

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 "Company")



DISPOSAL OF LETTING ENTERPRISES

1. INTRODUCTION AND RATIONALE

Shareholders and noteholders are advised that:

- Emira and its wholly owned subsidiary, Cape Pointset Property Investments Proprietary Limited, have signed an agreement to dispose of the property and letting enterprise known as Makro Crown Mines to New Order Investments 90 Proprietary Limited (the "**Crown Mines Purchaser**"), signed by Ebrahim Ghood as the authorised shareholder representative, as to a 50% undivided share and BR Ephron Property Holdings Proprietary Limited, signed by Noor Mahomed as the authorised shareholder representative, as to a 50% undivided share, for an aggregate consideration of R337 500 000 (inclusive of VAT at a rate of 0%) (the "**Crown Mines Purchase Consideration**") (the "**Crown Mines Transaction**"); and
- Emira has signed an agreement to dispose of the property and letting enterprise known as Market Square, Beacon Way, Plettenberg Bay ("**Market Square**") to Lynx Real Estate Developments Proprietary Limited (the "**Market Square Purchaser**"), signed by Johann van Zyl as the authorised shareholder representative, for an aggregate consideration of R354 000 000 (inclusive of VAT at a rate of 0%) (the "**Market Square Purchase Consideration**") (the "**Market Square Transaction**").

The Crown Mines Transaction and the Market Square Transaction (collectively the "**Transactions**") form part of Emira's strategy to recycle capital. The net proceeds of the Transactions will initially be used to reduce Emira's debt and subsequently to fund new acquisitions in accordance with Emira's investment policy.

The Transactions and the Crown Mines and Market Square Purchasers are not related in any way.

2. TERMS OF THE CROWN MINES TRANSACTIONS

The effective date of the Crown Mines Transaction will be the date of registration of transfer of Marko Crown Mines into the name of the Crown Mines Purchaser.

The Crown Mines Purchase Consideration will be paid in cash against registration of transfer of Crown Mines in the name of the Crown Mines Purchaser.

In the event that transfer of Crown Mines has not taken place within 8 months of the Crown Mines Transaction becoming unconditional (the "**Crown Mines Unconditional Date**") the

Crown Mines Purchase Consideration will escalate on a *pro rata* basis by 0.4% per month, compounded monthly in arrears with effect from the lapse of the 8 month period from the Crown Mines Unconditional Date, save to the extent that the delay in transfer is caused by Emira. If Crown Mines does not transfer within 18 months from the Crown Mines Unconditional Date, the Crown Mines Purchaser may elect to cancel the Crown Mines Transaction.

The Crown Mines Transaction remains subject to approval by the Competition Authorities.

The agreement for the Crown Mines Transaction contains undertakings, warranties and indemnities which are normal for a transaction of this nature.

3. TERMS OF THE MARKET SQUARE TRANSACTIONS

The effective date of the Market Square Transaction will be the date of registration of transfer of Market Square into the name of the Market Square Purchaser (the “**Market Square Transfer Date**”).

The Market Square Purchase Consideration will be paid in cash against registration of transfer of Market Square in the name of the Market Square Purchaser.

In the event that transfer of Market Square has not taken place within 8 months of the Market Square Transaction becoming unconditional (the “**Market Square Unconditional Date**”) the Market Square Purchase Consideration will escalate on a *pro rata* basis by 0.4% per month, compounded monthly in arrears with effect from the lapse of the 8 month period from the Market Square Unconditional Date, save to the extent that the delay in transfer is caused by Emira. If Market Square does not transfer within 18 months from the Market Square Unconditional Date, the Market Square Purchaser may elect to cancel the Market Square Transaction.

Emira has agreed to undertake an expansion in respect of Market Square. The Market Square Purchase Consideration is premised on the extension being completed. To the extent that the Market Square Transfer Date occurs prior to such extension being completed, the Market Square Purchase Consideration will be reduced by the costs to complete the extension (determined by an independent quantity surveyor) and the Market Square Purchaser will assume the obligation to complete the extension.

The Market Square Transaction remains subject to the fulfilment of the following conditions precedent:

- Woolworths not exercising its pre-emptive rights to purchase Market Square, Beacon Hill; and
- Approval by the Competition Authorities.

The agreement for the Market Square Transaction contains undertakings, warranties and indemnities which are normal for a transaction of this nature.

4. PROPERTY SPECIFIC INFORMATION

Property name	Location	Sector	GLA (m ²)	Weighted average rental (R/m ²)	Purchase price attributable to each Property (R)
Marko Mines	Crown Johannesburg, Gauteng Plettenberg Bay,	Retail	18 956	146,25	337 500 000
Market Square	Western Cape	Retail	14 848	158,16	354 000 000

The Crown Mines Purchase Consideration and the Market Square Purchase Consideration is considered to be fair market value, as determined by the directors of Emira. The directors of Emira are not registered as professional advisors or as professional associate advisors in terms of the Property Valuers Profession Act, No 47 of 2000.

5. FINANCIAL INFORMATION

The net expected cash proceeds from the Crown Mines Transaction and the Market Square Transaction are approximately R333 825 000 and R353 915 000 respectively. The net operating income (excluding straight-lining rental income adjustments) of Crown Mines and Market Square, based on the unaudited financial statements of Emira (prepared in terms of IFRS) for the six months ended 31 September 2023, is c.R14 983 411 and R12 353 838 respectively.

6. CATEGORISATION OF THE TRANSACTION

Each of the Transactions is categorised as a Category 2 transaction for Emira in terms of the JSE Limited Listings Requirements and as such is not subject to Emira shareholder approval.

Bryanston
28 March 2024

Sponsor

Questco Corporate Advisory Proprietary Limited

Debt sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)