

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: 3789005E23C6259EAE70

(Approved as a REIT by the JSE)

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



REVIEWED CONDENSED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024 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 which are diversified both sectorally and geographically. Emira continues to deliver returns throughout the cycles by way of its risk-mitigating sectoral and geographical diversification strategy.

Commentary

These results are for the 12 months ended 31 March 2024 (the "current reporting period" or "FY24") and are compared to the nine months ended 31 March 2023 (the "prior year" or "FY23"). The shortened prior year is due to the Company changing its financial year-end in the prior reporting period from 30 June to 31 March. 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 or loss related items.

Distributable earnings for FY24 is R622,1m compared to R558,0m for the nine-months ended 31 March 2023. 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 55,28 cents per share for the six months to 31 March 2024 (three months to 31 March 2023: 30,35 cents). The total dividend per share for the year ended 31 March 2024 is 117,02 cents (nine-months ended 31 March 2023: 96,78 cents), and while not comparable, is an increase of 20,9% from FY23.

The local portfolio has provided a robust operational performance, ahead of expectations. This can be attributed to continued enhancement of key metrics, specifically the reduction of vacancies and improved rent reversions.

While the Fund's US investments were impacted by certain larger tenant failures in the current reporting period, the US portfolio remains stable and is underpinned by the enduring strength of the US economy.

By strategically recycling capital, the Fund aims to optimise its portfolio composition, enhance overall returns, and manage risk effectively. Although the disposal of the high-yielding Enyuka has reduced distributable income in the short term, it aligns with the Fund's strategic objectives of capital recycling and reducing risk which reflects a forward-looking approach aimed at maximising value for investors.

As interest rates have remained persistently high and have impacted the Fund's distributable income, a portion of disposal proceeds (from Enyuka and individual property sales) have been temporarily reinvested into debt, which has lowered gearing levels and helped to lessen the impact of higher funding costs.

Operating in uncertain times, the Company remains committed to focusing on fundamental principles and elements within its control. Prudent risk management, diligent assessment of market dynamics, and a steadfast dedication to operational excellence are top priority, allowing Emira to navigate through challenging environments effectively while positioning itself to capitalise on opportunities that may arise.

Financial summary

The reviewed condensed consolidated financial results for the year ended 31 March 2024, as compared to the nine months ended 31 March 2023 ("comparative period"), are set out below:

- Directly held portfolio revenue, whilst not comparable, increased by 44,1% to R1 885 million compared to R1 308 million for the comparative period;
- Headline earnings per share, whilst not comparable, decreased by 49,3% to 50,05 cents compared to 97.26 cents for the comparative period;
- Earnings per share, whilst not comparable, decreased by 37,3% to 107,25 cents compared to 171,07 cents for the comparative period;
- Net asset value per share increased by 2,2% to 1 733,1 cents compared to 1 694,6 cents for the comparative period;
- Distributable earnings, whilst not comparable, increased by 11,5% to R622,1 million compared to R558,0 million for the comparative period; and
- Total dividend declared, whilst not comparable, increased by 20,9% to 117,02 cents per share compared to 96,78 cents per share for the comparative period.

Dividend declaration

The Board has approved, and notice is hereby given that a final gross dividend of 55,28 cents per share has been declared (March 2023: 30,35 cents), payable to the registered shareholders of Emira on Monday, 01 July 2024. 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, 25 June 2024
Shares trade <i>ex</i> -dividend	Wednesday, 26 June 2024
Record date	Friday, 28 June 2024
Payment date	Monday, 01 July 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 26 June 2024 and Friday, 28 June 2024, 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 44,22400 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 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 financial results for the year ended 31 March

2024, which were released on SENS and may be downloaded from <https://senspdf.jse.co.za/documents/2024/jse/isse/emie/Apr24.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/>

The condensed consolidated financial statements for the year ended 31 March 2024 were reviewed by Moore Infinity Inc, who expressed an unqualified opinion thereon.

Registered office: 1st Floor, Block A, Knightsbridge, 33 Sloane Street, Bryanston, 2191

Bryanston
30 May 2024

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)