EXEMPLAR

SUMMARISED AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND CASH DIVIDEND DECLARATION

FOR THE 12 MONTHS ENDED 28 FEBRUARY 2021

MALL OF THEMBISA *Thembisa, Gauteng*

Unlocking value and delivering strong, sustainable growth to shareholders through investment in prime retail real estate within the under-serviced markets of South Africa… uplifting entire communities in the process.

EXEMPLAR REITAIL LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2018/022591/06)
JSE SHARE CODE: EXP
ISIN: ZAE000257549
LEI: 3789000558287E37F130
Approved as a REIT by the JSE
('Exemplar' or 'the Company' or 'the Group')

EXEMPLAR

ALEX MALL *Alexandra, Gauteng*

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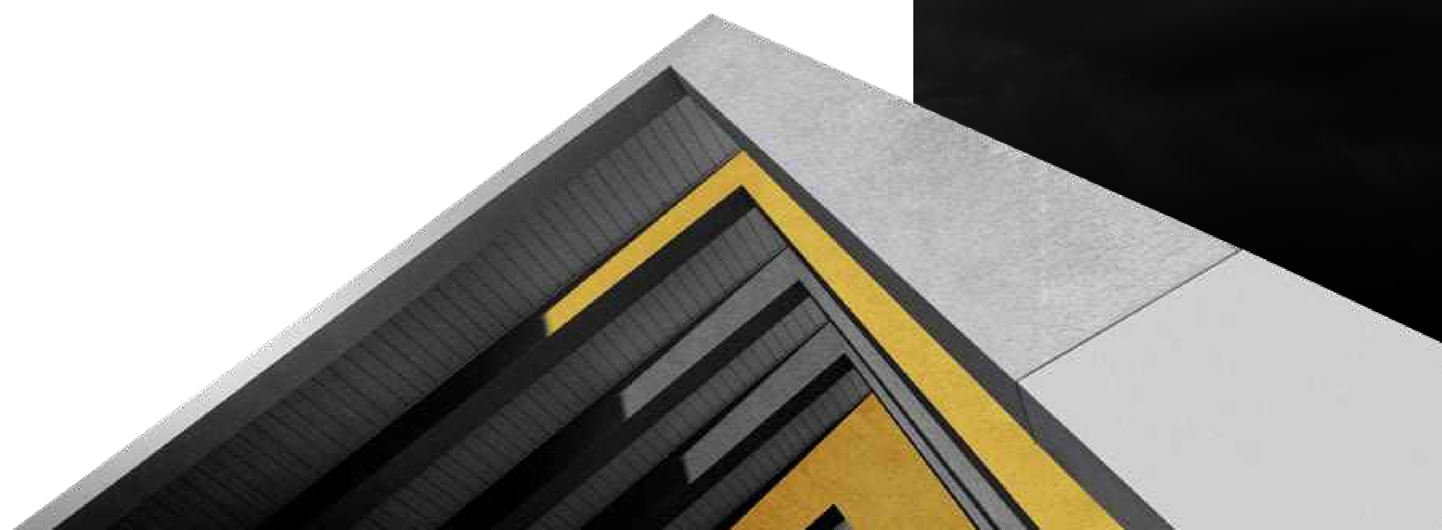

MALL OF THEMBISA *Thembisa, Gauteng*

HIGHLIGHTS

TOTAL CASH DIVIDEND
for the 6 months ended
28 February 2021 of

49,07 cents
PER SHARE

against

48,50 cents
PER SHARE for the corresponding period

LOAN TO VALUE
RATIO OF

38.5%

CORPORATE
INTEREST COVER
RATIO OF

3.57 TIMES

COLLECTIONS SINCE
SEPTEMBER 2020 OF

99.9% OF BILLINGS

Increase in
FAIR VALUE OF
INVESTMENT
PROPERTY OF

0.41%

KATALE SQUARE *Marapyane, Mpumalanga*

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R'000	Audited as at 28 Feb 2021	Audited as at 29 Feb 2020
Non-current assets	**6 590 081**	**5 816 431**
Investment property	6 410 622	5 663 873
Operating lease asset	157 835	151 434
Property, plant and equipment	4 543	1 124
Derivative financial instruments	17 081	-
Current assets	**148 525**	**315 401**
Loans receivable	49 908	220 792
Trade and other receivables	57 955	46 925
Cash and cash equivalents	40 662	47 684
TOTAL ASSETS	**6 738 606**	**6 131 832**
EQUITY		
Total equity	**3 840 783**	**3 758 239**
Shareholders' interest	**3 634 349**	**3 600 523**
Stated capital	3 310 534	3 235 817
Retained earnings	323 815	364 706
Non-controlling interest	206 434	157 716
Non current liabilities	**1 840 433**	**2 198 762**
Financial liabilities	1 713 333	2 062 811
Derivative financial instruments	-	26 465
Lease liabilities	24 020	23 746
Deferred taxation	103 080	85 740
Current liabilities	**1 057 390**	**174 831**
Financial liabilities	856 000	-
Trade and other payables	198 543	166 639
Lease liabilities	2 847	2 719
Dividend payable	-	5 473
TOTAL EQUITY AND LIABILITIES	**6 738 606**	**6 131 832**
Shares in issue	332 290 686	325 027 765
Net asset value per share (Rand)	10,94	11,08
Net tangible asset value per share (Rand)	10,94	11,08
NAV per share in accordance with SA REIT Association BPR (Rand)	10,79	11,01

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

R'000	Audited for the 12 months ended 28 Feb 2021	Audited for the 12 months ended 29 Feb 2020
Property portfolio	789 206	727 690
Rental income and recoveries	782 805	744 607
Straight-line lease income adjustments	6 401	(16 917)
Property operating expenses	(293 283)	(263 068)
Net rental and related income	495 923	464 622
Other income	16 828	14 977
Administrative expenses and corporate costs	(32 622)	(32 886)
Profit from operations	480 129	446 713
Interest income	23 754	26 760
Finance costs	(254 755)	(184 416)
Profit before fair value adjustments	249 128	289 057
Fair value adjustment to investment properties	(39 524)	113 780
Fair value adjustment to derivative financial instruments	43 546	(22 822)
Profit before taxation	253 150	380 015
Taxation	(17 340)	9 063
Total profit for the period	235 810	389 078
Total profit attributable to:		
Equity holders of Exemplar	231 518	361 415
Non-controlling interests	4 292	27 663
Total profit for the period	235 810	389 078

Reconciliation between earnings and headline earnings

R'000	Audited for the 12 months ended 28 Feb 2021	Audited for the 12 months ended 29 Feb 2020
Profit for the year attributable to equity holders of Exemplar	231 518	361 415
Fair value adjustment to investment properties	39 524	(113 780)
Non-controlling interest in fair value adjustment to investment properties	(9 825)	15 332
Headline earnings	261 217	262 967
Number of shares in issue	332 290 686	325 027 765
Weighted average number of shares in issue	326 843 495	322 082 371
Basic and diluted earnings per share (cents)	70,83	112,21
Headline and diluted headline earnings per share (cents)	79,92	81,64

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	AUDITED FOR THE 12 MONTHS ENDED 28 FEBRUARY 2021			
R'000	**Stated capital**	**Retained earnings**	**Non-controlling interest**	**Total**
Balance at 28 February 2019	**3 185 487**	**277 515**	**146 120**	**3 609 122**
Shares issued for acquisitions	56 243	-	-	56 243
Shares issued to share scheme	950	-	-	950
Pre-acquisition adjustment	(6 863)	-	-	(6 863)
Profit for the period	-	361 415	27 663	389 078
Dividends paid	-	(274 224)	(10 594)	(284 818)
Dividends payable	-	-	(5 473)	(5 473)
Balance at 29 February 2020	**3 235 817**	**364 706**	**157 716**	**3 758 239**
Shares issued for acquisitions	78 320	-	-	78 320
Non-controlling interest on acquisition	-	-	47 415	47 415
Pre-acquisition adjustment	(3 603)	1 515	-	(2 088)
Profit for the period	-	231 518	4 292	235 810
Dividends paid	-	(273 924)	(2 989)	(276 913)
Balance at 28 February 2021	**3 310 534**	**323 815**	**206 434**	**3 840 783**

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

R'000	Audited for the 12 months ended 28 Feb 2021	Audited for the 12 months ended 29 Feb 2020
Cash generated from operations	494 916	459 701
Interest income	23 754	26 760
Finance costs	(250 975)	(180 700)
Dividends paid	(282 386)	(284 818)
Cash (outflow)/inflow from operating activities	**(14 691)**	**20 943**
Purchase of investment properties	(61 047)	(223 688)
Additions to property, plant and equipment	(3 444)	(731)
Loans receivable collected/(advanced)	170 883	(169 822)
Cash inflow/(outflow) to investing activities	**106 392**	**(394 241)**
Pre-acquisition adjustment	(2 089)	(6 863)
Payment of lease liabilities	(3 156)	(2 358)
(Repayment of)/proceeds from financial liabilities	(93 478)	367 351
Cash (outflow)/inflow to financing activities	**(98 723)**	**358 130**
Net (decrease) in cash and cash equivalents	(7 022)	(15 168)
Cash and cash equivalents at beginning of the year	47 684	62 853
Cash and cash equivalents at end of the year	**40 662**	**47 684**

MABOPANE SQUARE *Mabopane, Gauteng*

INTRODUCTION

While the impact of the pandemic and its subsequent challenges in FY2021 cannot be denied, the defensive nature of our portfolio has ensured that, on a basis relative to the property sector, we have been shielded from the worst of it. The excellent locations of our assets, in areas that are not over-traded, as well as reasonable rental levels which were made possible by containing construction and operating costs, have all contributed to the defensiveness of the portfolio. However, in current circumstances, we would particularly attribute the resilience to the quality tenant mix focused on essential goods and services - perhaps best illustrated by trading densities. Our anchor tenants averaged a trading density per retail m² of R3 965 against R3 729 in the prior year - an increase of 6.3%. Against this, our fairly benign average rental through-rate during the period of R137,33 assisted many tenants. In our and our tenants' best interests, we also strive to contain the total cost of occupancy by actively managing operating costs.

Having said that, we have not emerged from FY2021 unscathed. The lockdown regulations forced many tenants to close for extended periods and by operation of the law, we were obligated to provide rental relief. We have also seen some tenants come under pressure both in terms of rental levels and in meeting their payment commitments. We have seen an increase in vacancies and arrears, whilst renewing leases at increased levels has met with resistance.

DIVIDEND PER SHARE

Consistent with prior years, we have distributed 100% of distributable income. We have declared a final dividend for the year of 49,06666 cents per share which, together with the interim dividend of 35,96489 cents per share, equates to 85,03155 cents per share.

OUR DIVIDEND HISTORY IS AS FOLLOWS:

Cents per share	Interim	Final	Total
FY2019	19,10000	42,74348	61,84348
FY2020	43,77000	48,49859	92,26859
FY2021	35,96489	49,06666	85,03155

The FY2021 total dividend decreased by 7.8%, although the dividend for the six months ended 28 February 2021 increased by 1.2% relative to the corresponding six-month period, reflecting some return to normality in the latter half of the year. Much of the decrease is attributable to the COVID-19 rental relief, vastly increased credit loss provisions and other COVID-19 related operating expenses. But for these, we would have shown an increase of 8.0% in dividend per share for the year.

THE EFFECT OF EACH IS SHOWN BELOW:

Cents per share	Interim	Final	Total
FY2021	35,96489	49,06666	85,03155
COVID-19 rental relief	8,76844	1,20604	9,97448
Extraordinary credit loss provision	3,57612	0,73498	4,31110
COVID-19 operating expenses	0,30550	0,05559	0,36109
FY2021 adjusted	**48,61495**	**51,06328**	**99,67823**

(Adjustments are shown for illustrative purposes only and are not an IFRS measure)

Most of the pain came in the first half of the year. In the six months ended 28 February 2021, the necessity for COVID-19 rental relief was much reduced as most tenants resumed normal trading hours as was the need to provide for arrears as tenants' payment patterns, generally-speaking, returned to normal. Since September 2020, we have collected 99.9% of billings.

We are confident that unless further lockdown regulations are introduced that restrict our tenants' ability to trade or there are other significant and unforeseen shocks to the system, FY2022 should see the resumption of steady annual growth in earnings and dividend per share.

YEAR-ON-YEAR RESULTS

CHRIS HANI CROSSING *Vosloorus, Gauteng*

RENTAL INCOME AND RECOVERIES

Rental income and recoveries reflect an improvement of R61,5 million or 8.5% compared to the prior year. Excluding the effects of operating lease straight-lining, which we remove for purposes of calculating distributable income, the increase was R38,2 million or 5.1%. On a like-for-like basis, excluding the effects of the acquisitions of Katale Square, Mabopane Square (both FY2020) and Mall of Thembisa (FY2021), rental income and recoveries decreased by R5,9 million or 0.8%.

COVID-19 RENTAL RELIEF

It is worth noting that these various measures of changes in rental income and recoveries are after COVID-19 rental relief of R32,2 million granted to tenants. But for this, there would have been an increase (before straight-lining adjustments) on the portfolio as a whole of R70,7 million or 9.5% (R24,6 million or 3.4% on a like-for-like basis).

The rental relief was a consequence of COVID-19 lockdown regulations in terms of which tenants' trading hours were curtailed. Substantially, all rental relief of this nature had ceased by the financial year end. Uncertainty remains as to whether or not we will see a repeat of the restricted trading hours, which would have a detrimental effect on revenues.

LEASE RENEWALS AND ESCALATIONS

As mentioned above, some tenants experienced financial stress mainly due to their inability to trade without interruption. As a consequence, renewing some leases at increased levels in FY2021 was difficult. Although we managed to retain 83.4% of tenants, the average increase in rentals on renewal was only 0.3%. With regards to FY2022, we are budgeting for an increase in rental of 4.4% based on leases concluded as at year-end.

VACANCIES

We experienced an increase in vacancies which at year-end were 5.3%. Two of the main contributors are Acornhoek Megacity and Mall of Thembisa, which account for 47.4% of all vacancies. Acornhoek Megacity's misfortunes are long-standing and previously discussed while Mall of Thembisa opened in late-November 2020 and some tenants will only take beneficial occupation in the first half of FY2022. Some other vacancies have also since been filled and by July 2021, we expect the portfolio vacancy level to be substantially improved at 3.5%.

PROPERTY OPERATING COSTS

CREDIT LOSS PROVISIONS

Property operating costs increased by R30,2 million or 11.5%. Much of this substantial increase is attributable to the increase in credit loss provisions of R14 million, which relate mainly to financial stress suffered by tenants due to COVID-19 lockdown restricted trading hours. We impair all amounts in arrears in excess of securities held. But for this hopefully not-to-be-repeated exceptional event, property operating costs would have increased by 6.1%.

MUNICIPAL RATES AND TAXES

Another contributing factor to the increase in property operating costs (sadly beyond our and the rest of the property sector's control as all protestations seemingly fall on deaf ears) is the increase in municipal rates and taxes, which local government seems to have identified as a soft target for purposes of propping up mismanaged municipalities. Municipal rates and taxes increased by R7,6 million or 19.1% (10.3% on a like-for-like basis) in FY2021. Although some of this is contractually recovered from tenants, ultimately the cost is borne by the landlord as the pressure of increased costs of occupancy finds release in lower rentals. No doubt this new-found golden goose for the municipalities has a finite life, but at what cost to local economies before then, one wonders?

ROOF-TOP SOLAR PV

Our roof-top solar PV project kicked off in earnest in FY2021 and is progressing well. By year-end, six installations were operational. It is expected that this initiative will contribute to substantially reducing our electricity cost in future years whilst also benefitting the environment. Our solar PV projects form part of a broader initiative to enhance management of utilities recoveries and we expect to see benefits from this in the coming year.

COST-TO-INCOME RATIOS

In FY2021, there was a deterioration in the cost-to-income ratio from 39.7% to 42.0%. Once again, this is due to COVID-19 rental relief, increased credit loss provisions and other COVID-19 operating expenses.

IF ONE MAKES ALLOWANCE FOR THESE, THEN THE RATIO SHOWS GOOD IMPROVEMENT TO 38.1%:

Rand	FY2021	FY2020
Property operating costs	(278 141 736)	(263 116 528)
Administrative expenses and corporate costs	(32 548 182)	(32 836 476)
Operating costs	(310 689 918)	(295 953 004)
Rental income and recoveries net of operating lease equalisation	815 268 234	744 606 480
Gross rental income and recoveries	821 669 596	727 689 878
Operating lease equalisation	(6 401 362)	16 916 602
Cost-to-income ratio	**38.1%**	**39.7%**
Administrative cost-to-income ratio	**4.0%**	**4.4%**

In a difficult year, administrative costs were kept well in check, reducing to 4.2% of rental income and recoveries and 4.0% after adjusting for the COVID-19 anomalies.

(The disclosure of cost-to-income ratios is not an IFRS measure)

ALEX MALL *Alexandra, Gauteng*

OTHER INCOME

Other income consists mainly of property management and leasing fees earned on non-group property assets. Our in-house property management and leasing functions continue to perform well and ensure that we are in control of the day-to-day management of our properties. The leasing team also performs a critical function in ensuring commercially sound and well-structured ab-initio leases for our and McCormick Property Development's new developments.

FINANCE COSTS

During FY2021, the SA Reserve Bank slashed the repo rate by 275bps. As a result, borrowing costs are at all-time lows. The rate on much of our debt was, unfortunately, locked in at fixed rates. We decided to close-out these positions to take advantage of then current market conditions and enter into new hedges at the lower rates. Our finance costs, as reflected in FY2021, are inclusive of settlement fees paid of R95,2 million. For distribution purposes, these fees are amortised over the original lives of the derivative positions settled.

Subsequently, we entered into new interest-rate swaps and at year-end 50% of the utilised facilities were hedged.

OUR BORROWING COSTS AT YEAR-END ARE SUMMARISED AS FOLLOWS:

Facilities (R'm)	Rate type	Expiry Date	Margin	All-in rate
850	Fixed	Dec 2023	1.92%	6.22%
435	Fixed	Jan 2024	2.10%	6.23%
850	Floating		1.92%	5.56%
380	Floating		1.68%	5.34%
200	Floating		1.80%	5.44%
146	Floating		1.71%	5.35%
2 861			**1.91%**	**5.81%**

We do expect the current favourable interest rate environment to provide support to distributable income in FY2022.

FAIR VALUE ADJUSTMENTS TO INVESTMENT PROPERTIES

On a like-for-like basis (excluding Mall of Thembisa and KwaBhaca Mall, Mt Frere), the fair value of the portfolio, which an independent third-party valuer has determined, has increased by R24,0 million or 0.41%. The fair value of Acornhoek Megacity has been impaired by R69,9 million, which is reflective of our expectation of the reduced net income potential of this asset. The balance of the portfolio has therefore seen a negligible increase in fair value of 1.62%, reflecting the uncertainty currently pervading the property sector and indeed the broader economy, notwithstanding our expectations of reasonable net income growth from the portfolio as a whole in FY2022.

NET ASSET VALUE

Rand	FY2021	FY2020
Reported net asset value	3 634 347 903	3 600 523 497
Dividend to be declared excluding antecedent adjustment	(161 094 407)	(155 044 276)
Derivative financial instruments	(17 080 649)	26 465 388
Finance lease liabilities	26 866 279	26 464 156
Deferred tax liability	103 080 836	85 739 980
	3 586 119 962	3 584 148 745
Shares outstanding	332 290 686	325 027 765
Net asset value per share	**10.79**	**11.03**

NAV per share declined by 24 cents or 2.2%, substantially as a result of the portion of the settlement fees paid to unwind interest rate hedges to be amortised against future dividends of R46,9 million or 14,13 cents per share.

In future periods, this adjustment will have the effect of enhancing NAV as otherwise distributable income will be retained.

LOAN-TO-VALUE RATIO

Rand	FY2021	FY2020
Financial liabilities	2 569 332 792	2 062 810 894
Cash and cash equivalents	(40 662 301)	(47 683 869)
Net debt	2 528 670 491	2 015 127 025
Carrying amount of property related assets	6 567 832 543	5 959 651 487
Total assets per statement of financial position	6 738 606 025	6 126 213 395
Staff share scheme loans	(45 290 167)	(45 489 005)
Trade and other receivables	(57 954 735)	(46 924 878)
Cash and cash equivalents	(40 662 301)	(47 683 869)
Finance lease liabilities	(26 866 279)	(26 464 156)
Loan-to-value ratio	**38.5%**	**33.8%**

The increase in our LTV ratio is, in some part, a consequence of the item discussed above affecting NAV per share but, in the main, is a result of the highly leveraged acquisition of the Mall of Thembisa. Although the ratio increased, at 38.5%, our gearing level is entirely manageable and is a trade-off we are willing to make in return for the benefits we expect this acquisition to deliver. Perhaps more important than the LTV ratio is the interest cover ratio. Excluding the settlement fees paid on interest rate hedges mentioned above, our corporate interest cover ratio for FY2021, as determined in accordance with our loan covenants, was a strong 3.57 times.

At year-end, we had unutilised facilities amounting to R292 million. In our most pessimistic views of short-term turbulence, this headroom is wholly adequate to absorb any unforeseen liquidity requirements.

(The disclosure of loan-to-value ratios is not an IFRS measure)

SEGMENT ANALYSIS

R'000	Revenue	Net income	Investment property	GLA (m^2)
2021				
Gauteng	357 190	305 723	3 471 647	172 716
Mpumalanga	177 192	3 171	1 304 750	85 920
KwaZulu Natal	116 158	62 250	772 000	57 398
Limpopo	110 463	67 088	783 469	52 690
Eastern Cape	28 203	18 167	209 725	13 597
Total	**789 206**	**456 399**	**6 541 591**	**382 321**
2020				
Gauteng	299,381	269,091	2,640,505	134,371
Mpumalanga	169,834	99,078	1,402,369	85,920
KwaZulu Natal	117,780	95,391	779,000	57,398
Limpopo	116,394	68,709	779,969	52,690
Eastern Cape	26,123	26,817	187,000	13,597
Total	**729,512**	**559,086**	**5,788,843**	**343,976**

PHOLA MALL *KwaMhlanga, Mpumalanga*

CONCLUSION

It is true that FY2021 did not deliver the results that we were expecting at the outset. The reasons for this are clear and virtually all blame can be laid at the door of the COVID-19 hard lockdown regulations experienced mainly during April and May 2020. The reduced trading hours that were forced on our tenants meant that we were obligated in law to provide rental relief. In addition to this, the reduced hours impaired the ability of some of our mainly local tenants to fulfil their payment obligations when trading returned to normal. On reflection, however, it has provided us with a real-life test of how defensive our portfolio assets really are. We are of the opinion that if allowed, the vast majority of our tenants are able to operate at levels that are sustainable, which in turn obviously supports the sustainability of our own net income.

In addition to the existing portfolio of income-producing properties, Exemplar has also recently embarked on a strategy to not only grow the portfolio through the acquisition of the McCormick Property Development pipeline but has also entered into arrangements to co-develop additional opportunities in our traditional rural retail segment of the market. Together with other initiatives alluded to above, we are confident that we will report even better results in FY2022.

DIVIDEND DECLARATION

Dividend number 6 of 49,06666 cents per share for the six months ended 28 February 2021 will be paid to shareholders in accordance with the timetable set out below:

LAST DATE TO TRADE CUM DIVIDEND	Tuesday, 8 June 2021
SHARES TRADE EX DIVIDEND	Wednesday, 9 June 2021
RECORD DATE	Friday, 11 June 2021
PAYMENT DATE	Monday, 14 June 2021

Share certificates may not be dematerialised or rematerialised between Wednesday, 9 June 2021 and Friday, 11 June 2021, both days inclusive. The dividend will be transferred to dematerialised shareholders' CSDP/broker accounts on Monday, 14 June 2021. Certificated shareholders' dividend payments will be paid to certificated shareholders' bank accounts on or about Monday, 14 June 2021.

In accordance with Exemplar's status as a REIT, shareholders are advised that the dividend meets the requirements of a 'qualifying distribution' for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 ('Income Tax Act'). The dividend on the shares will be deemed to be a dividend, for South African tax purposes, in terms of section 25BB of the Income Tax Act.

The dividend received by or accrued to South African tax residents must be included in the gross income of such shareholders and will not be exempt from income tax (in terms of the exclusion to the general dividend exemption, contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because it is a dividend distributed by a REIT. This dividend is, however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that such shareholders provide the following forms to their Central Securities Depository Participant ('CSDP') or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

a) a declaration that the dividend is exempt from dividends tax; and
b) a written undertaking to inform the CSDP, broker or the Company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service.

Shareholders are advised to contact their CSDP, broker or the Company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ('DTA') between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 39,25333 cents per share. A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

a) declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
b) a written undertaking to inform their CSDP, broker or the Company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service.

Non-resident shareholders are advised to contact their CSDP, broker or the Company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted, if applicable.

Shares in issue at the date of declaration date of the dividend: 332 290 686

Exemplar income tax reference number: 9727063175

BASIS OF PREPARATION

These summarised audited consolidated results for the financial year ended 28 February 2021 ('the results') have been prepared in accordance with, and contain the information required by International Financial Reporting Standards ('IFRS'), IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Financial Reporting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act of South Africa, No 71 of 2008. The accounting policies applied in the preparation of the results are in accordance with IFRS and are consistent with those applied in the prior year.

The results were prepared under the supervision of the Chief Financial Officer, DA Church CA(SA). They have been extracted from the Group's consolidated annual financial statements which have been audited by the Company's independent auditor, BDO South Africa Inc, but this results announcement itself has not been audited. The independent auditor has expressed an unmodified opinion on the Group's consolidated annual financial statements. A copy of the Group annual financial statements incorporating the audit opinion is available at the Company's registered office.

Please refer to the Company's annual financial statements for the year ended 28 February 2021 for additional disclosure in respect of the following:

- Related party transactions pages 54 to 56
- Going concern page 8
- HEPS calculation page 53
- Distributable earnings calculation pages 73 to 74

The only financial instruments carried at fair value by the Group are the derivative financial instruments which are categorised as a level 2 fair value measurement. The fair value is the present value of the difference in interest payments at the fixed rate and the projected interest payments based on the forward yield curve.

The directors are not aware of any matters or circumstances arising subsequent to 28 February 2021 that would require any disclosure or adjustment to the results, other than as disclosed in this announcement. The directors further take full responsibility for the preparation of this results announcement and for ensuring that the financial information has been correctly extracted from the underlying audited financial statements.

FOR AND ON BEHALF OF THE BOARD

EXEMPLAR REITAIL LIMITED
25 May 2021

EXECUTIVE DIRECTORS
Jason McCormick (CEO)
DA Church (CFO)
John McCormick (Executive director)

INDEPENDENT NON-EXECUTIVE DIRECTORS
FM Berkeley (Chair)
PJ Katzenellenbogen (Lead)
EP Maponya
GVC Azzopardi

COMPANY SECRETARY
A Booysen BA(Hons) LLB LLM

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AUDITOR
BDO South Africa Inc.

SPONSOR
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