

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")

MAITLANTIC 10 PROPRIETARY LIMITED
Incorporated in the Republic of South Africa
(Registration number 2019/539058/07)

CLEARANCE CANTARA MASTER FUND LTD
Incorporated in the Cayman Islands
(Registration No. MC-306182)
(collectively, the "offerors")

JOINT ANNOUNCEMENT OF THE FIRM INTENTION TO MAKE A MANDATORY OFFER TO THE SHAREHOLDERS OF EMIRA

1. INTRODUCTION

Emira shareholders are advised that the board of directors of Emira (the "**Emira board**") has received a written notice from Maitlantic 10 Proprietary Limited ("**Maitlantic**") and Clearance Cantara Master Fund Limited ("**CC**") (Maitlantic and CC are hereinafter collectively referred to as the "**offerors**") informing the Emira board that Maitlantic has acquired further Emira shares, which has resulted in the offerors and their related and concert parties collectively holding 35% or more of the voting securities in Emira. Accordingly, the offerors will proceed to make a mandatory offer, as required in terms of section 123 of the Companies Act, 71 of 2008 (the "**Companies Act**") read with the Regulations published in terms of the Companies Act ("**Takeover Regulations**") to acquire all of the Emira shares not already held by the offerors, their holding companies or their holding companies' other subsidiaries, (the "**offer shares**") for an offer consideration of R9.15 per Emira ordinary share (the "**mandatory offer**").

The purpose of this firm intention announcement is to advise the Emira shareholders of the terms and conditions of the mandatory offer. The independent board, constituted as set out in paragraph 5.1 below and defined therein, is reviewing the terms and conditions of the mandatory offer, has not yet formulated a view thereon and makes no recommendations in respect thereof. This joint announcement should therefore not be construed as an indication of its support for the terms and conditions on which the mandatory offer has been made.

2. THE MANDATORY OFFER

The mandatory offer will be made in terms of section 123 of the Companies Act and Regulation 86 of the Takeover Regulations. The material terms of the mandatory offer to be made by the offerors to all Emira shareholders are as follows:

2.1. Terms of the mandatory offer

The offerors will make the mandatory offer, as required in terms of section 123 of the Companies Act, whereby each shareholder will be entitled to elect whether or not to dispose of all or a portion of their offer shares to the offerors in exchange for the consideration offered by the offerors ("**mandatory offer participants**").

2.2. Mandatory offer consideration

The mandatory offer will be made for a cash consideration of R9.15 per Emira share (the "**mandatory offer consideration**") tendered by a mandatory offer participant.

The mandatory offer consideration will be settled in full, in accordance with the terms of the mandatory offer, without regard to any lien, right of set-off, counterclaim or other analogous right to which the offerors may otherwise be, or claim to be, entitled against a mandatory offer participant.

2.3. Participation ratios of offerors

If all eligible Emira shareholders (excluding the Excluded Shareholders (defined in paragraph 2.5 below)) accept the mandatory offer, then the aggregate mandatory offer consideration which may be paid should the mandatory offer be accepted by all offerees is R2 869 323 960.

If acceptances are received such that the aggregate mandatory offer consideration payable is less than or equal to R2.252 billion, then all offer shares will be acquired by Maitlantic. CC will only participate as co-offeror and will only acquire offer shares pursuant to the mandatory offer, once acceptances are received such that the aggregate mandatory offer consideration exceeds R2.252 billion. CC will acquire offer shares for an aggregate mandatory offer consideration of not more than R150 000 000, once, and only if, the initial acquisition threshold of approximately R2.252 billion is reached, whereafter Maitlantic will acquire further offer shares.

2.4. Conditions precedent to the mandatory offer

The implementation of the mandatory offer is subject to the fulfilment (or waiver (to the extent legally permissible) by the offerors by notice to Emira) of the following conditions precedent, by no later than 30 September 2021 (or such other date as the offerors may determine by notice in writing to Emira):

- obtaining all regulatory approvals, consents or waivers from those regulatory authorities as may be required to implement the mandatory offer, including:
 - the Takeover Regulation Panel (“**TRP**”) having issued a compliance certificate in respect of the mandatory offer in terms of section 119(4)(b) of the Companies Act;
 - the Competition Tribunal granting the approvals for the merger of the I Group (defined below) and Emira pursuant to the implementation of the mandatory offer or otherwise, to the extent legally required;
 - the South African Reserve Bank granting such approvals as may be required in terms of the South African Exchange Control Regulations to implement the mandatory offer, either unconditionally or subject to such conditions acceptable to the offerors; and
- the TRP approving the offer circular and independent board response circular to be provided to shareholders of Emira in respect of the mandatory offer.

2.5. Irrevocable undertakings

The offerors have received irrevocable undertakings from two shareholders, being Luxanio Trading 157 Proprietary Limited and Tamela Property Investments Proprietary Limited (“**Excluded Shareholders**”), who each hold or control 13 066 682 ordinary shares in Emira, comprising approximately 5% of the issued ordinary shares of Emira, that they will, *inter alia*, reject the mandatory offer.

2.6. Ability to proceed with the mandatory offer

The offerors have delivered:

- irrevocable unconditional guarantees issued by various financial institutions (collectively, the “**guarantors**”) in accordance with Regulations 111(4) and 111(5) of the Takeover Regulations in favour of Emira shareholders, in terms of which the guarantors in aggregate have agreed to pay up to a maximum amount of R2 719 335 837 in relation to the maximum mandatory offer consideration payable by Maitlantic to mandatory offer participants pursuant to the mandatory offer becoming unconditional and being implemented; and
- an irrevocable unconditional confirmation issued by FirstRand Bank Limited (acting through its Rand Merchant Bank division) confirming that sufficient cash in the amount of R150 million is held in escrow, in accordance with Regulations 111(4) and 111(5) of the Takeover Regulations, in relation to the maximum consideration payable by CC pursuant to the offer becoming unconditional and being implemented.

As a result of the irrevocable undertakings provided by the Excluded Shareholders referred to in paragraph 3.5, the Takeover Regulation Panel has granted the offerors an exemption from providing guarantees in terms of Regulations 111(4) and 111(5) of the Takeover Regulations in respect of the offer consideration that would have been payable to the Excluded Shareholders had they accepted the mandatory offer.

3. SHAREHOLDINGS IN EMIRA OF THE OFFERORS, PERSONS RELATED TO THE OFFERORS AND/OR PERSONS ACTING IN CONCERT WITH THE OFFERORS

Maitlantic is a subsidiary of I Group Consolidated Holdings Proprietary Limited (“**I Group**”), a private, South African real estate holding and development company, which through its direct and indirect subsidiaries, currently collectively hold 182 946 565 shares in Emira, comprising approximately 35.003% of the issued share capital of Emira.

CC is a hedge fund incorporated and registered as a mutual fund in the Cayman Islands. CC was established by Clearance Capital Limited and is unrelated to I Group. CC, its holding company and subsidiaries currently do not hold any shares in Emira.

The offerors confirm that they are the ultimate prospective purchasers of the offer shares and that they are acting alone, and not in concert with, any other person (save for each other) in respect of the mandatory offer.

4. OFFEROR CIRCULAR AND RESPONSIBILITY STATEMENT

In accordance with regulation 102(2)(a) of the Takeover Regulations, following release of this Firm Intention Announcement, a circular (the “offeror circular”) will be posted by the offerors to Emira shareholders within 20 business days of the date of this announcement, subject to any extension that may be granted by the TRP.

The offerors, to the extent that the information relates directly to the offerors:

- accept responsibility for the information contained in this announcement;
- confirm that to the best of their knowledge and belief, the information contained in this announcement is true and correct; and
- confirm that this announcement does not omit anything likely to affect the importance of the information contained in it.

5. APPOINTMENT OF INDEPENDENT BOARD AND AN INDEPENDENT EXPERT, CIRCULAR AND RESPONSIBILITY STATEMENT

5.1. Independent board

In accordance with the provisions of the Companies Act and the Takeover Regulations, an independent sub-committee of the board of directors of Emira, comprising Gerhard van Zyl, Wayne McCurrie and Vuyisa Nkonyeni, (the “**independent board**”) has been appointed for the purposes of considering the mandatory offer in accordance with the requirements of the Takeover Regulations.

5.2. Independent Expert

The independent board will appoint an independent expert in accordance with the requirements of the Takeover Regulations to advise the Emira board and report to the Emira board on the mandatory offer by way of a fair and reasonable opinion. The independent expert’s full report will be included in the circular to be issued to Emira shareholders in due course.

5.3. Circular

In accordance with regulation 102(9) of the Takeover Regulation, and subject to any extension that may be granted by the TRP, Emira will post its response circular (the “Emira response circular”) within 20 business days of the offer circular being posted to Emira shareholders

5.4. Responsibility statement

The independent board and Emira, to the extent that the information relates to Emira:





- accept responsibility for the information contained in this announcement;
- confirm that, to the best of their knowledge and belief, the information contained in this announcement is true and correct; and
- confirm that this announcement does not omit anything likely to affect the importance of the information contained in it.

Emira shareholders will be advised of the posting of each of the offeror circular and the Emira response circular and the opening of the mandatory offer by means of a SENS announcement.

6. OFFER PERIOD

The mandatory offer will remain open for acceptance for at least 30 business days after the opening date of the mandatory offer, and at least 10 business days after the mandatory offer has been declared wholly unconditional.

23 April 2021

Sponsor to Emira	Corporate advisor to the offerors	Legal advisor to the offerors
		
Corporate advisor to Emira		Legal advisor to Emira
		ALLEN & OVERY