

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 "Company")



POSTING OF OFFER CIRCULAR AND SALIENT DATES AND TIMES IN RESPECT OF THE OFFER

1. Distribution of Circular

Transcend Residential Property Fund Limited ("**Transcend**") Shareholders are referred to the firm intention announcement published on SENS on 13 July 2022 regarding Emira's firm intention to make a general offer for up to 100% of the issued shares (other than those shares already owned by Emira) of Transcend ("**the Offer**").

Emira has, on Tuesday 6 September 2022, distributed a circular to Transcend shareholders relating to the Offer ("**the Offer Circular**"). Capitalised terms in this announcement bear the same meaning as in the Offer Circular.

The Offer Circular is available on Emira's website: <https://emira.co.za/investors/circulars/>

2. The Offer

- 2.1. The Offer will be implemented by way of a general offer by Emira to Transcend Shareholders, to purchase all of the Transcend Shares, other than those already owned by Emira for a cash consideration based on a Clean Price of R5.38 per Transcend Share on an ex distribution basis plus the Distribution Accrual that is deemed to accrue to Transcend Shareholders from 31 August 2022, being the day after the last date to trade in Transcend Shares in order to receive the interim distribution of 27.43 cents per Share (which distribution was paid to Transcend Shareholders on 5 September 2022), to the Offer Finalisation Date.
- 2.2. The Distribution Accrual will be determined on the basis that a REIT share accrues an annual distribution equally, on a straight line basis, over a 365 day period from the day after the last date to trade of the year-end distribution to the last date to trade of the next year-end distribution. The distribution amount to be used in the Distribution Accrual calculation is 57,04 cents per Transcend Share for the 12-months ended 31 December 2022, based on the guidance provided by Transcend to Transcend Shareholders as part of its results announcement for the year ended 31 December 2021 (being similar growth for upcoming year). To the extent updated guidance is released by Transcend the distribution used as the basis of the Distribution Accrual will be updated accordingly.
- 2.3. It is anticipated that the last of the Conditions Precedent will be fulfilled on or about Thursday, 20 October 2022 and that the Offer Finalisation Date will be Friday, 21 October 2022. On this

basis, it is estimated that the Distribution Accrual will be 8.25 cents per Transcend Share, resulting in an estimated aggregate Offer Consideration of R5.46 per Transcend Share held on the Record date. The actual amount of the Distribution Accrual will be announced to Transcend Shareholders in the Finalisation Date announcement.

- 2.4. Emira reserves the right to increase the Offer Consideration in accordance with the provisions of the Takeover Regulations. Any announcement regarding such increase to the Offer Consideration will be released on SENS and, if required, published in the South African Press.
- 2.5. The Offer provides Transcend Shareholders with a liquidity event to monetise their investment in Transcend at a 12% premium to Transcend's Clean Price of R4.80 as at 12 July 2022, being the date prior to the release of the Firm Intention Announcement, and a 10.5% premium to the 90 day VWAP Clean Price as at 12 July 2022.

It is noted that as at 12 July 2022, less than 0.44% of the Transcend Shares in issue have traded over the last 6 months (adjusting for the tranche of Shares acquired by Emira (at R4.60) in an off market trade in March 2022). The likelihood of a Transcend Shareholder trading a meaningful stake through the JSE trading system outside of the Offer is therefore considered to be limited.

- 2.6. Based on the updated irrevocable undertakings received as set out in paragraph 3 below, Emira should achieve a minimum shareholding of 63.46% in Transcend post the Offer.

Emira firmly believes that the size of Transcend, with a market capitalisation of less than R1 billion, does not warrant it being separately listed from a cost, access to capital and investor interest perspective.

Whilst Emira had originally hoped to structure the Offer in conjunction with a delisting of Transcend, which would have enabled those Transcend Shareholders who did not wish to exit in terms of the Offer with an election to remain invested in an unlisted entity, the listing of Transcend will continue for the foreseeable future with Emira as the majority shareholder (unless 90% of Offerees accept the Offer and Emira invokes the provisions of Section 124 of the Companies Act as set out in paragraph 5 below).

Emira will continue to explore alternatives with the Transcend Board and the Asset Manager to ultimately realise its longer term ambitions of delisting Transcend particularly given that potential future growth opportunities for Transcend which require Emira to commit further capital to Transcend, would need to be weighed up by Emira against opportunities it has to make other investments.

3. Irrevocable undertakings to accept the Offer

As at the date of the Offer Circular, the following Transcend Shareholders have provided irrevocable undertakings to accept the Offer and dispose of their Transcend Shares to Emira:

Shareholder	Number of Shares held	Percentage of Shares	Percentage of Shares excluding Emira
Public Sector Pension Investment Board	27 332 926	16.6%	28.11%
Development Bank of Southern Africa	10 111 936	6.2%	10.40%

4. Salient Dates and Times

The salient dates and times relating to the Offer are set out below:

	2022
Transcend Firm Intention Announcement released on SENS	Wednesday, 13 July
Record date for Transcend Shareholders to be eligible receive the Offer Circular	Friday, 26 August
Offer Circular posted to Transcend Shareholders and announcement relating to the posting of the Circular released on SENS	Tuesday, 6 September
Opening Date of the Offer at 09:00 on	Wednesday, 7 September
Announcement relating to the posting of the Offer Circular published in the press	Wednesday, 7 September
Anticipated date for posting of the Transcend Response Circular to Transcend Shareholders	Wednesday, 5 October
Anticipated date for receipt of approval by the Competition Authorities (Offer becomes wholly unconditional)	Thursday, 20 October
Finalisation date announcement released on SENS by 11:00	Friday, 21 October
Finalisation announcement published in the press	Monday, 24 October
Last day to trade in Transcend Shares in order to participate in the Offer	Tuesday, 1 November
Transcend Shares trade "ex" the Offer	Wednesday, 2 November
Record date on which Transcend Shareholders must hold Transcend Shares in order to accept the Offer	Friday, 4 November
Offer closes at 12:00 on	Friday, 4 November
Results of the Offer announced on SENS	Monday, 7 November

Offer Consideration credited to dematerialised Offer Participants' account at CSDP or Broker Monday, 7 November

Offer Consideration paid to certificated Offer Participants (subject to receipt by Transcend's Transfer Secretaries of Documents of Title on or prior to 12:00 on the Closing Date and a duly completed Form of Acceptance, Surrender and Transfer (*blue*)) Monday, 7 November

Results of the Offer published in the press Tuesday, 8 November

Notes:

1. Any change to the above dates and times will be agreed upon by Emira, the JSE and the TRP (as required), and Transcend Shareholders will be advised by release on SENS and, if required, publication in the South African press. All times indicated above are South African times. The dates have been determined based on certain assumptions regarding the date by which regulatory approvals will be obtained and are subject to change. Any change to the above dates will be advised to Transcend Shareholders by release on SENS and, if required, publication in the South African press.
2. Certificated Transcend Shareholders are required to complete and return the Form of Acceptance, Surrender and Transfer (*blue*) included in the Offer Circular in accordance with the instructions contained therein to be received by Transcend's Transfer Secretaries by no later than 12:00 on the Closing Date.
3. This Closing Date is dependent upon the Conditions Precedent being fulfilled.
4. No dematerialisation or rematerialisation of Transcend Shares will take place between the trading ex-date and the Record Date, both days inclusive.
5. Transcend Shareholders should note that acceptance of the Offer will be irrevocable.
6. In the event that the fulfilment of the Conditions Precedent is unduly delayed, the above dates and times relating to the crediting and posting of the Offer Consideration will be amended. Such amended dates and times will be announced on SENS and, if required, published in the South African press.
7. Settlement of the Offer Consideration will take place within six Business Days of the later of the Offer being declared wholly unconditional and acceptance of the Offer by Offer Participants. The last day for settlement of the Offer Consideration is on the Settlement Date.
8. The independent board of Transcend is required to publish the Transcend Response Circular within 20 Business Days of the date of posting of the Offer Circular. The independent board of directors of Transcend may, however, apply to the TRP for an extension of this time period. Shareholders will be notified of the granting of any such extension.
9. Certificated Transcend Shareholders who surrender their documents of title before the Closing Date will not be able to trade their Transcend Shares after surrender.

5. Compulsory Acquisition and continuation of listing on the JSE

- 5.1. Subject to clause 5.2 below, those Offerees who do not accept the Offer will remain Transcend Shareholders in respect of their Transcend Shares.
- 5.2. If the Offer is accepted by Offerees holding at least 90% of the Transcend Shares held by all Offerees (90% of the Transcend Shares held by the Offerees being, 87 511 951 Transcend Shares), then Emira reserves the right, at its election, to implement a compulsory acquisition of all of the Transcend Shares held by the Offerees that do not accept the Offer (the "**Non-Accepting Offerees**") in accordance with section 124 of the Companies Act. If Emira elects to invoke a compulsory acquisition as aforesaid in accordance with section 124 of the Companies Act then:
 - the prescribed notice will be sent to the Non-Accepting Offerees, as envisaged in section 124(1)(a) of the Companies Act, and will incorporate a form of surrender for use by Certificated Transcend Shareholders only; and

- Transcend will become a wholly-owned subsidiary of Emira and an application for the termination of the listing of Transcend Shares on the JSE will be made to the JSE in accordance with the applicable JSE Listing Requirements (and, if applicable, Emira will apply for the requisite approval from SARB in respect of the delisting).

6. General

- 6.1. Transcend Shareholders who do not wish to accept the Offer need not take any action.
- 6.2. This Offer shall not constitute an offer to purchase or the solicitation of an offer to sell any Transcend Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the laws of such jurisdiction.
- 6.3. The tax implications for Offer Participants are dependent on the individual circumstances and the jurisdiction applicable to such Offer Participants. It is recommended that if Offer Participants are uncertain about the tax treatment of the receipt of the Offer Consideration, they seek appropriate advice in this regard.

7. Responsibility Statement

The board of directors of Emira, to the extent that the information relates directly to Emira, accepts responsibility for the information contained in this announcement and certifies that, to the best of its knowledge and belief, the information contained in this announcement relating to Emira is true and this announcement does not omit anything that is likely to affect the importance of such information.

Bryanston
6 September 2022

Corporate Advisor to Emira
DG Capital Advisory

Transaction Sponsor
Questco Corporate Advisory Proprietary Limited

Legal Advisor to Emira
White & Case

Debt Sponsor
Rand Merchant Bank, a division of FirstRand Bank Limited