

EMIRA PROPERTY FUND LIMITED

Incorporated in the Republic of South Africa
(Registration number 2014/130842/06)
JSE share code: EMI ISIN: ZAE000203063
JSE Interest Rate Issuer Code: EMII
(Approved as a REIT by the JSE)
("Emira" or the "Company")



UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020 AND DIVIDEND DECLARATION

Nature of business

Emira is a diversified Real Estate Investment Trust ("REIT"), with a property portfolio of predominantly South African assets, and a growing component of offshore assets in the USA. In line with its strategic objectives, Emira's property portfolio spans multiple sectors, namely office, retail, industrial and residential. The Company is focused on growing the quality and value of its portfolio of property investments, in order to sustain and enhance its distribution growth to shareholders.

Distributable earnings and dividend declared

Distributable earnings for the six months ended 31 December 2020 has decreased from the prior corresponding period by 13,9% to R333,7m. After taking into account the adjustments relating to the effects of COVID-19, which reflect the cash backed position, the Board of Directors of Emira (the "Board") has approved the declaration of an interim dividend of 52,00 cents per share for the six months to 31 December 2020 (December 2019: 74,10 cents). This is after the deferral of 5,09 cents of the available cash backed dividend per share to the second half of the year which the Board believes is prudent given the uncertainty on the future operational performance.

As anticipated, global economies continue to be constrained by the impact of COVID-19 and the related lockdowns. The diversified nature of Emira's investments on a sectoral and geographical basis, including its offshore exposure and its co-investment methodology, has proved defensive seeing some sectors and regions being hit harder than others.

Emira remains focused on maintaining the strength of its balance sheet and occupancy levels, and collecting rentals, to ensure that it comes through these trying times in the best possible position.

Tenant retention is Emira's key focus area, more so than ever before. Working together to understand tenants' needs and delivering space that is appropriate, of good quality and well-priced will help keep vacancies at low levels without compromising on future growth.

Financial summary:

The unaudited condensed consolidated interim financial results for the six months ended 31 December 2020, as compared to the six months ended 31 December 2019 ("comparative period"), are set out below:

- Revenue decreased by 3.6% to R741 million compared to R771 million for the comparative period;
- Headline earnings per share decreased by 6.1% to 80.12 cents compared to 85.34 cents for the comparative period;
- Earnings per share decreased by 100.6% to (0.46) cents compared to 77.77 cents for the comparative period;
- Net asset value per share decreased by 19.7% to 1 475.3 cents compared to 1 838.0 cents for the comparative period;

- Distributable earnings decreased by 13.9% to 334 million compared to 387 million for the comparative period; and
- Dividend decreased by 29.8% to 52.00 cents per share compared to 74.10 cents per share for the comparative period.

Dividend declaration

The Board has approved, and notice is hereby given that an interim gross dividend of 52,00 cents per share has been declared, payable to the registered shareholders of Emira on Monday, 15 March 2021. In making its decision on whether to pay out a dividend and the quantum thereof, the Board has assessed the Company's solvency and liquidity position, taking into account the Company's current position together with forecasts.

The issued share capital at the declaration date is 522 667 247 listed ordinary shares. The source of the dividend comprises net income from property rentals, income earned from the Company's equity-accounted investments, interest earned on loans receivable and interest earned on cash on deposit.

Last day to trade cum dividend	Tuesday, 9 March 2021
Shares trade ex-dividend	Wednesday, 10 March 2021
Record date	Friday, 12 March 2021
Payment date	Monday, 15 March 2021

Share certificates may not be dematerialised or rematerialised between Wednesday, 10 March 2021 and Friday, 12 March 2021, both days inclusive.

In accordance with Emira's status as a REIT, shareholders are advised that the dividend meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 ("Income Tax Act"). Accordingly, qualifying distributions received by local tax residents must be included in the gross income of such shareholders (as a non-exempt dividend in terms of section 10(1)(k)(aa) of the Income Tax Act), with the effect that the qualifying distribution is taxable as income in the hands of the shareholder. These qualifying distributions are, however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that the South African resident shareholders have provided the following forms to their Central Securities Depository Participant ("CSDP") or broker, as the case may be, in respect of uncertificated shares, or the transfer secretaries, in respect of certificated shares:

- a) declaration that the dividend is exempt from dividends tax; and
- b) a written undertaking to inform the CSDP, broker or the transfer secretaries, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service. Shareholders are advised to contact their CSDP, broker or the transfer secretaries, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

Qualifying dividends received by non-resident shareholders will not be taxable as income and instead will be treated as ordinary dividends but which are exempt in terms of the usual dividend exemptions per section 10(1)(k) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20%, the net amount due to non-resident shareholders will be 41,60 cents per share. A reduced dividend withholding tax rate in terms of the applicable DTA, may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of the uncertificated shares, or the transfer secretaries, in respect of certificated shares:

- a) a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- b) a written undertaking to inform their CSDP, broker or the transfer secretaries, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service. Non-resident shareholders are advised to contact their CSDP, broker or the transfer secretaries, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted, if applicable.

Local tax resident shareholders as well as non-resident shareholders are encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

The Company's tax reference number is 9995/739/15/9.

This short form announcement is the responsibility of the Board, is only a summary of the information in the full announcement which was released on SENS on 17 February 2021, and therefore does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based as a whole on consideration of the unaudited condensed consolidated interim financial results for the six months ended 31 December 2020 which may be downloaded from:

<https://senspdf.jse.co.za/documents/2021/jse/issb/EMII/Interims20.pdf>

or may or may be requested via email from sponsor@questco.co.za. The full announcement is also available on the Company's website at: <https://emira.co.za/financial-reporting/>

Registered office: 1st Floor, Block A, Knightsbridge, 33 Sloane Street, Bryanston, 2191

Bryanston
17 February 2021

Sponsor
Questco Corporate Advisory Proprietary Limited
First Floor, Yellowwood House, Ballywoods Office Park, 33 Ballyclare Drive, Bryanston.

Debt Sponsor
Rand Merchant Bank (a division of FirstRand Bank Limited)