

SUMMARISED AUDITED
CONSOLIDATED RESULTS
AND CASH DIVIDEND
DECLARATION
FOR THE 12 MONTHS ENDED 28 FEBRUARY 2022



EXEMPLAR

EXEMPLAR REITAIL LIMITED

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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)

HIGHLIGHTS



Total cash dividend for the 12 months ended 28 February 2022 of

117,6 cents per share against **85,0 cents** per share for the prior year.

An **increase** of **38.3%**

Loan-to-value
ratio of 35.2%
and interest cover ratio of
3,91 times

NAV per share of **R12,29**
An increase of **14.7%**



Alex Mall

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R'000	Audited as at 28 Feb 2022	Audited as at 28 Feb 2021
Non-current assets	7 124 676	6 590 081
Investment property	6 921 601	6 410 622
Operating lease asset	149 074	157 835
Property, plant and equipment	23 102	4 543
Derivative financial instruments	30 899	17 081
Current assets	394 223	148 525
Loans receivable	47 584	49 908
Trade and other receivables	57 125	57 955
Cash and cash equivalents	289 514	40 662
TOTAL ASSETS	7 518 899	6 738 606
EQUITY		
Total equity	4 500 785	3 840 783
Shareholders' interest	4 236 853	3 634 349
Stated capital	3 310 534	3 310 534
Retained earnings	926 319	323 815
Non-controlling interest	263 932	206 434
Total liabilities	3 018 114	2 897 823
Non-current liabilities	2 805 318	1 840 433
Financial liabilities	2 666 134	1 713 333
Lease liabilities	24 806	24 020
Deferred taxation	114 378	103 080
Current liabilities	212 796	1 057 390
Financial liabilities	–	856 000
Trade and other payables	198 545	198 543
Lease liabilities	3 032	2 847
Dividends payable	11 219	–
TOTAL EQUITY AND LIABILITIES	7 518 899	6 738 606
Shares in issue	332 290 686	332 290 686
Net asset value per share (Rand)	12,75	10,94
Net tangible asset value per share (Rand)	12,75	10,94
NAV per share in accordance with SA REIT Association BPR (Rand)	12,29	10,71

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT AND LOSS
AND OTHER COMPREHENSIVE INCOME

R'000	Audited for the 12 months ended 28 Feb 2022	Audited for the 12 months ended 28 Feb 2021
Property portfolio	884 607	789 206
Rental income and recoveries	893 367	782 805
Straight-line lease income adjustments	(8 760)	6 401
Property operating expenses	(334 530)	(293 283)
Net rental and related income	550 077	495 923
Other income	77 357	16 828
Administrative expenses and corporate costs	(39 103)	(32 622)
Profit from operations	588 331	480 129
Interest income	15 751	23 754
Insurance claim on material loss	289 284	–
Finance costs	(166 056)	(254 755)
Profit before fair value adjustments	727 310	249 128
Fair value adjustment to investment properties	265 129	(39 524)
Fair value adjustment to derivative financial instruments	13 818	43 546
Profit before taxation	1 006 257	253 150
Taxation	(11 297)	(17 340)
Total profit for the period	994 960	235 810
Total profit attributable to:		
Equity holders of Exemplar	914 275	231 518
Non-controlling interests	80 685	4 292
Total profit for the period	994 960	235 810

Reconciliation between earnings and headline earnings

R'000	Audited for the 12 months ended 28 Feb 2022	Audited for the 12 months ended 28 Feb 2021
Profit for the year attributable to equity holders of Exemplar	914 275	231 518
Fair value adjustment to investment properties	(265 129)	39 524
Non-controlling interest in fair value adjustment to investment properties	51 213	(9 825)
Insurance claim on material loss	(289 284)	–
Non-controlling interest in insurance claim on material loss	8 144	–
Headline earnings	419 219	261 217
Number of shares in issue	332 290 686	332 290 686
Weighted average number of shares in issue	332 290 686	326 843 495
Basic and diluted earnings per share (cents)	275,14	70,83
Headline and diluted headline earnings per share (cents)	126,16	79,92

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Audited for the 12 months ended 28 February 2022					
R'000	Stated capital	Retained earnings	Shareholders' interest	Non-controlling interest	Total
Balance at 29 February 2020	3 235 817	364 706	3 600 523	157 716	3 758 239
Shares issued for acquisitions	78 320	–	78 320	47 415	125 735
Pre-acquisition adjustment	(3 603)	1 515	(2 088)	–	(2 088)
Profit for the period	–	231 518	231 518	4 292	235 810
Dividends declared	–	(273 924)	(273 924)	(2 989)	(276 913)
Balance at 28 February 2021	3 310 534	323 815	3 634 349	206 434	3 840 783
Profit for the period	–	914 275	914 275	80 685	994 960
Dividends declared	–	(311 771)	(311 771)	(23 187)	(334 958)
Balance at 28 February 2022	3 310 534	926 319	4 236 853	263 932	4 500 785

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

R'000	Audited for the 12 months ended 28 Feb 2022	Audited for the 12 months ended 28 Feb 2021
Cash generated from operations	606 402	494 916
Interest income	15 751	23 754
Finance costs	(175 062)	(252 067)
Dividends paid	(323 738)	(282 386)
Cash inflow/(outflow) from operating activities	123 353	(15 783)
Additions to investment properties	(253 118)	(61 048)
Proceeds on material loss insurance claim	289 284	–
Additions to property, plant and equipment	(19 396)	(3 444)
Loans receivable repaid	5 680	580 307
Loans receivable advanced	(3 355)	(409 424)
Cash inflow to investing activities	19 095	106 391
Pre-acquisition adjustment	–	(2 089)
Payment of lease liabilities	(596)	(624)
Proceeds from financial liabilities	2 438 455	448 740
Repayment of financial liabilities	(2 331 455)	(543 657)
Cash inflow/(outflow) to financing activities	106 404	(97 630)
Net increases/(decrease) in cash and cash equivalents	248 852	(7 022)
Cash and cash equivalents at beginning of the year	40 662	47 684
Cash and cash equivalents at end of the year	289 514	40 662

COMMENTARY

With the memories of the COVID-19 lockdown effects still fresh, in July 2021 South Africa experienced unprecedented social unrest which resulted in five of our assets being looted and damaged to varying degrees. The five assets in question were our three centres in KwaZulu-Natal, being Greater Edendale Mall (Edendale Mall), Mandeni Mall and Theku Plaza, as well as Chris Hani Crossing and Diepkloof Square in Gauteng.

In total 93 214m² of our GLA was affected, which equates to 24.4% of our total GLA. Our view was that it was imperative to rebuild as quickly as possible, which is what we did, notwithstanding that our insurance claim at the time had not been settled. At financial year-end we are happy to report that all of the centres barring Edendale Mall have been completely repaired and we have reached a settlement with SASRIA which should substantially cover all our losses, both material and loss of rent, dependent on the final Edendale Mall cost. The damage to Edendale Mall was by far the most extensive. We have commenced with the rebuild, which we aim to complete by June 2023.

“Normalised” statement of profit or loss and other comprehensive income

Despite the difficult circumstances, Exemplar's trading results once again attest to the resilience of the portfolio. To better understand the numbers, we have provided a “normalised” statement of profit or loss and other comprehensive income which can be compared to the audited version included in this announcement:

R'000	FY2022	FY2021
Rental income and recoveries	938 578	821 669
Rental income and recoveries before operating lease equalisation	947 339	815 268
Operating lease equalisation	(8 761)	6 401
Property operating costs	(332 544)	(293 283)
Gross profit	606 034	528 386
Other income	22 936	16 828
Administrative expenses and corporate costs	(39 103)	(32 622)
Operating profit	589 867	512 592
Investment income	15 751	23 754
Finance costs	(166 056)	(159 514)
Operating profit after interest	439 562	376 832
Fair value adjustments on investment property	495 889	(39 524)
Insurance claim on material loss	58 525	–
Fair value adjustments on derivative financial instruments	13 818	43 546
Profit before taxation	1 007 794	380 854

Note: The “normalised” statement of profit or loss and other comprehensive income has not been audited or reported on by the Group's auditors.

Rental income and recoveries

Rental income and recoveries has been adjusted for the insurance claim proceeds in respect of the rental assistance provided to tenants as a consequence of forced store closures due to the July 2021 riots which is included in other income in accordance with IFRS, as well as a notional adjustment for the credits granted because of the COVID-19 lockdowns:

R'000	FY2022	FY2021
Rental income and recoveries before operating lease equalisation – audited	893 367	782 805
Settled insurance claim in respect of rental assistance due to July 2021 riots reflected in other income in the audited statement of profit or loss	52 435	–
COVID-19 rental assistance	1 537	32 463
Rental income and recoveries before operating lease equalisation – as above	947 339	815 268

As mentioned above we have settled our claim for the July 2021 riots with the insurer which has enabled us to recognise the income in FY2022, being an amount of R52,4 million, which equates to the rental assistance provided during the period. This is simply a reallocation and has no "bottom-line" effect. With regards to the COVID-19 claim however, the insurer has not acknowledged the liability. The negative effect of this on our distributable income is largely confined to the prior year with the effect on the current year being only R1,5 million. We are pursuing our legal rights and hope in due course to reach finality on the matter.

Ignoring the effect of the lease equalisation adjustment, which is excluded in determining distributable income, "normalised" rental income and recoveries has increased by R132,1 million or 16.2%. This is affected to some extent by the Mall of Thembisa acquisition in FY2021. On a like-for-like basis the increase is R50,8 million or 6.4%.

Trading densities

Once again our anchor tenants have reported an inflation-beating turnover growth with trading densities growing to R4 343/m² from R3 965/m² in the prior year, an increase of 9.55%.

Rental through-rate

The weighted average rental through-rate improved by 4.85% to R150,36 per m². We endeavour to set rentals at levels that are sustainable to ensure the continued success of our tenants.

Vacancies

Vacancies at financial year-end were much improved at 3.26% against the 5.30% reported in the prior year.

Lease renewals and escalations

81.27% of leases that expired in FY2022 have been renewed with existing tenants with some still under negotiation. In doing so the weighted average escalation in rentals was 1.02%. Although this is not a significant escalation, we are always cognisant of the trade-off between rentals and vacancies, as well as ensuring the correct tenant mix. In respect of replacement tenants for non-renewals, the increase in rental relative to the outgoing was 6.12%.

Cost-to-income ratios

R'000	FY2022	FY2021
Property operating costs	(332 544)	(293 283)
Administrative expenses and corporate costs	(39 103)	(32 622)
Operating costs	(371 647)	(325 905)
Rental income and recoveries net of operating lease equalisation	947 339	815 269
Rental income and recoveries	938 578	821 670
Operating lease equalisation	8 761	(6 401)
Cost-to-income ratio	39.2%	40.0%
Administrative cost-to-income ratio	4.1%	4.0%

Cost-to-income ratios remain at acceptable levels.

The only normalising adjustment to the property operating costs is the reallocation from other income of R2,0 million recovered from SASRIA in respect of additional security costs incurred during the July 2021 riots.

R'000	FY2022	FY2021
Property operating costs – audited	(334 530)	(293 283)
Settled insurance claim in respect of additional security costs due to July 2021 riots	1 986	–
Property operating costs – as above	(332 544)	(293 283)

Other income

The increase in other income is mainly a consequence of the inclusion of the proceeds from the loss of rent and additional security costs insurance claim in respect of the July 2021 riots. These amounts have been reallocated in the "normalised" statement of profit or loss:

R'000	FY2022	FY2021
Other income – audited	77 357	16 828
Settled insurance claim in respect of rental assistance due to July 2021 riots	(52 435)	–
Settled insurance claim in respect of additional security costs due to July 2021 riots	(1 986)	–
Other income – as above	22 936	16 828

The majority of "normalised" other income of R22,9 million consists of property management and leasing fees earned on the management of GLA not owned by Exemplar. In addition to Exemplar's portfolio of 382 483m², we manage a further 189 381m² on behalf of other landlords.

Facilities and finance costs

As previously reported, we paid a settlement fee of R95,2 million in FY2021 to exit certain onerous interest rate derivatives. This amount has been adjusted to "normalise" the finance costs in that year for purposes of comparability.

R'000	FY2022	FY2021
Finance costs – audited	(166 056)	(254 755)
Settlement fees paid on closing-out onerous interest rate hedges	–	95 241
Finance costs – as above	(166 056)	(159 514)

In FY2022 we entered into a new common-terms agreement with our lenders. The deal structure is intended to create an ever-green platform that will allow the introduction of new lenders and assets. Certain of the facilities raised are ESG-linked in that the company can benefit from keener borrowing costs in return for additional CSI-spend as well as achieving certain environmentally-friendly goals related to solar energy production and fresh water consumption. At financial year-end the facilities available to us and their respective costs were as follows:

Lender	Type	Expiry	Amount R'm	Interest basis	Margin including participation fee %	Base rate 1 March 2022 %	All-in rate 1 March 2022 %
Absa	Term loan	17 Dec 2023	435	3m JIBAR	2.27	4.217	6.487
Absa	Term loan	4 Nov 2024	609	3m JIBAR	1.75	4.217	5.967
Absa	RCF	4 Nov 2024	200	Prime	-1.55	7.500	5.950
Standard Bank	RCF	4 Nov 2024	200	3m JIBAR	1.78	4.217	5.997
Absa	Term loan	4 Nov 2025	91	3m JIBAR	1.85	4.217	6.067
Standard Bank	Term loan	4 Nov 2025	91	3m JIBAR	1.85	4.217	6.067
Nedbank	Term loan	4 Nov 2025	500	3m JIBAR	1.85	4.217	6.067
Standard Bank	Term loan	4 Nov 2025	335	3m JIBAR	1.85	4.217	6.067
Absa	Term loan	4 Nov 2026	750	3m JIBAR	1.95	4.217	6.167
Standard Bank	Term loan	4 Nov 2026	259	3m JIBAR	1.95	4.217	6.167
Nedbank	Term loan	4 Nov 2026	100	3m JIBAR	1.95	4.217	6.167
Total facilities			3 570				6.122
Utilised facilities at 28 February 2022			(2 666)				
Unutilised facilities			904				
Interest rate hedges:							
Absa	Swap	11 Dec 2023	850	3m JIBAR	N/A	4.295	N/A
Absa	Swap	15 Jan 2024	435	3m JIBAR	N/A	4.130	N/A
Nominal value of interest rate hedges			1 285				

Our all-in cost of borrowing (ignoring the effect of the swaps) is extremely attractive at 6.122%. There is no doubt that the extraordinarily low interest rates are providing support to current earnings. While we believe the margins on our facilities are likely to endure, the same cannot be said for the base rate. The market is pricing in substantial increases over the next 12 – 24 months. At present we have some protection from interest-rate volatility by way of the two swaps detailed on page 7. Unfortunately, the yield curve has made it wholly unattractive for us to broaden and extend the cover at this time. In mitigation we do have substantial headroom in our ability to service debt costs. Our corporate interest cover ratio is 3,91 times, versus a covenant of 2,00 times.

Fair value adjustments on investment property

The balance of the Edendale Mall rebuild cost of R231 million is reflected in the IFRS-compliant statement of profit or loss as a reduction to the fair value of investment property. There is a corresponding credit reflecting in insurance claim on material loss. In our “normalised” version we have reallocated this amount as if the rebuild had already been completed on the assumption that when rebuilt the value will be restored. The estimated rebuild cost is cash-backed in that we have received payment from the insurer and the cash for this purpose is included in cash and cash equivalents reflected in the audited statement of financial position.

R'000	FY2022	FY2021
Fair value adjustments on investment property – audited	265 129	(39 524)
Greater Edendale Mall – estimated remaining rebuild cost included in insurance claim on material loss in audited statement of profit or loss	230 760	–
Fair value adjustments on investment property – as above	495 889	(39 524)

There is a substantial increase of R495,9 million in the fair value of our investment property portfolio in FY2022. Investment properties are consistently valued each year by an independent external valuer using discounted cash flow methodology. In summary the increase is partially due to a reduction in the weighted average discount rate applied in the valuations, from 14.38% in FY2021 to 14.13% in the current year, but mainly due to an increase in projected cash flows. The weighted average growth rate applied by the valuer was 5.23%. In our opinion the investment properties are conservatively valued with an implied weighted average capitalisation rate of 8.90%.

Loan-to-value ratio

The uptick in fair values has contributed to an improvement in the company's LTV to 35.2%, notwithstanding the highly leveraged acquisitions made by the Company since listing, and in our opinion provides an opportunity to debt fund further acquisitions and/or developments:

R'000	Notes	FY2022	FY2021
Financial liabilities		2 666 134	2 569 333
Cash and cash equivalents	1	(58 754)	(40 662)
Derivative financial instruments		(30 899)	(17 081)
Net debt		2 576 481	2 511 590
Carrying amount of property related assets		7 328 040	6 577 618
Total assets per statement of financial position		7 518 900	6 738 606
Cash and cash equivalents	1	(58 754)	(40 662)
Derivative financial assets		(30 899)	(17 081)
Staff share scheme loans		(44 082)	(45 290)
Trade and other receivables		(57 125)	(57 955)
Loan-to-value ratio		35.2%	38.2%

¹ Excludes R231 million earmarked for Edendale Mall rebuild.

Net asset value

The net asset value per share also improved substantially to R12,29 largely because of the increased fair value of the portfolio.

R'000	FY2022	FY2021
Reported net asset value	4 236 853	3 634 348
Dividend to be declared (excluding antecedent adjustment)	(240 092)	(161 094)
Derivative financial instruments	(30 899)	(17 081)
Non-controlling interest in derivative financial instruments	5 973	3 924
Deferred tax liability	114 378	103 081
Non-controlling interest in deferred tax liability	(2 933)	(2 731)
	4 083 280	3 560 447
Shares outstanding	332 290 686	332 290 686
Net asset value per share	12,29	10,71

Distribution

Our trading statement relevant measure is dividend per share. We have declared a dividend for the six months ended 28 February 2022 of 72,25371 cents per share which brings the dividends for FY2022 to 117,59817 cents per share, or R390 767 763 in total. In calculating the distribution for the year, we reduced distributable income by R41 933 650 (or 12,61957 cents per share) in amortising the settlement fee paid on the interest rate hedges in FY2021. Consequently we are distributing 90.31% of distributable income in FY2022. Approximately R4 million of the settlement fee remains to be amortised in FY2023. Dividend yield calculated as a function of FY2022 distributable income per share to NAV per share equates to 10.59%, which in our opinion, for this and other reasons, makes Exemplar a very attractive investment.

Cents per share	FY2022	FY2021	FY2020
Interim	45,34446	35,96489	43,77000
Final	72,25371	49,06666	48,49859
	117,59817	85,03155	92,26859

The FY2022 dividends represent a 38.3% increase on the prior year. We had previously reported that the FY2021 dividends were adversely affected by the knock-on effects of the COVID-19 lockdowns and but for this our total dividend for FY2021 would have been 99,67823 cents per share, which would have meant a still-substantial increase of 18.0% in dividend per share for the year.

Segment analysis

2022

R'000	Rental income and recoveries	Net property income	Investment property	GLA (m ²)
Gauteng	474 762	603 301	3 718 030	172 909
Mpumalanga	193 012	261 381	1 439 408	85 924
KwaZulu-Natal	57 655	(235 895)	557 497	57 388
Limpopo	127 386	149 441	870 406	52 665
Eastern Cape	31 791	36 977	336 260	13 597
Total	884 606	815 205	6 921 601	382 483

2021

R'000	Rental income and recoveries	Net property income	Investment property	GLA (m ²)
Gauteng	357 190	305 723	3 397 485	172 716
Mpumalanga	177 192	3 189	1 278 094	85 920
KwaZulu-Natal	116 158	62 250	762 378	57 398
Limpopo	110 463	67 070	767 491	52 690
Eastern Cape	28 203	18 167	205 174	13 597
Total	789 206	456 399	6 410 622	382 321

Closing remarks

Between COVID-19 lockdowns and looted shopping centres due to civil unrest one runs the risk of focusing far too much on the negatives. However, writing a report such as this, which necessitates a look at traditional property fund measures, leaves one feeling much more confident. There is hardly a reporting measure that is not extremely positive. The investment property portfolio is in good shape and growing and the balance sheet is strong with a suitable blend of debt and equity. There is a platform in place to fund expansion and liquidity is not an issue. The earnings perspective is also positive. Profitability is up and correlates closely to cash generated from operations, which has enabled us to pay dividends in excess of 138% of that of the prior year, and that in the context of a distribution ratio of approximately 90% of distributable income.

The events of the last 24 months have tested our team like never before. We can only say that to a man and woman they have come through with shining colours, and the results attest to this. We do face some headwinds in the form of probable higher borrowing costs, but we are confident that we have the means to see this through. We look forward to the coming year in which we are planning further growth in our asset base, both through acquisition and Exemplar's own developments, which should translate to even better shareholder returns.

DIVIDEND DECLARATION

Dividend number 8 of 72,25371 cents per share for the six months ended 28 February 2022 will be paid to shareholders in accordance with the timetable set out below:

Last date to trade cum dividend	Tuesday, 7 June 2022
Shares trade ex-dividend	Wednesday, 8 June 2022
Record date	Friday, 10 June 2022
Payment date	Monday, 13 June 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 8 June 2022 and Friday, 10 June 2022, both days inclusive. The dividend will be transferred to dematerialised shareholders' Central Securities Depository Participant (CSDP)/broker accounts on Monday, 13 June 2022. Certificated shareholders' dividend payments will be paid to certificated shareholders' bank accounts on or about Monday, 13 June 2022.

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 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 exempt from dividends tax; and
- 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 ceases 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 57,80297 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
- 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 ceases 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 2022 (the results) have been prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34 Interim Financial Reporting 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.

This results announcement was prepared under the supervision of the chief financial officer, Duncan A Church CA(SA). The information herein contained has been extracted from the Group's consolidated annual financial statements which have been audited by the Company's independent auditors, BDO South Africa Inc, but this results announcement itself has not been audited. The independent auditors have expressed an unmodified opinion on the Group's consolidated annual financial statements. The auditor's report does not necessarily report on all of the information contained in this announcement/financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information contained within the Group annual financial statements from the Company's registered office.

The directors are not aware of any matters or circumstances arising subsequent to 28 February 2022 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

24 May 2022

Executive directors

Jason McCormick
Chief executive officer

Duncan A Church
Chief financial officer

John McCormick
Executive director

Independent non-executive directors

Frank M Berkeley
Chair

Peter J Katzenellenbogen
Lead independent director

Gregory VC Azzopardi

Nonyameko Mandindi

Elias P Maponya

Company secretary

Ananda Booysen BA(Hons), LLB, LLM

Registered office

Sokatumi Estate, Cnr Lyttelton Road and Leyden Avenue, Clubview, Centurion, 0157

PO Box 12169, Clubview, 0014

Transfer secretaries

Computershare Investor Services Proprietary Limited

Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196

PO Box 61051, Marshalltown, 2107

Auditor

BDO South Africa Inc

Sponsor

Java Capital



Mall of Thembisa