

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

LEI Number: 3789005E23C6259EAE70

(Approved as a REIT by the JSE)

("Emira" or the "Fund" or the "Company")



UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2022 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 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 and value to shareholders.

Commentary

Distributable earnings for the six months ended 31 December 2022 (the "period") improved by 15.0% to R378.7m. After taking the adjustments to reflect the cash backed position into account, Emira's Board of Directors (the "Board") has declared an interim dividend of 66.43 cents per share for the period (December 2021: 56.59 cents). This is a period-on-period increase of 17.4%.

The Fund continues to benefit from the sectoral and geographic diversification of its business with its industrial and retail portfolios performing well despite the challenging South African macroeconomic environment. The office portfolio also had a strong performance in the period, albeit off a low base, and while the sector appears to have stabilised, its fundamentals remain depressed.

The Fund is committed to its strategy of recycling capital and during the period it concluded a general offer to Transcend shareholders, resulting in Emira obtaining control and thereby increasing its exposure to the defensive residential sector.

Emira's investments in the US delivered solid results for the period, once again validating the benefit to the Group of its exposure to the stable US economy, especially amid the current global uncertainty.

The strong performance achieved for the period is attributable to decisions taken over recent years on the strategic direction of the Fund, with active, hands-on asset management focusing on basic property fundamentals and executing them with excellence.

Financial summary

The unaudited condensed consolidated interim financial results for the period, as compared to the six months ended 31 December 2021 ("comparative period"), are set out below:

- Directly held portfolio revenue increased by 16.3% to R840 million compared to R722 million for the comparative period;

- Headline earnings per share increased by 30.3% to 74.66 cents compared to 57.29 cents for the comparative period;
- Earnings per share increased by 82.8% to 117,04 cents compared to 64,02 cents for the comparative period;
- Net asset value per share increased by 10.0% to 1 694.6 cents compared to 1 540.5 cents for the comparative period;
- Distributable earnings increased by 15.0% to R379 million compared to R329 million for the comparative period; and
- Dividend declared increased by 17.4% to 66.43 cents per share compared to 56.59 cents per share for the comparative period.

Dividend distribution declaration

The Board has approved, and notice is hereby given that an interim gross dividend of 66,43 cents per share has been declared (December 2021: 56,59 cents), payable to the registered shareholders of Emira on Monday, 13 March 2023. 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, considering 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. Please refer to the condensed consolidated statement of comprehensive income for further information.

Last day to trade cum dividend	Tuesday, 7 March 2023
Shares trade ex-dividend	Wednesday, 8 March 2023
Record date	Friday, 10 March 2023
Payment date	Monday, 13 March 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, 8 March 2023 and Friday, 10 March 2023, 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 53,14400 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 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 2022 which were released on SENS and may be downloaded from <https://senspdf.jse.co.za/documents/2023/jse/isse/emie/Interims22.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
15 February 2023

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)