



EMIRA
PROPERTY FUND

**CONSOLIDATED
AND SEPARATE
ANNUAL
FINANCIAL
STATEMENTS**

for the year ended
31 March 2024

2024

CONTENTS

1	STATEMENT OF DIRECTORS' RESPONSIBILITIES AND APPROVAL	2
2	CEO AND CFO RESPONSIBILITY STATEMENT	3
3	CERTIFICATE BY COMPANY SECRETARY	3
4	DIRECTORS' REPORT	4
5	AUDIT COMMITTEE'S REPORT	7
6	INDEPENDENT AUDITOR'S REPORT	10
7	STATEMENTS OF FINANCIAL POSITION	13
8	STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	14
9	STATEMENTS OF CHANGES IN EQUITY	15
10	STATEMENTS OF CASH FLOWS	17
11	NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	18
12	SUPPLEMENTARY INFORMATION	94
13	ADMINISTRATION	109

STATEMENT OF DIRECTORS' RESPONSIBILITIES AND APPROVAL

FOR THE YEAR ENDED 31 MARCH 2024

The directors of the Company are responsible for the preparation, integrity, and fair presentation of the consolidated and separate financial statements (the "financial statements") of Emira Property Fund Limited ("Emira" or "the Fund" or "the Company"). The financial statements presented on pages 13 to 93 have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and in the manner required by the Companies Act of South Africa, Act 71 of 2008, as amended ("Companies Act").

The directors are responsible for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; for maintaining adequate accounting records and an effective system of risk management; and for the preparation of the supplementary information included in these financial statements. The directors are also responsible for the controls over, and the security of, the website and, where applicable, for establishing and controlling the process to electronically distribute annual reports and other financial information to shareholders and to the Companies and Intellectual Property Commission.

The directors have assessed the ability of the group and company to continue as a going concern and have no reason to believe that the group and company will not be a going concern in the year ahead and have continued to adopt the going concern basis in preparing the financial statements.

The independent external auditor is responsible for reporting on whether the group and company annual financial statements are fairly presented, in all material respects, in accordance with the applicable financial reporting framework. The Fund's external auditor, Moore Infinity Incorporated, have audited the financial statements, and their report is presented on page 10.

The financial statements of the group and company, for the year ended 31 March 2024 were approved by the Board of Directors of Emira on 21 June 2024 and are signed on their behalf by:

James Templeton

Chairman

Geoff Jennett

Chief Executive Officer

CEO AND CFO RESPONSIBILITY STATEMENT

IN COMPLIANCE WITH PARAGRAPH 3.84(K) OF THE JSE LISTING REQUIREMENTS

Each of the directors, whose names are stated below, hereby confirm that:

- a) the financial statements set out on pages 13 to 93, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS® Accounting Standards;
- b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated financial statements false or misleading;
- c) internal financial controls have been put in place to ensure that material information relating to the issuer, its consolidated subsidiaries and equity accounted investments, have been provided to effectively prepare the financial statements of the issuer;
- d) the internal financial controls are adequate and effective and can be relied upon in compiling the financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- e) where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- f) we are not aware of any fraud involving directors.

Geoff Jennett

Chief Executive Officer

Greg Booyens

Chief Financial Officer

CERTIFICATE BY COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act of South Africa, 71 of 2008, as amended (the Companies Act), I declare that, to the best of my knowledge, for the year ended 31 March 2024, Emira Property Fund Limited has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that such returns are true, correct and up to date.

Acorim Proprietary Limited

Company Secretary

Hyde Park, South Africa

21 June 2024

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The directors are pleased present their report for the year ended 31 March 2024.

NATURE OF THE 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.

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. In South Africa, the Fund owns a direct portfolio of properties diversified across the retail, industrial, office and residential sectors, which it segregates between the Commercial Portfolio (the retail, industrial and office properties) and the Residential Portfolio (the residential properties) respectively.

The Residential Portfolio includes the properties of Transcend Property Fund ("Transcend"), a specialist residential property company owned by Emira which is focused on value-oriented, good-quality suburban units. During the current reporting period the Fund completed the takeover of Transcend through an offer to the minority shareholders via a scheme of arrangement and Transcend has delisted and is now successfully integrated into the Fund's daily operations.

The Fund's disposal of Enyuka Property Fund, a rural and lower-LSM retail venture with One Property Holdings, closed on 20 July 2023 for an aggregate consideration of R646,3m.

Emira's only remaining indirect investment is the portfolio of investments in the United States of America (the "USA" or "US"), being equity interests in 12 grocery-anchored dominant value-oriented power centres, held together with its US-based partner, The Rainier Companies.

SHARE CAPITAL

Emira's share capital is detailed in note 15 to the financial statements. There were no new shares issued during the year.

SHAREHOLDER ANALYSIS

Shareholders with an interest of 3% or more in the issued ordinary share capital of the Company are listed on page 96.

DIVIDENDS

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 the prior period.

In line with IAS 10 Events after the Reporting Period, the declaration of the final dividend will occur after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements. The dividends meet the requirements of a REIT's "qualifying distribution" for purposes of section 25BB of the Income Tax Act, No. 58 of 1962, as amended.

FINANCIAL PERFORMANCE AND KEY HIGHLIGHTS

Distributable earnings as reported by the Group for the year ended 31 March 2024 is R622,1m compared to R558,0m for the nine-months ended 31 March 2023. The short prior period is due to the Company changing its financial year-end in the prior reporting period from 30 June to 31 March.

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.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

FINANCIAL HIGHLIGHTS:

	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023	Change (%)
Net property income	1 004 770	716 583	40,2
Distributable income per share (cents) ("DIPS")	119,03	106,76	11,5
Dividend per share (cents)	117,02	96,78	20,9
Interim dividend per share	61,74	66,43	(7,1)
Final dividend per share	55,28	30,35	82,2
Net asset value per share (cents)	1 733,1	1 696,4	2,2
Loan-to-value (%)	42,4	44,0	(1,6)
Commercial vacancies (%)	4,1	4,7	(0,6)
Residential occupancy (Stabilised portfolio) (%)	97,4	97,4	–

The company's use of dividend per share as a relevant measure of results for trading statement purposes remains unchanged from the prior year.

DIRECTORATE

The directorate comprises:

	Date of appointment	Date of resignation
Independent non-executive directors		
Gerhard van Zyl	10 September 2013	1 October 2023
Berlina Moroole	1 July 2020	13 September 2023
Derek Thomas	15 August 2017	
James Templeton (Chairman)*	1 July 2020	
James Day	1 October 2023	
Jasandra Nyker	22 May 2019	
Vusi Mahlangu	24 June 2010	
Vuyisa Nkonyeni	24 August 2011	
Wayne McCurrie	10 December 2008	15 November 2023
Executive directors		
Geoff Jennett	1 September 2015	
Ulana van Biljon	10 February 2012	
Greg Booyens	1 January 2016	

* Existing non-executive director, James Templeton, was appointed as the chairman of the Board, with effect from 15 September 2023.

Refer to note 3 to the financial statements for disclosure regarding directors emoluments and interests.

DIRECTORS' BENEFICIAL HOLDINGS

The directors' holdings in shares of the Company as at 31 March 2024, were:

Number of shares	2024			2023		
	Beneficial direct	Beneficial indirect	Total	Beneficial direct	Beneficial indirect	Total
Executive directors						
Geoff Jennett	453 984	572 423	1 026 407	525 984	3 168 000	3 693 984
Ulana van Biljon	563 936	13 300	577 236	308 962	2 016 000	2 324 962
Greg Booyens	535 966	–	535 966	274 268	2 016 000	2 290 268
Non-executive directors						
Vusi Mahlangu	–	4 127 765	4 127 765	–	4 127 765	4 127 765
Derek Thomas	–	5 618 673	5 618 673	–	5 618 673	5 618 673
Total	2 139 609	9 746 438	11 886 047	1 109 214	16 946 438	18 055 652

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

INTERESTS OF DIRECTORS AND OFFICERS

During the financial year, no contracts were entered into in which directors or officers of the Company had an interest and which significantly affected the business of the Group. The directors had no interest in any third party or company responsible for managing any of the business activities of the Group except to the extent that they are shareholders as disclosed in this report.

SUBSEQUENT EVENTS

Refer to note 27 to the annual financial statements for disclosure regarding subsequent events.

COMPANY SECRETARY AND REGISTERED OFFICE

Acorim (Pty) Ltd is the appointed company secretary of Emira. Acorim (Pty) Ltd is an independent company secretarial and corporate governance advisory service provider and is represented by Nikita Hunter.

The Company's registered office is 1st Floor, Block A, Knightsbridge Office Park, 33 Sloane Street, Bryanston 2191.

GOING CONCERN

The directors have assessed the Group and Company's ability to continue as a going concern. The assessment includes solvency and liquidity tests which included, inter alia, a forecast of debt covenants such as the loan-to-value (LTV) ratio and cash flow forecasts. The liquidity test considers expected cash flows in the next 12 months, including operational cash flows, anticipated proceeds from unconditional disposals, and funding activities for the next 12 months.

The maturity profile of interest-bearing debt is closely monitored. Debt maturing within the next 12 months is expected to be refinanced as it becomes due. The Fund had unutilised debt facilities of R1,0bn as at 31 March 2024 which, together with cash reserves of R180,8m (2023: R125,0m), provides assurance that it will be able to meet its short-term commitments as and when they become due.

Cash reserves are monitored on a daily basis, with any excess cash being utilised to temporarily reduce outstanding revolving credit facility balances, thereby increasing available undrawn facilities.

The directors have reviewed the Group and Company's cash flow forecasts up to the period ending June 2025 and, in light of this review and the current financial position, the directors believe that the Group and Company has adequate financial resources to continue in operation for the ensuing twelve month period. Accordingly, the financial statements have been prepared on a going-concern basis.

SOLVENCY AND LIQUIDITY TEST

The directors have performed the required solvency and liquidity tests required by the Companies Act of South Africa in all relevant instances during the year, including prior to the interim and final dividend declarations.

AUDIT COMMITTEE'S REPORT

INTRODUCTION

The Audit Committee is an independent statutory committee and has the cooperation of all directors, management and staff in order to perform its duties.

CHARTER AND ROLE OF THE COMMITTEE

The committee is governed by a charter and terms of reference that have been approved by the Board, which was reviewed and updated during the reporting period under review. The committee's prime objective is to assist the Emira Board in evaluating the adequacy and efficiency of the internal control systems, accounting practices, information systems and auditing processes applied within the day-to-day management of its business. This includes:

Facilitating and promoting communication regarding the matters referred to above or any other related matter between the board of directors and the executive officers of both the external auditor and the internal auditor.

Introducing such measures that in the committee's opinion, may serve to enhance the credibility and objectivity of the financial statements and reports prepared with reference to the affairs of Emira.

COMPOSITION

The Audit committee comprises three members, all of whom are independent non-executive directors. Derek Thomas was appointed to the Audit Committee with effect from 15 September 2023 following the resignation of Berlina Moroole from the board. During the reporting period for the year ended 31 March 2024 the Audit Committee members were as follows:

Director	Period served
Vuyisa Nkonyeni (chairman)	April 2017 to date
Vusi Mahlangu	June 2010 to date
Berlina Moroole	July 2020 to 13 September 2023
Derek Thomas	October 2023 to date

MEETINGS

The committee met five times during the reporting period with the executive management as well as the executives responsible for finance, the compliance officer, and external and internal auditors. The Company Secretary attends all meetings as secretary to this committee.

RESPONSIBILITIES

The responsibilities of the committee are to:

- Nominate for appointment as auditor a registered auditor, who is independent of Emira.
- Determine the fees to be paid to the auditor and the auditor's terms of engagement.
- Ensure that the appointment of the auditor complies with the provisions of the Companies Act and any other legislation relating to the appointment of auditors.
- Determine the nature and extent of any non-audit services that the auditor may provide or that the auditor must not provide to Emira.
- Pre-approve any proposed contract with the auditor for the provision of non-audit services to Emira.
- Review and approve the interim and final financial results and their press releases and the reviewed statements of financial position and statements of comprehensive income of Emira with the relevant press releases for recommendation to the Board.
- Evaluate the quality of the financial information produced to ensure the integrity of reporting and to ensure that measures necessary, in the committee's opinion, are introduced to enhance the integrity of such reporting.
- Review Emira's solvency and liquidity position.
- Review the insurance cover effected by Emira annually to ascertain its sufficiency, scope and costs.
- Receive and evaluate reports from management on significant breakdowns and/or potential areas in the risk management and assessment process, including the disaster recovery plan.
- Consider the audit plans for the external and internal auditors to ensure completeness of coverage, reduction of duplicate effort and the effective use of audit resources.
- Ensure that a comprehensive combined assurance model is applied to the group's key risks to ensure a coordinated approach to all assurance activities.
- Consider any significant findings and recommendations of the external and internal auditors as well as the adequacy of corrective actions taken in response to these findings.

AUDIT COMMITTEE'S REPORT

CONTINUED

- Promote communication by and provide an open avenue of communication between the external and internal auditors, and the committee.
- Evaluate the independence and effectiveness of the internal auditors.
- Encourage and, where appropriate, approve the development of codes of ethical conduct and receive reports from internal audit of significant contraventions thereof.
- Review the effectiveness of the systems of internal control.
- Evaluate and ensure Emira's compliance with statutes and regulations governing Emira's business.
- Ensure that any matters, which have come to its notice, which may significantly affect the financial position or affairs of Emira, are reported to the Board.
- Ensure Emira's adherence to accounting standards and policies.
- Evaluate the adequacy and effectiveness of Emira's accounting practices, information systems and audit processes.
- Evaluate the experience and expertise of the Chief Financial Officer and Emira's finance function.
- Perform other functions determined by the Board including the development and implementation of a policy and plan for a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes within Emira.
- Monitor any corrective actions to be taken in terms of its charter.
- Receive and deal appropriately with any complaints (whether from within or outside the organisation) relating either to Emira's accounting practices and internal audit or to the content or auditing of its financial statements.
- Ensure that the Company has established appropriate financial reporting procedures and that those procedures are operating effectively.

The following significant matters were considered by the committee in relation to the financial statements for the reporting period ended 31 March 2024:

- The property valuations as at 31 March 2024.
- The valuation of derivatives at 31 March 2024.
- The estimated credit losses on trade receivables and loans receivable.
- The acquisition of non-controlling interest without a change in control.
- The classification and presentation of non-current assets held for sale.
- The classification of subsequent events.

The committee was satisfied that the accounting treatment of the matters listed above was adequate.

The committee has fulfilled its function and responsibilities, as mentioned above, and has executed its duties during the reporting period under review, complying with its legal, regulatory and other responsibilities in accordance with its terms of reference. The Board did not assign any additional responsibilities to the committee.

The expertise and experience of the Chief Financial Officer and Financial Director, Greg Booyens, was reviewed during the committee's annual assessment and the committee has satisfied itself thereof. In addition, it has considered and further satisfied itself of the expertise of the finance function and adequacy of resources and experience.

INDEPENDENCE OF EXTERNAL AUDITORS

The committee is required to review the independence of the external auditors, Moore, in accordance with the following criteria:

- Representations made by Moore to the committee.
- The criteria specified for independence by the Independent Regulatory Board for Auditors and international regulatory bodies.
- The auditor does not receive any remuneration or other benefit from Emira, except as Emira's appointed external auditor and approved non-audit services.
- The auditor's independence was not prejudiced as a result of any previous appointment as auditor.

In accordance with paragraphs 3.84(g)(iii) and 22.15(h) of the JSE Listings Requirements, the Committee has satisfied itself that the external auditor is independent of the group, as required by the Companies Act, which includes consideration of compliance with criteria relating to independence or conflicts of interest as prescribed by the IRBA.

The external auditor performed the following non-audit services during the reporting period: Agreed upon procedures in respect of the issue of commercial paper and for the verification of income in respect of land lease agreements. Should further services be required in the future, they will be approved on the basis that no conflict of interests arise.

INTERNAL CONTROL

The system of internal financial and operational control is the responsibility of the Board. The executive directors ensure that assets are protected, systems operate effectively, and all valid transactions are recorded properly.

AUDIT COMMITTEE'S REPORT

CONTINUED

Internal auditors, reporting directly to the Audit Committee, have conducted extensive reviews, testing the effectiveness of the internal control systems. These systems are designed to provide reasonable assurance as to the integrity and reliability of the financial statements, to safeguard, verify and maintain accountability of Emira's assets and to identify and minimise significant fraud, potential liability, loss and material misstatement while complying with applicable laws and regulations.

The internal audit function coordinates with other internal and external providers of assurance to ensure proper coverage of financial, operational and compliance controls.

Based on these reviews, information and explanations given by management and discussions with the external auditors on the results of their audit, the committee is satisfied that Emira's system of internal controls operated effectively in the reporting period under review. Nothing has come to the committee's attention that causes it to believe that the system of internal financial controls is not effective.

INTERNAL AUDIT

The Board is of the opinion that a separate Internal Audit Charter is not required at this time as the Audit Committee's terms of reference clearly defines the role and associated responsibilities and authority of internal audit. In addition, the committee reviews and amends the internal audit mandate, where necessary, to ensure that it complies with all the necessary regulatory and legislative requirements. This mandate has been presented to and approved by the Board.

It is the committee's responsibility to ensure that the internal audit function is independent and has the necessary resources, standing and authority to discharge its duties. The appointed internal auditors are responsible for regularly reporting the findings of internal audit to the committee.

The internal auditors are tasked to perform their function in accordance with a rolling three-year plan. Included in the plan are annual reviews of the property management operational function and the property management finance function, which were completed. Both reviews focus on the functions performed by Emira's two outsourced property managers and good feedback was received on controls at both parties.

BDO is the internal auditor who has been mandated to perform the internal audit function. The committee conducts an assessment of the performance of the internal audit function on an annual basis.

OVERSIGHT OF RISK MANAGEMENT

The committee plays a vital role in the process of risk management and the Chief Risk Officer reports directly to the committee. All risk identification, measurement and management is addressed through these channels.

A risk management plan, risk register, and risk policy were reviewed and approved by the committee during the reporting period.

In addition to and following the committee's review of the Independent Regulatory Board for Auditors' latest findings report and the latest inspection reports and summary of internal review findings in terms of paragraph 22.15 (h) of the JSE Listings Requirements provided by the auditors, the committee satisfied itself that both Moore and Pierre Conradie are accredited in terms of the JSE Listings Requirements and are independent from the Company.

FINANCIAL STATEMENTS

Following the review by the committee of the financial statements of Emira Property Fund for the year ended 31 March 2024, the committee is of the view that in all material respects they comply with the relevant provisions of the Companies Act and International Financial Reporting Standards and fairly presents Emira's financial position at that date and the results of operations and cash flows for the year then ended.

The committee has also satisfied itself of the integrity of the remainder of the financial statements. Having achieved its objectives, the committee has recommended the financial statements for the year ended 31 March 2024 for approval to the Board.

The Board has subsequently approved the financial statements, which will be open for discussion at the forthcoming annual general meeting.

GOING CONCERN

The committee has reviewed a documented assessment, including key assumptions prepared by management, of the going concern status of Emira. The Board's statement on the going concern status of Emira, which is supported by the committee, appears on page 4.

On behalf of the Audit Committee

Vuyisa Nkonyeni

Chairman

Bryanston

21 June 2024

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EMIRA PROPERTY FUND LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OPINION

We have audited the consolidated and separate financial statements of Emira Property Fund Limited (the "Company") and its Subsidiaries (the "Group") set out on pages 13 to 93, which comprise the consolidated and separate statements of financial position as at 31 March 2024, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Emira Property Fund Limited and its Subsidiaries as at 31 March 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the requirements of the Companies Act of South Africa.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards (ISAs) on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the company and group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter (Group and Company)

How our audit addressed the key audit matter

Risk Description – Valuation of investment property (Note 6 – Investment Property and Note 29 – Measurement of fair value – Investment Property)

Investment property measured at fair value pertains to Emira's most significant asset category including various judgemental areas due to the complexity and subjectivity involved in determining the property's fair values. Relevant accounting standards impacting this risk area have been assessed in accordance with IFRS 13, IFRS 5 and IAS 40. The investment property portfolio for the group has a total carrying value of R9,7 billion.

Refer to the following accounting policies and notes to the consolidated financial statements for details:

- Note 2 Accounting policies: Investment property, Non-current assets held for sale and Significant Accounting Estimates and Assumptions – Investment Property
- Note 6 Investment Property and Non-current assets held for sale
- Note 29 Measurement of fair value – Investment Property

We considered the valuation of investment property a key audit matter as the valuation of investment properties are subjective in nature given that the inputs into the valuation methods are inherently judgemental and highly sensitive. The magnitude of the balance of the investment properties recorded in the consolidated and separate statements of financial position, as well as the changes to the fair value relating to the property portfolio recorded in the consolidated and separate statements of profit or loss and other comprehensive income.

Our audit procedures included, amongst others, the following:

We obtained an understanding of the approach followed by management and the independent valuers in respect of the valuation of the group's investment property portfolio (which included those properties classified as held for sale) through discussions with both management and the independent external valuers. This includes the process around preparing budgets that drive the cash flows used in valuations. We have inspected the cash flows produced by the company and assessed them for reasonability.

We assessed the competence, capabilities, and objectivity of the external valuers engaged by management to ensure their expertise. We evaluated the design, implementation and effectiveness of the control and conducted a test of control to evaluate Emira's control over the review of investment property valuations received from external valuers. We made use of our valuation expertise in our assessment of the reasonability of the valuation methodologies and the assumptions applied based on our knowledge of the industry and the markets in which the group operates (such as SAPOA rates and Rode report).

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EMIRA PROPERTY FUND LIMITED CONTINUED

Key audit matter (Group and Company)

How our audit addressed the key audit matter

Risk Description – Valuation of investment property (Note 6 – Investment Property and Note 29 – Measurement of fair value – Investment Property) continued

Property valuations are performed at each reporting period and the following unobservable inputs are used in the determination of the fair value of investment property such as: rental escalations, discount rates, capitalisation rates, vacancy rates, weighted average yields, rental growth rates and projected net cash flows from each investment property. These assumptions introduce inherent uncertainties that may impact the accuracy of fair value estimates. These inputs are judgemental and determined by management based on unique property specific information and current market conditions. In the current period the inputs into the valuations remain more susceptible to change as a result of the current market conditions.

It is worth noting that Emira has not made a change in their valuation approach for all properties. The full property value is externally valued by professional valuers. This ensures the fair value of investment property considers the most updated market conditions.

All property values have been assessed using the discounted cash flow (DCF) valuation method except for residential property where the income capitalisation method was used. By incorporating these assumptions, the valuers provide a fair value estimate that reflects the market dynamics and inherent risks associated with the investment properties.

On a sample basis, we performed the following procedures:

Inspected the external valuation reports and assessed whether the valuation approach for each of these properties was in accordance with IFRS Accounting Standards and suitable for use in determining the fair value for the purpose of the consolidated and separate financial statements.

We evaluated the significant inputs such as: rental escalations, discount rates, capitalisation rates, vacancy rates, weighted average yields, rental growth rate and projected net cash flows from each investment property against appropriate market information and historic information in order to assess whether they were within a reasonable range.

We evaluated the disclosures relating to investment property to ensure compliance with IFRS Accounting Standards and the Johannesburg Stock Exchange listing requirements.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Emira Property Fund Limited and its Subsidiaries Consolidated and Separate Annual Financial Statements for the year ended 31 March 2024", which includes the Directors' Report, Certificate by the Company Secretary and the Audit Committee's Report as required by the Companies Act of South Africa, which we obtained prior to the date of this report and the supplementary information as set out on pages 94 to 108. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EMIRA PROPERTY FUND LIMITED CONTINUED

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Moore Infinity Incorporated has been the auditor of Emira Property Fund Limited for 2 years.

The logo for Moore Infinity Incorporated, featuring the company name in a stylized, handwritten-style font.

Moore Infinity Incorporated

Chartered Accountants (SA)

Registered Auditors

Per: Pierre Johannes Conradie

Director

Registered Auditor

21 June 2024

Silver Stream Office Park

10 Muswell Road

Bryanston

Sandton

2191

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2024

R'000	Notes	Group		Company	
		31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
ASSETS					
Non-current assets					
Investment property	6	9 473 065	11 718 657	6 330 698	7 313 444
Straight-lining of rental income adjustment	7	188 181	180 006	150 400	145 880
Unamortised upfront lease costs	8	35 724	32 691	26 952	24 326
Right of use assets	6	76 567	76 567	37 777	37 777
Fair value of investment property		9 773 537	12 007 921	6 545 827	7 521 427
Furniture, fittings, computer equipment and intangible assets	9	799	1 204	797	1 001
Investment in subsidiaries [#]	10	–	–	3 761 004	3 218 609
Loans to subsidiaries [#]	10	–	–	1 176 715	1 273 592
Investments and loans in equity-accounted investments	11	2 783 320	2 702 710	–	–
Other financial assets	12	–	765	–	765
Loans receivable	14	158 502	54 451	377 925	273 877
Derivative financial instruments	20	58 628	71 036	58 309	67 449
Total non-current assets		12 774 786	14 838 087	11 920 577	12 356 720
Current assets					
Loans receivable	14	77 461	294 668	60 179	272 830
Accounts receivable	13	140 547	151 937	98 366	103 139
Derivative financial instruments	20	13 453	12 126	12 287	11 732
Cash and cash equivalents		180 758	125 045	45 675	26 790
Loans to subsidiaries [#]	10	–	–	879 136	528 023
Total current assets		412 219	583 776	1 095 643	942 514
Assets held for sale	6, 11	2 417 264	821 472	1 192 250	639 050
Total assets		15 604 269	16 243 335	14 208 470	13 938 284
EQUITY AND LIABILITIES					
Total equity and reserves attributable to equity holders					
Stated capital	15	3 418 500	3 421 431	3 882 276	3 885 207
Retained earnings/(accumulated losses)	16	558 096	818 208	(392 468)	(765 069)
Fair value and other reserves	16	3 950 023	3 623 439	3 412 435	3 261 605
Foreign currency translation reserve	16	413 681	313 537	–	–
Share-based payment reserve	16	30 508	29 399	30 508	29 399
Changes in ownership	16	(20 882)	(24 014)	–	–
Equity attributable to the equity holders of the parent		8 349 926	8 182 000	6 932 751	6 411 142
Non-controlling interest	16	17 256	343 689	–	–
Total equity		8 367 182	8 525 689	6 932 751	6 411 142
LIABILITIES					
Non-current liabilities					
Interest-bearing debt	17	4 499 864	4 478 255	3 802 970	3 715 156
Other financial liabilities [#]	18	10 227	24 928	86 236	65 331
Lease liabilities	19	73 026	73 239	34 200	34 937
Derivative financial instruments	20	128 981	191 783	128 981	191 783
Total non-current liabilities		4 712 098	4 768 205	4 052 387	4 007 207
Current liabilities					
Interest-bearing debt	17	1 890 780	2 405 024	1 724 838	2 112 201
Other financial liabilities [#]	18	12 810	12 688	20 349	–
Lease liabilities	19	5 323	4 882	3 507	3 215
Loans from subsidiaries [#]	10	–	–	1 009 586	1 016 377
Accounts payable	21	458 474	424 183	307 450	285 478
Employee benefits liability	22	15 538	14 604	15 538	14 604
Derivative financial instruments	20	142 064	88 060	142 064	88 060
Total current liabilities		2 524 989	2 949 441	3 223 332	3 519 935
Total liabilities		7 237 087	7 717 646	7 275 719	7 527 142
Total equity and liabilities		15 604 269	16 243 335	14 208 470	13 938 284
Net asset value per share (cents) [*]		1 733,1	1 696,4		

^{*} The non-IFRS performance measure, net asset value per share is calculated by dividing net assets attributable to ordinary equity holders of the parent by the number of ordinary shares outstanding at reporting date net of treasury shares in issue of 481 795 511 (31 March 2024: 482 324 420).

[#] Comparative information for these line items has been reclassified in order to provide more relevant and reliable information to the user. Previously, loans to and from subsidiaries were included as part of investments in subsidiaries but have been separately presented above.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

R'000	Notes	Group		Company	
		Year ended 31 Mar 2024	Nine months ended 31 Mar 2023	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
REVENUE – RENTAL INCOME		1 893 272	1 295 944	1 163 993	842 480
Operating lease rental income from investment properties		1 379 466	963 777	819 164	610 862
Recoveries of operating costs from tenants		505 631	344 689	340 309	243 153
Straight-lining of rental income adjustment	7	8 175	(12 522)	4 520	(11 535)
Revenue – dividend income from subsidiaries	3	–	–	406 724	238 338
Property expenses		(880 641)	(592 358)	(540 971)	(383 701)
Administration expenses		(117 619)	(91 216)	(94 976)	(72 949)
Transaction and advisory fees	3	(6 043)	(7 822)	(910)	(6 432)
Net fair value adjustments		226 048	4 203	52 078	(18 857)
Change in fair value of investment properties	6	326 584	65 219	150 830	43 436
Unrealised surplus on interest rate swaps		(100 854)	(57 136)	(99 070)	(58 413)
Unrealised deficit on fair valuation of financial asset through profit or loss	12	318	(3 880)	318	(3 880)
Impairment loss on loans receivable	10, 14	(300 698)	(68 451)	(48 114)	(46 742)
(Impairment loss)/reversal on investments	11, 10	–	(22 239)	237 930	2 884
Foreign exchange gain		57 670	85 887	57 670	85 887
Gain on bargain purchase		–	231 674	–	–
(Loss)/gain on disposal of investment in associate	11	(38 471)	–	39 236	–
Other income		1 676	3 224	1 126	710
Income from equity-accounted investments	11	249 111	332 529	31 000	103 397
Interest received from associates		30 393	64 874	30 393	64 874
Share of profit from associates, net of tax		218 718	267 655	607	38 523
PROFIT BEFORE FINANCE COSTS		1 084 305	1 171 375	1 304 786	745 015
Net finance costs		(538 197)	(337 266)	(299 226)	(175 270)
Finance income		46 097	49 655	181 706	154 017
Finance costs		(584 294)	(386 921)	(480 932)	(329 287)
PROFIT BEFORE INCOME TAX EXPENSE	3	546 108	834 109	1 005 560	569 745
Income tax (expense)/benefit	4	(4)	2 009	–	–
Profit for the period		546 104	836 118	1 005 560	569 745
OTHER COMPREHENSIVE INCOME					
Items that may be subsequently reclassified to profit or loss					
Exchange differences on translation of foreign operations	16	100 144	133 098	–	–
Total comprehensive income for the period		646 248	969 216	1 005 560	569 745
Profit for the period attributable to:					
Emira shareholders		517 236	825 560	1 005 560	569 745
Non-controlling interest	16	28 868	10 558	–	–
		546 104	836 118	1 005 560	569 745
Total comprehensive income attributable to:					
Emira shareholders		617 380	958 658	1 005 560	569 745
Non-controlling interest		28 868	10 558	–	–
		646 248	969 216	1 005 560	569 745
Basic earnings per share (cents)	5	107,25	171,07		
Diluted earnings per share (cents)	5	105,70	168,71		

STATEMENTS OF CHANGES IN EQUITY

AS AT 31 MARCH 2024

R'000	Group								
	Stated capital	Change in ownership	Fair value reserve	Share-based payment reserve	Other reserves	Foreign currency translation reserve	Non-controlling interest	Retained earnings	Total
2023									
Balance at 1 July 2022	3 425 736	(24 085)	3 635 103	27 721	(76 883)	180 439	4 375	693 925	7 866 332
Total comprehensive income for the period	–	–	–	–	–	133 098	10 558	825 560	969 217
Profit for the year	–	–	–	–	–	–	10 558	825 560	836 119
Other comprehensive income for the period	–	–	–	–	–	133 098	–	–	133 098
Transactions with owners (contributions and distributions)	(4 305)	–	65 219	1 678	–	–	(15 865)	(701 277)	(654 549)
Shares acquired for the Emira Forfeitable Share Plan	(15 061)	–	–	–	–	–	–	–	(15 061)
Emira Forfeitable Share Plan shares vested	10 756	–	–	(10 756)	–	–	–	–	–
Equity settled share scheme	–	–	–	12 434	–	–	–	–	12 434
Dividend paid – September 2022	–	–	–	–	–	–	–	(310 442)	(310 442)
Dividend paid – March 2023	–	–	–	–	–	–	(15 865)	(325 616)	(341 481)
Transfer to fair value reserve	–	–	65 219	–	–	–	–	(65 219)	–
Changes in ownership interests	–	71	–	–	–	–	344 620	–	344 691
Acquisition of subsidiary with NCI	–	–	–	–	–	–	345 013	–	345 013
Acquisition of NCI without a change in control	–	71	–	–	–	–	(393)	–	(322)
Balance at 31 March 2023	3 421 431	(24 014)	3 700 322	29 399	(76 883)	313 537	343 689	818 208	8 525 690
2024									
Balance at 1 April 2023	3 421 431	(24 014)	3 700 322	29 399	(76 883)	313 537	343 689	818 208	8 525 690
Total comprehensive income for the period	–	–	–	–	–	100 144	28 868	517 236	646 248
Profit for the year	–	–	–	–	–	–	28 868	517 236	546 104
Other comprehensive income for the period	–	–	–	–	–	100 144	–	–	100 144
Transactions with owners (contributions and distributions)	(2 931)	–	326 584	1 108	–	–	(22 961)	(777 599)	(475 798)
Shares acquired for the Emira Forfeitable Share Plan	(17 204)	–	–	–	–	–	–	–	(17 204)
Emira Forfeitable Share Plan shares vested	12 779	–	–	(12 779)	–	–	–	–	–
Emira Matching Share Plan shares vested	1 494	–	–	(606)	–	–	–	(888)	–
Equity settled share scheme	–	–	–	14 494	–	–	–	–	14 494
Dividend paid – July 2023	–	–	–	–	–	–	(7 588)	(148 306)	(155 894)
Dividend paid – December 2023	–	–	–	–	–	–	(15 372)	(301 822)	(317 194)
Transfer to fair value reserve	–	–	326 584	–	–	–	–	(326 584)	–
Changes in ownership interests	–	3 132	–	–	–	–	(332 341)	252	(328 956)
Transcend share buy-back	–	–	–	–	–	–	(24 744)	252	(24 492)
Acquisition of NCI without a change in control	–	3 132	–	–	–	–	(307 597)	–	(304 465)
Balance at 31 March 2024	3 418 500	(20 882)	4 026 905	30 508	(76 883)	413 681	17 256	558 097	8 367 182
Notes	15	16	16	16	16	16	16	16	

Dividend per share (cents) 117,02 (31 March 2023: 96,78)*

* Dividend per share is calculated by dividing the distributable income by the number of ordinary shares outstanding at 31 March 2024 of 522 667 247 (31 March 2023: 522 667 247).

STATEMENTS OF CHANGES IN EQUITY

AS AT 31 MARCH 2024 CONTINUED

R'000	Company					
	Stated capital	Change in ownership	Share-based payment reserve	Other reserves	Retained earnings	Total
2023						
Balance at 1 July 2022	3 889 512	3 301 735	27 721	(83 566)	(613 961)	6 521 441
Total comprehensive income for the period	–	–	–	–	569 745	569 745
Profit for the year	–	–	–	–	569 745	569 745
Transactions with owners (contributions and distributions)	(4 305)	43 436	1 678	–	(720 853)	(680 044)
Shares acquired for the Emira Forfeitable Share Plan	(15 061)	–	–	–	–	(15 061)
Emira Forfeitable Share Plan shares vested	10 756	–	(10 756)	–	–	–
Equity settled share scheme	–	–	12 434	–	–	12 434
Dividend paid – September 2022	–	–	–	–	(330 269)	(330 269)
Dividend paid – March 2023	–	–	–	–	(347 148)	(347 148)
Transfer to fair value reserve	–	43 436	–	–	(43 436)	–
Balance at 31 March 2023	3 885 207	3 345 171	29 399	(83 566)	(765 069)	6 411 142
2024						
Balance at 1 April 2023	3 885 207	3 345 171	29 399	(83 566)	(765 069)	6 411 142
Total comprehensive income for the period	–	–	–	–	1 005 560	1 005 560
Profit for the year	–	–	–	–	1 005 560	1 005 560
Transactions with owners (contributions and distributions)	(2 931)	150 830	1 109	–	(632 959)	(483 951)
Shares acquired for the Emira Forfeitable Share Plan	(17 204)	–	–	–	–	(17 204)
Emira Forfeitable Share Plan shares vested	12 779	–	(12 779)	–	–	–
Emira Matching Share Plan shares vested	1 494	–	(606)	–	(888)	–
Equity settled share scheme	–	–	14 494	–	–	14 494
Dividend paid – July 2023	–	–	–	–	(158 602)	(158 602)
Dividend paid – December 2023	–	–	–	–	(322 639)	(322 639)
Transfer to fair value reserve	–	150 830	–	–	(150 830)	–
Balance at 31 March 2024	3 882 276	3 496 001	30 508	(83 566)	(392 468)	6 932 751
Notes	15	16	16	16	16	

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

R'000	Notes	Group		Company	
		Year ended 31 Mar 2024	Nine months ended 31 Mar 2023	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
CASH FLOWS FROM OPERATING ACTIVITIES					
	23	976 594	631 838	831 948	575 117
		99 678	53 239	92 255	48 243
		(648 411)	(424 402)	(558 412)	(366 806)
	23	28	(689)	-	-
		-	-	155 384	86 165
		(473 088)	(651 924)	(481 242)	(677 418)
		(45 199)	(391 938)	39 933	(334 699)
CASH FLOWS FROM INVESTING ACTIVITIES					
	6	(193 660)	(166 456)	(148 459)	(164 915)
	6	501 305	137 541	109 500	78 850
	9	(477)	(69)	(485)	(77)
	10	-	-	(304 465)	(205 254)
		-	(159 468)	-	-
		-	-	234 707	91 686
		-	-	505 260	113 775
		-	-	(270 553)	(22 089)
		911 695	231 326	657 892	83 123
		16 442	64 825	16 442	64 825
		575 000	-	575 000	-
	11	66 450	-	66 450	-
		253 803	166 501	-	18 298
		-	(39 259)	-	(39 259)
		27 280	6 659	27 280	6 659
		(171 200)	-	(171 200)	-
		1 082	-	1 082	-
	12	-	(4 332)	-	(4 332)
		1 076 025	5 942	405 852	(153 519)
CASH FLOWS FROM FINANCING ACTIVITIES					
	16	(304 466)	(322)	-	-
		(24 492)	-	-	-
	15	(17 204)	(15 061)	(17 204)	(15 061)
	19	(5 112)	(3 583)	(3 345)	(2 350)
	18	(14 087)	(2 557)	-	-
	20	-	14 950	-	9 677
	20	(102 849)	-	(99 284)	-
	17	4 370 634	1 843 629	4 223 741	1 782 061
	17	(4 881 432)	(1 395 300)	(4 530 808)	(1 281 000)
		(979 008)	441 756	(426 900)	493 327
		51 818	55 760	18 885	5 109
		3 895	2 509	-	-
		125 045	66 776	26 790	21 681
		180 758	125 045	45 675	26 790

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1. GENERAL INFORMATION

Emira Property Fund Limited (“the Company”), its subsidiaries and equity-accounted investments (together the “Group”) hold a major portfolio of investment properties in South Africa together with offshore investments into the USA. The Company is a listed Real Estate Investment Trust (“REIT”) on the JSE.

These consolidated and separate financial statements (the “financial statements”) have been approved for issue by the Board of Directors of the Company on 21 June 2024. The shareholders do not have the power to amend the financial statements after issue.

This report was compiled under the supervision of Greg Booyens CA(SA), the Chief Financial Officer.

2. MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The Group adopted Disclosure or Accounting Policies (Amendments to IAS1 and IFRS Practice Statement 2) from 1 April 2023. Although the amendments did not result in changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

2.1 BASIS OF PREPARATION

Statement of compliance

These financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, JSE Listing Requirements and the requirements of the Companies Act of South Africa, No. 71 of 2008, as amended and in conformity with its memorandum of incorporation.

Preparation of the financial statements

The financial statements have been prepared under the historical cost convention except for the revaluation of investment property and financial assets and financial liabilities (including derivative instruments), which are measured at fair value through profit or loss.

The financial statements are presented in Rand and are rounded to the nearest thousand, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.16.

When the reporting period of the Group is different to that of the subsidiary, associate or joint venture, the subsidiary, associate or joint venture prepares, for the use of the Group, financial statements in alignment with the Group’s reporting date.

New and amended standards and interpretations

The Group and Company have adopted the following new standards, or amendments to standards which were effective for the first time for the reporting period which commenced on 1 April 2023:

	Effective date (periods beginning on or after)
Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8 – Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies	1 January 2023

The impact of the adoption of these standards and amendments have been considered and had no impact of the group, except for material rather than significant accounting policies presented.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

Standards and interpretations applicable to the Fund but not yet effective

At the date of approval of these financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been early adopted by the Group and Company. None of the below standards, amendments and interpretations are expected to have a material impact on the Group and Company and will be adopted in the reporting period applicable as per the table below:

	Effective date
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS16 – Lease liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7 – Disclosures: Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21 – The effects of changes in exchange rates	1 January 2025
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IAS 12 – Tax Reform – Pillar Two Model Rules	Upon issuance

2.2 CONSOLIDATION

2.2.1 Business combinations

Accounting for business combinations under IFRS 3 only applies if it is considered that a business has been acquired. Under IFRS 3 Business Combinations, a business is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return to investors or lower costs or other economic benefits directly and proportionately to shareholders or participants. A business generally consists of inputs, processes applied to those inputs, and resulting outputs that are, or will be, used to generate revenues. In the absence of such criteria, a group of assets is deemed to have been acquired. If goodwill is present in a transferred set of activities and assets, the transferred set is presumed to be a business.

For acquisitions meeting the definition of a business, the acquisition method of accounting is used. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement where applicable.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the identifiable net assets. The excess of the consideration over the fair value of the identifiable net assets acquired is recognised as goodwill. If the consideration is less than the fair value of the net assets acquired, the difference is recognised directly in the profit or loss as a bargain purchase gain.

Acquisition-related costs in relation to business combinations are expensed as incurred.

For acquisitions not meeting the definition of a business, the Group allocates the cost between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of acquisition. Such transactions or events do not give rise to goodwill.

2.2.2 Investment in subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group exercises control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are substantive are considered when assessing whether the Group controls another entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Investments in subsidiaries are recognised at cost less accumulated impairment losses in the Company's separate financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

2.2.3 Investment in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures. Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies. Interests in associates are accounted for using the equity method for both Group and Company.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have benefits derived from the net assets of the joint arrangement. Interests in joint ventures are accounted for using the equity method for both Group and Company.

The profits and losses, asset and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting for Group, except when the investment is classified as held-for-sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method the investment is initially recognised at cost and thereafter the carrying amount is adjusted to recognise the Group's share of the post-acquisition profits or losses of the investee after the date of acquisition, distributions received and any impairment adjustments that are required. The share of profit or losses are recognised in the statement of profit or loss. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments.

2.3 FOREIGN CURRENCY

2.3.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in South African Rand ("Rand"), the Company's functional currency and the Group's presentation currency.

2.3.2 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies at reporting date, are recognised in profit or loss for the period.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented net in the statements of profit or loss within finance income or finance costs. All other foreign exchange gains and losses are presented separately in the statements of profit or loss.

2.3.3 Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Rand at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Rand at exchange rates at the dates of the transactions (an average rate per month is used). Foreign currency differences related to foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

When the Group disposes of only part of its interest in a subsidiary that includes foreign operations while retaining control, the relevant proportion of the cumulative amount is re-attributed to non-controlling interest. If control is not retained, the cumulative amount is reclassified from other comprehensive income to profit or loss as a reclassification adjustment as part of the gain or loss on disposal.

2.4 INVESTMENT PROPERTY

Property, comprising both freehold and leasehold land and buildings, that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is recognised initially at cost, including transaction costs.

Borrowing costs incurred for the purpose of acquiring, developing or producing qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or development is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is measured at fair value which is adjusted for the carrying amounts of straight-line rental income, tenant installations and unamortised upfront lease costs which are recognised as separate assets, so that these separately recognised assets are not double counted. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as at each reporting date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

Tenant installations and lease commissions are measured at cost less accumulated amortisation on a straight-line basis over the term of the lease.

Fair value measurement on property under development is only applied if the fair value is considered to be reliably measurable.

It may sometimes be difficult to reliably determine the fair value of the investment property under development. In order to evaluate whether the fair value of an investment property under development can be determined reliably, management considers the following factors, among others:

- The provisions of the development contract
- The stage of completion
- Whether the project/property is standard (typical for the market) or non-standard
- The level of reliability of cash inflows after completion
- The development risk specific to the property
- Past experience with similar developments

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Changes in fair values are recognised in profit or loss. These gains or losses are transferred to fair value reserve in the statement of changes in equity.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying amount immediately prior to the sale is adjusted to the transaction price, and the adjustment is recognised in profit or loss within net fair value adjustments.

2.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life – for example, goodwill – are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that have been impaired are reviewed for possible reversal of the impairment at each reporting date. A previously recognised impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

2.6 FAIR VALUE MEASUREMENTS

The Group measures financial instruments such as derivatives and investment property at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the financial statements, are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

2.7 FINANCIAL INSTRUMENTS

2.7.1 Initial recognition, measurement and classification

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The Group classifies its financial assets as financial assets at fair value through profit or loss and at amortised cost. Financial liabilities are classified as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost, as appropriate. The Group determines the classification of its financial assets and liabilities at initial recognition.

The classification of financial assets is based on the business model with which the Fund holds the respective assets, as well as application of the cashflow characteristics test.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

2.7.2 Financial assets at amortised cost

Financial assets are held at amortised cost if the cash flows are solely payments of principal and interest, and interest is a consideration for the time value of money and credit risk only. Financial instruments with cash flows that are not solely payments of principal and interest are mandatorily classified at fair value through profit or loss.

The Group's financial instruments at amortised cost comprise of "accounts receivable", "loans receivable" and "cash and cash equivalents" in the statement of financial position.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.7.3 Financial assets and liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or if the cash flows of the financial instruments are not solely payments of principal and interest (SPPI) and do not meet the requirements to be classified at amortised cost.

Derivatives financial assets and liabilities are classified as financial assets and liabilities at fair value through profit or loss and comprise mainly interest-rate swaps, interest-rate caps, cross-currency interest-rate swaps, share options and forward foreign exchange contracts. The Group uses derivative financial instruments to hedge its exposure to interest-rate and foreign exchange rate risk arising from financing and investing activities (generally referred to as an economic hedge).

The Fund's policy requires the CEO and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

Financial assets at fair value through profit or loss are measured at fair value with net changes in fair value recognised in profit or loss.

2.7.4 Financial liabilities

All financial liabilities, except derivative financial instruments, are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the financial liability. The amortisation is included as finance costs in profit or loss.

The Group obtains deposits from tenants as a guarantee for returning the property at the end of the lease term in a specified good condition or for the lease payments for a period ranging from one to 12 months. Such deposits are treated as financial liabilities at amortised cost and are included in accounts payable.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

2.7.5 Financial guarantees

Financial guarantee contracts are recognised as financial liabilities at the time the guarantee is issued. The fair value of a financial guarantee contract is the present value of the difference between the net contractual cash flows required under a debt instrument, and the net contractual cash flows that would have been required without the guarantee. The present value is calculated using a risk free rate of interest.

At each reporting date financial guarantees are measured at the higher of:

- The amount of the loss allowance; and
- The amount initially recognised less cumulative amortisation, where appropriate.

The amount of the loss allowance at each reporting date is initially equal to 12-month expected credit losses. However, where there has been a significant increase in the risk that the specified debtor will default on the contract, the loss allowance is determined using lifetime expected credit losses.

Expected credit losses for a financial guarantee contract are the cash shortfalls adjusted by the risks that are specific to the cash flows.

Cash shortfalls are the difference between:

- The expected payments to reimburse the holder for a credit loss that it incurs; and
- Any amount that the Group expects to receive from the holder, the debtor or any other party.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

2.8 IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises a loss allowance for expected credit losses on financial assets measured at amortised cost, lease receivable and municipal accruals at reporting date. While cash and cash equivalents are classified and measured at amortised cost, and are also subject to these impairment requirements, they are considered to have low credit risk, and the expected credit loss is mitigated through the Group's credit risk management policy.

Expected credit losses ("ECLs") are a probability weighted estimate of credit losses, based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to be received, discounted at an approximation of the original effective interest rate. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade and other receivables, Emira has elected to apply the simplified approach in calculating the loss allowance. Therefore, the ECLs on trade receivables, are estimated using a provision matrix with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forward-looking information of conditions based on lifetime ECLs at each reporting date.

At each reporting date, Emira assesses whether financial assets measured at amortised cost (such as long-term loans granted and loans granted to associates) have significantly increased in credit risk. The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group (if applicable) or if the financial asset is more than 90 days past due.

ECL allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The carrying amount of financial assets is reduced directly by the impairment loss, with the exception of trade receivables, where the carrying amount is reduced through the use of a loss allowance account.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying amount of the asset does not exceed its amortised cost had impairment not been recognised at the reversal date. Any subsequent reversal of an impairment loss is recognised profit or loss.

In certain cases, Emira may also consider a financial asset to be in default when internal or external information indicates that the Fund is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.9 TREASURY SHARES

Company shares held by the Emira Forfeitable Share Plan that have not yet vested as well as the ESA Trust and BEE Scheme entities are classified as treasury shares on consolidation and presented as a deduction from equity. These shares are held at cost.

On purchase, the cost of the shares acquired is deducted from equity. Subsequently, any gain or loss on the sale or cancellation of the Company's own equity instruments is recognised directly in the share-based payment reserve.

2.10 CURRENT AND DEFERRED TAX

Income tax expense comprises current and deferred tax and is recognised in profit or loss.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulation is subject to provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

No deferred tax was recognised on the fair value adjustments to investment property and investments in REITs. These assets are realised through sale and as such do not attract capital gains tax in terms of section 25BB of the Income Tax Act.

2.11 REVENUE

Revenue includes rental income from property investments and operating cost recoveries from tenants, but excludes value added tax. Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis. The amount not yet recognised is capitalised as allowance for future rental escalations, which forms part of the value of investment property.

Emira acts as a principal when recovering operating costs from tenants.

Distribution income and dividend revenue received from property investments and subsidiaries is recognised when the company's right to receive payment has been established.

2.12 DISTRIBUTIONS PAYABLE TO SHAREHOLDERS

The Group has an obligation to distribute the net amount available for distribution, to its shareholders.

Distributions payable are recognised as a liability once the amount for distribution has been determined and declared by the Board. Distributions exclude items arising as a result of:

- The unrealised fair value adjustments to investment properties
- The unrealised gains and losses in respect of the fair valuing of financial assets through profit or loss
- The income arising from the straight-lining of lease income
- Estimated credit losses on loans receivable
- Unrealised foreign exchange differences

2.13 LEASES

Lessor accounting

The Group acts as a lessor over all its leases in respect of investment property. These leases are classified as operating leases at lease inception. The Group recognises lease payments received under an operating lease as income on a straight-line basis over the lease term as part of revenue.

The Group makes payments to agents for services in connection with negotiating lease contracts with the Group's lessees. The letting fees are capitalised to unamortised upfront lease costs and amortised over the lease term.

Lessee accounting

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is measured at the initial amount of the lease liability adjusted for any lease payments made in advance, plus any initial direct costs incurred less any lease incentives received. A right-of-use asset in relation to leased land is recognised as investment property. Right-of-use asset recognised as investment property is subsequently measured at fair value.

The lease liability is initially measured at the present value of the future lease payments discounted using the interest rate implicit in the lease and if not readily determinable, the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- Fixed payments; and
- Variable lease payments dependent on an index or a rate, initially measured using the index or rate as at the lease commencement date.

The lease liability is subsequently measured at amortised cost using the effective interest method.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if the Group changes its assessment of whether it will exercise an extension or termination option or where a variable payment becomes fixed. Where the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the underlying right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

2.14 INVESTMENT PROPERTIES HELD FOR SALE

Investment properties are classified as held for sale when their carrying amount is to be recovered through a sale transaction and a sale is considered highly probable. Investment properties held for sale are measured at fair value, with subsequent gains or losses recognised in profit or loss.

2.15 EMPLOYEE BENEFITS

2.15.1 Short-term employee benefits

Short-term employee benefits are recognised in profit or loss and accrued when the associated services are rendered by the employees of the Group.

2.15.2 Defined contribution plans

The defined contribution plan is a post-employment benefit plan under which the Group pays contributions to a separate entity and has no legal or constructive obligation to pay further amounts if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions are recognised in profit or loss when the related services have been rendered.

2.15.3 Short-term incentive

The Group recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

The bonuses are based on the achievement of pre-set key performance indicators ("KPI") that takes into consideration the profit attributable to the Group's shareholders after certain adjustments.

2.15.4 Share-based payments

Forfeitable share plan – equity settled

The Group operates an equity-settled share-based forfeitable share plan for its employees.

The scheme is classified as an equity-settled share-based payment. The grant date fair value of forfeitable shares awarded to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Matching share scheme – equity settled

The Group operates an equity-settled share matching plan for its employees.

In terms of the matching share scheme, participants are encouraged to use their own funds to acquire Company shares. Participants holding shares at the third anniversary of the date of award will be awarded Company shares free of consideration based on a multiple of the original shares linked to the Group and individual's performance, so long as they have achieved a minimum of 75% of their KPIs for the period.

The scheme is classified as an equity-settled share-based payment. The grant-date fair value of the matching scheme is recognised as an expense, with a corresponding increase in equity, over the vesting period. The amount recognised as an expense is adjusted for changes in management's estimate of the number of shares expected to vest, such that the amount ultimately recognised is based on the number of awards that vest.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

2.16 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Judgement also needs to be exercised in applying the group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and adjusted for current market conditions and other factors. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are detailed below:

2.16.1 Estimates

Investment properties

The valuation of investment properties was determined principally using discounted cash flow projections, based on estimates of future cash flows, supported by the terms of any existing lease contracts and by external evidence such as current market rentals for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows. In light of the continued pressure and negative macro-economic conditions, the Fund has generally maintained its discount rates and exit capitalisation and where required has adjusted the other valuation inputs (void periods, market rentals, rental growth rates and perpetual vacancy rates) to reflect current market levels.

The portfolio's discount and exit capitalisation rates are within the most recent ranges published by SAPOA. Note 29 provides a detailed analysis on the Fund's valuation inputs and metrics.

The future rental rates were estimated depending on the actual location, type and quality of the properties and taking into account market data and projections at the valuation date, as well as the length of vacant periods following the expiry of existing lease agreements.

For further detail and sensitivity analysis, refer to notes 6 and 29.

Accounts receivable

The Group applies the simplified approach in measuring expected credit losses (ECL) on rental debtors, which requires a lifetime loss allowance. To measure the ECLs, a provision matrix is used, where the rental debtors are grouped based on shared credit risk characteristics and into common ageing buckets. The Funds' divisional structure reflects its exposure to different tenant groups and an ECL rate is calculated for each group. The ECLs are calculated by using the provision matrix as well as taking into account amounts owing that have been specifically provided due to management's assessments of their credit impairment.

For further detail, refer to notes 13 and 30.

Derivative financial instruments

The fair values of the interest-rate swap and cap contracts are determined using discounted cash flow projections based on estimates of future cash flows and the terms of the relevant swap agreements. Cash flows are projected using a zero-coupon ZAR swap curve and are discounted on an uncollateralised basis.

The valuation of cross-currency interest-rate swaps was determined by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place. Future floating cash flows are determined using forward rates derived from the basis swap curve of the respective currencies at reporting date. The net cash flows were discounted using the basis swap curve of the respective currencies as at 31 March 2024.

The valuation of the USD forward exchange contracts was determined by discounting the forward rates applied on 31 March 2024 to the open hedged positions.

For further detail, refer to notes 20 and 29.

Current and deferred tax

In accordance with the Group's status as a REIT, the distributions made in line with the Group's distribution policy meet the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 ("Income Tax Act"). In determining the tax obligation of the Group, the "qualifying distribution" is deducted from taxable profits. In addition, the Group is not liable for capital gains tax on the disposal of directly held properties.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the unused tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

Impairment of interests in subsidiaries

The carrying amount of the Company's investment in subsidiaries is tested for impairment if any indicators are present. Indicators of impairment include:

- Net assets of the subsidiary are lower than its carrying value;
- Economic performance of the subsidiary is anticipated to be worse than expected

Management performs an impairment calculation by comparing the carrying amount of the investment to its recoverable amount. The recoverable amount is deemed to be the fair value less cost of disposal, which approximates the value in use. The fair value is determined using the net asset value.

2.16.2 Judgements

Business combination versus asset acquisition

Management has assessed properties acquired during previous and current reporting periods and concluded that the assets acquired do not constitute a business in terms of business combinations (refer to policy 2.2.1) due to the following:

- Processes or significant ancillary services were not acquired, and therefore integrated sets of activities were not identified, and
- The purchase price of the assets does not include an element of goodwill.

The acquisition of these properties was accounted for as the acquisition of investment property and not a business combination.

BEE Transaction

The transaction Emira concluded in June 2017, in furtherance of its BEE strategy, with Tamela Holdings (Pty) Ltd ("Tamela") and Letsema Holdings (Pty) Ltd ("Letsema") is still in existence. Tamela Property Investments (Pty) Ltd ("Tamela SPV") and Luxanio Trading 157 (Pty) Ltd ("Letsema SPV"), both wholly-owned subsidiaries of Tamela Holdings and Letsema Holdings respectively, hold 26 133 364 shares ("Subscription Shares") of the Company.

The original investment was funded by the BEE Parties as follows:

- R182,1m (50%) was funded by a vendor loan provided by Emira (the "Vendor Funding"). The Vendor Funding runs for a period of five years and bears interest equal to the dividend payable on the vendor loan portion of the underlying shares. The Vendor Funding is secured by means of a reversionary cession and pledge over the Subscription Shares;
- R145,6m (40%) was funded by external third-party debt provided to the BEE Parties; and
- R36,4m (10%) was funded by cash.

The Third-Party Loan is secured by 100% of the Subscription Shares. The Lender has the ability to dispose of the Subscription Shares at any time if the market value thereof, based on the 5-day volume weighted average price ("VWAP"), is less than 1,6 times the Third-Party Loan or if the closing price of Emira shares is less than 1,5 times the Third-Party Loan (each a "Trigger Event").

At 31 March 2024 there was R179,2m (31 March 2023: R176,2m) outstanding on the Vendor Funding. The maximum number of shares that will be issued on the repayment of the Vendor Funding is 12 370 510 shares (31 March 2023: 12 370 510), as a series of forwards, to be exercised a fixed price of R13,94 per share. Emira's maximum exposure in the event that the third-party funders dispose of the BEE Parties' interest in Emira would be the balance of the Vendor Funding repayable in relation to the shares issued in respect of the Vendor Funding.

Accounting treatment of the BEE Transaction

Initial recognition

For accounting purposes, the BEE Transaction consisted of two elements, which were accounted for as follows:

1. The Cash Funded Specific Issue, being the subscription by the BEE Parties of 13 066 682 Subscription Shares for a cash consideration of approximately R182,1m.
This element of the Subscription Shares was funded by the BEE Parties using a combination of their own cash reserves and third party funding. Consequently, at inception, the cash proceeds, net of transaction costs, increased share capital and the number of Emira Shares in issue.
2. The Vendor Funded Specific Issue, being the subscription by the BEE Parties for 13 066 682 Subscription Shares funded through the Vendor Funding provided by Emira, a portion of which was subsequently repaid.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

Based on management's judgement and application of the control principles, management concluded at inception that the Group did not exercise control and consequently did not consolidate Letsema SPV and Tamela SPV.

- Emira does not hold shares in Letsema SPV or Tamela SPV;
- Tamela and Letsema have the decision power over Tamela SPV and Letsema SPV respectively and therefore control, with out any restrictions on them from Emira;
- Emira has no decision-making powers over or involvement with the BEE parties;
- Emira has neither substantive or protective rights that would result in Emira having power over decision making of Letsema SPV or Tamela SPV;
- The BEE parties are responsible for obtaining and negotiating their own financing with third party funders. Emira was not involved during these discussions and has not provided any formal or informal guarantees in relation to the liabilities due to the third-party funders;
- Emira has no step-in rights or call options relating to the BEE Transaction;
- Emira will not provide any funding in addition to the Vendor Funding or liquidity to the BEE Parties and there is no intention to do so; and
- Emira did not initially guarantee the amount owed by the BEE parties to third party funders nor did it intend to do so. The Third Party Loan is secured by 100% of the Subscription Shares. The Lender has the ability to dispose of the Subscription Shares at any time if the market value thereof, based on the 5-day volume weighted average price ("VWAP"), is less than 1,6 times the Third Party Loan or if the closing price of Emira shares is less than 1,5 times the Third Party Loan (each a "Trigger Event").

Considering the factors outlined prior to the guarantee being issued, the economic substance of the Vendor Funded Specific Issue was the granting of a call option on Emira Shares which was accounted for as an equity settled share-based payment arrangement in the year ended 30 June 2017. Consequently, the Subscription Shares issued to the BEE Parties in terms of the outstanding Vendor Funded Specific Issue were not treated as issued for accounting purposes, until the Vendor Funding is settled, or the BEE SPVs are consolidated.

Re-assessment of control

The Group is required to assess control on a continuous basis when facts and circumstances indicate a change in one or more elements of control.

During the 2020 reporting period Emira's share price reached a level that a Trigger Event occurred, largely due to the impact of the Covid-19 pandemic. Accordingly, the Lender became entitled to dispose of the Subscription Shares ("the Forced Disposal"), unless additional security was provided.

On 3 April 2020, as a result of the Trigger Event, Emira entered into a guarantee agreement ("Agreement") with the Lender. In terms of the Agreement, Emira irrevocably and unconditionally guaranteed as a separate, principal and independent obligation to and in favour of the Lender, the payment and performance of the obligations of the BEE Shareholders arising in connection with the Third-Party Loan, for a maximum guaranteed amount of R145,7m (2021: R145,7m) for the BEE Shareholders.

The Guarantee and Emira's obligations thereunder will terminate automatically on the earlier of:

- (a) The first date on which the market value of the Subscription Shares, based on the 30-day VWAP, compared to the outstanding amount of the Third Party Loan is greater than or equal to 2,00:1,00 (two to one) ("Asset Cover Ratio"), provided that the spot 30 day VWAP Asset Cover Ratio is also greater than or equal to 2,00:1,00 (two to one) as at such date; or
- (b) the date on which the Third Party Loan has been discharged.

As a result of the Agreement entered into, Emira is deemed to control the BEE SPV entities due to its exposure to losses from providing credit support and the ability to use its power to affect the returns it receives. Accordingly, the BEE SPV entities were consolidated effective from 3 April 2020.

Upon consolidation of the BEE SPVs, the Subscription Shares issued to the BEE Parties in terms of the outstanding Vendor Funded Specific Issue were recognised as issued in Emira Group and Company and are treated as treasury shares for accounting purposes in Emira Group.

In the separate financial statements of Emira and due to the re-assessment that control is exercised over the BEE SPVs, the Vendor Funding of R172,4m was recognised at amortised cost together with the issued share capital of the Vendor Funding shares. The financial guarantee contracts were recognised and measured at the higher of the expected loss allowance and the amount initially recognised less cumulative amortisation, where appropriate. However, due to the increased risk that SPV entities will default on the contract, the calculation was based on the lifetime expected credit losses as the difference between the expected payments to reimburse Lender and the value of the value of the security at reporting date. Therefore a guarantee of R43,1m (31 March 2023: R25,9m) was recognised for both Tamela and Letsema respectively at reporting date based on the closing quoted market price of R8,68 (31 March 2023: R10,11) per share.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

2. MATERIAL ACCOUNTING POLICIES CONTINUED

ESA Trust

The ESA Trust (the "Trust") was the designated vehicle which previously held shares in terms of the share ownership plan for executive directors under the approved remuneration policy.

During the current reporting period the executive directors disposed of their beneficial interests in the Trust.

On 3 April 2020, as a result of the Trigger Event, Emira entered into a guarantee agreement ("Agreement") with Sanlam, the senior lender of the Trust. In terms of the Agreement, Emira irrevocably and unconditionally guaranteed as a separate, principal and independent obligation to and in favour of Sanlam, the payment and performance of the obligations of the ESA Trust arising in connection with the Sanlam Loan, for a maximum guaranteed amount of the loan value at reporting date of R20,3m (31 March 2023: R13,6m).

As a result of the Agreement entered into, Emira is deemed to control the ESA Trust due to its exposure to losses from providing credit support and the ability to use its power to affect the returns it receives.

Accordingly, the ESA Trust has been assessed as a controlled special purpose vehicle and is included in the consolidated financial statements. The Emira shares held by the Trust are classified as treasury shares upon consolidation. In the separate financial statements of ESA Trust, the investment in Emira is recognised at fair value based on the quoted market price at reporting date, together with the vendor loan, amortising loans and external interest-bearing debt measured at amortised cost.

Investment in associates, joint ventures and other financial assets

The Group has investments in which judgement is required to assess if significant influence is exercised, whereby Emira effectively owns 20,0% or more of the issued share capital of the investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies.

On acquisition of the investment in an associate, any excess of the cost of the investment over the investor's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the investor's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired. Any dividends received are utilised to reduce the carrying value of the investment.

Inani Property Fund ("Inani")

In line with the portfolio rebalancing programme, Emira concluded an agreement on 5 October 2018 for the disposal of a R1,8 billion 25 office asset portfolio to Inani. The consideration was financed by Inani through a combination of senior debt (R1,38 billion) and equity (R105,9m) of which Emira holds 20%, together with a mezzanine loan provided by Emira of R432,8m (31 March 2023: R432,8m).

The Company has assessed that no significant influence is exercised over Inani. The investment in Inani has been classified as a financial asset through profit or loss. The following factors were assessed in determining if significant influence is exercised:

- Emira has no representation on Inani's board nor the right to appoint a director;
- Inani is managed through an asset management joint venture between Zico and One, in which Emira has no involvement nor influence. The joint venture is responsible for all Inani's policy making decisions;
- There is no interchange of management personnel; and
- Emira has not provided any security for the debt owed by Inani to third parties.

For further detail, refer to note 12.

CIL2 LLC ("CIL2") and foreign associates

Emira has a number of US investments which have been classified as associates and are equity-accounted. The equity method is a method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets.

The investor's share of the associates profit or loss is determined in accordance with each investee's operating income and capital profit distribution rules, allocated to each investor based on each of their respective participation rights. Where the associate's profit or loss includes fair value gains or losses on items such as investment property, management has estimated what portion of the fair value gains or losses recognised at reporting date are to be realised through use versus disposing of the asset (capital transaction). Based on the Group's investment strategy, and in the absence of any evidence to the contrary, management has estimated that it will hold each asset for a period of 10 years in measuring its share of future operating income to be realised through use.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

3. PROFIT BEFORE INCOME TAX EXPENSE

R'000	Group		Company	
	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
Income				
Revenue – dividend income from subsidiaries	–	–	406 724	238 338
Expenses				
Auditor's remuneration	8 413	8 699	4 614	5 177
Audit fee – external	8 068	8 103	4 284	4 581
Audit fee – internal	175	368	175	368
Non-audit fees	70	196	55	196
Expenses	100	32	100	32
Variable lease payments – leasehold properties	14 247	10 692	4 557	2 966
Salaries and employee benefits	73 412	51 467	65 923	50 873
Transaction and advisory fees	6 043	7 822	910	6 432
Reversal of impairment loss on investment in subsidiaries	–	–	(237 930)	(2 884)
Impairment loss on equity-accounted investments	–	22 239	–	–
Share-based payment expense on share schemes	14 494	12 434	14 494	12 434
Forfeitable share plan	12 875	11 686	12 875	11 686
Share matching scheme	1 619	748	1 619	748

DIRECTORS' EMOLUMENTS

Executive directors

R'000	Group				
	Basic salary	Annual bonus	Vesting of FSP shares	Dividends received on FSP shares	Total
31 MAR 2024					
G Jennett (CEO)	4 965	3 948	4 009	1 914	14 836
U van Biljon (COO)	3 574	2 458	2 148	1 060	9 240
G Booyens (CFO)	3 528	2 258	2 095	1 050	8 931
Total	12 067	8 664	8 252	4 024	33 007
31 MAR 2023					
G Jennett (CEO)	3 556	5 567	2 564	2 508	14 195
U van Biljon (COO)	2 549	3 179	1 597	1 393	8 718
G Booyens (CFO)	2 516	3 077	1 530	1 376	8 499
Total	8 621	11 823	5 691	5 277	31 412

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

3. PROFIT FOR THE PERIOD BEFORE INCOME TAX CHARGE CONTINUED

FSP SHARES HELD

Number of shares	Balance at 31 Mar 2023	Exercised/ vested	Issued	Cancelled	Balance at 31 Mar 2024
Second tranche					
G Jennett (CEO)	64 516	(63 812)	–	(704)	–
U van Biljon (COO)	45 878	(45 377)	–	(501)	–
G Booyens (CFO)	38 942	(38 517)	–	(425)	–
Total	149 336	(147 706)	–	(1 630)	–
Third tranche					
G Jennett (CEO)	306 182	(148 476)	–	(4 592)	153 114
U van Biljon (COO)	156 892	(76 969)	–	(1 465)	78 458
G Booyens (CFO)	164 275	(80 102)	–	(2 022)	82 151
Total	627 349	(305 547)	–	(8 079)	313 723
Fourth tranche					
G Jennett (CEO)	721 121	(240 373)	–	–	480 748
U van Biljon (COO)	397 886	(132 628)	–	–	265 258
G Booyens (CFO)	392 759	(130 919)	–	–	261 840
Total	1 511 766	(503 920)	–	–	1 007 846
Fifth tranche					
G Jennett (CEO)	483 154	–	–	–	483 154
U van Biljon (COO)	266 589	–	–	–	266 589
G Booyens (CFO)	263 152	–	–	–	263 152
Total	1 012 895	–	–	–	1 012 895
Sixth tranche					
G Jennett (CEO)	447 693	–	–	–	447 693
U van Biljon (COO)	247 021	–	–	–	247 021
G Booyens (CFO)	243 842	–	–	–	243 842
Total	938 556	–	–	–	938 556
Seventh tranche					
G Jennett (CEO)	–	–	540 827	–	540 827
U van Biljon (COO)	–	–	311 484	–	311 484
G Booyens (CFO)	–	–	307 477	–	307 477
Total	–	–	1 159 788	–	1 159 788

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

3. PROFIT FOR THE PERIOD BEFORE INCOME TAX CHARGE CONTINUED

MATCHING SHARES HELD

Number of shares	Balance at 31 Mar 2023	Exercised/ vested	Issued	Cancelled	Balance at 31 Mar 2024
Second tranche					
G Jennett (CEO)	47 762	(47 762)	–	–	–
U van Biljon (COO)	13 300	(13 300)	–	–	–
G Booyens (CFO)	12 160	(12 160)	–	–	–
Total	73 222	(73 222)	–	–	–
Third tranche					
G Jennett (CEO)	42 203	–	–	–	42 203
U van Biljon (COO)	36 534	–	–	–	36 534
G Booyens (CFO)	28 321	–	–	–	28 321
Total	107 058	–	–	–	107 058
Fourth tranche					
G Jennett (CEO)	85 363	–	–	–	85 363
U van Biljon (COO)	53 153	–	–	–	53 153
G Booyens (CFO)	50 942	–	–	–	50 942
Total	189 458	–	–	–	189 458
Fifth tranche					
G Jennett (CEO)	–	–	214 569	–	214 569
U van Biljon (COO)	–	–	102 724	–	102 724
G Booyens (CFO)	–	–	99 392	–	99 392
Total	–	–	416 685	–	416 685

NON-EXECUTIVE DIRECTORS' FEES

R'000	Group and Company	
	31 Mar 2024	31 Mar 2023
Non-executive directors		
JW Templeton (Chairman) ¹	663	352
G van Zyl ²	434	614
MS Aitken	–	121
V Mahlangu	597	422
B Moroole ³	219	338
W McCurrie ⁴	348	394
V Nkonyeni	603	426
J Nyker	620	455
D Thomas ⁶	488	310
J Day ⁵	171	–
Total	4 143	3 432

1 Existing non-executive director, James Templeton, was appointed as the chairman of the Board, with effect from 15 September 2023.

2 Independent non-executive director, Gerhard van Zyl, resigned from the Board, with effect from 1 October 2023.

3 Independent non-executive director, Berlina Moroole, resigned from the Board, with effect from 13 September 2023.

4 Independent non-executive director, Wayne McCurrie, retired from the Board, with effect from 15 November 2023.

5 James Day was appointed as a non-executive director of the Board, with effect from 1 October 2023.

6 Independent non-executive director, Derek Thomas, was appointed to the audit committee with effect from 15 September 2023.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

4. INCOME TAX EXPENSE

R'000	Group		Company	
	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
Major components of the income tax expense				
Normal	1	(2 032)	–	–
Current	1	(2 032)	–	–
Foreign tax expense	3	23	–	–
Current	3	23	–	–
	4	(2 009)	–	–
Reconciliation of the income tax expense				
Profit before income tax credit at 27% (2023: 28%)	147 449	233 551	271 501	159 529
Qualifying distributions	(165 139)	(141 634)	(165 139)	(141 634)
Foreign withholding tax – income	3	23	–	–
Non-taxable items:				
Non-taxable income ¹	(59 054)	(74 943)	–	(10 272)
Fair value adjustments	(88 263)	–	(40 810)	–
Gain on bargain purchase	–	(64 869)	–	–
Gain on disposal of investment in associate	–	–	(10 594)	–
Impairment reversal on investments	–	–	(64 241)	–
Unrealised foreign exchange gains	(17 497)	(24 454)	(17 497)	(24 454)
Non-deductible items:				
Fair value adjustments	27 231	(1 177)	26 749	5 280
Loss on disposal of investment in associate	10 387	–	–	–
Straight-lining of rental income adjustment and upfront lease costs	(2 207)	3 506	(1 221)	3 230
Items not included in profit before tax but which are subject to tax	–	5 123	–	5 123
Non-deductible expenditure ²	82 947	27 918	13 364	14 488
Other:				
Other (deductible)/taxable items not included in profit for the year ³	(41 145)	(9 803)	(41 089)	(13 654)
Tax loss not carried forward	105 292	44 750	28 976	2 365
	4	(2 009)	–	–

1 Non-taxable income includes income from equity-accounted investments and non-vesting share-based payment adjustments.

2 Non-deductible expenditure, includes the impairment loss and reversal thereof on investments in subsidiaries, expected credit losses, SARS interest and penalties as well as transaction and advisory fees.

3 Other includes items that are not deductible for tax purposes as well as amounts that are disregarded and/or forfeited for tax purposes, s24I deductions and income, as well as capitalised interest added back for accounting purposes.

Being a REIT, the Company and its Controlled Companies, are able to claim the qualifying distribution made to shareholders as a deduction against taxable income in respect of Section 25BB of the Income Tax Act.

Items not included in profit before tax but which are subject to tax includes dividends received from equity-accounted investments, interest received on loans outstanding from BEE parties where the loans and corresponding interest are not recognised for accounting purposes – see note 2.16.2, Accounting Estimates and judgements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

5. BASIC AND DILUTED EARNINGS PER SHARE

R'000	Group	
	31 Mar 2024	Nine months ended 31 Mar 2023
Reconciliation between earnings and headline earnings		
Profit for the year attributable to Emira shareholders	517 236	825 560
Adjusted for		
Net fair value gain on revaluation of investment properties	(326 584)	(65 219)
Net fair value gain on revaluation of investment properties of associates	(2 736)	(47 993)
Non-controlling interest	14 982	(3 146)
Gain on bargain purchase	–	(255 491)
Loss on disposal of investment in associate	38 471	–
Impairment loss on investments	–	22 239
Headline earnings	241 369	475 952
Earnings per share (cents)		
The calculation of earnings per share is based on profit for the year of R517,2m (31 March 2023: R825,6m), divided by the weighted average number of shares in issue during the year of 482 257 266 (31 March 2023: 482 591 154).	107,25	171,07
Diluted earnings per share (cents)		
The calculation of diluted earnings per share is based on profit for the year of R517,2m (31 March 2023: R825,6m), divided by the diluted weighted average number of shares in issue during the year of 489 333 883 (31 March 2023: 489 333 883).	105,70	168,71
Headline earnings per share (cents)		
The calculation is based on headline earnings of R241,4m (31 March 2023: R476,0m), divided by the weighted average number of shares in issue during the year of 482 257 266 (31 March 2023: 482 591 154).	50,05	98,62
Diluted headline earnings per share (cents)		
The calculation is based on headline earnings of R241,4m (31 March 2023: R476,0m), divided by the diluted weighted average number of shares in issue during the year of 489 333 883 (31 March 2023: 489 333 883).	49,33	97,27
Reconciliation of diluted weighted average number of ordinary shares		
Actual ordinary shares in issue	522 667 247	522 667 247
Vendor funded shares under the BEE scheme ⁱ	(26 133 364)	(26 133 364)
Treasury shares acquired for the forfeitable share plan ⁱⁱ	(7 076 617)	(6 742 729)
Treasury shares held by the ESA Trust ⁱⁱⁱ	(7 200 000)	(7 200 000)
Weighted average number of ordinary shares	482 257 266	482 591 154
Diluted effect of shares granted to employees in respect of Emira's Share Plans	7 076 617	6 742 729
Diluted weighted average number of shares in issue	489 333 883	489 333 883

i Emira shares relating to the outstanding capital on the Vendor Loans provided to the BEE Parties under Emira's June 2017 BEE Scheme, classified as treasury shares upon consolidation of BEE Scheme.

ii Emira shares held by Emira's Forfeitable Share Plan, classified as treasury shares.

iii Emira shares held by the ESA Trust are classified as treasury shares upon consolidation of the ESA Trust.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

6. INVESTMENT PROPERTY

R'000	Notes	Group		Company	
		31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Net carrying amount					
Cost		9 589 472	9 866 607	5 408 231	5 386 742
Fair value surplus		2 300 857	2 034 906	2 114 717	1 963 702
Investment properties held for sale		(2 417 264)	(182 856)	(1 192 250)	(37 000)
Subtotal		9 473 065	11 718 657	6 330 698	7 313 444
Right of use asset		76 567	76 567	37 777	37 777
		9 549 632	11 795 224	6 368 475	7 351 221
Movement for the period					
Balance at beginning of year		11 795 224	9 586 405	7 351 221	7 277 029
Investment property acquired		–	8 396	–	8 396
Additions – subsequent expenditure on investment property		171 094	148 047	125 827	129 614
Acquisition of Transcend		–	2 296 927	–	–
Disposal of investment property		(528 830)	(137 541)	(109 500)	(78 850)
Fair value gain		326 584	65 219	150 830	43 436
Tenant installations and lease commissions		4 828	10 628	5 347	8 596
– costs capitalised		22 567	21 224	19 839	17 349
– amortisation		(17 739)	(10 596)	(14 492)	(8 753)
Transfer to/(from) non-current assets held for sale		(2 219 268)	(182 856)	(1 155 250)	(37 000)
Balance at end of period		9 549 632	11 795 224	6 368 475	7 351 221
Reconciliation to independent and directors' valuations					
Valuation at reporting date		9 549 632	11 795 224	6 368 475	7 351 221
Straight-lining of rental income adjustment	7	188 181	180 006	150 400	145 880
Unamortised upfront lease costs	8	35 724	32 691	26 952	24 326
Balance at the end of the period		9 773 537	12 007 921	6 545 827	7 521 427
Investment property held for sale		2 417 264	182 856	1 192 250	37 000
Independent and directors' valuations at end of year		12 190 801	12 190 777	7 738 077	7 558 427

In terms of the Group's accounting policy and JSE regulations at least one third of the property portfolio is externally valued annually by independent valuers. At 31 March 2024 all of the Group's investment properties were valued by independent external valuers, whom are registered valuers in terms of section 19 of the Property Valuers Profession Act (Act No. 47 of 2000). Refer to note 29, for information on the valuation inputs and techniques applied to both the commercial and residential portfolios respectively.

Full details of freehold and leasehold investment properties owned by the Group are available for inspection at Emira's registered office.

COMMERCIAL PORTFOLIO

The Fund disposed of two industrial properties in the commercial portfolio during the reporting period which were deemed non-core. The properties were sold for a total consideration of R109,5m.

Investment properties to the value of R9 608,1m (2023: R9 314,4m) have been provided as security for the Group's interest-bearing borrowings. See note 17.

Investment properties of R2,16bn have been classified as held-for-sale on the commercial portfolio and are the properties that the Board has approved to be recovered through sale rather than through use. Investment property classified as held for sale on the commercial portfolio consists of the following:

- Makro Selby, a retail property in Johannesburg.
- Market Square, a retail property in Plettenberg Bay.
- A portfolio of 13 office and industrial properties located in the Western Cape.
- Park Boulevard and Springfield Retail Centre, retail properties located in Durban.
- A portfolio of four industrial properties located in Gauteng.
- Two individual buildings within Albury Office Park, an office property located in Johannesburg.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

6. INVESTMENT PROPERTY CONTINUED

These commercial properties are all in the process of being disposed and where contractually agreed, have been revalued to their selling price. These commercial properties have been reclassified from investment properties to non-current assets held for sale as the classification requirements have been satisfied and there is a large degree of certainty that they will be sold and transferred to buyers within 12 months of reporting date.

RESIDENTIAL PORTFOLIO

On the residential portfolio, 223 of The Bolton's 282 units (totalling R236,9m) transferred during the current reporting period together with 317 of Transcend's units (totalling R249,6m), realising total gross proceeds, before costs, of R486,5m.

Investment properties under the residential portfolio to the value of R1 295,0m (31 March 2023: R2 045,3m) have been used to provide security for interest-bearing borrowings. See note 17.

Investment properties totalling R256,4m have been classified as held for sale on the residential portfolio and consist of 400 units across seven properties. These properties/units are all in the process of being disposed and where contractually agreed, have been revalued to their selling price. These properties/units have been reclassified from investment properties to non-current assets held-for-sale as the classification requirements have been satisfied and there is a large degree of certainty that they will be sold and transferred to buyers within 12 months of reporting date.

7. STRAIGHT-LINING OF RENTAL INCOME ADJUSTMENT

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Balance at beginning of the period	180 006	192 528	145 880	157 415
Net straight-lining for the year recognised in profit or loss	8 175	(12 522)	4 520	(11 535)
Balance at end of period	188 181	180 006	150 400	145 880

8. UNAMORTISED UPFRONT LEASE COSTS

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Balance at beginning of year	32 691	31 468	24 326	23 193
Net smoothing recognised in profit or loss for the year – lease costs pre 1 July 2015	(85)	(74)	(78)	(69)
Net smoothing recognised in profit or loss for the year – lease costs post 1 July 2015	3 118	1 297	2 704	1 202
Balance at end of period	35 724	32 691	26 952	24 326

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

9. FURNITURE, FITTINGS, COMPUTER EQUIPMENT AND INTANGIBLE ASSETS

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Cost	9 808	9 368	5 955	5 487
Accumulated depreciation	(9 009)	(8 164)	(5 158)	(4 486)
Carrying amount	799	1 204	797	1 001
Movement for the period				
Opening balance	1 204	1 445	1 001	1 443
Additions	486	82	485	77
Acquisition of Transcend	–	495	–	–
Enyuka disposal	(4)	–	–	–
Depreciation and amortisation	(887)	(818)	(689)	(519)
Net carrying amount	799	1 204	797	1 001

Furniture and fittings, computer equipment and intangible assets in owner occupied property are measured at cost less accumulated depreciation/amortisation and any impairment losses.

Computer software has a finite useful life and is subsequently amortised on a straight-line basis over its estimated useful life.

Depreciation is charged so as to write off the cost less residual value of furniture and fittings and computer equipment over their estimated useful lives, using the straight-line method.

The estimated useful lives used for this purpose are:

Computer equipment	3 years
Furniture and fittings	6 years
Computer software	5 years

These are assets within the owner occupied properties and facilitate the day to day management of the Group and Company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

10. INVESTMENT AND LOANS IN SUBSIDIARIES

R'000	Issued ordinary capital		Proportion held by company		Shares at cost		Amount due to/(by) holding company	
	2024	2023	2024	2023	2024	2023	2024	2023
Subsidiaries directly held								
Adamass Investments (Pty) Ltd * \$	–	–	100,0	100,0	13 641	13 641	(22 802)	(22 802)
Aquarella Investments 272 (Pty) Ltd * # \$	–	–	100,0	100,0	6 379	6 379	(13 789)	(13 789)
Backbone Investments (Pty) Ltd * # \$	–	–	100,0	100,0	11 364	11 364	(11 364)	(11 364)
Bet All Investments (Pty) Ltd * &	–	–	75,0	75,0	–	–	30 683	196 053
CIL2 LLC * &	–	–	100,0	100,0	853 860	853 860	1 146 032	1 077 539
Freestone Property Holdings (Pty) Ltd \$	38 659	38 659	100,0	100,0	1 339 187	1 339 187	(860 222)	(867 013)
Libra Investments 5 (Pty) Ltd * \$	–	–	100,0	100,0	66 412	66 412	273 754	273 898
Lowmer Investments (Pty) Ltd * \$	–	–	100,0	100,0	111 248	111 248	104 535	105 464
Menlyn Corporate Park (Pty) Ltd * \$	–	–	100,0	100,0	283 386	283 386	386 860	370 448
Monagon Properties (Pty) Ltd * \$	–	–	100,0	100,0	14 835	14 835	53 148	51 024
No 9 Sturdee Share Block (Pty) Ltd * # \$	–	–	100,0	100,0	22 056	22 056	(23 744)	(23 744)
Omicron Investments 005 (Pty) Ltd * \$	–	–	100,0	100,0	35 368	35 368	(29 407)	(29 407)
Rapidough Properties 509 (Pty) Ltd * \$	–	–	100,0	100,0	17 832	17 832	16 807	17 112
Strategic Real Estate Managers (Pty) Ltd * # \$	–	–	100,0	100,0	–	–	14 911	14 900
Transcend Residential Property Fund Ltd \$	1 148 723	1 173 215	100,0	68,2	1 152 534	848 069	44 000	–
Waterside Place Body Corporate * # \$	–	–	100,0	100,0	278	278	(27)	(27)
Windrifter Share Block (Pty) Ltd * # \$	–	–	100,0	100,0	48 230	48 230	(48 230)	(48 230)
					3 976 611	3 672 146	1 061 143	1 090 063
Subsidiaries indirectly held ^								
Cape Poinsett Property Investments (Pty) Ltd *	–	–	100,0	100,0	3 671	3 671	253 120	253 264
Freestone Property Investments (Pty) Ltd *	–	–	100,0	100,0	–	–	354 565	347 774
CIL2 REIT LLC *	–	–	100,0	100,0	853 860	853 860	–	–
CIL2 REIT TRS LLC *	–	–	100,0	100,0	–	–	–	–
Rainier CIL2 Stony Creek LLC	–	–	100,0	100,0	89 179	89 179	–	–
Rainier 32 East LLC	–	–	100,0	100,0	58 309	58 309	–	–
Rainier Belden Park LLC	–	–	100,0	100,0	115 247	115 247	–	–
					1 120 266	1 120 266	607 685	601 038
Subsidiaries through deemed control								
ESA Trust *	–	–	–	–	–	–	–	–
Luxanio Investments 157 (Pty) Ltd (“Letsema”)	–	–	–	–	–	–	–	–
Tamela Property Investment (RF) (Pty) Ltd	–	–	–	–	–	–	–	–

* Represent nominal amounts under R1 000.

Dormant company.

^ Subsidiaries indirectly held represent subsidiaries held through a wholly-owned intermediary subsidiary.

\$ The loan to/(from) subsidiary has been classified as current.

& The loan to subsidiary has been classified as non-current.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

10. INVESTMENT AND LOANS IN SUBSIDIARIES CONTINUED

R'000	Shares at cost		Amount due to/(by) holding company	
	2024	2023	2024	2023
Reconciliation of subsidiaries directly held				
Investment in subsidiaries at cost less accumulated impairment losses				
Carrying amount of investment in subsidiaries	3 976 611	3 672 146		
Opening balance	3 672 146	2 824 077		
Additional investment in subsidiary	304 465	848 069		
Accumulated impairment losses on investment in subsidiaries	(215 607)	(453 537)		
Opening balance	(453 537)	(456 421)		
Impairment loss reversal	237 930	2 884		
Net carrying value of investment in subsidiaries	3 761 004	3 218 609	–	–
Loans to subsidiaries†				
Gross carrying value			2 070 729	2 106 439
Loss allowance			(14 878)	(304 825)
Opening balance			(304 825)	(283 097)
Reversal/(impairment loss)			289 947	(21 728)
Carrying value of loans to subsidiaries			2 055 851	1 801 614
Current portion			879 136	528 022
Non-current portion			1 176 715	1 273 592
Loans from subsidiaries†				
Gross carrying amount			(1 009 586)	(1 016 376)
Carrying value of loans from subsidiaries (current portion)			(1 009 586)	(1 016 376)
Total	3 761 004	3 218 609	1 046 265	785 238

† Loans to and from local subsidiaries with the exception of the loan to Bet All Investments (Pty) Ltd are interest free, unsecured and have no fixed terms of repayment. Loans to CIL2 LLC, a foreign subsidiary is subject to interest at 10.5% per annum, repayable quarterly with the capital repayable upon maturity, being 17 December 2026.

The loan to Bet All Investments (Pty) Ltd is subject to interest at a rate equal to 3 month JIBAR plus 180 basis points, is unsecured and is repayable under the following circumstances:

- A provisional or final order for the winding up or business rescue of the company;
- The board or shareholders pass a resolution for the Company's voluntary liquidation or business rescue;
- The company ceases to carry on business;
- Upon resolution by the board

All subsidiary companies, with the exception of CIL2 LLC, CIL2 REIT LLC, Rainier CIL2 Stony Creek LLC, Rainier 32 East LLC, Rainier Belden Park LLC, ESA Trust, the BEE Scheme companies and Strategic Real Estate Managers (Pty) Ltd and dormant companies, are property investment companies incorporated in the Republic of South Africa. CIL2 LLC, CIL2 REIT LLC, CIL2 REIT TRS LLC, Rainier CIL2 Stony Creek LLC, Rainier 32 East LLC and Rainier Belden Park LLC are incorporated in the United States of America and are the vehicles used by Emira to invest into retail properties in the USA.

ESA TRUST

The ESA Trust (the "Trust") was a designated vehicle which previously held shares in terms of the share ownership plan for executive directors under the approved remuneration policy. During the current reporting period the executive directors disposed of their beneficial interests in the Trust. While the Trust is no longer an executive share ownership scheme, Emira still funds 50% of the original capital and irrevocably and unconditionally guaranteed as a separate, principal and independent third-party debt obligations of the Trust, and any net losses in respect of the original transaction are ultimately for Emira's account. As a result, Emira is still deemed to control the ESA Trust.

For more information on the ESA trust, please refer to note 2.16.2.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

10. INVESTMENT AND LOANS IN SUBSIDIARIES CONTINUED

BEE SHARE SCHEME

The Company concluded a Black Economic Empowerment (“BEE”) transaction in May 2017, in terms of which 26 133 364 Emira shares in aggregate (“the Subscription Shares”) were issued to the special purpose vehicles of Letsema Holdings (Pty) Ltd (“Letsema”) and Tamela Holdings (Pty) Ltd (“Tamela”). On 3 April 2020, as a result of the Trigger Event, Emira entered into a guarantee agreement (“Agreement”) with the Lender of the BEE Scheme. In terms of the Agreement, Emira irrevocably and unconditionally guaranteed as a separate, principal and independent obligation to and in favour of the Lender, the payment and performance of the obligations of the BEE Shareholders arising in connection with the Third Party Loan. As a result of the Agreement Emira is deemed to control the BEE Shareholders and accordingly they were consolidated effective 3 April 2020.

For more information on the BEE Scheme, please refer to note 2.16.2.

EXPECTED CREDIT LOSSES ON LOANS TO SUBSIDIARIES AND IMPAIRMENT OF INVESTMENTS IN SUBSIDIARIES

The loss allowance in respect of the loans to subsidiaries of R14,9m (2023: R304,9m) was based on the underlying net asset value of the subsidiaries, except for the loan to Bet-All Investments. Bet-All Investments (Pty) Ltd owns residential property and the loss given default was based on the realisable value of the property, which was further stressed on possible future occupancy levels. The reversal of impairment loss (or decrease in loss allowance) recognised largely stems from a decrease in the fair value of the investment properties in the underlying investments.

The accumulated impairment losses of R215,6m (2023: R453,6m) represents the write-down of Emira’s long-term interest in subsidiaries to the recoverable amount of each underlying subsidiary, which is primarily as a result of a decrease in the fair value of investment property in the underlying investments. Recoverable amounts have been based on the net asset value of the underlying subsidiary which represents its value in use.

ADDITIONAL INVESTMENT IN TRANSCEND RESIDENTIAL PROPERTY FUND LTD (“TRANSCEND”)

The Group’s equity interest in Transcend increased during the reporting period from 68,15% to 97,63%, by way of a scheme of arrangement with an effective date of 13 November 2023. Emira acquired the non-controlling shares, being 48 327 862 shares at R6,30 per share, for a total consideration of R304,5m. Transcend acquired the remaining 2,37% of non-controlling shares at R6,30 per share through a share buy-back, which was concluded on 20 January 2024 for a total consideration of R24,5m. For further information, refer to note 16.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS

R'000	Principal place of business	Effective voting rights (%)		Group		Company	
		2024	2023	2024	2023	2024	2023
Joint venture							
Enyuka Prop Holdings (Pty) Ltd	South Africa	–	49,90	–	638 616	–	602 050
Associates							
Belden Park Delaware LLC	United States of America	46,67	46,67	238 341	211 359	–	–
Rainier Moore Plaza LLC	United States of America	49,50	49,50	340 052	333 992	–	–
32 East Center Delaware LLC	United States of America	49,42	49,42	120 953	107 495	–	–
Rainier Stony Creek LLC	United States of America	49,43	49,43	131 904	127 348	–	–
Rainier Woodlands Square LLC	United States of America	49,57	49,57	324 006	335 224	–	–
Rainier Truman's Marketplace LLC	United States of America	49,43	49,43	130 662	135 407	–	–
Rainier SA Crossing LLC	United States of America	49,50	49,50	137 830	132 280	–	–
Rainier Wheatland Investors LLC	United States of America	49,42	49,42	161 438	164 780	–	–
Rainier UTC LLC	United States of America	49,64	49,64	254 748	259 294	–	–
Rainier Dawsons Market Place LLC	United States of America	49,60	49,60	275 961	277 695	–	–
Rainier Newport Pavilion LLC	United States of America	49,62	49,62	365 370	327 551	–	–
Rainier Summit Woods LLC	United States of America	49,50	49,50	302 055	290 284	–	–
Carrying amount				2 783 320	3 341 326	–	602 050
				Group		Company	
R'000				2024	2023	2024	2023
Reconciliation of equity-accounted investments							
Opening balance				2 766 490	3 073 558	27 214	612 382
Additional contribution in equity-accounted investment				11 324	39 259	–	39 259
Gain on bargain purchase				–	23 816	–	23 816
Share in equity-accounted profit				218 719	377 184	–	12 870
Dividends received				(278 155)	(304 128)	–	(18 298)
Foreign currency translation				169 811	221 855	–	–
Impairment loss on equity-accounted investment				–	(22 239)	–	–
Proceeds received on disposal of Enyuka				(66 450)	–	(66 450)	–
(Loss)/gain on disposal of investment				(38 420)	–	39 236	–
Consolidation of Transcend (refer to note 10)				–	(642 815)	–	(642 815)
Carrying amount				2 783 320	2 766 490	–	27 214
Reconciliation of loans advanced to equity-accounted investments							
Opening balance				574 836	574 068	574 836	574 067
Loss allowance				214	718	214	718
Interest accrued				30 393	64 874	30 393	64 874
Repaid during the period				(591 443)	(64 824)	(591 443)	(64 823)
Reclassified to loans receivable				(14 000)	–	(14 000)	–
Carrying amount of loans to equity-accounted investments				–	574 836	–	574 836
Less: assets held for sale				–	(638 616)	–	(602 050)
Carrying amount of investments and loans in equity-accounted investments				2 783 320	2 702 710	–	–

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

JOINT VENTURE: ENYUKA PROP HOLDINGS (PTY) LTD

R'000	Group		Company	
	2024	2023	2024	2023
Acquisition date	1 July 2017			
Primary place of business	South Africa			
Proportion ownership of interest	49,90%			
Carrying amount of Emira Property Fund's interest in Enyuka				
Opening balance	63 780	64 548	27 214	27 214
Share in post acquisition reserves	41 090	21 471	–	–
Proceeds received on disposal of investment	(66 450)		(66 450)	
(Loss)/gain on disposal of investment	(38 420)	–	39 236	–
Impairment of equity-accounted investment	–	(22 239)	–	–
Equity-accounted investment	–	63 780	–	27 214
Carrying amount of loan to Enyuka	–	574 836	–	574 836
Gross carrying amount	–	575 050	–	575 050
Loss allowance	–	(214)	–	(214)
	–	638 616	–	602 050

Prior to disposal Emira equity accounted its investment in Enyuka on the basis that management had concluded that Emira jointly controlled Enyuka.

Emira disposed Enyuka with effect from 20 July 2023 for an aggregate consideration of R646,3m. The disposal realised cash proceeds of R516,3m after taking into account the vendor loan of R120m provided by Emira to the purchaser, Oneeighty Holdings Two Proprietary Limited ("OEH2") and a loss on disposal of R38,4m. Up to the date of disposal, Emira's interest in Enyuka was equity accounted and the R71,5m recognised includes Emira's share of Enyuka's net profit of R41,1m and R30,4m of interest received on the shareholder loan provided to Enyuka.

LOCAL ASSOCIATES

Associate: Transcend Residential Property Fund Ltd

R'000	Group and Company	
	2024	2023
Acquisition date	13 December 2018	
Primary place of business	South Africa	
Proportion ownership of interest	45,13%	
Carrying amount of Emira Property Fund's interest in Transcend		
Opening balance	–	585 167
Additional investment	–	39 259
Gain on bargain purchase	–	23 816
Share in post acquisition reserves	–	12 871
Dividends received	–	(18 298)
Consolidation of Transcend	–	(642 815)
Equity-accounted investment	–	–

Emira's shareholding in Transcend increased to 111 717 213 Transcend shares on 7 October 2022, representing 68,15% of the shares in issue and associated voting rights and this gave Emira control over Transcend rather than just significant influence. Emira was deemed to control Transcend from this date resulting in Transcend being consolidated.

Please refer to note 16 for further disclosure.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

FOREIGN ASSOCIATES

Emira has a non-controlling interest in 12 grocery-anchored dominant value oriented power centres in the USA, all on a co-investment basis with its USA-based partner, The Rainier Group of Companies ("Rainier").

Emira's holds a 100,00% equity investment in CIL 2 LLC, which is the holding company of CIL2 REIT LLC. CIL2 REIT LLC does not exercise control over any of the USA property owning entities in terms of their financial and operating policy decisions. Emira does not have board representation, nor has there been any exchange of managerial personnel and Emira does not provide any guarantees or extend any credit thereto. However, Emira does exercise significant influence over the acquisitions and disposals of the investments made by CIL2 REIT LLC and each investment is equity-accounted.

Associate: Belden Park Delaware LLC

R'000	Group	
	2024	2023
Acquisition date	13 October 2017	
Primary place of business	United States of America	
Proportion ownership of interest	46,67%	
Carrying amount		
Opening balance	211 359	178 053
Additional investment	10 154	–
Share in post acquisition reserves*	38 274	16 850
Dividends received	(34 848)	–
Foreign currency translation movement through other comprehensive income	13 402	16 456
	238 341	211 359

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Belden Park Delaware LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as Belden Park Crossing, located in North Canton, Ohio.

Dividends of USD1 862 000 (31 March 2023: USD nil) were received by Emira from its investments in Belden Park Delaware LLC.

Associate: Rainier Moore Plaza LLC

R'000	Group	
	2024	2023
Acquisition date	18 January 2018	
Primary place of business	United States of America	
Proportion of voting rights	49,50%	
Carrying amount		
Opening balance	333 992	303 001
Share in post acquisition reserves*	(4 072)	13 519
Dividends received	(10 826)	(10 213)
Foreign currency translation movement through other comprehensive income	20 958	27 686
	340 052	333 992

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier Moore Plaza LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as Moore Plaza, located in Corpus Christi, Texas.

Dividends of USD578 428 (31 March 2023: USD581 146) were received by Emira from its investment in Rainier Moore Plaza LLC.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

Associate: 32 East Center Delaware LLC

R'000	Group	
	2024	2023
Acquisition date	19 January 2018	
Primary place of business	United States of America	
Proportion of voting rights	49,42%	
Carrying amount		
Opening balance	107 495	95 342
Share in post acquisition reserves *	23 159	3 412
Dividends received	(16 571)	–
Foreign currency translation movement through other comprehensive income	6 870	8 741
	120 953	107 495

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

32 East Centre Delaware LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as 32 East, located in Cincinnati, Ohio.

Dividends of USD885 417 (31 March 2023: USD nil) were received by Emira from its investment in 32 East Delaware LLC.

Associate: Rainier Stony Creek Acquisitions LLC

R'000	Group	
	2024	2023
Acquisition date	28 March 2018	
Primary place of business	United States of America	
Proportion of voting rights	49,43%	
Carrying amount		
Opening balance	127 348	94 858
Share in post acquisition reserves *	1 685	30 003
Dividends received	(5 144)	(6 462)
Foreign currency translation movement through other comprehensive income	8 015	8 949
	131 904	127 348

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier Stony Creek Acquisitions LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as Stony Creek, located in Noblesville, Indiana.

Dividends of USD274 857 (31 March 2023: USD367 714) were received by Emira from its investment in Rainier Stony Creek Acquisitions LLC.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

Associate: Rainier Woodlands Square LLC

R'000	Group	
	2024	2023
Acquisition date	26 October 2018	
Primary place of business	United States of America	
Proportion of voting rights	49,57%	
Carrying amount		
Opening balance	335 224	270 849
Share in post acquisition reserves *	(9 121)	57 130
Dividends received	(22 947)	(17 956)
Foreign currency translation movement through other comprehensive income	20 850	25 201
	324 006	335 224

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier Woodlands Square LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as Rainier Woodlands, located in Tampa, Florida.

Dividends of USD1 226 087 (31 March 2023: USD1 021 739) were received by Emira from its investment in Rainier Woodlands Square LLC.

Associate: Rainier Truman's Marketplace LLC

R'000	Group	
	2024	2023
Acquisition date	21 December 2018	
Primary place of business	United States of America	
Proportion of voting rights	49,43%	
Carrying amount		
Opening balance	135 407	112 059
Share in post acquisition reserves *	(515)	21 035
Dividends received	(12 649)	(8 072)
Foreign currency translation movement through other comprehensive income	8 419	10 386
	130 662	135 407

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier Truman's Marketplace LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as Truman's Marketplace, located in Grandview, Missouri.

Dividends of USD675 868 (31 March 2023: USD459 328) were received by Emira from its investments in Rainier Truman's Marketplace LLC.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

Associate: Rainier SA Crossing LLC

R'000	Group	
	2024	2023
Acquisition date	27 February 2019	
Primary place of business	United States of America	
Proportion of voting rights	49,50%	
Carrying amount		
Opening balance	132 280	109 295
Additional investment	1 171	–
Share in post acquisition reserves *	6 294	17 725
Dividends received	(10 237)	(4 872)
Foreign currency translation movement through other comprehensive income	8 322	10 132
	137 830	132 280

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier SA Crossing LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as SA Crossing, located in San Antonio, Texas.

Dividends of USD546 975 (31 March 2023: USD834 620) were received by Emira from its investments in Rainier SA Crossing LLC.

Associate: Rainier Wheatland Investors LLC

R'000	Group	
	2024	2023
Acquisition date	5 September 2019	
Primary place of business	United States of America	
Proportion of voting rights	49,42%	
Carrying amount		
Opening balance	164 780	165 323
Share in post acquisition reserves *	5 459	(792)
Dividends received	(19 073)	(14 641)
Foreign currency translation movement through other comprehensive income	10 272	14 890
	161 438	164 780

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier Wheatland Investors LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as Wheatland, located in Dallas, Texas.

Dividends of USD1 019 125 (31 March 2023: USD833 125) were received by Emira from its investments in Rainier Wheatland Investors LLC.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

Associate: Rainier UTC LLC

R'000	Group	
	2024	2023
Acquisition date	24 June 2019	
Primary place of business	United States of America	
Proportion of voting rights	49,64%	
Carrying amount		
Opening balance	259 294	229 819
Share in post acquisition reserves *	21 310	20 559
Dividends received	(42 027)	(12 157)
Foreign currency translation movement through other comprehensive income	16 171	21 073
	254 748	259 294

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier UTC LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as UTC, located in Norman, Oklahoma.

Dividends of USD2 245 574 (31 March 2023: USD691 764) were received by Emira from its investments in Rainier UTC LLC.

Associate: Rainier Hendon Dawson Marketplace Acquisitions LLC

R'000	Group	
	2024	2023
Acquisition date	3 February 2020	
Primary place of business	United States of America	
Proportion of voting rights	49,60%	
Carrying amount		
Opening balance	277 695	265 322
Share in post acquisition reserves *	16 491	23 921
Dividends received	(35 578)	(35 609)
Foreign currency translation movement through other comprehensive income	17 353	24 061
	275 961	277 695

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier Hendon Dawson Marketplace Acquisitions LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as Dawson Marketplace, located in Dawsonville, Georgia.

Dividends of USD1 901 003 (31 March 2023: USD2 026 200) were received by Emira from its investments in Rainier Hendon Dawson Marketplace Acquisitions LLC.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

Associate: Rainier Newport Pavilion LLC

R'000	Group	
	2024	2023
Acquisition date	18 June 2021	
Primary place of business	United States of America	
Proportion of voting rights	49,62%	
Carrying amount		
Opening balance	327 551	294 324
Initial investment	–	–
Share in post acquisition reserves *	51 870	29 658
Dividends received	(34 947)	(23 363)
Foreign currency translation movement through other comprehensive income	20 896	26 932
	365 370	327 551

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier Newport Pavilion LLC is a limited liability company registered in the State of Texas, United States of America, and is the owner of the property known as Newport Pavilion, located in Cincinnati, Kentucky.

Dividends of USD1 867 307 (31 March 2023: USD1 329 403) were received by Emira from its investments in Rainier Newport Pavilion LLC.

Associate: Rainier Summit Woods Acquisitions LLC

R'000	Group	
	2024	2023
Acquisition date	13 May 2022	
Primary place of business	United States of America	
Proportion of voting rights	49,50%	
Carrying amount		
Opening balance	290 284	305 599
Initial investment	–	–
Share in post acquisition reserves *	26 794	(23 524)
Dividends received	(33 308)	(19 139)
Foreign currency translation movement through other comprehensive income	18 285	27 348
	302 055	290 284

* For further detail, refer to note 2.16.2, Significant estimates and judgements.

Rainier Summit Woods Acquisitions LLC is a limited liability company registered in the State of Delaware, United States of America, and is the owner of the property known as Newport Pavilion, located in Lee's Summit, Missouri.

Dividends of USD1 779 714 (31 March 2023: USD1 089 064) were received by Emira from its investments in Rainier Summit Woods Acquisitions LLC.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

SUMMARISED FINANCIAL INFORMATION

Summarised financial information for each of the associates is presented below and represents the financial information included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest.

STATEMENT OF FINANCIAL POSITION *

2024	Belden Park Delaware LLC USD'000	Rainier Moore Plaza LLC USD'000	32 East Center Delaware LLC USD'000	Rainier Stony Creek LLC USD'000	Rainier Woodlands Square LLC USD'000	Rainier Truman's Marketplace LLC USD'000	Rainier SA Crossing LLC USD'000	Rainier Wheatland Investors LLC USD'000	Rainier UTC LLC USD'000	Rainier Hendon Dawson Marketplace LLC USD'000	Rainier Newport Pavilion LLC USD'000	Rainier Summit Woods Acquisitions LLC USD'000
Functional currency	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Sector	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail
Effective interest %	46,67	49,50	49,42	49,43	49,57	49,43	49,50	49,42	49,64	49,60	49,62	49,50
ASSETS												
Non-current assets	72 500	79 000	33 200	34 000	72 275	31 050	27 300	37 180	66 000	68 656	87 250	88 100
Investment property	72 500	79 000	33 200	34 000	72 275	31 050	27 300	37 180	66 000	68 656	87 250	88 100
Current assets	5 024	2 557	1 330	2 188	3 137	3 334	1 845	1 596	3 868	3 279	3 452	4 605
Trade and other receivables	982	853	107	1 247	970	1 128	213	404	1 379	378	1 044	156
Cash and cash equivalents	4 042	1 704	1 223	941	2 167	2 206	1 632	1 192	2 489	2 901	2 408	4 449
Total assets	77 524	81 557	34 530	36 188	75 412	34 384	29 145	38 776	69 868	71 935	90 702	92 705
EQUITY AND LIABILITIES												
Equity	28 977	33 341	14 404	13 597	32 490	13 542	14 717	17 172	26 558	26 246	39 919	32 256
Share capital and reserves	11 928	14 039	5 512	5 436	13 049	6 109	3 839	4 931	10 791	27 338	16 069	31 479
Retained earnings	17 049	19 302	8 892	8 161	19 441	7 433	10 878	12 241	15 767	(1 092)	22 850	777
Non-current liabilities	47 193	47 172	19 504	21 441	41 949	20 037	14 114	21 022	41 183	45 195	51 227	59 525
Interest-bearing debt	47 193	47 172	19 504	21 441	41 949	20 037	14 114	21 022	41 183	45 195	51 227	59 525
Current liabilities	1 353	1 043	621	1 149	973	805	314	581	2 128	494	557	924
Accounts payable	1 353	1 043	621	1 149	973	805	314	581	2 128	494	557	924
Total equity and liabilities	77 524	81 557	34 530	36 188	75 412	34 384	29 145	38 776	69 868	71 935	90 702	92 705

* The information in relation to the USA investments were extracted from the audited trial balances for the year ended 31 March 2024. The independent external auditors of the USA associates are Whitley Penn LLP.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *

2024	Belden Park Delaware LLC USD'000	Rainier Moore Plaza LLC USD'000	32 East Center Delaware LLC USD'000	Rainier Stony Creek LLC USD'000	Rainier Woodlands Square LLC USD'000	Rainier Truman's Marketplace LLC USD'000	Rainier SA Crossing LLC USD'000	Rainier Wheatland Investors LLC USD'000	Rainier UTC LLC USD'000	Hendon Dawson Marketplace LLC USD'000	Rainier Newport Pavilion LLC USD'000	Rainier Summit Woods Acquisitions LLC USD'000
Revenue	7 147	8 031	3 198	3 781	6 749	5 154	3 021	4 282	7 269	5 794	7 029	8 527
Other income	7	(1)	18	1	–	1	–	–	–	–	–	–
Expenditure												
Operating expenses	(3 005)	(3 586)	(1 049)	(1 754)	(2 879)	(2 965)	(1 172)	(2 335)	(2 317)	(1 646)	(1 601)	(2 728)
Operating profit	4 149	4 444	2 167	2 028	3 870	2 190	1 849	1 947	4 952	4 148	5 428	5 799
Fair value adjustments	5 973	(1 544)	2 425	(375)	(1 642)	(859)	(439)	(160)	(813)	(4 098)	1 733	(324)
Finance income	47	–	5	8	24	6	11	4	19	26	20	40
Finance costs	(2 276)	(2 188)	(933)	(1 026)	(2 040)	(1 028)	(739)	(872)	(1 691)	(1 828)	(1 594)	(2 623)
Profit before income tax expense	7 893	712	3 664	634	210	309	682	919	2 467	(1 752)	5 585	2 892
Income tax (expense)/benefit	(18)	(23)	(18)	–	–	–	(2)	(12)	72	–	–	–
Profit for the year	7 874	690	3 646	634	210	309	680	906	2 539	(1 752)	5 585	2 892
Emira's share of profit/(loss)^	2 045	(218)	1 237	90	(487)	(28)	336	292	1 139	881	2 772	1 432

* The information in relation to the USA investments were extracted from the audited trial balances for the year ended 31 March 2024. The independent external auditors of the USA associates are Whitley Penn LLP.

^ Emira's share of profit of Enyuka Prop Holdings (Pty) Ltd ("Enyuka"), represents its participation rights in respect of its investment into the ordinary share capital and A class preference share capital of Enyuka. For further information in respect of Emira's participation rights to its share profit of its foreign USA associates, refer to note 31, significant judgements and estimates.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

STATEMENT OF FINANCIAL POSITION *

2023	Enyuka Prop Holdings R'000	Transcend Residential Property Fund* R'000	Belden Park Delaware LLC USD'000	Rainier Moore Plaza LLC USD'000	32 East Center Delaware LLC USD'000	Rainier Stony Creek LLC USD'000	Rainier Woodlands Square LLC USD'000	Rainier Truman's Marketplace LLC USD'000	Rainier SA Crossing LLC USD'000	Rainier Wheatland Investors LLC USD'000	Rainier UTC LLC USD'000	Rainier Hendon Dawson Marketplace LLC USD'000	Rainier Newport Pavilion LLC USD'000	Rainier Summit Woods Acquisitions LLC USD'000
Functional currency	ZAR	ZAR	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Sector	Local – Rural Retail	Local – Residential	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail	Offshore – Retail
Effective interest %	49,90	45,13	46,67	49,50	49,42	49,43	49,57	49,43	49,50	49,42	49,64	49,60	49,62	49,50
ASSETS														
Non-current assets	1 770 474	2 300 424	66 000	80 700	30 800	34 700	74 450	31 800	27 600	37 180	66 700	75 130	85 450	88 100
Investment property	1 767 570	2 296 927	66 000	80 700	30 800	34 700	74 450	31 800	27 600	37 180	66 700	75 130	85 450	88 100
Fixtures and fittings	–	495	–	–	–	–	–	–	–	–	–	–	–	–
Derivative financial instruments	2 904	3 002	–	–	–	–	–	–	–	–	–	–	–	–
Current assets	30 921	77 943	5 961	2 513	1 501	1 740	3 135	3 506	1 967	2 631	7 930	3 256	3 865	5 319
Trade and other receivables	950	22 018	614	–	97	1 028	1 009	756	161	352	1 059	383	1 332	574
Cash and cash equivalents	29 972	55 925	5 347	2 513	1 404	712	2 126	2 750	1 807	2 279	6 871	2 873	2 533	4 745
Total assets	1 801 395	2 378 368	71 961	83 213	32 301	36 440	77 585	35 306	29 567	39 811	74 630	78 386	89 315	93 419
EQUITY AND LIABILITIES														
Equity	127 948	1 424 434	22 613	34 571	12 009	14 092	34 695	14 634	15 018	17 986	28 118	30 748	37 096	32 959
Share capital and reserves	13 089	1 173 215	13 438	15 958	6 762	6 565	15 465	7 510	4 819	6 651	14 890	30 088	19 832	35 075
Retained earnings	114 859	251 219	9 174	18 612	5 247	7 527	19 231	7 124	10 199	11 335	13 228	661	17 264	(2 116)
Non-current liabilities	1 622 799	915 084	48 041	47 084	19 821	21 401	41 882	19 994	14 112	20 977	41 105	47 051	51 060	59 284
Loans from shareholders	575 049	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest-bearing debt	1 013 522	915 084	48 041	47 084	19 821	21 401	41 882	19 994	14 112	20 977	41 105	47 051	51 060	59 284
Other long-term liabilities	34 227	–	–	–	–	–	–	–	–	–	–	–	–	–
Current liabilities	50 648	38 850	1 307	1 558	471	947	1 007	678	437	849	5 407	587	1 159	1 175
Accounts payable	50 648	38 850	1 307	1 558	471	947	1 007	678	437	849	5 407	587	1 159	1 175
Total equity and liabilities	1 801 395	2 378 368	71 961	83 213	32 301	36 440	77 585	35 306	29 567	39 811	74 630	78 386	89 315	93 419

* The information in Enyuka Prop Holdings was extracted from Enyuka's management accounts for the nine months ended 31 March 2023. The independent external auditors of Enyuka are BDO South Africa Inc. The information in relation to the USA investments were extracted from the audited trial balances for the year ended 31 March 2023. The independent external auditors of the USA associates are Whitley Penn LLP.

The information for Transcend includes the results for the period 1 July 2022 to 7 October 2022, being the date Emira obtained control of Transcend and became an Emira subsidiary as per the statement of comprehensive income and the statement of financial position extract is as at 7 October 2022.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

11. INVESTMENTS AND LOANS IN EQUITY-ACCOUNTED INVESTMENTS CONTINUED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *

2023	Enyuka Prop Holdings R'000	Transcend Residential Property Fund* R'000	Belden Park Delaware LLC USD'000	Rainier Moore Plaza LLC USD'000	32 East Center Delaware LLC USD'000	Rainier Stony Creek LLC USD'000	Rainier Woodlands Square LLC USD'000	Rainier Truman's Marketplace LLC USD'000	Rainier SA Crossing LLC USD'000	Rainier Wheatland Investors LLC USD'000	Rainier UTC LLC USD'000	Rainier Hendon Dawson Marketplace LLC USD'000	Rainier Newport Pavilion LLC USD'000	Rainier Summit Woods Acquisitions LLC USD'000
Revenue	223 175	91 663	5 083	5 805	2 210	2 960	5 144	3 621	2 149	3 227	5 309	4 461	5 206	6 954
Other income	3 594	847	149	14	5	–	–	–	–	–	–	1	–	1
Expenditure														
Operating expenses	(96 035)	(44 991)	(1 598)	(2 478)	(673)	(1 056)	(1 562)	(1 789)	(804)	(1 346)	(1 617)	(1 272)	(1 060)	(2 200)
Operating profit	130 735	47 519	3 634	3 342	1 542	1 904	3 582	1 832	1 345	1 881	3 692	3 190	4 146	4 756
Fair value adjustments	30 568	6 308	1 377	147	(1 228)	1 552	3 334	1 032	1 232	(881)	(78)	(192)	448	(5 497)
Finance income	3 154	1 117	58	–	–	–	–	–	–	–	–	–	–	–
Finance costs	(133 766)	(23 829)	(1 732)	(1 638)	(710)	(773)	(1 527)	(770)	(529)	(653)	(1 266)	(1 354)	(1 194)	(1 964)
Profit before income tax expense	30 691	31 115	3 337	1 851	(396)	2 683	5 389	2 094	2 049	348	2 348	1 645	3 401	(2 704)
Income tax (expense)/benefit	(5 981)	–	(13)	(21)	(8)	–	–	–	(12)	(11)	–	–	–	–
Profit for the year	24 710	31 115	3 324	1 831	(404)	2 683	5 389	2 094	2 038	337	2 348	1 645	3 401	(2 704)
Emira's share of profit/(loss)^	21 471	(5 427)	959	769	194	1 707	3 251	1 197	1 009	(45)	1 170	1 361	1 688	(1 339)

* The information in Enyuka Prop Holdings was extracted from Enyuka's management accounts for the nine months ended 31 March 2023. The independent external auditors of Enyuka are BDO South Africa Inc. The information in relation to the USA investments were extracted from the audited trial balances for the year ended 31 March 2023. The independent external auditors of the USA associates are Whitley Penn LLP.

The information for Transcend includes the results for the period 1 July 2022 to 7 October 2022, being the date Emira obtained control of Transcend.

^ Emira's share of profit of Enyuka Prop Holdings (Pty) Ltd ("Enyuka"), represents its participation rights in respect of its investment into the ordinary share capital and A class preference share capital of Enyuka. For further information in respect of Emira's participation rights to its share profit of its foreign USA associates, refer to note 31, significant judgements and estimates.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

12. OTHER FINANCIAL ASSETS

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Inani Prop Holdings Proprietary Limited ("Inani")				
Holding (%)	20	20	20	20
Fair value at beginning of the year	–	–	–	–
Equity investment in Inani	–	4 332	–	4 332
Fair value adjustment	–	(4 332)	–	(4 332)
Fair value at end of period	–	–	–	–

The fair value of the investment in Inani was determined with reference to the net asset value of Inani, which is deemed to be a level 3 input of the fair value hierarchy. For further information in relation to the measurement of fair value, please refer to note 29.

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
IHS Asset Management Proprietary Limited ("IHS")				
Holding (%)	20	15	20	15
Fair value at beginning of the year	765	312	765	312
Disposal of investment in IHS	(1 083)	–	(1 083)	–
Fair value adjustment	318	453	318	453
Fair value at end of period	–	765	–	765

During the reporting period Transcend terminated the asset management contract with IHS Asset Management, in which Emira had a 20% equity interest. This follows the restructuring of Transcend such that Transcend's executive management is now directly employed by Transcend and other asset management services are sourced from IHS on a cost recovery basis.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

13. ACCOUNTS RECEIVABLE

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Trade receivables	54 851	51 561	37 191	35 954
Less: Loss allowance	(43 243)	(36 965)	(28 855)	(24 776)
Net trade receivables	11 608	14 596	8 336	11 178
Prepayments	27 001	31 944	18 887	19 735
Accrual of recoverable expenses	64 505	58 626	46 835	46 501
Municipal deposits	21 283	20 158	11 805	11 307
Other receivables*	16 150	26 613	12 503	14 418
Total	140 547	151 937	98 366	103 139
Current portion	140 547	151 937	98 366	103 139

* Other receivables consist of recoverable expenses, upfront commitment fees paid on derivative and debt instruments and other sundry debtors.

The carrying values of accounts receivable approximate their fair value. All classes of accounts receivable have been considered for impairment.

The movement in the loss allowance for trade receivables is as follows:

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Opening balance	36 965	33 415	24 776	26 028
Expected credit losses written off during the year as uncollectable	(10 831)	(19 340)	(2 759)	(8 945)
Additional expected credit losses recognised in profit or loss	17 109	22 890	6 838	7 693
Closing balance	43 243	36 965	28 855	24 776

Ageing of gross trade receivables

R'000	Government	Retail formal	SMME	Total
31 MAR 2024 - GROUP				
30 days	1 752	5 443	7 237	14 432
60 days	92	1 250	4 828	6 170
90 days	54	612	2 134	2 800
120+ days	4 874	6 676	19 899	31 449
Total	6 772	13 981	34 098	54 851
31 MAR 2023 - GROUP				
30 days	267	6 050	6 021	12 338
60 days	254	2 117	3 913	6 284
90 days	263	612	2 214	3 089
120+ days	3 067	7 511	19 272	29 850
Total	3 851	16 290	31 420	51 561
31 MAR 2024 - COMPANY				
30 days	48	5 138	4 675	9 861
60 days	24	1 213	3 210	4 447
90 days	14	582	1 091	1 687
120+ days	1 254	6 501	13 440	21 195
Total	1 340	13 434	22 416	37 190
31 MAR 2023 - COMPANY				
30 days	63	5 859	3 648	9 570
60 days	50	2 076	2 730	4 856
90 days	59	600	1 282	1 941
120+ days	1 137	7 086	11 364	19 587
Total	1 309	15 621	19 024	35 954

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

13. ACCOUNTS RECEIVABLE CONTINUED

Ageing of expected credit loss allowance

R'000	Government	Retail formal	SMME	Total
31 MAR 2024 - GROUP				
30 days	1 016	3 368	3 741	8 125
60 days	64	1 134	3 061	4 259
90 days	38	529	1 619	2 186
120+ days	4 742	5 492	18 439	28 673
Total	5 860	10 523	26 860	43 243
31 MAR 2023 - GROUP				
30 days	–	1 995	1 437	3 432
60 days	90	1 681	2 439	4 210
90 days	206	440	1 514	2 160
120+ days	3 050	4 841	19 272	27 163
Total	3 346	8 957	24 662	36 965
31 MAR 2024 - COMPANY				
30 days	–	3 186	2 300	5 486
60 days	–	1 129	2 210	3 339
90 days	–	523	891	1 414
120+ days	1 137	5 324	12 155	18 616
Total	1 137	10 162	17 556	28 855
31 MAR 2023 - COMPANY				
30 days	–	1 962	864	2 826
60 days	–	1 677	1 946	3 623
90 days	3	428	952	1 383
120+ days	1 133	4 472	11 339	16 944
Total	1 136	8 539	15 101	24 776

Refer to note 30 for further information on the credit risk of trade and other receivables.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

14. LOANS RECEIVABLE

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
LOANS PROVIDED ON THE DISPOSAL OF INVESTMENT PROPERTY				
Inani Prop Holdings (Pty) Ltd – Mezzanine loan	432 794	432 794	432 794	432 794
The loan was subject to interest at three-month JIBAR plus a margin of 5,5% up until 31 March 2023 and is capitalised to the outstanding loan balance. With effect from 1 April 2023, the Lender shall not be entitled to charge, interest on all outstandings until the Final Repayment Period. The full capital balance including accrued interest on the loan is repayable on 27 June 2024 and Emira has a 2nd ranking debt guarantee.				
Inani Prop Holdings (Pty) Ltd – Inani cession loan	56 569	–	56 569	–
Emira acquired R51,3m of Inani's senior lender's mezzanine debt on 17 August 2023, via a cession from Inani's senior lender ("Inani cession loan"). The loan is on the same terms and conditions as the senior lender's mezzanine loan and ranks pari passu with it. The loan bears interest at 3 month JIBAR plus a margin of 8,5%. The full capital balance including accrued interest on the loan was repayable on 10 January 2024, which has been extended by the senior lender until such time as Inani remedies its financial position.				
RAB Property Investments (Pty) Ltd	35 357	40 348	35 357	40 348
The loan bears interest at three-month JIBAR plus a margin of 4,0% until the final repayment date on a monthly basis. Interest on the loan is payable monthly and capital repayments are due from 28 March 2023 until final repayment date of 28 February 2027. The loan is secured by a guarantee from its parent company, Ozmik Property Investments (Pty) Ltd. The loan relates to finance provided on the disposal of the properties known as Brooklyn Gardens, Waterkloof House and Brooklyn Forum.				
Kyostax (Pty) Ltd	4 000	4 000	4 000	4 000
A loan of R4m was advanced on 7 February 2022 for a period of 36 months and bears interest at the prime interest rate. The interest on the loan is repayable quarterly, with the capital amount repayable on 30 June 2025. The loan relates to finance provided on the disposal of the property known as Epsom Downs Shopping Centre and is unsecured.				
Instratin Properties (Pty) Ltd	29 891	26 623	–	–
A loan of R22,7m was entered into on 31 August 2020 for a period of 36 months and bears interest at the prime interest rate plus a margin of 0,5%. A final settlement agreement was entered into by the parties during November 2023, which requires R26,0m to be paid by 30 June 2024 in full and final settlement. The loan relates to finance provided on the disposal of the Transcend property known as Acacia Place and is secured by Erf 3 Grand Central Extension 9, City of Johannesburg, Gauteng.				
Enyuka Prop Holdings (Pty) Ltd	14 000	–	14 000	–
The loan advanced to Enyuka is unsecured and bears interest at the prime interest rate plus a margin of 3%. Interest is repayable monthly, with R10m of the capital amount repayable on 20 July 2024 and the remaining capital balance due on 20 January 2025. Refer to note 11 for further information on the disposal of Emira's in Enyuka.				
Oneeighty Holdings Two (Pty) Ltd ("OEH2")	120 000	–	120 000	–
A loan of R120,0m was advanced to OEH2 on 20 July 2023 for a period of 60 months and bears interest at the prime interest rate plus a margin of 3,0% for the first 36 months of the loan term and thereafter increasing by 1% annually. The interest on the loan is repayable monthly, with the capital amount repayable on 20 July 2028. The loan is secured through a cession and pledge agreement, where Emira has the cessionary right to OEH2's shares and claims, shareholder loans and interest reserve balance, together with the net proceeds from two properties held by OEH2, known as Central Park and Hatfield.				

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

14. LOANS RECEIVABLE CONTINUED

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
SUPPLIER DEVELOPMENT LOANS				
BrightBlack Energy (Pty) Ltd – Boskruin Shopping Centre	2 208	2 301	2 208	2 301
The loan was advanced in terms of the solar project undertaken in line with the Fund's B-BBEE policy of supplier development. R3,1m was advanced at an interest rate of prime less 70 basis points. The loan is repayable quarterly with the final repayable amount due on 15 April 2029. The loan is secured by a notarial bond over the related solar panels.				
BrightBlack Energy (Pty) Ltd – Randridge Mall	7 164	7 448	7 164	7 448
The loan was advanced in terms of the solar project undertaken in line with the Fund's B-BBEE policy of supplier development. R9,7m was advanced at an interest rate of prime less 70 basis points. The loan is repayable quarterly with the final repayable amount due on 30 September 2029. The loan is secured by a notarial bond over the related solar panels.				
BrightBlack Energy (Pty) Ltd – Market Square	1 715	1 805	1 715	1 805
The loan was advanced in terms of the solar project undertaken in line with the Fund's B-BBEE policy of supplier development. R1,9m was advanced at an interest rate of prime less 70 basis points. The loan is repayable quarterly with the final repayable amount due on 31 January 2031. The loan is secured by a notarial bond over the related solar panels.				
Sinani Energy (Pty) Ltd – Ben Fleur Shopping Centre	3 005	3 360	3 005	3 360
The loan was advanced in terms of the solar project undertaken in line with the Fund's B-BBEE policy of supplier development. R4,0m was advanced at an interest rate of prime less 70 basis points. The loan is repayable quarterly with the final repayable amount due on 31 July 2029. The loan is secured by a notarial bond over the related solar panels.				
Sinani Energy (Pty) Ltd – Springfield Retail Centre	2 291	2 424	2 291	2 424
The loan was advanced in terms of the solar project undertaken in line with the Fund's B-BBEE policy of supplier development. R2,7m was advanced at an interest rate of prime less 70 basis points. The loan is repayable quarterly with the final repayable amount due on 31 December 2030. The loan is secured by a notarial bond over the related solar panels.				
Sinani Energy (Pty) Ltd – Quagga Centre	1 852	1 988	1 852	1 988
The loan was advanced in terms of the solar project undertaken in line with the Fund's B-BBEE policy of supplier development. R2,0m was advanced at an interest rate of prime. The loan is repayable quarterly with the final repayable amount due on 31 August 2031. The loan is secured by a notarial bond over the related solar panels.				
OTHER LOANS				
ESA Trust – Mezzanine loan	–	–	48 892	48 045
The loan bears interest at a rate equivalent to the aggregate amount of distributions paid during the interest period divided by the loan, expressed as a %. Emira has a reversionary pledge and cession over the shares held by ESA trust, each interest period consists of six consecutive calendar months ending on either 30 June or 31 December. The loan is repayable on 27 June 2024.				

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

14. LOANS RECEIVABLE CONTINUED

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
BEE SCHEME LOANS				
Luxanio Trading 157 (Pty) Ltd – Letsema SPV	–	–	89 625	88 083
The loan bears interest at a rate equal to the Emira dividend yield per annum, is unsecured. The loan is repayable in full and had an original maturity date of 28 June 2022, which was extended during the year to 27 October 2027. Emira has a reversionary pledge and cession over the shares held by the BEE special purpose vehicle. The loan relates to the Emira BEE Equity Scheme implemented in June 2017.				
Tamela Property Investment (RF) Proprietary Limited	–	–	89 625	88 083
The loan bears interest at a rate equal to the Emira dividend yield per annum, is unsecured. The loan is repayable in full and had an original maturity date of 28 June 2022, which was extended during the year to 27 October 2027. Emira has a reversionary pledge and cession over the shares held by the BEE special purpose vehicle. The loan relates to the Emira BEE Equity Scheme implemented in June 2017.				
Total gross loans receivable	710 846	523 091	909 096	720 679
Total loss allowance	(474 883)	(173 972)	(470 992)	(173 972)
Carrying amount	235 963	349 119	438 104	546 707
Current portion of gross loans receivable	551 683	468 610	530 510	446 774
Current portion of loss allowance	(474 222)	(173 942)	(470 331)	(173 944)
Net current portion of loans receivable	77 461	294 668	60 179	272 830
Non-current portion of gross loans receivable	159 163	54 481	378 586	273 905
Non-current portion of loss allowance	(661)	(30)	(661)	(28)
Net non-current portion of loans receivable	158 502	54 451	377 925	273 877

Refer to note 30 for further information on the credit risk of loans receivable.

15. STATED CAPITAL

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Authorised				
2 000 000 000 ordinary shares of no par value (31 March 2023: 2 000 000 000).				
Issued				
522 667 247 ordinary shares of no par value (31 March 2023: 522 667 247).				
Authorised and issued				
Balance at beginning of year	3 421 431	3 425 736	3 885 207	3 889 512
Treasury shares in issue	(2 931)	(4 305)	(2 931)	(4 305)
Shares acquired for the Forfeitable Share Plan ⁱ	(17 204)	(15 061)	(17 204)	(15 061)
Emira Forfeitable Share Plan shares vested ⁱⁱ	12 779	10 756	12 779	10 756
Emira Matching Share Plan shares vested ⁱⁱ	1 494	–	1 494	–
Closing balance	3 418 500	3 421 431	3 882 276	3 885 207

i Shares held in treasury in respect of the Forfeitable Share Plan ("FSP") issued as a long-term incentive to employees of 7 538 372 (2023: 7 009 463). A total of 1 872 285 (2023: 1 518 023) shares were acquired during the reporting period at an average price of R8,92 (2023: R10,24) per share to satisfy the new FSP awards granted during the period.

ii 1 379 252 (31 March 2023: 798 548) Emira Forfeitable Share Plan shares and 91 886 (31 March 2023: nil) Emira Matching Share plan shares, vested in the current reporting period. For further information, refer to note 22.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

16. RESERVES

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Fair value and other reserves				
Opening balance	3 623 438	3 558 219	3 261 605	3 218 169
Transfer from retained earnings	326 584	65 219	150 830	43 436
Fair value adjustments on investment property	326 584	65 219	150 830	43 436
Closing balance	3 950 022	3 623 438	3 412 435	3 261 605
Share-based payments reserve				
Opening balance	29 399	27 721	29 399	27 721
Emira Forfeitable Share Plan shares vested	(12 779)	(10 756)	(12 779)	(10 756)
Emira Matching Share Plan shares vested	(606)	–	(606)	–
Equity settled share scheme charge	14 494	12 434	14 494	12 434
Closing balance	30 508	29 399	30 508	29 399
Foreign currency translation reserve				
Opening balance	313 537	180 439	–	–
Exchange differences on translation of foreign operations	100 144	133 098	–	–
Closing balance	413 681	313 537	–	–
Non-controlling interest				
Opening balance	343 689	4 376	–	–
Profit for the year	28 868	10 558	–	–
Acquisition of subsidiary with NCI	–	345 013	–	–
Acquisition of NCI without change in control	(307 597)	(393)	–	–
Acquisition of NCI of Transcend without change in control	(24 744)	–	–	–
Dividends paid	(22 961)	(15 865)	–	–
Closing balance	17 256	343 689	–	–
Retained earnings/(accumulated loss)				
Opening balance	794 194	669 840	(765 069)	(613 961)
Total comprehensive income for the period	517 235	825 560	1 005 560	569 745
Profit for the year	546 103	836 118	1 005 560	569 745
Non-controlling interest	(28 868)	(10 558)	–	–
Transactions with owners (contributions and distributions)	(777 600)	(701 277)	(632 959)	(720 853)
Emira Matching Share Plan shares vested	(888)	–	(888)	–
Dividends paid	(450 128)	(636 058)	(481 241)	(677 417)
Transfer to fair value reserve	(326 584)	(65 219)	(150 830)	(43 436)
Changes in ownership interests	3 384	71	–	–
Acquisition of NCI of Transcend without change in control	252	–	–	–
Acquisition of NCI without change in control	3 132	71	–	–
Closing balance	537 214	794 194	(392 468)	(765 069)
Total reserves	4 948 681	5 104 258	3 050 475	2 525 936

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

16. RESERVES CONTINUED

Non-controlling interests ("NCI")

The Group's equity interest in Transcend increased during the reporting period from 68,15% to 100%, by way of a scheme of arrangement with an effective date of 13 November 2023. Emira acquired the remaining NCI shares, being 48 327 862 shares at R6,30 per share, for a total consideration of R304,5m.

Summarised as follows:

Carrying amount of NCI acquired	307 597
Consideration paid to NCI	304 466
A increase in equity attributable to the owners of the Company	3 132

Fair value and other reserves

The fair value reserve represents all fair value adjustments made in respect of investment properties and listed property investment.

Included in other reserves is the expense that was recognised in of profit or loss in respect of shares that were issued to the ESA Trust, the Fund's BEE partners and vendors of properties in prior years and the cost recognised on the equity settled share schemes.

17. INTEREST-BEARING DEBT

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Reconciliation of interest-bearing debt:				
Opening balance	6 883 279	5 500 017	5 827 357	5 310 530
Borrowings drawn	4 378 369	1 843 629	4 229 974	1 782 061
Transcend business combination	–	915 084	–	–
Transaction costs paid	(7 735)	(1 745)	(6 233)	(1 745)
Transaction costs amortised (non-cash)	5 562	2 730	3 865	2 502
Interest accrued	651 769	416 424	551 187	338 858
Repayment of debt	(4 881 432)	(1 395 300)	(4 530 808)	(1 281 000)
Interest paid	(639 169)	(397 560)	(547 534)	(323 849)
Closing balance	6 390 644	6 883 279	5 527 808	5 827 357
Current portion	1 890 780	2 405 024	1 724 838	2 112 201
Non-current portion	4 499 864	4 478 255	3 802 970	3 715 156

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

17. INTEREST-BEARING DEBT CONTINUED

R'000 Funder			Nominal interest rate	Term (months)	Date of maturity	Group		Company	
						2024	2023	2024	2023
Emira Property Fund									
Rand Merchant Bank	¹	Secured	3m JIBAR + 1,95%	36	May 23	–	202 047	–	202 047
DMTN programme	⁶	Unsecured	3m JIBAR + 2,00%	60	Jun 23	–	127 852	–	127 852
Rand Merchant Bank	¹	Secured	PRIME - 1,45%	12	Jun 23	–	204 248	–	204 248
Standard Bank	³	Secured	3m JIBAR + 1,85%	60	Jun 23	–	200 491	–	200 491
DMTN programme	⁷	Secured	3m JIBAR + 2,10%	36	Sep 23	–	70 536	–	70 536
DMTN programme	⁷	Secured	3m JIBAR + 1,60%	60	Sep 23	–	201 216	–	201 216
Nedbank	²	Secured	3m JIBAR + 1,85%	63	Sep 23	–	200 561	–	200 561
DMTN programme	⁶	Unsecured	3m JIBAR + 1,30%	12	Nov 23	–	101 199	–	101 199
Rand Merchant Bank	¹	Secured	3m JIBAR + 1,85%	60	Dec 23	–	302 180	–	302 180
DMTN programme	⁶	Unsecured	3m JIBAR + 1,15%	12	Mar 24	–	220 937	–	220 937
Nedbank	²	Secured	3m JIBAR + 2,20%	36	Mar 24	(587)	255 450	(587)	255 450
Nedbank	²	Secured	3m JIBAR + 1,70%	60	Apr 24	–	203 920	–	203 920
DMTN programme	⁶	Unsecured	3m JIBAR + 2,10%	36	May 24	383 559	383 035	383 559	383 035
Rand Merchant Bank	¹	Secured	3m JIBAR + 1,80%	62	Jul 24	307 516	306 407	307 516	306 407
Sanlam	⁵	Secured	3m JIBAR + 1,95%	36	Jul 24	200 183	199 844	200 183	199 844
Standard Bank	³	Secured	3m JIBAR + 1,43%	15	Sep 24	200 214	–	200 214	–
ABSA	⁴	Secured	3m JIBAR + 2,10%	48	Nov 24	200 104	199 739	200 104	199 739
DMTN programme	⁶	Unsecured	3m JIBAR + 1,20%	12	Nov 24	101 284	–	101 284	–
DMTN programme	⁶	Unsecured	3m JIBAR + 1,80%	36	Mar 25	80 364	80 292	80 364	80 292
DMTN programme	⁶	Unsecured	3m JIBAR + 1,15%	12	Mar 25	221 031	–	221 031	–
ABSA	⁴	Secured	3m JIBAR + 1,68%	86	Apr 25	200 035	199 678	200 035	199 678
Rand Merchant Bank	¹	Secured	PRIME - 1,45%	36	Jun 25	99 903	264 329	99 903	264 329
Standard Bank	³	Secured	3m JIBAR + 2,05%	48	Jun 25	–	224 818	–	224 818
ABSA	⁴	Secured	PRIME - 1,47%	36	Jul 25	(215)	301 981	(215)	301 981
Rand Merchant Bank	¹	Secured	3m JIBAR + 2,05%	48	Jul 25	204 624	204 025	204 624	204 025
DMTN programme	⁶	Unsecured	3m JIBAR + 1,75%	36	Sep 25	90 436	90 328	90 436	90 328
DMTN programme	⁶	Unsecured	3m JIBAR + 1,70%	36	Nov 25	202 549	202 257	202 549	202 257
DMTN programme	⁷	Secured	3m JIBAR + 1,80%	84	Dec 25	–	100 426	–	100 426
Standard Bank	³	Secured	3m JIBAR + 1,75%	36	Jun 26	102 374	–	102 374	–
ABSA	⁴	Secured	3m JIBAR + 1,85%	48	Jul 26	149 974	149 760	149 974	149 760
DMTN programme	⁷	Secured	3m JIBAR + 1,95%	60	Sep 26	–	130 684	–	130 684
Nedbank	²	Secured	3m JIBAR + 1,70%	36	Sep 26	200 376	–	200 376	–
Transcend Loan Facility		Secured	PRIME - 1,75%	36	Nov 26	–	–	329 000	–
DMTN programme	⁶	Unsecured	3m JIBAR + 1,70%	36	Mar 27	50 177	–	50 177	–
Rand Merchant Bank	¹	Secured	3m JIBAR + 1,79%	48	May 27	302 850	–	302 850	–
Standard Bank	³	Secured	3m JIBAR + 1,87%	48	Jun 27	174 067	–	174 067	–
Rand Merchant Bank	¹	Secured	3m JIBAR + 1,95%	60	Jul 27	204 880	199 811	204 880	199 811
ABSA	⁴	Secured	3m JIBAR + 1,95%	60	Sep 27	299 736	299 306	299 736	299 306
Nedbank	²	Secured	3m JIBAR + 1,80%	48	Sep 27	200 268	–	200 268	–
Rand Merchant Bank	¹	Secured	3m JIBAR + 1,88%	60	May 28	403 809	–	403 809	–
ABSA	⁴	Secured	3m JIBAR + 1,95%	60	Sep 28	370 460	–	370 460	–
Nedbank	²	Secured	3m JIBAR + 1,50%	60	Mar 29	248 836	–	248 836	–

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

17. INTEREST-BEARING DEBT CONTINUED

R'000 Funder			Nominal interest rate	Term (months)	Date of maturity	Group		Company	
						2024	2023	2024	2023
Transcend Residential Property Fund									
Standard Bank	⁸	Secured	3m JIBAR + 1,85%	36	Jul 23	–	288 336	–	–
Standard Bank	⁸	Secured	3m JIBAR + 2,00%	84	Dec 26	371 317	370 818	–	–
ABSA	⁸	Secured	3m JIBAR + 1,70%	36	Dec 24	151 099	150 361	–	–
Standard Bank	⁸	Secured	PRIME - 1,90%	46	Jun 25	51 470	–	–	–
ABSA	⁸	Secured	PRIME - 1,90%	24	Jun 25	97 364	–	–	–
Standard Bank	⁸	Secured	PRIME - 0,85%	36	Aug 24	–	60 062	–	–
Standard Bank	⁸	Secured	PRIME - 1,80%	36	Nov 26	164 428	–	–	–
ABSA	⁸	Secured	PRIME - 1,80%	36	Nov 26	164 249	–	–	–
						6 198 735	6 696 934	5 527 808	5 827 357
Other consolidated debt									
Sanlam (ESA Trust)*		Secured	3m JIBAR + 3,00%	60	Jun 24	41 193	39 999	–	–
Sanlam (Tamela SPV)**		Secured	3m JIBAR + 3,00%	64	Jun 27	75 358	73 173	–	–
Sanlam (Letsema SPV)***		Secured	3m JIBAR + 3,00%	64	Jun 27	75 358	73 173	–	–
						6 390 644	6 883 279	5 527 808	5 827 357
Current portion						(1 890 780)	(2 405 024)	(1 724 838)	(2 112 201)
Non-current portion						4 499 864	4 478 255	3 802 970	3 715 156

* Relates to the funding provided by Sanlam to The ESA Trust ("ESA"). The loan is secured by ESA's 7 200 000 Emira shares. Emira exercises control over ESA, through the guarantee provided by Emira to Sanlam in respect of ESA's outstanding debt, and as such it is consolidated.

** Relates to the funding provided by Sanlam to Tamela Property Investments (Pty) Ltd ("Tamela SPV"), a wholly owned subsidiary of Tamela Holdings (Pty) Ltd ("Tamela"), in terms of Emira's June 2017 BEE equity investment scheme. The loan is secured by Tamela SPV's 13 066 682 Emira shares. Tamela SPV is consolidated by Emira, effective 27 March 2020, due to the guarantee provided by Emira to Sanlam in respect of the Tamela SPV's outstanding debt.

*** Relates to the funding provided by Sanlam to Luxanio Trading 157 (Pty) Ltd ("Letsema SPV"), a wholly owned subsidiary of Letsema Holdings (Pty) Ltd ("Letsema"), in terms of Emira's June 2017 BEE equity investment scheme. The loan is secured by Letsema SPV's 13 066 682 Emira shares. Letsema SPV is consolidated by Emira, effective 27 March 2020, due to the guarantee provided by Emira to Sanlam in respect of the Letsema SPV's outstanding debt.

The financial assets have been pledged under the following terms:

1. A minimum Group net asset value of R6 billion must be maintained at all times.
The facility gearing ratio shall not exceed 60%.
The Group consolidated net interest-bearing debt to total assets ratio shall be no more than 50%.
The facility interest cover ratio ("ICR") shall be greater than 1,75 times.
The Group consolidated ICR shall be greater than two times.
The facility gearing ratio including hedging liabilities shall be no more than 70%.
2. The facility ICR shall be greater than 1,5 times.
The facility LTV ratio shall not exceed 70%.
The Group consolidated ICR shall be greater than two times.
The Group consolidated LTV ratio shall not exceed 50%.
3. The facility ICR shall be greater than 1,5 times.
The facility LTV ratio shall not exceed 65%.
The Group consolidated ICR shall be greater than two times.
The Group consolidated LTV ratio shall not exceed 50%.
4. The facility ICR shall be greater than two times.
The facility LTV ratio shall not exceed 60%.
The facility LTV ratio, including net mark-to-market shall not exceed 70%.
The Group consolidated ICR shall be greater than two times.
The Group consolidated LTV ratio shall not exceed 50%.
5. The Group LTV ratio may not exceed 50%.
6. The Group LTV ratio may not exceed 50%.
The Group consolidated ICR shall be greater than two times.
7. The Group LTV ratio may not exceed 50%.
The facility LTV ratio shall not exceed 40%.
The Group consolidated ICR shall be greater than two times.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

17. INTEREST-BEARING DEBT CONTINUED

8. The secured property portfolio ICR shall be greater than one point five zero times.
 The secured property portfolio LTV ratio shall not exceed 55%.
 The corporate ICR shall be greater than 1,5 times.
 The corporate LTV ratio shall not exceed 55%.

As at 31 March 2024 the Group had total debt facilities, excluding other consolidated debt, of R7 157,0m (31 March 2023: R7 045,0m), of which R6 157,0m (31 March 2023: R5 288,7m) had been utilised.

As at 31 March 2024 the Company had total debt facilities of R6 061,0m (31 March 2023: R6 167,0m), of which R5 161,0m (31 March 2023: R5 288,7m) had been utilised.

At 31 March 2024, the aggregate indebtedness amounted to 42,4% (31 March 2023: 44,1%) of the gross value of the underlying income producing assets. Refer to note 30.

As at 31 March 2024 interest rates were fixed in respect of 74,2% (31 March 2023: 75,4%) of drawn interest-bearing borrowings for the Group, excluding other consolidated debt, and the weighted average interest rate was 8,72% (31 March 2023: 8,27%). As at 31 March 2024 interest rates were fixed in respect of 74,2% (31 March 2023: 74,0%) of drawn interest-bearing borrowings for the Company, and the weighted average all in interest rate was 8,27% (31 March 2023: 7,38%). Details of the Group and Company's interest-rate hedging contracts are disclosed in note 20.

No covenants were breached during the reporting period.

Debt covenants: Emira debt

	Transaction LTV		Transaction LTV, including derivatives		Corporate LTV covenant		Transaction ICR		Corporate ICR	
	Prescribed (%)	Actual (%)	Prescribed (%)	Actual (%)	Prescribed (%)	Actual (%)	Prescribed (times)	Actual (times)	Prescribed (times)	Actual (times)
Rand Merchant Bank #	60,0	38,8	70,0	42,6	50,0	42,4	1,75	2,4	2,0	2,2*
ABSA #	60,0	44,0	70,0	46,5	50,0	42,4	2,0	2,3	2,0	2,3
Nedbank #	70,0	36,4	n/a	n/a	50,0	42,4	1,5	3,2	2,0	2,3
Standard Bank ***	65,0	67,1	n/a	n/a	50,0	42,4	1,5	1,6	2,0	2,3
Sanlam **	n/a	n/a	n/a	n/a	50,0	42,4	n/a	n/a	2,0	2,3
DMTN programme (unsecured) ^	n/a	n/a	n/a	n/a	50,0	42,4	n/a	n/a	2,0	2,3

Secured.

^ Unsecured.

* ICR covenant allocates interest received to EBITDA (earnings before interest, taxation, depreciation and amortisation) rather than offsetting against interest paid.

** Sanlam facility is secured by 45 682 683 Transcend Property Fund ("TPF") shares.

*** Standard Bank transaction LTV to be cured by a reduction of debt from consolidated disposals.

Debt covenants: Transcend debt

Transcend accesses secured debt funding from its lenders via a security SPV structure. This structure is governed by a common terms agreement which includes covenants that are common to all lenders.

The covenants as at 31 March 2024 were as follows:

%	Prescribed	Actual
LTV		
Corporate	55,0	44,3
Secured property portfolio	55,0	46,1
Times		
ICR		
Corporate	1,5	2,0
Secured property portfolio	1,4	2,0

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

18. OTHER FINANCIAL LIABILITIES

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Feenstra Property Group (Pty) Ltd	10 227	24 928	–	–
Loan provided to Bet-All Investments (Pty) Ltd from the non-controlling shareholder. The loan is unsecured and bears interest at three month JIBAR plus 180 basis points.				
The loan is repayable under the following circumstances:				
– A provisional or final order for the winding up or business rescue of the company;				
– The board or shareholders pass a resolution for the Company's voluntary liquidation or business rescue;				
– The company ceases to carry on business;				
– Upon resolution by the board.				
Letsema Holdings (Pty) Ltd	1 486	1 684	–	–
Loan provided to Luxanio Trading 157 (Pty) Ltd in respect of the shareholder's equity contribution into the BEE scheme, which is unsecured and does not bear interest.				
Letsema Strategy Services (Pty) Ltd	512	442	–	–
Loan provided to Luxanio Trading 157 (Pty) Ltd in respect of the shareholder's equity contribution into the BEE scheme, which is unsecured and does not bear interest.				
Tamela Holdings (Pty) Ltd	10 812	10 562	–	–
Loan provided to Tamela Property Investments (Pty) Ltd in respect of the shareholder's equity contribution into the BEE scheme, which is unsecured and does not bear interest.				
Financial guarantees				
Financial guarantee to Sanlam Life Insurance Limited on behalf of ESA Trust*	–	–	20 349	13 566
Financial guarantee to Sanlam Life Insurance Limited on behalf of Luxanio Trading 157 (Pty) Ltd*	–	–	43 118	25 883
Financial guarantee to Sanlam Life Insurance Limited on behalf of Tamela Property Investments (Pty) Ltd*	–	–	43 118	25 883
Closing balance	23 037	37 616	106 585	65 331
Current portion	12 810	12 688	20 349	–
Non-current portion	10 227	24 928	86 236	65 331
Closing balance	23 037	37 616	106 585	65 331

* The Group issued financial guarantees to Sanlam Life Insurance Limited ("Sanlam") on behalf the ESA Trust, Luxanio Trading 157 (Pty) Ltd ("BEE Scheme SPV") and Tamela Property Investments (Pty) Ltd ("BEE Scheme SPV"), during the 2020 reporting period, to support the borrowings undertaken in each of the respective SPV entities. For further information on the terms of the Sanlam debt facilities undertaken, refer to note 17.

The carrying amounts of the other financial liabilities approximate the fair value thereof.

Due to the increased risk that SPV entities will default on the contracts, the calculation was based on the lifetime expected credit losses as the difference between the expected payments to reimburse Sanlam and the value of the security at reporting date. For further detail, refer to note 30.

At a Company level Emira has a contingent liability of R85,3m (31 March 2023: R121,0m) in respect of the financial guarantees issued to Sanlam, representing the excess between the total loans provided by Sanlam to the BEE Scheme SPVs and ESA Trust, and the financial guarantees recognised.

For further information in respect of the terms of the guarantees provided, please refer to note 2.16.2.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

19. LEASE LIABILITIES

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Opening balance	78 121	77 719	38 152	38 318
Interest expense	5 340	3 986	2 900	2 184
Lease payments	(5 112)	(3 584)	(3 345)	(2 350)
Closing balance	78 349	78 121	37 707	38 152
Current portion	5 323	4 882	3 507	3 215
Non-current portion	73 026	73 239	34 200	34 937
Closing balance	78 349	78 121	37 707	38 152
Maturity analysis of future lease liability payments				
– Due within one year	5 574	5 112	3 648	3 345
– Due within two to five years	27 882	25 540	18 279	16 731
– Due within five to 10 years	52 256	48 044	34 517	31 769
– Due beyond 10 years	48 844	61 206	2 896	11 075
Closing balance	134 868	139 902	59 653	62 920

The Group had total cash outflows for leases of R5,1m for the current reporting period (2023: R3,6m). There were no non-cash additions to right-of-use assets and lease liabilities during the reporting period (2023: RNil). As at 31 March 2024, the lease liabilities related to the right-of-use assets classified as investment property of R76,6m (2023: R76,6m). Refer to note 6.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

20. DERIVATIVE FINANCIAL INSTRUMENTS

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Net fair value of the derivative assets at reporting date was:				
Interest-rate swap contracts #	38 564	46 954	37 079	42 973
Cross-currency interest-rate swap contracts #	4 342	–	4 342	–
Foreign exchange option contracts ^	29 175	36 208	29 175	36 208
Closing balance	72 081	83 162	70 596	79 181
Less: current portion	(13 453)	(12 126)	(12 287)	(11 732)
Non-current portion	58 628	71 036	58 309	67 449
Net fair value of the derivative liabilities at reporting date was:				
Interest-rate swap contracts #	173	58	173	58
Cross-currency interest-rate swap contracts #	230 586	234 005	230 586	234 005
Foreign exchange option contracts ^	40 286	45 780	40 286	45 780
Closing balance	271 045	279 843	271 045	279 843
Less: current portion	(142 064)	(88 060)	(142 064)	(88 060)
Non-current portion	128 981	191 783	128 981	191 783

INTEREST-RATE DERIVATIVES

The notional principal amount of the outstanding interest-rate hedging contracts at 31 March 2024 was R4 571,3m (2023: R5 292,1m).

The interest-rate hedging contracts as at 31 March 2024 are as follows:

Financial institution	Nominal value	Commencement date	Maturity date	Fixed rate (%)	Rate basis
Interest-rate swaps and caps					
Emira Property Fund Limited					
Investec	R100,0 million	18 Jul 23	20 Jul 26	8,25	3m JIBAR
ABSA Bank	R150,0 million	19 Jul 19	2 Apr 24	7,51	3m JIBAR
ABSA Bank	R150,0 million	29 Jun 17	28 Jun 24	7,48	3m JIBAR
Rand Merchant Bank	R200,0 million	11 Nov 22	11 Nov 24	7,61	3m JIBAR
Rand Merchant Bank	R250,0 million	7 Jan 20	7 Jan 25	6,97	3m JIBAR
Investec	R200,0 million	17 Mar 23	17 Mar 25	7,58	3m JIBAR
Rand Merchant Bank	R200,0 million	20 May 22	20 May 25	7,35	3m JIBAR
Nedbank	R150,0 million	3 Aug 21	13 Jun 25	6,26	3m JIBAR
Rand Merchant Bank	R200,0 million	29 Jun 22	30 Jun 25	7,65	3m JIBAR
Rand Merchant Bank	R100,0 million	11 Aug 22	11 Aug 25	7,20	3m JIBAR
ABSA Bank	R100,0 million	10 Jan 23	12 Jan 26	7,53	3m JIBAR
Investec	R100,0 million	10 Jan 23	12 Jan 26	7,53	3m JIBAR
Nedbank	R250,0 million	1 Feb 22	2 Feb 26	5,79	3m JIBAR
Rand Merchant Bank	R200,0 million	11 Aug 22	11 Aug 26	7,37	3m JIBAR
Investec	R100,0 million	28 Aug 23	28 Aug 26	8,02	3m JIBAR
ABSA Bank	R150,0 million	2 Nov 23	2 Nov 26	8,10	3m JIBAR
Standard Bank	R100,0 million	15 Nov 23	15 Nov 26	7,87	3m JIBAR
Standard Bank	R100,0 million	21 Nov 23	21 Nov 26	7,79	3m JIBAR
Standard Bank	R100,0 million	4 Dec 23	4 Dec 26	7,70	3m JIBAR
Nedbank	R100,0 million	14 Dec 23	14 Dec 26	7,62	3m JIBAR
Transcend Residential Property Fund Limited					
Nedbank	R287,5 million	15 May 20	15 May 24	6,84	3m JIBAR
ABSA Bank	R75,0 million	1 Sep 23	1 Sep 26	7,79	3m JIBAR
Rand Merchant Bank	R150,0 million	2 Aug 22	2 Aug 24	7,79	3m JIBAR

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

20. DERIVATIVE FINANCIAL INSTRUMENTS CONTINUED

Financial institution	Nominal value	Commencement date	Maturity date	Fixed rate (%)	Rate basis
Cross-currency interest-rate swaps					
ABSA	USD6,1 million	31 Jul 19	7 May 24	2,64	3m JIBAR
ABSA	USD6,0 million	17 May 23	7 May 24	4,51	3m JIBAR
ABSA	USD8,0 million	20 Jun 19	7 Aug 24	2,31	3m JIBAR
Rand Merchant Bank	USD8,0 million	28 Jan 20	7 Aug 24	1,93	3m JIBAR
Rand Merchant Bank	USD3,1 million	20 Dec 17	7 Feb 25	2,38	3m JIBAR
Rand Merchant Bank	USD1,0 million	16 Nov 17	7 Feb 25	2,18	3m JIBAR
Rand Merchant Bank	USD6,0 million	29 Apr 22	7 May 25	2,97	3m JIBAR
Rand Merchant Bank	USD1,2 million	10 May 19	7 Nov 25	2,76	3m JIBAR
Rand Merchant Bank	USD2,5 million	26 Mar 19	7 Nov 25	2,77	3m JIBAR
Rand Merchant Bank	USD5,7 million	18 Dec 18	7 Nov 25	2,89	3m JIBAR
Rand Merchant Bank	USD11,6 million	19 Oct 18	7 May 26	2,89	3m JIBAR
ABSA	USD5,0 million	11 Dec 23	14 Dec 26	4,44	3m JIBAR
ABSA	USD5,0 million	22 Jan 24	25 Jan 27	4,20	3m JIBAR
ABSA	USD4,7 million	9 Feb 24	25 Jan 27	4,35	3m JIBAR

^ FOREIGN EXCHANGE DERIVATIVES

The Group uses forward exchange contracts to hedge the anticipated income flows from its investments in the USA.

The foreign exchange contracts as at 31 March 2024 are as follows:

Maturity period	Nominal value USD'000	Fixed USD/R rate
Sep 2024	4 123	17,94
Mar 2025	3 901	18,57
Sep 2025	3 891	18,80
Mar 2026	3 284	19,77
Sep 2026	3 184	20,47
Mar 2027	2 700	21,39
Sep 2027	2 200	21,99
Mar 2028	1 400	22,88
Sep 2028	800	24,18

21. ACCOUNTS PAYABLE

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Trade payables	5 590	6 928	3 518	2 410
Tenant deposits	102 453	97 859	61 445	58 298
Accrued expenses ^	267 170	247 256	203 611	181 977
Pre-paid debtors	61 359	63 036	32 765	34 516
Value added tax	5 244	3 830	4 128	4 140
Other payables *	16 658	5 274	1 982	4 137
Total	458 474	424 183	307 449	285 478
Current	458 474	424 183	307 449	285 478

^ Accrued expenses consist of accrued municipal and capital expenditure.

* Other payables consists of promotion/marketing funds due, sundry creditors, unclaimed distributions and preference dividends payable in respect of the Group's foreign subsidiary.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

22. EMPLOYEE BENEFITS

EMPLOYEE BENEFITS LIABILITY

R'000	Group and Company	
	31 Mar 2024	31 Mar 2023
Accrued leave pay	2 318	2 339
Accrued bonuses	13 220	12 265
Total	15 538	14 604

SHARE-BASED PAYMENTS

i. Forfeitable Share Plan

The Forfeitable Share Plan ("FSP") was introduced as a long-term incentive for employees who will receive shares in the Company for no consideration. The purpose of the FSP is to provide both an incentive to employees to deliver the Group's business strategy and objectives over the long-term and to act as a retention mechanism. The vesting of the FSP awards are subject to continued employment over the vesting period and meeting certain pre-set performance targets. In terms of the plan and depending on vesting conditions being met, the shares awarded to employees vest in equal tranches from the date of the award to three, four and five years after the date of the grant.

Participants are entitled to the corresponding voting rights and distributions prior to vesting.

In the event of death, serious disability, retrenchment or retirement of a participant, a portion of the award, to be calculated in terms of the provisions of the FSP, shall vest. If the participant's employment is terminated, the unvested portion of the award will be forfeited in its entirety, or partially, at the discretion of the Remuneration Committee, and all rights will lapse immediately on the date of termination of employment.

Movements in the number of forfeitable shares outstanding during the reporting period are as follows:

Grant date	Tranche	Outstanding at 1 Apr 2023	Granted	Cancelled/ expired	Vested	Outstanding at 31 Mar 2024
15 September 2018	Second tranche	214 952	–	(2 947)	(212 005)	–
15 September 2019	Third tranche	847 500	–	(32 456)	(412 612)	402 432
15 October 2020	Fourth tranche	2 268 024	–	(89 615)	(754 635)	1 423 774
15 October 2021	Fifth tranche	1 595 462	–	(88 701)	–	1 506 761
15 October 2022	Sixth tranche	1 501 574	–	(82 193)	–	1 419 381
29 August 2023	Seventh tranche	–	1 872 285	(76 734)	–	1 795 551
		6 427 512	1 872 285	(372 646)	(1 379 252)	6 547 899

As at 31 March 2024 and in the prior reporting period, all awards in issue were expected to vest in the future.

The share-based payment expense recognised in the statement of profit or loss and other comprehensive income for the year in respect of the FSP amounted to R12,9m (31 March 2023: R11,7m). The fair value was determined by using the actual share price that the FSP shares were acquired at grant date.

ii. Matching Share Scheme

In terms of the matching share scheme, participants are invited bi-annually to acquire Emira shares.

Participants holding shares at the third anniversary of the date of award will, subject to performance criterion being met, be awarded Emira shares, free of consideration, based on a multiple of one share for every three original shares held.

The number of matching scheme awards in issue are as follows:

Grant date	Tranche	Outstanding at 1 Apr 2023	Granted	Cancelled/ expired	Vested	Outstanding at 31 Mar 2024
27 November 2020	Second tranche	92 110	–	(224)	(91 886)	–
27 November 2021	Third tranche	137 382	–	–	–	137 382
28 November 2022	Fourth tranche	238 530	–	–	–	238 530
28 January 2024	Fifth tranche	–	474 236	–	–	474 236
		468 022	474 236	(224)	(91 886)	850 148

As at 31 March 2024 and in the prior reporting period, all matching scheme awards in issue were expected to vest in the future.

The share-based payment expense recognised in the statement of profit or loss and other comprehensive income in respect of the share matching scheme amounted to R1,6m (31 March 2023: R0,7m). The fair value of services received in return for the matching share scheme awards has been determined as the number of shares expected to vest multiplied by the share price at grant date.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

23. NOTES TO THE STATEMENT OF CASH FLOWS

R'000	Group		Company	
	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
Cash generated from operations				
Profit before income tax expense	546 108	834 109	1 005 560	569 745
Adjusted for:				
Fair value adjustments on investment properties	(326 902)	(61 339)	(151 148)	(39 556)
Straight-lining of rental income adjustment	(8 175)	12 522	(4 520)	11 535
Amortisation of lease commission	14 253	10 917	11 133	8 599
Amortisation of tenant installations	12 839	10 596	9 452	8 577
Dividends received from subsidiaries*	–	–	(155 384)	(86 165)
Income from equity-accounted investments	(249 111)	(332 529)	(30 393)	(101 561)
Finance costs	589 634	390 907	483 831	331 470
Foreign exchange gain/(loss)	(57 670)	(85 887)	(57 670)	(85 887)
Unrealised deficit on revaluation of interest rate swaps	100 854	57 136	99 070	58 413
Impairment loss on loans receivable	300 698	68 451	48 114	46 742
Impairment losses/(reversal of impairment losses)	–	22 239	(237 930)	(2 884)
Gain on bargain purchase	38 471	(231 674)	(39 236)	–
Share-based payment expense	14 494	12 434	14 494	12 434
Finance income	(46 097)	(49 655)	(181 706)	(154 017)
Depreciation and amortisation	882	806	689	519
Operating profit before working capital changes	930 278	659 033	814 356	577 965
Decrease/(Increase) in accounts receivable	11 390	(51 612)	(1 030)	(22 672)
Increase in accounts payable	34 926	24 417	18 622	19 824
Cash generated from operations	976 594	631 838	831 948	575 117
Distribution to shareholders				
Distributions for the period	(473 088)	(636 058)	(481 242)	(677 418)
Distributions paid to shareholders	(473 088)	(636 058)	(481 242)	(677 418)
Tax paid for the year				
Current tax asset/(liability) at beginning of period	24	(2 400)	–	–
Movement in profit or loss:	4	(1 734)	–	–
SA normal tax	1	(2 032)	–	–
SARS Interest and penalties	–	275	–	–
Foreign tax	3	23	–	–
Current tax (liability)/asset	(8)	24	–	–
Tax paid for the period	28	(689)	–	–

* Revenue – dividend income from local subsidiaries of R251.3m (31 March 2023: R152.2m) represents a non-cash dividend which settles against inter-company accounts and is pre-emptively funded by monthly cash sweeps throughout the year. This amount stems from cash generated from operations of the underlying investment properties despite the actual declaration being settled in a non-cash manner.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

24. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Adamass Investments (Pty) Ltd				
Shares	–	–	13 641	13 641
Loan #	–	–	(22 802)	(22 802)
Relationship: Wholly-owned subsidiary				
Aquarella Investments 272 (Pty) Ltd				
Shares	–	–	6 379	6 379
Loan #	–	–	(13 789)	(13 789)
Relationship: Wholly-owned subsidiary				
Backbone Investments (Pty) Ltd				
Shares	–	–	11 365	11 365
Loan #	–	–	(11 364)	(11 364)
Relationship: Wholly-owned subsidiary				
Bet All Investments (Pty) Ltd				
Shares *	–	–	–	–
Loan ^	–	–	30 683	196 053
Loss allowance on loan	–	–	(2)	(27)
Interest received	–	–	10 385	12 028
Relationship: Subsidiary 75% owned				
Cape Poinsett Property Investments (Pty) Ltd				
Shares	–	–	3 671	3 671
Loan #	–	–	253 120	253 264
Dividend paid	–	–	(30 757)	(22 116)
Relationship: Wholly-owned subsidiary of Libra Investments 5 (Pty) Ltd				
CIL2 LLC				
Shares	–	–	853 860	853 860
Loan #	–	–	1 146 032	1 077 539
Interest received	–	–	117 505	82 065
Dividend received	–	–	106 259	52 221
Relationship: Subsidiary 100% owned				
Enyuka Prop Holdings (Pty) Ltd				
Shares	–	12	–	12
Loan §	14 000	575 049	14 000	575 049
Loss allowance on loan	(24)	(213)	(24)	(213)
Interest received	44 201	64 874	44 201	64 874
(Loss)/gain on disposal of investment	(38 471)	–	39 236	–
Relationship: Previously a Joint venture – 49,9% owned				
ESA Trust – Mezzanine Loan				
Loan §	–	–	48 892	48 045
Interest received	–	–	3 290	3 802
Financial guarantee	–	–	(20 349)	(13 566)
Relationship: Executive Share Scheme SPV				
ESA Trust – First Amortising Loan				
Loan §	–	–	–	–
Loss allowance on loan	–	–	–	–
Interest (paid)/received	–	–	–	(59)
Relationship: Executive Share Scheme SPV				

* Zero balances represent nominal balances under R1 000.

^ The loan to Bet-All Investments bears interest at 3 month JIBAR plus a margin of 1,8% per annum, is unsecured and is repayable quarterly.

For further information on loan terms to/(from) subsidiaries, refer to note 10.

§ For further information in respect of the terms of the loans receivable, refer to note 14.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

24. RELATED PARTIES AND RELATED PARTY TRANSACTIONS CONTINUED

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
ESA Trust – Second Amortising Loan				
Loan [§]	-	-	-	-
Loss allowance on loan	-	-	-	-
Interest received	-	-	-	3
Relationship: Executive Share Scheme SPV				
Freestone Property Holdings (Pty) Ltd				
Shares	-	-	1 339 187	1 339 187
Loan [#]	-	-	(860 222)	867 013
Dividend received	-	-	86 962	66 110
Relationship: Wholly-owned subsidiary				
Freestone Property Investments (Pty) Ltd				
Shares [*]	-	-	-	-
Loan [#]	-	-	354 565	347 774
Dividend paid	-	-	(86 962)	(66 110)
Relationship: Wholly-owned subsidiary of Freestone Property Holdings (Pty) Ltd				
Libra Investments 5 (Pty) Ltd				
Shares	-	-	66 412	66 412
Loan [#]	-	-	273 754	273 982
Dividend received	-	-	30 757	22 116
Impairment loss on investment	-	-	-	(35 349)
Relationship: Wholly-owned subsidiary				
Lowmer Investments (Pty) Ltd				
Shares	-	-	111 248	111 248
Loan [#]	-	-	104 535	105 464
Loss allowance on loan	-	-	-	(11 958)
Dividend received	-	-	18 870	15 195
Impairment loss on investment	-	-	(49 220)	(111 248)
Relationship: Wholly-owned subsidiary				
Luxanio Trading 157 (Pty) Ltd – Letsema SPV				
Loan [#]	-	-	89 625	88 083
Financial guarantee	-	-	(43 118)	(25 883)
Finance income	-	-	7 238	5 986
Relationship: BEE Share Scheme SPV				
Menlyn Corporate Park (Pty) Ltd				
Shares	-	-	283 386	283 386
Loan [#]	-	-	386 860	370 448
Loss allowance on loan	-	-	-	(247 656)
Dividend received	-	-	60 206	39 519
Impairment loss on investment	-	-	(155 487)	(283 386)
Relationship: Wholly-owned subsidiary				
Monagon Properties (Pty) Ltd				
Shares	-	-	14 835	14 835
Loan [#]	-	-	53 148	51 024
Loss allowance on loan	-	-	-	(30 283)
Dividend received	-	-	6 652	5 130
Impairment loss on investment	-	-	(5 404)	(14 835)
Relationship: Wholly-owned subsidiary				

* Zero balances represent nominal balances under R1 000.

The loan to/(from) the subsidiary is interest free, unsecured and not subject to fixed repayment terms.

§ For further information in respect of the terms of the loans receivable, refer to note 14.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

24. RELATED PARTIES AND RELATED PARTY TRANSACTIONS CONTINUED

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
No. 9 Sturdee Share Block (Pty) Ltd				
Shares	–	–	22 056	22 056
Loan #	–	–	(23 744)	(23 744)
Relationship: Wholly-owned subsidiary				
Omicron Investments 005 (Pty) Ltd				
Shares	–	–	35 368	35 368
Loan #	–	–	(29 407)	(29 407)
Impairment loss on investment	–	–	(5 315)	(5 313)
Relationship: Wholly-owned subsidiary				
Rapidough Properties 509 (Pty) Ltd				
Shares	–	–	17 832	17 832
Loan #	–	–	16 807	17 112
Dividend received	–	–	3 893	4 102
Impairment loss on investment	–	–	–	(3 249)
Relationship: Wholly-owned subsidiary				
Strategic Real Estate Managers (Pty) Ltd				
Shares*	–	–	–	–
Loan #	–	–	14 911	14 901
Loss allowance on loan	–	–	(14 901)	(14 901)
Relationship: Wholly-owned subsidiary				
Tamela Property Investment (RF) Proprietary Limited				
Loan [§]	–	–	89 625	88 083
Financial guarantee	–	–	(43 118)	(25 883)
Finance costs	–	–	7 238	5 986
Relationship: BEE Share Scheme SPV				
Transcend Residential Property Fund Ltd				
Loan to subsidiary	–	–	44 000	–
Loan from subsidiary	–	–	(329 000)	–
Investment	–	–	1 152 534	848 069
Finance costs	11 267	–	–	–
Dividend received	93 125	52 241	93 125	52 241
Relationship: Wholly-owned subsidiary (2023: 68,15%)				
Windrifter Share Block (Pty) Ltd				
Shares	–	–	48 230	48 230
Loan #	–	–	(48 230)	(48 230)
Impairment loss on investment	–	–	(184)	(157)
Relationship: Wholly-owned subsidiary				

* Zero balances represent nominal balances under R1 000.

All loans to subsidiaries are interest free and are not subject to fixed repayment terms.

§ For further information in respect of the terms of the loans receivable, refer to note 14.

For further information in relation to related party entities, refer to note 10.

Related party relationships exist between the Company, its subsidiaries, directors, and key management of the Group. Refer below for a list of all subsidiaries and structured entities consolidated.

Remuneration paid to directors is set out in note 3.

Details of the Emira Forfeitable Share Plan and Emira Matching Share Plan in which the directors participate are provided in note 22.

Details of directors' interest in the ordinary shares of the Group are provided in the Directors' Report.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

25. MINIMUM CONTRACTED RENTAL INCOME

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
The Group has undiscounted rental income receivable in terms of operating lease contracts:				
– Due within one year	906 863	912 051	660 341	679 013
– Due within two to five year	1 641 889	1 583 931	1 277 437	1 215 294
– Due beyond five years	595 602	625 763	396 783	369 966
Total	3 144 354	3 121 745	2 334 562	2 264 273

The weighted average length of leases in the commercial portfolio (retail, industrial and office properties) is 2,7 years (31 March 2023: 2,6 years) and the average lease escalation is 6,5% (31 March 2023: 6,6%). Leases in the residential portfolio are primarily signed on a month-to-month basis. Therefore, contractual income on the residential portfolio largely consists of only one month of rental income as this is the lease term that is contractually receivable by the group within one year.

26. COMMITMENTS AND CONTINGENCIES

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Authorised capital expenditure*				
– Committed	39 222	43 608	29 184	37 593
– Contracted for	112 187	97 471	83 650	83 460

* Authorised capital expenditure relates to expenditure on the Emira's investment properties. Emira strategically invests into tactical upgrades across its portfolio to unlock value and strengthen the assets. In terms of Emira's ESG strategy, projects focused on making its properties more sustainable, and those that improve energy efficiency and water conservation, are prioritised.

CONTINGENCIES

The Fund has a contingent liability with Rand Merchant Bank of R5,5m (31 March 2023: R4,6m) primarily in respect of municipal guarantees provided. Emira has a contingent liability of R85,3m (2023: R121,0m) in respect of the financial guarantees issued to Sanlam in respect of the BEE Scheme SPVs and ESA Trust. Refer to note 18.

The Fund has no further material contingent liabilities as at 31 March 2024.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

27. EVENTS AFTER THE REPORTING PERIOD

DECLARATION OF DIVIDEND AFTER REPORTING DATE

The declaration of the interim dividend of 55,28 cents per share occurred after the end of the current reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

SPEAR TRANSACTION

As announced on SENS announcement on 2 April 2024, Emira and its wholly owned subsidiaries (Lowmer Investments Proprietary Limited, Freestone Property Investments Proprietary Limited, Monagon Properties Proprietary Limited and Rapidough Prop 509 Proprietary Limited) agreed to dispose of 13 predominantly industrial and office properties situated in the Western Cape (the "Properties") to Spear REIT Limited ("Spear") for an aggregate consideration of R1 146 000 000 as a going concern (the "Transaction"). The Transaction forms part of Emira's strategy to recycle capital. The net proceeds of the Transaction will initially be used to reduce Emira's debt and subsequently to fund new acquisitions in accordance with Emira's investment policy.

The Transaction remains subject to the fulfilment, or waiver (as the case may be) of the following conditions precedent:

- PRASA, as the owner of Freeway Business Park, consents to the transfer of the notarial lease in respect of the Freeway Business Park from Emira to Spear;
- Spear has complied with all JSE Listings Requirements in respect of the Transaction and obtains shareholder approval for the Transaction, as required by the JSE Listings Requirements; and
- Approval by the Competition Authorities.

COMMERCIAL PORTFOLIO DISPOSALS

On 10 April 2024, the Fund concluded the transfer of Park Boulevard, an urban retail property in KwaZulu-Natal for a total consideration of R61,0m. In addition, a sale agreement was concluded in May 2024 for the sale of Springfield Retail Centre, an urban retail property in KwaZulu-Natal for a total consideration of R225,5m. The sale is subject to the approval of the Competition Authorities and consent from PRASA to transfer the notarial lease into the name of the purchaser.

There have been no other significant events subsequent to the reporting date.

28. SEGMENT INFORMATION

The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined that its chief operating decision maker is the CEO of the Fund.

Management has determined the operating segments based on the reports reviewed by the CEO in making strategic decisions.

The CEO considers the business based on the following operating segments:

LOCAL SOUTH AFRICAN INVESTMENTS

- Office – comprises directly held commercial properties
- Retail – comprises directly held shopping centres
- Industrial – comprises directly held industrial properties
- Residential – comprises directly held residential property
- Corporate – comprises the South African administration activities of the Group

INTERNATIONAL INVESTMENTS

- International – comprises the indirect investments into grocery anchored power centres in the USA, as well as the related international administration activities.

The operating segments derive their revenue, either directly or indirectly, from rental income from lessees. All of the Group's income generating business activities and operating segments are reported within the above segments.

The local administration activities of the Group are reported under the "Corporate" operating segment, and the international administration activities are reported under the international segment.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

28. SEGMENT INFORMATION CONTINUED

R'000	Office	Retail	Industrial	Residential	Corporate	Local	International	Total
SECTORAL SEGMENTS - 31 MAR 2024								
Revenue	470 303	761 210	325 358	336 401	-	1 893 272	-	1 893 272
Operating lease rental income and tenant recoveries	327 023	529 838	231 887	290 718	-	1 379 466	-	1 379 466
Recoveries of operating costs from tenants	129 272	240 740	89 936	45 683	-	505 631	-	505 631
Straight-lining of rental income adjustment	14 008	(9 368)	3 535	-	-	8 175	-	8 175
Property expenses	(218 899)	(370 676)	(144 748)	(146 318)	-	(880 641)	-	(880 641)
Administration expenses	-	-	-	-	(107 607)	(107 607)	(10 012)	(117 619)
Transaction and advisory fees	-	-	-	-	(6 043)	(6 043)	-	(6 043)
Net fair value adjustments	(59 976)	180 133	17 741	188 686	(100 536)	226 048	-	226 048
Investment properties	(59 976)	180 133	17 741	188 686	-	326 584	-	326 584
Interest-rate derivatives	-	-	-	-	(100 854)	(100 854)	-	(100 854)
Listed property investments	-	-	-	-	318	318	-	318
Impairment loss on loans receivable	-	-	-	-	(300 698)	(300 698)	-	(300 698)
Foreign exchange gain	-	-	-	-	-	-	57 670	57 670
Loss on disposal of associate	-	(38 471)	-	-	-	(38 471)	-	(38 471)
Other income	-	-	-	-	1 676	1 676	-	1 676
Income from equity-accounted investments	-	71 482	-	-	-	71 482	177 629	249 111
Interest received from associates	-	30 393	-	-	-	30 393	-	30 393
Share of profit from associates	-	41 089	-	-	-	41 089	177 629	218 718
Profit before finance costs	191 428	603 678	198 351	378 769	(513 208)	859 018	225 287	1 084 305
Net finance costs	-	-	-	-	(421 204)	(421 204)	(116 993)	(538 197)
Finance income	-	-	-	-	45 282	-	813	46 097
Finance costs	-	-	-	-	(583 992)	-	(301)	(584 294)
Profit before income tax expense	191 428	603 678	198 351	378 769	(934 412)	437 814	108 294	546 108
Income tax expense	-	-	-	-	(1)	(1)	(3)	(4)
Profit for the period	191 428	603 678	198 351	378 769	(934 413)	438 813	108 291	546 104
Investment properties	2 190 900	4 271 929	1 319 049	1 991 659	-	9 773 537	-	9 773 537
Assets held for sale	783 850	944 000	433 000	256 414	-	2 417 264	-	2 417 264
Loans receivable	-	-	-	-	235 963	235 963	-	235 963
Investment and loans in equity-accounted investments	-	-	-	-	-	-	2 783 320	2 783 320
Other assets	-	-	-	-	328 689	328 689	65 496	394 185
Total assets	2 974 750	5 215 929	1 752 049	2 248 073	564 650	12 755 453	2 848 816	15 604 269
Interest bearing borrowings	-	-	-	-	6 390 644	6 390 644	-	6 390 644
Other liabilities	-	-	-	-	840 345	840 345	6 098	846 443
Total liabilities	-	-	-	-	7 230 989	7 230 989	6 098	7 237 087

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

28. SEGMENT INFORMATION CONTINUED

R'000	Office	Retail	Industrial	Residential	Corporate	Local	International	Total
SECTORAL SEGMENTS – 31 MAR 2023								
Revenue	329 975	548 359	237 301	180 300	–	1 295 944	–	1 295 944
Operating lease rental income and tenant recoveries	234 013	390 843	181 091	157 830	–	963 777	–	963 777
Recoveries of operating costs from tenants	97 830	166 982	57 398	22 479	–	344 689	–	344 689
Straight-lining of rental income adjustment	(1 868)	(9 466)	(1 188)	–	–	(12 522)	–	(12 522)
Property expenses	(162 907)	(251 573)	(100 305)	(77 573)	–	(592 358)	–	(592 358)
Administration expenses	–	–	–	–	(82 554)	(82 554)	(8 662)	(91 216)
Transaction and advisory fees	–	–	–	–	(7 822)	(7 822)	–	(7 822)
Net fair value adjustments	(63 360)	114 326	24 493	(10 240)	(61 016)	4 203	–	4 203
Investment properties	(63 360)	114 326	24 493	(10 240)	–	65 219	–	65 219
Interest-rate derivatives	–	–	–	–	(57 136)	(57 136)	–	(57 136)
Listed property investments	–	–	–	–	(3 880)	(3 880)	–	(3 880)
Expected credit loss	–	–	–	–	(68 451)	(68 451)	–	(68 451)
Impairment of equity-accounted investments	–	–	–	–	(22 239)	(22 239)	–	(22 239)
Foreign exchange gain	–	–	–	–	–	–	85 887	85 887
Gain on bargain purchase	–	–	–	–	231 674	231 674	–	231 674
Other income	–	–	–	–	3 224	3 224	–	3 224
Income from equity-accounted investments	–	86 345	–	36 687	–	123 032	209 497	332 529
Interest received from associates	–	64 874	–	–	–	64 874	–	64 874
Share of profit from associates	–	21 471	–	36 687	–	58 158	209 497	267 655
Profit before finance costs	103 708	497 457	161 489	129 183	(7 184)	884 653	286 722	1 171 375
Net finance costs	–	–	–	–	(255 200)	(255 200)	(82 065)	(337 266)
Finance income	–	–	–	–	49 646	–	9	49 655
Finance costs	–	–	–	–	(386 710)	–	(211)	(386 921)
Profit before income tax expense	103 708	497 457	161 489	129 183	(262 384)	629 453	204 657	834 109
Income tax benefit	–	–	–	–	2 032	2 032	(23)	2 009
Profit for the period	103 708	497 457	161 489	129 183	(260 352)	631 485	204 633	836 118
Investment properties	2 891 000	5 010 429	1 770 687	2 335 805	–	12 007 921	–	12 007 921
Assets held for sale	43 350	638 616	37 000	102 506	–	821 472	–	821 472
Loans receivable	–	–	–	–	349 119	349 119	–	349 119
Investment and loans in equity-accounted investments	–	–	–	–	–	–	2 702 710	2 702 710
Other assets	–	–	–	–	330 635	330 635	31 478	362 113
Total assets	2 934 350	5 649 045	1 807 687	2 438 311	679 754	13 509 147	2 734 188	16 243 335
Interest bearing borrowings	–	–	–	–	6 883 279	6 883 279	–	6 883 279
Other liabilities	–	–	–	–	828 657	828 657	5 708	834 365
Total liabilities	–	–	–	–	7 711 936	7 711 936	5 708	7 717 644

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

28. SEGMENT INFORMATION CONTINUED

R'000	Office	Retail	Industrial	Residential	Corporate	Local	International	Total
31 MAR 2024								
Revenue								
– Gauteng and Mpumalanga	295 330	573 640	252 554	295 804	–	1 417 327	–	1 417 327
– Western and Eastern Cape	128 867	63 887	59 257	40 598	–	292 609	–	292 609
– KwaZulu-Natal	46 106	79 712	13 546	–	–	139 364	–	139 364
– Free State	–	43 972	–	–	–	43 972	–	43 972
	470 302	761 210	325 358	336 401	–	1 893 272	–	1 893 272
Investment properties								
– Gauteng and Mpumalanga	1 859 401	4 161 090	1 290 210	1 961 572	–	9 272 273	–	9 272 273
– Western and Eastern Cape	907 350	395 100	388 637	286 501	–	1 977 589	–	1 977 589
– KwaZulu-Natal	208 000	422 100	73 200	–	–	703 300	–	703 300
– Free State	–	237 639	–	–	–	237 639	–	237 639
	2 974 751	5 215 929	1 752 047	2 248 073	–	12 190 801	–	12 190 801
31 MAR 2023								
Revenue								
– Gauteng and Mpumalanga	212 356	410 667	173 042	180 309	–	976 374	–	976 374
– Western and Eastern Cape	84 387	46 038	45 570	–	–	175 995	–	175 995
– KwaZulu-Natal	33 230	63 763	18 690	–	–	115 683	–	115 683
– Free State	–	27 892	–	–	–	27 892	–	27 892
	329 973	548 360	237 302	180 309	–	1 295 944	–	1 295 944
Investment properties								
– Gauteng and Mpumalanga	1 828 250	3 955 640	1 260 750	2 438 311	–	9 482 951	–	9 482 951
– Western and Eastern Cape	899 900	398 550	438 937	–	–	1 737 387	–	1 737 387
– KwaZulu-Natal	206 200	412 700	108 000	–	–	726 900	–	726 900
– Free State	–	243 539	–	–	–	343 539	–	343 539
	2 934 350	5 010 429	1 807 687	2 438 311	–	12 190 778	–	12 190 778

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

29. MEASUREMENT OF FAIR VALUE

The Group is required to disclose for each class of financial instruments and investment property measured at fair value the level in the fair value hierarchy into which the fair value measurements are categorised in their entirety. The fair value hierarchy reflects the significance of the inputs used in making fair value measurements. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There have been no transfers between level 1, level 2 and level 3 during the period.

FINANCIAL INSTRUMENTS

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

R'000	Note	31 Mar 2024				31 Mar 2023			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
GROUP									
Financial assets measured at fair value									
Other financial assets	12	–	–	–	–	–	–	765	765
Derivative assets	20	–	72 081	–	72 081	–	83 162	–	83 162
Total		–	72 081	–	72 081	–	83 162	765	83 927
Financial liabilities measured at fair value									
Derivative liabilities	20	–	271 045	–	271 045	–	279 843	–	279 843
Total		–	271 045	–	271 045	–	279 843	–	279 843
Net fair value		–	(198 964)	–	(198 964)	–	(196 681)	765	(195 917)
COMPANY									
Financial assets measured at fair value									
Other financial assets	12	–	–	–	–	–	–	765	765
Derivative assets	20	–	70 597	–	70 597	–	79 180	–	79 180
Total		–	70 597	–	70 597	–	79 180	765	79 945
Financial liabilities measured at fair value									
Derivative liabilities	20	–	271 045	–	271 045	–	279 843	–	279 843
Total		–	271 045	–	271 045	–	279 843	–	279 843
Net fair value		–	(200 448)	–	(200 448)	–	(200 663)	765	(199 898)

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period. There have been no transfers between level 1, level 2 and level 3 during the period.

Derivative financial instruments

The fair values of the interest-rate swap contracts are determined using discounted cash flow projections based on estimates of future cash flows and the terms of the relevant swap agreements. Cash flows are projected using a zero coupon ZAR swap curve, and are discounted on an uncollateralised basis.

The fair values of the cross-currency interest-rate swap contracts are valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.

The USD forward exchange contracts are valued by discounting the forward rates applied at the reporting date to the open hedged positions.

Other financial assets

The fair value of other financial assets is measured in terms of Inani's net asset value at reporting date.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

29. MEASUREMENT OF FAIR VALUE CONTINUED

NON-FINANCIAL ASSETS

The following table reflects the levels within the hierarchy of non-financial assets measured at fair value at reporting date:

R'000	Note	Group		Company	
		2024 Level 3	2023 Level 3	2024 Level 3	2023 Level 3
Assets					
Investment properties	6	9 773 537	12 007 921	6 545 827	7 521 427
Assets held for sale – Investment properties	6	2 417 264	182 856	1 192 250	37 000
Assets held for sale – Investment in Enyuka Prop Holdings (Pty) Ltd	11	–	638 616	–	602 050

Fair value measurement of investment properties

Fair values are estimated biannually by professional registered valuers, where after they are reviewed by the executive directors and approved by the Board. All the Group's investment properties were valued at 31 March 2024 by independent external valuers who have recent experience in the location and category of these investment properties. The following valuers were used:

Valuer	Company	Qualifications
TLJ Behrens	Real Insight (Pty) Ltd	NDip (Prop Val), MIV (SA) professional associate valuer
JC Nagiah	Real Insight (Pty) Ltd	NDip Real Estate(Prop Val), candidate valuer
T Behrens	Real Insight (Pty) Ltd	NDip Real Estate(Prop Val), candidate valuer
R Scott Collins	Yield Enhancement Solutions	NDip Real Estate(Prop Val), professional valuer

There have been no material changes to the assumptions applied by the registered valuers, post reporting date.

Commercial portfolio

The fair value of commercial buildings is estimated using a five-year discounted cash flow approach, which discounts the estimated rental income stream, net of projected operating costs, as well as an exit value, using a discount rate derived from market yields. The estimated rental stream considers current occupancy levels, estimates of future vacancy levels, the terms of in-place leases and expectations of rentals from future leases over the remaining economic life of the buildings.

The most significant inputs, all of which are unobservable, are the estimated rental value, assumptions regarding vacancy levels, the discount rate and the reversionary capitalisation rate. The estimated fair value increases if the estimated rentals increase, vacancy levels decline or if discount rates (market yields) and reversionary capitalisation rates decline. The overall valuations are sensitive to all four assumptions. Management considers the range of reasonably possible alternative assumptions to be greatest for reversionary capitalisation rates, rental values, and vacancy levels and that there is also an interrelationship between these inputs. The inputs used in the valuations as at 31 March 2024 were the following:

- The range of the reversionary capitalisation rates applied to the portfolio are between 7,75% and 12,00% with the weighted average, by value, being 9,17% (March 2023: 9,23%).
- The range of discount rates applied were between 12,25% and 14,50% with the weighted average, by value, being 13,32% (March 2023: 13,65%).
- The market rentals applied play a significant role and these are assessed on a property-by-property basis, taking cognisance of location, quality, size and type as well as all the relevant and prevailing market conditions, which are then benchmarked against research and asset manager projections.
- The range of market rental escalations applied to the portfolio are between 6,0% and 7,0% with the weighted average, by value, being 6,3% (March 2023: 6,6%).
- The range of void periods applied to the portfolio are between 0 months and 6 months with the weighted average, by value, being 1,3 months (March 2023: 1,8 months).
- The range of perpetual vacancy applied to the portfolio is between 1,50% and 10,00% with the weighted average, by value, being 3,85% (March 2023: 3,98%).

Changes in discount rates and reversionary capitalisation rates attributable to changes in market conditions can have a significant impact on commercial property valuations. A 25 basis points increase in the discount rate will decrease the value of investment property by R65,4m (-0,85%) and a 25 basis points decrease will increase the value of investment property by R43,7m (0,57%). A 25 basis points decrease in the reversionary capitalisation rate will increase the value of investment property by R107,3m (1,39%) and a 25 basis points increase will decrease the value of investment property by R99,4m (-1,29%). The effect of this change in valuation would affect the change in fair value of investment properties recognised in profit or loss.

The discount rates used by the valuers are a function of the long bond rate adjusted for property specific and sector risk premiums. The discount rate is then tested for reasonableness by benchmarking the rate against recent comparable sales and published research reports from SAPOA as well as surveys and opinions from other industry bodies.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

29. MEASUREMENT OF FAIR VALUE CONTINUED

The valuation inputs vary, not only according to sector, but also in terms of grade and geographic location. Accordingly, the weighted average inputs of the Group, which are also representative of the Company, have been disaggregated as follows:

	JHB	PTA	CPT	KZN	Other	Total	
						31 Mar 2024	31 Mar 2023
EXIT CAPITALISATION RATES (%)							
Offices	10,08	9,20	9,75	9,58	–	9,61	9,67
Offices P-grade	9,50	9,20	–	–	–	9,30	9,30
Offices A-grade	10,50	–	9,75	9,58	–	9,97	9,89
Offices B-grade	11,34	–	–	–	–	11,34	11,35
Retail	9,64	8,18	10,50	9,50	9,62	8,66	8,67
Industrial	9,63	10,00	–	10,50	–	10,07	10,08
Total						9,17	9,23
DISCOUNT RATES (%)							
Offices	14,17	13,53	14,50	13,95	–	13,88	13,86
Offices P-grade	14,00	13,53	–	–	–	13,68	13,68
Offices A-grade	14,50	–	14,50	13,95	–	14,30	14,03
Offices B-grade	14,22	–	–	–	–	14,22	14,22
Retail	13,72	12,57	14,50	13,00	13,24	12,88	13,31
Industrial	13,22	13,50	–	14,00	–	13,77	14,24
Total						13,32	13,65
MARKET RENTALS (%)							
Offices	154,99	191,06	145,00	159,52	–	171,29	165,28
Offices P-grade	190,00	191,06	–	–	–	190,72	187,21
Offices A-grade	107,14	–	145,00	159,52	–	136,24	147,04
Offices B-grade	112,20	–	–	–	–	112,20	112,71
Retail	126,75	165,90	127,24	202,00	136,76	156,72	147,29
Industrial	57,41	76,42	–	90,00	–	62,36	65,49
Total						144,81	137,66
MARKET RENTAL ESCALATION RATES (%)							
Offices	6,0	6,3	7,0	6,2	–	6,2	6,7
Offices P-grade	6,0	6,3	–	–	–	6,2	6,7
Offices A-grade	6,0	–	7,0	6,2	–	6,3	6,7
Offices B-grade	6,3	–	–	–	–	6,3	6,9
Retail	6,2	6,4	6,0	6,5	6,3	6,4	6,4
Industrial	6,2	6,5	–	6,5	–	6,5	6,9
Total						6,3	6,6
VOID PERIOD (MONTHS)							
Offices	1,2	1,5	6,0	1,2	–	1,7	2,9
Offices P-grade	1,0	1,5	–	–	–	1,3	3,3
Offices A-grade	1,1	–	6,0	1,2	–	2,4	2,6
Offices B-grade	2,1	–	–	–	–	2,1	2,1
Retail	1,7	1,0	1,0	2,0	2,0	1,2	1,1
Industrial	0,8	1,5	–	2,0	–	1,0	1,8
Total						1,3	1,79

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

29. MEASUREMENT OF FAIR VALUE CONTINUED

	JHB	PTA	CPT	KZN	Other	Total	
						31 Mar 2024	31 Mar 2023
PERPETUAL VACANCY (%)							
Offices	5,3	7,0	5,0	4,4	–	6,0	5,3
Offices P-grade	5,0	7,0	–	–	–	6,4	5,2
Offices A-grade	6,7	–	5,0	4,4	–	5,4	4,9
Offices B-grade	4,4	–	–	–	–	4,4	10,3
Retail	3,6	2,3	5,0	5,0	4,0	2,8	3,1
Industrial	3,3	2,9	–	5,0	–	3,6	4,2
Total						3,9	4,0

Further to the overall sensitivity analysis on discount rates and exit capitalisation rates, a sensitivity analysis has been performed on the top three properties (by value) for the retail, office and industrial portfolios, to show the effect on values when adjusting each of the key inputs. The results are as follows:

%	Offices	Retail	Industrial
Valuation impact if exit capitalisation rate is increased by 25bps	(1,47)	(2,02)	(0,44)
Valuation impact if exit capitalisation rate is decreased by 25bps	1,53	2,18	0,52
Valuation impact if discount rate is increased by 25bps	(0,99)	(0,94)	(0,27)
Valuation impact if discount rate is decreased by 25bps	0,99	0,94	0,29
Valuation impact if market rentals increase by 5%	5,41	5,62	4,69
Valuation impact if market rentals decrease by 5%	(5,41)	(5,59)	(4,71)
Valuation impact if rental escalation rates increase by 1%	2,21	2,82	2,18
Valuation impact if rental escalation rates decrease by 1%	(2,16)	(1,87)	(2,14)
Valuation impact if the permanent vacancy factor is increased by 2,5%	(2,60)	(2,75)	(2,04)
Valuation impact if the permanent vacancy factor is decreased by 2,5%	2,58	2,75	2,06

Residential properties ("Residential portfolio")

The fair value of the Group's residential buildings is estimated using either the income capitalisation method (for those properties where the intention is to hold them to generate net rental income) or the comparable sales method (for those properties where the intention is to dispose of them on a sectionalised basis).

Under the income capitalisation method the net contractual income to be derived from the properties for a period of one year in advance is capitalised by an applicable capitalisation rate. The expected net operating income represents net rental income per unit after the deduction of property related operating expenses, as well as vacancy and credit loss allowances. The rental growth rates used are based on current experience with actual growth achieved, but also take into account inflation over the long term and expectations thereof on rental rates. The vacancy and credit loss factors applied to the estimates of gross income take into account current market conditions. Both are a direct function of tenant behaviour and have a similar effect on revenue and tenant behaviour.

The inputs used for the residential properties valued using the income capitalisation method as at reporting date were the following:

- The range of the capitalisation rates applied to the portfolio are between 8,50% and 9,25% with the weighted average, by value, being 9,03% (March 2023: 9,18%).
- The range of the monthly rental income applied to the portfolio are between R4 073 and R6 863 with the weighted average, by value, being R6 257 (March 2023: R6 200).
- The rental growth rate applied was 2,5% (March 2023: 2,3%).
- A weighted average vacancy factor of 2,24% (March 2023: 3,84%) and credit loss factor of 1,81% (March 2023: 1,38%) of the gross income was deducted as an allowance for rental that may not be collected as a consequence of vacancy, tenant failure or tenant refitting during the course of the coming 12 months.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

29. MEASUREMENT OF FAIR VALUE CONTINUED

The valuation of investment properties is sensitive to changes in the unobservable inputs used in such valuations. The following table illustrates the sensitivity of the residential portfolio to changes in the valuation inputs:

%	Residential
Valuation impact if income (expected NOI) is increased by 100bps	1,51
Valuation impact if income (expected NOI) is decreased by 100bps	(1,51)
Valuation impact if capitalisation rate is increased by 25bps	(2,70)
Valuation impact if capitalisation rate is decreased by 25bps	2,85
Valuation impact if growth rate is increased by 100bps	0,91
Valuation impact if growth rate is decreased by 100bps	(1,04)
Valuation impact if vacancy and bad debt factor is increased by 100bps	(1,38)
Valuation impact if vacancy and bad debt factor is decreased by 100bps	1,64

Changes in capitalisation rates attributable to changes in market conditions can have a significant impact on residential property valuations. A 25 basis points decrease in the capitalisation rate will increase the value of investment property by R36,9m (2,85%) and a 25 basis points increase will decrease the value of investment property by R34,9m (-2,70%). The effect of this change in valuation would affect the change in fair value of investment properties recognised in profit or loss.

Fair value measurement of investment properties held for sale

The fair value of investment properties held for sale is based on the sale price agreed by the parties to the transaction where applicable or the fair value thereof.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT

The Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's financial risk management objective is to manage the capital and financial risk exposure so that the Group continues as a going concern and minimises adverse effects of financial risks on returns.

The Group's activities expose it to a variety of financial risks: capital risk, market risk (including interest rate risk, foreign exchange risk and share price risk), credit risk and liquidity risk.

While risk management is the ultimate responsibility of the Board of directors, the Board has delegated this responsibility to the risk committee which is responsible for developing and monitoring the Group's risk management policies. The Board has also established a finance committee which is specifically responsible for monitoring Emira's funding policies as well as its interest rate and foreign exchange hedging policies.

The Group's financial instruments consist mainly of derivatives, financial assets, loans receivable, deposits with banks, accounts receivable and payable, interest-bearing debt, and loans to and from subsidiaries. The Group purchases or issues financial instruments to finance operations and to manage interest rate and foreign currency risks that may arise from time to time. The Group does not engage in the trading of financial assets for speculative purposes.

Exposure to interest rate, credit and liquidity risks occurs in the normal course of business.

Cash resources are monitored to meet working capital requirements and surplus cash is applied on an access basis against long-term interest-bearing liabilities.

A. CAPITAL RISK MANAGEMENT

The Group's and Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and Company may return capital to shareholders, issue new shares to shareholders or sell assets to reduce debt.

The Group and Company monitor capital on the basis mandated by the Board. The Group's borrowings are limited to 50% of the carrying amount of its income-producing assets. This ratio is calculated as total borrowings, less cash plus/(minus) the net derivative liability/(asset), divided by total income-producing assets as presented in the statement of financial position of the Group. Income producing assets include direct property investments, investments into listed property securities, investments into unlisted property securities and loans receivable.

During the current reporting period, the Group's and Company's strategy, which was unchanged from 2023, was to maintain a loan to value ratio within its covenant limit and an A(ZA) credit rating. Global Credit Rating Company (Pty) Ltd affirmed a corporate long-term credit rating of A(ZA) and corporate short-term rating of A1(ZA), with the outlook affirmed as stable in October 2023. The Group's and Company's utilised borrowings capacity at reporting date can be summarised as follows:

R'000	Group		Company*	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Total income producing assets	15 133 518	15 804 656	8 138 404	8 669 407
Investment properties ^	9 696 971	11 931 355	6 508 050	7 483 650
Investment properties held for sale	2 417 264	182 856	1 192 250	37 000
Investment and loans in equity accounted investments	2 783 320	3 341 326	–	602 050
Loans receivable (net of expected credit loss allowance)	235 963	349 119	438 104	546 707
Total borrowings net of cash	6 408 851	6 954 915	5 682 582	6 001 230
Interest-bearing debt – Non-current	4 499 864	4 478 255	3 802 970	3 715 156
Interest-bearing debt – Current	1 890 780	2 405 024	1 724 838	2 112 201
Net derivative liabilities	198 965	196 681	200 449	200 663
Cash and cash equivalents	(180 758)	(125 045)	(45 675)	(26 790)
Utilised capacity %	42,3	44,0	69,8	69,2

* The Company accessed the majority of the Group's debt and in some cases passes this down to the subsidiaries to fund acquisitions. Total income producing assets does not include the assets of the subsidiaries. There are no company level LTV covenants.

^ Investment properties excludes the right of use lease assets.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

B. MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Group's and Company's market risks arise from changes in foreign currency exchange rates, interest rates and change in share price. The Group and Company enter into interest-rate hedging agreements to mitigate the risk of rising interest rates as set out in note 20.

Foreign currency risk management

The Group's and Company's exposure to exchange rate fluctuations arose through its investment in CIL2 LLC, its USA subsidiary which holds equity-accounted investments into USA retail properties. The investment in CIL2 is denominated in United States dollar (USD) and translated to the spot rate at each reporting date. Forward exchange contract derivatives are acquired to limit exposure to currency fluctuations with respect to future dividends and interest receivable from these investments. Exchange rate fluctuations are considered to be insignificant due to the Group and Company being hedged on its foreign exposure.

Emira has entered into cross-currency interest-rate swaps ("CCIRS"), in respect of the debt funding of its equity investments into the USA. Under the terms of the CCIRS, Emira pays USD fixed interest and receives ZAR floating interest. These cross-currency interest-rate swaps are effectively USD loans with a ZAR deposit. The Fund aims to synthetically convert at least 50% of the ZAR debt funding relating to its US investments into USD debt funding using CCIRS. By effectively matching a portion of the currency of the funding with that of the investment, a proportion of the capital related USD/ZAR currency risk movements, are eliminated.

As at reporting date, the Fund had CCIRS interest-rate swaps of USD73,0m (31 March 2023: USD73,0m) in place against assets of USD147,1m (31 March 2023: USD151,9m). The CCIRS have a weighted average duration to expiry of 1,4 years and mature between September 2024 and September 2028.

Interest rate risk management

The Group and Company's exposure to interest rates on financial instruments at the reporting date is set out in note 20.

Interest rates are constantly monitored and appropriate steps are taken to ensure that the Company's exposure to interest rate fluctuations is limited. Interest rates have been fixed for extended periods ranging from 2024 to 2028. The average rate of interest at 31 March 2024 (applicable to the fixed interest rate agreements) was 6,30% (31 March 2023: 5,77%). At 31 March 2024, 25,8% (31 March 2023: 29,8%) of Emira's drawn debt was subject to a variable or floating interest rate and was not covered by an interest-rate swap agreement. An increase in the base interest rates of 1% per annum would result in an increase in interest payable, in respect of the floating portion of the Group's debt, which would reduce net profit for the year by R21,7m (31 March 2023: R18,5m). A decrease in the base interest rate of 1% per annum would result in a decrease in interest payable, in respect of the floating portion of the Group's debt, which would increase profit for the period by R21,1m (31 March 2023: R18,5m).

The Group and Company are aware of the interest rate benchmark reform and the impending transition from LIBOR to SONIA. This reform is at various stages globally, and a suitable alternative for South Africa is only expected to be announced in a few years. Accordingly, there is uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the Group.

Equity price risk

Emira does not have exposure to equity price risk on any of its investments, as none are subject to fluctuations in share price.

C. CREDIT RISK MANAGEMENT

Credit risk is the risk of financial loss to the Group and Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It arises principally from cash and cash equivalents, derivative assets, long-term loans granted and trade receivables. Credit risk is managed on a Group basis.

Cash and cash equivalents

The Group's and Company's exposure to credit risk is limited through the use of financial institutions of good standing for investment and cash handling purposes.

Material bank balances are with FirstRand Bank Limited, ABSA Bank Limited, The Standard Bank of South Africa Limited and East West Bank, which have a Standard & Poor's ("S&P") credit rating of zaAA, zaAA, zaAAA and BBB+ respectively.

While cash and cash equivalents are also subject to impairment, the identified impairment loss was immaterial and therefore not recognised.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

Derivatives

The Group and Company mitigates its credit risk to counterparties under derivative contracts by using reputable banks or institutions with a high credit rating for over-the-counter derivatives. Material derivative assets are with FirstRand Bank Limited (S&P: zaAA), Absa Bank Limited (S&P: zaAA) and Nedbank Limited (S&P: zaAA).

Loans receivable measured at amortised cost

The Group has exposure to credit risk in respect of loans receivable that comprise funding for vendor loans stemming from property disposals, mezzanine funding provided as part of Emira's investments, and the share ownership facilitation schemes for directors, employees and the BEE equity investment scheme. In assessing the credit risk, the financial position of the counterparties is considered prior to a loan being granted and is also evaluated on an ongoing basis together with any collateral provided by the counterparty.

The Group assesses on a forward-looking basis the expected credit losses associated with its loans receivable measured at amortised cost except for Company loans advanced to subsidiaries which are assessed on the underlying net asset value. Over the term of the loans, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers the payment history for each category of counterparty, and adjusts for forward-looking macroeconomic data. The Group uses three main parameters to measure ECL on loans receivable carried at amortised cost. These are the probability of default (PD), loss given default (LGD), and exposure at default (EAD) (i.e. $PD \times LGD \times EAD = ECL$).

Measures of PD and LGD are converted from Through The Cycle to Point In Time measures using Moody's Analytics' ImpairmentCalc tool. These are incorporated into their GCorr macroeconomic forecast set. Based on research conducted by Moody's Analytics they recommend the use of their Baseline, Stronger Near-Term Rebound (S1) ("Bullish"), and Moderate Recession (S3) ("Bearish") forecast sets weighted 40%, 30%, 30% respectively for a forward looking adjustment. They consider both public and private South African company defaults in this research. Moody's Analytics does not disclose the specific macroeconomic variables that they have found to be best predictive of changes in credit risk in South Africa but do provide indicators of the impact of certain of their measures. The forecast GDP growth for the year to Q2 2024 ranges from -2,43% to 2,30% with the baseline at 0,59%. GDP is not the only factor that determines the extent of the adjustment but is described here to illustrate the extent of impact on the general economy that is being taken into account. The methodology does consider the industry of the asset and includes in the calculations likely volatility of that industry to the average impact of the South African economy.

Where the counterparty is a property investment company or there is collateral of a bond over fixed property, the LGD is calculated taking into account the value of the property and the application of a haircut to take into account the recovery rates typically achieved by the South African banking industry for the relevant property class, by applying a 90% and 85% break-up value to retail and office properties respectively, except when the expected credit loss has been assessed on a judgemental basis.

Exposures are mainly segmented by counterparty type to allow for risk differentiation. The probability of a customer defaulting, as well as the realised loss with defaulted accounts, has been determined using historical data or by reference to models built on relevant external data where applicable.

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Definition of category	Basis for recognition of expected credit loss allowance
Performing	Loans whose credit risk is in line with original expectations	12 month ECL is applied
Underperforming	Loans for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal payments are 30 days past due	Lifetime expected losses (stage 2)
Non-performing (credit-impaired)	Interest and/or principal repayments are 90 days past due or it becomes probable a customer will enter bankruptcy	Lifetime expected losses (stage 3)
Write-off	Interest and/or principal repayments are 120 days past due and there is no reasonable expectation of recovery	Asset is written off

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

At reporting date, Emira recognised expected credit losses for loans receivable measured at amortised cost as follows:

R'000	Stage of credit impairment	Gross carrying amount	ECL	Total
GROUP - 2024				
Loans receivable	Stage 1	156 235	(722)	155 513
Loans receivable [^]	Stage 2	65 248	(3 914)	61 334
Loans receivable ^{#†}	Stage 3	489 363	(470 247)	19 116
Total		710 846	(474 883)	235 963
GROUP - 2023				
Loans to associates and joint ventures	Stage 1	575 050	(213)	574 837
Loans receivable	Stage 1	49 949	(46)	49 903
Loans receivable [^]	Stage 2	473 142	(173 926)	299 216
Total		1 098 141	(174 185)	923 956
COMPANY - 2024				
Loans receivable [†]	Stage 1	384 376	(722)	383 654
Loans receivable [^]	Stage 2	35 357	(24)	35 333
Loans receivable ^{#†}	Stage 3	489 363	(470 247)	19 116
Loans to subsidiaries	Stage 1	2 055 818	(2)	2 055 816
Loans to subsidiaries ^{**}	Stage 3	14 911	(14 876)	35
Total		2 979 825	(485 871)	2 493 954
COMPANY - 2023				
Loans to associates and joint ventures	Stage 1	575 050	(213)	574 837
Loans receivable	Stage 1	23 327	(46)	23 281
Loans receivable ^{^#†}	Stage 2	697 352	(173 926)	523 426
Loans to subsidiaries	Stage 1	1 564 602	(28)	1 564 574
Loans to subsidiaries [*]	Stage 2	526 937	(289 897)	237 040
Loans to subsidiaries ^{**}	Stage 3	14 900	(14 900)	-
Total		3 402 168	(479 010)	2 923 158

[^] The underperforming loans receivable classified as stage 2 relate to the Emira loan granted to RAB Properties (Pty) Ltd - Brooklyn Gardens and the Transcend loan provided to Instratin. For further details, please refer to note 14.

^{*} The credit risk of loans advanced to subsidiaries where the net investment has been impaired have been assessed as stage 2. For further information on the expected credit loss measurement, refer to note 10.

^{**} The credit risk of loan advanced to subsidiary, Strategic Real Estate Managers (Pty) Ltd has been assessed as stage 3 due the negative net asset value of the company. For further information on the expected credit loss measurement, refer to note 10.

[#] The credit risk assessment of the loan to Inani, moved to stage 3 from stage 2 as at 31 March 2024, due there being objective evidence of impairment as a result of Inani defaulting on its interest covenants with its primary external lender in July 2023. Inani has been under cash flow constraints due to a reduction in its operating net income, rising interest rates and limited property sales taking place given the significant challenges in the SA economy combined with the lack of demand for office space. Management have applied judgement and fully impaired the original Inani Mezzanine debt with a 100% PD and a LGD of 100%.

[†] During the year, in August 2023, Emira subscribed for a portion of the senior mezzanine debt provided to Inani, amounting to R51m, which carries the same terms and conditions as that of the senior lenders. This was done to assist Inani by effectively providing them more time to try remedy their position. The risk of the senior mezzanine debt acquired is different to that of the original loan granted by Emira. The risk has however deteriorated since the investment was made and management has assessed the PD at 100%. However, Emira does anticipate being able to recover a portion of the amount owing based on the forecast cash flow projections of Inani and has applied a LGD of 66,34%.

[‡] The credit risk of the ESA Trust Mezzanine loan and the BEE Scheme loans granted to Letsema and Tamela are measured in terms of the guarantees provided to Sanlam Life Insurance Limited based on the collateral value of the shares of the share price at reporting date and appropriate margining to reflect the risk of possible declines in share price and risks inherent in the structure. For further detail please refer to note 18.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

The movement in the allowance for impairment for loans receivable carried at amortised cost during the period is as follows:

R'000	12-month ECL	Lifetime ECL – not credit impaired	Lifetime ECL – credit impaired	Total
GROUP - 2024				
Opening balance	260	173 926	–	174 186
Net remeasurement of loss allowance	(190)	262 782	–	262 592
Transfer to lifetime ECL – not credit impaired	–	–	–	–
Transfer to lifetime ECL – credit impaired ^	–	(470 247)	470 247	–
New financial assets acquired	652	37 453	–	38 104
Closing balance	722	3 914	470 247	474 883
GROUP - 2023				
Opening balance	978	104 756	–	105 734
Net remeasurement of loss allowance	(718)	69 170	–	68 452
Transfer to lifetime ECL – not credit impaired	–	–	–	–
Transfer to lifetime ECL – credit impaired	–	–	–	–
Closing balance	260	173 926	–	174 186
COMPANY - 2024				
Opening balance	287	463 823	14 900	479 010
Net remeasurement of loss allowance	(215)	(31 005)	(24)	(31 243)
Transfer to lifetime ECL – not credit impaired	–	–	–	–
Transfer to lifetime ECL – credit impaired ^	–	(470 247)	470 247	–
New financial assets acquired	652	37 453	–	38 104
Closing balance	724	24	485 123	485 871
COMPANY - 2023				
Opening balance	4 745	369 377	14 900	389 022
Net remeasurement of loss allowance	(4 458)	94 446	–	89 988
Transfer to lifetime ECL – not credit impaired	–	–	–	–
Transfer to lifetime ECL – credit impaired	–	–	–	–
Closing balance	287	463 823	14 900	479 010

^ The following contributed to the increase in the loss allowance during 2024:

- The loan to Inani moved to stage 3 from stage 2, due there being objective evidence of impairment as a result of Inani defaulting on its interest covenants with its primary external lender in July 2023.
- During the year, in August 2023, Emira subscribed for a portion of the senior Mezzanine debt provided to Inani, amounting to R51m, which carries the same terms and conditions as that of the senior lenders. The risk has however deteriorated since the investment was made and management has assessed the PD at 100%.

Trade receivables

Trade receivables consist of a large, widespread tenant base, diversified by sector and geography. The Group does not have any significant credit risk exposure to any single tenant counterparty.

Management has an established credit policy in terms of which each new tenant is analysed individually for creditworthiness before the Group's standard payment terms and conditions are offered. Tenants are required to supply refundable lease deposits and/or bank guarantees and/or suretyships by their principals. The Group monitors the financial position of its tenants and the performance of the underlying business on an ongoing basis.

The Group applies the simplified approach in measuring expected credit losses (ECL) on rental debtors including municipal accruals, which requires a lifetime loss allowance to be recognised. To measure the expected credit losses, rental debtors are grouped based on shared credit risk characteristics, split into common ageing buckets and estimated using a provision matrix. In calculating the ECL rate used in the provision matrix, historical loss experience as well as future credit loss expectations, using multiple macroeconomic scenarios, are taken into account. The expected credit losses exclude amounts owing that have been specifically provided due to management's assessments that they are credit impaired.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

Emira categorises its debtors into three broad categories – SMMEs, Retail Formal and Government. SMMEs represent small independent tenants, Retail Formal represent larger tenants ranging from mid size to very large, across all industries, and Government represent all government linked tenants.

Despite global signs of a slowdown in inflation and consequently a pause in interest rate hikes, the risk of a global recession remains. Further, South Africa's GDP has recovered to its pre-pandemic levels, but the strength of the recovery has been hindered by multiple structural constraints, including ongoing power shortages and logistics bottlenecks, specifically impacting the SME sector. Outstanding debtors, including VAT, at 31 March 2024 increased to R54,9m (31 March 2023: R51,6m) and estimated credit losses have been appropriately provisioned, with 78,8% of the balance owing provided for and the remainder largely covered by deposits. The credit quality of the Fund's tenants has remained strong. This is evidenced by the year-on-year reduction of expected credit loss allowances recognised. The impact of the strained local economy has been factored into managements' assessment of the loss allowance and Moody's analytics forecasts when calculating the expected credit loss.

On this basis, the loss allowance as at reporting date was determined as follows for trade receivables:

R'000	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Trade receivables – gross	54 851	51 561	37 191	35 954
Less: Loss allowance	(43 243)	(36 965)	(28 855)	(24 776)
Trade receivables – net of loss allowance	11 608	14 596	8 336	11 178

R'000	Weighted average loss rate %	30 days				Total	
		30 days	60 days	90 days	Over 120 days	Total	

GROUP - 31 MAR 2024

Tenant category

Government	86,52	736	28	16	132	912
– Gross		1 752	92	54	4 874	6 772
– Expected credit loss		(1 016)	(64)	(38)	(4 742)	(5 860)
Retail formal	75,27	2 075	116	83	1 184	3 458
– Gross		5 443	1 250	612	6 676	13 981
– Expected credit loss		(3 368)	(1 134)	(529)	(5 492)	(10 523)
SMME	78,77	3 496	1 767	515	1 460	7 238
– Gross		7 237	4 828	2 134	19 899	34 098
– Expected credit loss		(3 741)	(3 061)	(1 619)	(18 439)	(26 860)
Total		6 307	1 911	614	2 776	11 608

GROUP - 31 MAR 2023

Tenant category

Government	86,89	267	164	57	17	505
– Gross		267	254	263	3 067	3 851
– Expected credit loss		–	(90)	(206)	(3 050)	(3 346)
Retail formal	54,99	4 055	436	172	2 670	7 333
– Gross		6 050	2 117	612	7 511	16 290
– Expected credit loss		(1 995)	(1 681)	(440)	(4 841)	(8 957)
SMME	78,49	4 584	1 474	700	–	6 758
– Gross		6 021	3 913	2 214	19 272	31 420
– Expected credit loss		(1 437)	(2 439)	(1 514)	(19 272)	(24 662)
Total		8 906	2 074	929	2 687	14 596

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

R'000	Weighted average loss rate %	30 days	60 days	90 days	Over 120 days	Total
COMPANY – 31 MAR 2024						
Tenant category						
Government	84,89	48	24	14	117	203
– Gross		48	24	14	1 254	1 340
– Expected credit loss		–	–	–	(1 137)	(1 137)
Retail formal	75,65	1 952	84	59	1 177	3 272
– Gross		5 138	1 213	582	6 501	13 434
– Expected credit loss		(3 186)	(1 129)	(523)	(5 324)	(10 162)
SMME	78,32	2 375	1 000	200	1 285	4 860
– Gross		4 675	3 210	1 091	13 440	22 416
– Expected credit loss		(2 300)	(2 210)	(891)	(12 155)	(17 556)
Total		4 375	1 108	273	2 579	8 335
COMPANY – 31 MAR 2023						
Tenant category						
Government	86,80	63	50	56	4	173
– Gross		63	50	59	1 137	1 309
– Expected credit loss		–	–	(3)	(1 133)	(1 136)
Retail formal	54,66	3 897	399	172	2 614	7 082
– Gross		5 859	2 076	600	7 086	15 621
– Expected credit loss		(1 962)	(1 677)	(428)	(4 472)	(8 539)
SMME	79,38	2 784	784	330	25	3 923
– Gross		3 648	2 730	1 282	11 364	19 024
– Expected credit loss		(864)	(1 946)	(952)	(11 339)	(15 101)
Total		6 744	1 233	558	2 643	11 178

D. LIQUIDITY RISK MANAGEMENT

Liquidity risk is the risk that the Group will be unable to meet its financial commitments. The risk is minimised by holding cash balances and by having access to bank overdraft and a revolving credit access loan facility.

The Group monitors liquidity risk by regularly projecting cash flows.

The below table details the maturity of financial liabilities and is used by management to manage liquidity risks. The amounts disclosed in the below table are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within one year or less generally equal their carrying amounts as the impact of discounting is not significant.

The fair value of the derivative financial instruments fluctuates in line with interest rate movements. This value will reduce to nil on expiry date.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

R'000	Notes	1 year or less	1 – 5 years	More than 5 years	Total
GROUP – 31 MAR 2024					
Financial liabilities					
Interest-bearing debt	17	2 460 417	6 052 001	–	8 512 418
Other financial liabilities	18	12 810	10 227	–	23 037
Lease liabilities	19	5 574	27 882	101 412	134 868
Accounts payable	21	453 230	–	–	453 230
Derivative financial instruments	20	(61 211)	12 137	–	(49 074)
Interest-rate swap contracts		(22 757)	1 946	–	(20 811)
Foreign exchange option contracts		1 991	41 559	–	43 550
Cross-currency interest-rate swap contracts		(40 445)	(31 368)	–	(71 813)
Total financial liabilities		2 870 820	6 102 247	101 412	9 074 479
GROUP – 31 MAR 2023					
Financial liabilities					
Interest-bearing debt	17	3 039 601	4 935 810	571 601	8 547 012
Other financial liabilities	18	12 687	24 928	–	37 615
Lease liabilities	19	5 112	25 540	109 250	139 902
Accounts payable	21	420 351	–	–	420 351
Derivative financial instruments	20	(83 069)	(72 005)	–	(155 074)
Interest-rate swap contracts		(19 533)	(17 459)	–	(36 992)
Call option and forward contracts		(1 187)	19 851	–	18 664
Cross-currency interest-rate swap contracts		(62 349)	(74 397)	–	(136 746)
Total financial liabilities		3 394 682	4 914 273	680 851	8 989 806
COMPANY – 31 MAR 2024					
Financial liabilities					
Interest-bearing debt	17	2 332 455	5 261 020	–	7 593 475
Other financial liabilities	18	106 585	–	–	106 585
Lease liabilities	19	3 648	18 279	37 726	59 653
Accounts payable	21	303 321	–	–	303 321
Derivative financial instruments	20	(61 211)	12 137	–	(49 074)
Interest-rate swap contracts		(22 757)	1 946	–	(20 811)
Foreign exchange option contracts		1 991	41 559	–	43 550
Cross-currency interest-rate swap contracts		(40 445)	(31 368)	–	(71 813)
Total financial liabilities		2 684 798	5 291 436	37 726	8 013 960
COMPANY – 31 MAR 2023					
Financial liabilities					
Interest-bearing debt	17	3 039 601	4 935 810	–	7 975 411
Other financial liabilities	18	–	65 331	–	65 331
Lease liabilities	19	3 345	16 731	42 844	62 920
Accounts payable	21	281 338	–	–	281 338
Derivative financial instruments	20	(83 069)	(72 005)	–	(155 074)
Interest-rate swap contracts		(19 533)	(17 459)	–	(36 992)
Call option and forward contracts		(1 187)	19 851	–	18 664
Cross-currency interest-rate swap contracts		(62 349)	(74 397)	–	(136 746)
Total financial liabilities		3 241 215	4 945 867	42 844	8 229 926

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

R'000	Fair value	Amortised cost	Total
GROUP - 31 MAR 2024			
Financial assets			
Derivative financial instruments	72 081	–	72 081
Accounts receivable	–	113 546	113 546
Loans receivable	–	235 963	235 963
Cash and cash equivalents	–	180 758	180 758
Total financial assets	72 081	530 267	602 348
Financial liabilities			
Interest-bearing debt	–	6 390 644	6 390 644
Other financial liabilities	–	23 037	23 037
Lease liabilities	–	78 349	78 349
Derivative financial instruments	271 045	–	271 045
Accounts payable	–	391 871	391 871
Total financial liabilities	271 045	6 883 901	7 154 946
GROUP - 31 MAR 2023			
Financial assets			
Other financial assets	765	–	765
Derivative financial instruments	83 162	–	83 162
Accounts receivable ^	–	119 993	119 993
Loans receivable	–	349 119	349 119
Cash and cash equivalents	–	125 045	125 045
Total financial assets	83 927	594 157	678 084
Financial liabilities			
Interest-bearing debt	–	6 883 278	6 883 278
Other financial liabilities	–	37 615	37 615
Lease liabilities	–	78 120	78 120
Derivative financial instruments	279 843	–	279 843
Accounts payable #	–	357 317	357 317
Total financial liabilities	279 843	7 356 329	7 636 173

^ In the 2023 period, accounts receivable was incorrectly disclosed as R151 937 (rounded to the nearest thousand), this has been corrected and restated to R119 993 (rounded to the nearest thousand).

In the 2023 period, accounts payable was incorrectly disclosed as R424 181 (rounded to the nearest thousand), this has been corrected and restated to R357 317 (rounded to the nearest thousand).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

30. FINANCIAL RISK MANAGEMENT CONTINUED

R'000	Fair value	Amortised cost	Total
COMPANY - 31 MAR 2024			
Financial assets			
Derivative financial instruments	70 596	–	70 596
Accounts receivable	–	79 479	79 479
Loans receivable	–	438 104	438 104
Cash and cash equivalents	–	45 675	45 675
Total financial assets	70 596	563 258	633 854
Financial liabilities			
Interest-bearing debt	–	5 527 808	5 527 808
Other financial liabilities	106 585	–	106 585
Lease liabilities	–	37 707	37 707
Derivative financial instruments	271 045	–	271 045
Accounts payable	–	270 556	270 556
Total financial liabilities	377 630	5 836 071	6 213 701
COMPANY - 31 MAR 2023			
Financial assets			
Other financial assets	765	–	765
Derivative financial instruments	79 180	–	79 180
Accounts receivable ^	–	83 404	83 404
Loans receivable	–	546 707	546 707
Cash and cash equivalents	–	26 790	26 790
Total financial assets	79 945	656 901	736 846
Financial liabilities			
Interest-bearing debt	–	5 827 357	5 827 357
Other financial liabilities	65 331	–	65 331
Lease liabilities	–	38 152	38 152
Derivative financial instruments	279 843	–	279 843
Accounts payable #	–	246 822	246 822
Total financial liabilities	345 174	6 112 331	6 457 505

^ In the 2023 period, accounts receivable was incorrectly disclosed as R103 139 (rounded to the nearest thousand), this has been corrected and restated to R83 404 (rounded to the nearest thousand).

In the 2023 period, accounts payable was incorrectly disclosed as R285 478 (rounded to the nearest thousand), this has been corrected and restated to R246 822 (rounded to the nearest thousand).

SUPPLEMENTARY INFORMATION

DISTRIBUTION STATEMENT

R'000	Notes	Group	
		Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
Profit for the year attributable to Emira shareholders		517 236	825 560
<i>Adjusted for:</i>			
Change in fair value of properties (net of NCI)		(314 338)	(116 359)
<i>Change in fair value of investment properties</i>		(326 584)	(65 219)
<i>Change in fair value on investment property of associates</i>		(2 736)	(47 995)
<i>Non-controlling interest</i>		14 982	(3 146)
Loss on disposal of investment in associate		38 471	–
Gain on bargain purchase		–	(255 491)
Impairment of investment in associate		–	22 239
Headline earnings		241 369	475 950
<i>Adjusted for:</i>			
Allowance for future rental escalations	1	(8 175)	12 522
Amortised upfront lease costs	2	85	74
IFRS 16 Leasehold liability adjustments	3	228	403
<i>Interest on lease liability</i>		5 340	3 986
<i>Rental paid on lease liability</i>		(5 112)	(3 583)
Credit in respect of leave pay provision and share appreciation rights scheme	4	(21)	(40)
Transaction and advisory fees		6 043	7 822
Unrealised surplus on revaluation of interest-rate swaps	5	100 854	57 136
Unrealised loss on financial assets at fair value through profit or loss	6	(318)	3 880
Unrealised foreign exchange gain	7	(64 805)	(87 336)
Non-distributable income from equity-accounted investments	8	11 580	(19 461)
Interest due from Inani accrued but not received	9	(5 369)	–
Dividend received/accrued from Transcend		–	10 228
Expected credit loss allowance	10	300 698	68 451
Net ESA Trust adjustments	11	8 558	6 124
Net BEE Scheme adjustments	12	31 418	22 245
Distributable income		622 145	557 998
Distributable income adjustments:			
Deferred rental net of expected credit loss		–	1 721
Distributable income from the equity-accounted US investments not distributed	13	(11 130)	(21 198)
Interest due from Inani accrued but not received		–	(34 423)
Non-vesting treasury share dividends		612	710
Dividend received/accrued from Transcend – antecedent element		–	1 011
Distribution payable to shareholders		611 627	505 819
Dividend per share			
Interim (cents)		61,74	66,43
Final (cents)		55,28	30,35
Total (cents)		117,02	96,78

* The adjustments made to profit for the year to derive the distribution payable have not been audited.

Notes

- The allowance for future rental escalations of R8,2m gain (31 March 2023: R12,5m loss) recognised in the statement of comprehensive income is deducted on the basis that it is unrealised.
- R0,1m (31 March 2023: R0,1m) of lease commission amortised has been recognised within property expenses in the statement of comprehensive income for the year. The lease commission amortisation has been added back for distribution calculation purposes – this portion of lease commission amortisation relates to leases signed before 1 July 2015. Lease commission expenses incurred before 1 July 2015 were taken into account in full for purposes of calculating distributable earnings in the year incurred, hence the amortisation thereof is added back for distribution calculation purposes. The Fund's policy for the calculation of distributable earnings changed from 1 July 2015. The distribution calculation now follows the accounting hence no adjustment is made for commissions paid on leases concluded from 1 July 2015 onwards.

SUPPLEMENTARY INFORMATION

DISTRIBUTION STATEMENT CONTINUED

3. The IFRS 16, *Leases*, interest expense incurred on the lease liability is added back and the land lease payments incurred are factored into the distribution calculation to reflect the realised portion of operating leases.
4. A net negative charge of R0,02m (31 March 2023: R0,05m) was recognised within administration expenses in the statement of comprehensive income for the provision of leave pay on the basis that it is unrealised.
5. The loss of R100,9m (31 March 2023: R57,1m loss) on the revaluation of interest rate derivative contracts is the mark to market adjustment for the period recognised in the statement of comprehensive income and is added back on the basis that it is unrealised.
6. The R0,3m gain (31 March 2023: R3,9m loss) in respect of Emira's investment in Inani and IHS Asset Management respectively. The fair value movement is added back on the basis that the gain or (loss) is of a capital nature.
7. A net foreign exchange gain of R57,7m (31 March 2023: R85,9m gain) in respect of the Group's investments in the US was recognised in the statement of comprehensive income for the year. The unrealised portion, being a gain of R64,8m (31 March 2023: R87,3m gain), is added back in the calculation of distributable earnings.
8. Total income from equity accounted investments of R249,1m (31 March 2023: R332,5m) in respect of Emira's investments into Enyuka, and the US was recognised in the statement of comprehensive income. The non-distributable portion of R11,6m (31 March 2023: R19,5m), which is calculated in line with Emira's distributable earnings calculation, has been added back in the calculation of distributable earnings.
9. Emira acquired R51,3m of the senior lender's mezzanine debt on 17 August 2023, via a cession from the senior lender ("Inani cession loan"). Inani is in restructure discussions with its senior lender and given the uncertainty on the collection and timing of this interest, Emira has adjusted distributable earnings by R5,4m.
10. Expected credit losses on loans receivable of R300,7m (31 March 2023: R68,5m) accounted for in terms of IFRS 9 in the statement of comprehensive income are added back on the basis that these losses are of a capital nature and are unrealised.
11. The ESA Trust (the "Trust") is a special purpose investment vehicle that holds Emira shares that was originally set up for the benefit of Emira's executive directors. During the year the executive directors sold their interests in the Trust, however due to a guarantee issued by Emira to the Trust's third party funders, Emira is still deemed to control the Trust, therefore the trust is consolidated, and any third-party finance costs are included in Emira's consolidated interest paid. Profits generated by the Trust are for the benefit of the beneficiaries. Emira has guaranteed the Trust's third-party debt obligations hence any net losses would ultimately be for Emira's account. The purpose of this adjustment is to adjust Emira's distributable income such that the effect of any items related to the Trust, consolidated into Emira, are limited to a net amount of zero, after factoring in the dividends received by the Trust and all its interest obligations. Included in Emira's "Interest paid and amortised borrowing costs" is a R4,6m (31 March 2023: R2,8m) interest charge in respect of the ESA Trust's interest obligations to its third-party lender.
12. The BEE Scheme is comprised of the restricted special purpose investment vehicles that hold Emira shares, set up for the benefit of the BEE parties which participated in Emira's June 2017 black empowerment equity issuance ("BEE Scheme"). Emira was deemed to control the parties with effect from April 2020, hence they were consolidated, and any third-party finance costs are included in Emira's consolidated interest paid. Profits generated by the BEE Scheme are for the benefit of the underlying investors. Emira has guaranteed the BEE Scheme's third-party debt obligations hence any net losses would ultimately be for Emira's account. The purpose of this adjustment is to adjust distributable income such that the effect of any items related to the BEE Scheme are limited to a net amount of zero, after factoring in the dividends received by the BEE Scheme and all its interest obligations. Included in Emira's "Interest paid and amortised borrowing costs" is a R16,7m (31 March 2023: R10,3m) interest charge, in respect of the BEE Scheme's interest obligations to its third-party lender.
13. A pay-out ratio of 95% has been applied to the distributable income from the US investments, resulting in R11,1m being held back (31 March 2023: R21,2m). This has been done on the basis that any capital reserving (as required per the underlying debt agreements), general capital expenditure, leasing commissions and tenant installations are funded from the operating cash flows of the underlying investments, and while these can be lumpy, they have averaged out at circa 5% over time. The Fund has historically adjusted distributable income by the actual dividends received from the US investments but due to the timing of cash flows these adjustments have been irregular year-on-year, hence the application of the pay-out ratio to 'smooth' the contribution of the income from the US investments to Emira's dividend for both expectation and comparability purposes. Actual cash dividends received in FY24 were higher than the distributable income.

SUPPLEMENTARY INFORMATION

SHAREHOLDERS' PROFILE AND JSE INFORMATION AT 31 MARCH 2024

	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
SHAREHOLDER SPREAD				
1 – 1 000	1 738	41,92	268 210	0,05
1 001 – 10 000	1 448	34,93	6 472 787	1,24
10 001 – 100 000	726	17,51	21 644 587	4,14
100 001 – 1 000 000	196	4,73	61 747 116	11,81
Over 1 000 000 shares	38	0,92	432 534 547	82,76
Total	4 146	100,00	522 667 247	100,00
DISTRIBUTION OF SHAREHOLDERS				
Assurance companies	24	0,58	3 032 643	0,58
Close corporations	39	0,94	2 199 616	0,42
Collective investment schemes	164	3,96	62 169 239	11,89
Control accounts	1	0,02	2	0,00
Custodians	27	0,65	4 502 959	0,86
Foundations and charitable funds	36	0,87	2 247 016	0,43
Hedge funds	3	0,07	128 415	0,02
Insurance companies	3	0,07	139 491	0,03
Investment partnerships	7	0,17	511 838	0,10
Managed funds	10	0,24	1 586 415	0,30
Medical aid funds	9	0,22	1 951 349	0,37
Organs of state	5	0,12	22 933 014	4,39
Private companies	115	2,77	332 753 265	63,66
Public companies	5	0,12	2 748 873	0,53
Public entities	1	0,02	80 704	0,02
Retail shareholders	3 274	78,97	19 600 617	3,75
Retirement benefit funds	148	3,57	36 854 844	7,05
Scrip lending	6	0,14	2 132 151	0,41
Stockbrokers and nominees	10	0,24	5 434 105	1,04
Treasury	2	0,05	7 538 372	1,44
Trusts	256	6,17	14 122 316	2,70
Unclaimed scrip	1	0,02	3	0,00
Total	4 146	100,00	522 667 247	100,00
SHAREHOLDER TYPE				
Non-public shareholders	17	0,43	328 556 507	62,86
Directors and associates	8	0,19	11 886 047	2,27
Treasury	2	0,05	7 538 372	1,44
Major shareholders >35%	7	0,19	309 132 088	59,15
Castleview Property Fund Limited				
Public shareholders	4 128	99,57	194 110 740	37,14
Total	4 146	100,00	522 667 247	100,00
FUND MANAGERS WITH A HOLDING GREATER THAN 3% OF THE ISSUED SHARES				
Sesfikile Capital			18 620 362	3,56
Public Investment Corporation			16 935 069	3,24
Ninety One			16 836 855	3,22
Total			52 392 286	10,02
BENEFICIAL SHAREHOLDERS WITH A HOLDING GREATER THAN 3% OF THE ISSUED SHARES				
Castleview Property Fund Limited			309 132 088	59,15
Total			309 132 088	59,15

SUPPLEMENTARY INFORMATION

SHAREHOLDERS' PROFILE AND JSE INFORMATION AT 31 MARCH 2024 CONTINUED

DIRECTORS' BENEFICIAL HOLDINGS

The directors' holdings in shares of the Company as at 31 March 2024, were:

Number of shares	2024			2023		
	Beneficial direct	Beneficial indirect	Total	Beneficial direct	Beneficial indirect	Total
Executive directors						
Geoff Jennett	453 984	572 423	1 026 407	525 984	3 168 000	3 693 984
Ulana van Biljon	563 936	13 300	577 236	308 962	2 016 000	2 324 962
Greg Booyens	535 966	–	535 966	274 268	2 016 000	2 290 268
Non-executive directors						
Vusi Mahlangu	–	4 127 765	4 127 765	–	4 127 765	4 127 765
Derek Thomas	–	5 618 673	5 618 673	–	5 618 673	5 618 673
Total	2 139 609	9 746 438	11 886 047	1 109 214	16 946 438	18 055 652

There has been no other change in the interests of directors in the stated capital of the Company between the end of the financial year and the date of this report.

SUPPLEMENTARY INFORMATION

DIRECT PORTFOLIO SUMMARY – COMMERCIAL

SECTORAL PROFILE

	Office	Urban Retail	Industrial	Total
Portfolio summary				
Number of properties	20	17	32	69
Property value (R'000)	2 925 250	5 192 000	1 748 910	9 866 160
Value split (%)	29,6	52,4	18,0	100,0
GLA (m ²)	161 013	292 889	295 785	749 687
GLA (%)	21,3	39,2	39,5	100,0
Vacancy (m ²)	17 532	11 510	1 973	31 015
Vacancy (%)	10,9	3,9	0,7	4,1
Revenue (%)	30,2	48,9	20,9	100,0
Average value per m ² (R/m ²)	18 168	17 727	5 913	13 160
Tenant retention by gross rental (%)	59,1	88,7	84,6	80,5
Weighted average rent reversions (%)	(6,3)	(0,5)	(4,8)	(3,3)
Weighted average escalations (%)	6,6	6,2	6,6	6,5
Weighted average lease expiry (years)	2,7	3,2	2,1	2,7
Weighted average annualised property yield (%)	9,5	7,9	9,8	8,7
Lease expiry profile (% of revenue)				
Vacancy (31/03/2024)	0,0	0,0	0,0	0,0
Vacated (31/03/2024)	0,1	0,0	0,1	0,2
Expiries rolled over	0,8	5,4	1,3	7,5
Year 1 (FY25)	5,4	12,5	8,5	26,3
Year 2 (FY26)	4,9	7,5	2,2	14,6
Year 3 (FY27)	5,1	8,4	4,1	17,6
Year 4+ (FY28+)	11,7	16,9	5,2	33,8
	28,0	50,6	21,4	100,0
Lease expiry profile (% of GLA)				
Vacancy (31/03/2024)	2,3	1,5	0,3	4,1
Vacated (31/03/2024)	0,0	0,0	0,2	0,2
Expiries rolled over	0,6	4,3	2,5	7,4
Year 1 (FY25)	3,9	7,5	15,1	26,5
Year 2 (FY26)	3,3	5,4	3,7	12,4
Year 3 (FY27)	3,9	6,3	7,9	18,1
Year 4+ (FY28+)	7,4	14,1	9,7	31,2
	21,4	39,1	39,5	100,0
Vacancy profile (% of GLA)	10,9	3,9	0,7	4,1

GEOGRAPHICAL PROFILE

	Gauteng and Mpumalanga	Western Cape	KwaZulu-Natal	Free State	Total
% of value	73,7	17,1	7,1	2,1	100,0
% of GLA	73,9	16,3	7,0	2,8	100,0

TENANT PROFILE

	Grade A	Grade B	Grade C	Total
% of GLA	60,2	14,1	25,7	100,0
% of gross rental	64,1	15,0	20,9	100,0

"A" grade: Large national tenants, large listed tenants, government and major franchisees. These include, inter alia: Makro, Pick n Pay, King Price Insurance Company, Clicks, Shoprite, Checkers, Pepkor Holding Limited, Woolworths, Mr Price Group, Absa Bank, Bidvest Data, Food Lover's Market, Standard Bank, Virgin Active, Truworths, Department of Public Works, Assupol, RTT.

"B" grade: National tenants, listed tenants, franchisees and medium to large professional firms. These include, inter alia: Jam Clothing, Van Schaik Bookstore, Capsicum Culinary Studio, The Pool Team, Kingsmead Shoes, Studio 88, Lovisa Accessories, The Local Choice Pharmacy, DN Freight, Gozone Water, Tiger Wheel & Tyre, MICA, Bargain Books, Tile Afrika Cash And Carry, Zulzi on Demand.

"C" grade: Other tenants, comprises of all other tenants that do not fall into the above categories.

SUPPLEMENTARY INFORMATION

PROPERTY LISTING AS AT 31 MARCH 2024

(ALL PROPERTIES HAVE BEEN INDEPENDENTLY VALUED AS AT 31 MARCH 2024)

OFFICE

Property	Location	Province	Major tenants (GLA >500m ²)	GLA (m ²)	Weighted avg. gross rent/m ² †
100 on Armstrong	100 Armstrong Avenue, Forest Park, La Lucia Ridge, Durban	KwaZulu-Natal	CEG Accounting	2 871	168,98
2 Frosterley Park*	2 Frosterley Crescent, La Lucia Ridge, Umhlanga Rocks, Durban	KwaZulu-Natal	Outworx Contact Centre	2 312	180,73
80 Strand Street (50%)	80 Strand Street, Cape Town	Western Cape	We Work, Trafficc	6 410	162,25
9 Long^	21 Riebeeck Street, Cape Town	Western Cape	Department Of Public Works, National Debt Advisors	9 528	140,51
Albury Park^	Magalieszicht Avenue, Dunkeld West, Sandton	Gauteng	Network Space, Villioti Fashion Institute	8 212	106,29
Boundary Terraces^	1 Mariendahl Lane, Newlands, Cape Town	Western Cape	Professional Provident Society Investments, World Wide Fund For Nature (WWF), Savings and Investment Association	8 020	230,18
Chiappini House^	26 Chiappini Street, Cape Town	Western Cape	Sani, Anatomy Design Studio, Mckenzie Rudolphe Film Service, Tensai Property Services, Lagree South Africa	1 024	187,72
East Coast Radio House	314/7 Umhlanga Rocks Drive, Umhlanga Rocks, Durban	KwaZulu-Natal	Outworx Contact Centre, Kagiso Media	5 351	182,30
Epsom Downs Office Park	13 Sloane Street, Bryanston, Sandton	Gauteng	Red Brick Consulting, LNP Management, Special Olympics South Africa	9 491	116,68
Gateview	3 Sugar Close, Umhlanga, Durban	KwaZulu-Natal	Real Promotions, Avbob Mutual Assurance Society	2 801	161,91
Hamilton House^	30 Chiappini Street, Cape Town	Western Cape	Kids Living, Arealytics SA, Insight Actuaries and Consultants	3 247	170,41
Hyde Park Lane	Cnr Jan Smuts Avenue and William Nicol Drive, Hyde Park, Sandton	Gauteng	MECS Growth, Truffle Asset Management, The Financial Junction Investments	15 070	120,48
Knightsbridge Office Park	33 Sloane Street, Bryanston Ext 4	Gauteng	KFC, Southern Mapping, MAST Services, Verifone Africa, Landsdowne Property Management, Emira Property Fund, Gold One Management Services, Shop2shop, KID Group, Kathea Communications, Catering Edge	16 488	210,93
Lone Creek	21 Mac Mac Road and Howick Close, Waterfall Park, Midrand	Gauteng	Cement and Concrete SA	5 386	127,42
Menlyn Corporate Park	Cnr Corobay Avenue and Garsfontein Road, Menlyn, Pretoria	Gauteng	King Price Insurance Company, South African Local Government Association, BVI Consulting Engineers, Feenstra Group	26 905	232,22
Newlands Terraces^	8 Boundary Road, Newlands, Cape Town	Western Cape	CCI South Africa	4 531	140,74
Podium at Menlyn	43 Ingersol Road, Lynnwood Glen, Pretoria	Gauteng	Old Mutual Life Assurance, Numolux Group	9 179	169,19
Summit Place – Buildings A, C, D, E (50%)	Cnr of Garsfontein Road and N1 Freeway, Menlyn Pretoria	Gauteng	Assupol Life, SNG Grant Thornton, Planet Fitness, BDO South Africa, Tsihlas Management, Aselsan Elektronik, Advtech Resourcing	12 900	238,50

SUPPLEMENTARY INFORMATION

PROPERTY LISTING AS AT 31 MARCH 2024 CONTINUED

(ALL PROPERTIES HAVE BEEN INDEPENDENTLY VALUED AS AT 31 MARCH 2024)

OFFICE

Property	Location	Province	Major tenants (GLA >500m ²)	GLA (m ²)	Weighted avg. gross rent/m ² †
The View – Tygervalley [^]	43 Old Oak Road, Bellville, Cape Town	Western Cape	Intercare, Tiervlei Trial Centre, Clicks	6 448	203,93
Waterside Place [^]	Waterside Place, South Gate Tyger Waterfront, Carl Cronje Drive, Bellville, Cape Town	Western Cape	AECOM, Tribugenix, Moov Fuel	4 840	152,19
Subtotal Office				161 013	180,73

† Excluding vacancies, parking, storerooms, kiosks and ATMs.

* Single tenant, therefore the weighted average gross rental across Emira's Office sector has been used – R180,73/m².

[^] Held-for-sale. Note only Albury Park buildings 5 and 8 are held for sale.

URBAN RETAIL

Property	Location	Province	Major tenants (GLA >500m ²)	GLA (m ²)	Weighted avg. gross rent/m ² †
Ben Fleur Shopping Centre	Da Vinci Street, Emalahleni	Mpumalanga	Checkers, Woolworths, Spur, Pick n Pay Clothing	10 385	193,00
Boskruijn Shopping Centre	Cnr of President Fouché and Hawken Avenue, Bromhof, Johannesburg	Gauteng	Woolworths, Dis-Chem	7 168	193,50
Gateway Centre	1319 Pretoria Street, Hatfield, Pretoria	Gauteng	Hatfield Liquor	1 792	190,48
Granada Square	16 Chartwell Drive, Umhlanga Rocks, Durban	KwaZulu-Natal	Create Ceramics, Capsicum Culinary Studio	7 215	210,22
Kramerville Corner	16 Desmond Street, Eastgate, Kramerville, Sandton	Gauteng	U&G Fabrics, @Home living space, Bravo Brands, House and Haven, Luxen home, Casa Italia Interiors, Design Plus Interiors, Daskasas, Womag, Rawlins Wales, Incanda leather furniture, AJ5D Projects	18 348	131,39
Makro [^]	15 Hanover Street, Selby, Johannesburg	Gauteng	Makro	18 956	164,89
Market Square [^]	Beacon Way, Plettenberg Bay	Western Cape	Pick n Pay, Woolworths, Clicks, Pick n Pay Clothing, Jack's Paint, Mr Price, Ackermans	14 848	157,36
Mitchells Plain (50%)	Town Centre Mitchells Plain	Western Cape	Shoprite, Western Cape Community Education and Training College, Victory Outreach International Church of Cape Town	9 786	127,27
Park Boulevard [^]	11 Brownsdrift Road, Riverside, Durban North	KwaZulu-Natal	Spar, KTM	5 357	142,67
Parklands Health Centre [^]	11 Village Walk, Cnr Link and Park Road, Table View, Cape Town	Western Cape	Intercare	2 487	205,65
Quagga Centre	Cnr Court and Quagga Streets, Pretoria West	Gauteng	Shoprite Checkers, Pick n Pay, Woolworths, Absa Bank, Mr Price, Clicks, Bradlows and Sleep Masters, Ackermans, Jet, Pep, Jam Clothing, Mattress and Couch Concept, Pick n Pay Clothing	29 393	151,41

SUPPLEMENTARY INFORMATION

PROPERTY LISTING AS AT 31 MARCH 2024 CONTINUED

(ALL PROPERTIES HAVE BEEN INDEPENDENTLY VALUED AS AT 31 MARCH 2024)

URBAN RETAIL

Property	Location	Province	Major tenants (GLA >500m ²)	GLA (m ²)	Weighted avg. gross rent/m ² †
Randridge Mall	Cnr John Vorster Drive and Kayburne Road, Randpark Ridge	Gauteng	Pick n Pay, Woolworths, Dis-Chem, Health-Worx Medical Centre, FirstRand Bank, Mr Price Apparel, Pick n Pay Clothing, Ackermans	22 289	165,64
Southern Sentrum	Benade Drive, Fichardt Park, Bloemfontein	Free State	Pick n Pay, Shell, Clicks	21 159	130,35
Springfield Retail Centre ^	2 Ilala Avenue, Springfield Park, Durban	KwaZulu-Natal	Food Lover's Market, West Pack, HiFi Corp, Coricraft, Baby City, Outdoor Warehouse, Ted's Home Store, Volpes, Toyzone, Su Casa, The Bed Shop	17 325	174,38
Summit Place – Building G1 (50%)	Cnr Garsfontein Road and N1 Freeway, Menlyn Pretoria	Gauteng	Jaguar Land Rover	2 484	209,09
The Tramshed	288 Van der Walt Street, Pretoria	Gauteng	Pick n Pay, Virgin Active, Department of Justice and Constitutional, Intercare, Fashion Fusion	12 859	125,98
Wonderpark	Cnr Old Brits Road and Heinrich Avenue, Karenpark, Pretoria	Gauteng	Pick n Pay Hypermarket, Game Stores, Checkers, Woolworths, Edgars, Virgin Active, Astron Energy, Builders Express, Ster Kinekor, Truworths, Mr Price Apparel, West Pack Lifestyle, Dis-Chem, Ackermans, HiFi Corporation, OBC Meat & Chicken, Standard Bank, Jet, Foschini, Clicks, Mr Price Home, Toys R Us, The Hub, Adidas, Tiger Wheel & Tyre, Parrots, Rochester, Mr Price Sport, Pep, Identity, ABSA Bank, Gelmar	91 038	186,25
Subtotal Urban Retail				292 889	164,89

† Excluding vacancies, parking, storerooms, kiosks and ATMs.

* Single tenant, therefore the weighted average gross rental across Emira's Urban Retail sector has been used – R164,89/m².

^ Held-for-sale.

INDUSTRIAL

Property	Location	Province	Major tenants (GLA >500m ²)	GLA (m ²)	Weighted avg. gross rent/m ² †
1 Medical Road *	1 Medical Road, Randjiespark Ext 41, Midrand	Gauteng	iMvula Healthcare Logistics	3 489	63,92
14-16 Boston Circle * ^	14-16 Boston Circle, Airport Industria, Cape Town	Western Cape	Bidvest Data	7 899	63,92
20 Anvil Road *	20 Anvil Road, Isando, Kempton Park	Gauteng	Little Green Beverages	12 250	63,92
Admiral House	151 Lechwe Street, Corporate Park South, Randjiespark Ext 7, Midrand	Gauteng	NUR Manufacturers, Zone Offroad Products, SA Van Conversions	4 460	65,50
Aeroport (12/14 Winnipeg Avenue) ^	12-14 Winnipeg Avenue, Aeroport, Kempton Park	Gauteng	AMT Composites, Milian Inks, All Parts, Garacor, Netfreight	1 640	61,44
Aeroport (34/36 Director Road) ^	34-36 Director Road, Aeroport, Spartan, Kempton Park	Gauteng	Renttech South Africa, Bearing Man	1 715	64,80
Aeroport (96 Loper Road) *	96 Loper Avenue, Spartan Ext 2, Kempton Park	Gauteng	Takraf South Africa	3 966	63,92

SUPPLEMENTARY INFORMATION

PROPERTY LISTING AS AT 31 MARCH 2024 CONTINUED

(ALL PROPERTIES HAVE BEEN INDEPENDENTLY VALUED AS AT 31 MARCH 2024)

INDUSTRIAL

Property	Location	Province	Major tenants (GLA >500m ²)	GLA (m ²)	Weighted avg. gross rent/m ² [†]
Aeroport (98 Loper Road)* ^	98 Loper Avenue, Spartan Ext 2, Kempton Park	Gauteng	DN Freight	1 672	63,92
Cambridge Park	22 Witkoppen Road, Paulshof	Gauteng	I-Tech, Puma, Zulzi OnDemand, Takealot	11 985	79,68
CEVA Midrand*	Cnr 16th and Douglas Roads, Randjiespark, Midrand	Gauteng	Ceva Animal Health	2 781	63,92
Corporate Park (82 Lechwe)	82 Lechwe Street, Sage Corporate Park, Randjiespark Ext 70, Midrand	Gauteng	Maxxis Tyres South Africa, Creative Sweets Distributors, IQ Import and Export, RJR Amazon Trading	6 523	63,04
Denver Warehouse*	Cnr Mimetes Rd and Kruger St, Denver, Johannesburg	Gauteng	Foodserv Solutions	9 752	63,92
Evapco*	Cnr Quality and Barlow Streets, Isando, Johannesburg	Gauteng	Evapco SA	5 715	63,92
Freeway Park ^	Cnr Berkley and Upper Camp Roads, Ndabeni, Maitland, Cape Town	Western Cape	Torga Optical, AMT Composites	7 753	102,56
Greenfields	1451 Chris Hani Road, Redhill, Durban	KwaZulu-Natal	Unlimited Building Supplies SA, The Creativity Lab, Wholesale Motor Glass, Greenwest Investments, Nyakatho Plumbing and Hardware Supplies, AST Safetyware, KNA Logistics	9 398	97,71
HBP Commercial unit* ^	36 Park Avenue North, Rooihuiskraal, Centurion, Pretoria	Gauteng	Sperosens	2 429	63,92
HBP Industrial units	95 Park Avenue North, Rooihuiskraal, Centurion, Pretoria	Gauteng	Play Town, Productive Systems, Ceramic World, Stiles	7 292	70,98
Industrial Village Jet Park	Cnr Kelly and Estee Ackerman Roads, Jet Park	Gauteng	BT Industries, Seals Galore, Manuel Adelino De Atouguia, Wits Health Consortium, GIF Products, Bundu Power, Golf Car Battery Supplies, Union-Swiss	11 613	58,51
Industrial Village Kya Sands	Cnr Elsecar and Barnie Streets, Kya Sands Ext 2	Gauteng	Redline Logistics Project Management, Rain events and Production, Label-IT Packaging, RAD Business Solutions, Orange Arrow Trading, Satiana Trading, Complex Brands, Maxicool Refrigeration, Cosmic Industrial Supplies, T&R Design, Glalco, Ecozyme Eco Friendly Cleaning Chemicals, Voyager Computers, African Bank, DEMCO Technologies, Impression Management	16 659	49,06
Industrial Village Rustivia	6 Rover Street, Elandsfontein, Germiston	Gauteng	Turbofluid, Motif Furniture Creations, Stanley Basson Stanley Logistics, Ekasie Couriers	9 851	48,34
Kyalami Business Park (RS Components)	20 Indianapolis Crescent, Kyalami Park, Midrand	Gauteng	RS Components SA, Driverite	3 856	68,08
Midline Business Park	Cnr Richards Drive and Le Roux Road, Midrand	Gauteng	Coated Fabric, Iigus, Slo-jo Trading	11 870	66,82
Midrand (918 Morkels Close)	918 Morkels Close, Halfway House, Midrand	Gauteng	TCS John Huxley Africa, The Mattress Warehouse	2 449	77,94
Mitek South Africa*	754 16th Road, Randjiespark, Midrand	Gauteng	Mitek Industries	6 604	63,92

SUPPLEMENTARY INFORMATION

PROPERTY LISTING AS AT 31 MARCH 2024 CONTINUED

(ALL PROPERTIES HAVE BEEN INDEPENDENTLY VALUED AS AT 31 MARCH 2024)

INDUSTRIAL

Property	Location	Province	Major tenants (GLA >500m ²)	GLA (m ²)	Weighted avg. gross rent/m ² †
Northpoint Industrial Park ^	Capricorn Way, Brackenfell South	Western Cape	Auto and Truck Tyres, ABB South Africa, IFCO Systems, Emmay Commodities, Rapple Logistics and Engineering, Pepkor Speciality, Van Schaik Book Store, Storage King, Incomati Warehousing and Distribution	16 415	81,44
One Highveld	5 Bellingham Street, Centurion, Pretoria	Gauteng	Lloyd Pearce Media Agency, AtPhoto Professional Imaging, Sipevents	6 301	83,61
RTT Acsa Park & RTT Continental *	Cnr Springbok and Jones Streets, Bardene, Jet Park	Gauteng	RTT Group	59 594	63,92
Steelpark Industrial Park ^	Symphony Park, Modderdam road, Bellville-South, Cape Town	Western Cape	Easylife Kitchens, Screamer Electronic Services, Nautilus Pharma, Yokohama TWS South Africa, Zamans Import and Export Services, Smart Cape Cash and Carry, Moonlight Fashion	9 362	54,34
Technohub	Roan Crescent, Corporate Park North, Midrand	Gauteng	Kawari Wholesalers, Firmenich Production, Vodacom	15 273	75,12
The Studios Atlas Gardens ^	Atlas Gardens, Potsmandam Road, Durbanville, Cape Town	Western Cape	Hardware Initiative, Zaprint, JT Online, Livance Cape, Kilowatt Audio Visual, Eaton Electric, AEON Trading and Sourcing, Coretec Composites.	9 301	72,16
V-Tech *	Cnr Douglas Road and Old Pretoria Road, Randjiespark, Midrand	Gauteng	V-Tech	2 533	63,92
Wadeville Industrial Village	6 Crocker Road, Wadeville, Germiston	Gauteng	Entech Consulting, GZ Industries, Demaco Engineering, Request a Render, Klinger, Commercial Repairs and Components, Lazwi Engineering, A and H Installations, Corner Star, Plastix Engineering	13 384	46,55
Subtotal Industrial				295 784	66,70

† Excluding vacancies, parking, storerooms, kiosks and ATMs.

* Single tenant, weighted average for the Industrial sector – R63,92/m².

^ Held-for-sale.

VACANT LAND

Property	Location	Province	
1 West Land	West Street, Centurion	Gauteng	
Quagga Land	Cnr Court and Quagga Streets, Pretoria West	Gauteng	
Randjeskpark Land	Corner Douglas Road and Old Pretoria Road, Randjiespark, Midrand	Gauteng	
Total direct local investment properties			749 687

SUPPLEMENTARY INFORMATION

DIRECT PORTFOLIO SUMMARY – RESIDENTIAL

SECTORAL PROFILE

Emira's Residential Portfolio comprises 3 775 residential units, with a combined gross lettable area (GLA) of 198 222m²

GEOGRAPHICAL PROFILE

Province	Units	GLA (m ²)	Value (%)	Revenue (%)
Gauteng	3 386	179 296	87,3	87,9
Western Cape	389	18 926	12,7	12,1
Total	3 775	198 222	100,0	100,0

TENANT PROFILE

As per Section 13.18 of the JSE Listings Requirements, tenants are graded as follows:

- "A":** large national tenants, large listed tenants, government and major franchisees;
- "B":** national tenants, listed tenants, franchisees, medium to large professional firms; and
- "C":** other.

The entire tenant profile is classified as "C", comprising 3 775 individual residential leases as at 31 March 2024.

VACANCY PROFILE

The vacancy profile by GLA and number of units is set out below:

Unit type	Number of vacant units	Units (%)	GLA (%)
One bedroom + one bathroom	18	0,5	0,4
Two bedroom + one bathroom	137	3,6	3,9
Two bedroom + two bathroom	5	0,1	0,2
Three bedroom + two bathroom	11	0,3	0,4
Portfolio vacancy	171	4,5	4,8

Property name	One bed	Two bed	Three bed	Total no. of units	No. of vacant units	Vacancy (% of units as at 31 Mar 2024)	Weighted avg. rental per square metre (R/m ²) for the year 2024
67 on 7th*	0	149	0	149	6	4,0	117,16
Alpine Mews	0	90	0	90	2	2,2	124,99
Birchwood Village*	28	76	0	104	28	26,9	109,78
Ekhaya Fleurhof	0	162	0	162	0	0,0	114,90
Ekhaya Jabulani	0	244	0	244	5	2,0	105,01
Jackalberry Close*	0	185	0	185	9	4,9	118,78
Kensington Place	0	56	0	56	1	1,8	162,69
Molware	0	252	0	252	5	2,0	121,54
Parklands*	0	167	0	167	0	0,0	123,18
Protea Glen	0	156	20	176	1	0,6	85,94
Silverleaf*	0	31	0	31	11	35,5	99,21
Southgate Ridge	0	412	0	412	2	0,5	107,89
Terenure Estate	0	282	68	350	15	4,3	112,31
Theresa Park Estates	68	174	0	242	7	2,9	100,59
Tradewinds	85	0	0	85	0	0,0	139,15
Urban Ridge West	0	260	0	260	8	3,1	118,49

SUPPLEMENTARY INFORMATION

DIRECT PORTFOLIO SUMMARY – RESIDENTIAL CONTINUED

Property name	One bed	Two bed	Three bed	Total no. of units	No. of vacant units	Vacancy (% of units as at 31 Mar 2024)	Weighted avg. rental per square metre (R/m ²) for the year 2024
Urban Ridge East	14	184	0	198	14	7,1	136,08
Urban Ridge South	0	232	0	232	14	6,0	132,35
Stonleigh	15	116	58	189	7	3,7	94,69
The Block*	13	119	0	132	31	23,5	159,89
The Bolton*	18	41	0	59	5	8,5	190,18
	241	3388	146	3775	171	4,5	122,61

* Property or units classified as non-current asset held-for-sale.

WEIGHTED AVERAGE RENTAL

Sector	R/m ²	R/unit
Residential	122,61	6 292

Weighted average annualised property yield for the residential portfolio was 8,7%.

PROPERTY LISTING AS AT 31 MARCH 2024 (ALL PROPERTIES HAVE BEEN INDEPENDENTLY VALUED AS AT 31 MARCH 2023)

Property name	Physical address and province	Total GLA	Total number of units
67 on 7th ¹	67 Seventh Avenue, Edenvale, Gauteng	7 596	149
Alpine Mews	72 Forest Road, Eersterivier, Western Cape	4 005	90
Birchwood Village ¹	Corner of Cedar Road and 3rd Street, Chartwell, Gauteng	8 046	104
Ekhaya Fleurhof	40 Salinga Crescent, Fleurhof Ext 3, Gauteng	6 642	162
Ekhaya Jabulani	2342 Dikgathlehong Street, Jabulani, Gauteng	10 004	244
Jackalberry Close ¹	23 Sydney Road, Jansen Park, Gauteng	9 454	185
Kensington Place	26 Dover Street, Ferndale, Gauteng	2 374	56
Molware	Corner Rietspruit Road & Morithi Street, Kosmosdal, Gauteng	12 248	252
Parklands ¹	Along Southwark & Dartford Street, Parklands, Western Cape	9 018	167
Protea Glen	Kganwe Street, Protea Glen, Ext 11, Soweto	8 480	176
Silverleaf Estate ¹	649 Krige Street, Silverton, Gauteng	2 089	31
Southgate Ridge	5 Duin Place, Naturena, Gauteng	21 972	412
Terenure Estate	Corner Oranjerivier & Bergrivier drive, Terenure Ext 70, Gauteng	21 225	350
Theresa Park Estates	60 Burning Bush Street, Theresa Park Ext 45, Gauteng	12 432	242
Tradewinds	255 Kent Avenue, Ferndale, Gauteng	3 730	85
Urban Ridge West	At 81 Fifth Road, Midrand, Gauteng	14 907	260
Urban Ridge East	At 77 Fifth Road, Midrand, Gauteng	10 140	198
Urban Ridge South	At the corner of Smuts Drive and 3rd Road, Midrand, Gauteng	12 472	232
Stoneleigh	Cnr Winterhoek drive and, Drakensberg Ave, Brakpan, Gauteng	12 457	189
The Block ¹	Bester Rd, Unclear, Cape Town, Western Cape	5 903	132
The Bolton ¹	Cnr Baker Street and Sturdee Avenue, Rosebank	3 028	59
Total		198 222	3 775

¹ Property or units classified as non-current assets held for sale.

SUPPLEMENTARY INFORMATION

REIT RATIOS

SA REIT FUNDS FROM OPERATIONS (SA REIT FFO)

R'000	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
Profit for the year attributable to Emira shareholders	517 236	825 560
<i>Adjusted for:</i>		
Accounting-specific adjustments:	7 378	(243 602)
Fair value adjustments to:	(329 658)	(109 373)
Investment Property	(329 319)	(113 213)
Debt and equity instruments held at fair value through profit or loss	(339)	3 840
Gain on bargain purchase	–	(255 491)
Loss on disposal of investment in associate	38 471	–
Asset impairments (excluding goodwill) and reversals of impairment	300 698	90 690
Straight-lining operating lease adjustment	(8 175)	12 522
Transaction costs expensed in accounting for a business combination	6 043	7 822
Adjustments to dividends received from equity interest held	–	10 228
Foreign exchange and hedging items:	36 049	(30 200)
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	100 854	57 136
Foreign exchange gains or losses relating to capital items – realised and unrealised	(64 805)	(87 336)
Other adjustments:	26 561	(22 607)
Adjustments made for equity-accounted entities	11 580	(19 461)
Non-controlling interest in respect of the above adjustments	14 981	(3 146)
SA REIT FFO	587 225	529 152
Number of shares outstanding at the end of period (net of treasury shares)	481 795 511	482 324 420
SA REIT FFO per share (cents)	121,88	109,71
Interim SA REIT FFO per share (cents)	61,34	74,57
Final SA REIT FFO per share (cents)	60,54	35,14
Company-specific adjustments to SA REIT FFO	24 402	(23 333)
Deferred rental net of expected credit loss	–	1 721
Amortised upfront lease costs	85	74
IFRS 16 Leasehold liability adjustments	228	403
Distributable income from the equity-accounted US investments not distributed	(11 130)	(21 198)
Interest due from Inani accrued but not received	(5 369)	(34 423)
Non-vesting treasury share dividends	612	710
Accrual of listed security income – antecedent element	–	1 011
Net ESA Trust adjustments	8 558	6 124
Net BEE Scheme adjustments	31 418	22 245
Distributable earnings	611 627	505 819
Number of shares in issue	522 667 247	522 667 247
Distributable income per share (cents)	117,02	96,78
Interim (cents)	61,74	66,43
Final (cents)	55,28	30,35

SUPPLEMENTARY INFORMATION

REIT RATIOS CONTINUED

SA REIT NET ASSET VALUE (SA REIT NAV)

R'000	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
Reported net asset value attributable to the parent	8 349 926	8 182 000
<i>Adjustments:</i>		
Dividend to be declared	(288 930)	(158 630)
Fair value of certain derivative financial instruments	(27 279)	(37 325)
	8 033 717	7 986 045
Shares outstanding		
Number of shares outstanding at the end of period (net of treasury shares)	481 795 511	482 324 420
Effect of dilutive instruments	7 180 027	6 742 729
Dilutive number of shares in issue	488 975 538	489 067 149
SA REIT NAV per share (R)	1 642,97	1 632,91

SA REIT COST-TO-INCOME RATIO

Expenses		
Operating expenses per IFRS income statement (includes municipal expenses)	880 641	592 358
Administrative expenses per IFRS income statement	117 619	91 216
Excluding depreciation expense in relation to property, plant and equipment of an administrative nature	(882)	(806)
Operating costs	997 378	682 768
Rental income		
Contractual rental income per IFRS income statement (excluding straight-lining)	1 379 466	963 777
Utility and operating recoveries per IFRS income statement	505 631	344 689
Gross rental income	1 885 097	1 308 466
SA REIT cost-to-income ratio (%)	52,91	52,18

SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO

Expenses		
Administrative expenses per IFRS income statement	117 619	91 216
Administrative costs	117 619	91 216
Rental income		
Contractual rental income per IFRS income statement (excluding straight-lining)	1 379 466	963 777
Utility and operating recoveries per IFRS income statement	505 631	344 689
Gross rental income	1 885 097	1 308 465
SA REIT administrative cost-to-income ratio (%)	6,24	6,97

SA REIT GLA VACANCY RATE

Gross lettable area of vacant space	31 015	35 784
Gross lettable area of total property portfolio	749 687	762 779
SA REIT GLA vacancy rate (%)	4,1	4,7

SUPPLEMENTARY INFORMATION

REIT RATIOS CONTINUED

SA REIT COST OF DEBT

%	ZAR
31 MARCH 2024	
Variable interest-rate borrowings	
Floating reference rate plus weighted average margin	10,14
Fixed interest-rate borrowings	
Weighted average fixed rate	-
Pre-adjusted weighted average cost of debt	10,14
<i>Adjustments:</i>	
Impact of interest-rate derivatives	(0,56)
Impact of cross currency interest-rate swaps	(0,96)
Amortised transaction costs imputed in the effective interest rate	0,10
All-in weighted average cost of debt	8,72
31 MARCH 2023	
Variable interest-rate borrowings	
Floating reference rate plus weighted average margin	9,82
Fixed interest-rate borrowings	
Weighted average fixed rate	-
Pre-adjusted weighted average cost of debt	9,82
<i>Adjustments:</i>	
Impact of interest-rate derivatives	(0,65)
Impact of cross-currency interest-rate swaps	(0,97)
Amortised transaction costs imputed in the effective interest rate	0,07
All-in weighted average cost of debt	8,27

SA REIT LOAN TO VALUE

R'000	Year ended 31 Mar 2024	Nine months ended 31 Mar 2023
GROSS DEBT	6 390 644	6 883 278
Less:		
Cash and cash equivalents	(180 758)	(125 045)
Add/less:		
Derivative financial instruments liability	198 964	196 681
Net debt	6 408 850	6 954 915
TOTAL ASSETS - PER STATEMENT OF FINANCIAL POSITION	15 604 269	16 243 335
Less:		
Cash and cash equivalents	(180 758)	(125 045)
Derivative financial assets	(72 081)	(83 162)
Goodwill and intangible assets	(799)	(1 204)
Trade and other receivables	(140 547)	(151 937)
Carrying amount of property-related assets	15 210 084	15 881 987
SA REIT loan to value ratio (SA REIT LTV) (%)	42,1	43,8

ADMINISTRATION

AUDITOR

MOORE INFINITY INC.

Silver Stream Business Park
10 Muswell Rd, Bryanston
Sandton, 2191

PROPERTY MANAGERS

BROLL PROPERTY GROUP (PTY) LTD

61 Katherine Street
Sandown Ext. 54
Sandton
PO Box 1455, Saxonwold, 2132

FEENSTRA GROUP (PTY) LTD

Menlyn Corporate Park
Third floor
Block C
Cnr Garsfontein Road
and Corobay Street
Waterkloof Glen Ext 11
Pretoria, 0063
PO Box 401, Menlyn, 0063

IHS PROPERTY MANAGEMENT

Peter Place Office Park
Ground Floor
Block G
Cardiff House
54 Peter Place
Bryanston, 2191

BANKERS

FIRSTRAND BANK LIMITED T/A FIRST NATIONAL BANK

Sandton Outlet
Wierda Valley, 2196
PO Box 787428, Sandton, 2146

ATTORNEYS

ROWAN ATTORNEYS

4 Biermann Avenue
Rosebank, 2196
PO Box 1997, Rivonia, 2128

WHITE & CASE LLP

First Floor, Katherine Towers
1 Park Lane, Wierda Valley
Sandton, Johannesburg, 2196

SAVAGE JOOSTE & ADAMS ATTORNEYS

5, 10th Street
Corner Brooklyn Road and
Justice Mohamed Street
Menlo Park
Pretoria, 0081
PO Box 745, Pretoria, 0001

DEBT SPONSOR

RAND MERCHANT BANK, A DIVISION OF FIRSTRAND BANK LIMITED

1 Merchant Place
Fredman Drive Sandton, 2196
PO Box 786273, Sandton, 2146

EQUITY SPONSOR

QUESTCO CORPORATE ADVISORY

Ground Floor, Block C
Investment Place
10th Road
Hyde Park, 2196

TRANSFER SECRETARIES

COMPUTERSHARE INVESTOR SERVICES (PTY) LTD

15 Biermann Avenue
Rosebank, 2196
Private Bag X9000, Saxonwold, 2132

REGISTERED ADDRESS

First Floor, Block A
Knightsbridge
33 Sloane Street
Bryanston, 2191
PO Box 69104, Bryanston, 2021



**EMIRA PROPERTY
FUND LIMITED**

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

Emira.co.za