THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions commencing on page 6 of this Circular apply, *mutatis mutandis*, to this front cover.

Action required:

If you are in any doubt as to what action you should take arising from this Circular, please consult your Broker, CSDP, banker, accountant, attorney or other professional advisor immediately.

If you have disposed of all your Emira Shares, please forward this document to the purchaser of such Shares or to the Broker, CSDP, banker, accountant, attorney or other agent through whom the disposal was effected. Emira Shareholders are referred to page 2 of this Circular, which sets out the action required by them.

EMIRA
PROPERTY FUND

Emira Property Fund Limited
Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2014/130842/06)
JSE share code: EMI ISIN: ZAE000203063
JSE interest rate issuer code: EMII
(**"Emira"** or **"the Company"**)

CIRCULAR TO EMIRA SHAREHOLDERS

regarding:

- **the opinion of the Independent Board of Emira and its recommendation in relation to the Mandatory Offer by the Offerors to acquire all of the Emira shares that it does not already own;**

and incorporating:

- **the opinion of the Independent Expert appointed by the Independent Board of Emira.**

Corporate Advisor and Sponsor to Emira	**Legal advisor to Emira**	**Independent Expert**
questco CORPORATE ADVISORY	WHITE & CASE	PSG CAPITAL

Date of issue: Monday, 21 June 2021

This Circular is available in English only. Copies may be obtained (by prior arrangement) from the registered office of Emira and Questco at the addresses set out in the "Corporate Information and Advisors" section of this Circular from the date of issue of this Circular to the date of the closing of the Mandatory Offer, which date will be published by the Offerors on SENS and in the press and on Emira's website www.emira.co.za.

CORPORATE INFORMATION AND ADVISORS

Directors

Executive:

GM Jennett *(Chief Executive Officer)*
GS Booyens *(Chief Financial Officer)*
U van Biljon *(Chief Operations Officer)*

Non-executive:

J Templeton

Independent Non-executive:

G van Zyl *(Chairman)*
MS Aitken
V Mahlangu
W McCurrie
B Moroole
V Nkonyeni
J Nyker
D Thomas

Corporate Advisor and Transaction Sponsor to Emira

Questco Proprietary Limited
(Registration number 2002/005616/07)
Ground Floor, Block C, Investment Place
10th Road, Hyde Park, 2196

Legal Advisor

White & Case SA
(Incorporated in South Africa as
Coetzer Whitley Inc.)
(Registration number 2013/220413/21)
1st Floor, Katherine Towers, 1 Park Lane,
Wierda Valley Sandton, Johannesburg, 2196
(PO Box 784440, Sandton 2146)

Company Secretary and registered office of the Company

Acorim Proprietary Limited
(Registration number 2013/087325/07)
1st Floor, Block A, Knightsbridge
33 Sloane Street, Bryanston, 2191
(PO Box 69104, Bryanston, 2021)

Date of listing of Emira

15 September 2003

Date of incorporation of Emira as a corporate entity

1 July 2015

Place of incorporation of Emira

Pretoria, South Africa

Independent Expert

PSG Capital Proprietary Limited
(Registration number 2006/015817/07)
1st Floor, Ou Kollege Building
35 Kerk Street
Stellenbosch ,7600
(PO Box 7403, Stellenbosch, 7599)

Transfer Secretary

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
2nd Floor, Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

IMPORTANT INFORMATION

The definitions commencing on page 6 of this Circular apply, *mutatis mutandis*, to this "important information" section.

This Circular has been prepared for the purposes of complying with the Companies Act, the Companies Regulations published in terms thereof and the JSE Listings Requirements and, accordingly, the information disclosed may not be the same as that which would have been disclosed had this Circular been prepared in accordance with the laws and regulations of any jurisdiction outside of South Africa.

The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law, and any person who is subject to the laws of any jurisdiction other than South Africa should therefore inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

Forward-looking statements

Statements in this Circular include "forward-looking statements" that express or imply expectations of future events or results. These statements include financial projections and estimates and their underlying assumptions, and statements regarding plans, objectives and expectations with regard to future operations, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words "anticipates", "believes", "estimates", "expects", "intends" and similar expressions. All forward-looking statements involve a number of risks, uncertainties and other factors, and Emira and/or the Independent Board cannot give assurances that those statements will prove to be correct. Risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking statements include, without limitation, changes in the economic or political situation in South Africa, changes in the construction or earthworks industries in South Africa or worldwide and the performance of (and cost savings realised by) the Company. Although Emira and/or the Independent Board believes that the expectations reflected in the forward-looking statements are reasonable, Emira Shareholders are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Emira and/or the Independent Board, that could cause actual events or results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Emira and/or the Independent Board undertake no obligation to update any forward-looking information or statements.

ACTION REQUIRED BY EMIRA SHAREHOLDERS

The definitions commencing on page 6 of this Circular apply, *mutatis mutandis*, to this "Action required by Emira Shareholders" section.

Please take careful note of the following provisions regarding the action required by Emira Shareholders:

1. If you are in any doubt as to what action you should take arising from this Circular, please consult your Broker, CSDP, banker, attorney, accountant or other professional advisor immediately.
2. If you have disposed of all of your Emira Shares, this Circular should be handed to the purchaser of such Emira Shares or to the Broker, CSDP, banker, attorney or other agent through whom the disposal was effected.
3. The options available to you are:

   3.1 to do nothing (in which case you will be treated as having rejected the Mandatory Offer); or

   3.2 to accept the Mandatory Offer in respect of all or some of your shares held.
4. If you wish to reject the Mandatory Offer, you do not need to take any further action.
5. If you wish to accept the Mandatory Offer, you must do so in the manner described in the Offer Circular.

TABLE OF CONTENTS

The definitions commencing on page 6 of this Circular apply, *mutatis mutandis*, to this table of contents.

IMPORTANT DATES AND TIMES

Information on the important dates and times in relation to the Mandatory Offer, as set out in the Offer Circular, is included below.

	2021
Firm Intention Announcement published on SENS by the Offerors	Friday, 23 April
Offer Circular posted to Emira Shareholders	Friday, 21 May
The Mandatory Offer opened at 09:00 on	Monday, 24 May
Record date in order to receive this Circular	Friday, 11 June
Date of posting of this Circular	Monday, 21 June
Anticipated date for receipt by the Offerors of approval of Competition Authorities (the Mandatory Offer become wholly unconditional) (see note 3)	Thursday, 12 August
Finalisation date announcement (including the timetable in respect of the Mandatory Offer and the Closing Date) published on SENS by Emira on behalf of the Offerors	The first Business Day after the Mandatory Offer become wholly unconditional and at least 10 business days prior to the Closing Date
Finalisation date announcement published in the press by the Offerors	The second Business Day after the Mandatory Offer become wholly unconditional
Last day to trade in Emira Shares in order to participate in the Mandatory Offer	Three Business Days prior to the Closing Date
Emira Shares trade "*ex*" the Mandatory Offer	Two Business Days prior to the Closing Date
Record date to determine which Emira Shareholders may accept the Mandatory Offer	The Closing Date and the record date to be announced on SENS and published in the press by the Offerors
The Mandatory Offer closes at 12:00 on	The Closing Date and the record date to be announced on SENS and published in the press by the Offerors
Results of the Mandatory Offer to be announced on SENS	Within one Business Day after the Closing Date
Mandatory Offer Consideration credited to Dematerialised Shareholders' account at their CSDP or Broker (see notes 6, 7 and 8 below)	The first Business Day after the Closing Date
Mandatory Offer Consideration posted to Certificated Emira Shareholders (subject to receipt by Emira'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 contained in the Offer Circular (see notes 6, 7 and 8 below))	The first Business Day after the Closing Date

Notes:

1. Certificated Emira 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 the Transfer Secretaries by no later than 12:00 on the Closing Date (see note 8).
2. Any change to the above dates and times will be advised to Emira Shareholders by release on SENS by the Offerors and, if required, publication in the South African press. All times indicated above are South African times.
3. This date is dependent upon the Offerors receiving approval of the Competition Authorities and is subject to change. Any change to the above date will be advised to Emira Shareholders by release on SENS by the Offerors and, if required, publication in the South African press.
4. No dematerialisation or rematerialisation of Emira Shares will take place between the last day to trade and the record date, both days inclusive.
5. Emira Shareholders should note that acceptance of the Mandatory Offer will, subject to paragraph 4.6 of the Offer Circular, be irrevocable.
6. In the event that the fulfilment of any condition precedent to the Mandatory Offer is unduly delayed, the above dates and times relating to the crediting and posting of the Mandatory Offer Consideration will be amended. Such amended dates and times will be announced on SENS and in the press by the Offerors.
7. The Mandatory Offer Consideration will be settled within six business days once the Mandatory Offer is declared wholly unconditional.
8. Shareholders are referred to the Offer Circular which contains the forms of acceptance, surrender and transfer as well as instructions for completion and submission of these forms.

DEFINITIONS

In this Circular and the annexures attached hereto, unless otherwise stated or clearly indicated by the context, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words importing one gender include the other genders and references to a natural person include references to a juristic person and *vice versa*:

"Act" or "Companies Act"	the Companies Act, No. 71 of 2008, as amended, and where appropriate in the context includes a reference to the Regulations promulgated in terms of such Act;
"Board" or "the Directors"	the board of directors of Emira;
"Broker"	any person registered as a "broking member (equities)" in accordance with the provisions of the Financial Markets Act;
"Business Day"	any day other than a Saturday, Sunday or a public holiday in South Africa;
"Certificated Emira Share"	an Emira share that has not been dematerialised and which is evidenced by a certificate or other physical document of title;
"Certificated Emira Shareholder"	an Emira Shareholder who has not dematerialised his/her Emira shares, title to which is represented by a share certificate or other physical document/s of title;
"Circular"	this bound circular, dated Monday, 21 June 2021, including all annexures attached hereto;
"CC"	Clearance Cantara Master Fund Limited (Registration Number MC-306182), a hedge fund incorporated and registered as a mutual fund in the Cayman Islands;
"Closing Date"	the closing date of the Mandatory Offer, being at 12:00 on such date as released on SENS a minimum of 10 business days prior thereto, and, if required, published in the press, which closing date is anticipated to be on Friday, 27 August 2021 and which date shall (i) be a Friday; and (ii) not be earlier than 20 business days after the opening date;
"Companies Regulations" or "Regulations"	the Companies Regulations, 2011, in terms of the Companies Act;
"Competition Authorities"	collectively the Competition Commission, the Competition Tribunal or the Competition Appeal Court, whichever has jurisdiction for the purposes of the Mandatory Offer, as established by the Competition Act, No. 89 of 1998;
"CSDP"	a Participant as defined in section 1 of the FMA appointed by an individual shareholder for the purposes of, and in regard to, the dematerialisation of Documents of Title for the purposes of incorporation into Strate;
"Dematerialisation"	the process whereby certificated shares are replaced by electronic records of ownership under Strate and recorded in the sub-register of shareholders maintained by a CSDP or broker, and "dematerialised" shall bear a corresponding meaning;
"Dematerialised Emira Shares"	Emira Shares which have been dematerialised and incorporated into Strate and which are no longer evidenced by physical documents of title;
"Dematerialised Emira Shareholders"	Emira Shareholders holding Dematerialised Emira Shares;

"Documents of Title"	share certificates and/or certificated transfer deeds and/or balance receipts, or any other document/s of title in respect of the Emira Shares;
"Emira" or "the Company"	Emira Property Fund Limited (Registration number 2014/130842/06), a public company incorporated and registered in the Republic of South Africa, and listed on the JSE;
"Emira Shareholders"	the registered holders of Emira Shares;
"Emira Shares"	ordinary shares with no par value in the issued stated capital of the Company;
"Excluded Shareholders"	the Emira Shareholders who have provided irrevocable undertakings to the Offerors not to accept the Mandatory Offer, as detailed in paragraph 8.2 below;
"Firm Intention Announcement"	the announcement by the Offerors setting out the terms of the Offerors' firm intention to make the Mandatory Offer, as released on SENS on 23 April 2021 and published in the press on 25 April 2021;
"Firm Intention Letter"	the letter of firm intention issued by the Offerors to the Board dated Tuesday, 20 April 2021 setting out the terms and conditions of the Mandatory Offer;
"FMA" or "Financial Markets Act"	the Financial Markets Act, No. 19 of 2012, as amended (which replaces the Securities Services Act, 36 of 2004);
"FSP Shares"	Shares awarded to employees under the Emira Forfeitable Share Plan which was adopted in 2017, the vesting of which Shares are subject to predetermined performance metrics and continued employment;
"Independent Board"	the members of the independent board of directors of Emira established in terms of Regulation 108(8) of the Companies Regulations for purposes of considering the Mandatory Offer, comprising, at the date of this Circular, the persons reflected on page 9 of this Circular;
"Independent Expert" or "PSG Capital"	PSG Capital Proprietary Limited (Registration number 2006/015817/07), a private company incorporated and registered in South Africa and the Independent Expert appointed by the Independent Board;
"JSE"	JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of the Republic of South Africa, and licensed as an exchange under the FMA;
"JSE Listings Requirements"	the Listings Requirements of the JSE, as amended from time to time;
"Last Practicable Date"	the last practicable date prior to the finalisation of this Circular, being Monday, 14 June 2021;
"Maitlantic"	Maitlantic 10 Proprietary Limited (Registration number 2019/539058/07), a private company duly incorporated in South Africa;
"the Mandatory Offer"	the mandatory offer by the Offerors in terms of section 123 of the Act, to acquire, on the terms and subject to the conditions precedent set out in the Offer Circular, from the Emira Shareholders, all or part of their Emira shares for the Mandatory Offer Consideration;
"the Mandatory Offer Consideration"	the cash consideration R9.15 per Emira share payable by the Offerors in terms of the Mandatory Offer;
"the Offer Circular"	the circular posted to Emira Shareholders by the Offerors on 21 May 2021, setting out the terms and conditions of the Mandatory Offer, and which is incorporated by reference herein;

“the Offerors”	collectively, Maitlantic and CC;
“Rand” or “R”	South African Rand, the official currency of South Africa;
“REIT”	a Real Estate Investment Trust, which is an issuer which receives REIT status both in terms of the Listings Requirements and qualifies as such in terms of the Income Tax Act of 1962;
“RSA” or “South Africa”	the Republic of South Africa;
“SENS”	the Stock Exchange News Service of the JSE;
“Share”	an ordinary share with no par value in the issued stated capital of the Company;
“South Africa”	the Republic of South Africa;
“Strate”	the settlement and clearing system used by the JSE, managed by Strate Proprietary Limited (Registration number 1998/022242/06), a private company duly incorporated in accordance with the laws of South Africa;
“the Takeover Regulations”	the regulations published in terms of section 120 of the Companies Act and set out in Chapter 5 of the Companies Regulations;
“the Transfer Secretaries”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in South Africa; and
“VWAP”	volume weighted average security price.

Emira Property Fund Limited
Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2014/130842/06)
JSE share code: EMI ISIN: ZAE000203063
JSE interest rate issuer code: EMII
(**"Emira"** or **"the Company"**)

Independent Board

Gerhard van Zyl
Wayne McCurrie
Vuyisa Nkonyeni

CIRCULAR TO EMIRA SHAREHOLDERS

1. **INTRODUCTION, BACKGROUND AND PURPOSE OF THIS CIRCULAR**

1.1 Emira Shareholders are referred to the joint announcement by Emira and the Offerors, released on SENS on Friday, 23 April 2021, wherein Emira advised shareholders that Maitlantic and CC intend to make a mandatory offer in terms of section 123 of the Companies Act as read with the Takeover Regulations, to acquire all of the Emira Shares not already held by the Offerors, their holding companies or their holding companies' other subsidiaries, for a Mandatory Offer consideration of R9.15 per Emira Share.

1.2 Accordingly, the Offerors published the Offer Circular containing, *inter alia*, details of the Mandatory Offer together with the rationale for their accumulation of a controlling interest in Emira.

1.3 The Mandatory Offer is classified as an affected transaction as defined in section 117(1)(c) of the Companies Act and, as such, is regulated by that Act and the Companies Regulations.

1.4 As required by the Companies Regulations, an Independent Board was established shortly after receipt by Emira of the Firm Intention Letter to consider the Mandatory Offer and to provide Emira Shareholders with its opinions and recommendations regarding the Mandatory Offer having, *inter alia*, given due consideration to the fair and reasonable opinion of the Independent Expert.

1.5 Accordingly, the purpose of this Circular is to provide Emira Shareholders with:

1.5.1 the opinion of the Independent Expert; and

1.5.2 the opinions and recommendations of the Independent Board in relation to the Mandatory Offer.

2. **OPINION OF THE INDEPENDENT EXPERT**

2.1 Emira Shareholders are advised that the Independent Expert has provided its opinion to the Independent Board. Based on the results of the procedures performed, detailed valuation work and other considerations, the Independent Expert concluded that, as at the Last Practicable Date, the fair value of an Emira Share lies between R10.48 and R12.51, with a likely value of R11.50.

2.2 The Independent Expert has considered the terms of the Mandatory Offer and is of the opinion that they are unfair but reasonable.

2.3 A copy of the opinion letter of the Independent Expert setting out, *inter alia*, the sources of information on which it relied, its procedures, valuation approach, assumptions and opinion is included in **Annexure 1** to this Circular.

3. **INDEPENDENT BOARD'S OPINION AND RECOMMENDATION REGARDING THE MANDATORY OFFER**

3.1 The Independent Board, after due consideration of the report of the Independent Expert (a copy of which is contained in **Annexure 1**), has determined that it will rely to some extent on the valuation performed by the Independent Expert for the purposes of reaching its own opinion regarding the Mandatory Offer as contemplated in Regulation 110(3)(b). The Independent Board has, in formulating its opinion and recommendation, formed a view of the fair value of an Emira Share which ranges are in the region of 15% to 20% higher than the ranges contained in the Independent Expert's report.

3.2 **The Independent Board's opinion and recommendation**

3.2.1 The Independent Board, having considered the terms of the Mandatory Offer and the opinion of the Independent Expert, is of the view that the Mandatory Offer Consideration is unfair but reasonable and **recommends that Emira Shareholders reject the Mandatory Offer.**

3.2.2 None of the members of the Independent Board hold Emira Shares.

3.2.3 The Independent Board's recommendation has been made after taking into account the following factors.

3.2.3.1 **Fair value**

The Mandatory Offer Consideration falls below the fair value range per Emira Share as determined by the Independent Expert.

3.2.3.2 **Net asset value**

Emira's property portfolio is the subject of a rigorous valuation process using comparable sales and discounted cash flow valuation methodologies. These valuations underpin the net asset value of the Company and the net asset value per Emira Share.

The Independent Board is of the view that the cash flows supporting the valuation of Emira's property portfolio will be realised over time and that the net asset value per Emira Share is a fair representation of the underlying fair value of the Company's property portfolio. The Mandatory Offer consideration represents a substantial discount to the net asset value per Emira share at 31 December 2020.

3.2.3.3 **Risk of forfeiting any distribution declared for the six months ending 30 June 2021**

Emira Shareholders must be mindful, that, to the extent that the Mandatory Offer closes prior to the record date for receipt of Emira's distribution for the six months ended 30 June 2021, those Emira Shareholders who accept the Mandatory Offer will not participate therein.

4. **HISTORICAL FINANCIAL INFORMATION**

4.1 Extracts from the audited annual financial statements of Emira for the three financial years ended 30 June 2018, 2019 and 2020, together with extracts from the interim financial statements for the six months ended 31 December 2020 are set out in **Annexure 2** to this Circular.

4.2 The full Annual Financial Statements of Emira for the three financial years ended 30 June 2020 can be obtained from the Company's website (https://emira.co.za/financial-reporting/) and will also be available for inspection as set out in paragraph 24 below.

5. **STATEMENT OF DIRECT AND INDIRECT BENEFICIAL INTERESTS IN SECURITIES**

5.1 As at the Last Practicable Date, Emira held no direct or indirect beneficial interests in the Offerors.

5.2 As at the Last Practicable Date, the Directors of Emira held the following direct and indirect beneficial interests in Emira Shares:

Name of director	Direct beneficial interest	Indirect beneficial interest	FSP Shares*	Total	%**
Geoff Jennett	71 285	3 240 000	1 494 917	4 806 202	0,92
Greg Booyens	36 479	2 016 000	846 949	2 899 428	0,55
Ulana van Biljon	39 900	2 016 000	883 641	2 939 541	0,56
Vusi Mahlangu	–	4 127 765	–	4 127 765	0,79
Derek Thomas	–	5 618 673	–	5 618 673	1,08
Total	**147 664**	**17 018 438**	**3 225 507**	**20 391 609**	**3,90**

* *Unvested FSP Shares are held in escrow on behalf of FSP participants and are released from escrow upon vesting. Whilst in escrow, the FSP participants are entitled to vote in respect of their holdings of FSP Shares and are entitled to receive dividends in respect thereof. The holders of the FSP Shares set out in the table above intend to reject the Mandatory Offer.*

*** As a percentage of 522 667 247 Emira Shares in issue.*

5.3 The Directors of Emira who hold direct and indirect beneficial interests in Emira Shares intend to reject the Mandatory Offer.

5.4 As at the Last Practicable Date, the Directors of Emira held no direct or indirect beneficial interests in the Offerors.

6. **DEALINGS IN SECURITIES**

Neither Emira, nor any Director of Emira, has dealt for value in Emira Shares and/or shares in the Offerors during the period commencing six months before the commencement of the Offer Period and ending on the Last Practicable Date.

7. **SERVICE CONTRACTS**

There are no material provisions of an abnormal nature in respect of Directors' service contracts which require specific disclosure.

8. **ARRANGEMENTS IN RELATION TO THE MANDATORY OFFER**

8.1 As at the Last Practicable Date, the following Emira Shareholders have provided an irrevocable undertaking not to accept the Mandatory Offer:

Emira shareholder	Emira Shares subject to undertaking	Percentage holding	Percentage holding excluding the Offerors and persons acting in concert with the Offerors
Luxanio Trading 157 Proprietary Limited	13 066 682	2.50	3.85
Tamela Property Investments Proprietary Limited	13 066 682	2.50	3.85
Total	**26 133 364**	**5.00**	**7.70**

8.2 There have been no dealings in Emira Shares by the Excluded Shareholders commencing six months prior to the date of the Firm Intention Announcement, being Friday, 23 April 2021, to the Last Practicable Date.

9. **AGREEMENTS**

9.1 No agreement exists between:

9.1.1 Emira and the Offerors;

9.1.2 Emira and any shareholder of the Offerors, or any person who was a shareholder of the Offerors within the 12 months prior to the Last Practicable Date; and

9.1.3 Emira and any directors of the Offerors, or any person who was a director of the Offerors within the 12 months prior to the Last Practicable Date,

that could be considered to be material to a decision regarding the Mandatory Offer to be taken by Emira Shareholders.

10. **RESPONSIBILITY STATEMENT**

10.1 The members of the Independent Board:

10.1.1 accept responsibility for the information contained in this Circular to the extent that it relates to Emira;

10.1.2 state that, to the best of their knowledge and belief, the information contained in this Circular is true; and

10.1.3 confirm that, to the best of their knowledge and belief, this Circular does not omit anything likely to affect the importance of any information contained in this Circular.

11. **GOVERNING LAW**

This Circular will be governed by and construed in accordance with the laws of South Africa and shall be subject to the exclusive jurisdiction of the South African courts.

12. **CONSENTS**

Each of the parties referred to in the "Corporate Information and Advisors" section of this Circular has consented in writing to act in the capacities stated and to the inclusion of their names and, where applicable, reports, in this Circular in the form and context in which they appear and have not withdrawn their consent prior to the publication of this Circular.

13. **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection (by prior arrangement) from the registered office of Emira and Questco at the addresses set out in the "Corporate Information and Advisors" section of this Circular from the date of issue of this Circular to the date of the closing of the Mandatory Offer, which date will be published by the Offerors on SENS and in the press and on Emira's website www.emira.co.za:

13.1 the written consents of the parties referred to in the "Corporate Information and Advisors" section to the inclusion of their names, and reports, where applicable, in this Circular in the context and form in which they appear;

13.2 audited financial information of Emira for the three financial years ended 30 June 2020;

13.3 the unaudited financial information of Emira for the six months ended 31 December 2020;

13.4 the signed opinion letter from the Independent Expert;

13.5 the signed irrevocable undertakings as referred to in paragraph 8.1 of this Circular;

13.6 the memorandum of incorporation of Emira;

13.7 a copy of the Circular approval letter received by Emira from the Take-Over Regulation Panel;

13.8 a signed copy of this Circular; and

13.9 a copy of the Offer Circular.

For and on behalf of the Independent Board

Gerhard van Zyl
Chairperson of the Independent Board

Monday, 21 June 2021

OPINION LETTER OF THE INDEPENDENT EXPERT

14 June 2021

The Directors
Emira Property Fund Limited ("Emira" or the "Client")
1st Floor, Block A, Knightsbridge
33 Sloane Street
Bryanston
2191

Dear Sirs,

INDEPENDENT FAIR AND REASONABLE REPORT IN RESPECT OF THE MANDATORY OFFER TO EMIRA SHAREHOLDERS

1. INTRODUCTION

In terms of the joint announcement by Emira, Maitlantic 10 Proprietary Limited ("**Maitlantic**") and Clearance Cantara Master Fund Limited ("**CC**") (Maitlantic and CC collectively referred to as the "**Offerors**") released on SENS on Friday, 23 April 2021 ("**Firm Intention Announcement**"), Emira shareholders were advised that Emira has received a written notice from the Offerors**,** that Maitlantic has acquired further Emira ordinary shares ("**Shares**"), which resulted in the Offerors and their related and concert parties collectively holding 35% or more of Emira Shares. Accordingly, the Offerors will proceed with a mandatory offer, as required in terms of section 123 of the Companies Act, No. 71 of 2008, as amended ("**Companies Act**") read with the Regulations published in terms of the Companies Act ("**Companies Regulations**") to acquire all of the Emira Shares not already held by the Offerors, their holding companies or their holding companies' other subsidiaries, for a cash consideration of R9.15 per Emira Share ("**Mandatory Offer Consideration**") ("**Mandatory Offer**").

Full particulars of the Mandatory Offer are contained in the circular to Emira shareholders ("**the Offer Circular**"), of which this opinion forms part.

2. SCOPE

The Mandatory Offer is an affected transaction as defined in section 117(c)(vi) of the Companies Act, and it will be regulated by the Companies Act, the Companies Regulations and the Takeover Regulation Panel ("**TRP**"). In terms of section 114(2) of the Companies Act, as read with Regulations 90 and 110 of the Companies Regulations, the Emira Independent Board ("**Independent Board**") must retain an independent expert to compile an independent expert report in terms of section 114(3) of the Companies Act.

PSG Capital Proprietary Limited ("**PSG Capital**") has been appointed by the Independent Board as the independent expert to assess, in accordance with the Companies Act on whether the terms and conditions of the Mandatory Offer, are fair and reasonable as far as Emira shareholders are concerned.

3. RESPONSIBILITY

Compliance with the Companies Act is the responsibility of the Independent Board. PSG Capital's responsibility is to report on the terms and conditions of the Mandatory Offer as they relate to Emira shareholders.

We confirm that our fair and reasonable opinion ("**Opinion**") has been provided to the Independent Board, which Opinion will be distributed to shareholders as part of the Offer Circular. We understand that the results of our work will be used by the Independent Board to satisfy the requirements of the Companies Act.

4. **DEFINITION OF THE TERMS "FAIR" AND "REASONABLE"**

A transaction will generally be considered fair to a company's shareholders if the benefits received by shareholders, as a result of a corporate action, are equal to or greater than the value surrendered by a company.

The assessment of fairness is primarily based on quantitative considerations. The Mandatory Offer may be considered fair if the Mandatory Offer Consideration is equal to or greater than the fair value range attributable to Emira Shares surrendered by Emira Shareholders.

In terms of the Companies Regulations, a transaction will be considered reasonable if the value received by the shareholders in terms of the corporate action is higher than the market price of the company's securities at the time that the corporate action was announced. In addition, the assessment of reasonableness is also based on qualitative considerations surrounding a transaction. Even though the consideration may differ from the market value of the shares being acquired, a transaction may still be reasonable after considering other significant qualitative factors.

We have applied the aforementioned principles in preparing our Opinion. The Opinion does not purport to cater for an individual shareholder's position but rather the general body of shareholders subject to the Mandatory Offer. A shareholder's decision regarding fair and reasonableness of the terms of the Mandatory Offer may be influenced by their particular circumstances (for example taxation and the original price paid for the shares).

5. **SOURCES OF INFORMATION**

In the course of our valuation analysis, we relied upon financial and other information, including prospective financial information, obtained from Emira management ("**Management**"), its advisers and from various public, financial and industry sources. Our conclusion is dependent on such information being complete and accurate in all material respects.

The principal sources of information used in formalising our Opinion include:

- the audited annual financial statements of Emira for the financial years ended 30 June 2017 to 30 June 2020;
- the interim financial results for the six months ended 31 December 2018 to 31 December 2020;
- year to date management accounts for the period ended 31 March 2021;
- Emira's budget for the year ending 30 June 2021 and 30 June 2022;
- managements forecast information for the financial years ending 30 June 2023 to 30 June 2026;
- valuation reports prepared by independent property valuers on the Company's property portfolio together with Management's fair value estimates of same ("**Property Valuations**");
- the firm intention offer letter dated 20 April 2021 and the Firm Intention Announcement;
- the Offer Circular;
- other financial and non-financial information and assumptions made by Management;
- discussions with Management regarding the financial information relating to prevailing market, economic, legal and other conditions which may affect the underlying value and the rationale for the Mandatory Offer; and
- publicly available information relating to Emira and the industry in which the Company operates that we deemed relevant, including company announcements, analysts' reports and media articles.

6. **ASSUMPTIONS**

We have arrived at our Opinion based on the following assumptions:

- that the terms, conditions and structure of the Mandatory Offer is legally enforceable;
- that reliance can be placed on the historical and budgets of Emira used in the analysis;
- that reliance can be placed on the Property Valuations;
- the current economic, regulatory and market conditions will not change materially;
- the Company is not involved in any material legal proceedings;

- the Company has no outstanding disputes with any regulatory body, including the South African Revenue Service;
- there are no undisclosed contingencies that could affect the value of the relevant securities;
- the structure of the Mandatory Offer will not give rise to any undisclosed tax liabilities; and
- reliance can be placed on the representations made by Management during the course of forming this Opinion.

7. **APPROPRIATENESS AND REASONABLENESS OF UNDERLYING INFORMATION AND ASSUMPTIONS**

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our Opinion by:

- considering the historical trends of information and assumptions provided by Management;
- comparing and corroborating such information and assumptions with external sources of information, if such information is available; and
- determining the extent to which representations from Management and other industry experts were confirmed by documentary evidence as well as our understanding of Emira and the economic environment in which the entity operates.

8. **PROCEDURES**

In arriving at our Opinion, we relied upon financial and other information, obtained from Management together with industry-related and other information in the public domain. Our conclusion is dependent on such information being accurate in all material respects.

In arriving at our Opinion we have, *inter alia,* undertaken the following procedures in evaluating the fair and reasonableness of the Mandatory Offer:

- reviewed and analysed the audited financial results of Emira for the years ended 30 June 2017 to 30 June 2020 and the interim financial results for the six months ended 31 December 2018 to 31 December 2020;
- reviewed the reasonableness of the information made available by and from discussions held with Management, such as, *inter alia*:
  - the rationale for the Mandatory Offer;
  - the events leading up to the Mandatory Offer;
  - the authorised budget financial information of Emira and the assumptions used in preparing the budget financial information; and
  - the current market conditions relating to the Company and its underlying business.
- where relevant, corroborated representations made by Management to source documents;
- obtained comfort to place reliance on the Property Valuations by reviewing the valuations performed on the Company's property portfolio and comparing the inputs applied in the Property Valuations to PSG Capital's best estimate of inputs. Procedures performed by PSG Capital in deriving its best estimate of inputs applied included analyses of independent comparable property valuations, extensive market research and discussions with a reputable third-party property valuation expert. PSG Capital was satisfied that reliance can be placed on Property Valuations based on the procedures noted above;
- reviewed certain publicly available information relating to Emira that we have deemed relevant;
- performed a valuation of the Company as detailed below;
- obtained letters of representation from Management asserting that we have been provided with all relevant information and that no material information was omitted and that all such information provided to us is accurate in all respects; and
- considered other relevant facts and information relevant to concluding this Opinion.

9. **VALUATION APPROACH**

In considering the Mandatory Offer, PSG Capital performed an independent valuation of Emira using the methodologies below to determine whether the Mandatory Offer is fair and reasonable to Emira shareholders.

For the purpose of our valuation, the valuation methodologies applied consisted of the following:

- Income approach – discounted cash flow valuation ("**DCF**") on Emira.
- Market approach, specifically looking at the current and historic price to book multiples and distribution yields at which Emira has traded, compared to its peers ("**Multiple Valuation**").
- Net asset value approach, considering potential Covid-19 related discounts on the property portfolio and the potential impact thereof on Emira's net asset value.
- Performed a sensitivity analyses on the valuation methodologies applied, including, *inter alia*:
  - the DCF utilising key value drivers, which included, *inter alia,* a variance range of:
    - 0.5% on the exit distribution yield, which analysis resulted in a variation range on the calculated value of Emira of 7.4%;
    - 0.5% on the discount rate applied, which analysis resulted in a variation range on the calculated value of Emira of 3.4%; and
  - the Multiple Valuation, which included, *inter alia*, a variance range of 5% on the price to book multiple applied, which resulted in a variation range on the calculated value of Emira of 10.5%.

Key internal value drivers effecting the Emira valuation include, *inter alia*:

- the forecasted occupancy rate and forecasted rent per square meter of the Emira property portfolio, which directly impacts the income generated by Emira any increase in the forecasted occupation rate and forecasted rent per square meter, will result in an increase in income generated, resulting in an increase in the value of Emira;
- forecasted free cash flows of Emira, largely impacted by, *inter alia*, the forecasted occupation rate, forecasted rent per square meter and forecasted expenses of Emira, an increase in the forecasted cash flow will result in an increase in the value of Emira; and
- the discount rate of 15.3% and the exit distribution yield of 8.3% (on a controlling basis) applicable to Emira, an increase in the discount rate applicable to Emira would result in a decrease in the value of Emira, an increase in the exit distribution yield applicable to Emira would result in a decrease in the value of the Emira (refer to sensitivity analysis performed above). The discount rate and exit distribution yield applicable to Emira is impacted by, *inter alia,* Emira's cash-generating capability and the South African interest rate environment.

Key external value drivers effecting the Emira valuation include, *inter alia*:

- stability of the economy and other macroeconomic factors (including the post-Covid economic recovery rate) that could potentially affect the forecasted occupation rate and forecasted rent per square meter of Emira; and
- Interest rates in the countries where Emira operates and the impact of interest rates on Emira, as an increase in rates will decrease the value of Emira.

10. REASONABILITY

In arriving at our Opinion with respect to the reasonability of the Mandatory Offer, we considered, *inter alia*, the following:

- historic trading prices of Emira Shares;
- the trading liquidity of Emira Shares; and
- the effect of a controlling shareholder in Emira going forward.

11. MATERIAL EFFECTS ON THE RIGHTS OF EMIRA SHAREHOLDERS

The Mandatory Offer does not have any material adverse effect on Emira or the rights and interests of the holders of the relevant classes of shares in Emira, save for the shareholders who elect to accept the Mandatory Offer from the Offerors who will no longer hold shares in Emira but will receive cash in exchange for their Emira Shares.

12. OPINION

We have considered the terms and conditions of the Mandatory Offer as set out above and based on the aforementioned, we are of the opinion, subject to the limiting conditions as set out below, that:

– the indicative market value per Emira Share is between R10.48 and R12.51, with a likely core value, calculated as the midpoint of the range amounting to R11.50.

In considering the valuation range listed above, the Emira shareholders should take particular notice of the following factors:

i) The actual market value achieved in a specific transaction may be higher or lower than our estimate of the market value depending upon the circumstances of the transaction (for example strategic considerations of the purchaser), the nature of the business (for example the purchaser's perception of potential synergies); and

ii) The above market value range represents the respective standalone valuation of Emira under current Covid-19 suppressed market conditions. It should be noted that should market conditions and certainty improve, there may be potential share price upside compared to the current depressed market conditions.

Subject to the aforegoing assumptions, based on our analysis and after taking into account all financial and non-financial considerations, including considerations regarding reasonability as set out in paragraph 10 above, we are of the opinion that the Mandatory Offer is unfair but reasonable to Emira shareholders. In addition, we have noted that since the Announcement, and up to the Last Practical Date, the Emira Share has consistently traded at prices above the Mandatory Offer Consideration.

13. LIMITING CONDITIONS

This Opinion is provided to the Independent Board in connection with and for the purpose of the Mandatory Offer for the sole purpose of assisting the Independent Board in forming and expressing an opinion for the benefit of Emira shareholders. This Opinion is prepared solely for the Independent Board and therefore should not be regarded as suitable for use by any other party or give rise to third party rights.

The forecasted probabilities relate to future events and are based on assumptions, which may not remain valid for the whole of the relevant period. Consequently this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely actual results will correspond to those forecasts by Management.

We relied upon the accuracy of the information used by us in deriving our opinion, albeit that, where practicable, we have corroborated the reasonableness of such information and assumptions through, amongst other things, reference to historic precedent and our knowledge and understanding. Whilst our work has involved an analysis of the annual financial statements and other information provided to us, our engagement does not constitute nor does it include an audit conducted in accordance with applicable auditing standards. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided to us in respect of the Mandatory Offer.

The Opinion expressed is necessarily based upon information available to us, the financial, regulatory, securities market and other conditions and circumstances existing and disclosed to us as at the date hereof. We have furthermore assumed that all conditions precedent, including any material regulatory and other approvals required in connection with the Mandatory Offer have been or will be properly fulfilled. Subsequent developments may affect our Opinion, however we are under no obligation to update, revise or re-affirm such.

14. **INTEREST OF DIRECTORS IN EMIRA**

The effective interests of Emira directors who hold Emira Shares before the Mandatory Offer are as follows:

	Direct shareholding	Indirect shareholding	FSP Shares*	Total	Percentage of shares in issue
Geoff Jennett	71 285	3 240 000	1 494 917	4 806 202	0,92
Greg Booyens	36 479	2 016 000	846 949	2 899 428	0,55
Ulana van Biljon	39 900	2 016 000	883 641	2 939 541	0,56
Vusi Mahlangu	–	4 127 765	–	4 127 765	0,79
Derek Thomas	–	5 618 673	–	5 618 673	1,08
Total	**147 664**	**17 018 438**	**3 225 507**	**20 391 609**	**3,90**

* *Unvested FSP Shares are held in escrow on behalf of FSP participants and are released from escrow upon vesting. Whilst in escrow, the FSP participants are entitled to vote in respect of their holdings of FSP Shares and are entitled to receive dividends in respect thereof. The holders of the FSP Shares set out in the table above intend to reject the Mandatory Offer.*

** *As a percentage of 522 667 247 Emira Shares in issue.*

15. **INDEPENDENCE AND ADDITIONAL REGULATORY DISCLOSURES**

We confirm that PSG Capital holds no shares in Emira, directly or indirectly. We have no interest, direct or indirect, beneficial or non-beneficial, and to the best of our knowledge, we are not related to a person who has or has had such interest in Emira within the immediately preceding two years or in the outcome of the Mandatory Offer.

The directors, partners, officers and employees of PSG Capital allocated to this assignment have the necessary qualifications, expertise and competencies to (i) understand the Mandatory Offer; (ii) evaluate the consequences of the Mandatory Offer; and (iii) assess the effect of the Mandatory Offer on the value of the shares and on the rights and interests of Emira shareholders, or a creditor of Emira and are able to express opinions, exercise judgement and make decisions impartially in carrying out this assignment.

Furthermore, we confirm that our professional fee for the Opinion is R275 000 (excluding VAT), payable in cash, and is not contingent on the outcome of the Mandatory Offer.

16. **CONSENT**

We hereby consent to the inclusion of this Opinion and references thereto, in whole or in part, in the form and context in which they appear to be included in any required regulatory announcement or documentation regarding the Mandatory Offer.

Yours faithfully

RIAAN VAN HEERDEN
PSG CAPITAL PROPRIETARY LIMITED

EXTRACT OF CONSOLIDATED AUDITED HISTORICAL FINANCIAL INFORMATION OF EMIRA FOR THE YEARS ENDED 30 JUNE 2018, 30 JUNE 2019 AND 30 JUNE 2020 AND THE INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

The historical financial information is the responsibility of the Directors. The full set of annual financial statements for the three financial years ended 30 June 2020 and the interim results for the six months ended 31 December 2020 are available on the Company's website: https://emira.co.za/financial-reporting, and also open for inspection.. A summary of the aforesaid financial information is also set out below.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 31 Dec 2020 R'000	Audited 30 Jun 2020 R'000	Audited 30 Jun 2019 R'000	Audited 30 Jun 2018 R'000
ASSETS				
Investment properties	9 437 508	9 949 226	10 548 180	10 313 515
Allowance for future rental escalations	217 112	225 622	222 731	208 420
Unamortised upfront lease costs	30 954	32 553	32 425	32 915
Right-of-use asset	40 212	40 212	–	–
Fair value of investment properties	**9 725 786**	**10 247 613**	**10 803 336**	**10 626 575**
Furniture, fittings, computer equipment and Intangible assets	2 472	2 859	2 949	71 725
Listed property investment	–	–	759 716	956 209
Investment and loans in equity-accounted investments	2 402 241	2 686 101	2 275 524	1 105 944
Other financial assets	17 399	19 360	30 822	–
Loans receivable	316 610	377 928	437 652	116 431
Derivative financial instruments	87 789	94 951	37 560	51 740
Non-current assets	**12 552 296**	**13 428 812**	**14 347 559**	**12 856 899**
Loans to equity-accounted investments	114 529	103 478	40 000	
Loans receivable	89 756	37 483	18 254	
Accounts receivable and prepayments	150 788	153 091	114 636	219 562
Derivative financial instruments	47 183	46 072	72 597	75 529
Cash and cash equivalents	122 618	95 047	73 230	109 455
Investment properties held for sale	171 265	–	138 250	1 909 233
Current assets	**696 139**	**435 171**	**456 967**	**2 313 779**
Total assets	**13 248 435**	**13 863 983**	**14 804 526**	**15 170 678**

	Unaudited 31 Dec 2020 R'000	Audited 30 Jun 2020 R'000	Audited 30 Jun 2019 R'000	Audited 30 Jun 2018 R'000
EQUITY AND LIABILITIES				
Share capital and reserves	**7 143 071**	**7 441 241**	**8 983 398**	**8 968 682**
Interest-bearing debt	3 330 360	3 498 061	3 985 432	3 134 196
Other financial liabilities	43 752	43 203	23 651	–
Lease liability	35 028	35 921	–	–
Derivative financial instruments	344 637	631 072	182 814	82 571
Deferred taxation			–	6 593
Non-current liabilities	**3 753 777**	**4 208 257**	**4 191 897**	**3 223 360**
Short-term portion of interest-bearing debt	1 837 045	1 681 000	1 283 930	2 535 354
Accounts payable	326 110	322 362	309 764	335 705
Short-term portion of lease liability	4 140	3 666	–	–
Derivative financial instruments	167 017	190 326	32 175	106 636
Taxation	17 275	17 131	3 362	941
Current liabilities	**2 351 587**	**2 214 483**	**1 629 231**	**2 978 636**
Total equity and liabilities	**13 248 435**	**13 863 983**	**14 804 526**	**15 170 678**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 31 Dec 2020 R'000	Audited 30 Jun 2020 R'000	Audited 30 Jun 2019 R'000	Audited 30 Jun 2018 R'000
Revenue	740 560	1 501 114	1 686 962	1 771 585
Operating lease rental income and tenant recoveries	749 070	1 501 960	1 698 802	1 748 876
Allowance for future rental escalations	(8 510)	(846)	(11 840)	22 709
Property expenses	(339 639)	(689 411)	(640 756)	(647 537)
Income from listed property investment	–	8 686	47 818	52 831
Administration expenses	(45 803)	(79 425)	(128 483)	(105 581)
Transaction and advisory fees	–	–	(855)	(8 030)
Depreciation	–	–	(10 555)	(9 611)
Operating profit	**355 118**	**740 964**	**954 131**	**1 053 657**
Net fair value adjustments	(115 419)	(1 461 530)	47 548	49 212
Change in fair value of investment properties	(364 971)	(816 505)	(46 685)	(49 437)
Revaluation of derivative financial instruments relating to share appreciation rights scheme	(517)	8	(2 989)	4 755
Unrealised gain/(deficit) on interest-rate swaps	252 030	(619 930)	(43 910)	(45 250)
Unrealised (loss)/gain on fair valuation of listed property investment	(1 961)	(25 103)	141 132	139 144
Expected credit loss – loans receivable	(12 674)	(44 572)	(3 646)	–
Foreign exchange (loss)/profit	(128 116)	154 073	(20 823)	23 572
Other income	2 265	3 559	7 949	2 221
Income from equity-accounted investments	72 720	239 126	344 233	131 564
Impairment of Worley Parsons receivable			(41 042)	
Loss on deconsolidation of Enyuka				(392)
Profit/(loss) before finance costs	**173 894**	**(368 380**	**1 288 350**	**1 259 834**
Net finance costs	(177 343)	(348 382)	(402 933)	(403 437)
Finance income	20 314	51 578	30 451	15 007
Finance costs	(197 657)	(399 960)	(433 384)	(418 444)
(Loss)/profit before income tax charge	**(3 449)**	**(716 762)**	**885 417**	**856 397**
Taxation	(914)	(14 400)	1 207	(7 751)
(Loss)/profit for the year	**(4 363)**	**(731 162)**	**886 624**	**848 646**

	Unaudited 31 Dec 2020 R'000	Audited 30 Jun 2020 R'000	Audited 30 Jun 2019 R'000	Audited 30 Jun 2018 R'000
Other comprehensive income	–	–	–	–
Items that may be subsequently reclassified to profit or loss	–	–	–	–
Exchange differences on translation of foreign operations	(136 313)	154 191	1 919	17 952
Total comprehensive (loss)/income for the year	**(140 676)**	**(576 971)**	**888 543**	**866 598**
Total (loss)/income for the year attributable to:				
Emira shareholders	(2 228)	(734 178)	882 509	848 486
Non-controlling interest	(2 135)	3 016	4 115	160
	(4 363)	**(731 162)**	**886 624**	**848 646**
Total comprehensive (loss)/income for the year attributable to:				
Emira shareholders	(138 541)	(579 987	884 367	866 404
Non-controlling interest	(2 135)	3 016	4 176	194
	(140 676)	**(576 971)**	**888 543**	**866 598**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital R'000	Revaluation and other reserves R'000	Change in ownership R'000	Currency translation reserve R'000	Retained earnings R'000	Non-controlling interest R'000	Total R'000
Balance at 30 June 2017	**3 766 132**	**4 776 034**	**–**	**–**	**297 686**	**–**	**8 839 852**
Shares recognised on partial repayment of BEE vendor loan	9 702	–	–	–	–	–	9 702
Premium on share option		–	–	–	8 989	–	8 989
REIT restructure costs	(376)	–	–	–	–	–	(376)
Profit for the year		–	–	–	848 486	160	848 646
Exchange differences on translation of foreign operations	–	–	–	17 918	–	34	17 952
Equity-settled share scheme	–	1 348	–	–	–	–	1 348
Transfer to fair value reserve	–	67 466	–	–	(67 466)	–	–
Dividend paid – September 2017	–	–	–	–	(388 080)	–	(388 080)
Dividend paid – subsidiary	–	–	–	–	–	(87)	(87)
Dividend paid – March 2018	–	–	–	–	(369 264)	–	(369 264)
IFRS 9 adoption	–	–	–	–	(2 582)	–	(2 582)
Balance as at 30 June 2018	**3 775 458**	**4 844 848**	**–**	**17 918**	**327 769**	**107**	**8 966 100**
Shares repurchased and cancelled	(99 545)	–	–	–	–	–	(99 545)
Shares issued to ESA Trust	99 549	–	–	–	–	–	99 549
JSE listing fees	(393)	–	–	–	–	–	(393)
Shares acquired for the Emira							
Forfeitable Share Plan	(20 929)	–	–	–	–	–	(20 929)
Reclassification of Emira share held by ESA Trust	(99 549)	–	–	–	–	–	(99 549)
Premium on share option	–	–	–	–	18 433	–	18 433
Profit for the year	–	–	–	–	882 509	4 115	886 624
Exchange differences on translation of foreign operations	–	–	–	1 858	–	61	1 919
Equity-settled share scheme	–	11 677	–	–	–	–	11 677
Transfer to fair value reserve	–	37 277	–	–	(37 277)	–	–
Dividend paid – September 2018	–	–	–	–	(397 998)	–	(397 998)
Dividend paid – subsidiary	–	–	–	–	–	(1 688)	(1 688)
Dividend paid – March 2019	–	–	–	–	(380 803)	–	(380 803)

	Share capital R'000	Revaluation and other reserves R'000	Change in ownership R'000	Currency translation reserve R'000	Retained earnings R'000	Non-controlling interest R'000	Total R'000
Balance as at 30 June 2019	**3 654 591**	**4 893 802**	**–**	**19 776**	**412 634**	**2 595**	**8 983 398**
Recognition of shares issued to BEE Scheme	172 411	–	–	–	–	–	172 411
Reclassification of Emira shares held by the BEE Scheme	(364 226)	–	–	–	–	–	(364 226)
Control of BEE Scheme acquired for no consideration	–	–	–	–	26 369	–	26 369
Shares acquired for the Emira Forfeitable Share Plan	(17 480)	–	–	—		–	(17 480)
Premium on share option	–	–	–	–	18 875		18 875
Profit for the year	–	–	–	–	(734 178)	3 016	(731 161)
Exchange differences on translation of foreign operations	–	–	–	154 191	–	–	154 191
Equity settled share scheme	–	9 160	–	–	–	–	9 160
Transfer to fair value reserve	–	(816 505)	–	–	816 505	–	–
Dividend paid – September 2019	–	–	–	–	(404 525)	–	(404 525)
Dividend paid – subsidiary	–	–	–	–	–	(827)	(827)
Dividend paid – March 2020	–	–	–	–	(381 948)	–	(381 948)
Non-controlling interest acquired	–	–	(24 085)	–	–	1 090	(22 995)
Balance at 30 June 2020	**3 445 296**	**4 086 457**	**(24 085)**	**173 967**	**246 268**	**5 874**	**7 441 243**
Shares acquired for the Emira Forfeitable Share Plan	(14 577)	–	–	–	–	–	(14 577)
Emira Forfeitable Share Plan shares vested	2 754	(2 911)	–	–	–	–	(158)
Profit for the year	–	–	–	–	(2 228)	(2 135)	(4 363)
Exchange differences on translation of foreign operations	–	–	–	(136 313)	–	–	(136 313)
Equity settled share scheme	–	5 636	–	–	—		5 636
Transfer to fair value reserve	–	58 944	–	–	(58 944)	–	–
Dividend paid – September 2020	–	–	–	–	(148 396)	–	(147 568)
Balance as at 31 December 2020	**3 433 473**	**4 148 126**	**(24 085)**	**37 654**	**(455 836)**	**3 739**	**7 143 071**

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 31 Dec 2020 R'000	Audited 30 Jun 2020 R'000	Audited 30 Jun 2019 R'000	Audited 30 Jun 2018 R'000
Cash generated from operations	414 669	722 458	1 021 980	997 969
Finance income	2 091	6 866	30 451	15 007
Income from equity accounted investments	–	–	–	94 566
Interest paid	(199 435)	(402 489)	(454 250)	(452 365)
Taxation paid	(770)	(631)	(2 964)	(766)
Dividends received	–	8 686	–	–
Dividends paid to shareholders	(148 069)	(786 473)	(778 800)	(757 344)
Dividends paid to non-controlling interests	–	(827)	(1 688)	(87)
Cash flows from operating activities	**68 486**	**(452 410)**	**(185 271**	**(103 020)**
Acquisition of, and additions to, investment properties excluding capitalised interest	(65 027)	(157 761)	(300 413)	(484 565)
Proceeds on sale of investment properties and fixtures and fittings	34 500	66 250	1 842 983	530 575
Acquisition of furniture, fittings, computer equipment and intangible assets	(46)	90	–	(22 620)
Disposal of investment in listed property investments	–	788 335	327 368	90 156
Proceeds from loans to equity-accounted investments	55 037	115 473	–	–
Proceeds from/investment in equity-accounted investments	24 567	(281 038)	(870 275)	(415 694)
Loans receivable advanced	–	(1 845)	(351 222)	–
Proceeds from loans receivable and other financial assets	21 017	54 923	–	–
Enyuka deconsolidation	–	–	–	(36 772)
Cash flows from investing activities	**70 048**	**584 427**	**648 441**	**(338 920)**
Non-controlling interest acquired	–	(22 995)		
Premium on share options	–	18 875	18 433	8 989
Shares acquired for the Emira Forfeitable Share Plan	(11 824)	(9 160)	(20 929)	–
Repurchase of Emira shares held by ESA Trust	–	–	(99 545)	–
REIT restructure costs	–	–	–	(376)
Shares recognised on partial repayment of BEE vendor loan	–	–	–	9 702
Land lease liability	(419)	(625)	–	–
Interest-bearing debt raised	446 000	397 070	40 642	4 208 666
Interest-bearing debt repaid	(544 720)	(493 365)	(437 995)	(3 844 245)
Cash flows from financing activities	**(110 963)**	**(110 200)**	**(499 394)**	**382 736**
Net increase in cash and cash equivalents	27 571	21 817	(36 225)	(59 204)
Cash and cash equivalents at the beginning of the period	95 047	73 230	109 455	168 659
Cash and cash equivalents at the end of the period	**122 618**	**95 047**	**73 230**	**109 455**

TRADING HISTORY OF EMIRA SHARES ON THE JSE

The trading history of Emira Shares is set out in the table below:

30 Days prior to Last Practicable Date

Date	Closing Price	High	Low	Value (R)	Volume
14 June 2021	9.52	9.67	9.44	1 421 288	149 295
11 June 2021	9.60	9.90	9.53	3 308 554	344 641
10 June 2021	9.50	9.99	9.50	991 677	104 387
9 June 2021	9.79	9.79	9.60	7 135 236	728 829
8 June 2021	9.60	9.65	9.39	6 906 259	719 402
7 June 2021	9.37	9.51	9.37	1 229 447	131 211
4 June 2021	9.29	9.52	9.25	1 404 992	151 237
3 June 2021	9.50	9.76	9.50	8 055 801	847 979
2 June 2021	9.56	9.69	9.32	4 010 095	419 466
1 June 2021	9.44	9.69	9.44	1 115 563	118 174
31 May 2021	9.69	9.90	9.35	1 421 184	146 665
28 May 2021	9.54	9.57	9.41	1 613 939	169 176
27 May 2021	9.52	9.92	9.40	1 263 590	132 730
26 May 2021	9.44	9.75	9.00	7 766 656	822 739
25 May 2021	9.20	9.46	9.10	4 857 821	528 024
24 May 2021	9.20	9.39	9.17	5 928 075	644 356
21 May 2021	9.25	9.36	9.21	2 509 636	271 312
20 May 2021	9.35	9.41	9.26	1 474 065	157 654
19 May 2021	9.41	9.80	9.33	1 321 352	140 420
18 May 2021	9.47	9.79	9.47	1 055 384	111 445
17 May 2021	9.56	9.98	9.56	1 655 782	173 199
14 May 2021	9.73	9.89	9.73	2 557 170	262 813
13 May 2021	9.70	9.84	9.30	1 047 678	108 008
12 May 2021	9.19	9.73	8.91	3 468 591	377 431
11 May 2021	9.71	10.04	9.51	1 542 414	158 848
10 May 2021	10.00	10.06	9.75	10 170 450	1 017 045
7 May 2021	9.74	10.05	9.74	7 533 666	773 477
6 May 2021	9.85	9.99	9.80	3 021 261	306 727
5 May 2021	9.88	10.16	9.85	3 544 707	358 776
4 May 2021	9.88	10.33	9.88	3 342 019	338 261
3 May 2021	10.20	10.20	9.01	16 997 270	1 666 399
30 April 2021	9.92	10.30	9.92	8 974 098	904 647

Twelve months prior to Last Practicable Date (aggregated monthly)

Date	Closing price	High	Low	Value (R)	Volume
31 May 2021	9.69	9.90	9.35	1 421 184	146 665
30 April 2021	9.92	10.30	9.92	8 974 098	904 647
31 March 2021	8.50	8.56	8.41	12 749 524	1 499 944
26 February 2021	8.10	8.18	8.04	5 050 787	623 554
29 January 2021	6.82	7.14	6.82	1 590 983	233 282
31 December 2020	6.66	6.91	6.61	723 229	108 593
30 November 2020	6.60	6.65	5.96	4 869 506	737 804
30 October 2020	6.23	6.73	6.02	3 848 458	617 730
30 September 2020	5.80	5.86	5.80	2 639 006	455 001
31 August 2020	5.48	5.73	5.41	28 212 317	5 148 233
31 July 2020	6.49	6.65	6.37	14 562 385	2 243 819
30 June 2020	6.49	6.95	6.49	4 391 718	676 690

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