



EXEMPLAR



Exemplar REITail Roadshow

AUGUST 2022

INTRODUCTION

Exemplar is a market leading developer, owner and manager of township and rural retail space.	We are the only South African fund focused exclusively on rural and township retail.
The business was listed in June 2018 but was founded by executive director, John McCormick, in 1983.	Sustainable rental levels, operational cost management and viable development models contribute to the delivery of sustainable distribution growth .
We acquire, develop, own and manage assets that provide essential and convenient retail.	The portfolio fair value has increased by R2,13 billion since listing.
As a team we offer 631 years of combined experience within the Group.	

We provide retail essentials to our local communities

Creation of positive socio-economic impact



INVEST TO OWN FOR THE LONG TERM: We invest to own for the long term, with options to acquire retail assets developed by McCormick Property Development (Pty) Ltd (MPD) that are congruent with our existing portfolio on an arm's length transaction basis.

INTERNALLY MANAGED: Our team has an inherent understanding of our portfolio as well as deep institutional knowledge of the markets within which we currently operate. The same management team that planned and developed each asset remains responsible for its internal asset management to date, allowing for an unparalleled understanding of our asset base.

REDEVELOP, RENEW AND RECYCLE: We have a strategic intent to acquire developments that have been under-scoped within their first phase, allowing for redevelopment and growth to their full potential to ensure future proofing of each asset.

SELL: Investments and acquisitions are not done with a view to sell. Recycling of capital, however, is seen as an integral part of our business model. Assets that may have exhausted their growth potential will be disposed of, allowing for yield-enhancing property acquisitions.



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EXECUTIVE MANAGEMENT TEAM

Jason McCormick (43)



Position: CEO

Board committees: Social and Ethics

Date of appointment: January 2018

Qualifications: BComm (Economics and Business Management), BComm (Hons) (Business Management)

Length of service: 4 years



John McCormick (77)



Position: Executive director

Date of appointment: January 2018

Qualifications: BComm (Economics), MBA (Finance)

Length of service: 4 years



Duncan A Church (50)



Position: CFO

Date of appointment: January 2018

Qualifications: BCompt (Hons), CA(SA)

Length of service: 4 years



Skills



ORGANOGRAM

**The John McCormick
Family Trust**

*73.1% (via various subsidiaries
including McCormick Property
Development (Pty) Ltd, which itself
owns 60.3% in Exemplar REITail Ltd)*

Exemplar REITail Ltd



**23 RENTAL PRODUCING
PROPERTIES**
with total GLA of
382 483sqm



2 DEVELOPMENTS
under construction

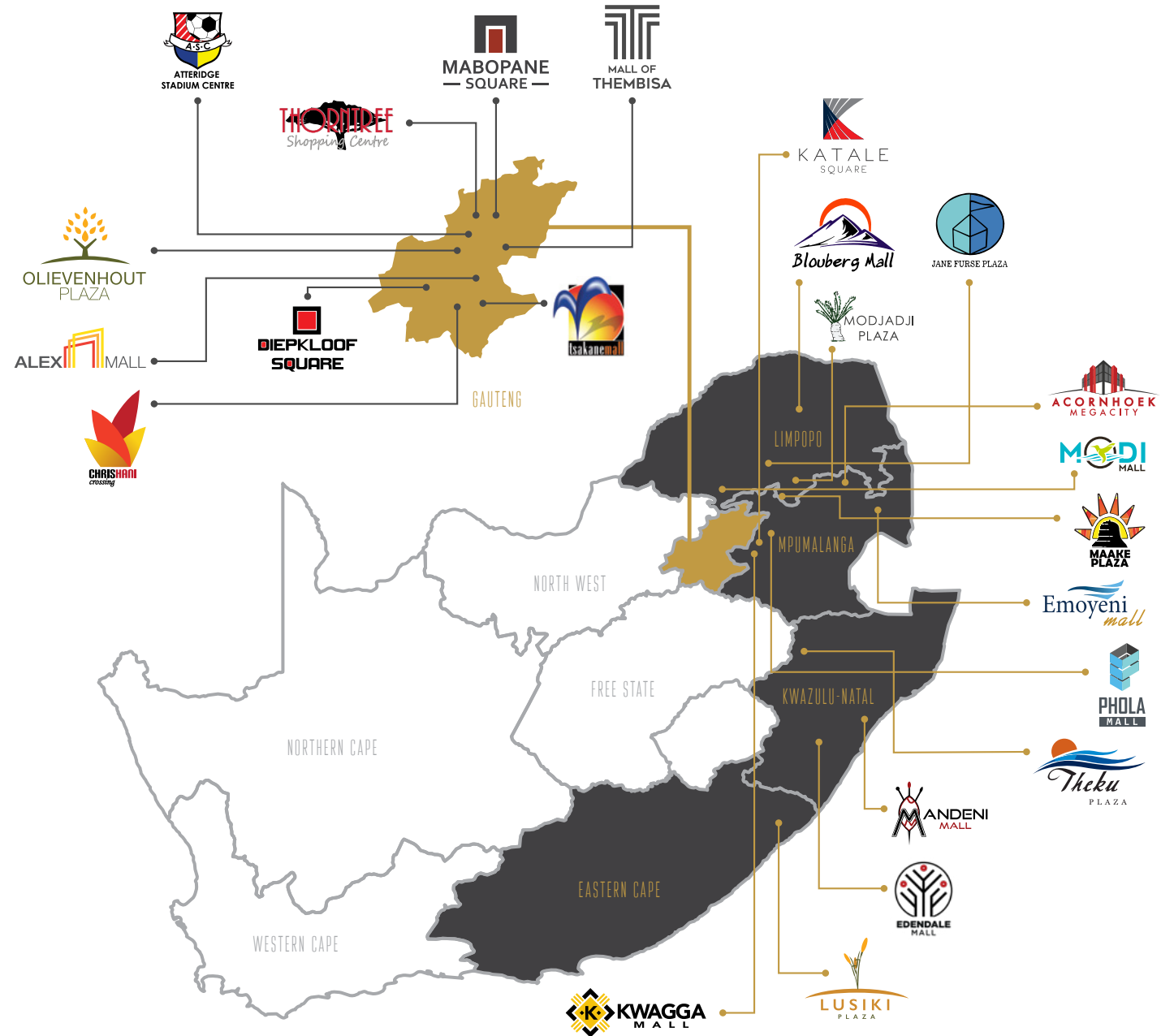


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PORTFOLIO

With in excess of 450 000sqm of GLA under internal management, our team ensures we provide the best service and experience for our key stakeholders, including our co-owners, tenants and community members.



PORTFOLIO PERFORMANCE

As at 1 July 2022:



National tenants
comprise
**c.78.4% of total tenants
by basic rentals**



National tenants
comprise
**c.81.0% of Gross
Lettable Area (GLA)**

Top 10 tenants

% of Rent

SHOPRITE GROUP

16.8%

PEPKOR
Holdings Limited

9.7%



5.6%



5.1%



4.2%

Pick n Pay GROUP

3.4%

Cashbuild

2.8%

SPAR

2.3%

CLICKS

2.0%



1.9%

TOTAL TOP 10

53.8%

* As at 1 July 2022



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PORTFOLIO PERFORMANCE CONTINUED

Lease expiry profile

	By GLA		By revenue	
Vacant (March 2022)	3.26%	<div></div>		
Monthly	2.95%	<div></div>	2.31%	<div></div>
February 2023	16.27%	<div></div>	19.19%	<div></div>
February 2024	23.59%	<div></div>	24.92%	<div></div>
February 2025	14.18%	<div></div>	15.43%	<div></div>
February 2026	17.77%	<div></div>	17.22%	<div></div>
After February 2026	25.24%	<div></div>	20.93%	<div></div>

WALE: 36 months*

**As at 1 August 2022*



ACQUISITIONS SINCE LISTING



KATALE SQUARE
8 734sqm
Marapyane, Mpumalanga



MABOPANE SQUARE
10 398sqm
Mabopane, Gauteng



MALL OF THEMBISA
44 780sqm
Thembisa, Gauteng



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NORMALISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Rand	FY2022	FY2021	FY2020
Rental income and recoveries	938 578 156	821 669 596	727 689 878
Rental income and recoveries before operating lease equalisation	947 339 445	815 268 234	744 606 480
Operating lease equalisation	(8 761 289)	6 401 362	(16 916 602)
Property operating costs	(332 543 912)	(293 282 779)	(263 116 527)
Gross profit	606 034 244	528 386 817	464 573 351
Other income	22 935 887	16 827 870	14 976 540
Administrative expenses and corporate costs	(39 103 374)	(32 621 784)	(32 836 476)
Operating profit	589 866 757	512 592 903	446 713 415
Investment income	15 751 287	23 753 876	26 759 863
Finance costs	(166 055 710)	(159 513 837)	(184 415 514)
Operating profit after interest	439 562 334	376 832 942	289 057 764
Fair value adjustments on investment property	495 888 554	(39 523 959)	113 779 867
Insurance claim on material loss	58 524 668	-	-
Fair value adjustments on derivative financial instruments	13 818 316	43 546 036	(22 822 346)
Profit before taxation	1 007 793 872	380 855 019	380 015 285



DIVIDEND HISTORY

Cents per share	FY2022	FY2021	FY2020
Interim	45,3	36,0	43,8
Final	72,3	49,1	48,5
Actual dividend paid	117,6	85,0	92,3
	38.3%	-7.8%	
Adjusted for:			
Covid-19 rental assistance and extraordinary credit losses	0,5	14,6	-
Reversal of effects of derivative settlement fee paid	12,6	12,5	-
Normalised dividend	131,1	112,1	92,3
	17.0%	21.5%	

KEY BALANCE SHEET MEASURES

	FY2022	FY2021	FY2020
Total assets (R'000)	7 518 900	6 738 606	5 663 873
Interest bearing debt (R'000)	(2 666 134)	(2 569 333)	(2 062 811)
Rate	3m JIBAR +1.91%	3m JIBAR +1.91%	3m JIBAR +1.91%
Unutilised facilities (R'000)	904 000	291 667	798 189
NAV (R/share)	12,75	10,94	11,08
LTV	35.2%	38.2%	34.1%

OPERATIONAL PERFORMANCE

	August 2022	FY2022	FY2021	FY2020
Anchor tenants trading densities (R/sqm/month)	4 847	4 343	3 965	3 737
Rental through-rate (R/sqm/month)	151,75	150,36	143,41	136,58
<i>Vacancies</i>	2.80%	3.26%	5.30%	3.34%

GROWTH PROSPECTS

Growth primarily to be achieved through **development and acquisition** (particularly of the MPD pipeline).

In FY2021, our growth strategy expanded to **encompass development**.

Currently under construction by Exemplar:

- KwaBhaca Mall, Mt Frere, Eastern Cape. Opening October 2022.
- Bizana Walk, Bizana, Eastern Cape. Opening November 2022.

Currently under development by Exemplar:

- Vuwani Mall, Vuwani, Limpopo. Projected completion date 4Q2024.



KWABHACA MALL



BIZANA WALK



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MPD PIPELINE AND POTENTIAL ACQUISITIONS

Exemplar holds a right of first refusal over the entire MPD pipeline. Subject to qualifying criteria, the intention is to **acquire all of MPD's projects upon completion.**

MPD's pipeline currently consists of **31 centres, totalling 722 223sqm:**

- 461 023sqm currently secured
- A further 261 200sqm in the process of being secured

MPD has successfully completed **71 retail developments** and has a 40-year history within the market segment.



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MPD IMMEDIATE PIPELINE



MAMELODI SQUARE

16 533sqm

Mamelodi, Gauteng

*Envisaged acquisition by Exemplar in
October 2022*



TSHAKHUMA CORNER

23 000sqm

Thohoyandou, Limpopo

*Projected completion date
September 2023*



CAPITAL MALL

52 000sqm

Tshwane, Gauteng



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