



MEDIA RELEASE FROM EMIRA PROPERTY FUND

13 July 2017

***Emira shareholders approve its new R364 million BEE transaction***

Shareholders of Emira Property Fund have overwhelmingly approved a transaction that will see 5% of the REIT's shares in issue being held by strategic black partners who will add value to Emira and its investors while also contributing to transforming the South African economy.

Geoff Jennett, CEO of Emira, describes this landmark BEE transaction as strategic, sustainable and commercial.

Committed to remaining invested for at least five years, Letsema Holdings and Tamela Holdings will each hold 2.5% of Emira shares through their 100% owned subsidiaries.

In total, 26,133,364 Emira shares with a market value of R364.2 million (based on the 30-day volume weighted average price of Emira shares on 22 May 2017 of R13.9372 per share) will be held equally by Emira's new partners.

Commenting on the transaction, Jennett says: "Transformation is a priority for Emira. We identified this transaction as an exciting opportunity to action our commitment to achieving the sustainable BEE ownership of Emira. Both BEE parties have the expertise, experience, relationships and credibility to make significant contributions to Emira."

Letsema is a private investment holding group focused on management consulting, third-party investment management and industrial businesses with a 21-year track record of using business as a catalyst for significant societal impact. Letsema was established by its two directors, being major shareholder (57%) Isaac Shongwe (non-executive director of Barloworld Limited and African Phoenix Investments Limited, and member of the Wits University Council) and shareholder (43%) Derek Thomas (non-executive chairman of Transpaco Limited).

Tamela is a black-owned and managed investment holding, corporate finance advisory and fund management company which was founded by Sydney Mhlarhi (non-executive director of PPC Limited and Assore Limited) and Vusi Mahlangu (non-executive director of Emira Property Fund Limited and Aon South Africa). The shareholding in Tamela is held 65.12% by Tamela Group, 10.26% by Nedbank Limited, 10.26% by Kagiso Tiso Holdings Proprietary Limited and 14.36% by Tshepisho Makofane. Mahlangu and Mhlarhi equally hold 50% of Tamela Group and are directors of Tamela SPV with Makofane.



Jennett adds: “We are introducing BEE partners who are influential role players and we are confident that this transaction strengthens Emira in many ways for the benefit of all our stakeholders.”

The transaction boosts Emira’s investment proposition and benefits its tenants with an improved BEE procurement level. Also, as an added benefit, it stands to strengthen Emira’s balance sheet through the issue of new shares at an undiscounted price. The deal lowers Emira’s gearing ratio, with the subscription proceeds being deployed to decrease its interest bearing debt.

It also demonstrates prudent and proactive management of ownership transformation for this leading property company. “This transaction is a major step towards ensuring that Emira’s BEE equity ownership and control responsibilities are addressed in terms of the Broad-Based Black Economic Empowerment Act and the Property Sector Charter,” notes Jennett.

Emira is a medium-cap diversified JSE-listed REIT invested in a quality balanced portfolio of office, retail and industrial properties. Its assets comprise 142 properties valued at R13.3 billion. Emira is also internationally diversified through its direct interest in ASX-listed GOZ valued at R940.4 million.

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Issued by:

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