

EMIRA PROPERTY FUND LIMITED

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



REVIEWED CONDENSED CONSOLIDATED PRELIMINARY FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2022 AND DIVIDEND DISTRIBUTION DECLARATION

Nature of business

Emira is a diversified Real Estate Investment Trust ("REIT"), with a property portfolio of predominantly South African assets, and a 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.

Commentary

Distributable earnings for the year ended 30 June 2022 improved by 3,8% to R673,9m. After taking the adjustments to reflect the cash backed position into account, Emira's Board of Directors ("the Board") has declared a final dividend of 63,20 cents per share for the six months to 30 June 2022 (June 2021: 66,65 cents). This is a period-on-period decrease of 5,2%, bringing the full-year dividend per share to 119,79 cents (2021: 118,65 cents), an increase of 1,0%.

The sound performance achieved for the year is attributable to decisions taken over recent years on the strategic direction of the Fund, with active and hands-on asset management, focusing on basic property fundamentals and performing them with excellence. While there was continued uncertainty throughout the year due to the lingering effects of COVID-19, the July 2021 unrest, rising inflation fears and the Russia/Ukraine conflict, it has been pleasing to see how Emira's investments have withstood the pressure.

The steady performance of the local industrial and retail sectors has countered the strained office market, while the Fund's exposure to the stable economy of the US has provided a buffer to the low growth South African environment. Emira's residential investments have also proved stable, and while growth in income has been marginal, it is pleasing to note that vacancies have decreased substantially.

Financial summary

The reviewed condensed preliminary financial results for the year ended 30 June 2022, as compared to the year ended 30 June 2021 ("comparative period"), are set out below:

- Directly held portfolio revenue decreased by 0.5% to R1 474,3 million compared to R1 481,1 million for the comparative year;
- Headline earnings per share decreased by 14,6% to 160,72 cents compared to 188,24 cents for the comparative period;
- Earnings per share increased by over 107,9% to 200,39 cents compared to 96,38 cents for the comparative period;

- Net asset value per share increased by 7.3% to 1 628,6 cents compared to 1 518,3 cents for the comparative period;
- Distributable earnings increased by 3,8% to R673,9 million compared to R649,1 million for the comparative period; and
- Dividend declared increased by 1,0% to 119,79 cents per share compared to 118,65 cents per share for the comparative period.

Unmodified review opinion

These condensed consolidated preliminary financial results for the year ended 30 June 2022 have been reviewed by Ernst & Young Inc., who have expressed an unmodified review conclusion. The auditor's report does not necessarily report on all of the information in the result announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office. The distribution statement and commentary was not reviewed.

Dividend distribution declaration

The Board has approved, and notice is hereby given that a final gross dividend of 63,20 cents per share has been declared (June 2021: 66,65 cents), payable to the registered shareholders of Emira on Monday, 12 September 2022. 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, 6 September 2022
Shares trade ex-dividend	Wednesday, 7 September 2022
Record date	Friday, 9 September 2022
Payment date	Monday, 12 September 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 7 September 2022 and Friday, 9 September 2022, 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) 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 50,56000 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.

Short form announcement

This short form announcement is the responsibility of the Board, is only a summary of the information in the full announcement released on SENS 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 reviewed condensed consolidated preliminary financial results for the year ended 30 June 2022 which may be downloaded from

<https://senspdf.jse.co.za/documents/2022/jse/isse/EMIE/June22Prov.pdf>

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 August 2022

Sponsor

Questco Corporate Advisory Proprietary Limited
Ground Floor, Block C, Investment Place, 10th Road, Hyde Park, 2196

Debt Sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)