

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")



AUDITED CONDENSED FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 31 MARCH 2023 AND DIVIDEND DECLARATION

Nature of business

Emira Property Fund Limited (the "Company") is a Real Estate Investment Trust ("REIT") domiciled in South Africa and together with all its subsidiaries (the "Group" or the "Fund" or "Emira") owns a portfolio of property investments diversified both sectorally and geographically. The Fund has direct property holdings as well as indirect property investments, through equity investments in property owning companies with specialist third-party co-investors.

Commentary

As previously announced on SENS on 15 December 2022, the Company has changed its financial year-end from 30 June to 31 March. This was done to align its financial year-end with that of its majority shareholder, Castleview Property Fund Limited. Accordingly, these results are for the nine months ended 31 March 2023 (the "current reporting period" or "FY23") and are compared to the 12 months ended 30 June 2022 (the "prior year" or "FY22"). Where required, variances have been disclosed, but given the difference in the number of months between the current reporting period and the prior year, the financial variances are abnormally distorted and are not like-for-like, specifically for profit and loss related items.

Distributable earnings for the nine months ended 31 March 2023 is R558,0m compared to R673,9m for the year ended 30 June 2022. 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 30,35 cents per share for the three months to 31 March 2023 (six months to 30 June 2022: 63,20 cents). The total dividend per share for the nine-months ended 31 March 2023 is 96,78 cents (12-months ended 30 June 2022: 119,79 cents), while not comparable, is a decrease of 19,2% from FY22.

The Fund outperformed its budget expectations for the current reporting period. This was on the back of a strong operational performance for both the South African assets as well as those in the US notwithstanding facing challenging operating environments. It is also despite the adverse impact of the sharper than expected rise in interest rates during the period and the effect thereof on Emira's cost of debt. The sound performance has once again validated the benefits of Emira's sectoral and geographic diversification strategy.

The Fund's balance sheet remains healthy. The weaker Rand has also contributed to the increase in value of Emira's US investments and the income they generate from a Rand perspective. The loan-to-value ratio has been temporarily elevated due to the strategic initiatives undertaken during the year, specifically those related to Transcend, but it is expected to trend down as other initiatives are concluded in the new financial year.

Given the uncertainty and volatility of markets the Fund is cautious about the future and will focus on fundamentals and elements within its control.

Financial summary

The audited condensed financial results for the nine months ended 31 March 2023, as compared to the year ended 30 June 2022 (“comparative period”), are set out below:

- Directly held portfolio revenue, whilst not comparable, decreased by 11.2% to R 1 308 million compared to R1 474 million for the comparative period;
- Headline earnings per share, whilst not comparable, decreased by 38.45% to 98.62 cents compared to 160.72 cents for the comparative period;
- Earnings per share, whilst not comparable, decreased by 14.63% to 171.07 cents compared to 200.39 cents for the comparative period;
- Net asset value per share increased by 4.16% to 1 696.4 cents compared to 1 628.6 cents for the comparative period;
- Distributable earnings, whilst not comparable, decreased by 17.20% to R558.0 million compared to R673.9 million for the comparative period; and
- Total dividend declared, whilst not comparable, decreased by 19.2% to 96.78 cents per share compared to 119.79 cents per share for the comparative period.

Dividend distribution declaration

The Board has approved, and notice is hereby given that a final gross dividend of 30,35 cents per share has been declared (June 2022: 63,20 cents), payable to the registered shareholders of Emira on Monday, 10 July 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 <i>cum</i> dividend	Tuesday, 4 July 2023
Shares trade <i>ex</i> -dividend	Wednesday, 5 July 2023
Record date	Friday, 7 July 2023
Payment date	Monday, 10 July 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, 5 July 2023 and Friday, 7 July 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 24,28000 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 because 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 audited condensed financial results for the nine months ended 31 March 2023 which were released on SENS and may be downloaded from

<https://senspdf.jse.co.za/documents/2023/jse/isse/emie/Apr23.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

The condensed financial statements for the nine months ended 31 March 2023 were audited by Moore Infinity Inc, who expressed an unqualified opinion thereof. The auditors included in their audit

opinion a reference to the valuation of investment property as a 'key audit matter'. A copy of the auditor's opinion, the full announcement and the underlying financial statements for the nine months ended 31 March 2023, is available on the company's website at: <https://emira.co.za/financial-reporting/>

Bryanston
7 June 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)