets Act, including any nominee of such participant, appointed by an individual Shareholder for the purposes of, and in regard to, the Dematerialisation of Documents of Title for purposes of incorporation into Strate;
“Custody Agreement”	the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker governing their relationship in respect of Dematerialised Shares held by the CSDP or Broker on behalf of the Dematerialised Shareholder;
“Delisting”	the termination of the listing of all the Transcend Shares on the JSE;
“Dematerialise” or “Dematerialisation”	the process whereby Certificated Shares are replaced by electronic records of ownership under Strate, as contemplated in the Financial Markets Act, and recorded in the sub-register of Shareholders maintained by a CSDP or Broker;
“Dematerialised Shareholder”	a holder of Dematerialised Shares;
“Dematerialised Shares”	Shares which have been Dematerialised and which are no longer evidenced by physical Documents of Title, but the evidence of ownership of which is determined electronically and recorded in a sub-register maintained by a CSDP;
“Director” or “Transcend Director”	a director of Transcend as defined by the Companies Act;
“Discharge Date”	the date of discharge of the Scheme Consideration, which: (i) for Dematerialised Shareholders will be the Scheme Implementation Date; and (ii) for Certificated Shareholders will be the later of: (a) the Scheme Implementation Date; and (b) within six Business Days after the date of receipt of the Form of Surrender (<i>pink</i>) together with the relevant Documents of Title or indemnity, as applicable;
“Dissenting Shareholder(s)”	the Shareholders who: (i) validly exercise Appraisal Rights (if any) in relation to the Scheme by giving written notice to Transcend objecting to the Scheme Resolution, voting against the Scheme Resolution and making a demand, in accordance with sections 164(5), 164(7) and 164(8) of the Companies Act, that Transcend pay to them the fair value of their Shares; and (ii) have not withdrawn that demand or allowed an offer by Transcend to lapse as contemplated in sections 164(9)(a) or (b), or section 164(15)(c)(v)(aa) of the Companies Act;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts and/or any other form of acceptable documents of title to Transcend in respect of Shares;
“EFT”	electronic funds transfer;

“Emira” or “the Offeror”	Emira Property Fund Limited (Registration number 2014/130842/06), a public company incorporated in accordance with the laws of South Africa and the shares of which are listed on the Main Board of the JSE;
“Emira Directors” or “Emira Board of Directors” or “Emira Board”	the board of directors of Emira;
“Encumber” and “Encumbrance”	includes: (i) any pledge, charge, hypothecation, lien, subordination, mortgage, option over, right of retention, right of first refusal, right of set-off, third party right or interest, assignment in security, title extension, trust arrangement, cession in security, security interest of any kind or any other encumbrance whatsoever, or any form of hedging or over Transcend Shares, or lending Transcend Shares; or (ii) any other type of preferential transaction or agreement having, or which might have, the effect of Encumbering as contemplated in (i), whether or not subject to a condition precedent, and the words “Encumbered” and “Encumber” shall bear corresponding meanings;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, made in terms of section 9 of the Currency and Exchanges Act, 9 of 1933, as amended, and all directives and rulings issued thereunder;
“Excluded Dissenting Shareholders”	Dissenting Shareholders who accept an offer made to them by the Company in terms of section 164(11) of the Companies Act or, pursuant to an order of Court, tender their Transcend Shares to Transcend in terms of section 164(15)(v), read with section 164(13)(a), of the Companies Act;
“FICA”	the Financial Intelligence Centre Act, No. 38 of 2001, as amended;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“Firm Intention Announcement”	the joint announcement published by Transcend and the Offeror, detailing the terms of the Scheme, as published on SENS on Friday, 18 August 2023;
“Foreign Shareholder”	a Transcend Shareholder that is registered in a jurisdiction outside of South Africa, or who is resident, domiciled or located in, or who is a citizen of a jurisdiction other than South Africa;
“Form of Proxy (blue)”	the form of proxy (<i>blue</i>) attached to and forming part of this Circular to be completed by Certificated Shareholders and Own-Name Dematerialised Shareholders only;
“Form of Surrender (pink)”	the form of surrender, transfer and acceptance of Documents of Title (<i>pink</i>) attached to and forming part of this Circular for use only by Scheme Participants holding Certificated Shares;
“Income Tax Act”	the South African Income Tax Act, No. 58 of 1962, as amended;
“Independent Board”	those members of the Transcend Board who are independent non-executive Directors and have been appointed as required by the Companies Regulations as the independent board of Transcend, namely Michael Aitken, Tshepiso Makofane and Shaun Stewart, all of whom are independent, as contemplated in regulation 108(8) of the Companies Regulations;
“Independent Expert” or “Valeo Capital”	the independent expert appointed to provide a fair and reasonable opinion to the Independent Board in respect of the Scheme in terms of section 114(3) of the Companies Act and regulation 90 of the Companies Regulations, being Valeo Capital Proprietary Limited, a private company incorporated in accordance with the laws of South Africa, further details of which are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;

“Independent Expert’s Report”	the report to be prepared by the Independent Expert in accordance with section 114(3) of the Companies Act and regulation 90(6) of the Companies Regulations;
“Irrevocable Undertaking”	the irrevocable undertaking given by a Shareholder to vote in favour of the Scheme, as more fully described in paragraph 11 of this Circular;
“the JSE”	JSE Limited (registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, which is licensed as an exchange in terms of the Financial Markets Act;
“JSE Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“Last Practicable Date”	Wednesday, 23 August 2023 being the last practicable date prior to the finalisation of this Circular;
“LDT”	last day to trade;
“the MOI”	the memorandum of incorporation of the Company, as amended from time to time;
“the Notice”	the notice convening the Scheme Meeting, which is attached to and forms part of this Circular;
“Notice of Adoption”	a written notice given by the Company to a Shareholder in terms of section 164(4) of the Companies Act;
“Notice of Objection”	a written notice given by a Shareholder to the Company in terms of section 164(3) of the Companies Act;
“Own-Name Dematerialised Shareholders” or “Own-Name Registration”	Dematerialised Shareholders who have instructed their CSDP to hold their Shares in their own name on the sub-register of the Register;
“Rand” or “R” or “ZAR”	South African Rand, the official currency of South Africa;
“Register”	Transcend’s securities register maintained by the Transfer Secretaries in accordance with sections 50(1) and 50(3) of the Companies Act, including the relevant sub-registers and the register of disclosures of Transcend;
“REIT”	Real Estate Investment Trust, being an entity that receives REIT status in terms of the JSE Listings Requirements and qualifies as such in terms of the Income Tax Act;
“the Resolutions”	the resolutions detailed in the Notice, which include the Scheme Resolution;
“the SARB”	the South African Reserve Bank, established in terms of section 9 of the Currency and Banking Act, 31 of 1920, and currently governed by the South African Reserve Bank Act, 90 of 1989, as amended;
“SA REIT Association”	a representative umbrella body incorporating voluntary members of all local REITs, founded in 2013 following the introduction of the REIT structure in South Africa;
“the Scheme”	the scheme of arrangement in terms of section 114(1)(c) of the Companies Act, read with section 115 of the Companies Act, proposed by the Board between Transcend and the Shareholders pursuant to which the Offeror will, with effect from the Scheme Implementation Date, be deemed to acquire the Scheme Shares from Scheme Participants against payment by the Offeror of the Scheme Consideration, subject to the Dissenting Shareholders’ Appraisal Rights;
“the Scheme Conditions Precedent”	the conditions precedent to which the Scheme is subject, as set out in paragraph 5.2 of this Circular;

“the Scheme Consideration ”	the initial consideration payable to Scheme Participants for their Scheme Shares, being a cash consideration of R6.30 per Scheme Share, which consideration shall be settled on the Discharge Date;
“the Scheme Implementation Agreement ”	the written agreement entered into between the Offeror and Transcend on 17 August 2023, which written agreement regulates, <i>inter alia</i> , the conduct of the parties with respect to the Scheme and contains undertakings in relation thereto;
“the Scheme Implementation Date ”	the date on which the Scheme is to be implemented, being the first Business Day following the Scheme Record Date, which is expected to be Monday, 13 November 2023, subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular;
“the Scheme LDT ”	the last day to trade in Shares in order to be recorded on the Register on the Scheme Record Date, which date is expected to be Tuesday, 7 November 2023, subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular;
“the Scheme Longstop Date ”	Sunday, 31 December 2023, or such later date as the Independent Board and the Offeror may agree, any such change being published on SENS;
“the Scheme Meeting ”	the Scheme Meeting of Transcend Shareholders to be held at 10:00 on Monday, 2 October 2023 (or any postponed or adjourned meeting in accordance with the provisions of section 64 of the Companies Act and the MOI, as read with the JSE Listings Requirements) to be convened in connection with the Scheme for the purpose of considering and, if deemed fit, approving, with or without modification, the Resolutions;
“ Scheme Members ”	Transcend Shareholders recorded in the register on the Voting Record Date who are lawfully entitled to attend and vote at the Scheme Meeting;
“ Scheme Participants ”	Transcend Shareholders, who are registered as such in the Register on the Scheme Record Date, but excluding any Dissenting Transcend Shareholders who have not, whether voluntarily or pursuant to a final order of the Court, withdrawn their demands made in terms of sections 164(5) to 164(8) of the Companies Act before the Scheme Record Date, or allowed any offers made to them in terms of section 164(11) of the Companies Act to lapse before the Scheme Record Date, being persons who are entitled to receive the Scheme Consideration;
“the Scheme Record Date ”	the date on which Shareholders must be recorded in the Register in order to receive the Scheme Consideration, which date is expected to be Friday, 10 November 2023, subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular;
“the Scheme Resolution ”	the Special Resolution to be proposed at the Scheme Meeting in accordance with sections 114 and 115 of the Companies Act for the approval of the Scheme, the full terms of which are set out in the Notice;
“the Scheme Shares ”	all the issued Shares held by the Scheme Participants on the Scheme Record Date, being 52 215 466 Shares;
“ SENS ”	the Stock Exchange News Service of the JSE;
“ South Africa ”	the Republic of South Africa;
“ Special Resolution ”	a resolution adopted with the support of at least 75% of the voting rights exercised on the resolution;

“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa, and a licensed Central Securities Depository in terms of the Financial Markets Act;
“Subsidiary”	a subsidiary as defined by the Companies Act;
“Transcend Shareholders” or “Shareholders”	the registered holders of Transcend Shares as reflected in the Register;
“Transcend Shares” or “Shares”	issued ordinary shares of no-par value in the share capital of the Company;
“Transfer Secretaries” or “JSE Investor Services”	JSE Investor Services Proprietary Limited (registration number 2000/007239/07), a private company incorporated in accordance with the laws of South Africa, further details of which are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“TRP”	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
“Valid Appraisal Demand(s)”	appraisal right demands that comply with section 164(5) of the Companies Act, made by Dissenting Shareholders within the time period in section 164(7) of the Companies Act and which otherwise complies with section 164 of the Companies Act;
“Voting LDT”	last day to trade in Shares in order to be recorded on the Register on the Voting Record Date, which date is expected to be Tuesday, 19 September 2023, subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular;
“Voting Record Date”	the date on, and time which, a Shareholder must be recorded in the Register in order to be eligible to vote at the Scheme Meeting, which is expected to be Friday, 22 September 2023 subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular; and
“VWAP”	volume weighted average price.



TRANSCEND

Residential Property Fund

Transcend Residential Property Fund Limited

Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2016/277183/06)
Share code: TPF ISIN: ZAE000227765
("Transcend" or the "Company")

CIRCULAR TO TRANSCEND SHAREHOLDERS

1. INTRODUCTION AND BACKGROUND

- 1.1 In the Firm Intention Announcement released on SENS on Friday, 18 August 2023 Transcend Shareholders were advised that Transcend and Emira had entered into the Scheme Implementation Agreement in terms of which it was agreed that Transcend would propose a scheme of arrangement between the Company and its Shareholders in terms of 114(1)(c) of the Companies Act (read with section 115 of the Companies Act) which, if implemented, would result in Emira acquiring all of the Shares it does not already own for a consideration of R6.30 per share. Implementation of the Scheme will result in the delisting of Transcend's Shares from the JSE on or about Tuesday, 14 November 2023. The Scheme Consideration represents a 1.08% discount to the 30-day VWAP as at the Last Practicable Date.
- 1.2 The Scheme is subject to the fulfilment or waiver (as the case may be) of the Scheme Conditions Precedent. For the Scheme to be implemented, at least 75% of the votes cast by Transcend Shareholders in respect of the Scheme need to be in favour of the Scheme. The Offeror, which holds 68.15% of the Transcend Shares in issue, will not be entitled to vote on the Scheme Resolution. The Scheme Resolution will accordingly be voted on by the holders of the remaining 31.85% of Transcend Shares in issue.
- 1.3 Should the Scheme become unconditional and operative, all Transcend Shareholders other than the Offeror will, on and with effect from the Scheme Implementation Date, be deemed to have sold all of their Scheme Shares for the Scheme Consideration of R6.30 per Scheme Share and application will be made by Transcend to the JSE to terminate the listing of its Shares on the JSE with effect from Tuesday, 14 November 2023, subject to the events set out in the "*Salient Dates and Times*" section of this Circular.
- 1.4 The purpose of this Circular is to provide Shareholders with information relating to the Scheme and incorporates:
 - the report of the Independent Expert prepared in terms of section 114(3) of the Companies Act;
 - the opinion and recommendation of the Independent Board in respect of the Scheme; and
 - a notice convening the Scheme Meeting at which Scheme Members will consider and, if deemed fit, approve, with or without modification, the Resolutions necessary to give effect to the Scheme in accordance with the Companies Act.

2. OVERVIEW OF TRANSCEND AND EMIRA

2.1 Transcend

Transcend is a REIT listed on the Main Board of the JSE that invests in residential property. The Company owns a portfolio of residential properties, servicing the low- to middle-income segment of the South African affordable rental market. It listed in December 2016 with a portfolio of 2 472 units and owned 4 033 units as at the 31 March 2023 financial year end.

2.2 Emira

Emira is a REIT domiciled in South Africa and together with all its subsidiaries owns a portfolio of property investments diversified both sectorally and geographically. Emira has direct property holdings as well as indirect property investments, through equity investments in property owning companies with specialist third-party co-investors. Emira currently holds 111 717 213 Transcend Shares, representing 68.15% of the issued share capital of Transcend.

3. RATIONALE FOR THE SCHEME

- 3.1 Transcend listed on the JSE in 2016. Its reasons for listing included, *inter alia*, access to institutional investment funding and the potential to use its Shares as acquisition currency in order to facilitate growth of its property portfolio and enhance shareholder returns.
- 3.2 Transcend's ability to meet its objectives is hampered by the lack of investment appetite for small, illiquid counters. In addition, Transcend Shares trade at a discount to their underlying net asset value, which results in any capital raise at market value being highly dilutive to existing Transcend Shareholders.
- 3.3 Under these circumstances, the Transcend Board and Emira believe that Transcend's continued listing on the JSE is not justified and that the limitations imposed by the regulatory processes and costs associated with a JSE listing outweigh the benefits thereof in the current environment.
- 3.4 The Transcend Board has therefore resolved to propose the Scheme to provide Transcend Shareholders with the ability to realise their investment in Transcend at a price that represents, in its view, fair value.

4. OFFEROR'S INTENTIONS REGARDING THE CONTINUATION OF TRANSCEND'S BUSINESS AND THE TRANSCEND BOARD SUBSEQUENT TO THE IMPLEMENTATION OF THE SCHEME

It is not envisaged that the Company's strategy will change significantly following the implementation of the Scheme. Michael Aitken, Tshepiso Makofane and Shaun Stewart will resign as Directors of Transcend with effect from the Scheme Implementation Date and the Transcend Board will be reconstituted in accordance with the governance requirements for wholly-owned subsidiaries of Emira.

5. MECHANICS OF THE SCHEME

5.1 The Scheme

- 5.1.1 The Scheme is proposed by the Transcend Board between Transcend and the Transcend Shareholders pursuant to which, if approved by the requisite majority of Scheme Members, the Offeror will, with effect from the Scheme Implementation Date, be deemed to acquire all the Scheme Shares held by the Scheme Participants for the Scheme Consideration.
- 5.1.2 The Scheme will be implemented in accordance with the Companies Act and the Companies Regulations and is regulated by the TRP.
- 5.1.3 The Scheme Consideration will be paid in cash to the Scheme Participants on the Discharge Date, in respect of which further details are provided in paragraph 6 below.
- 5.1.4 As a consequence of the Scheme becoming operative, an application will be made to the JSE for the delisting of all the Transcend Shares from the JSE.

5.2 Scheme Conditions Precedent

- 5.2.1 The implementation of the Scheme remains subject to the fulfilment and/or waiver (in whole or in part where capable of waiver) of the following Scheme Conditions Precedent on or before the Scheme Longstop Date:
 - 5.2.1.1 the approval of the Scheme Resolution by the requisite majority of Transcend Shareholders, as contemplated in section 115(2) of the Companies Act, and:
 - 5.2.1.1.1 to the extent required, the approval of the implementation of such resolution by the Court; and
 - 5.2.1.1.2 if applicable, Transcend not treating the Scheme Resolution as a nullity, as contemplated in section 115(5)(b) of the Companies Act.

- 5.2.2 The implementation of the Scheme is subject to a compliance certificate being issued by the TRP in respect of the Scheme in terms of section 119(4)(b) of the Companies Act, which compliance certificate will only be issued by the TRP once the Scheme Conditions Precedent have been fulfilled, or waived, as the case may be and when the TRP is satisfied that the Scheme has met the requirements of the takeover laws.
- 5.2.3 The condition set out in paragraph 5.2.1.1 is of a regulatory nature and cannot be waived.

5.3 Scheme Mechanics

- 5.3.1 In terms of the Scheme, the Offeror will, on and with effect from the Scheme Implementation Date, be deemed to acquire the Scheme Shares from the Scheme Participants for the Scheme Consideration. If the Scheme becomes unconditional and operative:
- 5.3.1.1 the Scheme Participants (whether or not they have voted in favour of the Resolutions or abstained from voting) shall be deemed to dispose of each of their Scheme Shares, free of Encumbrances, to the Offeror on and with effect from the Scheme Implementation Date in exchange for the Scheme Consideration and the Offeror shall acquire all the registered and beneficial ownership of such Scheme Shares as of the Scheme Implementation Date;
- 5.3.1.2 the disposal and transfer by each Scheme Participant of their Scheme Shares to the Offeror, pursuant to the provisions of the Scheme, shall be effected on the Scheme Implementation Date;
- 5.3.1.3 the Scheme Participants shall be deemed to have transferred to the Offeror all their Scheme Shares, without any further act or instrument being required;
- 5.3.1.4 each Scheme Participant shall be deemed, on and with effect from the Scheme Implementation Date, to have warranted and undertaken in favour of the Offeror that: (i) the relevant Scheme Shares are not subject to any Encumbrance; or (ii) if subject to such Encumbrance, such Scheme Shares shall be released from such Encumbrance immediately on payment and discharge of the Scheme Consideration. In this regard such Scheme Participants hereby irrevocably authorise and appoint Transcend, *in rem suam* (for the advantage of Transcend and the Offeror), with full power of substitution, to act as agent in the name, place and stead of such Scheme Participants in doing all things and signing all documents in ensuring that the relevant Scheme Shares are released from any Encumbrance, including the removal of any endorsements to that effect in the Register; and
- 5.3.1.5 Scheme Participants shall be entitled to receive the Scheme Consideration, subject to the remaining provisions of this paragraph 5.3.
- 5.3.2 In terms of the Scheme, each Scheme Participant irrevocably and *in rem suam* (for their own advantage) authorises each and every officer/director of the Company, as its agent, with full power of substitution, to cause the Scheme Shares disposed of by the Scheme Participant in terms of the Scheme to be transferred to the Offeror on the Scheme Implementation Date, and to do all such things and take all such steps (including the signing of any transfer form) as may be necessary or expedient in order to effect the transfer.
- 5.3.3 The Scheme Consideration shall be paid in full, in accordance with the terms of the Scheme, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Company or the Offeror may otherwise be, or claim to be, entitled against any Scheme Participant.
- 5.3.4 Transcend, as principal, shall procure that the Offeror complies with its obligations under the Scheme and the Implementation Agreement (as applicable), and Transcend alone shall have the right to enforce those obligations (if necessary) against the Offeror.
- 5.3.5 The rights of the Scheme Participants to receive the Scheme Consideration will be rights enforceable by a Scheme Participant against the Company only. Scheme Participants will be entitled to require Transcend to enforce its rights in terms of the Scheme against the Offeror, as contemplated in the Implementation Agreement.
- 5.3.6 Transcend and the Offeror have agreed that, upon the Scheme becoming unconditional and operative, they will give effect to the terms and conditions of the Scheme and will take all actions and sign all necessary documents to give effect to the Scheme.

5.4 **Effects of the Scheme**

The effect of the Scheme will be that the Offeror will, on and with effect from the Scheme Implementation Date, become the registered and beneficial owner of the Scheme Shares. Accordingly, in accordance with paragraph 1.17(b) of the JSE Listings Requirements, Transcend will no longer qualify for a listing and its listing on the JSE will be terminated.

5.5 **Shareholder approval and rights in respect of the Scheme**

5.5.1 Section 115(2) of the Companies Act requires that the Scheme be approved by a Special Resolution adopted by Transcend Shareholders entitled to exercise voting rights in respect thereof, at a meeting called for that purpose. In terms of the MOI, read with section 115(2) of the Companies Act, at least three Transcend Shareholders entitled to vote on the Special Resolution and holding at least 25% of the voting rights that are entitled to be exercised, must be present (in person or represented by proxy) at the Scheme Meeting.

5.5.2 If: (i) 15% or more of the voting rights exercised on the Resolution oppose the Scheme Resolution; and (ii) a person who voted against the Scheme Resolution, within five Business Days after the vote, requires Transcend to seek Court approval for the Scheme, then Transcend must either: (i) within 10 Business Days of the vote apply to Court to approve the Scheme Resolution; or (ii) treat the Scheme Resolution as a nullity, in accordance with section 115(3)(a) read with section 115(5) of the Companies Act.

5.5.3 Further, any person who voted against the Scheme Resolution may, within 10 Business Days after the vote, apply to Court for leave to launch an application to review the Scheme Resolution in terms of section 115(3)(b) of the Companies Act. In such circumstances, Transcend may not proceed to implement the Scheme Resolution unless the Court refuses leave to launch the application to review the Scheme Resolution or, having granted leave to launch the application to review the Scheme Resolution, the Court refuses to set aside the Scheme Resolution.

5.5.4 There are no persons acting in concert with the Offeror in relation to the Scheme.

5.6 **Dissenting Shareholders' Appraisal Rights**

5.6.1 Transcend Shareholders who wish to exercise their Appraisal Rights are required, before the Scheme Resolution is voted on at the Scheme Meeting, to give a Notice of Objection to Transcend.

5.6.2 If the Scheme Resolution is adopted, Transcend is required in terms of section 164(4) of the Companies Act to send a Notice of Adoption, within 10 Business Days after the Scheme Resolution is adopted, to all Transcend Shareholders who gave Notice of Objection and who have not: (i) withdrawn their Notice of Objection nor; (ii) voted in support of the Scheme Resolution, which Notice of Adoption notifies the Transcend Shareholders that the Scheme Resolution has been adopted.

5.6.3 Transcend Shareholders may, within 20 Business Days after receipt of the Notice of Adoption or, if the Transcend Shareholder does not receive the Notice of Adoption from Transcend, within 20 Business Days after learning that the Scheme Resolution has been adopted, issue an Appraisal Demand, provided that:

- such Transcend Shareholder sent Transcend a Notice of Objection and has not withdrawn that notice;
- Transcend has adopted the Scheme Resolution; and
- such Transcend Shareholder voted against the Scheme Resolution and has complied with all the procedural requirements set out in section 164 of the Companies Act.

5.6.4 The Appraisal Demand must set out:

- the relevant Transcend Shareholder's name and address;
- the number of Transcend Shares in respect of which the relevant Transcend Shareholder seeks payment; and
- a demand for payment of the fair value of those Transcend Shares.

- 5.6.5 If Transcend receives: (i) Valid Appraisal Demand/s; and (ii) such demand is not withdrawn before the Scheme Implementation Date, Transcend shall, in accordance with section 164(11) of the Companies Act, within five Business Days after the later of:
- the Scheme Implementation Date; and
 - the last day for receipt of Valid Appraisal Demands in terms of section 164(7)(a) of the Companies Act; or
 - the day Transcend received the relevant Valid Appraisal Demand/s, if the circumstances contemplated in section 164(7)(b) of the Companies Act are applicable,
- make a written offer to the Dissenting Shareholder/s to purchase their Transcend Shares at a purchase price considered by the Transcend Directors to be the fair value thereof, determined as at the date on which, and time immediately before, Transcend adopted the Scheme Resolution, which offer must be accompanied by a statement showing how the fair value was determined.
- 5.6.6 The offer made by Transcend in accordance with section 164(11) of the Companies Act will, in terms of section 164(12)(b) of the Companies Act, lapse if it is not accepted by the Dissenting Shareholder within 30 Business Days after it was made. If the Dissenting Shareholder allows the offer to lapse, it will cease to be a Dissenting Shareholder and will become a Scheme Participant whose Transcend Shares will be acquired by the Offeror, in accordance with paragraphs 6.4 below, with retrospective effect from the Scheme Implementation Date.
- 5.6.7 A Dissenting Shareholder who accepts an offer made by Transcend in terms of section 164(11) of the Companies Act will become an Excluded Dissenting Shareholder and will not participate in the Scheme. The Excluded Dissenting Shareholder must, if it (i) holds Certificated Shares, tender the Documents of Title in respect of such Certificated Shares to Transcend or the Transfer Secretaries; or (ii) holds Dematerialised Shares, instruct its CSDP or Broker to transfer those Dematerialised Shares to Transcend or the Transfer Secretaries. Transcend must pay that Excluded Dissenting Shareholder the offer consideration within 10 Business Days after the Excluded Dissenting Shareholder has accepted the offer in terms of section 164(11) of the Companies Act and tendered the Documents of Title or directed the transfer of the Dematerialised Transcend Shares, as the case may be, to Transcend.
- 5.6.8 A Dissenting Shareholder who considers the purchase price offered by Transcend in accordance with section 164(11) of the Companies Act to be inadequate may, in accordance with section 164(14) of the Companies Act, apply to Court to determine a fair value in respect of the Transcend Shares that were the subject of the Appraisal Demand and an order requiring Transcend to pay the Dissenting Shareholder the fair value so determined.
- 5.6.9 A Dissenting Shareholder who has sent Transcend an Appraisal Demand may withdraw that demand before Transcend makes an offer in accordance with section 164(11) of the Companies Act or if Transcend fails to make such an offer. If a Dissenting Shareholder voluntarily withdraws its Appraisal Demand, it will cease to be a Dissenting Shareholder and will become a Scheme Participant whose Transcend Shares will be acquired by the Offeror, in accordance with the Scheme, with retrospective effect from the Scheme Implementation Date.
- 5.6.10 A Dissenting Shareholder who has sent Transcend an Appraisal Demand has no further rights in respect of the Transcend Shares which are the subject of the Appraisal Demand, other than to be paid the fair value of such Transcend Shares, unless:
- that Dissenting Shareholder withdraws that Appraisal Demand before Transcend makes an offer in accordance with section 164(11) of the Companies Act;
 - Transcend makes an offer in accordance with section 164(11) of the Companies Act and the Dissenting Shareholder allows such offer to lapse; or
 - Transcend fails to make an offer in accordance with section 164(11) of the Companies Act and that Dissenting Shareholder withdraws its Appraisal Demand,
- in which case such Transcend Shareholder's rights shall, in terms of section 164(10) of the Companies Act, be reinstated without interruption.

- 5.6.11 If a Dissenting Shareholder withdraws its Appraisal Demand, the Dissenting Shareholder will cease to be a Dissenting Shareholder and will become a Scheme Participant whose Transcend Shares will be acquired by the Offeror, in accordance with paragraphs 6.4.4 and 6.4.5 below, with retrospective effect from the Scheme Implementation Date.
- 5.6.12 For the purpose of section 164 of the Companies Act, any Notice of Objection or Appraisal Demand or withdrawal of an Appraisal Demand to be sent by a Transcend Shareholder to Transcend should be sent by registered post for the attention of the Company Secretary at Transcend's address set out in the "*Corporate Information and Advisors*" section of this Circular.
- 5.6.13 Before exercising their rights under section 164 of the Companies Act, Transcend Shareholders should have regard to the following:
- having considered the terms and conditions of the Scheme, the Independent Expert has concluded that the Scheme is fair and reasonable to Scheme Participants. Transcend Shareholders are referred to **Annexure 1** of this Circular, which sets out the full text of the Independent Expert's Report on the Scheme; and
 - the Court is empowered to grant a costs order in favour of, or against, a Dissenting Shareholder.
- 5.6.14 The above summary of the provisions of section 164 of the Companies Act is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon it. A copy of section 164 of the Companies Act, which sets out the Appraisal Rights, is included in **Appendix B of Annexure 1** to this Circular.
- 5.6.15 Transcend Shareholders that are in doubt as to what action to take must consult their legal or professional advisor in this regard.

6. PROCEDURE FOR THE RECEIPT OF THE SCHEME CONSIDERATION

All Transcend Shareholders recorded in the Register on the Scheme Record Date, will be eligible to participate in the Scheme and receive the Scheme Consideration. Shareholders are referred to the "*Action required by Shareholders in respect of the Scheme*" section on page 7 of the Circular.

6.1 Validity of Forms of Surrender (*pink*)

In respect of Certificated Shares, the Company reserves the right, in its sole and absolute discretion, to:

- 6.1.1 treat as invalid Forms of Surrender (*pink*) not accompanied by valid Documents of Title; or
- 6.1.2 require proof of the authority of the person signing the Form of Surrender (*pink*) where such proof has not yet been lodged with, or recorded by, the Transfer Secretaries.

6.2 Certificated transfers

Where Documents of Title have been surrendered, no receipts will be issued to the Transcend Shareholders for the Form of Surrender (*pink*) and the Documents of Title lodged with the Transfer Secretaries, unless specifically requested by such Transcend Shareholders. Lodging agents who require special transaction receipts are requested to prepare such receipts and submit them for stamping, together with the Documents of Title lodged.

6.3 Lost or destroyed Documents of Title in respect of Certificated Shareholders

If Documents of Title relating to the Transcend Shares have been lost or destroyed, Transcend Shareholders should nevertheless return the Form of Surrender (*pink*) duly signed and completed. Provided that the properly completed Form of Surrender (*pink*) and evidence has been received on or before the Scheme Record Date and, such evidence is satisfactory to the Company or the Transfer Secretaries in their sole and absolute discretion, indicating that they have been lost or destroyed, the Transfer Secretaries shall issue a suitable indemnity form to such Shareholder. Such indemnity shall be in a form and substance acceptable to the Company in its sole and absolute discretion.

6.4 Settlement of the Scheme Consideration

- 6.4.1 Subject to paragraph 6.4.2 and the Scheme becoming operative, Scheme Participants will be entitled to receive the Scheme Consideration in respect of each Scheme Share held by them on the Scheme Record Date.
- 6.4.2 Settlement of the Scheme Consideration in respect of Foreign Shareholders is subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure 4** to this Circular.
- 6.4.3 Transcend or its agents will administer and effect payment of the Scheme Consideration and/or will transfer or post the Scheme Consideration to Scheme Participants. To the extent that the Scheme Consideration is posted, it will be at the risk of the Scheme Participant concerned.
- 6.4.4 Scheme Participants who hold Dematerialised Shares will, if they are not Dissenting Shareholders on the Scheme Record Date, have their accounts held at their CSDPs credited with the Scheme Consideration and debited with the Scheme Shares that they are transferring to the Offeror pursuant to the Scheme on the Scheme Implementation Date.
- 6.4.5 Scheme Participants who hold Certificated Shares, and who are not Dissenting Shareholders on the Scheme Record Date, will:
- if they have surrendered their Documents of Title and completed Form of Surrender (*pink*) to the Transfer Secretaries on or before 12:00 on the Scheme Record Date, have the Scheme Consideration paid to them on the Scheme Implementation Date by way of an EFT, provided the Scheme Participant has completed the relevant section on the Form of Surrender (*pink*); or
 - if they surrender their Documents of Title and completed Form of Surrender (*pink*) to the Transfer Secretaries after 12:00 on the Scheme Record Date, the Scheme Consideration will be paid to them by way of an EFT, within five Business Days of the Transfer Secretaries receiving their Documents of Title and completed Form of Surrender (*pink*).
- 6.4.6 Scheme Participants who hold Certificated Shares and who are Dissenting Shareholders on the Scheme Record Date, but who become Scheme Participants after the Scheme Record Date, will need to surrender their Documents of Title, together with completed Forms of Surrender (*pink*), to the Transfer Secretaries, and will have the Scheme Consideration posted to them, at their risk, or the Scheme Consideration paid to them by way of EFT (if this option was selected on the Form of Surrender (*pink*)), within five Business Days of the later of the date on which the Transfer Secretaries receive their Documents of Title and completed Forms of Surrender (*pink*) and the date on which they cease to be Dissenting Shareholders.
- 6.4.7 In the case of Transcend Shareholders who are Dissenting Shareholders on the Scheme Record Date, the Scheme Shares held by such Dissenting Shareholders and the Scheme Consideration due to such Dissenting Shareholders shall be held in abeyance until such Dissenting Shareholders either:
- become Scheme Participants, as a result of the fact they withdrew their Appraisal Demand or allowed an offer made by Transcend in terms of section 164(11) of the Companies Act to lapse or a Court ordered them to withdraw their Appraisal Demand; or
 - become Excluded Dissenting Shareholders, as a result of the fact they accepted an offer made by Transcend in terms of section 164(11) of the Companies Act or a Court ordered Transcend to make them an offer to purchase their Transcend Shares.
- 6.4.8 Where, on or subsequent to the Scheme Implementation Date, a person, who was not a registered holder of Scheme Shares on the Scheme Record Date, tenders to the Transfer Secretaries Documents of Title, together with a duly stamped Form of Surrender (*pink*), purporting to have been executed by or on behalf of the registered holder of such Scheme Shares and, provided that the Scheme Consideration has not already been posted to the registered holder of the relevant Scheme Shares, then such transfer may be accepted by Transcend and the Offeror who have been, if so required by any or all of them, provided with an indemnity on terms acceptable to them in respect of such Scheme Consideration.

6.4.9 In the case of Scheme Participants who are Foreign Shareholders, if the information regarding Authorised Dealers is not given or written instructions to the contrary are provided but no address is given, as required in terms of paragraphs 2 and 3 of **Annexure 4**, the Scheme Consideration will be held in trust by Transcend, or the Transfer Secretaries on behalf of Transcend, for the Scheme Participants concerned, pending receipt of the necessary information or instructions. No interest will be paid on the Scheme Consideration so held. If the necessary information or instructions have not been provided after a period of five years, such Scheme Consideration shall be paid over to the benefit of the Guardians Fund of the High Court of South Africa.

6.4.10 If the Scheme Consideration is not paid or posted to Certificated Shareholders entitled thereto because the relevant Documents of Title have not been properly surrendered or if the Scheme Consideration is returned undelivered to the Transfer Secretaries, the Scheme Consideration will be held by the Transfer Secretaries for the benefit of the Certificated Shareholders concerned, pending receipt of the necessary information or instructions, for a maximum period of five years, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa.

6.5 Restricted Jurisdictions

6.5.1 To the extent that the release, publication or distribution of this Circular in certain jurisdictions outside of South Africa may be restricted or prohibited by the laws of such jurisdiction, then this Circular is deemed to have been provided for information purposes only and neither the Transcend Board nor the board of directors or trustees, as the case may be, of the Offeror accept any responsibility for any failure by Foreign Shareholders to inform themselves about, and to observe, any applicable legal requirements in any such relevant foreign jurisdiction.

6.5.2 Transcend Shareholders who are in doubt as to their position should consult their professional advisers immediately.

7. AUTHORITY TO IMPLEMENT THE SCHEME AND DELISTING

7.1 The Scheme Resolution, which is required to approve the Scheme, will be proposed to Transcend Shareholders at the Scheme Meeting.

7.2 No approval will be sought from Transcend Shareholders for the Delisting of the Transcend Shares from the JSE as such approval is not required by virtue of paragraph 1.17(b) of the JSE Listings Requirements. Following the implementation of the Scheme, the Offeror will be the only Transcend Shareholder and Transcend will not qualify for a listing in terms of paragraph 1.17(b) as it will no longer meet the JSE spread requirements.

8. FUNDING OF THE SCHEME CONSIDERATION AND CONFIRMATION OF FINANCIAL RESOURCES

In accordance with regulation 111(4) and regulation 111(5) of the Companies Regulations, Absa Bank Limited has provided an unconditional and irrevocable bank guarantee to the TRP and for the benefit of Transcend Shareholders, confirming that, in aggregate, the Offeror has sufficient cash resources available to it to satisfy payment of the aggregate Scheme Consideration.

9. SCHEME MEETING

The Scheme Meeting of Transcend Shareholders will be held at 10:00 on Monday, 2 October 2023 at the registered offices of Transcend (54 Peter Place Block C, Cardiff House, Peter Place Office Park, Bryanston, Johannesburg, 2191) for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to approve the Scheme in terms of section 114(1)(c) of the Companies Act (read with section 115 of the Companies Act). A Notice of Scheme Meeting is attached to and forms part of this Circular.

10. CLEAN-OUT DISTRIBUTION

10.1 Transcend shall effect a Clean-out Distribution in respect of the portion of its distributable income for the financial period which commenced on 1 April 2023 and ending on 30 September 2023 plus an additional amount, calculated in accordance with the following formula:

$$A = B + ((B/183) \times C)$$

where:

A = Clean-out Distribution per Share;

B = Distribution per Share for the six-month period from 1 April 2023 to 30 September 2023; and

C = Additional distribution days,

and C is calculated as follows:

$$C = (D - 30 \text{ days}) - E$$

where:

D = Scheme Implementation Date; and

E = Transcend's interim reporting date, being 30 September 2023.

10.2 The Clean-out Distribution will be determined on the following basis:

- the distributable income on which the Clean-out Distribution is based will be determined in accordance with the accounting and financial reporting practices adopted for purposes of Transcend's most recent published audited financial statements and the "Best Practice Recommendations" in relation to the calculation of distributable income as published by the SA REIT Association;
- the quantum of the Clean-out Distribution shall be determined by the Transcend Board in accordance with Transcend's distribution policy and in keeping with guidance provided to Shareholders in the announcement of Transcend's financial results for the 15 months ended on 31 March 2023 and published on SENS on 29 May 2023; and
- all transaction costs relating to the Scheme shall be funded out of the available capital of Transcend, and not by reducing the distributable income upon which the Clean-out Distribution is based. To the extent that such costs reduce the distributable income then such amount shall be added back for purposes of calculating the quantum of the Clean-out Distribution.

10.3 The Clean-out Distribution will be declared on the basis that the Clean-out Distribution Record Date will occur at least 1 (one) business day prior to the Scheme Implementation Date and therefore Emira will not participate in the Clean-out Distribution in respect of the Scheme Shares. It is currently envisaged that the Clean-out Distribution Record Date will be the Scheme Record Date.

10.4 Save for the Clean-out Distribution, Transcend shall not be entitled to declare or effect any distribution until after the earlier of the Scheme Implementation Date or the Scheme having lapsed, as the case may be.

10.5 All Shareholders will participate in the Clean-out Distribution. The declaration and payment of the Clean-out Distribution will not result in a reduction of the Scheme Consideration.

11. MATERIAL SHAREHOLDERS

11.1 As at the Last Practicable Date, the Offeror is the controlling shareholder of Transcend.

11.2 Set out below are the names of Shareholders that, directly or indirectly, are beneficially interested in 5% or more of the issued Shares of Transcend as at the Last Practicable Date.

Name	Number of Shares	%
International Housing Solutions (RF) (Pty) Ltd	15 010 006	9.16%
SA Corporate Real Estate Limited	8 267 220	5.04%
Total	23 277 226	14.20%

12. TRANSCEND SHAREHOLDER SUPPORT

12.1 The following shareholders have given irrevocable undertakings to vote in favour of the Scheme.

Shareholder	Number of Shares	% of issued Shares	% of issued Shares (excluding Emira)
SA Corporate Real Estate Limited	8 267 220	5.04%	15.83%
International Housing Solutions (RF) Proprietary Limited	15 010 006	9.16%	28.75%
IHS (SAWHF Interest) Proprietary Limited	7 222 812	4.41%	13.83%
South Africa Workforce Housing Fund (SA GP) (RF) Proprietary Limited	6 996 700	4.27%	13.40%
Total	37 496 738	22.88%	71.81%

12.2 The Shareholders set out in paragraph 12.1 above have not dealt in Transcend Shares during the period commencing six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.

13. MATERIAL AGREEMENTS IN RELATION TO THE SCHEME AND OTHER ARRANGEMENTS

13.1 Save for the Scheme Implementation Agreement, the salient features of which are set out in paragraph 5 above, no agreements exist between:

- the Offeror and any person acting in concert with the Offeror, on the one hand, and Transcend or any Directors (or persons who were Directors of Transcend within the preceding 12-month period); or
- Transcend and any directors or trustees of the Offeror (or persons who were Directors or trustees of the Offeror within the preceding 12-month period).

13.2 Other than the Irrevocable Undertakings, no other agreements, that are considered to be material to a decision regarding the Scheme to be taken by Transcend Shareholders, exist between:

- the Offeror and any person acting in concert with the Offeror, on the one hand, and Transcend Shareholders (or persons who were holders of Transcend Shares within the preceding 12-month period); or
- Transcend and holders of shares (or a beneficial interest in shares) in the Offeror (or persons who were holders of shares or a beneficial interest in share in the Offeror within the preceding 12-month period).

14. INTERESTS OF TRANSCEND AND ITS DIRECTORS IN TRANSCEND AND THE OFFEROR

14.1 Interests of Transcend in the Offeror

Transcend holds no interests in the Offeror. There have been no dealings in the Offeror's shares by Transcend in the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.

14.2 Directors' interests in Transcend Shares

The direct and indirect beneficial interests of the Transcend Directors in Transcend Shares as at the Last Practicable Date are set out in the table below.

Director	Beneficial		Total	Total %
	Direct	Indirect		
SD Stewart	–	7 640	7 640	0.0046
Total	–	7 640	7 640	0.0046

14.3 Directors' dealings in Transcend Shares

No Directors have dealt in Transcend Shares in the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.

14.4 Directors' interests in the Offeror

14.4.1 As at the Last Practicable Date, the Directors held the following direct or indirect beneficial interests in the securities of Emira:

Director	Beneficial		Total	Total %
	Direct	Indirect		
GM Jennett	525 984	3 168 000	3 693 984	0.71
GS Booyens	274 268	2 016 000	2 290 268	0.44
Total	800 252	5 184 000	5 984 252	1.15

14.4.2 Mr Tshepisho Makofane is a 15.9% shareholder in Tamela Holdings Proprietary Limited, which owns 2.5% of the issued share capital of Emira (being 13 066 682 Emira shares).

14.5 Remuneration of Directors

14.5.1 There will be no material change in the remuneration of Directors of Transcend as a consequence of the Scheme.

14.5.2 No payment or other benefit will be made or given by Transcend to any Director of Transcend as compensation for loss of office or as consideration for, or in connection with, his retirement from office as a consequence of the Scheme.

14.6 Service agreements

Following the termination of Transcend's asset management agreement with International Housing Solutions (RF) Proprietary Limited as announced on SENS on 8 June 2023, the executive Directors of Transcend entered into standard service agreements with Transcend on 1 April 2023, which are terminable by written notice by either party thereto. No restraints of trade have been imposed on any of the executive or non-executive Directors of Transcend and no payments have been made in this regard. There will be no change to the service agreements of the executive Directors of Transcend pursuant to the Scheme.

14.7 Directors' interests in the Scheme

The Directors of Transcend will not benefit directly or indirectly in any manner as a consequence of the implementation of the Scheme.

14.8 Directors' interests in other transactions

The Directors of Transcend hold no material beneficial interests, whether direct or indirect, in transactions that were affected by Transcend during the current or immediately preceding financial year, or during an earlier financial year which remains outstanding or unperformed.

15. INTERESTS OF THE OFFEROR AND ITS DIRECTORS IN TRANSCEND AND THE OFFEROR

15.1 Interests of the Offeror in Transcend

15.1.1 The Offeror holds 111 717 213 Transcend Shares, representing 68.15% of the total issued share capital of Transcend.

15.1.2 There have been no dealings in Transcend Shares by the Offeror in the six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.

15.1.3 None of the Emira Directors or their associates hold any direct or indirect interest in Transcend Shares. No dealings in Transcend Shares were conducted by the Emira Directors during the period beginning six months prior to the date of the Firm Intention Announcement and ending on the Last Practicable Date.

15.2 Interests of the directors of the Offeror in the Offeror and Transcend

15.2.1 The directors of the Offeror as at the Last Practicable Date are set out in the “*Corporate Information and Advisors*” section of this Circular. Geoff Jennett and Greg Booyens are also directors of Transcend. The directors of the Offeror will remain unchanged pursuant to the Scheme.

15.2.2 The directors of the Offeror hold no interests in Transcend Shares and this will remain unchanged pursuant to the Scheme.

15.3 Directors’ interests in the Scheme

The directors of the Offeror will not benefit directly or indirectly in any manner as a consequence of the implementation of the Scheme.

15.4 Directors’ interests in other transactions

The directors of the Offeror hold no material beneficial interests, whether direct or indirect, in transactions that were affected by Transcend during the current or immediately preceding financial year, or during an earlier financial year which remains outstanding or unperformed.

16. FINANCIAL INFORMATION

16.1 Extracts from the audited financial information of Transcend for the years ended 31 December 2020, 31 December 2021 and the 15-months ended 31 March 2023, are included in **Annexure 2** to this Circular. The full annual financial statements of Transcend for the aforementioned periods can be obtained from the Company’s website (<https://transcendproperty.co.za/annual-reports/>) and will also be available for inspection as set out in paragraph 23 below.

16.2 In terms of regulation 106(7)(c) of the Companies Regulations, since the Scheme Consideration will be settled in cash no *pro forma* financial effects are required.

17. OPINIONS AND RECOMMENDATIONS

17.1 Appointment of the Independent Expert

The Independent Board has appointed the Independent Expert to provide a fair and reasonable opinion in respect of the Scheme in accordance with the requirements of the Companies Regulations.

17.2 Report of the Independent Expert

17.2.1 The Independent Expert has, as contemplated in Regulation 110(3) of the Takeover Regulations, performed a valuation on the Transcend Shares and prepared a report which constitutes a fair and reasonable opinion as contemplated in section 114(3) of the Companies Act.

17.2.2 Taking into consideration the terms of the Scheme, the Independent Expert is of the opinion that such terms are fair and reasonable to Transcend Shareholders.

17.2.3 Transcend Shareholders are referred to **Annexure 1** of this Circular which sets out the full text of the report of the Independent Expert regarding the Scheme.

17.3 Recommendations of the Independent Board

17.3.1 The Independent Board has been tasked with considering whether the terms of the Scheme are fair and/or reasonable to Transcend Shareholders. In discharging its obligations, the Independent Board undertook an independent assessment of the terms of the Scheme and engaged the Independent Expert to provide an opinion in this regard.

17.3.2 The Independent Board, taking cognisance of the Independent Expert’s Report, and in accordance with its responsibilities in terms of Regulation 110 of the Companies Regulations, has considered the terms and conditions of the Scheme and is of the opinion that they are fair and reasonable to Transcend Shareholders.

17.3.3 In particular, the Independent Board has considered the fair value ranges determined by the Independent Expert and has formed a view which accords with the fair value ranges so determined and has placed reliance on the valuation performed by the Independent Expert. There were no factors considered to be too difficult to quantify or unquantifiable by the Independent Board when formulating its opinion.

17.3.4 The Independent Board unanimously recommends that all Transcend Shareholders vote in favour of the Scheme. The Director set out in paragraph 14.2 of this Circular intends to vote all of the Transcend Shares that he owns or controls in favour of the Scheme Resolution.

18. RESPONSIBILITY STATEMENTS

18.1 Transcend responsibility statement

The Independent Board and the Transcend Board, individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular which relates to the Scheme as well as the extracts of information relating to Transcend and certify that, to the best of their knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular, having made all reasonable enquiries in this regard.

18.2 Offeror responsibility statement

The directors of the Offeror, individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular which relates to the Scheme as well as the extracts of information relating to the Offeror and certify that, to the best of their knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular, having made all reasonable enquiries in this regard.

19. PRICE AND VOLUME HISTORY OF TRANSCEND SHARES ON THE JSE

A table of the aggregate volumes and values traded and the highest and lowest prices traded in Transcend Shares for each month over the 12 months prior to the date of issue of the Circular and for each day over the 30 days preceding the Last Practicable Date is set out in **Annexure 5** of the Circular.

20. LITIGATION

At the Last Practicable Date there were no legal or arbitration proceedings (including proceedings which are pending or threatened) of which the Transcend Directors are aware, which may have or have had during the twelve months preceding the date of this Circular, a material effect on the Company's financial position.

21. MATERIAL CHANGES

There have been no material changes to the financial or trading position of Transcend and its subsidiaries since the end of the last financial period for which the audited financial statements for the 15-month period ended 31 March 2023 were published.

22. CONSENTS

The advisors whose names appear in the "*Corporate Information and Advisors*" section of this Circular have all consented in writing to act in the capacities stated in this Circular and to their names being stated in this Circular and, in the case of the Independent Expert, reference to their reports in the form and context in which it appears and have not withdrawn their consent prior to the publication of this Circular.

23. COSTS

The following expenses and provisions are expected, or have been provided for by Transcend and the Offeror in connection with the Scheme. All fees payable to the parties below are exclusive of VAT:

	Payable to	R'
Corporate advisor and transaction sponsor	Questco	1 500 000
Independent Expert	Valeo Capital	260 000
Documentation inspection fees	JSE	19 200
Documentation inspection fees	TRP	134 000
Printing, publication and distribution costs	Ince	90 000
Transfer Secretary cost	JSE Investor Services	32 000
Contingency		15 000
Total		2 050 200

24. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by Shareholders at Transcend's registered office and the offices of the Corporate Advisor and Transaction Sponsor (the addresses of which appear in the "*Corporate Information and Advisors*" section of this Circular) during normal office hours from the date of posting of this Circular until the Scheme Implementation Date:

- 24.1 a signed copy of this Circular;
- 24.2 a signed copy of the Independent Expert's Report;
- 24.3 signed copies of the irrevocable undertakings referred to in paragraph 11 of this Circular;
- 24.4 a signed copy of the Scheme Implementation Agreement;
- 24.5 the memorandum of incorporation of Transcend;
- 24.6 the TRP approval letter for the Circular;
- 24.7 the written consents by the advisors; and
- 24.8 the consolidated audited financial information of Transcend for the years ended 31 December 2020, 31 December 2021 and the 15-months ended 31 March 2023.

SIGNED AT CAPE TOWN ON BEHALF OF THE INDEPENDENT BOARD

Michael Aitken, being duly authorised thereto

SIGNED AT BRYANSTON ON BEHALF OF THE TRANSCEND BOARD

Myles Kritzinger, being duly authorised thereto

SIGNED AT BRYANSTON ON BEHALF OF THE OFFEROR

Geoff Jennett, being duly authorised thereto

1 September 2023

REPORT OF THE INDEPENDENT EXPERT

25 August 2023

The Independent Board
Transcend Residential Property Fund Limited (“**Transcend**” or the “**Company**”)
54 Peter Place Block C, Cardiff House
Peter Place Office Park
Bryanston, Johannesburg
2191

Dear Sirs and Madams,

INDEPENDENT EXPERT REPORT IN RESPECT OF THE SCHEME OF ARRANGEMENT

1. Introduction

In the joint announcement published on the Johannesburg Stock Exchange’s (“**JSE**”) news service (“**SENS**”) on 18 August 2023 by the Company and Emira Property Fund Limited (“**Emira**”) (the “**Firm Intention Announcement**”), Transcend and Emira concluded a scheme implementation agreement (“**Implementation Agreement**”) pursuant to which the Company is proposing a scheme of arrangement in terms of section 114(1)(c) of the Companies Act, 71 of 2008 (“**Companies Act**”), read with section 115 of the Companies Act, whereby Emira will acquire all issued ordinary shares in the share capital of the Company (“**Transcend Shares**” or “**Shares**”) not already held by Emira for a cash consideration of R6.30 per Share (“**Scheme Consideration**”) and the Company subsequently delisted from the JSE (the “**Scheme**”).

Full details of the Scheme are contained in the circular to shareholders of Transcend (“**Shareholders**”) dated 1 September 2023 (“**Circular**”), of which this opinion forms part.

2. Scope

In terms of section 114(3) of the Companies Act and regulation 90 of the Takeover Regulations promulgated thereunder (“**Takeover Regulations**”), Transcend is required to appoint an independent expert (“**Independent Expert**”) in order to opine on the fairness and reasonableness of the Scheme (“**the Opinion**”).

Valeo Capital Proprietary Limited (“**Valeo Capital**”) has been appointed by the independent board of directors of Transcend (the “**Independent Board**”) as the Independent Expert to advise on whether the terms of the Scheme are fair and reasonable to Transcend shareholders (“**Shareholders**”).

3. Responsibility

Compliance with the Companies Act is the responsibility of the Independent Board. Valeo Capital’s responsibility is to report on the terms of the Scheme in compliance with the Companies Act and the Takeover Regulations.

We confirm that this Opinion will be provided to the Independent Board for the sole purpose of assisting them in forming and expressing an opinion for the benefit of Shareholders pertaining to the Scheme. The Opinion will be distributed to Shareholders prior to the relevant resolutions required to approve the Scheme being tabled for consideration by Shareholders.

4. Definition of the terms “fair” and “reasonable”

A transaction will generally be considered fair to a company’s shareholders if the benefits received by shareholders, as a result of a transaction, are equal to or greater than the value surrendered by a company or its shareholders.

The assessment of fairness is primarily based on quantitative considerations. Accordingly, the Scheme may be considered fair if the Scheme Consideration is higher than or equal to the value attributable to Transcend Shares, or unfair if the Scheme Consideration is lower than the value attributable to Transcend shares.

In terms of Takeover Regulation 110(9), a transaction will generally be considered reasonable if the value received by the shareholders in terms of the transaction is higher than the market price of the company's securities at the time that the transaction was announced. In addition, the assessment of reasonableness is also based on qualitative considerations surrounding a transaction. Even though a transaction may be unfair based on quantitative considerations, a transaction may still be reasonable after considering other significant qualitative factors.

We have applied the aforementioned principles in preparing our Opinion. The Opinion does not purport to cater for an individual Shareholder's position but rather the general body of Shareholders. An individual Shareholder's decision regarding the terms of a transaction may be influenced by its particular circumstances (such as taxation and the original price paid for the shares).

5. Sources of information

In the course of our work, we relied upon information obtained from Transcend management ("**Management**") and from various public sources. Our conclusion is dependent on such information being complete and accurate in all material respects.

The principal sources of information used in performing our work include:

- audited annual financial statements of Transcend for the financial years ended 31 December 2020, 31 December 2021 and for the 15 months ended 31 March 2023;
- Management accounts for the three months ended 30 June 2023;
- forecast financial information for the 2024 to 2028 financial years;
- independent valuer valuation reports for all properties within the Company ("**Underlying Properties**") prepared by Real Insight Proprietary Limited;
- Share trading history for Transcend for the period August 2022 to July 2023;
- the draft Circular;
- the Firm Intention Announcement;
- the Implementation Agreement;
- Transcend's group structure as at 30 June 2023;
- discussions with Management on prevailing market, economic, legal and other conditions which may affect the underlying value and the rationale for the Scheme;
- comparative, publicly available financial and market information on appropriate peer issuers in South Africa;
- economic outlooks prepared by leading South African banks; and
- online and subscription databases covering financial markets, share prices, volumes traded and news.

6. Assumptions

We have arrived at our Opinion based on the following assumptions:

- that the terms of the Scheme are legally enforceable with no material amendments;
- that reliance can be placed on the historical and forecast financial information of Transcend;
- the structure of the Scheme will not give rise to any undisclosed tax liabilities;
- that Transcend is not involved in any material legal proceedings or disputes with regulatory bodies;
- there are no undisclosed contingencies that could affect the value of the relevant securities;
- reliance can be placed on Management representations made; and
- the current regulatory and market conditions will not change materially.

7. Procedures

In arriving at our Opinion, we have undertaken the following procedures in evaluating the fairness and reasonableness of the Scheme:

- considered the rationale for the Scheme, as presented by Management;
- reviewed the terms of the Scheme;
- analysed the historical and forecasted information as provided by Management;
- where relevant, corroborated representations made by Management to source documents;
- performed a valuation of the Company as detailed below;
- reviewed Transcend's share trading history;
- reviewed relevant publicly available information relating to Transcend;
- performed an analysis of other information considered pertinent to our valuation and Opinion;
- obtained letters of representation from Management confirming that Valeo Capital have been provided with all relevant material information and that all such information provided to us is accurate and complete in all material respects; and
- we determined the fairness and reasonableness of the Scheme based on the results of the procedures mentioned above. We believe that these considerations justify the Opinion outlined below.

8. Valuation approach

In considering the Scheme, Valeo Capital performed an independent valuation of Transcend in accordance with generally accepted valuation approaches and methods used in the market from time to time. Accordingly, for the purpose of our valuation, the following valuations methodologies were applied:

- Income approach – being a discounted cash flow valuation (“**DCF**”) on Transcend;
- Market approach – whereby Transcend has been valued based on its peers' current and historic trading multiples after taking into account relevant premiums and/or discounts (“**Multiple Valuation**”).

Valeo Capital performed sensitivity analyses on the valuation methodologies applied, which included, *inter alia*:

- a change of 0.5% on the discount rate applied, which analyses resulted in a variance range of c. 5.7% on the midpoint DCF value calculated for Transcend; and
- a change of 0.5% on the capitalisation rates applied, which analyses resulted in a variance range of c. 10.8% on the midpoint DCF value calculated for Transcend.

Key external value drivers effecting the value attributable to Transcend include:

- Economic growth that could affect forecasted demand, driving occupancy and rental rates, as lower economic growth will decrease demand and the derived value of the Transcend and its Underlying Properties;
- Increase in South African inflation, as higher inflation may not be able to be passed on to tenants, which will decrease the value of Transcend; and
- South African forecasted interest rates, as an increase in interest rates will decrease the value of the Underlying Properties.

Key internal value drivers affecting the value attributable to Transcend include:

- Forecasted free cash flow to Transcend, largely impacted by, *inter alia*, occupancy and rental rates, the forecasted cost base and working capital investment. An increase in the forecasted cash flow will result in an increase in the value of the Transcend; and
- the exit capitalisation rates applicable to Transcend's Underlying Properties. An increase in the exit capitalisation rates would result in a lower value attributable to the Underlying Properties and Transcend.

9. Reasonableness

In arriving at our Opinion with respect to the reasonability of the Scheme, we considered, *inter alia*, the following:

- the Scheme Consideration is at a slight discount to the last traded price for Transcend prior to the release of the Scheme announcement. It should however be noted that limited share trading liquidity exist for Transcend (0.49% of shares in issue traded over the last 180 business days);
- the Scheme provides a liquidity event for Shareholders in a highly illiquid stock; and
- the controlling shareholder in place and Transcend being classified as a small cap on the JSE makes it highly unlikely that liquidity in the counter will improve over the short to medium term.

Based on the above, Valeo Capital is therefore of the opinion that the Scheme is reasonable to Shareholders.

10. Opinion

As the ordinary shares in the capital of the Company comprise of the sole class of shares in the issued share capital of the Company, Shareholders are the only persons who may be affected by the Scheme.

We have considered the terms and conditions of the Scheme and, based on the aforementioned, we are of the opinion, subject to the limiting conditions as set out below, that the indicative fair value of the Shares amounts to between 599 cents per share and 644 cents per share (“**Value Range**”), with the likely core value of 622 cents per share being the midpoint of the value range. We have compared the Value Range to the Scheme Consideration of 630 cents per Transcend Share, which falls within the Value Range. Subject to the conditions set out herein, we are of the opinion that the Scheme Consideration is fair to Shareholders.

In summary, subject to the conditions set out herein, we are of the opinion that the Scheme Consideration is fair and reasonable to Shareholders.

11. Limiting conditions

This Opinion is provided to the Independent Board in connection with and for the purpose of the Scheme, for the sole purpose of assisting the Independent Board in forming and expressing an opinion for the benefit of Shareholders. This Opinion is prepared solely for the Independent Board and therefore should not be regarded as suitable for use by any other party or give rise to third party rights.

We have relied upon and assumed the accuracy of the information provided to and obtained by us in determining our Opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of reaching our Opinion, whether in writing or obtained in discussion with Management, with reference to publicly available or independently obtained information.

While our work has involved a review of, *inter alia*, various sets of annual financial statements and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

The forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the relevant period. Consequently, this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely actual results will correspond to Management forecasts.

This Opinion is provided in terms of the Companies Act. It does not constitute a recommendation to any Shareholder as to how to vote at any Shareholders’ meeting relating to the Scheme or on any matter relating to it. It should not, therefore, be relied upon for any other purpose. We assume no responsibility to anyone if this Opinion is used or relied upon for anything other than its intended purpose. Should an individual Shareholder have any doubts as to what action to take, such Shareholder should consult an independent advisor.

Subsequent developments may affect our Opinion and we are under no obligation to update, review or re-affirm it based on such developments. We have assumed that all conditions precedent referred to in the Circular, including any material regulatory and other approvals, if any, will be properly fulfilled/obtained.

12. Section 115 and 164 of the Companies Act

Section 115 and 164 of the Companies Act have been included as Appendix A and Appendix B, respectively, to the Circular.

13. Material interest of Transcend Directors

The shareholding of Directors of Transcend, directly and indirectly, is set out in paragraph 14 to the Circular.

14. Independence and additional regulatory disclosures

We confirm that Valeo Capital has no direct or indirect interest in any transacting party or the Scheme, nor do we have any relationship with Transcend or, to the best of our knowledge, to any person related to the Company such as would lead a reasonable and informed third party to conclude that our integrity, impartiality or objectivity has been compromised by such relationship. We also confirm that we have the necessary competence and experience to provide this Opinion. Furthermore, we confirm that our professional fee of R260 000 (excluding VAT) is not contingent upon the outcome of the Scheme.

The directors, employees or consultants of Valeo Capital allocated to this assignment have the necessary qualifications, expertise and competencies to (i) understand the Scheme; (ii) evaluate the Scheme; and (iii) determine the effect of the Scheme on the value of the shares and on the rights and interests of Shareholders, or a creditor, of Transcend and are able to express opinions, exercise judgement and make decisions impartially in carrying out this assignment.

15. Consent

We hereby consent to the inclusion of this Opinion and references thereto, in whole or in part, in the form and context in which they appear to be included in any required regulatory announcement or documentation regarding the Scheme.

Yours faithfully

Riaan van Heerden
Valeo Capital Proprietary Limited

EXTRACT OF SECTION 115 OF THE COMPANIES ACT

- (1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless—
- (a) the disposal, amalgamation or merger, or scheme of arrangement—
 - (i) has been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter, and the Companies Regulations, apply to a company that proposes to—
 - (i) dispose of all or the greater part of its assets or undertaking;
 - (ii) amalgamate or merge with another company; or
 - (iii) implement a scheme of arrangement, the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119 (4) (b), or exempted the transaction in terms of section 119 (6).
- (2) A proposed transaction contemplated in subsection (1) must be approved —
- (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64 (2); and
 - (b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if—
 - (i) the holding company is a company or an external company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the Subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding company, the disposal by the Subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and
 - (c) by the Court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
- (3) Despite a resolution having been adopted as contemplated in subsections (2) (a) and (b), a company may not proceed to implement that resolution without the approval of a Court if—
- (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within 5 Business Days after the vote, any person who voted against the resolution requires the company to seek Court approval; or
 - (b) the Court, on an application within 10 Business Days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a Court for a review of the transaction in accordance with subsection (7).

- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights—
- (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- (4A) In subsection (4), “act in concert” has the meaning set out in section 117 (1) (b).
- (5) If a resolution requires approval by a Court as contemplated in terms of subsection (3) (a), the company must either—
- (a) within 10 Business Days after the vote, apply to the Court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3) (b), the Court may grant leave only if it is satisfied that the applicant—
- (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5) (a), or after granting leave in terms of subsection (6), the Court may set aside the resolution only if—
- (a) the resolution is manifestly unfair to any class of holders of the company’s securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person—
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a Court for an order to effect—
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

EXTRACT OF SECTION 164 OF THE COMPANIES ACT

- (1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
- (2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to:
 - (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a Dissenting Shareholder may give the company a written notice objecting to the resolution.
- (4) Within 10 Business Days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who:
 - (a) gave the company a written notice of objection in terms of subsection (3); and
 - (b) has neither:
 - (i) withdrawn that notice; nor
 - (ii) voted in support of the resolution.
- (5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if:
 - (a) the shareholder:
 - (i) sent the company a notice of objection, subject to subsection (6); and (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (b) the company has adopted the resolution contemplated in subsection (2); and
 - (c) the shareholder:
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting or failed to include in that notice a statement of the shareholders rights under this section.
- (7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within:
 - (a) 20 Business Days after receiving a notice under subsection (4); or
 - (b) if the shareholder does not receive a notice under subsection (4), within 20 Business Days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must state:
 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.

- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:
- (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
 - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within 5 Business Days after the later of:
- (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11):
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 Business Days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12):
- (a) the shareholder must either in the case of:
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 Business Days after the shareholder accepted the offer and:
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a Court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has:
- (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the Court under subsection (14):
- (a) all Dissenting Shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the Court;
 - (b) the company must notify each affected Dissenting Shareholder of the date, place and consequences of the application and of their right to participate in the Court proceedings; and
 - (c) the Court:
 - (i) may determine whether any other person is a Dissenting Shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all Dissenting Shareholders, subject to subsection (16);

- (iii) in its discretion may:
 - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the date the action approved by the resolution is effective, until the date of payment;
 - (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the Court; and
 - (v) must make an order requiring:
 - (aa) the Dissenting Shareholders to either withdraw their respective demands, in which case the shareholder is reinstated to their full rights as a shareholder, or to comply with subsection (13)(a); and
 - (bb) the company to pay the fair value in respect of their shares to each Dissenting Shareholder who complies with subsection (13)(a), subject to any conditions the Court considers necessary to ensure that the Company fulfils its obligations under this section.
- (15A) At any time before the Court has made an offer contemplated in subsection (15)(c)(v), a Dissenting Shareholder may accept the offer made by the company in terms of subsection (11), in which case –
- (a) that shareholder must comply with the requirements of subsection 13(a); and
 - (b) the company must comply with the requirements of subsection 13(b).
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a Court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months:
- (a) the company may apply to a Court for an order varying the company's obligations in terms of the relevant subsection; and
 - (b) the Court may make an order that:
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a Shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to:
- (a) the provisions of that section; or
 - (b) the application by the company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent:
- (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case,
- a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

EXTRACT OF CONSOLIDATED AUDITED HISTORICAL FINANCIAL INFORMATION OF TRANSCEND FOR THE YEARS ENDED 31 DECEMBER 2020, 31 DECEMBER 2021 AND THE 15-MONTHS ENDED 31 MARCH 2023

The historical financial information is the responsibility of the Directors. The full set of annual financial statements for the years ended 31 December 2020, 31 December 2021 and the 15-months ended 31 March 2023, are available on the Company's website: <https://transcendproperty.co.za/annual-reports/>, and also open for inspection by Shareholders at Transcend's registered office (the addresses of which appear in the "Corporate Information and Advisors" section of this Circular) during normal office hours from the date of posting of this Circular until and including the Scheme Implementation Date.

A summary of the aforesaid financial information is also set out below.

Statement of Financial Position

Figures in R'000	15 Months Audited 2023	12 Months Audited 2021	12 Months Audited 2020
Assets			
Non-current assets			
Investment properties	2 200 222	2 229 848	2 360 727
Property and equipment	199	1 013	1 761
Derivative assets	3 588	–	–
Loan receivable	–	–	14 700
	2 204 009	2 230 861	2 377 188
Current assets			
Trade and other receivables	14 438	15 197	9 128
Loan receivable	26 622	24 496	8 000
Derivative assets	394	–	–
Cash and cash equivalents	42 123	141 137	72 277
	83 577	180 830	89 405
Non-current assets held-for-sale	23 290	110 835	146 219
Total assets	2 310 876	2 522 526	2 612 812
Equity and liabilities			
Equity			
Stated capital	1 163 606	1 163 831	1 020 934
Retained earnings	235 617	264 532	125 303
	1 399 223	1 428 363	1 146 237
Non-current liabilities			
Interest-bearing borrowings	577 589	1 006 867	1 207 091
Derivative liabilities	–	26 832	85 620
	577 589	1 033 699	1 292 711
Current liabilities			
Interest-bearing borrowings	291 989	2 851	29 239
Loan from shareholders	–	–	93 461
Trade and other payables	40 239	50 483	51 164
	332 228	53 334	173 864
Liabilities directly associated with non-current assets held-for-sale	1 836	7 130	–
Total liabilities	911 653	1 094 163	1 466 575
Total equity and liabilities	2 310 876	2 522 526	2 612 812

Statement of Profit or Loss and Other Comprehensive Income

Figures in R'000	15 Months Audited 2023	12 Months Audited 2021	12 Months Audited 2020
Continuing operations			
Rental income from investment properties	355 582	279 020	297 093
Recoveries of operating costs from tenants	35 637	26 303	27 703
Revenue	391 219	305 323	324 796
Property operating expenses	(136 191)	(110 349)	(120 852)
Impairment losses	(10 557)	(8 088)	(10 764)
Other income	5 556	4 145	7 000
Net operating income	250 027	191 031	200 180
Other operating expenses	(28 895)	(24 160)	(21 412)
Operating profit	221 132	166 871	178 768
(Loss)/Gain on fair value adjustment of properties and provisions for cost to sell	(23 675)	103 511	(18 156)
Gain on revaluation of derivatives	26 314	52 078	(71 950)
Net finance charges	(106 789)	(102 703)	(122 688)
Finance income	6 861	3 902	2 745
Finance costs	(113 650)	(106 605)	(125 433)
Profit before taxation	116 982	219 757	(34 026)
Taxation	–	–	
Profit/(loss) from continuing operations	116 982	219 757	(34 026)
Discontinued operation			
Loss from discontinued operation net of taxation	–	–	(8 155)
Total comprehensive income for the period	116 982	219 757	(42 181)
Earnings per share			
Continuing operations			
Basic and diluted earnings per share (cents)	71.36	166.27	(25.99)
Discontinuing operations			
Basic and diluted earnings per share (cents)	71.36	166.27	(32.23)

Statement of changes in equity

Figures in R'000	Stated Capital	Retained earnings	Total
Balance at 1 January 2020	1 020 934	228 991	1 249 925
Changes in equity			
Loss for the year	–	(42 181)	(42 181)
Total comprehensive loss	–	(42 181)	(42 181)
Dividends	–	(61 507)	(61 507)
Balance at 31 December 2020	1 020 934	125 303	1 146 237
Balance at 1 January 2021	1 020 934	125 303	1 146 237
Changes in equity			
Profit for the year	–	219 757	219 757
Total comprehensive loss	–	219 757	219 757
Issue of equity	152 506	–	152 506
Dividends	–	(90 137)	(90 137)
Transfer of antedecent dividend	(9 609)	9 609	–
Balance at 31 December 2021	1 163 831	264 532	1 428 363
Balance at 1 January 2022	1 163 831	264 532	1 428 363
Changes in equity			
Profit for the period	–	116 982	116 982
Total comprehensive income	–	116 982	116 982
Dividends	–	(145 897)	(145 897)
Transaction costs	(225)	–	(225)
Balance at 31 March 2023	1 163 606	235 617	1 399 223

Statement of Cash Flows

Figures in R'000	15 Months Audited 2023	12 Months Audited 2021	12 Months Audited 2020
Cash flows from operating activities			
Profit and total comprehensive income for the year	116 982	219 757	(42 181)
Adjustments for:			
Depreciation of property and equipment	814	748	780
Finance costs	113 650	106 605	125 433
Finance income	(6 861)	(3 902)	(2 745)
Loss/(Gain) on fair value adjustment of properties	23 675	(103 511)	18 157
(Gain) on revaluation of derivatives	(26 314)	(52 078)	71 950
Operating profit before working capital changes	221 946	167 619	171 394
Decrease/(Increase) in trade and other receivables	16 616	(14 314)	(7 149)
Adjustments for impairment losses	(11 746)	8 245	4 643
Decrease in trade and other payables	(10 247)	(681)	6858
Cash generated by operating activities	216 569	160 869	175 746
Finance income received	4 738	2 106	2 757
Finance costs paid	(103 015)	(107 601)	(132 278)
Operating cash flow from discontinued operations	–	–	15 532
Net cash from operating activities	118 292	55 374	61 757
Cash flows from investing activities			
Proceeds from sales of non-current assets held-for-sale	104 184	142 738	110 157
Proceeds from sales of investment property	286 493	153 316	13 728
Investment properties acquired	(255 514)	–	–
Capitalised expenditure to investment property	(50 880)	(17 996)	(8 985)
Capitalised expenditure to non-current assets held-for-sale	(191)	(1 154)	(1 758)
Proceeds from discontinued operations	–	–	85 916
Net cash generated from investing activities	84 092	276 904	199 058
Cash flows used in financing activities			
Proceeds from share issue	–	152 506	–
Costs related to share issue	(225)	–	–
Interest-bearing borrowings received	268 400	883 415	3 000
Interest-bearing borrowings repaid	(418 701)	(1 109 031)	(152 898)
Derivative liability settled	(4 975)	(6 710)	(725)
Shareholder loan repaid	–	(93 461)	(50 000)
Dividends paid	(145 897)	(90 137)	(61 507)
Net cash utilised by financing activities	(301 398)	(263 418)	(262 130)
(Decrease)/Increase in cash and cash equivalents	(99 014)	68 860	(1 315)
Cash and cash equivalents at beginning of the period	141 137	72 277	73 592
Cash and cash equivalents at end of the period	42 123	141 137	72 277

EXCHANGE CONTROL REGULATIONS

The definitions and interpretations commencing on page 11 of the Circular shall apply *mutatis mutandis* to this **Annexure 4**.

The settlement of the Scheme Consideration for both Certificated Shareholders and Dematerialised Shareholders will be made subject to the Exchange Control Regulations.

Shareholders that are to receive the Scheme Consideration who are not residents in South Africa, or who have registered addresses outside South Africa, must satisfy themselves as to the full observance of the laws of the relevant jurisdiction concerning the receipt of the Scheme Consideration, including obtaining any required governmental or other consents, observing any other required formalities and paying any issue, transfer or other taxes due in that jurisdiction.

The following is a summary of the Exchange Control Regulations insofar as they apply to Transcend Shareholders. In the event of any doubts, Transcend Shareholders are advised to consult their professional advisors as soon as possible.

1. Residents of the Common Monetary Area

In the case of:

- 1.1 Certificated Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Scheme Consideration will be posted by registered post to such Transcend Shareholders, in accordance with the “*Action required by Shareholders in respect of the Scheme*” section of the Circular as set out on page 7; or
- 1.2 Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and have not been restrictively endorsed in terms of the Exchange Control Regulations, the Scheme Consideration will be transferred directly to the accounts nominated for the relevant Transcend Shareholders by their duly appointed CSDP or Broker in terms of the provisions of the Custody Agreement with their CSDP or Broker.

2. Emigrants from the Common Monetary Area

In the case of Transcend Shareholders who are emigrants from the Common Monetary Area, the Scheme Consideration will:

- 2.1 in the case of Certificated Shareholders whose Documents of Title are restrictively endorsed under the Exchange Control Regulations, be forwarded to the Authorised Dealer in foreign exchange in South Africa controlling such Certificated Shareholders’ remaining assets in terms of the Exchange Control Regulations. The attached Form of Surrender (*pink*) makes provision for details of the Authorised Dealer concerned to be given; or
- 2.2 in the case of Dematerialised Shareholders, be transferred to the emigrant capital account of the Transcend Shareholders held at the CSDP of the Authorised Dealer controlling the particular emigrant’s remaining assets, or the CSDP contracted by such an Authorised Dealer, under the auspices of the controlling Authorised Dealer.

3. **All other non-residents of the Common Monetary Area**

The Scheme Consideration accruing to non-resident Transcend Shareholders whose registered addresses are outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will:

- 3.1 in the case of Certificated Shareholders, whose Documents of Title are restrictively endorsed under the Exchange Control Regulations, be posted to the registered addresses of the non-resident Transcend Shareholders concerned, unless written instructions to the contrary are received and an address provided. The attached Form of Surrender (*pink*) makes provision for a substitute address; or
- 3.2 in the case of Dematerialised Shareholders, be credited by their duly appointed CSDP or Broker directly to the accounts nominated by the Transcend Shareholders in terms of the provisions of the Custody Agreement with his/her/its CSDP or Broker.

4. **Information not provided**

If the information regarding Authorised Dealers is not given or the instructions are not given, the Scheme Consideration will be held in trust by Transcend or the Transfer Secretaries on behalf of Transcend for the Transcend Shareholders concerned, pending receipt of the necessary information or instructions. Insofar as Certificated Shareholders are concerned, where bank account details have not been provided, the Transfer Secretary will hold the Scheme Consideration in escrow in its bank account until it is claimed by the Scheme Participants concerned. The Scheme Consideration will be held as aforesaid for a maximum period of five years from the Publication Date, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa.

SHARE PRICE HISTORY FOR TRANSCEND

A table of the aggregate volumes and values traded and the highest and lowest prices traded in Transcend shares for each month over the 12 months prior to the Last Practicable Date and for each day over the 30 days preceding the Last Practicable Date is set out below.

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value (Rand)
Monthly					
August 2022	613	612	608	78 162	476 308
September 2022	640	626	640	7 479 993	40 343 544
October 2022	639	639	639	62 464	360 160
November 2022	640	640	640	93 994	544 092
December 2022	641	641	641	307 000	1 967 800
January 2023	642	642	641	5 212	33 435
February 2023	641	641	641	666	4 269
March 2023	644	644	644	355 188	2 278 756
April 2023	–	–	644	–	–
May 2023	640	640	639	3 610	22 878
June 2023	640	640	639	2 260	14 463
July 2023	640	639	639	287 166	1 798 568
Daily					
23 August 2023	–	–	630	–	–
22 August 2023	–	–	630	–	–
21 August 2023	639	630	630	250	1 588
18 August 2023	–	–	639	–	–
17 August 2023	–	–	639	–	–
16 August 2023	–	–	639	–	–
15 August 2023	–	–	639	–	–
14 August 2023	–	–	639	–	–
11 August 2023	–	–	639	–	–
10 August 2023	–	–	639	–	–
8 August 2023	–	–	639	–	–
7 August 2023	–	–	639	–	–
4 August 2023	–	–	639	–	–
3 August 2023	–	–	639	–	–
2 August 2023	–	–	639	–	–
1 August 2023	640	639	639	39 904	255 374
31 July 2023	640	639	639	174 088	1 113 422
28 July 2023	639	600	639	5 009	30 058
27 July 2023	–	–	600	–	–
26 July 2023	–	–	600	–	–
25 July 2023	600	600	600	1	6
24 July 2023	–	–	600	–	–
21 July 2023	–	–	600	–	–
20 July 2023	–	–	600	–	–
19 July 2023	–	–	600	–	–
18 July 2023	–	–	600	–	–
17 July 2023	600	600	600	89 000	534 000
14 July 2023	–	–	635	–	–
13 July 2023	–	–	635	–	–
12 July 2023	–	–	635	–	–



TRANSCEND

Residential Property Fund

Transcend Residential Property Fund Limited

Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2016/277183/06)
Share code: TPF ISIN: ZAE000227765
("Transcend" or the "Company")

NOTICE OF SCHEME MEETING

THE ATTENTION OF SHAREHOLDERS IS DRAWN TO THE CIRCULAR TO WHICH THIS NOTICE OF SCHEME MEETING IS ATTACHED ("**NOTICE**") WHICH SETS OUT, *INTER ALIA*, THE PROVISIONS OF SECTIONS 115 AND 164 OF THE COMPANIES ACT AND THE APPLICABLE EXCHANGE CONTROL REGULATIONS.

Notice is hereby given that a Scheme Meeting of Shareholders will be held at 10:00 on Monday, 2 October 2023 at the registered offices of the Company (54 Peter Place Block C, Cardiff House, Peter Place Office Park, Bryanston, Johannesburg, 2191) for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to approve the Scheme in terms of section 114(1)(c) of the Companies Act (read with section 115 of the Companies Act).

The definitions and interpretation commencing on page 11 of the Circular apply, *mutatis mutandis*, to this Notice.

2023

Last day to trade in Transcend Shares on the JSE in order to be recorded in the register to vote at the Scheme Meeting on	Tuesday, 19 September
Voting Record Date to be eligible to vote at the Scheme Meeting	Friday, 22 September
Last date and time to lodge Forms of Proxy (<i>blue</i>) in respect of the Scheme Meeting with the transfer secretaries by 10:00 on (alternatively, the form of proxy (<i>blue</i>) may be handed to the chairperson of the Scheme Meeting at any time)	Thursday, 28 September
Scheme Meeting to be held at 10:00 on	Monday, 2 October

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

- **a Shareholder who is entitled to attend and vote at the Scheme Meeting is entitled to appoint a proxy, or two or more proxies, to attend and participate in and vote at the Scheme Meeting in the place of the Shareholder, by completing the Form of Proxy (*blue*) in accordance with the instructions set out therein;**
- **a proxy need not be a Shareholder; and**
- **Shareholders recorded in the Register 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 Scheme Meeting. Forms of identification include valid identity documents, driver's licences and passports.**

SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF THE SCHEME RESOLUTION IN ACCORDANCE WITH SECTION 115(2)(A) OF THE COMPANIES ACT

"Resolved that, subject to the approval of Special Resolution Number 2, the Scheme in terms of section 114(1)(c) of the Companies Act (as more fully described in the Circular and as same may be amended as contemplated in the Circular), proposed by the Transcend Board between Transcend and the Transcend Shareholders, in terms of which the Offeror will, subject to the fulfilment or waiver of the Scheme Conditions Precedent and on and with effect from the Scheme Implementation Date, be deemed to acquire all of the

Scheme Shares from the Scheme Participants, in exchange for the Scheme Consideration (for each Scheme Share being a cash consideration of R6.30), be and is hereby approved as a Special Resolution in terms of section 115(2)(a) of the Companies Act, and that any one director be and is hereby authorised to do all things, sign all documents and take all such actions as required and generally do anything necessary or desirable to give effect to and implement this Special Resolution Number 1.”

Explanatory note

The reason for Special Resolution Number 1 is for Transcend Shareholders to approve the Scheme in terms of section 115(2)(a) of the Companies Act.

In terms of section 115(2)(a) of the Companies Act, Special Resolution Number 1 must be adopted by Transcend Shareholders:

- at a meeting at which sufficient persons are present to exercise at least 25% of the voting rights that are entitled to be exercised thereon; and
- with the support of at least 75% of all of the voting rights exercised on the Resolution.

All Transcend Shareholders are eligible to vote on the special resolution excluding the Offeror, as the acquiring party in terms of section 115(4) as read with the definition of “*acquiring party*” in the Companies Act.

SPECIAL RESOLUTION NUMBER 2 – REVOCATION OF SCHEME RESOLUTION IN ACCORDANCE WITH SECTION 164(9)(C) OF THE COMPANIES ACT

“Resolved that, in terms of section 164(9)(c) of the Companies Act, if Special Resolution Number 1 is adopted but, thereafter: (i) any Scheme Condition Precedent is not fulfilled or waived, as applicable; or (ii) the Scheme otherwise lapses or fails, and accordingly terminates, then: (a) Special Resolution Number 1 will be deemed to have been revoked; and (b) each Dissenting Shareholder which has, pursuant to the adoption of the revoked Special Resolution Number 1, sent a demand in terms of sections 164(5) to 164(8) of the Companies Act for payment of the fair market value of its Shares shall cease to have, and be deemed not to have had, any right, pursuant to the adoption of the relevant revoked Special Resolution Number 1, to be paid such fair value of their Shares under section 164 of the Companies Act.”

Explanatory note

The reason for Special Resolution Number 2 is to ensure that Dissenting Shareholders have no right to payment of the fair value of their Transcend Shares under section 164 of the Companies Act if: (i) the Scheme Conditions Precedent are not all fulfilled or waived, as applicable; or (ii) the Scheme otherwise lapses or fails, and accordingly terminates.

Special Resolution Number 2 must be adopted by Transcend Shareholders:

- at a meeting at which sufficient persons are present to exercise at least 25% of the voting rights that are entitled to be exercised thereon as contemplated in section 64(1) of the Companies Act. In addition, section 64(3) of the Companies Act requires that at least three Transcend Shareholders be present at that meeting; and
- with the support of at least 75% of all of the voting rights exercised on the Resolution.

All Transcend Shareholders are eligible to vote on the Special Resolution excluding the Offeror, as the acquiring party in terms of section 115(4) as read with the definition of “*acquiring party*” in the Companies Act.

QUORUM

The Scheme Meeting may not begin until sufficient persons are present (in person or represented by proxy) at the Scheme Meeting to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the Scheme Meeting. A matter to be decided at the Scheme Meeting may not begin to be considered unless sufficient persons are present (in person or represented by proxy) to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda.

FORM OF PROXY

A Form of Proxy (*blue*) is attached for the convenience of any Certificated Shareholders and Own-Name Dematerialised Shareholders who wish to be represented at the Scheme Meeting. Forms of Proxy (*blue*) may also be obtained on request from Transcend’s registered office. The duly completed Forms of Proxy (*blue*)

must be deposited at or posted to the office of the Transfer Secretaries, to be received by not later than 48 hours prior to the Scheme Meeting, i.e. by 10:00 on Thursday, 28 September 2023. The Forms of Proxy (*blue*) may also be emailed to the Transfer Secretaries (meetfax@jseinvestorservices.co.za) who will provide it to the Chairman of the Scheme Meeting or adjourned Scheme Meeting before the Scheme Meeting is due to commence or recommence. Forms of proxy not lodged with the Transfer Secretaries in time may also be handed to the chairperson of the Scheme Meeting immediately before the commencement of the Scheme Meeting. Any Shareholder who completes and lodges a Form of Proxy (*blue*) will nevertheless be entitled to attend the Scheme Meeting should the Shareholder subsequently decide to do so.

Own-Name Dematerialised Shareholders who are unable to attend but who wish to vote at the Scheme Meeting must complete and return the attached Form of Proxy (*blue*) and lodge it with the Transfer Secretaries to be received by no later than 10:00 on Thursday, 28 September 2023.

Dematerialised Shareholders, other than Own-Name Dematerialised Shareholder, must inform their CSDP or broker of their intention to attend the Scheme Meeting by electronic means and obtain the necessary authorisation (letter of representation) from the CSDP or Broker to so attend the Scheme Meeting. This must be done in terms of the Custody Agreement entered into between the Shareholder and the CSDP or Broker concerned.

ELECTRONIC PARTICIPATION

The Company has made provision for Shareholders or their proxies to participate electronically in the Scheme Meeting by way of video conferencing, via the remote interactive electronic platform, Microsoft Teams. Should you wish to participate in the Scheme Meeting via the video conferencing facility, you, or your proxy, should advise the Company thereof by no later than 10:00 on Thursday, 28 September 2023, by e-mail to the Company Secretary at ballardyce@corpstat.co.za relevant contact details, including an e-mail address, cellular number and landline as well as full details of your title to Transcend Shares and proof of identity, in the form of copies of identity documents and Share certificates (in the case of Certificated Shares) or written confirmation from your CSDP confirming your title to the Dematerialised Shares (in the case of Dematerialised Shares). Upon receipt of the required information, you will be provided with a secure link and instructions to access the video conferencing facility during the Scheme Meeting. Any Shareholder experiencing difficulties in accessing the Scheme Meeting via the video conferencing facility should contact the Company Secretary telephonically at the telephone number provided to such Shareholder together with the secure link and instructions to access the video conferencing facility during the Scheme Meeting. Shareholders should note that access to the video conferencing facility will be at the expense of the shareholders who wish to utilise the facility.

Shareholders and their appointed proxies attending via the video conferencing facility will not be able to cast their votes at the Scheme Meeting through this medium. Accordingly, Shareholders making use of the electronic participation facility are requested to submit their Forms of Proxy (*blue*) to the Company, as directed.

APPRAISAL RIGHTS FOR DISSENTING SHAREHOLDERS

In terms of section 164 of the Companies Act, at any time before the Scheme Resolution is voted on, a Shareholder may deliver to Transcend a Notice of Objection.

A Shareholder may demand that Transcend pay the Shareholder the fair value for all the Transcend Shares held by that person if:

- the Shareholder has sent Transcend a Notice of Objection;
- Transcend has adopted the Scheme Resolution; and
- the Shareholder voted against the Scheme Resolution and has complied with all of the procedural requirements of section 164 of the Companies Act.

Shareholders are referred to paragraph 4.4 of the “Action required by Shareholders in respect of the Scheme” section and paragraph 5.6 of the Circular for more information regarding Appraisal Rights. A copy of section 164 of the Companies Act is set out in **Appendix B to Annexure 1** of the Circular.

By order of the Board

1 September 2023



TRANSCEND

Residential Property Fund

Transcend Residential Property Fund Limited

Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2016/277183/06)
Share code: TPF ISIN: ZAE000227765
("Transcend" or the "Company")

FORM OF PROXY (BLUE)

Where appropriate and applicable, the terms defined in the Circular to which this Form of Proxy (blue) ("Form") is attached forms part of shall bear the same meaning in this Form of Proxy.

For use by the holders of Certificated Shares and/or Own-Name Dematerialised Shares held through a CSDP or Broker who have selected "own-name" registration, registered as such at the close of business on the Voting Record Date, at the Scheme Meeting to be held at 10:00 on Monday, 2 October 2023 or any postponement or adjournment thereof. The Form may also be emailed to the Transfer Secretaries who will provide it to the Chairman of the Scheme Meeting or adjourned Scheme Meeting before the Scheme Meeting is due to commence or recommence.

Dematerialised Shareholders who have not selected "own-name" registration must: (i) inform their CSDP or Broker timeously of their intention to attend the Scheme Meeting or be represented by proxy thereat in order for the CSDP or Broker to issue them with the necessary letter of representation to do so or; (ii) provide the CSDP or Broker with their voting instructions timeously should they not wish to attend the Scheme Meeting, in order for the CSDP or Broker to vote in accordance with their instructions at the Scheme Meeting.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (ADDRESS)

Telephone work ()

Telephone home ()

Cellphone number

Email address

being the holder/s of Shares in Transcend, hereby appoint (see note 1)

_____ or failing him/her,

_____ or failing him/her,

the Chairman of the Scheme Meeting.

as my/our proxy to act for me/us on my/our behalf at the Scheme Meeting in accordance with the following instructions (see note 2):

	Number of votes		
	*For	*Against	*Abstain
Special Resolution Number 1 – Approval of the Scheme Resolution in accordance with section 115(2)(a) of the Companies Act			
Special Resolution Number 2 – Revocation of Scheme Resolution in accordance with section 164(9)(c) of the Companies Act			

* One vote per Share held by Shareholders recorded in the Register on the Voting Record Date.

Signed at

on

2023

Signature

Assisted by me (where applicable)

A Shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a Shareholder of Transcend. 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 Scheme Meeting.

Forms of Proxy are requested to be completed and returned to the Transfer Secretaries, JSE Investor Services (One Exchange Square, Gwen Lane, Sandown, Sandton, 2196) so as to arrive by no later than 10:00 on Thursday, 28 September 2023. Forms of Proxy not lodged with the Transfer Secretaries in time may be handed to the chairperson of the Scheme Meeting immediately before the commencement thereof. Any Shareholder who completes and lodges a Form of Proxy will nevertheless be entitled to attend, speak and vote at the Scheme Meeting should the Shareholder decide to do so.

Please read the notes on the reverse side hereof.

NOTES TO THE FORM OF PROXY:

1. Only Shareholders who are registered in the Register of Transcend under their own name on the date on which Shareholders must be recorded as such in the Registers maintained by the Transfer Secretaries in order to attend and vote at the Scheme Meeting, being Friday, 22 September 2023 (the "Voting Record Date"), may complete a Form of Proxy or attend Scheme Meeting. This includes Certificated Shareholders or Own Name Dematerialised Shareholders. A proxy need not be a Shareholder of Transcend.
2. Certificated Shareholders wishing to attend the Scheme Meeting must ensure beforehand with the Transfer Secretaries 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 Form of Proxy, 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 Scheme Meeting.
4. Dematerialised Shareholders who have not elected own name registration in the Registers of Transcend through a CSDP and who wish to attend the Scheme 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 Transcend through a CSDP and who are unable to attend, but wish to vote at the Scheme 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, with or without deleting "the chairperson of the Scheme Meeting of shareholders". The person whose name stands first on the form of proxy and who is present at the Scheme Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the Scheme 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:
 - 7.1 cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - 7.2 delivering a copy of the revocation instrument to the proxy, and to Transcend.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the 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 Transcend 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 Transfer Secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act or the MOI to be delivered by the Company to the Shareholder must be delivered to:
 - 9.1 the Shareholder; or
 - 9.2 the proxy or proxies if the Shareholder has in writing directed Transcend to do so and has paid any reasonable fee charged by Transcend 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 existing MOI or the instrument appointing the proxy provide otherwise.
11. If Transcend issues an invitation to Shareholders to appoint one or more persons named by Transcend 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 Transcend 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 or waived by the chairperson of the Scheme 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 Transcend that wishes to attend and participate at the Scheme 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 Transfer Secretaries prior to the Scheme 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 were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the Scheme Meeting, that one of the said persons whose name appears first in the register of such shares or his proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. The chairperson of the Scheme 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 Scheme Meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the Scheme Meeting or other proxy to vote or to abstain from voting at the Scheme 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. Forms of proxy are requested to be deposited at the Transfer Secretaries, JSE Investor Services Proprietary Limited, One Exchange Square, Gwen Lane, Sandown, Sandton, 2196, posted to PO Box 4844, Johannesburg 2009 or emailed to meetfax@jseinvestorservices.co.za so as to arrive no later than 10:00 on Thursday, 28 September 2023. Forms of proxy not lodged with the Transfer Secretaries in time may be handed to the chairperson of the Scheme Meeting immediately before the commencement of the Scheme Meeting. Any Shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the Scheme Meeting should the Shareholder decide to do so.
21. This form of proxy may be used at any adjournment or postponement of the Scheme 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.



TRANSCEND

Residential Property Fund

Transcend Residential Property Fund Limited

Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2016/277183/06)
Share code: TPF ISIN: ZAE000227765
("Transcend" or the "Company")

FORM OF SURRENDER (*PINK*)

This Form of Surrender (*pink*) ("**Form**") is only for use in respect of the Scheme.

The definitions and interpretations commencing on page 11 of the Circular apply, *mutatis mutandis* throughout this Form, unless the context clearly indicates otherwise.

FOR USE BY CERTIFICATED SHAREHOLDERS

This Form is for use only by Certificated Shareholders. A separate Form is required for each Certificated Shareholder. This Form is not to be used by Dematerialised Shareholders, who are required to instruct their CSDP or Broker in accordance with the terms of their Custody Agreement with the CSDP or Broker.

Notes and instructions:

Persons who have acquired Transcend Shares after the date of posting the Circular can obtain copies of the Circular and this Form from the Transfer Secretaries at the address given below.

Part A must be completed by all Certificated Shareholders.

Part B must be completed by all Certificated Shareholders who are emigrants from the Common Monetary Area and whose Shares have not been released.

Part C must be completed by all Certificated Shareholders who are non-residents of the Common Monetary Area or who are emigrants from the Common Monetary Area whose Shares have been released and wish for the Scheme Consideration to be paid to an Authorised Dealer.

No receipts will be issued for Documents of Title lodged unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts, if required.

If you are in any doubt as to how to complete this Form, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.

This Form must be returned to the Transfer Secretaries, together with the relevant Documents of Title, so as to be received prior to 12:00 on the Scheme Record Date. If your Documents of Title have been lost or destroyed, you should nevertheless return this Form, together with a duly executed indemnity provided by the Transfer Secretaries. Transcend may, in its sole discretion, dispense with the surrender of Documents of Title upon production of satisfactory evidence that the Documents of Title have been lost or destroyed and upon provision of a suitable indemnity. Unless otherwise agreed by Transcend, only indemnity forms obtained from the Transfer Secretaries (available on request) will be regarded as suitable.

Signatories may be called upon for evidence of their authority to sign this Form.

Any alteration to this Form must be signed in full and not only initialled. Any alteration may be rejected by Transcend.

If this Form is signed under a power of attorney, then such power of attorney or a notarially certified copy thereof must be sent with this Form for noting, unless it has already been noted by the Transfer Secretaries.

Where the Certificated Shareholder is a company or a close corporation or other juristic person, a certified copy of the directors' or members' or other resolution authorising the signing of this Form must be submitted together with this Form, unless it has already been registered with the Transfer Secretaries or this form bears the Broker's stamp.

Where Transcend Shares are jointly held, this Form must be signed by all joint holders; however, Transcend shall be entitled, in its absolute discretion, to accept signature only of that holder whose name stands first in the Register in respect of such Transcend Shares.

In the case of Transcend Shareholders who are emigrants from the Common Monetary Area, the Scheme Consideration will, in the case of Certificated Shareholders whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, be forwarded to the Authorised Dealer in foreign exchange in South Africa controlling such Certificated Shareholders' remaining assets in terms of the Exchange Control Regulations. This Form makes provision for details of the Authorised Dealer concerned to be given.

The Scheme Consideration due to non-resident Transcend Shareholders whose registered addresses are outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will in the case of Certificated Shareholders whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, be posted to the registered addresses of the non-resident Transcend Shareholders concerned, unless written instructions to the contrary are received and an address is provided.

This Form makes provision for a substitute address for the Scheme only.

You are referred to **Annexure 4** of the Circular with regard to the Exchange Control Regulations.

Transcend Shareholders are advised to consult their professional advisors about their personal tax positions regarding the receipt of the Scheme Consideration.

Transcend Shareholders are referred to the Circular for the further terms and conditions applicable to the Scheme and its acceptance, which Circular should be read in its entirety for a full appreciation thereof.

In the event of any conflict between this Form and the Circular, the Circular shall prevail.

Transfer Secretaries

If delivered by hand

JSE Investor Services Proprietary Limited
One Exchange Square, Gwen Lane
Sandown, Sandton, 2196

If sent by mail and email

JSE Investor Services Proprietary Limited
(PO Box 4444, Johannesburg, 2000)
Email: meeefax@jseinvestorservices.co.za

Dear Sirs

I/We, the undersigned Transcend Shareholder, hereby surrender the Transcend share certificate/s and/or other Documents of Title attached hereto, representing Transcend Shares, registered in the name of the person mentioned below and authorise the Transfer Secretaries, conditional upon the Scheme becoming operative, to register the transfer of these Transcend Shares into the name of the Offeror or its respective nominee(s):

PART A – TO BE COMPLETED IN BLOCK CAPITALS BY ALL CERTIFICATED SHAREHOLDERS WHO RETURN THIS FORM

Surname _____

First names (in full) _____

Title (Mr, Mrs, Miss, Ms, etc) _____

Address to which the Scheme Consideration, which a Certificated Shareholder is entitled to in terms of the Scheme, should be sent (if different from registered address): _____

Postal code _____

Country _____

Telephone number () _____

Telefax () _____

Cellphone number _____

Email address _____

In terms of FICA, JSE Investor Services will be unable to record any change of address unless the following documentation is received from the relevant Shareholder:

- an original certified copy of your identity document;
- an original certified copy of a document issued by the South African Revenue Services to verify your tax number (if you are unable to provide same, please submit an affidavit to this effect in writing, signed by a Commissioner of Oaths); and
- an original or an original certified copy of a service bill to verify your residential address.

The Scheme Consideration is expected to be posted on the Discharge Date, provided that this Form and relevant Documents of Title were received by the Transfer Secretaries. In respect of acceptances received after 12:00 on the Scheme Record Date, please see paragraph 6.4.8 of the Circular.

I/We hereby surrender and enclose the share certificates, certified transfer deeds and/or other Documents of Title, details in respect of which are set out in the table below, in respect of my/our holding of Certificated Shares:

Name of registered holder (separate form for each holder)	Certificate number(s) (in numerical order)	Number of Shares covered by each certificate(s) enclosed
Total		

Signature of Shareholder	Stamp and address of agent lodging this Form
Date of signature	

I/We hereby certify that:

- I/We own the Shares as detailed in the table set out above at the end of Part A (defined for purposes of Part B as the "Shares");
- the Shares are fully paid-up;
- the Shares are in registered form;
- I/We am/are the legal owner solely entitled to the Shares and have the power to dispose of the Shares;
- there is no pre-emption right nor any other right by virtue of which any person or entity may be entitled to demand that one or more of the Shares be transferred to me/us;
- none of the Shares are Encumbered with any pledge or usufruct, there is no right to acquire any pledge or usufruct of the Shares and none of the Shares are subject of any attachment; and
- the Shares are freely transferable.

PART B – TO BE COMPLETED IN BLOCK CAPITALS BY ALL CERTIFICATED SHAREHOLDERS WHO ARE EMIGRANTS FROM THE COMMON MONETARY AREA AND WHOSE SHARES HAVE NOT BEEN RELEASED

The Scheme Consideration due to **Certificated Shareholders who are emigrants from the Common Monetary Area** and whose Shares have not been released will be forwarded to the Authorised Dealer controlling his/her remaining assets and credited to the emigrant's capital account. Accordingly, a non-resident who is an emigrant from the Common Monetary Area must provide the following information:

Name of Authorised Dealer in South Africa: _____

Address: _____

Account number: _____

If no nomination is made above, the Scheme Consideration will be held in trust by Transcend until a written instruction is received as to the disposal of such amount.

PART C – TO BE COMPLETED IN BLOCK CAPITALS BY CERTIFICATED SHAREHOLDERS WHO ARE NON-RESIDENTS OF THE COMMON MONETARY AREA OR ARE EMIGRANTS FROM THE COMMON MONETARY AREA WHOSE SHARES HAVE BEEN RELEASED AND WHO WISH TO HAVE THE SCHEME CONSIDERATION PAID TO AN AUTHORISED DEALER

The Scheme Consideration due to Certificated Shareholders who have registered addresses outside South Africa (other than Certificated Shareholders who are emigrants from the Common Monetary Area and whose Shares have not been released) and whose share certificates are endorsed “*non-resident*” will be posted to the relevant Certificated Shareholder, unless that Certificated Shareholder nominates an Authorised Dealer to which such Scheme Consideration should be paid.

Name of Authorised Dealer in South Africa or alternative instructions: _____

Address: _____

Account number: _____

Notes:

1. Any alteration to this Form must be signed in full and not merely initialled.
2. Emigrants from the Common Monetary Area must, in addition to Part A, also complete Part B. If Part B is not properly completed, the Scheme Consideration will be held in trust by the Company or the Transfer Secretaries until claimed, but only for a maximum period of five years, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa. No interest will accrue or be paid on any Scheme Consideration so held in trust.
3. All other non-residents of the Common Monetary Area must complete Part C if they wish the Scheme Consideration to be paid to an Authorised Dealer in South Africa.
4. No receipt will be issued for documents lodged, unless specifically requested. Persons requiring receipts must prepare a receipt and forward it, together with their Documents of Title surrendered.
5. If this Form is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this Form (unless it has already been noted by the Company or its Transfer Secretaries).
6. Where the Certificated Shareholder is a company, close corporation or other juristic person, unless it has already been registered with the Company or its Transfer Secretaries, a certified copy of the directors' or members' or other resolution authorising the signing of this Form must be submitted with this Form, unless this requirement is waived by Transcend.
7. Note 6 above does not apply in the case of a form bearing a Broker's stamp.
8. A minor must be assisted by his/her parent or guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company or the Transfer Secretaries.
9. Where there are joint holders of any Shares, only that holder whose name stands first in the Register in respect of those Shares need to sign this Form.
10. Persons who have acquired Shares after the date of issue of the Circular can obtain copies of the Circular (including this Form) from the Transfer Secretaries.
11. Notwithstanding transfer of ownership, the Scheme Consideration will not be sent to Certificated Shareholders unless and until Document(s) of Title in respect of the relevant Shares have been surrendered to the Company or the Transfer Secretaries. The Company is however entitled, in its sole and absolute discretion, to waive this requirement if it receives a satisfactory indemnity from the Shareholder in the event of lost Documents of Title.
12. In the event of any conflict between this Form and the Circular, the Circular shall prevail.
13. Certificated Shareholders who have not previously provided the Transfer Secretaries with their banking details will need to do so by completing **FORM B: Direct Credit – Bank Account Details** attached hereto and returning same to the Transfer Secretaries.

FORM B: DIRECT CREDIT – BANK ACCOUNT DETAILS FORM

FOR COMPLETION ONLY BY CERTIFICATED SHAREHOLDERS WHO HAVE NOT PREVIOUSLY PROVIDED THE TRANSFER SECRETARIES WITH THEIR LATEST BANKING DETAILS

Full name of registered Shareholder												
Identity number of person signing this form												
Your shareholder number (if known)												
E-mail address												
Cell phone number												
Office phone number												
Home phone number												
Fax number												

REQUEST FOR DIRECT CREDITING OF PAYMENTS – BANK ACCOUNT DETAILS

PLEASE NOTE: We cannot accept banking details in the name of a third party

Name of bank account holder				
Name of South African Bank				
Name of bank branch		Bank account number		
Bank branch code	Account type	Cheque	Transmission	Savings

I/We hereby authorise

JSE Investor Services and/or **Transcend** to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions relating to payments to which I/we am/are entitled to be paid in cash, but do not override any previous reinvestment instructions.

Signature of Shareholder	Day	Month	Year
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If you are signing this form in a representative capacity, please indicate which capacity (see over page)

<p>BANK VERIFICATION</p> <p>I/We confirm that the above information about the abovementioned Shareholders' account at this Bank is correct</p> <p>Signed on behalf of Bank</p> <p><i>THIS MUST BE COMPLETED BY YOUR BANK</i></p>	<p>BANK STAMP HERE</p>
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THIS FORM MUST BE SIGNED AND ACCOMPANIED BY AN ORIGINAL CERTIFIED COPY OF YOUR IDENTITY DOCUMENT. (COPIES OF CERTIFIED COPIES WILL ALSO NOT BE ACCEPTED).

PLEASE BE ADVISED THAT FACSIMILE/ELECTRONIC COPIES WILL NOT BE ACCEPTED.

HOW TO COMPLETE THIS FORM B DIRECT CREDIT

Request for Direct Crediting of payments

This form must be completed in full. Until cancelled in writing by you, all future cash payments will be paid into the nominated account.

IMPORTANT: Do not use the number quoted on your credit or debit card.

By signing this form, you:

- Confirm that the details are true and correct.
- Understand and agree that neither Transcend nor JSE Investor Services shall be responsible in any way for any loss you may suffer as a result of transfer/deposits being made in accordance with the information provided on this form.
- Understand and agree that any such deposit shall constitute a full and sufficient discharge of the obligation of Transcend and/or JSE Investor Services to make such payments to me/us.
- Understand and agree that this payment instruction will be applied to all future cash payments.

This instruction only applies to the specific holding identified by the holder number and the name appearing on the front of this form.

NOTE: We cannot accept banking details in the name of a third party.

IF YOU ARE SIGNING THIS FORM IN A REPRESENTATIVE CAPACITY, JSE INVESTOR SERVICES REQUIRES THE FOLLOWING DOCUMENTATION IN ADDITION TO AN ORIGINAL CERTIFIED COPY OF YOUR IDENTITY DOCUMENT.	
Joint holding:	Where the holding is in more than one name, the signature of the first mentioned Shareholder is required
Power of attorney:	To sign under a Power of Attorney, you must have already lodged the Power of Attorney with JSE Investor Services. Alternatively, please attach an original certified copy of the Power of Attorney to this form when you return it, together with an original certified copy of the registered holder's identity document.
Trusts:	The form must be signed by the authorised trustee. If you have not already done so, please attach an original certified copy of the Trustee Resolution/Power of Attorney authorising you to act on behalf of the trust, together with original certified copies of the Letters of Authority issued by the Master of the High Court and the Trust Deed.
Companies/Closed Corporations/Funds:	Any authorised company official/member may sign on behalf of the company/closed corporation/fund. Please indicate the office held when signing the form. If you have not already done so, please provide JSE Investor Services with an original certified copy of your authorisation to act on behalf of the company/closed corporation/fund in the form of an original certified copy of the board minute/resolution detailing the authorized signatories including specimen signatures and a company letterhead for noting in our records. In addition, JSE Investor Services requires an original certified copy of the Certificate of Incorporation/CK1 Founding Statement/Constitution.
Minors:	If the Shares are registered in the name of a minor, the form must be completed by the natural guardian, stating the capacity in which he/she is signing or, in the case of a legal guardian, attach an original certified copy of the Letters of Guardianship (if not previously provided). The guardian must attach an original certified copy of his/her identity document together with an original certified copy of the birth certificate of the minor.
Deceased Shareholders:	This form must be signed by the Executor/s of the Deceased Estate. If you have not already done so, please provide JSE Investor Services with an original certified copy of the Letters of Executorship together with an original certified copy of the Executor's identity document.
Shareholder under Curatorship:	The form must be signed by the Curator Bonis appointed by the Master of the High Court. If you have not already done so, please provide JSE Investor Services with an original certified copy of the Letters of Curatorship together with an original certified copy of the Curator's identity document.
Shareholder under Liquidation:	The form must be signed by the liquidator appointed by the Master of the High Court. If you have not already done so, please provide JSE Investor Services with an original certified copy of your Letter of Appointment together with an original certified copy of the shareholder's identity document.