

The Directors
Growthpoint Properties Limited (“**Growthpoint**”)
The Place
1 Sandton Drive
Sandton
Gauteng, 2196
South Africa

5 November 2019

Dear Sirs

Capital & Regional (the “Company”)

Proposed recommended partial offer by Growthpoint, or by any wholly-owned UK domiciled subsidiary of Growthpoint and/or by any partnership, firm or entity in which Growthpoint holds (directly or indirectly) all or substantially all of the economic rights, to acquire 219,786,924 existing ordinary shares of 1 pence each (the “**Ordinary Shares**”) in the issued share capital of the Company (the “**Partial Offer**”) and the proposed cash subscription of 311,451,258 new Ordinary Shares (the “**New Shares**”) in the capital of the Company by Growthpoint, or by any wholly-owned UK domiciled subsidiary of Growthpoint and/or any partnership, firm or entity in which Growthpoint holds (directly or indirectly) all or substantially all of the economic rights (the “**Subscription**” and together with the Partial Offer, the “**Transaction**” and such term to include any revised or increased offer and/or subscription) and applications for admission of the New Shares to the premium segment of the Official List of the Financial Conduct Authority and to trading on London Stock Exchange plc's main market for listed securities.

We, the undersigned, Allan Gray Proprietary Limited (registration number 2005/002576/07) (“**Allan Gray**”), are the duly authorised investment manager of our clients (“**Clients**”) and we hold discretionary mandates from those Clients which authorise and empower Allan Gray, in our discretion but subject to the continuing said mandates of our Clients in their current form.

1. We refer to the proposed Transaction on the terms and subject to the conditions set out in the attached press announcement (the “**Rule 2.7 Announcement**”).
2. Our Clients are the beneficial owners of, or otherwise directly or indirectly control, 46 048 324 Ordinary Shares in the Company (the “**Shares**” which expression shall include any other Ordinary Shares in the Company issued to our Clients or otherwise acquired by our Clients under our management after the date hereof).
3. We confirm that it is our intention to take all necessary actions to:

Directors: R J Formby BSc (Eng) MBA, W B Gray BCom MBA CFA*, A R Lapping BSc (Eng) BCom CFA, I S Liddle BBusSc (Hons) CFA**, T J Mahuma BA (Hons) MPhil*, T Mhlambiso AB MBA JD*, K C Morolo BSc (Eng) MEng* *Non-Executive *Chairman **Company Secretary:** C E Solomon BBusSc (Hons) CA (SA) Allan Gray Proprietary Limited: Registration Number 2005/002576/07. Allan Gray Proprietary Limited is an authorised financial services provider.

Address: 1 Silo Square V&A Waterfront Cape Town 8001 P O Box 51318 V&A Waterfront Cape Town 8002 South Africa **T** +27 (0)21 415 2300 **E** info@allangray.co.za
W www.allangray.co.za

- 3.1 accept the Partial Offer in respect of not less than 30.3% of the Shares held by our Clients at close of business two business days prior to the first closing date of the offer referred to in paragraph 3.4 below (the “**Relevant Shares**”);
- 3.2 provide acceptances through the STRATE System in respect of all of the Relevant Shares and to the extent as may be reasonably required recommend to our clients not to withdraw or revoke, or procure the withdrawal or revocation of, acceptances in respect of any or all of the Relevant Shares; and
- 3.3 recommend to our Clients who hold voting rights as shareholders in the Company to approve the Partial Offer in accordance with Rule 36.5 of the City Code on Takeovers and Mergers (the “**City Code**”) by, if required, completing, signing and returning the form of approval in respect of all rights attaching to the Shares or voting in favour of the relevant resolution at the Meeting referred to in paragraph 3.4 below;
- 3.4 recommend to our Clients who hold voting rights as shareholders at the time of the Meeting to exercise, or, where applicable, procure the exercise of, all voting rights attaching to the Shares in favour of all of the resolutions that are to be proposed at a general meeting of the Company (including any adjournment thereof) (the “**Meeting**”) in relation to the Transaction including but not limited to an ordinary resolution to authorise the directors to allot the New Shares, a special resolution to disapply statutory pre-emption rights in respect of the allotment of the New Shares and if required, any resolution(s) to approve the Transaction for the purpose of a waiver of any obligation on Growthpoint under Rule 9 of the City Code to make a general offer and/or in substitution for the form of approval required by Rule 36.5 of the City Code, as will be set out in full in the Final Prospectus (as defined below) (the “**Resolutions**”) (whether or not amended, and whether put on a show of hands or a poll) at the Meeting.

4. We consent to:

- 4.1 the disclosure of our identity in the final combined prospectus and circular to be published by the Company in connection with the Transaction (the “**Final Prospectus**”) or any supplementary prospectus to be published by the Company under Article 23(2) of Regulation (EU) 2017/1129 which supplements the Final Prospectus (a “**Supplementary Prospectus**”) the Offer Document, the Rule 2.7 Announcement and any other ancillary documentation required in connection with the Transaction, provided always that if any such disclosures include reference to Allan Gray and/or our Clients, then such references shall always be a generic reference to our Clients, with no mention of any of our Clients’ names, and provided further that any mention of Allan Gray shall at all times make it unequivocally clear that Allan Gray is acting on behalf of its Clients, and not as principal, and that the Shares are held by Allan Gray’s Clients and not by Allan Gray as principal. In this regard, the Company shall engage with Allan Gray prior to making any such public disclosures or mention of

Allan Gray in terms of this clause, to ensure that such disclosures comply with this clause and with this undertaking; and;

4.2 the inclusion in the Final Prospectus, any Supplementary Prospectus, the Offer Document, the Rule 2.7 Announcement and any other ancillary documentation required in connection with the Transaction of a statement to the effect that we intend recommending to our Clients who hold voting rights as shareholders at the date of the Meeting to exercise or procure the exercise of the voting rights attaching to the Shares in favour of the Resolutions and our Client's intended acceptance of the Partial Offer; and

4.3 the disclosure of a copy of this letter on Growthpoint's website in accordance with Rule 26.2 of the City Code.

5. We confirm that we shall provide any information reasonably required to comply with Rule 17 of the City Code upon request.

6. The above statement of intent is not legally binding and does not constitute an irrevocable undertaking. We may change our intent and terminate the above statement of intent at any time.

7. Any disposal of any or all such Shares in which we are interested at the date of this letter shall not constitute either a change in our intent, nor a failure to comply with the terms of this letter, nor an intention no longer to comply with the terms of this letter. We acknowledge that if we become aware that we will not be able to comply with the terms of this letter (or do not intend to do so): (i) we are obliged to make a prompt notification to both the Panel on Takeovers and Mergers and Growthpoint of the up-to-date position; and (ii) Growthpoint will be required promptly to make an appropriate announcement of the information notified to it together with all relevant details, in each case in accordance with Rule 2.10(c) of the Code promptly after becoming aware that we will not be able to comply with the terms of this letter or no longer intend to do so.

