VUKILE
PROPERTY FUND

REAL ESTATE. REAL GROWTH.

Unaudited condensed consolidated interim results for the six months ended

30 September 2022

HIGHLIGHTS

ROBUST OPERATING RESULTS AND DEFENSIVE FINANCIAL POSITION

SOUTH AFRICAN PORTFOLIO CONTINUES TO OUTPERFORM WITH POSITIVE TRADING METRICS AND OPERATIONAL RESULTS

- Like-for-like annualised **NOI growth** of **4%**
- **Vacancies** reduced to **2.3%**
- Rental **reversion** cycle turned positive to **+1.6% from -2.4%**
- Annualised trading densities increased by **7%**
- Like-for-like retail **valuations increase** of **3%**

CASTELLANA LEADS THE MARKET WITH ACTIVE ASSET MANAGEMENT AND IMPRESSIVE OPERATIONAL RESULTS

- Normalised **NOI growth** of **7.5%**
- **Vacancies** maintained at **1.6%**
- Positive reversions of **+4.6%**
- Rent collection rate at **99.03%**
- Portfolio WALE of **12.1 years**
- Footfall and sales growth trends **outperform** national benchmarks

BALANCE SHEET DEFENSIVELY POSITIONED IN A RISING INTEREST RATE CYCLE

- **87%** of group interest-bearing **debt hedged**
- No debt maturities in Castellana until **FY26**
- Interest cover ratio (ICR) of **2.9 times** and LTV maintained at **43%**
- GCR **upgraded** Vukile's corporate long-term credit rating to **AA$_{(ZA)}$**
- **88%** of debt expiring in FY23 has already been repaid, refinanced or renegotiated
- **Undrawn debt** facilities increased to **R3.6 billion**

OPTIMAL CAPITAL ALLOCATION THROUGH ACTIVE ASSET ROTATION

- Sale of direct property assets of **c.R280 million** in South Africa
- Further sale of Fairvest shares, realising **R46.6 million**
- Acquisition of Pan Africa Shopping Centre for **c.R421 million**, expected to be concluded by Q4 FY23
- Agreement reached to acquire 50% undivided share in BT Ngebs City for **R400 million**
- Castellana acquired a further **4%** in Lar España for **c.€15.9 million**, increasing total shareholding to **25.7%**

INCREASE IN CASH DIVIDEND

- Interim dividend of **47.32 cents per share**, up 16.8% on the corresponding prior period
- Total FFO of **80.8 cents per share**

COMMENTARY

NATURE OF OPERATIONS

Vukile is a high-quality, low-risk, retail-focused Real Estate Investment Trust (REIT) operating in South Africa and Spain. Our results reflect a strong operational focus and a hands-on, proactive approach to property asset management and balance sheet risk management.

FINANCIAL PERFORMANCE

EXECUTIVE SUMMARY

For H1 FY23, we have seen continued positive momentum in Vukile's financial and operational metrics. Although we are encouraged by our strong H1 trading performance, we remain concerned about the broader macro-economic headwinds expected to manifest in H2. In a market with rising interest rates, Vukile is well positioned with 87% of group interest-bearing debt hedged (South Africa: 76% and Spain: 96%) and no debt refinancing in Spain until FY26. Our strong liquidity position, with R4.5 billion in cash and undrawn committed facilities, is a key strength in a challenging macro-economic environment.

THE FOLLOWING SIGNIFICANT EVENTS AND TRANSACTIONS TOOK PLACE DURING THE SIX MONTHS ENDED 30 SEPTEMBER 2022:

- In line with Vukile's active asset rotation strategy:
  - c.R280 million of direct SA property assets were sold during H1 FY23;
  - Vukile's shareholding in Fairvest reduced to 6.2% (R46.6 million in shares sold during the period);
  - Castellana acquired a further 4% shareholding in Lar España for c.€15.9 million resulting in a total shareholding of 25.7%; and
  - The acquisition of Pan Africa Shopping Centre is expected to be concluded in Q4 FY23. The c.R421million acquisition will be funded by proceeds from prior year sales which is currently housed in cash and undrawn committed facilities.
- An unsecured bond auction of R767 million was held in August and was 4.6 times oversubscribed
- Global Credit Rating (GCR) upgraded Vukile's corporate long-term credit rating to $\text{AA}_{\text{(ZA)}}$ in July 2022, with a stable outlook
- The last remaining cross-currency interest rate swaps (CCIRS) matured and were settled in June 2022, thus Vukile has no further CCIRS exposure
- A R200 million green loan was utilised to fund solar projects in South Africa

The SA REIT ratios, together with comparatives, are included in a separate section at the end of this report, following the condensed financial statements.

DIVIDEND

The board approved an interim dividend of 47.32125 cents per share for the six months ended 30 September 2022. The total dividend is R464 million. A dividend declaration announcement in respect of the dividend, containing information relating to the salient dates and tax treatment of the dividend, will be released separately on SENS.

CALCULATION OF FUNDS FROM OPERATIONS (FFO)

The variances when comparing the results for the interim period ended 30 September 2022 to the prior corresponding period are in some instances affected by once-off events in both periods (for instance, the sale of non-core assets in SA and Spain in H1 FY22 and H1 FY23 and the termination of CCIRS). Where the numbers have been impacted by such events, this is indicated and explained in the commentary.

	30 September 2022 Rm	30 September 2021 Rm	Variance %
Property revenue	**1 328**	1 304	
Stable portfolio[1]	**1 314**	1 160	13.3
Sold properties	**14**	144	
Property expenses (net of recoveries)	**(178)**	(169)	5.3
Net income from property operations	**1 150**	1 135	1.3
Stable portfolio[1]	**1 140**	1 029	10.8
Sold properties	**10**	106	
Corporate administration expenses	**(148)**	(152)	(2.6)
Investment and other income[2]	**59**	242	(75.6)
Loss on realisation of derivative	**(9)**	(44)	
Operating income before finance costs	**1 052**	1 181	(10.9)
Finance costs	**(384)**	(357)	7.6
Income before equity-accounted income	**668**	824	(18.9)
Share of income from associate and joint venture[3]	**2**	(4)	—
Income before taxation	**670**	820	(18.3)
Taxation	**(6)**	(10)	
Income for the year	**664**	810	(18.0)
Net income attributable to non-controlling interests (NCI)[4]	**(36)**	(50)	(28.0)
Attributable to Vukile group	**628**	760	(17.4)
Non-IFRS* adjustments	**163**	3	
Early termination of derivative	**58**	(76)	
Accrued dividends[5]	**96**	76	
Non-cash impact of IFRS entries	**9**[6]	3	
FFO	**791**	763	3.7
Number of shares in issue at year-end[7]	**980 226 628**	956 226 628	

* *International Financial Reporting Standards (IFRS).*

[1] *Income in the prior period was reduced by COVID rent concessions (R6.8 million in SA and R18.8 million in Spain).*

[2] *Income from listed investments was higher in the prior period due to higher dividend income from Fairvest (H1 FY23 R23 million; H1 FY22 R60 million) and R101 million included in IFRS income in H1 FY22 from the termination of forward exchange contracts (FECs).*

[3] *Net amount in respect of Vukile share of profits from MICC Namibia (after accounting for interest on in-country debt), Dream and Fetch.*

[4] *Vukile increased its shareholding in Castellana from 82.5% in to 89.6%: In December 2021, 3.5 million shares were acquired from Merev and a further 12.5 million shares were acquired in March 2022, following a conversion of a shareholder loan to equity.*

[5] *Lar España dividend accrual of R65 million (2021: Rnil), Fairvest accrual of -R0.7 million and FEC accrual of R32 million. Included in the prior period is R53 million for the sale of the Konecta office buildings in Spain.*

[6] *R7 million of this amount relates to the non-cash impact of IFRS 16 Leases.*

[7] *24 million new Vukile shares issued in H2 FY22.*

REVENUE AND NET INCOME FROM DIRECT PROPERTY PORTFOLIO

Geographical segment	**Revenue[i] 30 September 2022 Rm**	Revenue[i] 30 September 2021 Rm	% change	**Net property income 30 September 2022 Rm**	Net property income 30 September 2021 Rm	% change
South Africa	**758**	815	(7.0)	**642**	677	(5.2)
Spain	**570**	489	16.6	**508**	458	10.9
Total	**1 328**	1 304	1.8	**1 150**	1 135	1.3
Split percentage						
South Africa	**57.1**	62.5		**55.8**	59.6	
Spain	**42.9**	37.5		**44.2**	40.4	

[i] *Excludes straight-lining and recoveries.*

Total revenue and net property income in the South African portfolio decreased by 7.0% and 5.2%, respectively. This is due to the sale of c.64% of the Namibia portfolio and other non-core asset sales in South Africa. Castellana's revenue and net property income increased by 16.6% and 10.9% respectively.

Portfolio-specific measures, operational results and trading are discussed more fully in the relevant South African and Spanish portfolio reviews hereafter.

INVESTMENT AND OTHER INCOME

	30 September 2022 Rm	30 September 2021 Rm	Movement Rm	Variance %
Income from listed investments (Fairvest)	**23.0**	59.6	(36.6)	(61.4)
Early termination of forward exchange contract (FEC)	**—**	101.4	(101.4)	
FEC realised	**2.0**	—	2.0	
Interest income	**17.7**	14.3	3.4	23.8
Net interest received on cross-currency interest rate swaps (CCIRS) (after deducting finance costs)	**16.3**	67.1	(50.8)	(75.7)
Total	**59.0**	242.4	(183.4)	(75.7)

The reduction in income from listed investments in the current period is due to the disposal of Fairvest shares during H1 FY23 and during FY22.

See further detail in respect of income from listed investments below. In accordance with IFRS, the gain on the early termination of FECs was included in full in the prior period. This amount was spread over FY22 and FY23 (by way of non-IFRS adjustments), as per the calculation of FFO above. The reduction in net interest from CCIRS was due to the termination of the last remaining CCIRS in June 2022.

LISTED INVESTMENTS

	30 September 2022			31 March 2022	
	Carrying value Rm	**Number of shares held**	**% held**	Carrying value Rm	% held
Fairvest (B shares)	**297.7**	**94 823 460**	**6.2**	359.8	7.0
Lar España Real Estate SOCIMI	**1 650.6**	**21 512 459**	**25.7**	1 452.4	21.7
Total	**1 948.3**			1 812.2	

Fairvest – 6.2% shareholding

Fairvest Limited (Fairvest) is a REIT listed on the Johannesburg Securities Exchange (JSE), which holds a diversified portfolio of retail, office and industrial properties.

During the period, Vukile reduced its shareholding in Fairvest to 6.2% receiving sale proceeds of c.R46.6 million.

Dividends received for the six months to 30 September 2022 amounted to R23.0 million (30 September 2021: R60.0 million). Dividends from Fairvest included in FFO for the period ended 30 September 2022 amounts to R22.3 million (30 September 2021: R32 million from Fairvest and R28 million from Arrowhead).

The share price of Fairvest B shares at 30 September 2022 was R3.14, resulting in a carrying value of R297.7 million.

Lar España Real Estate SOCIMI (Lar España) – 25.7% shareholding

Lar España is a leading, Madrid Stock Exchange listed Spanish SOCIMI comprising a high-quality, low-risk retail real estate portfolio offering predictable cash flows.

During the period, Castellana acquired a further 3 355 000 shares in Lar España at an aggregate price of c.€4.74 per share, increasing its shareholding to 25.7%. The share price of Lar España at 30 September 2022 was €4.32 per share, resulting in a ZAR equivalent carrying value of R1.65 billion.

In May 2022, Castellana received c.€6.6 million in respect of a pre-acquisition dividend which was accounted for as a reduction of the carrying value of the investment. Accrued dividends from Lar España included in FFO for the period ended 30 September 2022 amounts to c.R65.3 million (€3.9 million).

Further narrative in respect of Castellana's investment in Lar España is provided in the portfolio review (Spain) in this commentary.

GROUP CORPORATE EXPENDITURE

	30 September 2022 Rm	30 September 2021 Rm	Variance Rm	Variance %
South Africa: Total corporate expenditure	**84.3**	84.5	(0.2)	(0.2)
Corporate expenditure excluding environmental, social and governance (ESG) costs	**75.2**	77.6	(2.4)	(3.1)
ESG costs	**9.1**	6.9	2.2	31.9
Spain: Total corporate expenditure	**63.7**	67.5	(3.8)	(5.6)
Corporate expenditure excluding ESG and innovation costs	**50.7**	59.0	(8.3)	(14.1)
Innovation costs	**6.3**	4.2	2.1	50.0
ESG costs	**6.7**	4.3	2.4	55.8
Group total	**148.0**	152.0	(4.0)	(2.6)

Annualised corporate expenditure equates to 0.80% of total assets (31 March 2022: 0.85%), being 0.99% attributable to South Africa (31 March 2022: 0.96%) and 0.63% attributable to Spain (31 March 2022: 0.76%). Corporate expenditure in South Africa includes head office and overhead costs that benefit both the Vukile and Castellana portfolios.

GROUP CASH FLOW

The major items reflected in the composition of cash generated and utilised during the year under review are set out below:

	30 September 2022 Rm	30 September 2021 Rm
Cash from operating activities	**965**	943
Dividends paid	**(672)**	(968)
Net finance costs paid	**(291)**	(225)
Increase in borrowings	**1 933**	3 781
Borrowings repaid	**(1 514)**	(3 636)
Disposal of investment property (net of additions)	**126**	611
Disposal of listed investments (net of acquisitions)	**(111)**	—
Cash from the settlement of bank derivatives	**(126)**	(285)
Other cash movements	**(46)**	12
Net increase in cash and cash equivalents(1)	**264**	233

(1) *Excluding foreign currency profits of R32 million (2021: R12 million).*

NET ASSET VALUE (PER SHARE)

The net asset value (NAV) of the group increased by 6.6% from R17.92 per share to R19.10 per share at 30 September 2022, as set out in the table below.

	Rand per share
NAV 1 April 2022	**17.92**
Net property income	**1.25**
Investment property disposals	**(0.26)**
Increase in borrowings	**(0.43)**
Change in fair value of listed equity investments	**(0.12)**
Change in fair value of investment property	**0.49**
Dividends paid	**(0.65)**
Foreign currency and other movements	**0.90**
NAV 30 September 2022	**19.10**

The reason for the increase in NAV per share was due to positive performance in net property income and a weakening of the Rand/Euro foreign exchange rate from R16.16/Euro at 31 March 2022 to R17.74/Euro at 30 September 2022. In addition, due to the further reduction in SA Euro debt and termination of the CCIRS (refer to the Treasury Management section of this commentary), Vukile's NAV was positively exposed to the weaker Rand.

Vukile's share price of R12.39 per share at 30 September 2022 represents a 35.1% discount to the NAV per share.

SHARE TRADING AND LIQUIDITY

During the six-month period to 30 September 2022, 250.4 million Vukile shares were traded, equating to approximately 41.7 million shares per month. The shares traded represent 25.5% of shares in issue.

TREASURY MANAGEMENT

Balance sheet and treasury risk management remain one of Vukile's key focus areas.

At 30 September 2022, consolidated group LTV net of cash was 43.2% (31 March 2022: 43.0%), with a group interest cover ratio (ICR) of 2.9 times (31 March 2022: 3.4 times). The reduction in the group ICR is largely a result of the CCIRS maturing as well as an increase in South African base rates. Vukile's debt metrics are comfortably within covenant levels at a group (consolidated) and company/subsidiary level.

Payment of the FY22 final dividend (R0.64 billion), the settlement of CCIRS (R0.12 billion), the purchase of additional Lar España shares (€15.9 million) and a decrease in the Lar España share price (-13% from €4.95 to €4.32) were largely offset by the sale of non-core properties and Fairvest shares (R0.33 billion), an increase in property valuations (in SA and Spain, 3% and 1%, respectively) as well as a reduction in net debt as a result of increased cash retention, in aggregate resulting in a negligible increase in the consolidated group LTV.

Stress testing of 12-month historic earnings before interest, taxes, depreciation, and amortisation (EBITDA) indicates that the portfolio would need to undergo a further 30% reduction in group EBITDA before reaching the two times bank group interest cover covenant level. Vukile and Castellana continue to benefit from very strong relationships with their diversified funding providers. The debt maturity profile is at a healthy 3.5 years and the group interest-bearing debt hedge ratio is at a conservative 87% (31 March 2022: 76%).

Stress testing of LTV indicates that Castellana's assets would need to undergo a further 33% reduction in asset value to reach Castellana's 65% LTV ratio. Castellana's average debt maturity profile is at a healthy 4.3 years, with the first significant debt maturity in FY26.

CREDIT RATING

In July 2022, Global Credit Rating (GCR), as part of its annual review, upgraded Vukile's corporate credit rating to $AA_{(ZA)}$ (long-term issuer rating) from $AA–_{(ZA)}$ and reaffirmed the national short-term rating at $A1+_{(ZA)}$ with a stable outlook. In the current market environment, credit rating upgrades have been extremely rare and this is a significant acknowledgement of Vukile's improved credit metrics.

In March 2022, Fitch Ratings Inc. (Fitch) assigned Castellana a first-time Long-Term Issuer Default Rating (IDR) of BBB-, with a stable outlook. The rating reflects an international investment-grade rating for Castellana.

GROUP BORROWINGS SUMMARY

The group's funding strategy is to optimise funding costs while minimising refinance risk. Total debt at 30 September 2022 amounted to R15.9 billion (31 March 2022: R14.7 billion). This increase is primarily due to a weaker exchange rate, R17.74 at 30 September 2022 versus R16.16 at 31 March 2022. A summary of funding by currency is provided below:

Funding breakdown	Number of funders	**Rm**	Percentage of debt	
Foreign Spanish funders (EUR)	5	**8 851**	55.6	Secured against Castellana's balance sheet with no recourse to Vukile
South African bank funders (EUR)	2	**532**	3.3	Secured against Vukile's South African balance sheet
South African bank funders (ZAR)	4	**4 384**	27.5	
Domestic medium-term note (DMTN) programme (ZAR)		**2 159**	13.6	
Total[1]		**15 926**	100	

[1] *Excludes amortised cost.*

SOURCES OF FUNDING

Vukile's debt funding is well diversified across several funders, in line with the group's strategy to manage concentration and refinance risk.

Group debt and hedging exposure per bank (ZAR)	**Debt[1] Rm**	**Debt exposure per bank %**	**Hedging and fixed debt[2] Rm**
Aareal[3]	**4 626**	**29.0**	**4 626**
Allianz Bank[3]	**2 767**	**17.4**	**2 767**
DMTN – corporate bonds	**2 159**	**13.6**	**—**
Absa	**1 816**	**11.4**	**1 864**
RMB	**1 245**	**7.8**	**—**
Nedbank	**1 105**	**6.9**	**1 135**
Santander[3]	**1 064**	**6.7**	**1 064**
Standard Bank	**750**	**4.7**	**1 146**
Liberbank[3]	**257**	**1.6**	**—**
Pichincha[3]	**137**	**0.9**	**—**
Investec	**—**	**—**	**294**
Goldman Sachs	**—**	**—**	**800**
Total	**15 926**	**100**	**13 696**

[1] *Foreign currency-denominated debt is converted at a EUR/ZAR spot rate of R17.74 at 30 September 2022. All amounts are nominal debt exposure and exclude amortised transaction costs and accrued interest.*

[2] *Hedging exposure is represented by exposure per banking relationship.*

[3] *Group exposure includes Castellana debt of €499 million (R8.851 billion equivalent).*

VUKILE GROUP LOAN AND SWAP EXPIRY PROFILE AT 30 SEPTEMBER 2022

As part of the group's funding strategy, Vukile proactively manages its debt expiry; 88% (R1.0 billion) of debt that is due to mature in FY23 has been repaid, refinanced or renegotiated. Cash and undrawn committed facilities (R4.5 billion) exceed all debt expiring over the next 12 months (R1.6 billion, 2.8 times covered). Vukile continues to maintain material undrawn committed facilities to reduce refinance risk while providing an ability to quickly deploy capital for strategic opportunities.

	FY23	FY24	FY25	FY26	FY27	FY28	FY29 and beyond	**Total**
Loan expiry profile including access facilities (%)	3.4	6.9	13.1	45.9	6.5	3.9	20.3	**100.0**
Term loan expiry profile (Rm)	540	1 081	2 092	7 134	1 028	629	3 245	**15 749**
Access facility expiry profile (Rm)	—	—	—	177	—	—	—	**177**
Hedged portion (interest rate swaps, caps and fixed debt) (Rm)	993	6 452	1 343	1 264	3 542	58	43	**13 695**

A summary of group debt ratios at 30 September 2022 is provided below:

	30 September 2022			31 March 2022		
	Group	**South Africa**	**Spain**	Group	South Africa	Spain
Total debt (excluding access facilities) (Rm)	**15 749**	**6 897**	**8 852**	14 492	6 443	8 049
Hedged portion (interest rate swaps, caps and fixed debt) (Rm)	**13 695**	**5 239**	**8 456**	10 935	3 812	7 123
Interest-bearing debt fixed/hedged (%)	**87.0**	**76.0**	**95.5**	75.5	59.2	88.5
Hedged (swaps and fixed debt) maturity profile (years)	**2.2**	**1.8**	**2.4**	2.7	2.4	2.9
LTV ratio (net of cash)(1) (%)	**43.2**	**42.6**	**43.7**	43.0	42.9	43.0
LTV covenant level (%)	**50**	**N/A**	**65**	50	N/A	65
ICR(2)	**2.9 times**	**2.9 times**	**2.8 times**	3.4 times	4.0 times	2.6 times
ICR covenant level	**2.0 times**	**N/A**	**1.15 times**	2.0 times	N/A	1.15 times

(1) *LTV ratio (net of cash) is calculated as a ratio of nominal interest-bearing debt less cash and cash equivalents (excluding restricted cash) divided by the sum of (i) the amount of the most recent directors' valuation (external valuation in the case of the Spanish portfolio) of all the direct property portfolio on a consolidated basis; (ii) the market value of listed investments; and (iii) investments in associates (Namibian portfolio) and joint ventures (Dream).*

(2) *ICR is based on operating profit excluding straight-line lease income, plus earnings from investments less corporate costs (EBITDA), divided by finance costs, after deducting all finance income (net interest cost) over the respective period.*

GROUP FINANCE COSTS

The group's average cost of finance (including amortisation of capitalised raising fees) for the period ended 30 September 2022 was unchanged at 4.9%. However, interest costs are expected to increase in FY23 as a result of interest rate hikes (assumed 250 bps) and further hedging costs.

Interest-bearing debt (excluding access facilities) has increased to 87.0% hedged with a 2.2-year hedged maturity profile (31 March 2022: 75.5% with a 2.7-year hedge maturity profile). The group is cognisant of the current interest rate hiking cycle and will continue to proactively manage interest rate risk by dynamically hedging exposure, while optimising the risk mitigating instruments at its disposal.

Total Vukile EUR debt has reduced to €30.0 million, making Vukile's NAV more positively exposed to a weaker ZAR going forward.

Finance costs by currency, using the historical weighted average cost of debt, are indicated below:

	H1 FY23 historical cost of debt %	**Debt at 30 September 2022 Rm**	FY22 historical cost of debt %	Debt at 31 March 2022 Rm
ZAR	**7.5**	**6 542**	7.2	6 015
EUR	**2.7**	**9 384**	3.1	8 639
Total	**4.9**	**15 926**	4.9	14 654

UNDRAWN FACILITIES

Undrawn facilities at 30 September 2022 amounted to R3.6 billion (31 March 2022: R3.1 billion). The ratio of cash and undrawn committed facilities to debt expiring over the next 12 months (R1.6 billion) is 2.8 times, which demonstrates Vukile's strong liquidity position, with more than sufficient capacity to repay debt expiring over the next 12 months, if required.

UNSECURED DEBT AND UNENCUMBERED ASSETS

	30 September 2022 Rm	31 March 2022 Rm
Property assets (external valuation)	**924**	1 168
Listed shares	**9 781**	9 113
Unencumbered assets	**10 705**	10 281
Unsecured debt	**2 159**	1 550
Covenant exclusive facilities⁽¹⁾	**355**	428
Unsecured + covenant exclusive	**2 514**	1 978
Unsecured debt to unencumbered assets (%)	**20.2**	15.1

(1) *Covenant exclusive facilities form part of the bank's secured debt, with rights to its secured security pool, however, they do not form part of transactional financial covenants.*

The increase in unencumbered assets is primarily due to the inclusion of unpledged Lar España shares held by Castellana as well as the release of Castellana shares that were previously pledged.

MOVEMENT IN GROUP DEBT

During the year, total group debt increased by R1 272 million. The most significant movements in debt were as follows:

	Nominal debt drawn/ (repaid) Rm	**Foreign exchange movements Rm**	**Net Rm**
Vukile ZAR DMTN debt	**415**	**—**	**415**
Vukile ZAR bank debt	**112**	**—**	**112**
Vukile EUR debt	**(115)**	**58**	**(57)**
Castellana EUR debt	**15**	**787**	**802**
Total	**427**	**845**	**1 272**

During the period ended 30 September 2022, Vukile repaid two corporate bonds: VKE10 (R194 million, secured) and VKE17 (R158 million, unsecured) in July and August 2022, respectively. An auction for R767 million of unsecured corporate bonds was held in August 2022 and was 4.6 times oversubscribed, attracting bids from 16 investors. Vukile issued a R232 million unsecured three-year note at a margin of 139bps and a R535 million unsecured five-year note at a margin of 159 bps, both below guidance.

In September 2022, Vukile executed R1.5 billion of interest rate derivatives at a once-off cost of R9.7 million, increasing the South African and group hedge ratio to 76% and 87%, respectively.

The group has comfortably complied with all bank and DMTN covenants.

GROUP FOREIGN EXCHANGE CURRENCY HEDGES

Vukile has adopted a layered approach to hedging its EUR dividend exposure (in aggregate) with FECs, targeting an average hedge ratio of c.60% across a five-year period (tiered 100% hedging in year one, 80% hedging in year two, etc.), in line with Spanish GAAP (Generally Accepted Accounting Practice) income and anticipated dates of dividend receipts to minimise adverse foreign exchange fluctuations and to provide stable, predictable income streams for investors.

Castellana FFO is not hedged, thus ensuring Vukile's FFO is more positively exposed to a weaker Rand, while still providing predictable dividends over the short to medium term. 98% of Castellana's net forecast FY23 dividends are hedged.

Following the settlement of the last remaining CCIRS in June, Vukile no longer has any CCIRS exposure.

PORTFOLIO REVIEW – SOUTH AFRICA

The half-year results have been delivered in an improving trading environment compared to the previous two-years' trade, which were hampered by COVID-19 and the July unrest. There has been a sense of 'a great restart' characterised by aggressive retailer expansion, increased spend, improved mall footfall and more effective stakeholder engagements across the value chain. The portfolio has continued its robust performance with strong results on many key operating metrics. Notable highlights over the period have been the positive turn in the reversionary cycle, which has been driven by increased competition for space and further intensified by the slowing environment of new greenfield developments. The increased demand for space, particularly in our segment of the market, has led decreased vacancies, which are now the lowest they've been in 18 years.

Notwithstanding these significant green shoots, exogenous micro and macro factors continue to be a concern, which places a level of caution on our optimism. Energy availability, effective law enforcement and municipal services continue to be significant concerns. We are driving dialogue and discussions at an industry level to lobby to effect improvements around these challenges while continuing to focus on operational efficiency strategies to ensure minimum disruption of trade for our tenants.

The South African total direct property portfolio on 30 September 2022 consisted of 41 properties, with a total value of R14.6 billion and a gross lettable area (GLA) of 811 536m^2, with an average value of R356 million per property.

The South African retail portfolio, which accounts for 96% of the value of the assets, was valued at R14.0 billion and consists of 34 properties, with an average value of R411 million per property. In total, 86% of retail space is let to national tenants. Vacancies have decreased from 2.6% to 2.3%.

OPERATING ENVIRONMENT

Retail portfolio overview

The South African retail portfolio has performed admirably and delivered a normalised, like-for-like net operating income (NOI) growth of 4.0%.

There has been significant leasing activity over this period. We have seen both national and independent tenants increase their occupancy levels within the portfolio. All segments have seen a decline in vacancies, led by the rural and township portfolios. Encouragingly, the CBD commuter malls are also showing a strong rebound as commuter numbers have increased in the past six months. Compared to the FY22 vacancy of 2.6%, the retail portfolio's vacancy reduced to 2.3%. Vacancies are trending downwards and are the lowest they have been since listing in 2004.

Rental reversions increased by 1.6%, with 79% of the renewals either flat or positive. Reversions have improved by 4% compared to FY22 and are ahead of pre-COVID levels. Recent WALE on renewals has also been higher than the portfolio average (+3.7 versus +3.4), which in conjunction with the positive reversions is an indication of strong support for the portfolio and improving overall sentiment from retailers.

In total, 21 847m^2 of vacant space (2.3% of total retail GLA) has been let, contrasted with 17 731m^2 of tenants who vacated. Out of the total number of tenants which have vacated over this period, c.57% of them have been small, medium, and micro enterprises (SMMEs). Over the period under review, 424 leases were concluded (317 renewals and 107 new leases) covering 82 897m^2, with a total contract value of R713.5 million. This equates to 11% of the portfolio's lettable area compared to full-year 22% FY22, 11% FY21 and 14% FY20. This is tracking what was achieved in pre-COVID-19 FY19, when the leasing activity was 23% of the lettable area for the full year. Tenant retention has improved from 93% (March 2022) to 94% (September 2022) with 77% of leasing activity concluded with nationals and second-tier retailers.

The portfolio rent-to-sales ratio improved by 10bps to 6.0% and the annualised trading densities increased by 7.0% (6.1% FY22; 1.7% FY21; 3.4% FY20) measured on a 24-month like-for-like basis indicating continuous profitable trade within the portfolio for tenants. Trading densities have fully rebounded and are showing sustained growth. The township, commuter, rural and urban portfolios grew by 12.5%, 9.3%, 7.3% and 5.5%, respectively, while the value centres declined by 1.8% after showing significant growth of 16.4% in FY21. On average, the turnover within the portfolio was 7.0% higher than in the preceding 12 months. Twelve of the 14 retail categories within the portfolio showed growth, in both annualised trading densities and overall turnover.

Footfall is now at 97% compared to pre-COVID-19 levels. The township (101%) and rural (109%) malls' footfall are now consistently ahead of pre-COVID levels, while commuter (86%) and urban (88%) malls continue to lag with regard to a recovery in footfall. There has however been an 11% increase in footfall compared to H1 FY22, with all four portfolio segments showing growth on the corresponding period last year. The trajectory is positive for all segments within the portfolio and the trend of increased basket sizes per visits remains.

The portfolio valuation increased by a like-for-like growth of 3%. Following the disposal and winnowing of non-core assets within the portfolio over the past 24 months, the portfolio average asset size has increased to R411 million, further entrenching the regional and nodal dominance nature of the 34 assets which now make up the core of the portfolio.

We will continue to drive operational efficiencies to manage cost pressures, particularly around security and energy costs. Stakeholder management will also be a key focus area, particularly around community engagements and community forums.

Operational highlights

- Footfall is trending towards pre-COVID-19 levels, with rural and township centres leading the recovery. Urban and commuter centres are slower to recover at 88% and 86% of pre-COVID-19 levels, respectively.
- Retail vacancies decreased from 2.6% to 2.3%:
  - 11 malls fully let
  - 19 malls with vacancies less than 1 000m^2
  - Rural, urban and commuter vacancies decreased to 0.6%, 2.2% and 4.4%, respectively, from 1.5%, 2.9% and 4.7% in FY22.
- Retail reversions of positive 1.6% are steadily improving relative to the prior period at negative 2.4%. Out of the 317 leases renewed, 64% were positive, 15% flat, and only 21% were negative.
- An average lease term of 3.5 years has been attained on recent transactions, relative to the portfolio WALE of 3.4 years.
- Strong rebound in rental collections following the lockdown; now at 99% of billings.
- In-contract escalations of 6.4%, with new leases concluded at an average escalation of 6.5%.
- Retail retention ratio stable at 94%, up from 93% in the prior period.

Operational efficiencies

Our inwardly focused operational strategy has yielded positive results. We have focused on low capital-intensive interventions that return sustainable savings into the future.

Continuous investment in high-yielding photovoltaic (PV) projects

- 9.0% of the electricity consumed in the portfolio is now generated through 17 PV projects.
- Total installed PV plant capacity to date is 12.7MW.
- Three projects of 3.9MWp are under construction at East Rand Mall; 1.72MWp to be completed before March 2023; and Kolonnade Retail Park 1.42MWp and Maluti 786kWp, both to be completed before the end of December 2022.

Continued energy management spend

- The Queenstown Nonesi LED lighting project, with estimated savings of 300 000kWh, is to be completed before the end of November 2022.

Footfall and turnover

Compared to the corresponding periods in the prior years, footfall is trending towards pre-COVID-19 levels, with consistent recovery in rural and township shopping centres.

		Footfall	
	September 2022 versus September 2019 %	**September 2022 versus September 2020 %**	**September 2022 versus September 2021 %**
Rural	**109**	**125**	**109**
Township	**101**	**119**	**113**
Urban	**88**	**107**	**106**
Commuter	**86**	**116**	**114**
Total portfolio	**97**	**118**	**111**

Annual turnover increased by 7.8% when comparing the 12 months ended 30 September 2022 to 30 September 2021.

	Movement in annual turnover %	Portfolio exposure based on turnover %
Total	7.8	100.0
Grocery and food	8.0	41.5
Fashion, department and home	5.4	35.8
Other categories	11.6	22.7
Grocery and food		
Grocery/supermarket	7.9	31.8
Food	8.1	9.7
Fashion, department and home		
Fashion	7.4	23.7
Department stores	5.2	6.3
Home furnishings/art/antiques/décor	(2.3)	5.8
Other categories		
Bottle stores	40.0	2.9
Restaurants and coffee shops	19.8	1.9
Health and beauty	11.5	0.6
Sports utilities/gyms/outdoor goods and wear	10.9	4.2
Accessories	7.3	0.9
Pharmacies	6.1	5.7
Other	6.1	3.8
Cell phones	5.8	1.8
Electronics	2.8	0.9

Annualised trading densities (annualised turnover per m^2 of occupied space) increased by 7.0%.

	Township %	Urban %	Rural %	Value Centre %	Commuter %	Total %
Total	12.5	5.5	7.3	(1.8)	9.3	7.0
Grocery and food	13.0	5.0	8.9	(1.6)	12.6	8.2
Fashion, department and home	8.5	4.1	3.8	(7.5)	8.8	3.9
Other categories	15.8	8.3	9.5	5.8	5.9	9.7

	Annualised trading density growth %
Total	**7.0**
Bottle stores	**29.1**
Restaurants and coffee shops	**18.3**
Health and beauty	**10.7**
Sports utilities/gyms/outdoor goods and wear	**9.1**
Grocery/supermarket	**8.4**
Food	**7.4**
Fashion	**6.8**
Accessories	**5.3**
Pharmacies	**5.3**
Cell phones	**5.1**
Other categories	**4.2**
Department stores	**3.8**
Electronics	**(1.0)**
Home furnishings/art/antiques/décor	**(5.8)**

Short-term focus areas

The key focus areas for the portfolio in the short term will be on strengthening tenant and community relationships, further understanding customer behaviour and continuing our pursuit of operational excellence.

Tenant relationships

- Continue to be a partner of choice by providing a well managed and safe shopping environment for our retailers to thrive
- Be the home of innovation, allowing low barriers to entry for innovative game-changing retail offerings
- Execute on renewal programme without changing the key tenets of current lease covenants and agreements
- Continue to incubate new entrants and SMMEs into the portfolio via our retailer academy programme.

Customer insights

- Utilise accumulated data on consumers to improve shopper journey in a tangible and meaningful way
- Integration will include current portfolio metrics, psychographic information, nodal dynamics and individualised customer data from the Wi-Fi database
- This will enable the business to respond in real time to consumer behaviour changes
- It will open other avenues for alternative revenue sources.

Operational excellence

- Continue exploring sustainable solutions to manage costs through integration, efficiency of operations, and cash flow management
- This will be across soft services, hard services, marketing and promotions, property, utility and alternative income management.

People and communities

- Empower community-based service providers to become partners in mall operations
- Continue to invest in corporate social investment initiatives that make a difference in the communities in which we operate.

Key risks

Utility supply

Water scarcity remains a risk across the portfolio with interruptions in most cases linked to either local municipal capacity challenges or regional droughts. To protect our assets, fire and domestic water backup tanks have been constructed in high-risk areas. Boreholes have been drilled at shopping centres with constant water outages, thus ensuring that the centres will be able to trade should there be water outages.

We identified centres with high water consumption, with a focus on common areas and cooling systems, and installed smart water meters, enabling us to detect abnormal consumption and take remedial action where necessary. Professional consultants have been appointed to install the domestic and fire water systems at Durban Workshop, Phoenix Plaza and Pine Crest Shopping Centre, with an estimated completion date of April 2023.

Tenant arrears

Tenant arrears (net of provisions) amounted to R73.5 million on 30 September 2022 compared to R58.3 million at 31 March 2022. Excluding provisions, the balance on 30 September 2022 amounted to R114.9 million compared to R107.9 million at 31 March 2022.

The largest increase in arrears over the period has been due to national tenant disputes with Spar and Truworths, amounting to R7.0 million. We anticipate resolution of these disputes in H2 FY23. The balance of c.20% has been due to the Ster Kinekor and CNA business rescue process. The business rescue arrears are fully provided for. Encouragingly, there has been no increase in SMME debt over the period. Management remains critically focused on arrears, demonstrated further in the collection statistics provided.

The allowance for the impairment of tenant receivables on 30 September 2022 decreased to R41.4 million from R49.5 million at 31 March 2022.

Bad debts written off for the period 30 September 2022 amounted to R7.0 million (31 March 2022: R33.0 million).

Sales

Three properties were transferred during H1 FY23:

■ Monsterlus Moratiwa Crossing	R165.0 million
■ Midrand Allandale Industrial Park	R91.0 million
■ Mbombela Truworths	R23.4 million

In aggregate, these sales represent a total value of R279.4 million, at a combined yield of 10.5%.

Acquisitions

Pan Africa Shopping Centre

Vukile has entered into a formal agreement for the purchase of Pan Africa Shopping Centre at a purchase price of c.R421 million for phase 1, and c.R254 million for the planned phase 2, both at a yield of 9.25%. Consent from the City of Johannesburg for the transfer of the leasehold rights to Vukile is in progress. Unconditional approval has been obtained from the Competition Commission. Phase 1 is fully reinstated post the July 2021 unrest and the centre is trading very well. Phase 2 is in the final planning stages, and the 70% pre-let condition has been fulfilled. We anticipate that the construction of phase 2 will commence in January 2023 and will be completed by April 2024.

BT Ngebs City

Subsequent to period-end, Vukile and Flanagan & Gerard jointly entered into a formal agreement with the Billion Group to acquire BT Ngebs City for a total purchase price of R800 million (R400 million for Vukile's 50% undivided share). The initial yield in the first year is anticipated to be 9.25%. The acquisition will be a great addition to the Vukile portfolio and is in line with our strategy of owning dominant regional centres in rural and township areas across South Africa. There is significant upside potential from various asset management initiatives. Our plan is to reconfigure vacant space of c.12% to introduce a new anchor tenant, together with some strong national retailers, which will reposition the centre to be better suited to the Mthatha market. The transaction is expected to be completed in H2 FY23.

VALUATION OF SOUTH AFRICAN PORTFOLIO

The South African portfolio consists of 41 properties with a total GLA of 811 536m^2.

The accounting policies of the group require that the directors value the entire portfolio every six months at fair value. Using a discounted cash flow (DCF) methodology, approximately half of the portfolio is valued every six months, on a rotational basis, by registered independent external valuers. The directors have valued the South African property portfolio at R14.6 billion(i) with a forward yield of 8.7% on 30 September 2022. The value of the stable portfolio (excluding sales and acquisitions), at an average value density of R17 997/m^2 (retail R18 379/m^2), is R411 million or 2.9% higher than the March 2022 value.

The external valuations by Quadrant Properties (Pty) Ltd and Knight Frank (Pty) Ltd are in line with the directors' valuations.

(i) *The South African property portfolio value takes into account Moruleng Mall at 80%, whereas in the unaudited condensed consolidated interim financial statements the group property value reflects 100% of Clidet No 1011 (Pty) Ltd, which owns Moruleng Mall.*

Top 15 properties by value

Vukile's top 15 properties are all retail assets. They are 86% exposed to national, listed and franchised tenants. These properties comprise 69.3% of the total portfolio value and 55.3% of the total portfolio GLA.

Property	Location	**GLA m²**	**Value Rm**	**% of total portfolio**	**Valuation R/m²**
Pinetown Pine Crest	KwaZulu-Natal	**43 343**	**1 133.5**	**7.8**	**26 152**
Boksburg East Rand Mall[(i)]	Gauteng	**34 264**	**1 132.3**	**7.8**	**33 046**
Durban Phoenix Plaza	KwaZulu-Natal	**24 072**	**868.4**	**5.9**	**36 075**
Phuthaditjhaba Maluti Crescent	Free State	**35 741**	**857.9**	**5.9**	**24 003**
Pretoria Kolonnade Retail Park	Gauteng	**39 665**	**714.2**	**4.9**	**18 006**
Soweto Dobsonville Mall	Gauteng	**26 438**	**654.7**	**4.5**	**24 764**
Gugulethu Square	Western Cape	**25 699**	**651.3**	**4.5**	**25 343**
Queenstown Nonesi Mall	Eastern Cape	**27 901**	**584.0**	**4.0**	**20 931**
Daveyton Shopping Centre	Gauteng	**19 859**	**554.4**	**3.8**	**27 917**
Mdantsane City Shopping Centre	Eastern Cape	**36 614**	**554.2**	**3.8**	**15 136**
Germiston Meadowdale Mall[(ii)]	Gauteng	**33 156**	**534.0**	**3.7**	**16 106**
Moruleng Mall[(iii)]	North West	**25 246**	**489.3**	**3.3**	**19 381**
Thohoyandou Thavhani Mall[(iv)]	Limpopo	**17 780**	**480.8**	**3.3**	**27 042**
Atlantis City Shopping Centre	Western Cape	**21 983**	**473.8**	**3.2**	**21 553**
Roodepoort Hillfox Power Centre	Gauteng	**37 562**	**425.5**	**2.9**	**11 328**
Total top 15 properties		**449 323**	**10 108.3**	**69.3**	**22 497**
% of total portfolio		**55.3**	**69.3**		
% of retail portfolio		**59.1**	**72.3**		

[(i)] *50% undivided share in this property.*
[(ii)] *67% undivided share in this property.*
[(iii)] *80% share in the company.*
[(iv)] *33.33% undivided share in this property.*

Summary of portfolio changes

GLA reconciliation	**GLA m²**
Balance on 31 March 2022	**845 659**
GLA adjustments	**1 198**
Disposals	**(35 321)**
Acquisitions and extensions	**—**
Balance on 30 September 2022	**811 536**

Vacancy reconciliation	**GLA m²**	%
Balance on 31 March 2022	**24 085**	2.9
Less: Properties sold since 31 March 2022	**(2 291)**	6.5
Remaining portfolio balance on 31 March 2022	**21 794**	2.7
Leases expired	**112 259**	
Tenants vacated or relocated	**17 731**	
Moved from development vacancy	**1 173**	
Renewal of expired leases	**(55 266)**	
Leases to be renewed	**(45 089)**	
New letting of vacant space	**(28 131)**	
Balance on 30 September 2022	**24 471**	3.0

PORTFOLIO PROFILES

Geographic profile

Vukile's portfolio is well represented in most South African provinces. At the same time, it is focused on high-growth nodes and some 77% of the gross income comes from Gauteng, KwaZulu-Natal, Free State and Western Cape.

	% of gross income	% of GLA
Gauteng	**38**	**43**
KwaZulu-Natal	**22**	**16**
Free State	**9**	**9**
Western Cape	**8**	**7**
Eastern Cape	**8**	**8**
Limpopo	**7**	**7**
Mpumalanga	**4**	**6**
North West	**4**	**4**

Sectoral profile

Based on value, 95.8% of the South African portfolio is in the retail sector, followed by 2.3% in the office, 1.1% in the industrial, 0.4% in the motor-related sector and 0.4% in the residential sector.

Tenant profile

Large national and listed tenants and major franchises account for 85% of our tenants by rentable area. The retail portfolio exposure to national, listed and franchised tenants is 86%.

	% of rent		% of GLA	
	Retail	Total portfolio	Retail	Total portfolio
A – Large national and listed tenants and major franchises	**72**	**71**	**75**	**75**
B – National and listed tenants, franchised and medium to large professional firms	**11**	**11**	**11**	**10**
C – Other (943 tenants)	**17**	**18**	**14**	**15**

Lease expiry profile

Vukile's South African lease expiry profile shows that 19% of the leases based on rentals are due for renewal in 2023. Some 35% of leases are due to expire in 2026 and beyond. Based on GLA, 41% of leases are due to expire in 2026 and beyond.

	March 2023	March 2024	March 2025	March 2026	Beyond March 2026
% of contractual rent	19	28	18	10	25
Cumulative	19	47	65	75	100

	Vacant	March 2023	March 2024	March 2025	March 2026	Beyond March 2026
% of GLA	3.0	16	26	14	12	29
Cumulative	3.0	19	45	59	71	100

Vacancy profile

The total portfolio's vacancy (based on GLA) increased from 2.9% in March 2022 to 3.0%. The focused in-house leasing drive to fill vacancies resulted in reducing the all-important retail vacancies from 2.6% to 2.3%. The increased office vacancy is mainly due to a single tenant vacating at Sandton Bryanston Ascot. Negotiations with replacement tenants are ongoing. Post the sale of Midrand Allandale Industrial Park, the industrial portfolio is fully let. There has been significant traction in leasing residential units following muted rental growth, with free Wi-Fi offered to tenants.

Vacancies (% of GLA)	**30 September 2022 %**	31 March 2022 %
Retail	**2.3**	2.6
Offices	**25.0**	4.2
Motor related	**—**	—
Industrial	**—**	6.7
Residential	**2.3**	12.5
Total	**3.0**	2.9

Vacancies (% of gross rental)	**30 September 2022 %**	31 March 2022 %
Retail	**2.2**	2.7
Offices	**4.6**	6.9
Motor related	**—**	—
Industrial	**—**	6.1
Residential	**11.3**	23.5
Total	**2.3**	3.0

Individual property vacancy profile

The properties with the highest vacancies as a percentage of GLA, where each had a vacancy higher than 1 000m^2 during the period (excluding development vacancy), are:

	Vacancy				
	30 September 2022		31 March 2022		Movement
	m^2	**%**	m^2	%	m^2
Pinetown Pine Crest	**247**	**1**	1 560	4	(1 313)
Mdantsane City Shopping Centre	**541**	**1**	1 571	4	(1 030)
Queenstown Nonesi Mall	**434**	**2**	1 212	4	(778)
Durban Workshop	**747**	**4**	1 236	6	(489)
Mbombela Shoprite Centre	**2 668**	**19**	3 051	22	(383)
Johannesburg Houghton 1 West Street	**1 604**	**36**	1 190	27	414
Randburg Square	**3 331**	**8**	2 855	7	476
Vereeniging Bedworth Centre	**1 358**	**4**	566	2	792
Daveyton Shopping Centre	**1 173**	**6**	—	—	1 173
Sandton Bryanston Ascot Offices	**5 453**	**98**	—	—	5 453

Leasing profile

Vukile concluded new leases and renewals in excess of 82 000m^2 with a contract value of R713.5 million. Tenant retention on the total portfolio was 89%, with retail retention at 94%.

Rental profile

There were positive reversions of 1.6% (2.5% excluding East Rand Mall) on the retail portfolio. Retail reversions were stronger in the value, rural and township segments, and are starting to show an improvement in the urban and commuter portfolios.

The weighted average base rental rates (excluding recoveries) increased by 3.8% from R148.91/m^2 to R154.50/m^2 during the year to date.

Base rental rates (excluding recoveries)	30 September 2022 R/m^2	31 March 2022 R/m^2	Escalation %
Retail	**156.08**	152.69	2.2
Offices	**120.35**	113.72	5.8
Motor related	**202.99**	196.78	3.2
Industrial	**87.96**	69.48	26.6
Residential	**115.10**	130.63	(11.9)
Portfolio weighted average base rentals	**154.50**	148.91	3.8

The higher average rental rate growth on industrial properties is due to the sale of Midrand Allandale Industrial Park.

Retail escalations of an average 6.4% were generated by the portfolio. We expect escalations to start increasing in the short term.

In-contract escalation rates	30 September 2022 %	31 March 2022 %
Retail	**6.4**	6.4
Offices	**7.5**	7.5
Motor related	**7.0**	7.0
Industrial		7.5
Total	**6.4**	6.5

Retail tenant profile and exposure

Vukile's tenant exposure is well diversified and low risk, with national tenants representing c.83% of retail rental income.

Our top 10 tenants account for 46% of total rent and 54% of GLA. Foschini and Pepkor are our two single largest tenants, accounting for 7.6% and 7.4% of total rent, respectively.

Our data-driven asset management enables us to identify risk early. It is our strategy to mitigate the risk of overexposure to a single retail group or brand, and we have strategies in place where there is a potential risk. In this way, we mitigate risk but can also respond quickly to opportunities to introduce new retail brands to our portfolio.

Weighted average lease expiry (WALE)

Vukile has a retail tenant expiry profile based on rent of 2.7 years, with 35% of contractual rental expiring in 2026 and beyond.

Costs

The largest expense categories contribute 82% to the total expenses. These are government services (47%), rates and taxes (18%), cleaning and security (11%) and property management (6%).

We continuously evaluate methods of containing costs in the portfolio and urge our property managers to implement innovative solutions to achieve this.

The cost-to-income ratio remains challenged by increasing rates and taxes, security, cleaning, innovation and Wi-Fi costs. The pay system was recently removed on all ablution facilities in our centres, which resulted in increased cleaning and security costs, but to the benefit of the communities.

Net cost-to-income ratio: remaining portfolio	2017 %	2018 %	2019 %	2020 %	2021 %	2022 %	2023 %
All expenses	15.2	15.2	16.4	15.8	18.4	16.3	**16.9**
All expenses, excluding rates and taxes and electricity	15.2	14.8	15.4	15.5	18.0	17.1	**18.1**

Like-for-like net operating income (NOI) growth

The stable portfolio delivered 4.2% NOI growth versus the comparable period in FY22.

Like-for-like growth (stable portfolio)	30 September 2022	30 September 2021	% change
Property revenue (Rm)	**727.6**	695.0	4.7
Net property expenses (Rm)	**127.1**	118.9	6.9
Net property income (Rm)	**600.5**	576.1	4.2
Net cost-to-income ratio (%)	**17.5**	17.1	

PORTFOLIO REVIEW – SPAIN

With over 94% of its GLA let to international and national tenants, Castellana has again showed its strength, nodal dominance and long-term sustainability.

At 30 September 2022 the Spanish portfolio consisted of 16 properties externally valued at €1 012 million, with a GLA of 350 085m², and an average value of €63 million per property. Total property-related assets are valued at €1 105 million, including the 25.7% stake in Lar España.

OPERATING ENVIRONMENT

Operational highlights

Highlights for the period include the following:

- Increasing the stake in Spanish-listed retail-focused SOCIMI Lar España up to 25.7% at an overall average price of €5.25 per share
- A 98.4% portfolio occupancy, with negligible vacancies of 1.6%
- A long and stable portfolio WALE of 12.1 years, and WALE to break at 2.5 years
- Positive rental reversions of 4.60% at an average of €23.9/m² for renewals, relocations and replacements
- Average base rentals: €15.18/m²
- Growing footfall and sales growth trends over the first half of the year continue to outperform national benchmarks. Year to date (Jan – Sep), footfall increased to 97.1% of pre-COVID-19 levels. Sales grew by 10.10% versus 2019
- Further leasing activity, with 105 leases (56 renewals and 49 new leases) covering 17 173m^2 of GLA signed, represents an incremental annualised NOI of €0.83 million
- New tenants continued to open stores across the portfolio during the first half of the year. New brands have commenced their expansion through Spain and they continue to choose the Castellana platform for brands such as SUSHISOM in Bahía Sur (615m^2), PEPCO in Los Arcos (726m^2) and LA BOCA TE LÍA in Granaita LC and Habaneras (849m^2 and 346m^2, respectively).

Asset management in action

Castellana again demonstrated the importance of having specialist retail management by delivering a market-leading set of results, with the portfolio continuing to show its strength and reliability despite the ongoing macro challenges. Castellana strengthened its relationships with key tenants, leading to new store openings, growing rents and low vacancies across the portfolio.

Projects

Castellana, through its value-added projects in Los Arcos, Bahía Sur and El Faro, has already let 97.5% of total GLA (only storage and kiosk area remain vacant in Los Arcos). In rental terms, the projects have secured 107.2% of total rent projected. These projects have been improving the main KPIs of the assets and have helped them to become the reference shopping nodes and most convenient shopping centres in its area of influence, with the most extensive tenant offering.

In Los Arcos, 97.5% of the project's GLA is signed, meanwhile in El Faro and Bahía Sur 100% of both projects' GLA is already signed.

We consider the projects completed and successful having delivered a cash-on-cash return of 10.02%.

Economic overview

While we are witnessing strength in the employment and tourism sectors, coupled with a further easing of supply bottlenecks, key indicators have pointed to a contraction in both the manufacturing and services sectors since August 2022. The impact on real disposable income, due to rising prices (+8.1% in 2022 est.), uncertainty related to gas supply disruptions and sharp increases in bank-lending rates (the European Central Bank (ECB) raised interest rates to 2% from 0% in July 2022), is expected to constrain economic activity in the short term.

In Spain, the number of people registered as unemployed fell by 193 871 in March 2022 to 2.9 million in October 2022, leaving the unemployment rate at c.12.5%. When compared to September 2021, labour market figures point to a moderation in the pace of job creation. In September, retail sales increased by +0.5% year-on-year. The Consumer Confidence Index for June stands at 65.8 points, which represents 10.2 points less than the figure for the previous month. This notable drop in the index is due to both the decline in the assessment of the current situation and consumer expectations going forward.

Beyond the near term, growth is expected to accelerate after the headwinds (expected to impact activity over the coming winter) dissipate and inflation returns to sustainable levels. However, the expected improvement assumes that gas supply disruptions cease to be a binding constraint on activity as the weather improves and alternative supplies are gradually phased in. Real GDP growth is projected to recover in the course of 2023 due to:

- Abating inflationary pressures putting less downward pressure on real disposable income. The ECB expects inflation to slowly recover to around 2% by 2024;
- Remaining supply bottlenecks unwinding;
- Recovery of foreign demand; and
- Export price competitiveness improving against key trading partners such as the United States.

Castellana growth plan

Castellana's portfolio has been trading very well during H1 FY23. Sales and footfall kept a very positive trend during the past six months, with variations of +12.7% and -2.0%, respectively, compared to 2019. This clearly conveys not only that Castellana's portfolio has recovered significantly versus 2019, beating the benchmark, but also that the active asset management activity in the last months is beginning to bear fruit in the form of improved KPIs. This performance reinforces the dominance and resilience of the portfolio.

Business review

Castellana continues to be in a very good position despite the negative macro-economic environment. Consumption declines forecasted by economists have not yet manifested in the portfolio performance, where sales are still increasing and some tenants are showing double-digit growth. Having refinanced a large part of the portfolio in February 2022, Castellana created a buffer against rising interest rates as these will not impact the Castellana profit and loss significantly, with c.96% of all debt hedged. Active asset management in the portfolio and also active fiscal and balance sheet management have left the business in very good shape as all the key metrics are reflecting.

Half-year valuations have been penalised by the macro environment, however, the portfolio has grown in value as the completed value-added projects have gathered momentum and valuers have been able to see the success of those projects. The entire portfolio has suffered rises in discount rates (IRR) by 50bps, however, the overall value has grown thanks to stronger gross revenue, partly from inflation but also from improved performance through leasing activity.

Footfall, sales and collections performance

Footfall and sales

	Apr 2022 %	May 2022 %	Jun 2022 %	Jul 2022 %	Aug 2022 %	Sep 2022 %
Change in footfall from April 2022 to September 2022 (versus the corresponding months in 2019)	**(0.3)**	**(3.9)**	**(1.3)**	**(6.0)**	**(0.7)**	**0.8**

Castellana has seen a mixed trend in footfall during this period with ups and downs month by month. The portfolio is approaching the reference of 2019 (97.1% YTD Sep 2022 versus YTD Sep 2019).

Sales have performed above 2019 since February 2022. We have seen a stable trend in our portfolio that confirms the recovery.

	Apr 2022 %	May 2022 %	Jun 2022 %	Jul 2022 %	Aug 2022 %	Sep 2022 %
Change in sales from April 2022 to September 2022 (versus the corresponding months in 2019)	**17.3**	**12.3**	**15.7**	**6.9**	**17.2**	**15.2**

In terms of categories, DIY and Pets continue to be the best categories, vastly improving since 2019. Sales in two of our key categories, namely Fashion and Accessories and Food and Beverage, are above 2019 levels during the last few months, becoming a positive sign of recovery. Due to the higher weight of DIY and Pets in our Retail Parks, their performance continues to be better than our shopping centres although both are positive compared to 2019.

A high 94% of Castellana's rentable area is let to tenants that are national and international brands.

Short-term focus areas

Tenant and industry engagement

Now that the pandemic is considered to have passed, the new challenge with tenants is rising inflation. CPI-linked escalations are mandatory for 99.5% of our lease agreements. So far, in the last six months, we have indexed all of the leases due to be indexed in the period, some of them at the highest rates ever, such as Mercadona increasing by 10% in Minimum Guaranteed Rent. Around 5% of the leases have already been indexed and the rest will take place in January 2023. While most have thus far accepted the high CPI increases, we expect some pushback from tenants if CPI persists at higher levels.

However, the strength of the portfolio and the close relationships with tenants will minimise the impact while still showing growth, albeit slightly lower than headline CPI levels.

H1 FY23 occupancy stands at 98.4%, placing Castellana among the best in the industry. Our aim will be to keep growth sustainable in the long run, maintaining occupancy at the current levels or better, while monitoring tenant affordability.

Debt provider engagement

Castellana continues to engage with its debt providers who fully support the business and are satisfied with Castellana's balance sheet strength and cash position. We are confident in Castellana's ability to remain comfortably within its LTV interest cover and net yield on debt covenant levels. In September 2022, Castellana completed the €35.9 million capex facility drawdown and fixed over 95% of the current debt at a fixed rate. Castellana's average debt maturity stands over four years.

Castellana Properties was awarded a BBB- investment grade long-term rating with a stable outlook. Fitch, a premier international rating agency, positively assessed our stability, active management, quality of our portfolio, increased rents, and improved cash flow.

This rating confirms the quality of the management team and our position as one of the leading retail real estate SOCIMIs in the Spanish market.

Collections

Collection rate for the period: 99.03%

Collections from April 2022 to September 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022
Total net invoiced amount (€m)*	**5.8**	**5.8**	**5.7**	**6.1**	**6.2**	**6.0**
Total collected (%)	**99.1**	**99.2**	**99.1**	**98.9**	**99.7**	**98.1**
Total outstanding (%)	**1.0**	**0.8**	**1.0**	**1.2**	**0.3**	**1.9**

* *Not considering net turnover rent, €1 444 562 invoiced in FY23.*

Recent months are always higher as there has not been sufficient arrears management. The more time the collection team spends on recovering the amounts the lower the arrears rate.

Tenant arrears

Tenant arrears amounted to €1.2 million (R21 million) at 30 September 2022, and were reduced significantly from the prior year (September 2021) when arrears stood at €3.1 million. Castellana's in-house property administration team collected 99.03% of monthly rental invoices.

The allowance for the impairment of tenant receivables at 30 September 2022 decreased to €1.02 million (R18.1 million) (30 September 2021: €1.3 million).

VALUATION OF SPANISH PORTFOLIO

The Spanish portfolio was independently valued by Colliers at €1 011.6 million (R17.9 billion) at 30 September 2022 (31 March 2022: €1 000.8 million or R17.1 billion), representing a 1.1% like-for-like increase in value over the period.

During the COVID-19 pandemic, the portfolio declined in value by 2.6%, however, the current valuation as at 30 September 2022 demonstrates the strength of the portfolio with a like-for-like increase of 1.3% versus the pre-COVID-19 portfolio value as at 30 September 2019.

The fair value of the portfolio is estimated using RICS' Red Book methodology with a DCF approach, which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields. Cap rates have been increased by 50bps across all assets in the portfolio to reflect rising interest rates to curb inflation. The estimated rental stream considers current occupancy levels, estimates of future vacancy levels, the terms of contractual leases and expectations of rentals from future leases over the remaining economic life of the buildings.

Real estate market in Spain

Retail investment activity in H1 FY22 started very positively with more than €1.2 billion in total transaction volume, exceeding 2021 by almost 23%. Most of the transacted volume was led by French and German long-term and income-focused investors looking for dominant and stable assets. The market witnessed strong appetite for dominant shopping centres, supermarket portfolios and supermarket-anchored retail parks. Highlights include:

- Retail parks: Savills IM bought from City Grove Bahía Real, a recently developed c.GLA 25 000m² retail park located in Santander, for c.€62 million. Similarly, AEW bought Alcora Plaza from Goldman Sachs, a former Ikea box transformed into a 15 000m² retail park located in Alcorcón (Madrid), for c.€40 million. More opportunistically, Frey purchased Parque Mediterraneo, a dominant 66 000m² retail park in Murcia for c.€83 million.
- Shopping centres: Lighthouse bought from Bogaris Torrecardenas, a dominant 60 000m² shopping centre and retail park in Almeria for c.€172 million. Similarly, Frey bought a recently developed 40 000m² shopping centre located in Barcelona for c.€127 million.

While the first half of 2022 has been very positive for the investment market generally, recent rises in interest rates implemented by the ECB to curb inflation have increased the cost of debt significantly. When considering the additional uncertainty around the evolution of private consumption, most investors have reassessed their investment strategies and are now adopting a "wait and see" approach. On the other hand, most sellers hold reasonably levered assets or portfolios and for now are reluctant to reduce their pricing expectations. Thus, in the short term we do not expect a very active investment market until uncertainty around the macro-economic environment dissipates.

Portfolio overview

Top 10 properties by value

Castellana is now 100% retail focused. Cumulatively, 97% of tenants are international and national tenants. These properties comprise 91.4% of the total portfolio value, 91.5% of the total portfolio rent and 84% of the total portfolio GLA.

Property	Location	GLA m^2	Value €m	% of total portfolio	Valuation €/m^2
El Faro*	Extremadura	**40 618**	**172.8**	**17.1**	**4 254**
Bahía Sur	Andalucia	**35 297**	**149.9**	**14.8**	**4 247**
Los Arcos*	Andalucia	**26 648**	**139.2**	**13.8**	**5 224**
Granaita Retail Park	Andalucia	**54 389**	**106.8**	**10.6**	**1 964**
Vallsur	Castilla Leon	**35 212**	**80.8**	**8.0**	**2 295**
Habaneras	Com. Valenciana	**25 021**	**88.3**	**8.7**	**3 529**
Puerta Europa	Andalucia	**29 783**	**74.4**	**7.4**	**2 498**
Parque Oeste	Madrid	**13 604**	**52.3**	**5.2**	**3 844**
Parque Principado	Asturias	**16 090**	**38.1**	**3.8**	**2 368**
Marismas del Polvorín	Andalucia	**18 220**	**28.6**	**2.8**	**1 570**
Total top 10 properties		**294 882**	**931.20**	**92.2**	**3 158**
% of total portfolio		**84**	**92**		

* *Excluding valuations of development properties.*

Summary of portfolio changes

GLA reconciliation	**GLA m^2**
Balance as at 31 March 2022	350 271
GLA adjustments	(186)
Balance as at 30 September 2022	**350 085**
Areas under development	—
Non-lettable area	—
GLA excluding areas under development	350 085

Vacancy reconciliation	**GLA m^2**	%
Balance as at 31 March 2022	5 642	1.61
Vacancy movement	(194)	
Balance as at 30 September 2022	**5 448**	**1.56**

PORTFOLIO PROFILES

Geographic profile

The geographic distribution of the Spanish portfolio is indicated in the table below. Some 90% of the gross income comes from Andalucia, Extremadura, Com. Valenciana and Castilla Leon.

	% of rental income	% of GLA
Andalucia	**52**	**49**
Extremadura	**20**	**21**
Com. Valenciana	**9**	**7**
Castilla Leon	**9**	**9**
Madrid	**5**	**6**
Asturias	**3**	**4**
Murcia	**2**	**4**

Sector profile

Based on value, 100% of the Spanish portfolio is in the retail sector.

Tenant profile

Large national and international tenants account for 94% of tenants by rent.

	% of rental income	% of GLA
Large national and international tenants	**94**	**94**
Local tenants (100 tenants)	**6**	**6**

Expiry profile

Castellana has a 12.1-year tenant expiry profile and 2.5 years to break with 58% of contractual rental expiring in 2031 and beyond.

The expiry profile as a percentage of contractual rent is shown below:

Total portfolio

	March 2023 %	March 2024 %	March 2025 %	March 2026 %	March 2027 %	March 2028 %	March 2029 %	March 2030 %	March 2031 %	March 2032 %	Beyond March 2032 %
% of contractual rent	4	6	7	5	4	5	5	3	4	4	53
Cumulative	4	10	17	22	26	31	36	39	43	47	100

	Vacant	March 2023 %	March 2024 %	March 2025 %	March 2026 %	March 2027 %	March 2028 %	March 2029 %	March 2030 %	March 2031 %	March 2032 %	Beyond March 2032 %
% of GLA	1	7	4	5	2	2	4	4	3	3	2	63
Cumulative	1	8	12	17	19	21	25	29	32	35	37	100

Break profile

The break profile (the date upon which the tenant has an option to terminate the lease prior to the expiry date) as a percentage of contractual rent is shown below.

Total portfolio

	March 2023 %	March 2024 %	March 2025 %	March 2026 %	March 2027 %	March 2028 %	March 2029 %	March 2030 %	March 2031 %	March 2032 %	Beyond March 2032 %
% of contractual rent	17	24	19	18	7	9	2	1	2	—	1
Cumulative	17	41	60	78	85	94	96	97	99	99	100

Vacancy profile

The portfolio's vacancy rate at 30 September 2022 was 1.6%.

Vacancies (% of GLA)	**30 September 2022 %**	31 March 2022 %
Shopping centres	**2.3**	2.3
Retail parks	**0.6**	0.8
Total	**1.6**	1.6

Rental profile

The Castellana portfolio's weighted average rental has decreased marginally to €15.18/m².

	30 September 2022 €/m²	31 March 2022 €/m²	Escalation %
Shopping centres	**19.39**	19.43	(0.2)
Retail parks	**10.07**	10.07	—
Portfolio weighted average base rentals	**15.18**	15.17	(0.2)

Costs

Service charges are the most significant expense and represent 74.1% of total property expenses. Service charges mainly include utilities, cleaning, marketing, security and management. Property tax is another significant expense representing 12.3% of the total property expenses.

INVESTMENT IN LAR ESPAÑA

Following its initial investment into Lar España to acquire 21.7% in January 2022, Castellana took advantage of the lower share price to acquire an additional 4.0% stake in Lar España, bringing its shareholding in the company to 25.70%.

Lar España continues to perform well for us as a financial investment. Key operational metrics point to a strong level of trading similar to that of our own portfolio in Spain. We remain of the view that the share price is not reflective of the strength of the retail assets and of the business as a whole. Based on Lar España's last set of results (H1 FY22), the company continues to offer a high FFO yield with attractive capital growth potential over the medium to long term.

The initial 21.7% shareholding was acquired at €5.35. Subsequent shares were acquired at an average price of €4.74. Our current shareholding of 25.7% was acquired at an overall average price of €5.25.

As the largest shareholder in the business, we remain long-term investors in Lar España.

PROSPECTS FOR THE GROUP

Against a worsening global macro backdrop, Vukile continues to perform very well, both in South Africa and Spain, demonstrating the strength and defensive nature of its assets. Our internal focus on driving operational efficiencies and excellence is certainly bearing fruit, as evidenced by this strong set of results in both markets.

Underlying tenant demand remains strong and we expect competition for space to continue into the second half of the current financial year. Of significant importance is the long debt expiry profile and high hedging percentage, especially in Spain, which effectively eliminates refinance risk for the next four years.

Notwithstanding the strong strategic, operational and financial state of the company, we need to remain cautious, given the challenging macro environment. However, we are pleased to keep guidance for the full year unchanged, at growth in both FFO per share and dividends per share of 5 – 7% for the year ending 31 March 2023.

SUBSEQUENT EVENTS

I. DECLARATION OF DIVIDEND

In line with IAS 10 – *Events after the Reporting Period*, the declaration of the dividend occurred after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

The board approved an interim dividend on 29 November 2022 of 47.32 cents for the six months ended 30 September 2022 amounting to R464 million. The dividend represents a payout ratio of 59% of total group FFO.

II. DREAM

During October 2022, a share buy-back was implemented by DREAM, whereby Vukile's entire investment in the joint venture was bought back for c.€2.2 million at NAV. Vukile has now exited the DREAM investment.

In line with IAS 10, the share buy-back (that occurred after the end of the reporting period) is a non-adjusting event that is not recognised in the financial statements at 30 September 2022.

III. INVESTMENT IN REIMAGINE SOCIAL IMPACT RETAIL FUND AND ALT CAPITAL PARTNERS

After the end of the reporting period, Vukile acquired a 33% stake in Alt Capital Partners (a private equity real estate investment manager) for a nominal consideration. ALT Capital Partners is a black-owned FSCA licensed private equity management company founded by Ben Kodisang. A service level agreement is in place for Vukile to provide the investment manager with property-related services.

The REimagine Social Impact Retail Fund (the Fund) was founded by ALT Capital Partners to target small convenience retail in rural and township locations in South Africa. Vukile has a commitment of R200 million into the Fund, which commitment will in part be contributed by selling two assets (ie, Rustenburg Edgars building and Piet Retief SC) to the fund for c.R172 million with the balance committed in cash.

In line with IAS 10, the investment in Alt Capital Partners, the commitment to the Fund and the sale of two assets (that occurred after the end of the reporting period) would each be considered a non-adjusting event that is not recognised in the financial statements.

IV. BT NGEBS CITY

Subsequent to the period-end, Vukile and Flanagan & Gerard jointly entered into a formal agreement to acquire BT Ngebs City for a total purchase price of R800 million (R400 million for Vukile's 50% undivided share). Refer to further detail under 'Acquisitions' in the South Africa portfolio review.

In line with IAS 10, the acquisition is a non-adjusting event that is not recognised in the financial statements.

BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2022, and comparative information, have been prepared in accordance with, and containing the information required by, International Financial Reporting Standards (IFRS), the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Announcements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements, IAS 34, and relevant sections of the Companies Act, 71 of 2008, as amended (Companies Act).

All accounting policies applied by the group in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those applied by the group in its consolidated financial statements for the year ended 31 March 2022, except where new standards have been introduced as disclosed in note 1.2.

Preparation of the unaudited condensed consolidated interim financial statements was supervised by Laurence Cohen CA(SA) in his capacity as chief financial officer. These unaudited condensed consolidated interim financial statements have not been reviewed or reported on by Vukile's independent external auditors.

On behalf of the board

NG Payne	**LG Rapp**
Chairman	*Chief executive officer*

Houghton Estate

29 November 2022

VUKILE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 2002/027194/06)
JSE share code: VKE
ISIN: ZAE000056370
Debt company code: VKEI
Namibian Stock Exchange (NSX) share code: VKN
(Granted REIT status with the JSE)
(Vukile or the group or the company)

JSE sponsor: Java Capital
NSX sponsor: IJG Group, Windhoek, Namibia
Executive directors: LG Rapp (chief executive), LR Cohen (chief financial officer), IU Mothibeli (managing director: South Africa)
Non-executive directors: NG Payne (chairman)*, SF Booysen*, RD Mokate*, H Ntene*, GS Moseneke, B Ngonyama*, AMSS Mokgabudi*

* *Independent*

Registered office: 4th Floor, 11 Ninth Street, Houghton Estate, 2198
Company secretary: J Neethling
Transfer secretaries: JSE Investor Services (Pty) Ltd, Braamfontein, Johannesburg
Investor relations: Instinctif Partners, The Firs, 3rd Floor, Corner Craddock Avenue and Biermann Road, Rosebank, Johannesburg, South Africa, Tel: +27 11 447 3030
Media relations: Marketing Concepts, 8 Redhill Road, Morningside, Sandton, Johannesburg, South Africa, Tel: +27 11 783 0700, Fax: +27 11 783 3702

www.vukile.co.za

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2022

	Unaudited 30 September 2022 Rm	Unaudited 30 September 2021 Rm	Audited 31 March 2022 Rm
ASSETS			
Non-current assets	**35 877**	33 232	33 597
Investment property	**32 568**	31 172	30 535
Straight-line rental income accrual	**406**	350	326
Financial assets at fair value through profit or loss (FVTPL)	**370**	525	406
Equity investment at fair value through other comprehensive income (FVTOCI)	**1 651**	—	1 452
Investment in associate at fair value	**—**	568	—
Investment in associate (equity accounted)	**124**	13	120
Investment in joint venture (equity accounted)	**52**	54	48
Derivative financial instruments	**216**	132	260
Long-term loans granted	**302**	246	278
Other non-current assets	**188**	172	172
Current assets	**1 305**	2 825	1 128
Trade and other receivables	**354**	464	309
Derivative financial instruments	**65**	—	40
Current taxation assets	**13**	3	12
Other current assets	**12**	22	15
Cash and cash equivalents	**861**	1 248	565
Non-current assets held for sale	**—**	1 088	187
Total assets	**37 182**	36 057	34 725
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent	**18 722**	17 265	17 568
Stated capital	**13 138**	12 838	13 138
Other components of equity	**3 689**	3 233	2 529
Retained earnings	**1 895**	1 194	1 901
Non-controlling interest	**1 192**	1 629	1 082
Non-current liabilities	**14 968**	13 230	14 197
Interest-bearing borrowings	**14 180**	12 245	13 333
Lease liability	**278**	180	272
Share scheme liability	**15**	—	1
Derivative financial instruments	**253**	597	373
Deferred taxation liabilities	**37**	32	33
Other non-current liabilities	**205**	176	185
Current liabilities	**2 300**	3 933	1 878
Trade and other payables	**651**	641	610
Short-term portion of interest-bearing borrowings	**1 582**	3 193	1 163
Short-term portion of lease liability	**19**	17	18
Short-term portion of share scheme liability	**41**	—	—
Derivative financial instruments	**5**	80	79
Current taxation liabilities	**—**	—	5
Shareholders for dividends	**2**	2	3
Total equity and liabilities	**37 182**	36 057	34 725

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 September 2022

	Unaudited 30 September 2022 Rm	Unaudited 30 September 2021 Rm	Audited 31 March 2022 Rm
Property revenue	**1 762**	1 742	3 485
Straight-line rental income accrual	**79**	12	(10)
Gross property revenue	**1 841**	1 754	3 475
Property expenses	**(623)**	(608)	(1 238)
Change in expected credit loss (ECL): tenant receivables	**11**	1	(24)
Net profit from property operations	**1 229**	1 147	2 213
Corporate and administrative expenses	**(148)**	(152)	(296)
Investment and other income	**59**	242	393
Fair value movement on non-designated portion of CCIRS	**(27)**	(52)	(59)
Profit before finance costs	**1 113**	1 185	2 251
Finance costs	**(384)**	(357)	(809)
Profit after finance costs	**729**	828	1 442
Loss/(profit) on disposals	**(2)**	1	(36)
Loss on realisation of derivative	**(9)**	(44)	(59)
Fair value gain/(loss) on financial instruments	**7**	(12)	3
Impairments	**—**	—	1
Profit before changes in fair value of investment property	**725**	773	1 351
Fair value adjustments:	**405**	156	652
Gross change in fair value of investment property	**477**	165	637
Change in fair value of right-of-use asset	**7**	3	5
Straight-line rental income adjustment	**(79)**	(12)	10
Profit before equity-accounted investment	**1 130**	929	2 003
Share of income/(loss) from associate	**3**	(3)	27
Share of loss from joint venture	**(1)**	(1)	(4)
Profit before taxation	**1 132**	925	2 026
Taxation	**(9)**	(24)	(34)
Profit for the period	**1 123**	901	1 992
Attributable to owners of the parent	**1 065**	843	1 909
Attributable to non-controlling interest	**58**	58	83

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 September 2022

	Unaudited 30 September 2022 Rm	Unaudited 30 September 2021 Rm	Audited 31 March 2022 Rm
Profit for the period	**1 123**	901	1 992
Other comprehensive income (OCI) net of tax			
Items that will not be reclassified to profit or loss:			
Equity investments designated at fair value through OCI	**(105)**	—	(156)
Fair value adjustment on equity investments	**(105)**	—	(156)
Items that are/will be reclassified to profit or loss:			
Foreign currency translation reserve	**860**	(35)	(675)
Associate	**—**	(2)	(3)
Joint venture	**5**	—	(3)
Subsidiary	**855**	(33)	(669)
Cash flow hedges	**100**	51	153
Interest rate swaps	**119**	51	151
Barrier option	**(19)**	—	2
Other comprehensive income/(loss) for the period	**855**	16	(678)
Total comprehensive income for the period	**1 978**	917	1 314
Attributable to owners of the parent	**1 831**	846	1 264
Attributable to non-controlling interest	**147**	71	50

RECONCILIATION OF EARNINGS TO HEADLINE EARNINGS

for the six months ended 30 September 2022

	Unaudited 30 September 2022		Unaudited 30 September 2021		Audited 31 March 2022	
	Rm	**Cents per share**	Rm	Cents per share	Rm	Cents per share
Profit attributable to owners of the parent	**1 065**	**108.65**	843	88.15	1 909	199.10
Earnings and diluted earnings	**1 065**	**108.65**	843	88.15	1 909	199.10
Change in fair value of investment property (net of allocation to non-controlling interest)	**(456)**	**(46.55)**	(158)	(16.47)	(601)	(62.73)
Remeasurement of right-of-use asset	**(7)**	**(0.71)**	(3)	(0.29)	(5)	(0.48)
Loss/(profit) on sale of investment property	**1**	**0.11**	(1)	(0.08)	(1)	(0.14)
Loss/(profit) on joint operation transactions	**1**	**0.07**	—	—	(1)	(0.08)
Loss of control of subsidiary	**—**	**—**	—	—	17	1.75
Impairment of investment in associate	**—**	**—**	—	—	8	0.81
Remeasurement included in equity-accounted earnings of associate	**—**	**—**	—	—	(38)	(3.98)
Headline and diluted headline earnings	**604**	**61.57**	681	71.31	1 288	134.25
Number of shares in issue	**980 226 628**		956 226 628		980 226 628	
Weighted average number of shares	**980 226 628**		956 226 628		958 593 751	

There are no dilutionary shares in issue.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2022

	Stated capital Rm	Other components of equity Rm	Retained earnings Rm	Total shareholders' interest Rm	NCI Rm	Total Rm
Balance at 30 September 2021	12 838	3 233	1 194	17 265	1 629	18 894
Issue of share capital	300	—	—	300	—	300
Dividend	—	—	(388)	(388)	(21)	(409)
	13 138	3 233	806	17 177	1 608	18 785
Profit for the period	—	—	1 066	1 066	25	1 091
Transfer to non-distributable reserve	—	(29)	29	—	—	—
Transactions with NCI	—	—	—	—	(545)	(545)
Change in ownership of a subsidiary recognised in equity	—	(39)	—	(39)	39	—
Equity-settled share scheme	—	12	—	12	1	13
Other comprehensive loss	—	(648)	—	(648)	(46)	(694)
Balance at 31 March 2022	**13 138**	**2 529**	**1 901**	**17 568**	**1 082**	**18 650**
Dividend	**—**	**—**	**(640)**	**(640)**	**(32)**	**(672)**
	13 138	**2 529**	**1 261**	**16 928**	**1 050**	**17 978**
Profit for the period	**—**	**—**	**1 065**	**1 065**	**58**	**1 123**
Transfer to non-distributable reserve	**—**	**431**	**(431)**	**—**	**—**	**—**
Equity-settled share scheme	**—**	**(37)**	**—**	**(37)**	**(5)**	**(42)**
Other comprehensive income	**—**	**766**	**—**	**766**	**89**	**855**
Balance at 30 September 2022	**13 138**	**3 689**	**1 895**	**18 722**	**1 192**	**19 914**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

for the six months ended 30 September 2022

	Unaudited 30 September 2022 Rm	Unaudited 30 September 2021 Rm	Audited 31 March 2022 Rm
Cash flow from operating activities	**965**	943	2 054
Cash flow from investing activities	**111**	733	356
Cash flow from financing activities	**(812)**	(1 443)	(2 823)
Net increase in cash and cash equivalents	**264**	233	(413)
Foreign currency movements in cash	**32**	12	(25)
Cash and cash equivalents at the beginning of the period	**565**	1 003	1 003
Cash and cash equivalents at the end of the period[i]	**861**	1 248	565
Major items included in the above:			
Cash flow from operating activities	**965**	943	2 054
Profit before tax	**1 132**	925	2 026
Adjustments[ii]	**(111)**	87	(39)
Working capital adjustments	**(51)**	(51)	91
Taxation paid	**(5)**	(18)	(24)
Cash flow from investing activities	**111**	733	356
Proceeds on sale of investment property	**252**	957	1 218
Acquisition of investment property and development costs	**(126)**	(346)	(549)
Acquisition of investment in equity instruments at fair value through other comprehensive income	**(158)**	—	(1 600)
Proceeds on sale of listed securities	**47**	—	501
Loss of control of subsidiary	**—**	—	530
Investment and other income	**84**	119	308
Other	**12**	3	(52)
Cash flow from financing activities	**(812)**	(1 443)	(2 823)
Interest-bearing borrowings advanced	**1 933**	3 781	8 974
Interest-bearing borrowings repaid	**(1 514)**	(3 636)	(9 169)
Finance costs paid	**(351)**	(307)	(646)
Dividends paid	**(672)**	(968)	(1 376)
Equity transactions with NCI	**—**	—	(545)
Proceeds from issue of share capital	**—**	—	300
Settlement of derivatives	**(136)**	(285)	(324)
Other	**(72)**	(28)	(37)

[i] *Tenant deposits of c.R1 million are held in custody on behalf of tenants and are not available for general use by the group and are therefore treated as restricted cash.*

[ii] *Adjustments to cash flows from operating activities for 30 September 2022 include fair value gain on investment property of R477 million, finance costs of R384 million and fair value loss on equity investments of R15 million.*

SUMMARISED OPERATING SEGMENT REPORT

for the six months ended 30 September 2022

	South Africa			Spain			
	Retail Rm	Other Rm	Total Rm	Retail Rm	Other Rm	Total Rm	Total group Rm
Income for the year ended 30 September 2022							
Revenue[i]	728	30	758	570	—	570	1 328
Property expenses[i]	(109)	(7)	(116)	(62)	—	(62)	(178)
Net income from property operations	619	23	642	508	—	508	1 150
Corporate and administrative expenses	(81)	(3)	(84)	(64)	—	(64)	(148)
Investment and other income	24	1	25	—	—	—	25
Finance income	2	16	18	—	—	—	18
Net interest from CCIRS	15	1	16	—	—	—	16
Loss on realisation of derivative	—	(9)	(9)	—	—	—	(9)
Income before finance costs	579	29	608	444	—	444	1 052
Finance costs	—	(268)	(268)	(112)	(4)	(116)	(384)
Income before equity-accounted income	579	(239)	340	332	(4)	328	668
Share of income from associate	—	3	3	—	—	—	3
Share of loss from joint venture	—	(1)	(1)	—	—	—	(1)
Income before taxation	579	(237)	342	332	(4)	328	670
Taxation	(9)	3	(6)	—	—	—	(6)
Income	570	(234)	336	332	(4)	328	664
Net income attributable to NCI	—	(3)	(3)	—	(33)	(33)	(36)
Attributable to Vukile group	570	(237)	333	332	(37)	295	628
Non-IFRS adjustments	—	8	8	—	155	155	163
Early termination of derivative	—	—	—	—	58	58	58
Accrued dividends	—	(1)	(1)	—	97	97	96
Non-cash impact of IFRS entries	—	9	9	—	—	—	9
FFO	570	(229)	341	332	118	450	791

[i] *The revenue and property expenses have been reflected net of recoveries. The summarised consolidated statements of profit or loss and OCI reflect the gross property revenue and gross property expenses.*

SUMMARISED OPERATING SEGMENT REPORT continued

for the six months ended 30 September 2022

	South Africa			Spain			
	Retail Rm	Other Rm	Total Rm	Retail Rm	Other Rm	Total Rm	Total group Rm
Statement of financial position at 30 September 2022							
ASSETS							
Non-current assets	14 400	1 756	16 156	18 054	1 667	19 721	35 877
Investment property	14 001	620	14 621	17 947	—	17 947	32 568
Straight-line rental income accrual	399	7	406	—	—	—	406
Financial assets at fair value through profit or loss	—	370	370	—	—	—	370
Equity investments at fair value through other comprehensive income	—	—	—	—	1 651	1 651	1 651
Investment in associate (equity accounted)	—	124	124	—	—	—	124
Investment in joint venture (equity accounted)	—	52	52	—	—	—	52
Derivative financial instruments	—	216	216	—	—	—	216
Long-term loans granted	—	302	302	—	—	—	302
Other non-current assets	—	65	65	107	16	123	188
Current assets	229	673	902	327	76	403	1 305
Trade and other receivables	192	62	254	95	5	100	354
Derivative financial instruments	—	65	65	—	—	—	65
Current taxation	—	13	13	—	—	—	13
Other current assets	—	—	—		12	12	12
Cash and cash equivalents	37	533	570	232	59	291	861
Total assets							37 182
EQUITY AND LIABILITIES							
Equity attributable to the owners of the parent							18 722
Non-controlling interest							1 192
Non-current liabilities	278	5 828	6 106	205	8 657	8 862	14 968
Interest-bearing borrowings	—	5 542	5 542	—	8 638	8 638	14 180
Lease liability	278	—	278	—	—	—	278
Share scheme liability	—	3	3	—	12	12	15
Derivative financial instruments	—	253	253	—	—	—	253
Deferred tax	—	30	30	—	7	7	37
Other non-current liabilities	—	—	—	205	—	205	205
Current liabilities	288	1 693	1 981	214	105	319	2 300
Trade and other payables	288	145	433	214	4	218	651
Short-term portion of interest-bearing borrowings	—	1 522	1 522	—	60	60	1 582
Short-term portion of lease liability	—	19	19	—	—	—	19
Short-term portion of share scheme liability	—	—	—	—	41	41	41
Derivative financial instruments	—	5	5	—	—	—	5
Shareholders for dividends	—	2	2	—	—	—	2
Total equities and liabilities							37 182

	Southern Africa			Spain			
	Retail Rm	Other Rm	Total Rm	Retail Rm	Other Rm	Total Rm	Total group Rm
Income for the period ended 30 September 2021							
Revenue(i)	780	35	815	440	49	489	1 304
Property expenses(i)	(133)	(5)	(138)	(25)	(6)	(31)	(169)
Net distributable income from property operations	647	30	677	415	43	458	1 135
Corporate and administrative expenses	(81)	(4)	(85)	(88)	21	(67)	(152)
Investment and other income	154	7	161	—	—	—	161
Finance income	2	12	14	—	—	—	14
Net interest from CCIRS	64	3	67	—	—	—	67
Loss on realisation of derivative	—	(44)	(44)	—	—	—	(44)
Distributable income before finance costs	786	4	790	327	64	391	1 181
Finance costs	(34)	(210)	(244)	(107)	(6)	(113)	(357)
Distributable income before equity-accounted income	752	(206)	546	220	58	278	824
Share of loss from associate	—	(3)	(3)	—	—	—	(3)
Share of loss from joint venture	—	(1)	(1)	—	—	—	(1)
Distributable income before taxation	752	(210)	542	220	58	278	820
Taxation	(24)	14	(10)	—	—	—	(10)
Distribution income	728	(196)	532	220	58	278	810
Net distributable income attributable to non-controlling interests	—	(2)	(2)	—	(48)	(48)	(50)
Attributable to Vukile group	728	(198)	530	220	10	230	760
Non-IFRS adjustments	—	3	3	—	—	—	3
Early termination of derivative	—	(76)	(76)	—	—	—	(76)
Accrued dividends	—	76	76	—	—	—	76
Non-cash impact of IFRS 16 – *Leases*	—	3	3	—	—	—	3
FFO	728	(195)	533	220	10	230	763

(i) *The revenue and property expenses have been reflected net of recoveries. The summarised consolidated statement of profit or loss and other comprehensive income reflects gross property revenue and gross property expenses.*

SUMMARISED OPERATING SEGMENT REPORT continued

for the six months ended 30 September 2022

	Southern Africa			Spain			
	Retail Rm	Other Rm	Total Rm	Retail Rm	Other Rm	Total Rm	Total group Rm
Statement of financial position at 30 September 2021							
ASSETS							
Non-current assets	13 762	2 356	16 118	16 100	1 014	17 114	33 232
Investment property	13 441	721	14 162	16 012	998	17 010	31 172
Straight-line rental income accrual	321	29	350	—	—	—	350
Financial assets at fair value through profit or loss	—	525	525	—	—	—	525
Investment in associate at fair value	—	568	568	—	—	—	568
Investment in associate (equity accounted)	—	13	13	—	—	—	13
Investment in joint venture (equity accounted)	—	54	54	—	—	—	54
Derivative financial instruments	—	132	132	—	—	—	132
Long-term loans granted	—	246	246	—	—	—	246
Other non-current assets	—	68	68	88	16	104	172
Current assets	1 323	455	1 778	564	483	1 047	2 825
Trade and other receivables	227	131	358	95	11	106	464
Current taxation	—	3	3	—	—	—	3
Other current assets	—	—	—	22	—	22	22
Cash and cash equivalents	55	274	329	447	472	919	1 248
Non-current assets held for sale	1 041	47	1 088	—	—	—	1 088
Total assets							36 057
EQUITY AND LIABILITIES							
Equity attributable to the owners of the parent							17 265
Non-controlling interest							1 629
Non-current liabilities	180	5 190	5 370	176	7 684	7 860	13 230
Interest-bearing borrowings	—	4 591	4 591	—	7 654	7 654	12 245
Lease liability	180	—	180	—	—	—	180
Derivative financial instruments	—	575	575	—	22	22	597
Deferred tax	—	24	24	—	8	8	32
Other non-current liabilities	—	—	—	176	—	176	176
Current liabilities	322	2 609	2 931	995	7	1 002	3 933
Trade and other payables	305	55	360	274	7	281	641
Short-term portion of interest-bearing borrowings	—	2 475	2 475	718	—	718	3 193
Short-term portion of lease liability	17	—	17	—	—	—	17
Derivative financial instruments	—	77	77	3	—	3	80
Shareholders for dividends	—	2	2	—	—	—	2
Total equity and liabilities							36 057

1. GENERAL ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

Estimates

Management discusses with the audit committee the development, selection and disclosure of the group's critical accounting policies and estimates and the application of these policies and estimates. Actual results may differ from these estimates.

The revaluation of investment property requires judgement in determining discount rates and an appropriate reversionary capitalisation rate. Note 2.3 sets out further details of the fair value measurement of investment property.

In determining a lease liability in accordance with IFRS 16, the incremental borrowing rate was estimated by management using the three-year DMTN margin as a starting point. The rate was adjusted to reflect an estimated spread for a tenure of 10 years, 25 years and 50 years.

Judgements

Judgement is applied in certain areas based on historical experience and reasonable expectations relating to future events. In determining the lease term per IFRS 16, management applies its judgement in considering all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (and periods after termination options) are only included in the lease term if it is reasonably certain to be extended or not terminated.

Going concern

Going concern is assessed on an ongoing basis by conducting appropriate procedures and considering all available information about the future. For the current reporting period, the directors have considered the group's projected cash flows for a period of 12 months following the date of issue of these financial statements and have concluded that the group will be able to meet its financial obligations as they fall due. The projected cash flows are based on operating budgets approved by the board. On this basis, the directors are satisfied that the group will be a going concern for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

1.2 NEW STANDARDS AND AMENDMENTS

The group has adopted the following amendments to standards which were effective for the first time for the financial period commencing 1 April 2022. These amendments had no impact on the group.

- The amendment to IAS 16 – *Property, Plant and Equipment* prohibits a company from deducting from the cost of property, plant and equipment any amounts received from selling items produced while the company is preparing the asset for its intended use.
- The amendment to IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* clarifies which costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.
- The amendment to IFRS 1 – *First-time Adoption of International Financial Reporting Standards* permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRS.

2. FAIR VALUE MEASUREMENT

2.1 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: Other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2.2 FAIR VALUE HIERARCHY

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value.

	30 September 2022			
	Level 1 Rm	**Level 2 Rm**	**Level 3 Rm**	**Total Rm**
Assets				
Equity investment at fair value through profit or loss	**298**	**—**	**—**	**298**
Equity investments at fair value through other comprehensive income	**1 651**	**—**	**—**	**1 651**
Executive share scheme financial asset	**129**	**—**	**—**	**129**
Derivative financial instruments	**—**	**281**	**—**	**281**
Total	**2 078**	**281**	**—**	**2 359**
Liabilities				
Executive share scheme financial liability	**—**	**(57)**	**—**	**(57)**
Derivative financial instruments	**—**	**(69)**	**(189)**	**(258)**
Total	**—**	**(126)**	**(189)**	**(315)**
Net fair value	**2 078**	**155**	**(189)**	**2 044**

	30 September 2021				31 March 2022			
	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
Assets								
Investment in associate at fair value	470	—	—	470	—	—	—	—
Equity investment at fair value through profit or loss	568	—	—	568	360	—	—	360
Equity investments at fair value through other comprehensive income	—	—	—	—	1 452	—	—	1 452
Executive share scheme financial asset	95	—	—	95	109	—	—	109
Derivative financial instruments	—	132	—	132	—	300	—	300
Total	1 133	132	—	1 265	1 921	300	—	2 221
Liabilities								
Executive share scheme financial liability	—	(40)	—	(40)	—	(63)	—	(63)
Derivative financial instruments	—	(268)	(409)	(677)	—	(220)	(232)	(452)
Total	—	(308)	(409)	(717)	—	(283)	(232)	(515)
Net fair value	1 133	(176)	(409)	548	1 921	17	(232)	1 706

There have been no significant transfers between levels 1, 2 and 3 in the reporting period under review.

2. FAIR VALUE MEASUREMENT continued

2.2 FAIR VALUE HIERARCHY continued

Equity investment at fair value

Listed equity investment: The fair value of shares held in listed property securities (Fairvest and Lar España) is determined by reference to the quoted closing price at the reporting date.

Executive share scheme financial assets and liabilities

This comprises equity-settled share-based long-term incentive reimbursement rights stated at fair value. The level 1 asset is determined with reference to Vukile's share price.

Derivative financial instruments

Level 2 derivatives consist of interest rate swaps and cap contracts, cross-currency interest rate swaps and forward exchange contracts and a barrier call option. The fair values of these derivative instruments are determined by Vukile's and Castellana's bank funders, using a valuation technique that maximises the use of observable market inputs. Level 3 derivatives consist of a net settled derivative that has been valued using the Black Scholes option pricing model.

Measurement of fair value

The methods and valuation techniques used to measure fair value are unchanged compared to the previous reporting period.

2.3 FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (INVESTMENT PROPERTY)

At 30 September 2022, the directors valued the South African property portfolio at R14.6 billion (31 March 2022: R14.5 billion), and an external valuer valued the Spanish portfolio at R17.9 billion (31 March 2022: R16.2 billion).

The external valuations performed by Quadrant Properties (Pty) Ltd and Knight Frank (Pty) Ltd at 30 September 2022 on 48% of the South African portfolio were in line with the directors' valuations. The Spanish portfolio was valued by Colliers International.

The fair values of commercial buildings are estimated using a DCF method, which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields. The estimated rental stream takes into account 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 estimated fair value would increase/(decrease) if the expected market rental growth was higher/(lower), expected expense growth was lower/(higher), the vacant periods were shorter/(longer), the occupancy rate was higher/(lower), the rent-free periods were shorter/(longer), the discount rate was lower/(higher), and/or the reversionary capitalisation rate was lower/(higher).

The most significant inputs are the discount rate and the reversionary capitalisation rate. The inputs used in the valuations were:

	Unaudited 30 September 2022				Audited 31 March 2022			
	Discount rate %		**Reversionary capitalisation rate %**		Discount rate %		Reversionary capitalisation rate %	
	Range	**Weighted average**	**Range**	**Weighted average**	Range	Weighted average	Range	Weighted average
South Africa	**12.7 to 19.6**	**13.5**	**7.9 to 15.3**	**8.9**	12.7 to 19.6	13.5	7.7 to 15.3	9.0
Spain	**7.8 to 10.0**	**8.6**	**5.0 to 6.9**	**6.1**	7.3 to 9.5	8.1	5.0 to 6.9	6.1

2. FAIR VALUE MEASUREMENT continued

2.3 FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (INVESTMENT PROPERTY) continued

South Africa

The discount rate and reversionary capitalisation rate have been disaggregated based on geography. The table below also illustrates the impact on valuations resulting from changes in base discount rates as well as NOI for year one and the capitalisation year.

South African directly held property portfolio	Portfolio exposure %	Average discount rate %	Average exit capitalisation rate %	Valuation impact if base discount rate is increased by 50bps %	Valuation impact of 50% NOI reduction in year one %	Valuation impact of 5% NOI reduction in capitalisation year %	Valuation impact of 5% NOI reduction in cash flow in capitalisation year %
Total portfolio	100	13.4	8.9	(5.6)	(4.1)	(3.5)	(5.1)
Retail	96	13.4	8.9	(5.6)	(4.1)	(3.5)	(5.1)
Other	4	13.7	10.1	(5.3)	(4.4)	(2.6)	(5.3)
Gauteng	40	13.3	8.9	(5.7)	(4.0)	(3.6)	(5.1)
KwaZulu-Natal	20	13.4	8.8	(5.5)	(4.1)	(3.3)	(5.1)
Western Cape	9	13.2	8.9	(5.6)	(4.1)	(3.4)	(5.0)
Free State	9	13.1	8.6	(5.8)	(4.0)	(3.6)	(5.1)
Eastern Cape	8	13.6	9.1	(5.4)	(4.1)	(3.5)	(5.0)
Limpopo	6	13.9	9.1	(5.1)	(4.6)	(3.3)	(5.0)
North West	4	13.9	9.2	(5.6)	(4.2)	(3.4)	(5.0)
Mpumalanga	4	15.0	10.5	(4.9)	(4.7)	(3.5)	(5.1)

Given that the discount rate for the portfolio ranges from 12.7 to 19.6, the table above has been further disaggregated based on risk showing discount rates below 14%, between 14% – 16% and above 16%. Refer to the following three tables:

Discount rate below 14%	Portfolio exposure %	Average discount rate %	Average exit capitalisation rate %	Valuation impact if base discount rate is increased by 50bps %	Valuation impact of 50% NOI reduction in year one %	Valuation impact of 5% NOI reduction in capitalisation year %	Valuation impact of 5% NOI reduction in cash flow in capitalisation year %
Total portfolio	70	12.9	8.4	(5.9)	(3.9)	(3.5)	(5.1)
Retail	67	12.9	8.4	(5.9)	(3.8)	(3.6)	(5.1)
Other	3	13.0	9.2	(5.8)	(4.5)	(2.4)	(5.4)
Gauteng	29	12.8	8.3	(6.0)	(3.8)	(3.6)	(5.1)
KwaZulu-Natal	18	13.2	8.6	(5.5)	(4.0)	(3.3)	(5.1)
Western Cape	6	12.7	8.6	(5.8)	(4.0)	(3.4)	(5.1)
Free State	6	12.7	7.9	(6.3)	(3.6)	(3.8)	(5.1)
Eastern Cape	4	13.2	8.6	(5.7)	(3.9)	(3.6)	(5.0)
Limpopo	4	12.8	8.1	(6.1)	(3.6)	(3.7)	(5.0)
North West	3	13.2	8.4	(5.8)	(3.8)	(3.6)	(5.0)

2. FAIR VALUE MEASUREMENT continued

2.3 FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (INVESTMENT PROPERTY) continued

Discount rate between 14% and 16%	Portfolio exposure %	Average discount rate %	Average exit capitalisation rate %	Valuation impact if base discount rate is increased by 50bps %	Valuation impact of 50% NOI reduction in year one %	Valuation impact of 5% NOI reduction in capitalisation year %	Valuation impact of 5% NOI reduction in cash flow in capitalisation year %
Total portfolio	**26**	**14.2**	**9.7**	**(5.0)**	**(4.5)**	**(3.4)**	**(5.1)**
Retail	**25**	**14.2**	**9.7**	**(5.1)**	**(4.5)**	**(3.4)**	**(5.1)**
Other	**1**	**14.2**	**11.3**	**(4.6)**	**(4.3)**	**(2.8)**	**(5.1)**
Gauteng	**9**	**14.2**	**9.6**	**(5.2)**	**(4.2)**	**(3.5)**	**(5.1)**
KwaZulu-Natal	**2**	**14.5**	**10.1**	**(5.0)**	**(4.5)**	**(3.5)**	**(5.1)**
Western Cape	**3**	**14.0**	**9.5**	**(5.2)**	**(4.3)**	**(3.5)**	**(5.0)**
Free State	**3**	**14.0**	**10.2**	**(4.9)**	**(4.6)**	**(3.4)**	**(5.0)**
Eastern Cape	**4**	**14.0**	**9.7**	**(5.1)**	**(4.3)**	**(3.5)**	**(5.0)**
Limpopo	**2**	**15.0**	**10.4**	**(3.7)**	**(6.3)**	**(2.4)**	**(5.0)**
Mpumalanga	**3**	**14.3**	**9.5**	**(5.3)**	**(4.3)**	**(3.6)**	**(5.1)**

Discount rate above 16%	Portfolio exposure %	Average discount rate %	Average exit capitalisation rate %	Valuation impact if base discount rate is increased by 50bps %	Valuation impact of 50% NOI reduction in year one %	Valuation impact of 5% NOI reduction in capitalisation year %	Valuation impact of 5% NOI reduction in cash flow in capitalisation year %
Total portfolio	**4**	**16.8**	**12.6**	**(4.1)**	**(5.4)**	**(3.1)**	**(5.1)**
Retail	**4**	**16.8**	**12.5**	**(4.1)**	**(5.6)**	**(3.0)**	**(5.1)**
Other	**0**(1)	**16.9**	**13.7**	**(4.0)**	**(3.8)**	**(3.4)**	**(5.3)**
Gauteng	**2**	**16.4**	**12.1**	**(4.2)**	**(5.0)**	**(3.3)**	**(5.1)**
Limpopo	**1**	**16.3**	**11.7**	**(4.2)**	**(5.1)**	**(3.2)**	**(5.0)**
North West	**0**(1)	**19.6**	**15.3**	**(3.6)**	**(7.2)**	**(1.5)**	**(5.2)**
Mpumalanga	**1**	**17.2**	**13.6**	**(3.9)**	**(5.9)**	**(3.2)**	**(5.3)**

(1) *Less than 1%.*

NOTES TO THE CONDENSED FINANCIAL STATEMENTS continued

for the six months ended 30 September 2022

2. FAIR VALUE MEASUREMENT continued

2.3 FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (INVESTMENT PROPERTY) continued

Spain

The tables below show the impact on the fair value of investment property for a 25bps change in discount rate:

	30 September 2022	
	Variation of discount rate	
	25bps decrease €'000	**25bps increase €'000**
Retail	**17 620**	**(17 180)**
Theoretical result	**17 620**	**(17 180)**

	31 March 2022	
	Variation of discount rate	
	25bps decrease €'000	25bps increase €'000
Retail	14 960	(20 270)
Theoretical result	14 960	(20 270)

The effect of a 25bps change to the base discount rate will have the following impact on the valuation of the portfolio:

South Africa[1]		**25bps increase**			**25bps decrease**		
	Fair value Rm	**Decreased fair value Rm**	**Decrease Rm**	**% decrease**	**Increased fair value Rm**	**Increase Rm**	**% increase**
30 September 2022	**14 608**	**14 197**	**(411)**	**(2.8)**	**15 044**	**436**	**3.0**
31 March 2022	**14 472**	**14 066**	**(406)**	**(2.8)**	**14 903**	**431**	**3.0**

Spain	**Fair value €m**	**Decreased fair value €m**	**Decrease Rm**	**% decrease**	**Increased fair value €m**	**Increase Rm**	**% increase**
30 September 2022	**1 012**	**994**	**(305)**	**(1.7)**	**1 029**	**313**	**1.7**
31 March 2022	**1 001**	**981**	**(328)**	**(2.0)**	**1 016**	**242**	**1.5**

[1] *Fair value excludes non-controlling interest in Clidet.*

2. FAIR VALUE MEASUREMENT continued

2.3 FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (INVESTMENT PROPERTY) continued

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

	Unaudited 30 September 2022 Recurring fair value measurements Level 3 Rm	Unaudited 30 September 2021 Recurring fair value measurements Level 3 Rm	Audited 31 March 2022 Recurring fair value measurements Level 3 Rm
Investment property	**32 677**	31 325	30 571
Right-of-use asset	**297**	197	290

	Unaudited 30 September 2022 Non-recurring fair value measurements Level 3 Rm	Unaudited 30 September 2021 Non-recurring fair value measurements Level 3 Rm	Audited 31 March 2022 Non-recurring fair value measurements Level 3 Rm
Investment property held for sale	**—**	1 076	187
Right-of-use asset held for sale	**—**	25	—

SA REIT RATIOS

for the six months ended 30 September 2022

SA REIT FUNDS FROM OPERATIONS (SA REIT FFO)

	30 September 2022 Rm	30 September 2021 Rm	31 March 2022 Rm
Profit per IFRS statement of comprehensive income attributable to the parent	**1 065**	843	1 909
Adjusted for:			
Accounting/specific:			
Fair value adjustments to:	**(336)**	(270)	(636)
Investment property	**(398)**	(154)	(647)
Debt and equity instruments held at fair value through profit or loss	**40**	(197)	(32)
Depreciation and amortisation of intangible assets	**2**	3	6
Asset impairments (excluding goodwill) and reversals of impairment	**—**	—	(1)
Deferred tax movement recognised in profit or loss	**3**	14	13
Straight-lining operating lease adjustment	**(79)**	(12)	10
Adjustments to dividends from equity interests held	**96**	76	15
Adjustments arising from investing:			
Gains or losses on disposal of:	**2**	(1)	35
Investment property and property, plant and equipment	**2**	(1)	(2)
Subsidiaries and equity-accounted entities held	**—**	—	37
Foreign exchange and hedging items:	**41**	186	31
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	**27**	54	58
Adjustments to amounts recognised in profit or loss relating to derivative financial instruments	**14**	132	(27)
Other adjustments:	**21**	8	3
Adjustments made for equity-accounted entities	**1**	—	(33)
Non-controlling interests in respect of the above adjustments	**20**	8	36
SA REIT FFO	**793**	766	1 342
Number of shares outstanding (net of treasury shares)	**980 226 628**	956 226 628	980 226 628
SA REIT FFO cents per share	**80.90**	80.11	136.91
Company-specific adjustments	**(2)**	(3)	(6)
Depreciation	**(2)**	(3)	(6)
FFO	**791**	763	1 336
FFO per share (cents)	**80.80**	79.79	136.30

SA REIT NAV

	30 September 2022 Rm	30 September 2021 Rm	31 March 2022 Rm
Reported NAV attributable to the parent	**18 722**	17 265	17 568
Adjustments:			
Dividend declared[1]	**(464)**	(388)	(640)
Fair value of derivative financial instruments	**(185)**	58	(32)
Goodwill and intangible assets	**(3)**	(2)	(3)
SA REIT NAV	**18 070**	16 933	16 893
Shares outstanding			
Number of shares in issue (net of treasury shares)	**980 226 628**	956 226 628	980 226 628
SA REIT NAV per share	**18.43**	17.71	17.23

[1] *In order to comply with the SA REIT Best Practice Recommendations (BPR), the 30 September 2021 NAV and NAV per share have been restated to deduct the H1 FY22 dividend declared.*

SA REIT COST-TO-INCOME RATIO

Southern Africa portfolio	**30 September 2022 Rm**	30 September 2021 Rm	31 March 2022 Rm
Expenses			
Operating expenses per IFRS income statement (includes municipal expenses)	**412**	450	899
Administrative expenses per IFRS income statement	**84**	85	157
Excluding:			
Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets	**(1)**	(3)	(5)
Operating costs	**495**	532	1 051
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)	**758**	815	1 624
Utility and operating recoveries per IFRS income statement	**296**	312	610
Gross rental income	**1 054**	1 127	2 234
SA REIT cost-to-income ratio (%)	**47.0**	47.2	47.0

Spain portfolio	**30 September 2022 Rm**	30 September 2021 Rm	31 March 2022 Rm
Expenses			
Operating expenses per IFRS income statement (includes municipal expenses)	**200**	157	363
Administrative expenses per IFRS income statement	**64**	67	139
Operating costs	**264**	224	502
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)	**570**	489	983
Utility and operating recoveries per IFRS income statement	**138**	126	268
Gross rental income	**708**	615	1 251
SA REIT cost-to-income ratio (%)	**37.3**	36.4	40.1

SA REIT RATIOS

for the six months ended 30 September 2022 continued

SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO

Southern Africa portfolio	**30 September 2022 Rm**	30 September 2021 Rm	31 March 2022 Rm
Administrative costs			
Administrative expenses as per IFRS income statement	**84**	85	157
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)	**758**	815	1 624
Utility and operating recoveries per IFRS income statement	**296**	312	610
Gross rental income	**1 054**	1 127	2 234
SA REIT administrative cost-to-income ratio (%)	**8.0**	7.5	7.0

Spain portfolio	**30 September 2022 Rm**	30 September 2021 Rm	31 March 2022 Rm
Administrative costs			
Administrative expenses as per IFRS income statement	**64**	67	139
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)	**570**	489	983
Utility and operating recoveries per IFRS income statement	**138**	126	268
Gross rental income	**708**	615	1 251
SA REIT administrative cost-to-income ratio (%)	**9.0**	10.9	11.1

SA REIT GLA VACANCY

Southern Africa portfolio	**30 September 2022 m^2**	30 September 2021 m^2	31 March 2022 m^2
GLA of vacant space	**24 471**	32 908	24 085
GLA of total property portfolio	**811 536**	917 613	825 844
SA REIT GLA vacancy rate (%)	**3.0**	3.6	2.9

Spain portfolio	**30 September 2022 m^2**	30 September 2021 m^2	31 March 2022 m^2
GLA of vacant space	**5 448**	10 223	5 642
GLA of total property portfolio	**350 085**	350 271	350 271
SA REIT GLA vacancy rate (%)	**1.6**	2.9	1.6

SA REIT COST OF DEBT

30 September 2022	ZAR %	EUR %
Variable interest rate borrowings		
Floating reference rate plus weighted average margin	**8.2**	**0.3**
Fixed interest rate borrowings		
Weighted average fixed rate	**—**	**1.9**
Pre-adjusted weighted average cost of debt	**8.2**	**2.2**
Adjustments:		
Impact of interest rate derivatives	**0.4**	**0.0**
Amortised transaction costs imputed into the effective interest rate	**0.1**	**0.0**
SA REIT all-in weighted average cost of debt	**8.7**	**2.2**

30 September 2021		
Variable interest rate borrowings		
Floating reference rate plus weighted average margin	5.6	0.5
Fixed interest rate borrowings		
Weighted average fixed rate	—	1.2
Pre-adjusted weighted average cost of debt	5.6	1.7
Adjustments:		
Impact of interest rate derivatives	1.5	0.2
Amortised transaction costs imputed into the effective interest rate	0.1	0.4
SA REIT all-in weighted average cost of debt[1]	7.2	2.3

31 March 2022		
Variable interest rate borrowings		
Floating reference rate plus weighted average margin	6.3	0.3
Fixed interest rate borrowings		
Weighted average fixed rate	—	1.9
Pre-adjusted weighted average cost of debt	6.3	2.2
Adjustments:		
Impact of interest rate derivatives	1.3	0.0
Amortised transaction costs imputed into the effective interest rate	0.1	0.2
SA REIT all-in weighted average cost of debt[1]	7.7	2.4

[1] *Excludes impact of CCIRS.*

SA REIT RATIOS

for the six months ended 30 September 2022 continued

SA REIT LTV

	30 September 2022 Rm	30 September 2021 Rm	31 March 2022 Rm
Gross debt	**15 926**	15 594	14 654
Less:			
Cash and cash equivalents	**(860)**	(1 254)	(565)
Cash and cash equivalents balance sheet	**(861)**	(1 254)	(565)
Less restricted cash	**1**	—	—
Add/less:			
Net derivative financial instruments liability/(asset)	**(186)**	113	(33)
Forward exchange contracts	**(140)**	(129)	(119)
CCIRS	**—**	80	1
Interest rate swaps	**(46)**	162	85
Net debt	**14 880**	14 453	14 056
Total assets – per statement of financial position	**37 182**	36 057	34 725
Less:			
Cash and cash equivalents	**(861)**	(1 254)	(565)
Tenant deposits [1]	**(116)**	(101)	(118)
Derivative financial assets:	**(255)**	(184)	(253)
Forward exchange contracts	**(203)**	(181)	(246)
Cross-currency interest rate swaps	**—**	—	(1)
Interest rate swaps	**(52)**	(3)	(6)
Goodwill and intangible assets	**(3)**	(2)	(3)
Trade and other receivables	**(354)**	(485)	(307)
Carrying amount of property-related assets	**35 593**	34 031	33 479
SA REIT LTV %	**41.8**	42.5	42.0

[1] *In order to comply with the SA REIT BPR, the 30 September 2021 LTV has been restated to deduct tenant deposits from total assets.*

VUKILE
PROPERTY FUND

REAL ESTATE. REAL GROWTH.

Unaudited condensed consolidated interim results for the six months ended

30 September 2022

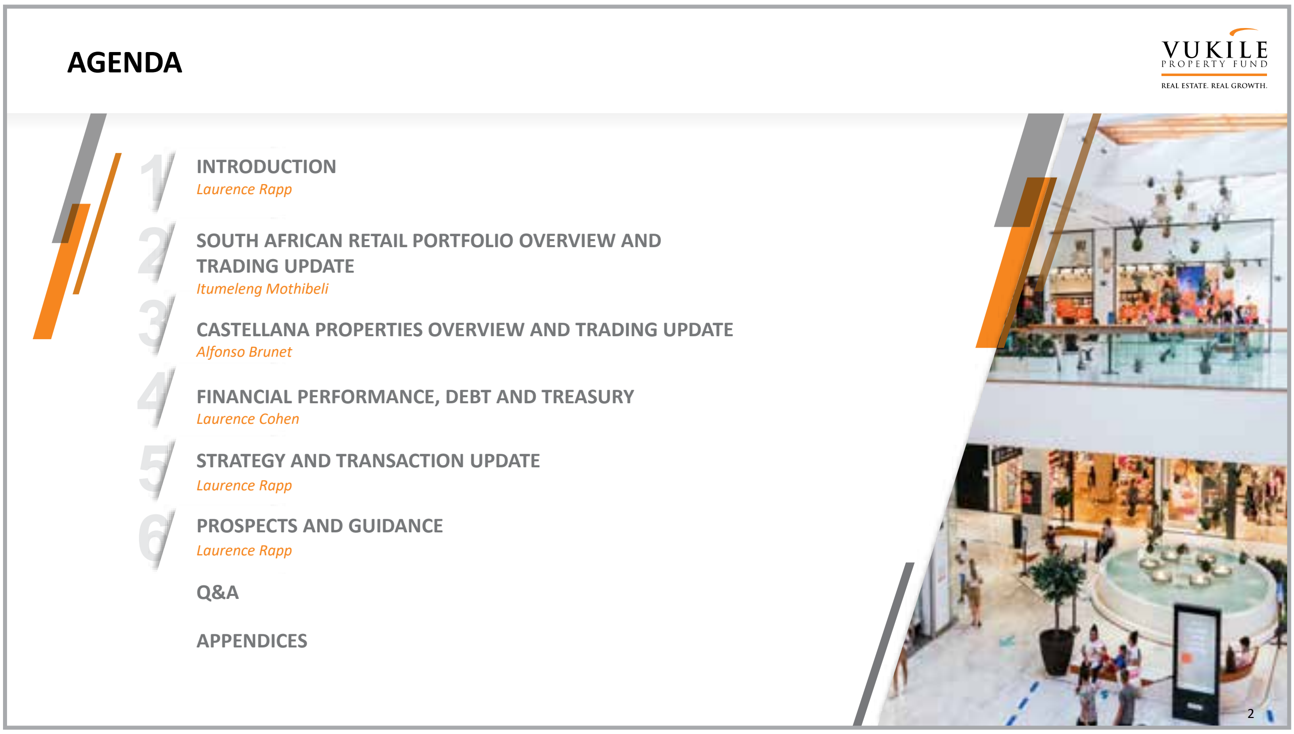
REAL ESTATE. REAL GROWTH.

INTERIM FINANCIAL RESULTS

Six months ended 30 September 2022

H1 FY23

NOTES:



AGENDA

1. INTRODUCTION
   Laurence Rapp
2. SOUTH AFRICAN RETAIL PORTFOLIO OVERVIEW AND TRADING UPDATE
   Itumeleng Mothibeli
3. CASTELLANA PROPERTIES OVERVIEW AND TRADING UPDATE
   Alfonso Brunet
4. FINANCIAL PERFORMANCE, DEBT AND TREASURY
   Laurence Cohen
5. STRATEGY AND TRANSACTION UPDATE
   Laurence Rapp
6. PROSPECTS AND GUIDANCE
   Laurence Rapp

Q&A

APPENDICES

NOTES:

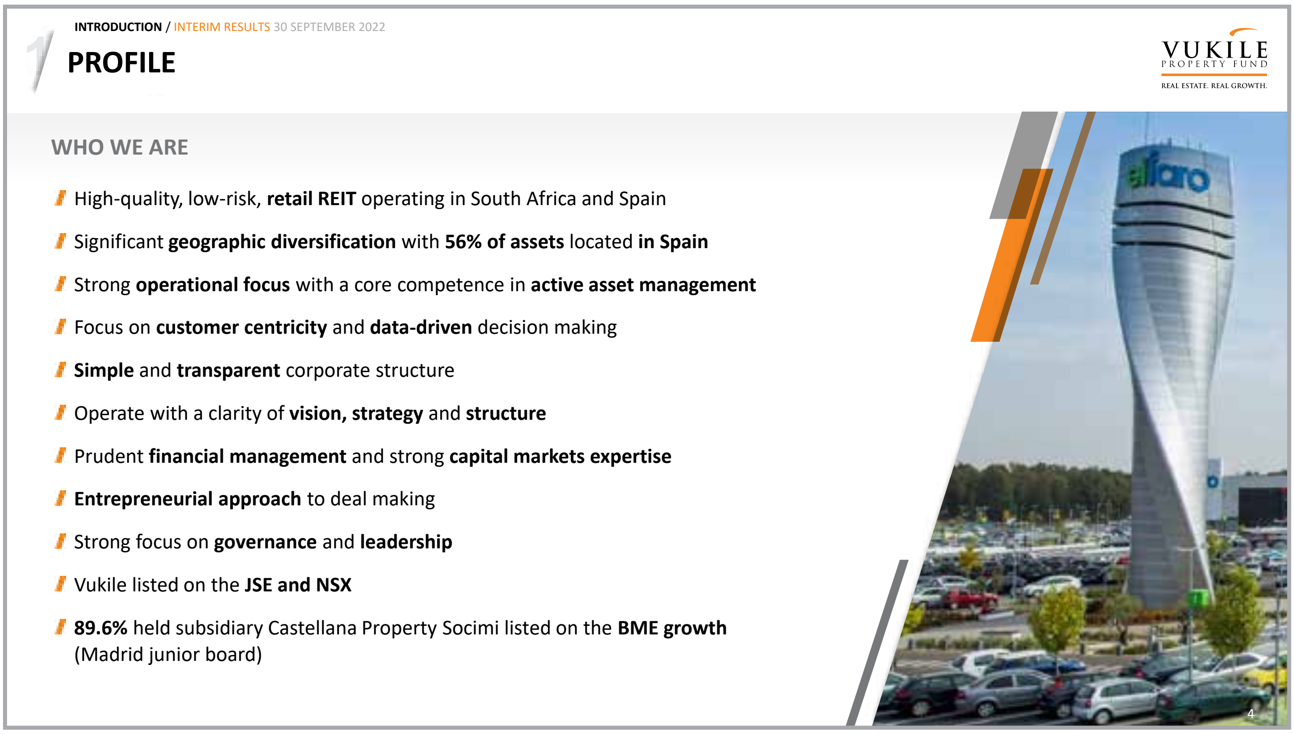
1 INTRODUCTION

Laurence Rapp

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

3

NOTES:



INTRODUCTION / INTERIM RESULTS 30 SEPTEMBER 2022

1 PROFILE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

WHO WE ARE

- High-quality, low-risk, **retail REIT** operating in South Africa and Spain
- Significant **geographic diversification** with **56% of assets** located **in Spain**
- Strong **operational focus** with a core competence in **active asset management**
- Focus on **customer centricity** and **data-driven** decision making
- **Simple** and **transparent** corporate structure
- Operate with a clarity of **vision, strategy** and **structure**
- Prudent **financial management** and strong **capital markets expertise**
- **Entrepreneurial approach** to deal making
- Strong focus on **governance** and **leadership**
- Vukile listed on the **JSE and NSX**
- **89.6%** held subsidiary Castellana Property Socimi listed on the **BME growth** (Madrid junior board)

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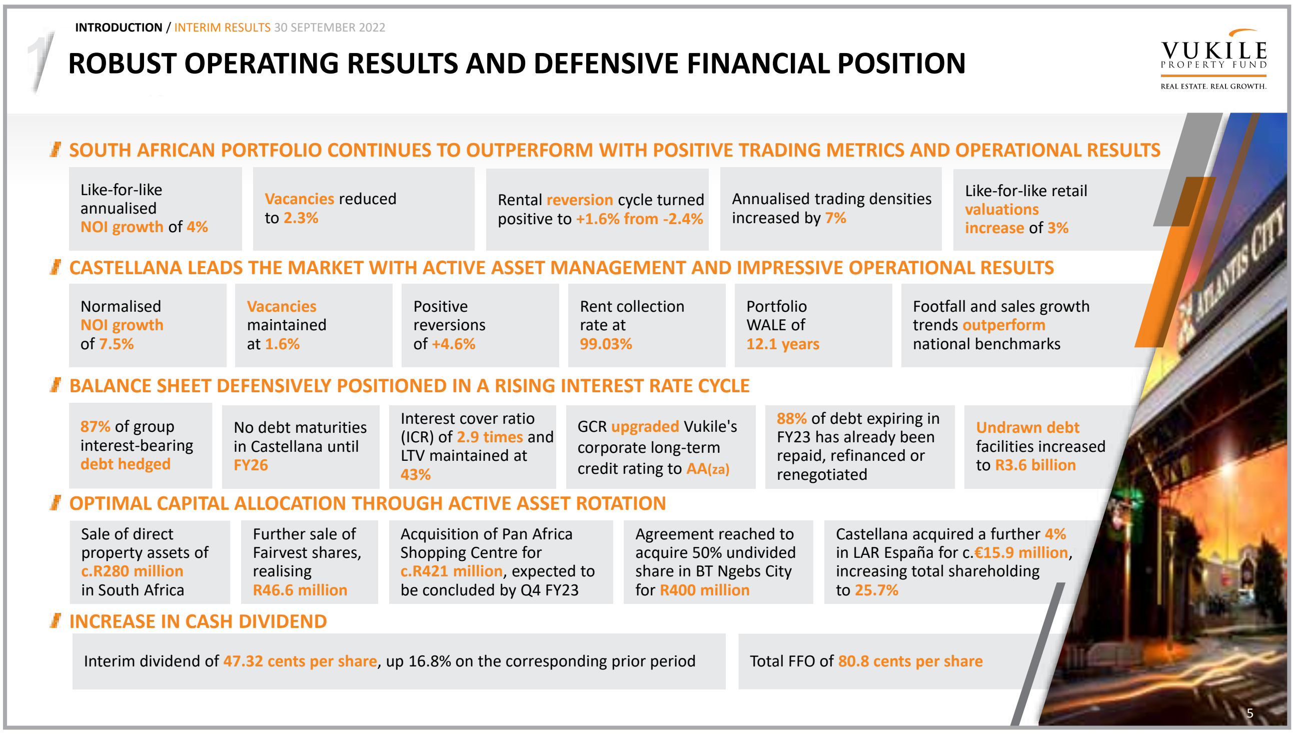
NOTES:



INTRODUCTION / INTERIM RESULTS 30 SEPTEMBER 2022

ROBUST OPERATING RESULTS AND DEFENSIVE FINANCIAL POSITION

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

SOUTH AFRICAN PORTFOLIO CONTINUES TO OUTPERFORM WITH POSITIVE TRADING METRICS AND OPERATIONAL RESULTS

- Like-for-like annualised NOI growth of 4%
- Vacancies reduced to 2.3%
- Rental reversion cycle turned positive to +1.6% from -2.4%
- Annualised trading densities increased by 7%
- Like-for-like retail valuations increase of 3%

CASTELLANA LEADS THE MARKET WITH ACTIVE ASSET MANAGEMENT AND IMPRESSIVE OPERATIONAL RESULTS

- Normalised NOI growth of 7.5%
- Vacancies maintained at 1.6%
- Positive reversions of +4.6%
- Rent collection rate at 99.03%
- Portfolio WALE of 12.1 years
- Footfall and sales growth trends outperform national benchmarks

BALANCE SHEET DEFENSIVELY POSITIONED IN A RISING INTEREST RATE CYCLE

- 87% of group interest-bearing debt hedged
- No debt maturities in Castellana until FY26
- Interest cover ratio (ICR) of 2.9 times and LTV maintained at 43%
- GCR upgraded Vukile's corporate long-term credit rating to AA(za)
- 88% of debt expiring in FY23 has already been repaid, refinanced or renegotiated
- Undrawn debt facilities increased to R3.6 billion

OPTIMAL CAPITAL ALLOCATION THROUGH ACTIVE ASSET ROTATION

- Sale of direct property assets of c.R280 million in South Africa
- Further sale of Fairvest shares, realising R46.6 million
- Acquisition of Pan Africa Shopping Centre for c.R421 million, expected to be concluded by Q4 FY23
- Agreement reached to acquire 50% undivided share in BT Ngebs City for R400 million
- Castellana acquired a further 4% in LAR España for c.€15.9 million, increasing total shareholding to 25.7%

INCREASE IN CASH DIVIDEND

- Interim dividend of 47.32 cents per share, up 16.8% on the corresponding prior period
- Total FFO of 80.8 cents per share

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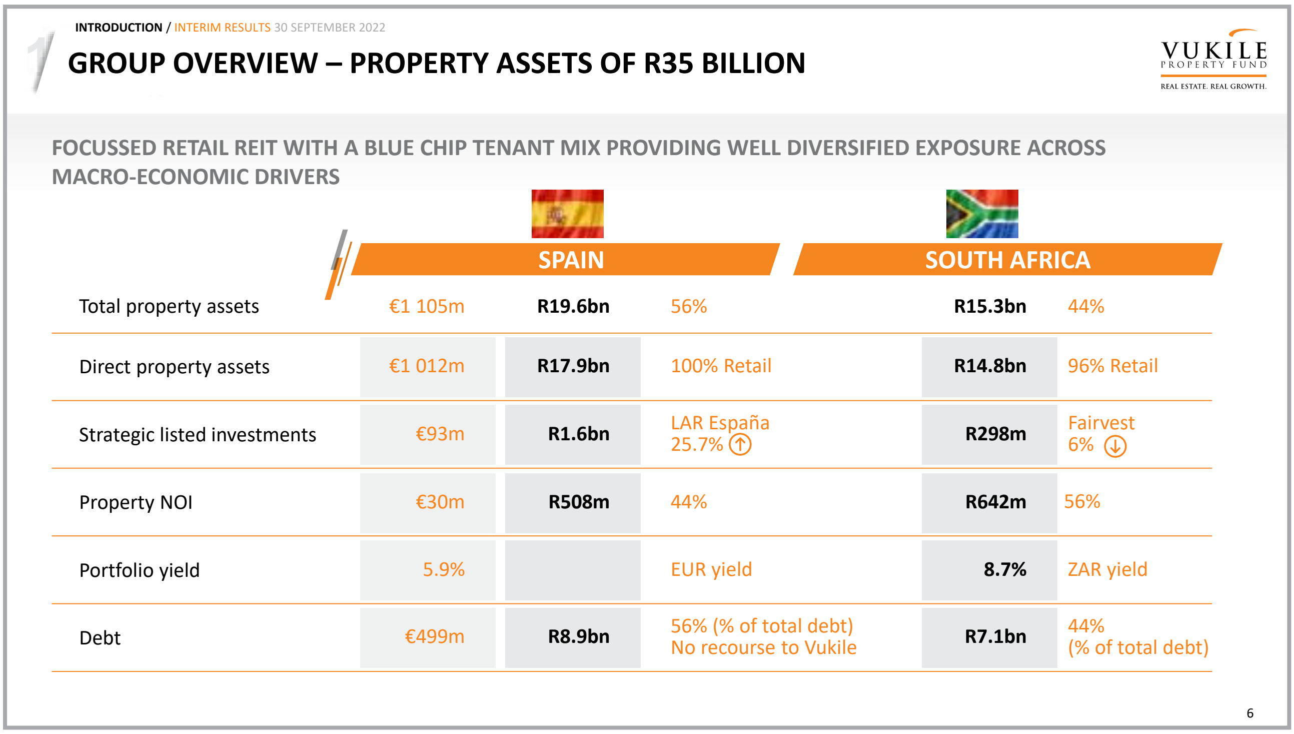

INTRODUCTION / INTERIM RESULTS 30 SEPTEMBER 2022

GROUP OVERVIEW – PROPERTY ASSETS OF R35 BILLION

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

FOCUSSED RETAIL REIT WITH A BLUE CHIP TENANT MIX PROVIDING WELL DIVERSIFIED EXPOSURE ACROSS MACRO-ECONOMIC DRIVERS

	SPAIN			SOUTH AFRICA	
Total property assets	€1 105m	**R19.6bn**	56%	**R15.3bn**	44%
Direct property assets	€1 012m	**R17.9bn**	100% Retail	**R14.8bn**	96% Retail
Strategic listed investments	€93m	**R1.6bn**	LAR España 25.7% ↑	**R298m**	Fairvest 6% ↓
Property NOI	€30m	**R508m**	44%	**R642m**	56%
Portfolio yield	5.9%		EUR yield	**8.7%**	ZAR yield
Debt	€499m	**R8.9bn**	56% (% of total debt) No recourse to Vukile	**R7.1bn**	44% (% of total debt)

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NOTES:

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SOUTH AFRICAN RETAIL PORTFOLIO OVERVIEW AND TRADING UPDATE

Itumeleng Mothibeli

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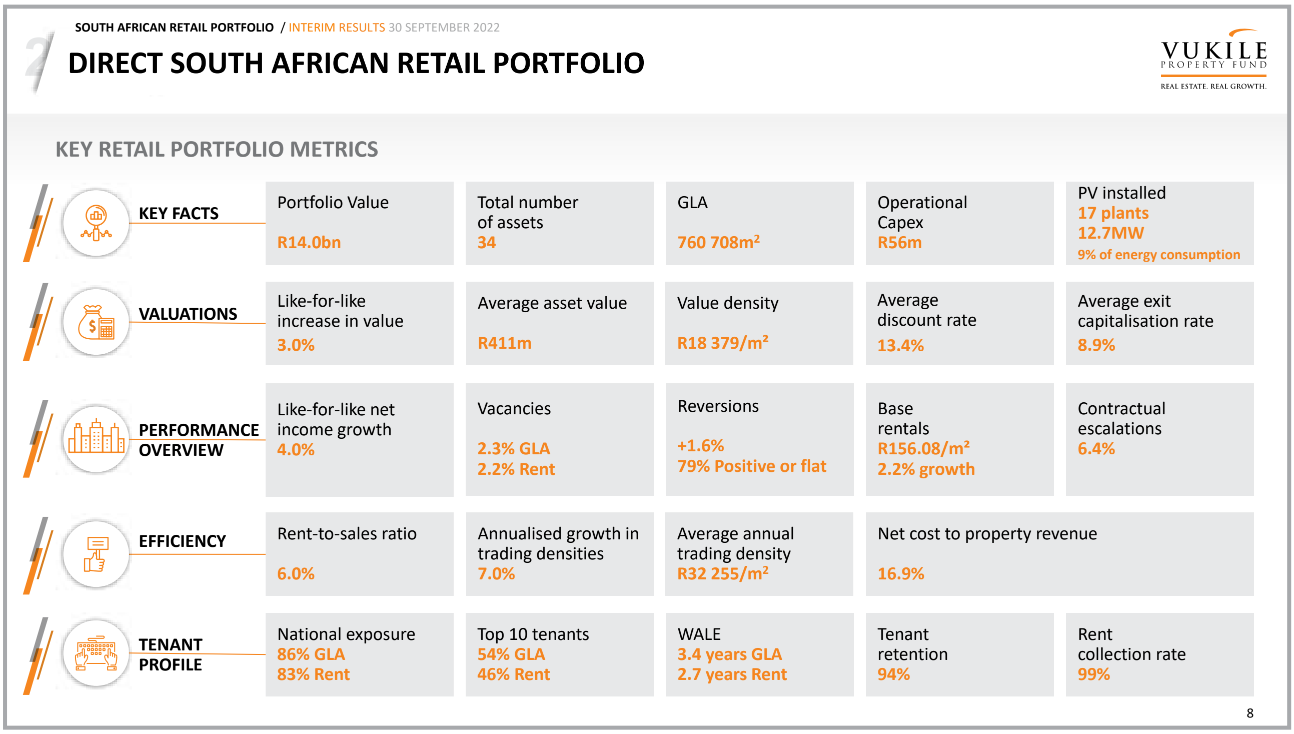
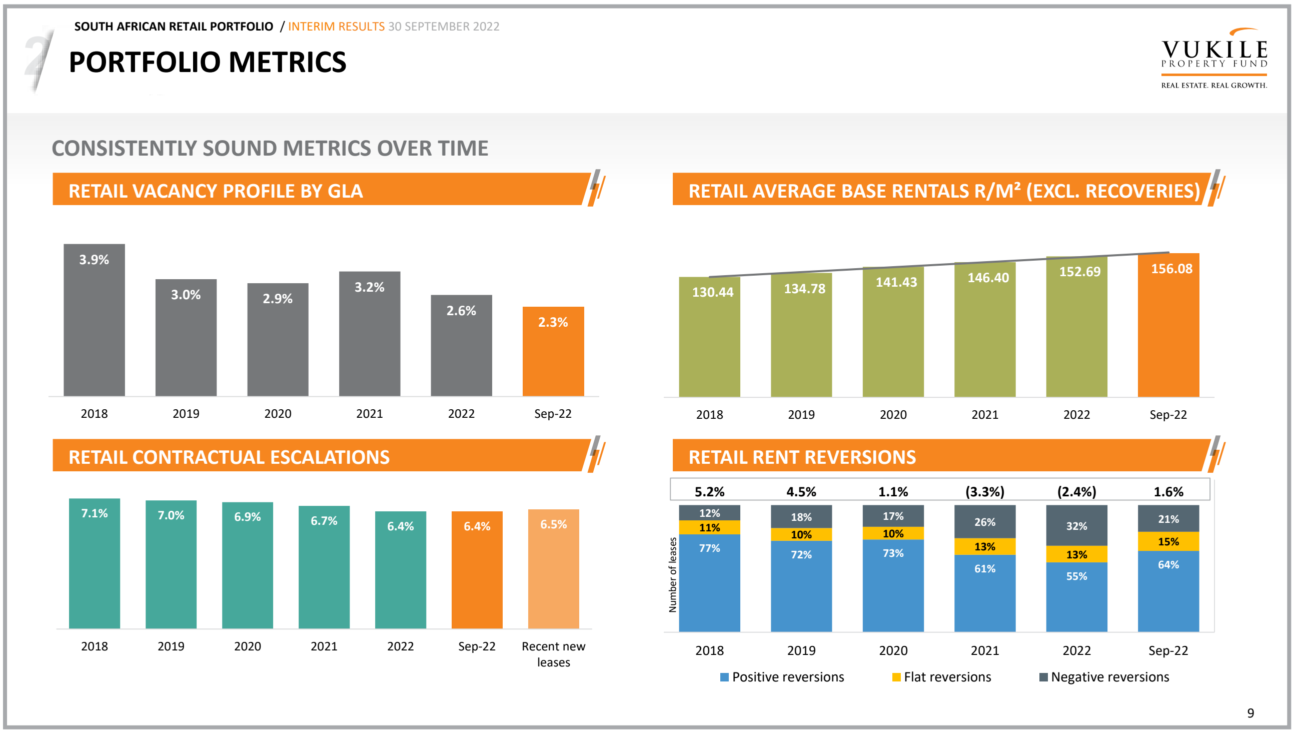


DIRECT SOUTH AFRICAN RETAIL PORTFOLIO

KEY RETAIL PORTFOLIO METRICS

KEY FACTS	Portfolio Value R14.0bn	Total number of assets 34	GLA 760 708m²	Operational Capex R56m	PV installed 17 plants 12.7MW 9% of energy consumption
VALUATIONS	Like-for-like increase in value 3.0%	Average asset value R411m	Value density R18 379/m²	Average discount rate 13.4%	Average exit capitalisation rate 8.9%
PERFORMANCE OVERVIEW	Like-for-like net income growth 4.0%	Vacancies 2.3% GLA 2.2% Rent	Reversions +1.6% 79% Positive or flat	Base rentals R156.08/m² 2.2% growth	Contractual escalations 6.4%
EFFICIENCY	Rent-to-sales ratio 6.0%	Annualised growth in trading densities 7.0%	Average annual trading density R32 255/m²	Net cost to property revenue 16.9%	
TENANT PROFILE	National exposure 86% GLA 83% Rent	Top 10 tenants 54% GLA 46% Rent	WALE 3.4 years GLA 2.7 years Rent	Tenant retention 94%	Rent collection rate 99%

NOTES:



PORTFOLIO METRICS

CONSISTENTLY SOUND METRICS OVER TIME

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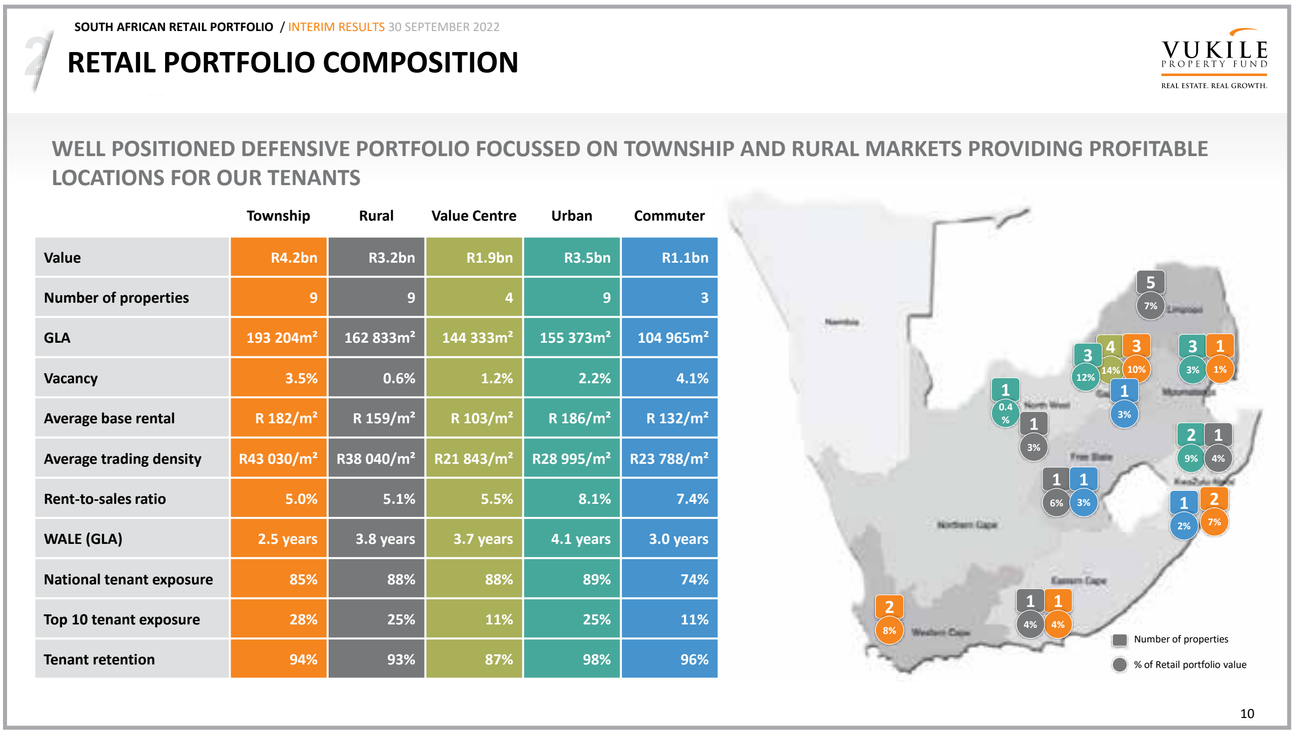
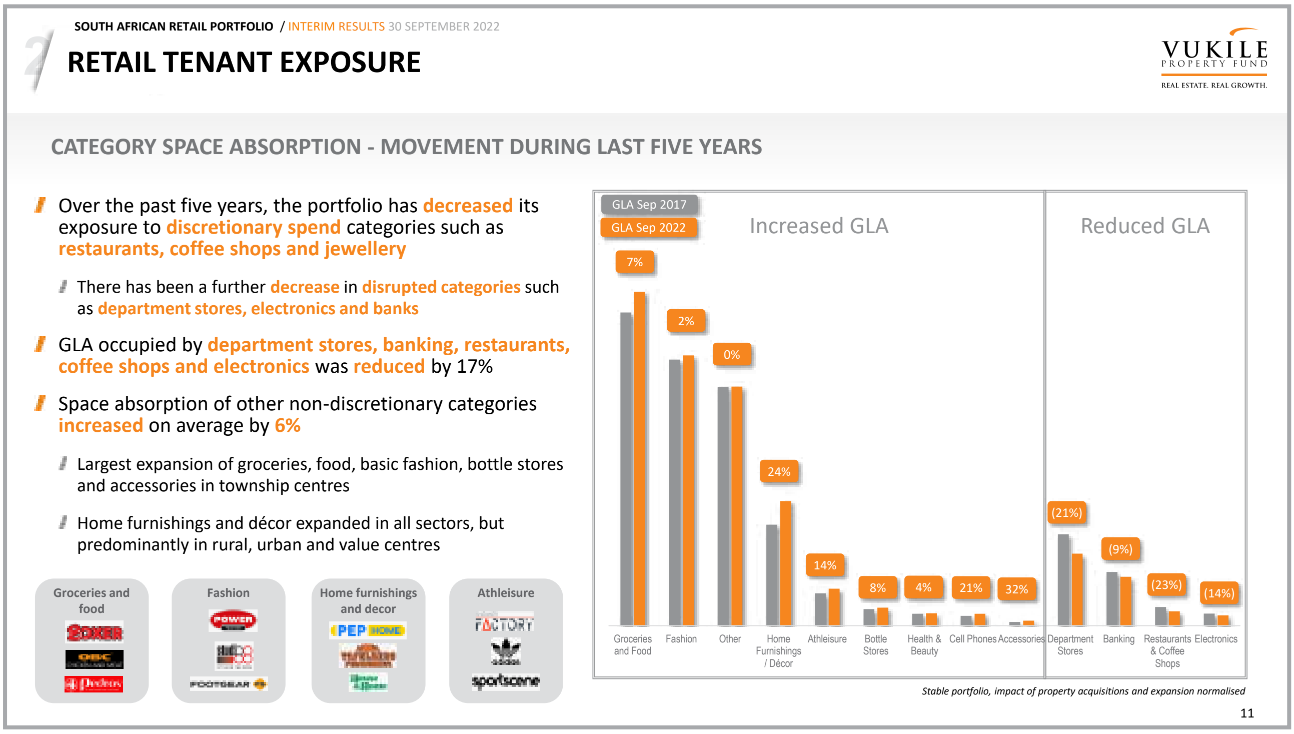


RETAIL PORTFOLIO COMPOSITION

WELL POSITIONED DEFENSIVE PORTFOLIO FOCUSSED ON TOWNSHIP AND RURAL MARKETS PROVIDING PROFITABLE LOCATIONS FOR OUR TENANTS

	Township	Rural	Value Centre	Urban	Commuter
Value	R4.2bn	R3.2bn	R1.9bn	R3.5bn	R1.1bn
Number of properties	9	9	4	9	3
GLA	193 204m²	162 833m²	144 333m²	155 373m²	104 965m²
Vacancy	3.5%	0.6%	1.2%	2.2%	4.1%
Average base rental	R 182/m²	R 159/m²	R 103/m²	R 186/m²	R 132/m²
Average trading density	R43 030/m²	R38 040/m²	R21 843/m²	R28 995/m²	R23 788/m²
Rent-to-sales ratio	5.0%	5.1%	5.5%	8.1%	7.4%
WALE (GLA)	2.5 years	3.8 years	3.7 years	4.1 years	3.0 years
National tenant exposure	85%	88%	88%	89%	74%
Top 10 tenant exposure	28%	25%	11%	25%	11%
Tenant retention	94%	93%	87%	98%	96%

NOTES:



SOUTH AFRICAN RETAIL PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL TENANT EXPOSURE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

CATEGORY SPACE ABSORPTION - MOVEMENT DURING LAST FIVE YEARS

- Over the past five years, the portfolio has **decreased** its exposure to **discretionary spend** categories such as **restaurants, coffee shops and jewellery**
  - There has been a further **decrease** in **disrupted categories** such as **department stores, electronics and banks**
- GLA occupied by **department stores, banking, restaurants, coffee shops and electronics** was **reduced** by 17%
- Space absorption of other non-discretionary categories **increased** on average by **6%**
  - Largest expansion of groceries, food, basic fashion, bottle stores and accessories in township centres
  - Home furnishings and décor expanded in all sectors, but predominantly in rural, urban and value centres

Stable portfolio, impact of property acquisitions and expansion normalised

NOTES:

SOUTH AFRICAN RETAIL PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL TENANT EXPOSURE – STRONG TENANT DEMAND

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

TOP 10 TENANT EXPOSURE MOVEMENT DURING LAST FIVE YEARS

- During the last 12 months, **40 new stores** were opened by six of the top 10 tenants, with **Foschini, Mr Price and Pepkor** taking the lead. Apart from **traditional fashion (19 stores)**, there is a drive for expansion in **athleisure (4 stores)** and **cell phones (9 stores)**
- **Since 2017,** exposure to **top 10** tenants **remains** at **46%**, but with significant **shift** in **group exposure**
- Movement in fashion retailer exposure is primarily driven by **corporate activity**, but also supplemented by **new store growth** in the **rural and township** portfolio
- **TFG** is now the **largest tenant** in the portfolio due to a combination of **corporate activity** – Jet acquisition (5.3% to 7.6%), but also **active portfolio optimisation**
  - TFG has increased its exposure to **high performing categories** such as **Relay Jeans, Sneaker Factory, Sports Scene and G Star**
  - TFG has also **decreased** its exposure to **underperforming categories**, with closures & downsizing of select **Exact & Foschini stores**
- **Pepkor** expanded with **Tekkie Town, Rochester, Ackermans Connect, Refinery, Hi Fi Corp, Code, Buco and Dealz**
- Increased exposure to **Mr Price (3.9% to 7.1%)** due to acquisition of **Studio 88, Power Fashion, Side Step, Skipper Bar, John Craig** and new brands **Mr Price Cell and Mr Price Baby**
- **Baby, cell phones, athleisure, fast food and superettes** have **been the fastest growing** categories in the past 12 months

	SEP 2022			SEP 2017	
TFG	1	7.6%	2.3%	5	5.3%
PEPKOR	2	7.4%	0.7%	1	6.7%
mrp	3	7.1%	3.2%	6	3.9%
Pick n Pay	4	7.0%	0.9%	2	6.1%
SHOPRITE Checkers	5	5.4%	0.0%	4	5.4%
SPAR	6	3.0%	-0.1%	7	3.1%
TRUWORTHS	7	2.7%	-0.1%	8	2.8%
Massmart	8	2.3%	-0.4%	9	2.7%
CLICKS GROUP	9	2.0%	0.2%	11	1.8%
RETAILABILITY	10	1.6%	1.0%	23	0.6%
Edcon			-5.7%	3	5.7%

Stable portfolio, impact of property acquisitions normalised

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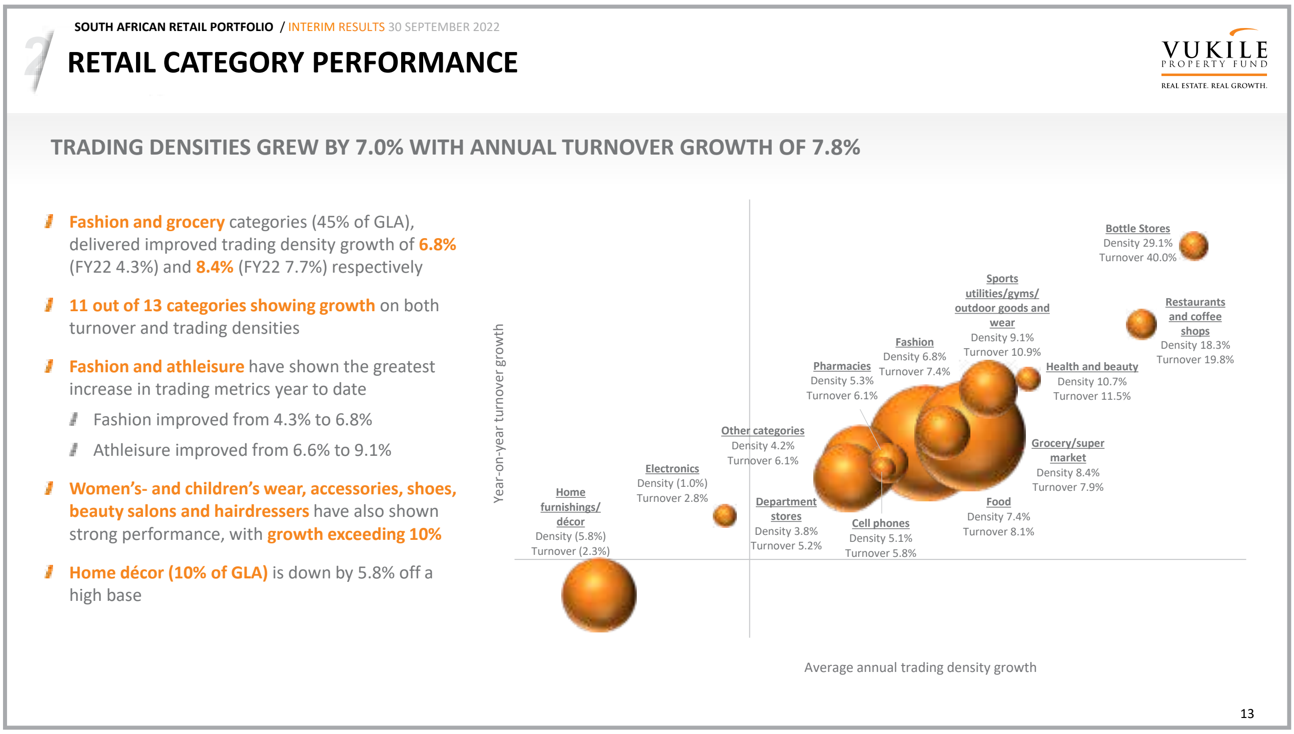

SOUTH AFRICAN RETAIL PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL CATEGORY PERFORMANCE

TRADING DENSITIES GREW BY 7.0% WITH ANNUAL TURNOVER GROWTH OF 7.8%

- **Fashion and grocery** categories (45% of GLA), delivered improved trading density growth of **6.8%** (FY22 4.3%) and **8.4%** (FY22 7.7%) respectively
- **11 out of 13 categories showing growth** on both turnover and trading densities
- **Fashion and athleisure** have shown the greatest increase in trading metrics year to date
  - Fashion improved from 4.3% to 6.8%
  - Athleisure improved from 6.6% to 9.1%
- **Women's- and children's wear, accessories, shoes, beauty salons and hairdressers** have also shown strong performance, with **growth exceeding 10%**
- **Home décor (10% of GLA)** is down by 5.8% off a high base

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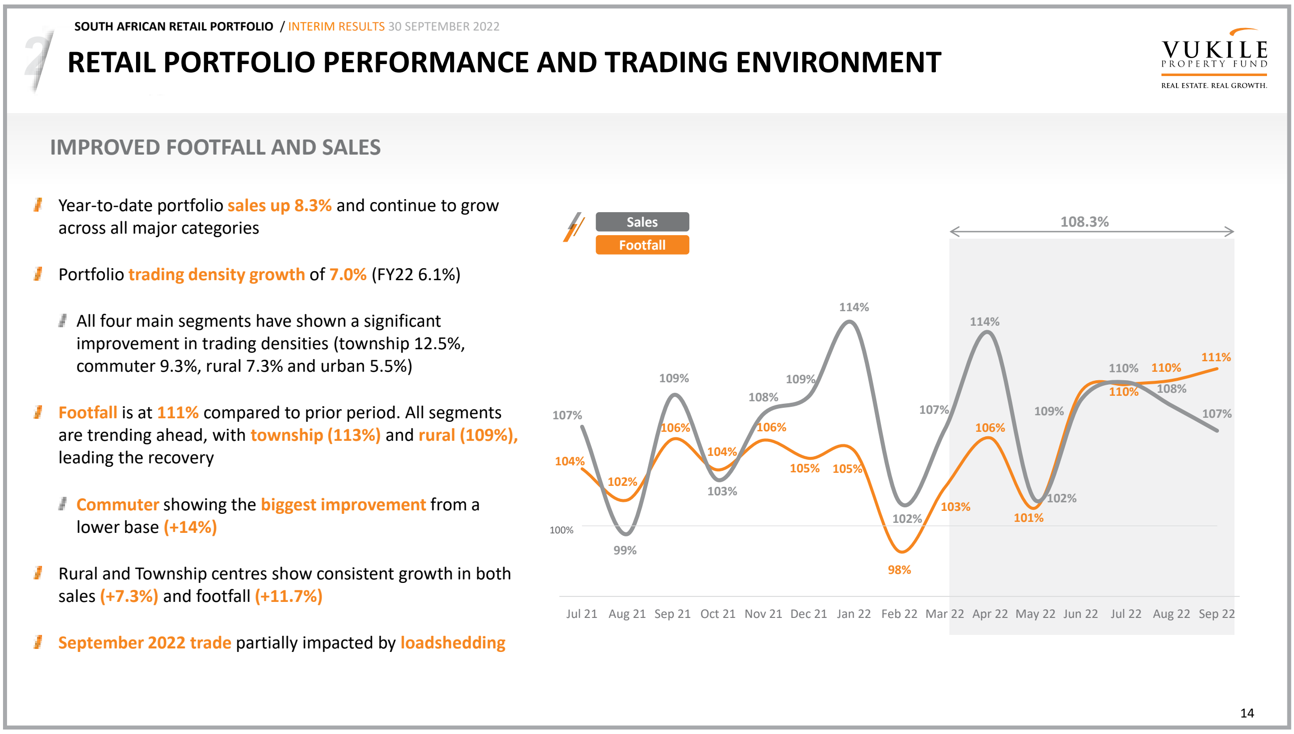

SOUTH AFRICAN RETAIL PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL PORTFOLIO PERFORMANCE AND TRADING ENVIRONMENT

IMPROVED FOOTFALL AND SALES

- Year-to-date portfolio **sales up 8.3%** and continue to grow across all major categories
- Portfolio **trading density growth** of **7.0%** (FY22 6.1%)
  - All four main segments have shown a significant improvement in trading densities (township 12.5%, commuter 9.3%, rural 7.3% and urban 5.5%)
- **Footfall** is at **111%** compared to prior period. All segments are trending ahead, with **township (113%)** and **rural (109%),** leading the recovery
  - **Commuter** showing the **biggest improvement** from a lower base **(+14%)**
- Rural and Township centres show consistent growth in both sales **(+7.3%)** and footfall **(+11.7%)**
- **September 2022 trade** partially impacted by **loadshedding**

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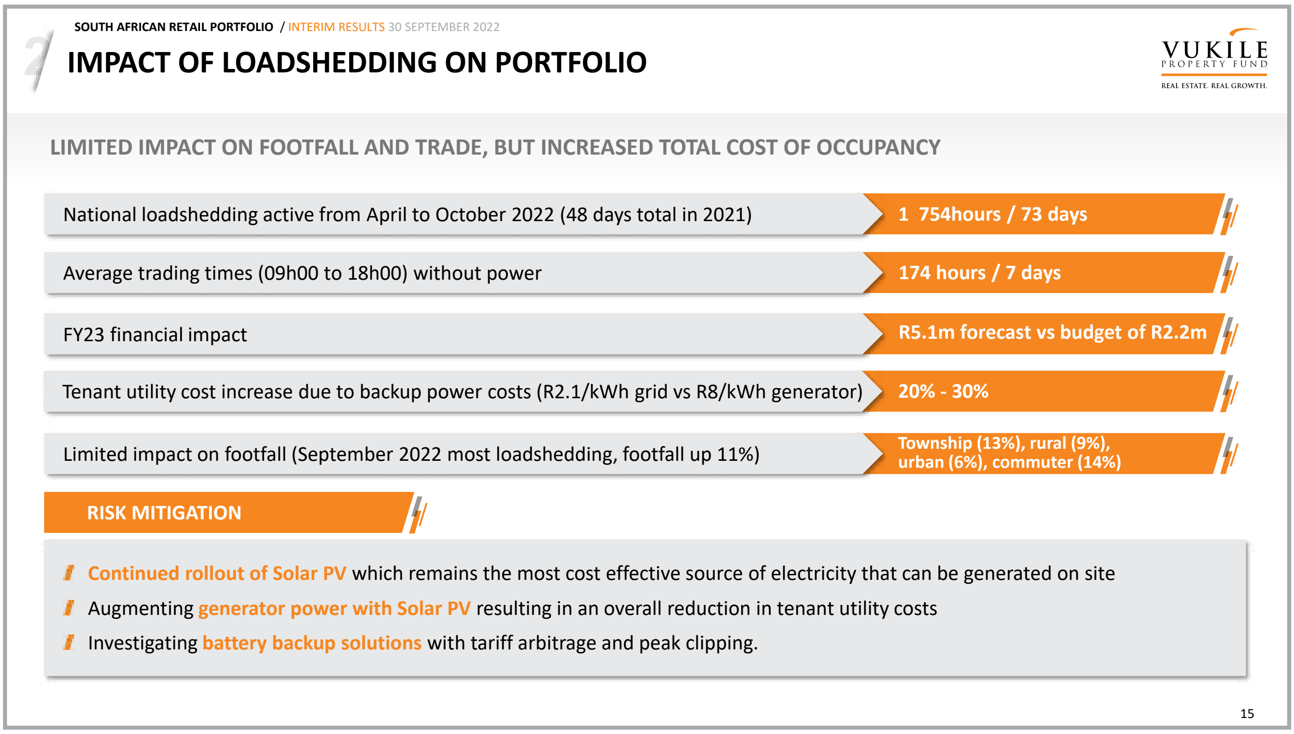

SOUTH AFRICAN RETAIL PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

IMPACT OF LOADSHEDDING ON PORTFOLIO

LIMITED IMPACT ON FOOTFALL AND TRADE, BUT INCREASED TOTAL COST OF OCCUPANCY

National loadshedding active from April to October 2022 (48 days total in 2021)	1 754hours / 73 days
Average trading times (09h00 to 18h00) without power	174 hours / 7 days
FY23 financial impact	R5.1m forecast vs budget of R2.2m
Tenant utility cost increase due to backup power costs (R2.1/kWh grid vs R8/kWh generator)	20% - 30%
Limited impact on footfall (September 2022 most loadshedding, footfall up 11%)	Township (13%), rural (9%), urban (6%), commuter (14%)

RISK MITIGATION

- **Continued rollout of Solar PV** which remains the most cost effective source of electricity that can be generated on site
- Augmenting **generator power with Solar PV** resulting in an overall reduction in tenant utility costs
- Investigating **battery backup solutions** with tariff arbitrage and peak clipping.

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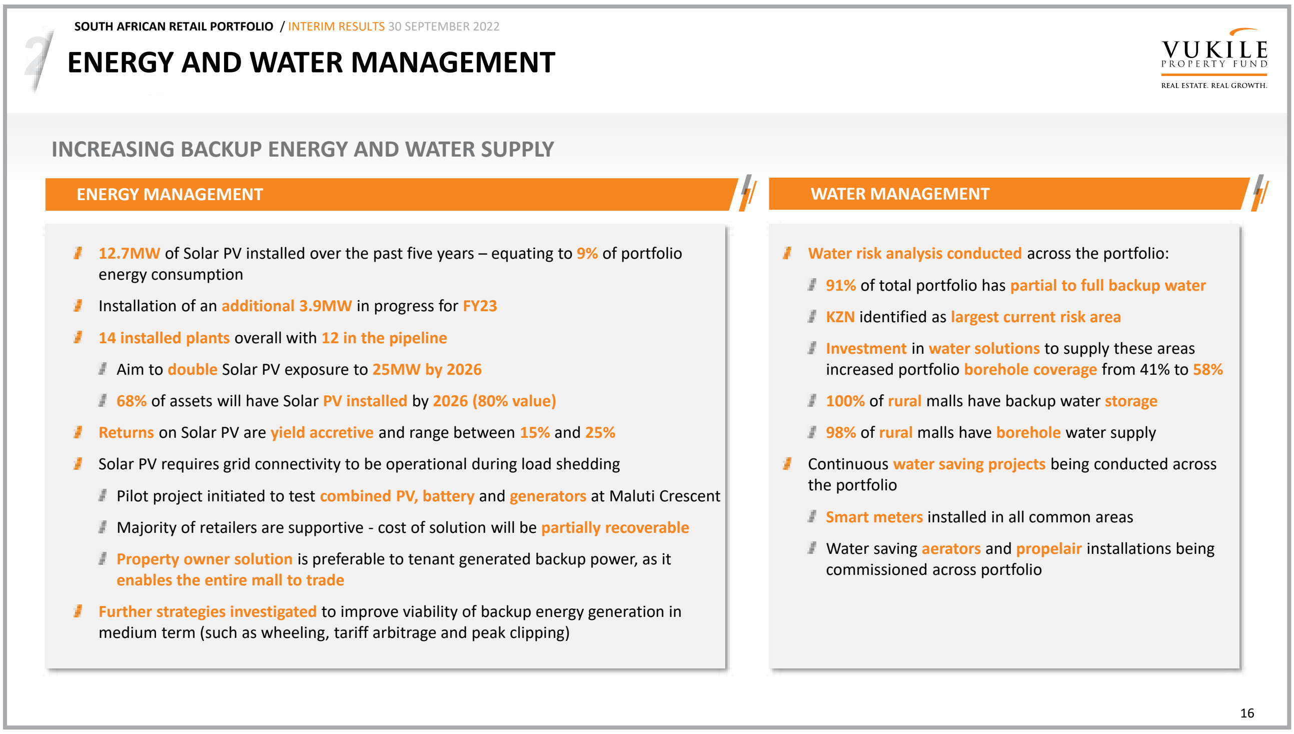

SOUTH AFRICAN RETAIL PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

ENERGY AND WATER MANAGEMENT

INCREASING BACKUP ENERGY AND WATER SUPPLY

ENERGY MANAGEMENT

- **12.7MW** of Solar PV installed over the past five years – equating to **9%** of portfolio energy consumption
- Installation of an **additional 3.9MW** in progress for **FY23**
- **14 installed plants** overall with **12 in the pipeline**
  - Aim to **double** Solar PV exposure to **25MW by 2026**
  - **68%** of assets will have Solar **PV installed** by **2026 (80% value)**
- **Returns** on Solar PV are **yield accretive** and range between **15%** and **25%**
- Solar PV requires grid connectivity to be operational during load shedding
  - Pilot project initiated to test **combined PV, battery** and **generators** at Maluti Crescent
  - Majority of retailers are supportive - cost of solution will be **partially recoverable**
  - **Property owner solution** is preferable to tenant generated backup power, as it **enables the entire mall to trade**
- **Further strategies investigated** to improve viability of backup energy generation in medium term (such as wheeling, tariff arbitrage and peak clipping)

WATER MANAGEMENT

- **Water risk analysis conducted** across the portfolio:
  - **91%** of total portfolio has **partial to full backup water**
  - **KZN** identified as **largest current risk area**
  - **Investment** in **water solutions** to supply these areas increased portfolio **borehole coverage** from 41% to **58%**
  - **100%** of **rural** malls have backup water **storage**
  - **98%** of **rural** malls have **borehole** water supply
- Continuous **water saving projects** being conducted across the portfolio
  - **Smart meters** installed in all common areas
  - Water saving **aerators** and **propelair** installations being commissioned across portfolio

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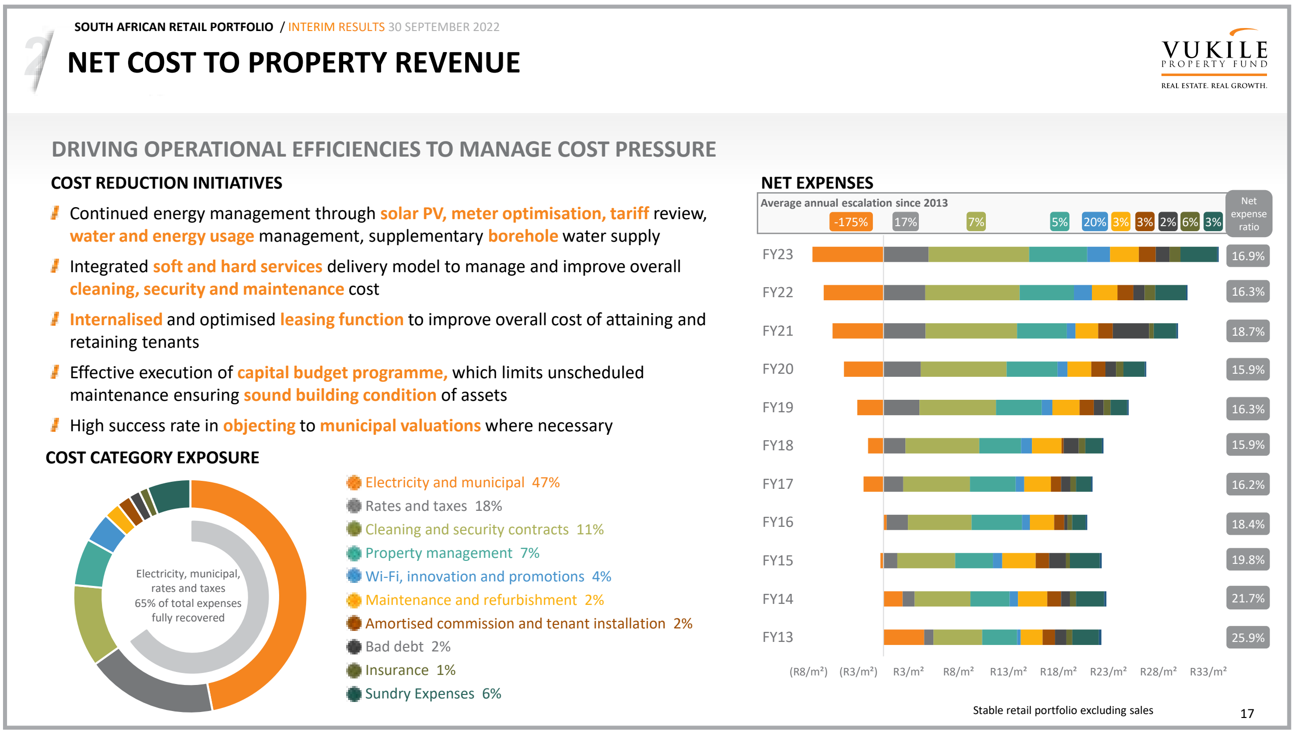

SOUTH AFRICAN RETAIL PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

NET COST TO PROPERTY REVENUE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

DRIVING OPERATIONAL EFFICIENCIES TO MANAGE COST PRESSURE

COST REDUCTION INITIATIVES

- Continued energy management through **solar PV, meter optimisation, tariff** review, **water and energy usage** management, supplementary **borehole** water supply
- Integrated **soft and hard services** delivery model to manage and improve overall **cleaning, security and maintenance** cost
- **Internalised** and optimised **leasing function** to improve overall cost of attaining and retaining tenants
- Effective execution of **capital budget programme,** which limits unscheduled maintenance ensuring **sound building condition** of assets
- High success rate in **objecting** to **municipal valuations** where necessary

COST CATEGORY EXPOSURE

- ● Electricity and municipal 47%
- ● Rates and taxes 18%
- ● Cleaning and security contracts 11%
- ● Property management 7%
- ● Wi-Fi, innovation and promotions 4%
- ● Maintenance and refurbishment 2%
- ● Amortised commission and tenant installation 2%
- ● Bad debt 2%
- ● Insurance 1%
- ● Sundry Expenses 6%

NET EXPENSES

Stable retail portfolio excluding sales

17

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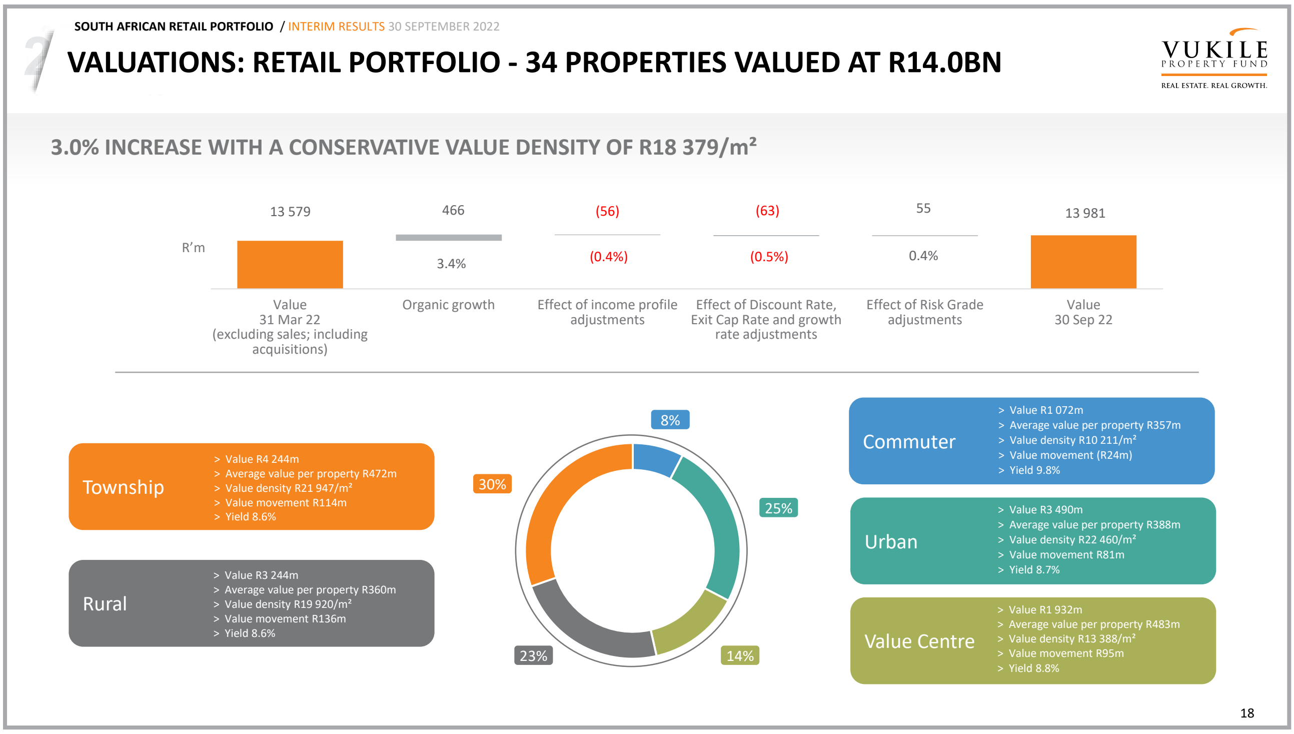

SOUTH AFRICAN RETAIL PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

VALUATIONS: RETAIL PORTFOLIO - 34 PROPERTIES VALUED AT R14.0BN

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

3.0% INCREASE WITH A CONSERVATIVE VALUE DENSITY OF R18 379/m²

Township
- Value R4 244m
- Average value per property R472m
- Value density R21 947/m²
- Value movement R114m
- Yield 8.6%

Rural
- Value R3 244m
- Average value per property R360m
- Value density R19 920/m²
- Value movement R136m
- Yield 8.6%

Commuter
- Value R1 072m
- Average value per property R357m
- Value density R10 211/m²
- Value movement (R24m)
- Yield 9.8%

Urban
- Value R3 490m
- Average value per property R388m
- Value density R22 460/m²
- Value movement R81m
- Yield 8.7%

Value Centre
- Value R1 932m
- Average value per property R483m
- Value density R13 388/m²
- Value movement R95m
- Yield 8.8%

18

NOTES:

ACQUISITIONS UPDATE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

PROPOSED ACQUISITION OF TWO STRONG RETAIL SHOPPING CENTRES IN SOUTH AFRICA

Pan Africa Shopping Centre located in Alexandra, Johannesburg

- We have agreed to a purchase price of **c.R421 million for phase 1** and **c.R254 million for the planned phase 2** (both at a yield of 9.25%)
- **Consent from the COJ** for the sale of the leasehold rights to Vukile is in progress
- Unconditional **Competition Commission** approval received
- Phase 1 is **fully reinstated post the July 2021 unrest** and **trading very well**
- Phase 2 is in the **final planning stages** and the 70% pre-let condition has been achieved with expected completion in April 2024
- Transfer of phase 1 to Vukile is expected in **H2 FY23**
- **Funding in place** through prior asset sales

BT Ngebs City located in Mthatha, Eastern Cape

- Vukile, in partnership with Flanagan & Gerard, have entered into **formal agreements** with the Billion Group to acquire **BT Ngebs City**
- We have agreed to a purchase price of **R400 million** (for Vukile's 50% share) at an initial yield of **9.25%**
- The acquisition will be a **great addition** to the Vukile portfolio and is in line with our strategy of owning **dominant regional centres** in rural and township areas across South Africa
- **Upside potential** from various asset management initiatives. Plan is to **reconfigure vacant space** (c. 12%) and introduce a new anchor tenant together with some strong national retailers which will **reposition** the centre to be **better suited** to the **Mthatha market**
- Transfer expected in **H2 FY23** should the transaction proceed
- **Funding in place** through prior asset sales

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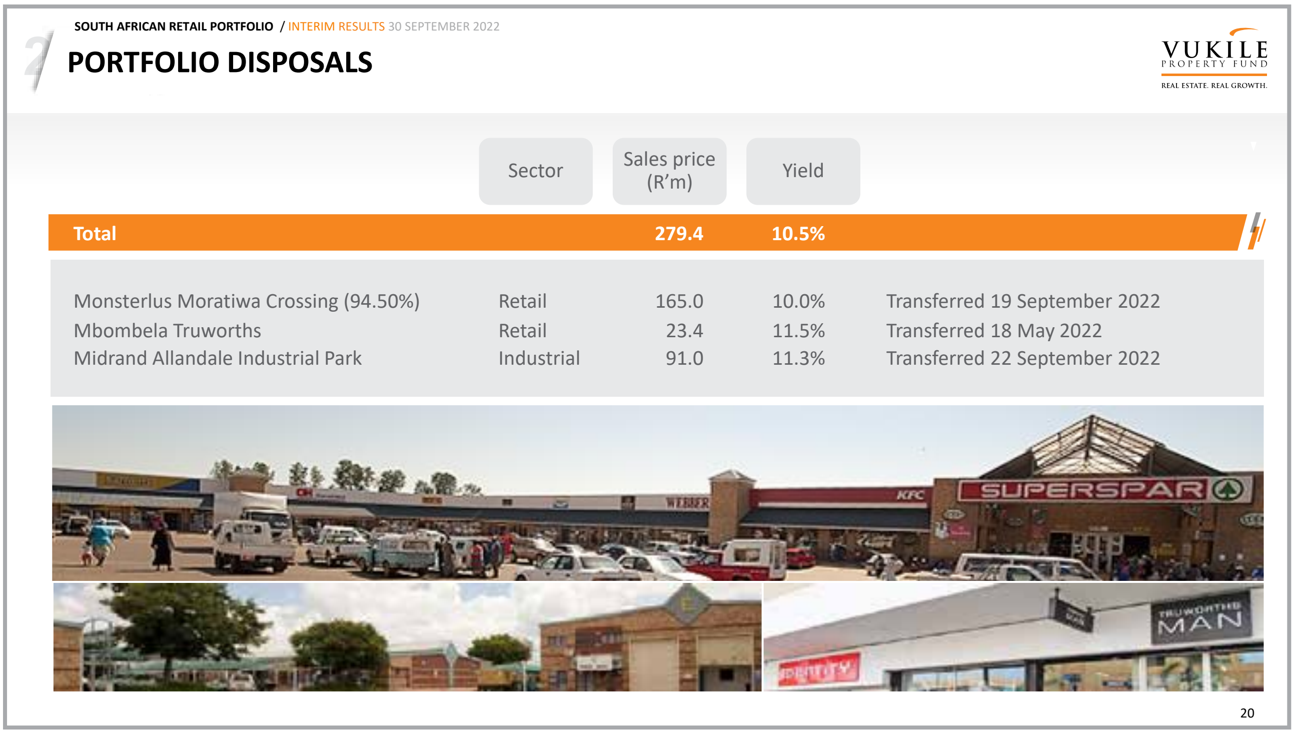

PORTFOLIO DISPOSALS

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

	Sector	Sales price (R'm)	Yield	
Total		**279.4**	**10.5%**	
Monsterlus Moratiwa Crossing (94.50%)	Retail	165.0	10.0%	Transferred 19 September 2022
Mbombela Truworths	Retail	23.4	11.5%	Transferred 18 May 2022
Midrand Allandale Industrial Park	Industrial	91.0	11.3%	Transferred 22 September 2022

NOTES:

VUKILE RETAIL ACADEMY

INNOVATIVE AND UNIQUELY SOUTH AFRICAN RETAIL INCUBATION PROGRAMME

- **The objective is to create greater diversity in tenant and category mix within our malls**
- **An incubation programme to help the next wave of independent retailers**
- **Provide favourable leasing terms, a growth plan within the portfolio, mentorship by a team of pre-eminent retailers and access to Vukile's development and project team**
- **Aim to find a unique offering that is scaleable**

- 9 candidates selected for the programme
- Fakizinto Concepts, Malea Garments, Delisabhem Restaurant, The Scrummy Ice Cream, Tso's Café, Zonwabo Cakes, Lielo Beauty, Ikhaya Homeware and Décor and Mbewu Fruit and Veg
- 8 Stores in the fashion, food services, confectionery, heath and beauty, homeware, fruit and veg categories opened in October
- Total GLA of 1 035m² has been allocated to the project with a tenant installation and rent free budget of c. R10m
- Malls dedicated to project, Daveyton, Dobsonville, Hammanskraal, Hillfox and Randburg Square

NOTES:

SHORT-TERM FOCUS AREAS

CONTINUED TIGHT OPERATIONAL FOCUS

TENANT RELATIONSHIPS

- Continue to be a **partner of choice** through providing well managed and safe shopping environments for our retailers to thrive in
- Be the **home of innovation** lowering barriers to entry for innovative game changing retail offerings
- Execute on **renewal programme** without changing the key aspects of current lease covenants and agreements
- Continue to **incubate new entrants** and SMME's into the portfolio via our retailer academy programme

CUSTOMER INSIGHTS

- Utilise **accumulated data** on consumers to improve shopper journey in a tangible and meaningful way
- **Integration** includes current portfolio metrics, psychographic information, nodal dynamics and individualised customer data from Wi-Fi database
- Enables the business to respond in **real time to consumer behaviour changes**
- Open other avenues for **alternative revenue sources**

OPERATIONAL EXCELLENCE

- Continue looking at sustainable solutions to **manage costs** through integration, efficiency of operations, and cashflow management
- This will be across soft-services, hard-services, marketing and promotions, property, utility and alternative income management
- Execute on **targeted promotional activity** to drive **footfall and spend** at our malls
- Continue **delivering on PV strategy** to optimise energy and utility spend

PEOPLE AND COMMUNITIES

- Empower **community based service providers** to become partners in mall operations
- Continue to invest in **CSI initiatives** that **make a difference in communities** in which we operate

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CASTELLANA PROPERTIES OVERVIEW AND TRADING UPDATE

Alfonso Brunet

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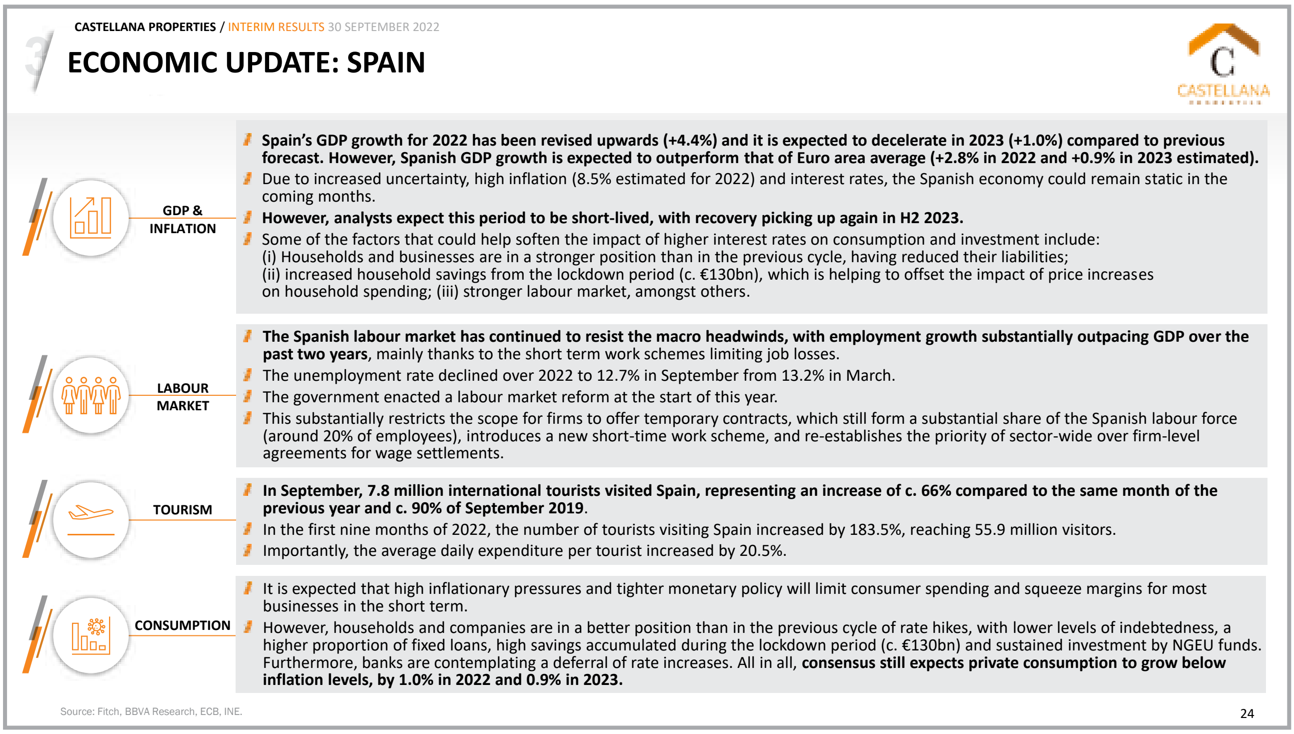

ECONOMIC UPDATE: SPAIN

GDP & INFLATION

- **Spain's GDP growth for 2022 has been revised upwards (+4.4%) and it is expected to decelerate in 2023 (+1.0%) compared to previous forecast. However, Spanish GDP growth is expected to outperform that of Euro area average (+2.8% in 2022 and +0.9% in 2023 estimated).**
- Due to increased uncertainty, high inflation (8.5% estimated for 2022) and interest rates, the Spanish economy could remain static in the coming months.
- **However, analysts expect this period to be short-lived, with recovery picking up again in H2 2023.**
- Some of the factors that could help soften the impact of higher interest rates on consumption and investment include: (i) Households and businesses are in a stronger position than in the previous cycle, having reduced their liabilities; (ii) increased household savings from the lockdown period (c. €130bn), which is helping to offset the impact of price increases on household spending; (iii) stronger labour market, amongst others.

LABOUR MARKET

- **The Spanish labour market has continued to resist the macro headwinds, with employment growth substantially outpacing GDP over the past two years**, mainly thanks to the short term work schemes limiting job losses.
- The unemployment rate declined over 2022 to 12.7% in September from 13.2% in March.
- The government enacted a labour market reform at the start of this year.
- This substantially restricts the scope for firms to offer temporary contracts, which still form a substantial share of the Spanish labour force (around 20% of employees), introduces a new short-time work scheme, and re-establishes the priority of sector-wide over firm-level agreements for wage settlements.

TOURISM

- **In September, 7.8 million international tourists visited Spain, representing an increase of c. 66% compared to the same month of the previous year and c. 90% of September 2019**.
- In the first nine months of 2022, the number of tourists visiting Spain increased by 183.5%, reaching 55.9 million visitors.
- Importantly, the average daily expenditure per tourist increased by 20.5%.

CONSUMPTION

- It is expected that high inflationary pressures and tighter monetary policy will limit consumer spending and squeeze margins for most businesses in the short term.
- However, households and companies are in a better position than in the previous cycle of rate hikes, with lower levels of indebtedness, a higher proportion of fixed loans, high savings accumulated during the lockdown period (c. €130bn) and sustained investment by NGEU funds. Furthermore, banks are contemplating a deferral of rate increases. All in all, **consensus still expects private consumption to grow below inflation levels, by 1.0% in 2022 and 0.9% in 2023.**

Source: Fitch, BBVA Research, ECB, INE.

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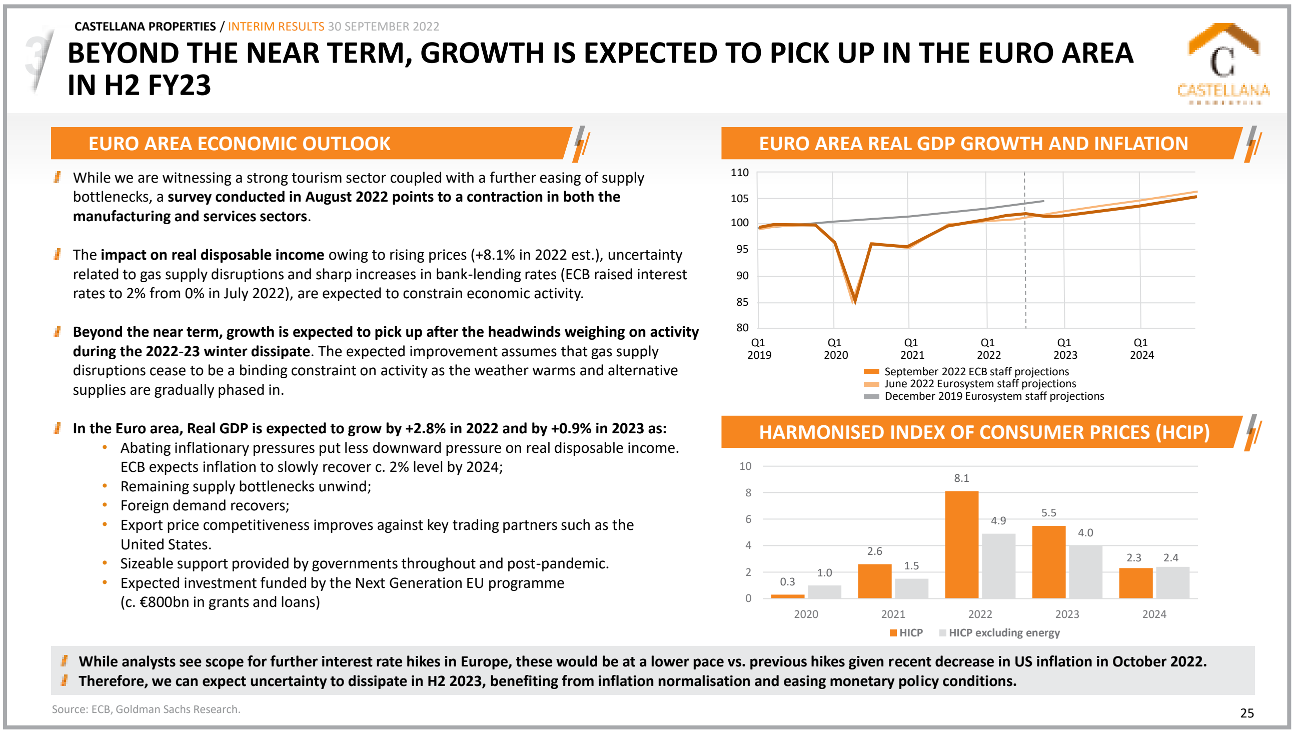

CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

BEYOND THE NEAR TERM, GROWTH IS EXPECTED TO PICK UP IN THE EURO AREA IN H2 FY23

EURO AREA ECONOMIC OUTLOOK

- While we are witnessing a strong tourism sector coupled with a further easing of supply bottlenecks, a **survey conducted in August 2022 points to a contraction in both the manufacturing and services sectors**.
- The **impact on real disposable income** owing to rising prices (+8.1% in 2022 est.), uncertainty related to gas supply disruptions and sharp increases in bank-lending rates (ECB raised interest rates to 2% from 0% in July 2022), are expected to constrain economic activity.
- **Beyond the near term, growth is expected to pick up after the headwinds weighing on activity during the 2022-23 winter dissipate**. The expected improvement assumes that gas supply disruptions cease to be a binding constraint on activity as the weather warms and alternative supplies are gradually phased in.
- **In the Euro area, Real GDP is expected to grow by +2.8% in 2022 and by +0.9% in 2023 as:**
  - Abating inflationary pressures put less downward pressure on real disposable income. ECB expects inflation to slowly recover c. 2% level by 2024;
  - Remaining supply bottlenecks unwind;
  - Foreign demand recovers;
  - Export price competitiveness improves against key trading partners such as the United States.
  - Sizeable support provided by governments throughout and post-pandemic.
  - Expected investment funded by the Next Generation EU programme (c. €800bn in grants and loans)

EURO AREA REAL GDP GROWTH AND INFLATION

HARMONISED INDEX OF CONSUMER PRICES (HCIP)

- **While analysts see scope for further interest rate hikes in Europe, these would be at a lower pace vs. previous hikes given recent decrease in US inflation in October 2022.**
- **Therefore, we can expect uncertainty to dissipate in H2 2023, benefiting from inflation normalisation and easing monetary policy conditions.**

Source: ECB, Goldman Sachs Research.

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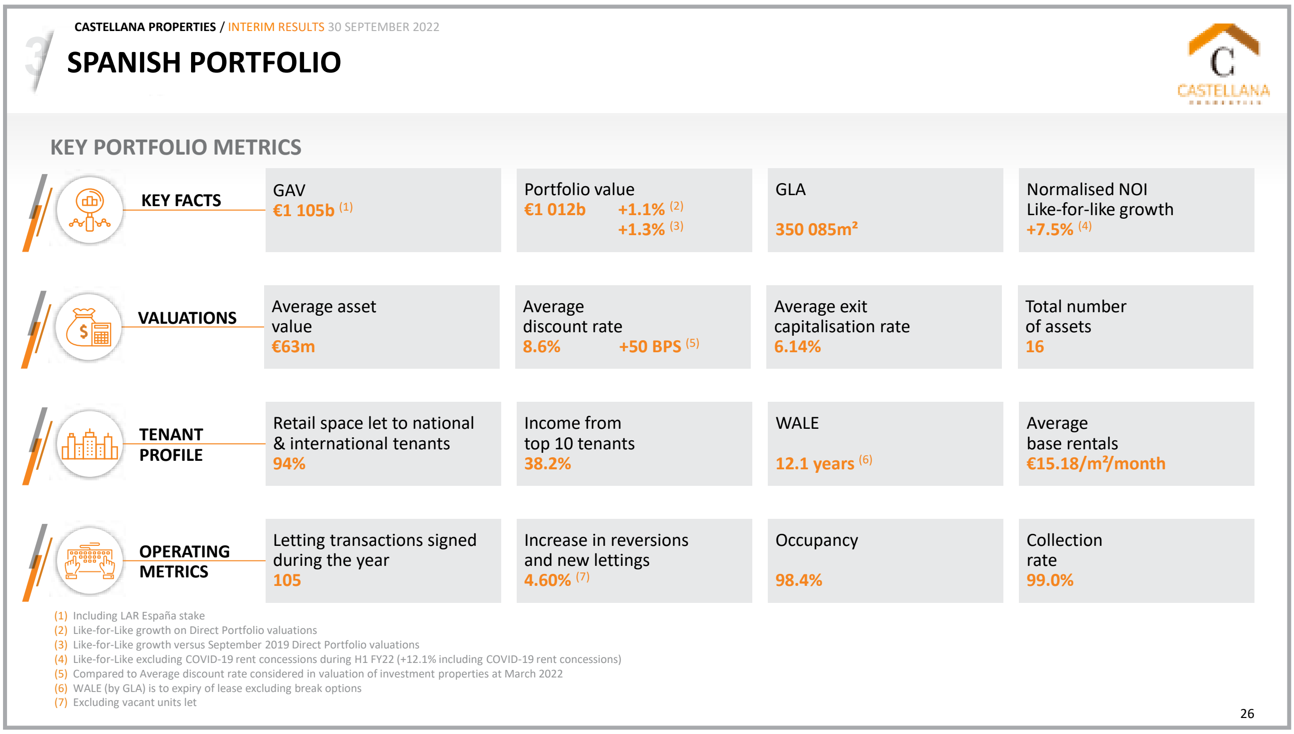

CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

SPANISH PORTFOLIO

KEY PORTFOLIO METRICS

KEY FACTS	GAV €1 105b (1)	Portfolio value €1 012b +1.1% (2) +1.3% (3)	GLA 350 085m²	Normalised NOI Like-for-like growth +7.5% (4)
VALUATIONS	Average asset value €63m	Average discount rate 8.6% +50 BPS (5)	Average exit capitalisation rate 6.14%	Total number of assets 16
TENANT PROFILE	Retail space let to national & international tenants 94%	Income from top 10 tenants 38.2%	WALE 12.1 years (6)	Average base rentals €15.18/m²/month
OPERATING METRICS	Letting transactions signed during the year 105	Increase in reversions and new lettings 4.60% (7)	Occupancy 98.4%	Collection rate 99.0%

(1) Including LAR España stake
(2) Like-for-Like growth on Direct Portfolio valuations
(3) Like-for-Like growth versus September 2019 Direct Portfolio valuations
(4) Like-for-Like excluding COVID-19 rent concessions during H1 FY22 (+12.1% including COVID-19 rent concessions)
(5) Compared to Average discount rate considered in valuation of investment properties at March 2022
(6) WALE (by GLA) is to expiry of lease excluding break options
(7) Excluding vacant units let

26

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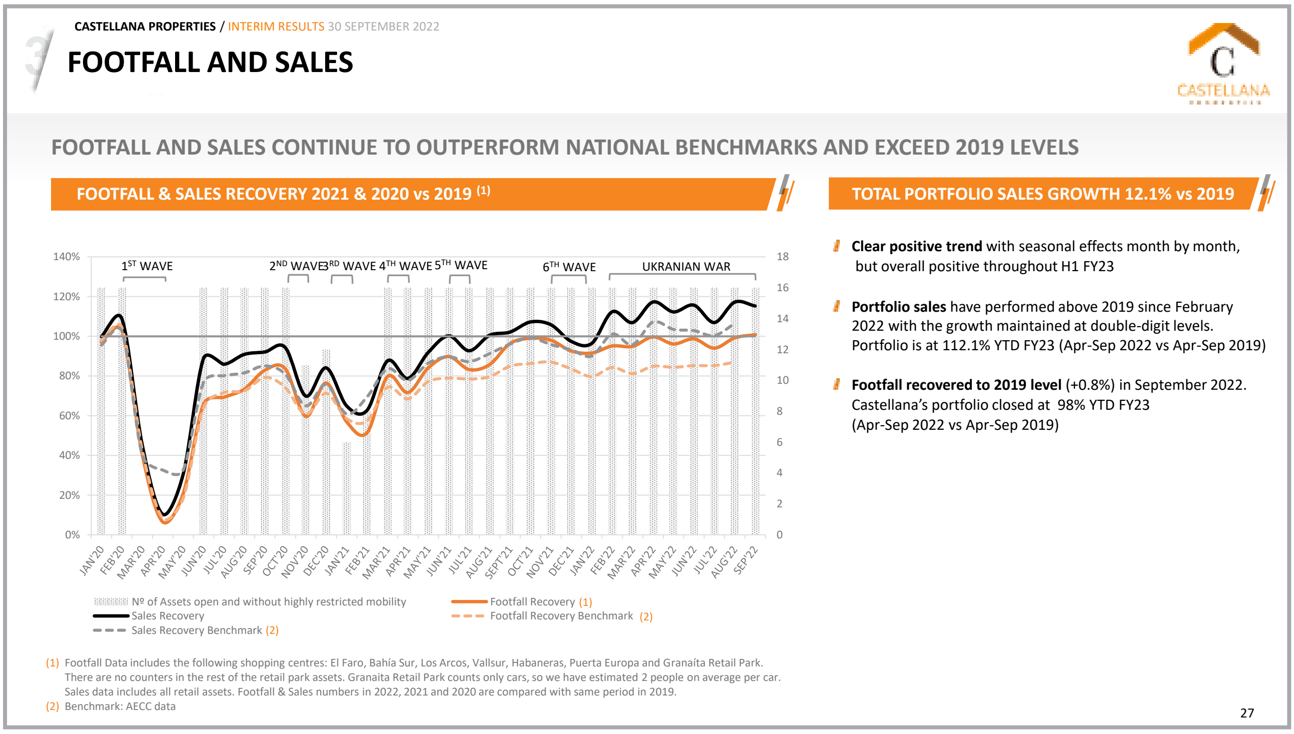

CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

FOOTFALL AND SALES

FOOTFALL AND SALES CONTINUE TO OUTPERFORM NATIONAL BENCHMARKS AND EXCEED 2019 LEVELS

FOOTFALL & SALES RECOVERY 2021 & 2020 vs 2019 (1)

TOTAL PORTFOLIO SALES GROWTH 12.1% vs 2019

- **Clear positive trend** with seasonal effects month by month, but overall positive throughout H1 FY23
- **Portfolio sales** have performed above 2019 since February 2022 with the growth maintained at double-digit levels. Portfolio is at 112.1% YTD FY23 (Apr-Sep 2022 vs Apr-Sep 2019)
- **Footfall recovered to 2019 level** (+0.8%) in September 2022. Castellana's portfolio closed at 98% YTD FY23 (Apr-Sep 2022 vs Apr-Sep 2019)

(1) Footfall Data includes the following shopping centres: El Faro, Bahía Sur, Los Arcos, Vallsur, Habaneras, Puerta Europa and Granaíta Retail Park. There are no counters in the rest of the retail park assets. Granaita Retail Park counts only cars, so we have estimated 2 people on average per car. Sales data includes all retail assets. Footfall & Sales numbers in 2022, 2021 and 2020 are compared with same period in 2019.

(2) Benchmark: AECC data

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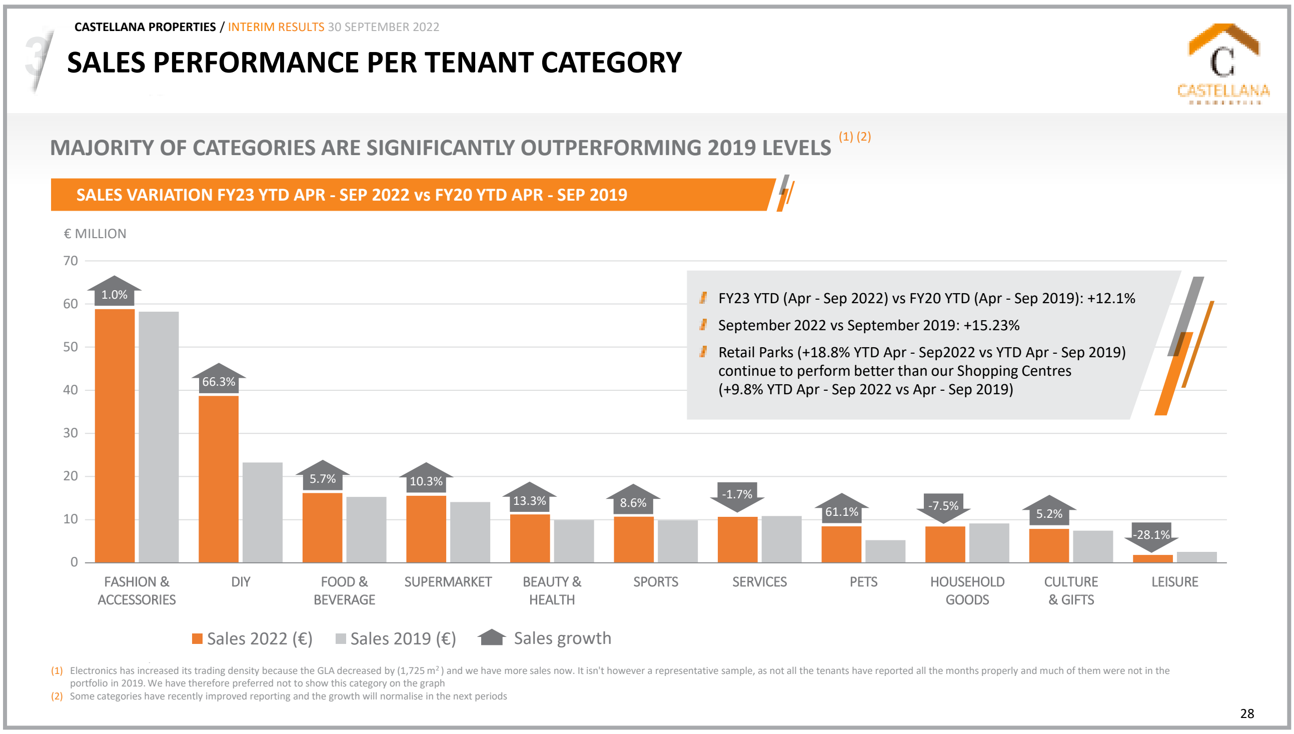

CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

SALES PERFORMANCE PER TENANT CATEGORY

MAJORITY OF CATEGORIES ARE SIGNIFICANTLY OUTPERFORMING 2019 LEVELS (1) (2)

SALES VARIATION FY23 YTD APR - SEP 2022 vs FY20 YTD APR - SEP 2019

- FY23 YTD (Apr - Sep 2022) vs FY20 YTD (Apr - Sep 2019): +12.1%
- September 2022 vs September 2019: +15.23%
- Retail Parks (+18.8% YTD Apr - Sep2022 vs YTD Apr - Sep 2019) continue to perform better than our Shopping Centres (+9.8% YTD Apr - Sep 2022 vs Apr - Sep 2019)

(1) Electronics has increased its trading density because the GLA decreased by (1,725 m²) and we have more sales now. It isn't however a representative sample, as not all the tenants have reported all the months properly and much of them were not in the portfolio in 2019. We have therefore preferred not to show this category on the graph

(2) Some categories have recently improved reporting and the growth will normalise in the next periods

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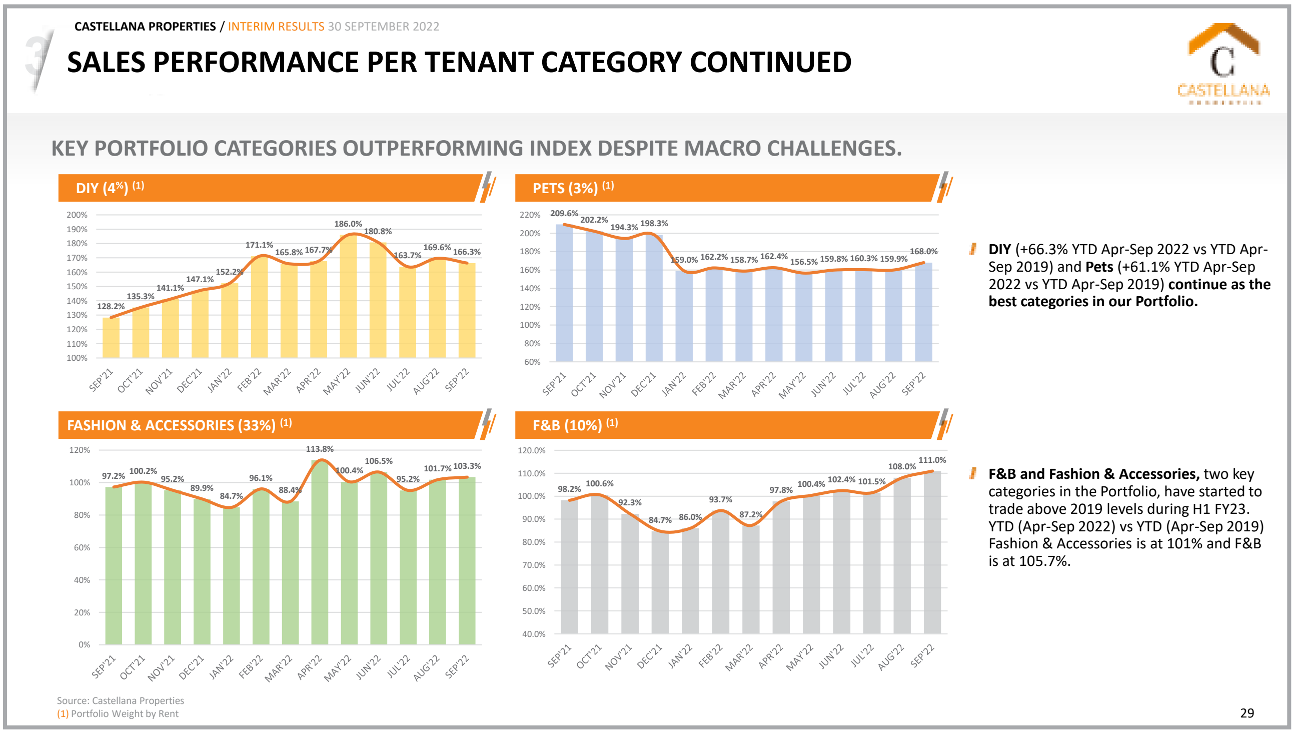

CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

SALES PERFORMANCE PER TENANT CATEGORY CONTINUED

KEY PORTFOLIO CATEGORIES OUTPERFORMING INDEX DESPITE MACRO CHALLENGES.

- **DIY** (+66.3% YTD Apr-Sep 2022 vs YTD Apr-Sep 2019) and **Pets** (+61.1% YTD Apr-Sep 2022 vs YTD Apr-Sep 2019) **continue as the best categories in our Portfolio.**

- **F&B and Fashion & Accessories,** two key categories in the Portfolio, have started to trade above 2019 levels during H1 FY23. YTD (Apr-Sep 2022) vs YTD (Apr-Sep 2019) Fashion & Accessories is at 101% and F&B is at 105.7%.

Source: Castellana Properties

(1) Portfolio Weight by Rent

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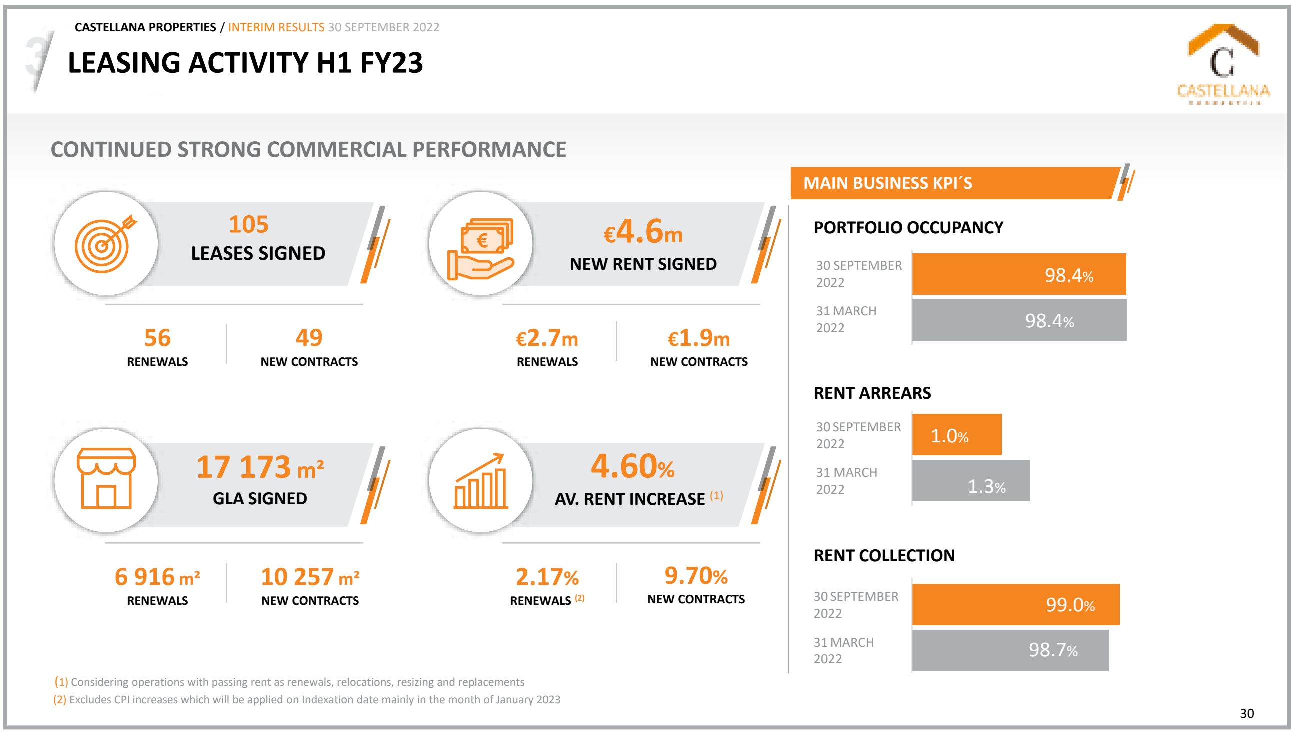

CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

LEASING ACTIVITY H1 FY23

CONTINUED STRONG COMMERCIAL PERFORMANCE

105
LEASES SIGNED

56 **RENEWALS**	**49** **NEW CONTRACTS**

€4.6m
NEW RENT SIGNED

€2.7m **RENEWALS**	**€1.9m** **NEW CONTRACTS**

17 173 m²
GLA SIGNED

6 916 m² **RENEWALS**	**10 257 m²** **NEW CONTRACTS**

4.60%
AV. RENT INCREASE (1)

2.17% **RENEWALS** (2)	**9.70%** **NEW CONTRACTS**

MAIN BUSINESS KPI´S

PORTFOLIO OCCUPANCY

30 SEPTEMBER 2022	98.4%
31 MARCH 2022	98.4%

RENT ARREARS

30 SEPTEMBER 2022	1.0%
31 MARCH 2022	1.3%

RENT COLLECTION

30 SEPTEMBER 2022	99.0%
31 MARCH 2022	98.7%

(1) Considering operations with passing rent as renewals, relocations, resizing and replacements

(2) Excludes CPI increases which will be applied on Indexation date mainly in the month of January 2023

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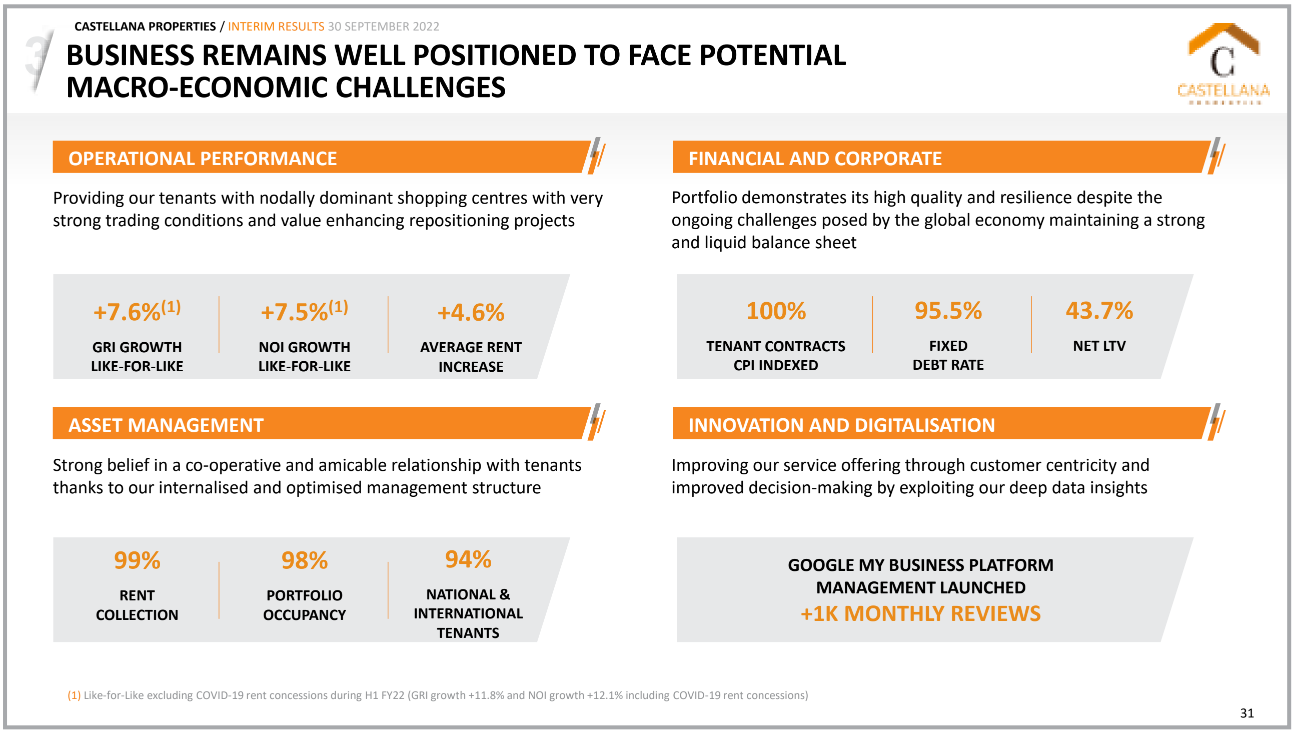


BUSINESS REMAINS WELL POSITIONED TO FACE POTENTIAL MACRO-ECONOMIC CHALLENGES

OPERATIONAL PERFORMANCE

Providing our tenants with nodally dominant shopping centres with very strong trading conditions and value enhancing repositioning projects

+7.6%[(1)]	+7.5%[(1)]	+4.6%
GRI GROWTH LIKE-FOR-LIKE	NOI GROWTH LIKE-FOR-LIKE	AVERAGE RENT INCREASE

FINANCIAL AND CORPORATE

Portfolio demonstrates its high quality and resilience despite the ongoing challenges posed by the global economy maintaining a strong and liquid balance sheet

100%	95.5%	43.7%
TENANT CONTRACTS CPI INDEXED	FIXED DEBT RATE	NET LTV

ASSET MANAGEMENT

Strong belief in a co-operative and amicable relationship with tenants thanks to our internalised and optimised management structure

99%	98%	94%
RENT COLLECTION	PORTFOLIO OCCUPANCY	NATIONAL & INTERNATIONAL TENANTS

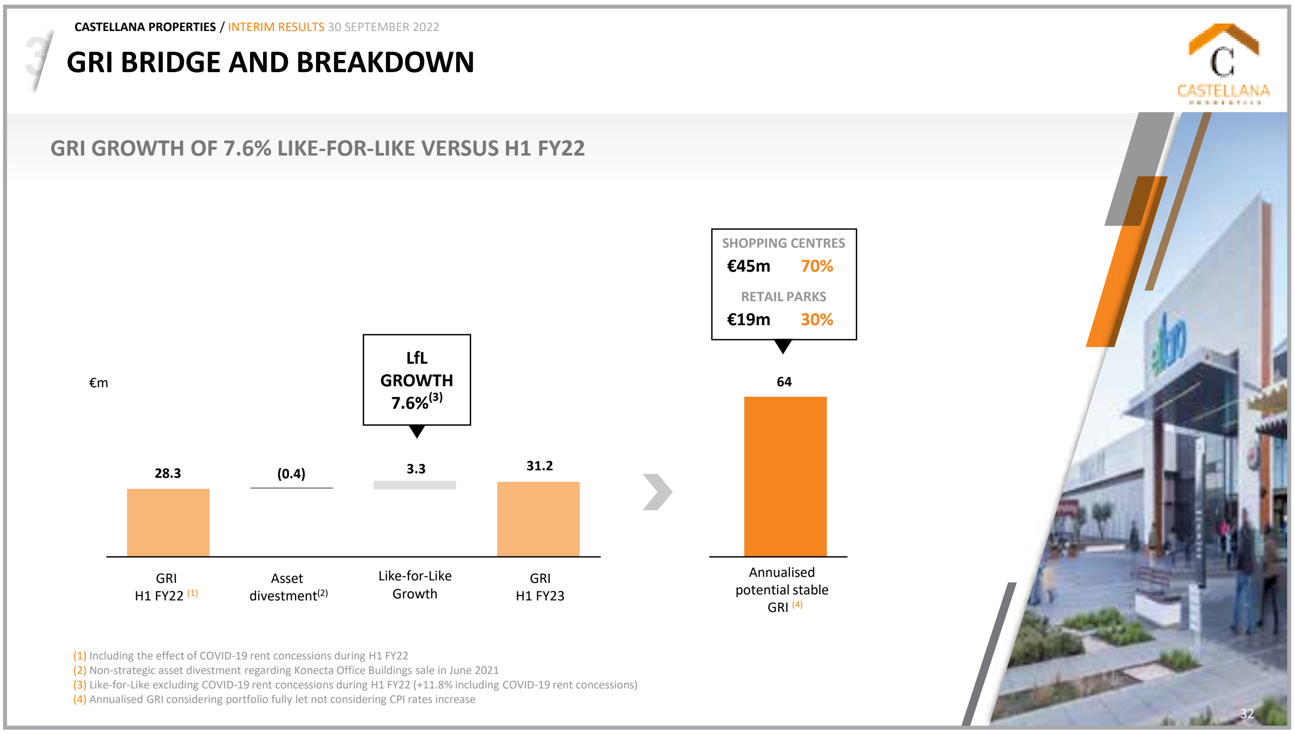
INNOVATION AND DIGITALISATION

Improving our service offering through customer centricity and improved decision-making by exploiting our deep data insights

GOOGLE MY BUSINESS PLATFORM MANAGEMENT LAUNCHED
+1K MONTHLY REVIEWS

(1) Like-for-Like excluding COVID-19 rent concessions during H1 FY22 (GRI growth +11.8% and NOI growth +12.1% including COVID-19 rent concessions)

NOTES:

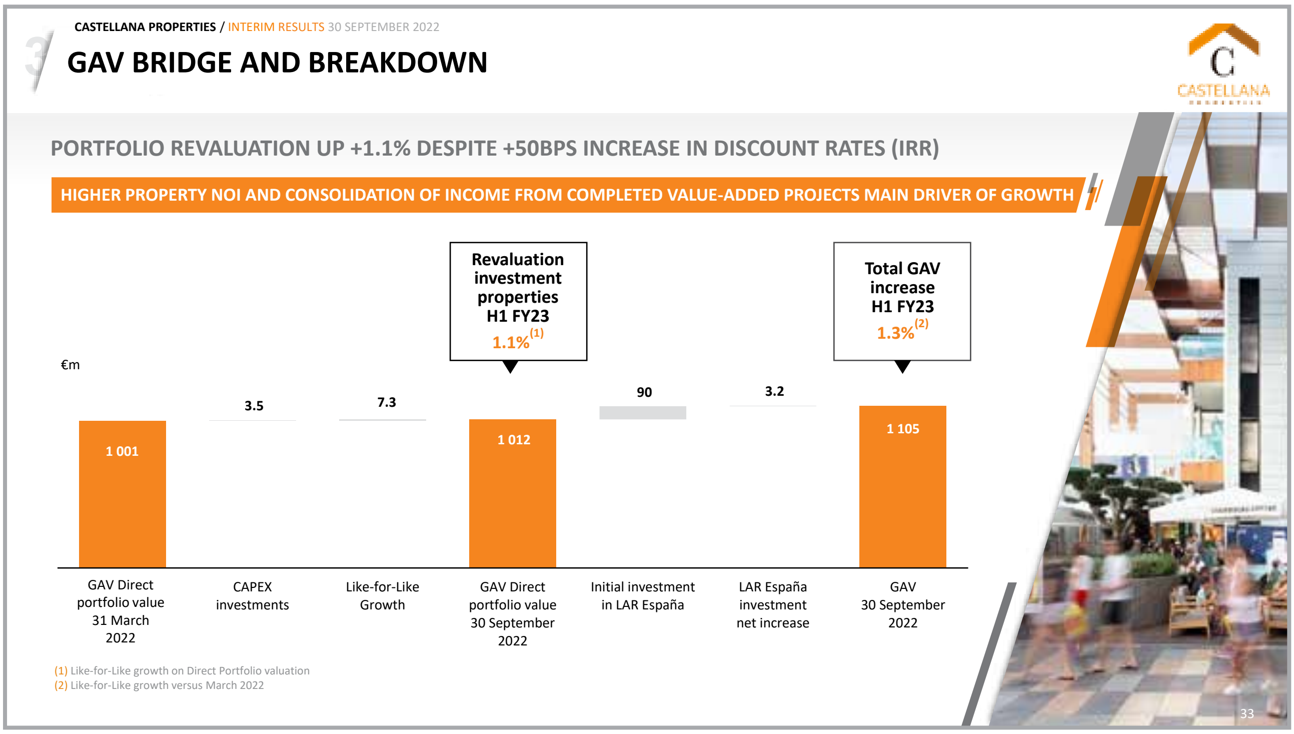


GRI BRIDGE AND BREAKDOWN

GRI GROWTH OF 7.6% LIKE-FOR-LIKE VERSUS H1 FY22

(1) Including the effect of COVID-19 rent concessions during H1 FY22
(2) Non-strategic asset divestment regarding Konecta Office Buildings sale in June 2021
(3) Like-for-Like excluding COVID-19 rent concessions during H1 FY22 (+11.8% including COVID-19 rent concessions)
(4) Annualised GRI considering portfolio fully let not considering CPI rates increase

NOTES:



CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

GAV BRIDGE AND BREAKDOWN

PORTFOLIO REVALUATION UP +1.1% DESPITE +50BPS INCREASE IN DISCOUNT RATES (IRR)

HIGHER PROPERTY NOI AND CONSOLIDATION OF INCOME FROM COMPLETED VALUE-ADDED PROJECTS MAIN DRIVER OF GROWTH

Revaluation investment properties H1 FY23
1.1%[1]

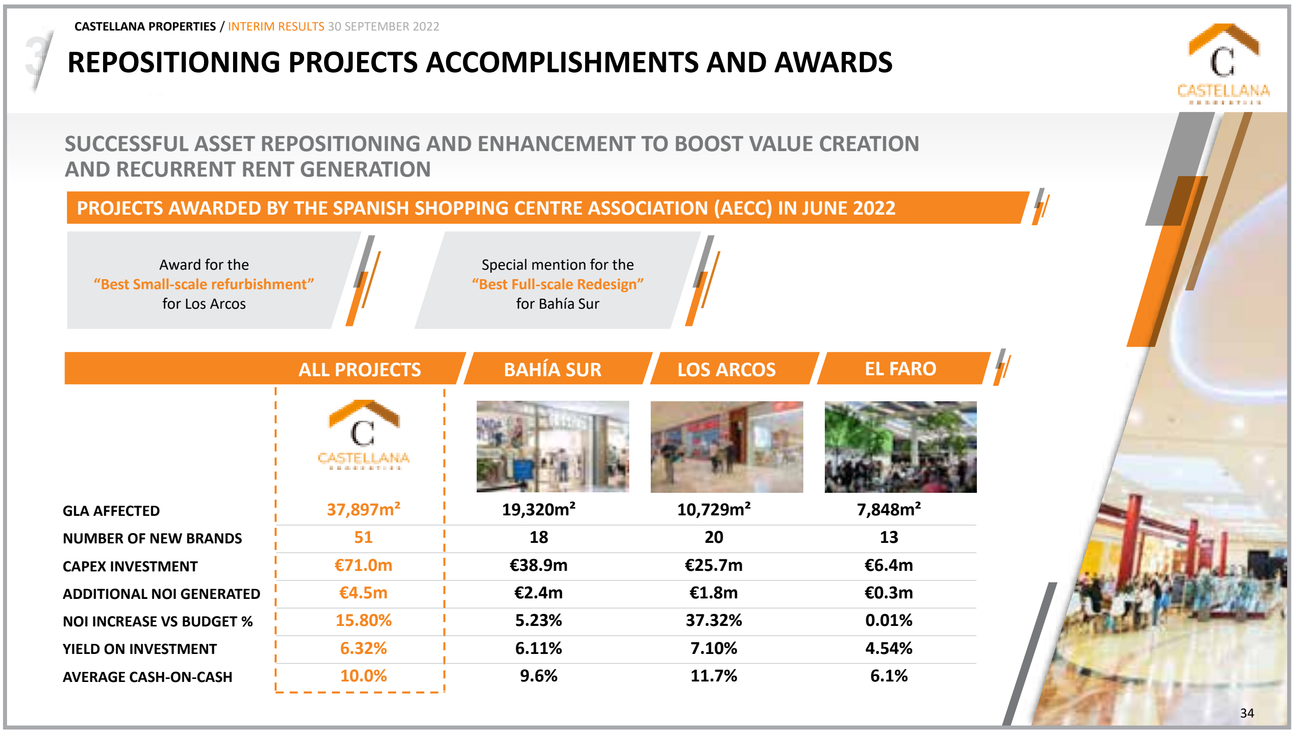
Total GAV increase H1 FY23
1.3%[2]

€m

GAV Direct portfolio value 31 March 2022	1 001
CAPEX investments	3.5
Like-for-Like Growth	7.3
GAV Direct portfolio value 30 September 2022	1 012
Initial investment in LAR España	90
LAR España investment net increase	3.2
GAV 30 September 2022	1 105

(1) Like-for-Like growth on Direct Portfolio valuation
(2) Like-for-Like growth versus March 2022

NOTES:



CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

REPOSITIONING PROJECTS ACCOMPLISHMENTS AND AWARDS

SUCCESSFUL ASSET REPOSITIONING AND ENHANCEMENT TO BOOST VALUE CREATION AND RECURRENT RENT GENERATION

PROJECTS AWARDED BY THE SPANISH SHOPPING CENTRE ASSOCIATION (AECC) IN JUNE 2022

Award for the
"Best Small-scale refurbishment"
for Los Arcos

Special mention for the
"Best Full-scale Redesign"
for Bahía Sur

	ALL PROJECTS	BAHÍA SUR	LOS ARCOS	EL FARO
GLA AFFECTED	37,897m²	19,320m²	10,729m²	7,848m²
NUMBER OF NEW BRANDS	51	18	20	13
CAPEX INVESTMENT	€71.0m	€38.9m	€25.7m	€6.4m
ADDITIONAL NOI GENERATED	€4.5m	€2.4m	€1.8m	€0.3m
NOI INCREASE VS BUDGET %	15.80%	5.23%	37.32%	0.01%
YIELD ON INVESTMENT	6.32%	6.11%	7.10%	4.54%
AVERAGE CASH-ON-CASH	10.0%	9.6%	11.7%	6.1%

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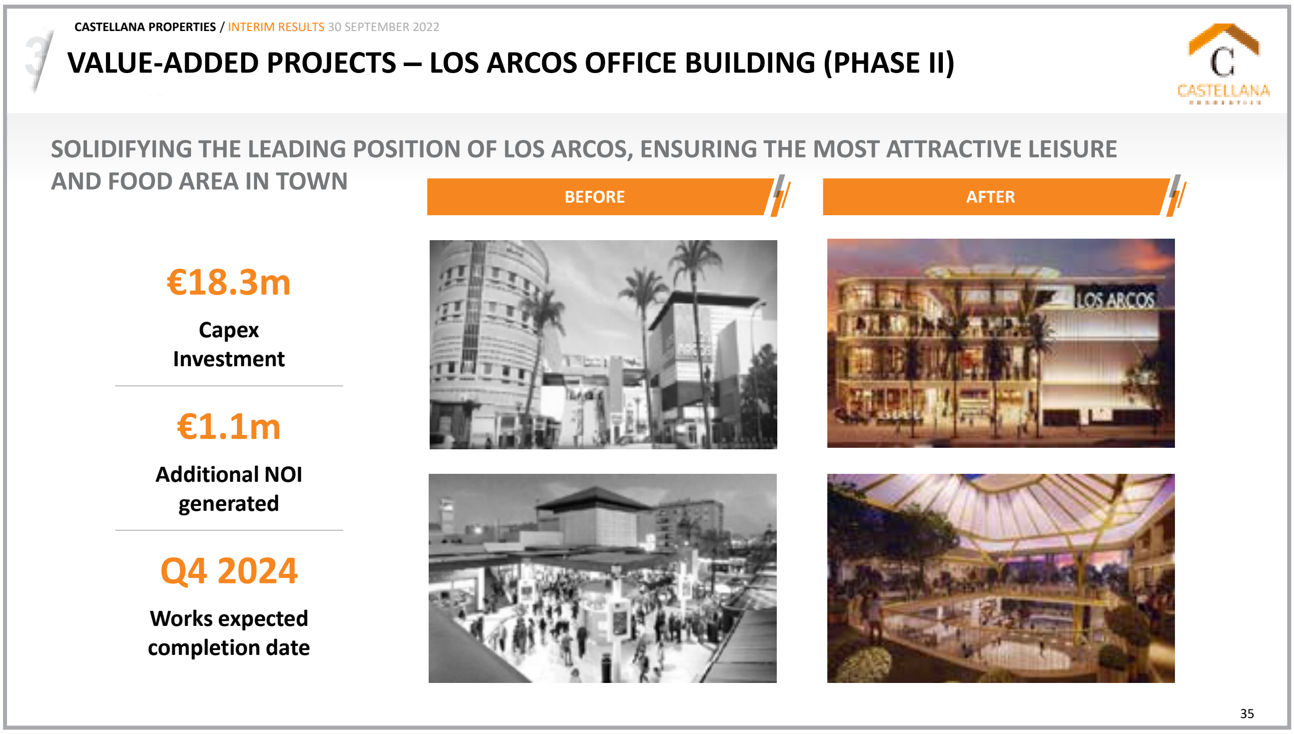


CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

VALUE-ADDED PROJECTS – LOS ARCOS OFFICE BUILDING (PHASE II)

SOLIDIFYING THE LEADING POSITION OF LOS ARCOS, ENSURING THE MOST ATTRACTIVE LEISURE AND FOOD AREA IN TOWN

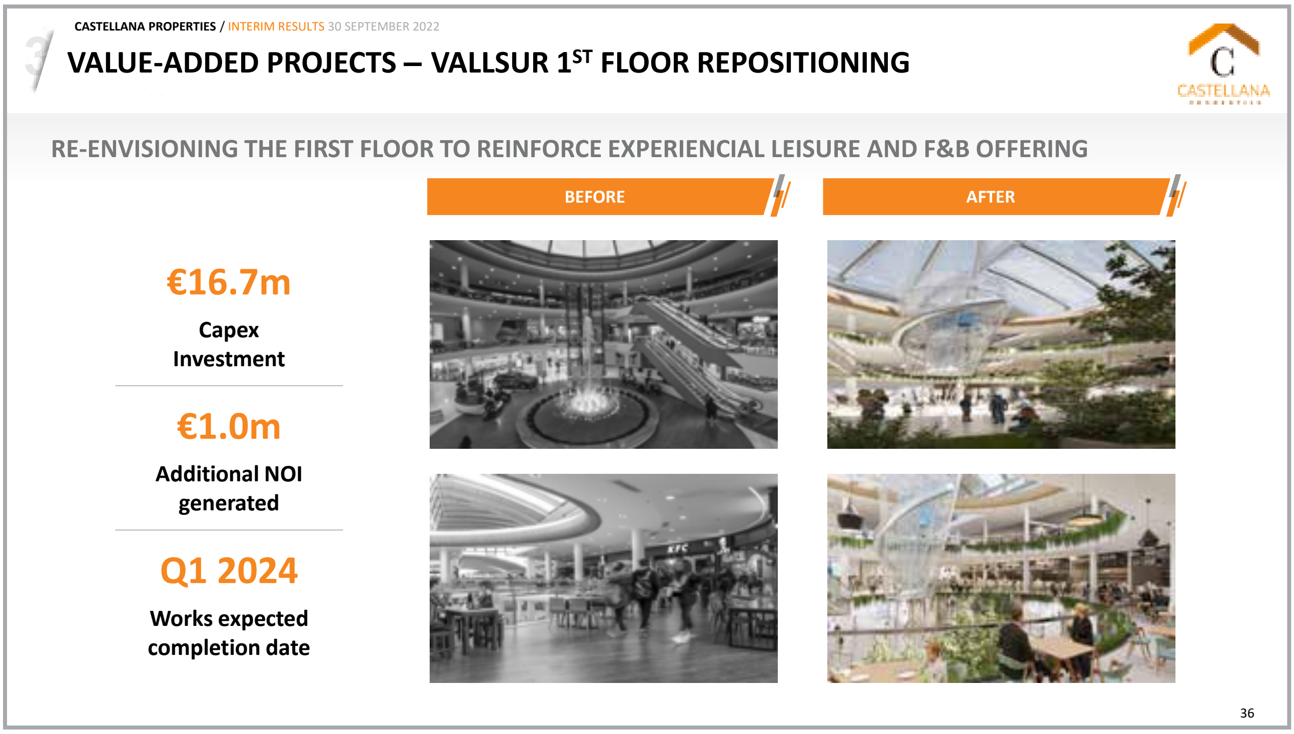
€18.3m
Capex Investment

€1.1m
Additional NOI generated

Q4 2024
Works expected completion date

35

NOTES:



CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

VALUE-ADDED PROJECTS – VALLSUR 1ST FLOOR REPOSITIONING

RE-ENVISIONING THE FIRST FLOOR TO REINFORCE EXPERIENCIAL LEISURE AND F&B OFFERING

€16.7m
Capex Investment

€1.0m
Additional NOI generated

Q1 2024
Works expected completion date

36

NOTES:

CASTELLANA TAKES ADVANTAGE OF PREVAILING DISCOUNT TO NTA TO INCREASE ITS STAKE IN LAR ESPAÑA TO 25.7%

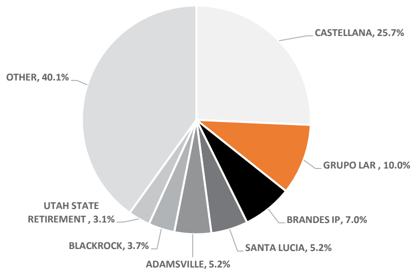
GOOD SET OF OPERATIONAL AND FINANCIAL RESULTS BY LAR ESPAÑA CONFIRM THE RECOVERY OF THE RETAIL SECTOR FROM THE PANDEMIC AND OUR INVESTMENT THESIS

INVESTMENT IN LAR ESPAÑA

- **Castellana has acquired an additional c. 4% stake in LAR España.** Currently, Castellana is the largest shareholder with c. 25.7% of the SOCIMI.

€113m	€5.25	c. 52%
Investment	Average Purchase Price	Discount to EPRA NTA

LAR ESPAÑA SHAREHOLDING (%)



(1) Adjusted by the linearisation of COVID-19 tenant incentives accrued during this 9M period (c. €10.6m).
Source: Company Information

RESULTS 9M 2022 BUSINESS UPDATE

KEY METRICS

€64m (1) GRI	€1,474m GAV	95% Occupancy
€910m EPRA NTA	€10.88p.s. EPRA NTA per Share	€0.33p.s. EPRA Earnings
€570m Net Debt	1.8% Average Cost of Debt	39% Net LTV

- LfL sales for the first 9M of 2022 increased by c. 10% vs. those of 9M 2019 (excluding Lagoh shopping centre).
- GRI reached c. €64m in line with market expectations. Adjusted by the linearisation of COVID-19 tenant incentives accrued during this 9M period (c. €10.6m), GRI reached c. €75m in 9 months. According to Management, 100% of leases were indexed to CPI during this period.
- Occupancy levels were maintained at c. 95%.
- Collection rate held steady at c. 97%.
- Valuations remained at €1.474 vs. H1 FY22 (+3.2% vs. December 2021).
- Net LTV decreased to c. 39% from c. 40%, benefiting from an increased cash position that now stands at c. €200m.
- Rating of BBB (stable outlook) by Fitch already renewed.

NOTES:

INNOVATION AND DIGITALISATION: CUSTOMER CENTRICITY

IMPROVING SHOPPING EXPERIENCE BASED ON OUR CUSTOMER REQUIREMENTS

GOOGLE MY BUSINESS PLATFORM MANAGEMENT

SENTIMENT ANALYSIS

- **Customer service** 24 hours a day, using a response protocol by typology, with the inclusion of **keywords.**
- Reporting **harmful comments** and trolls to Google for **deletion**.

+90K REVIEWS ALREADY ANALYSED

+1K NEW REVIEWS EVERY MONTH

LOCAL SEO OPTIMISATION

- Answering **100%** of **Google reviews** to **improve** our **SEO positioning**.

ANALYSING CUSTOMER FEEDBACK	PROACTIVELY REACTING TO CUSTOMER FEEDBACK	NEW MARKETING CHANNEL
We are able to extract and classify all Google reviews to handle the feedback properly.	Our management teams are aware of our customers' requirements on a monthly basis.	Using Google My Business to display shopping mall services, promotions and activities.

*Examples of activity and reputation reports

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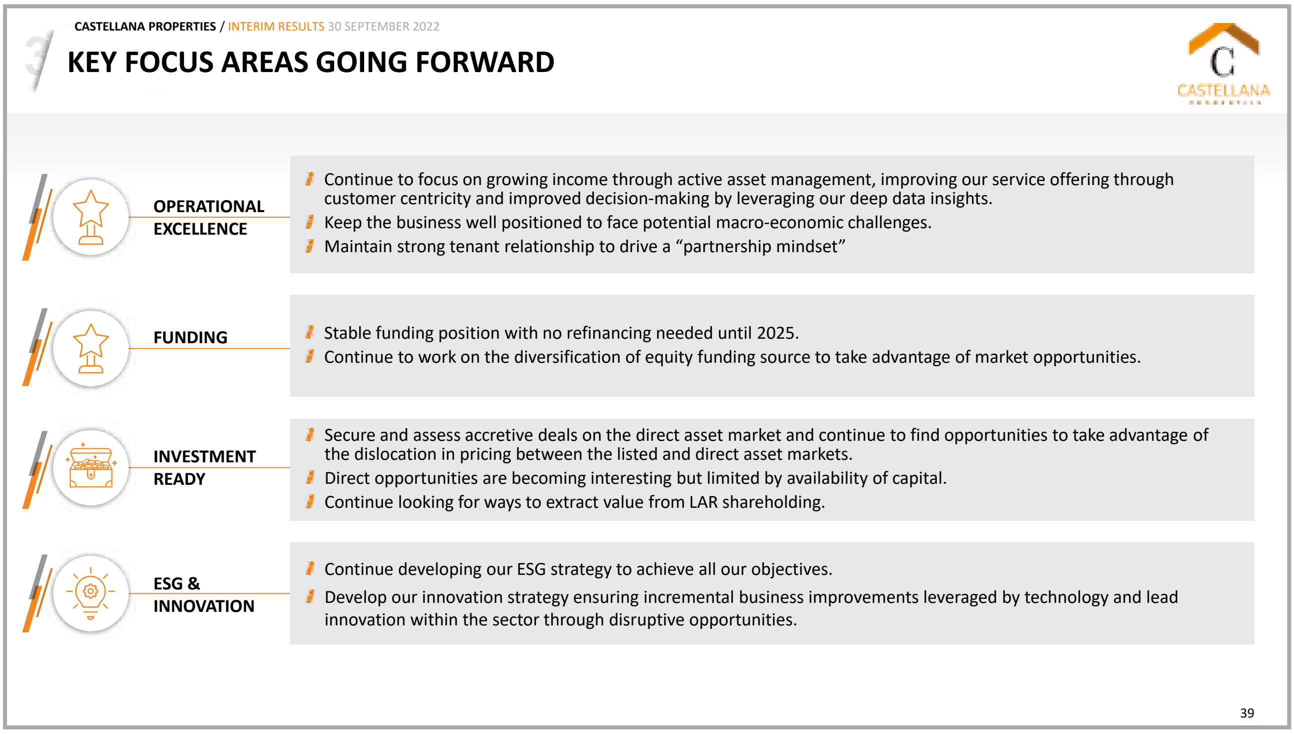


CASTELLANA PROPERTIES / INTERIM RESULTS 30 SEPTEMBER 2022

KEY FOCUS AREAS GOING FORWARD

OPERATIONAL EXCELLENCE

- Continue to focus on growing income through active asset management, improving our service offering through customer centricity and improved decision-making by leveraging our deep data insights.
- Keep the business well positioned to face potential macro-economic challenges.
- Maintain strong tenant relationship to drive a "partnership mindset"

FUNDING

- Stable funding position with no refinancing needed until 2025.
- Continue to work on the diversification of equity funding source to take advantage of market opportunities.

INVESTMENT READY

- Secure and assess accretive deals on the direct asset market and continue to find opportunities to take advantage of the dislocation in pricing between the listed and direct asset markets.
- Direct opportunities are becoming interesting but limited by availability of capital.
- Continue looking for ways to extract value from LAR shareholding.

ESG & INNOVATION

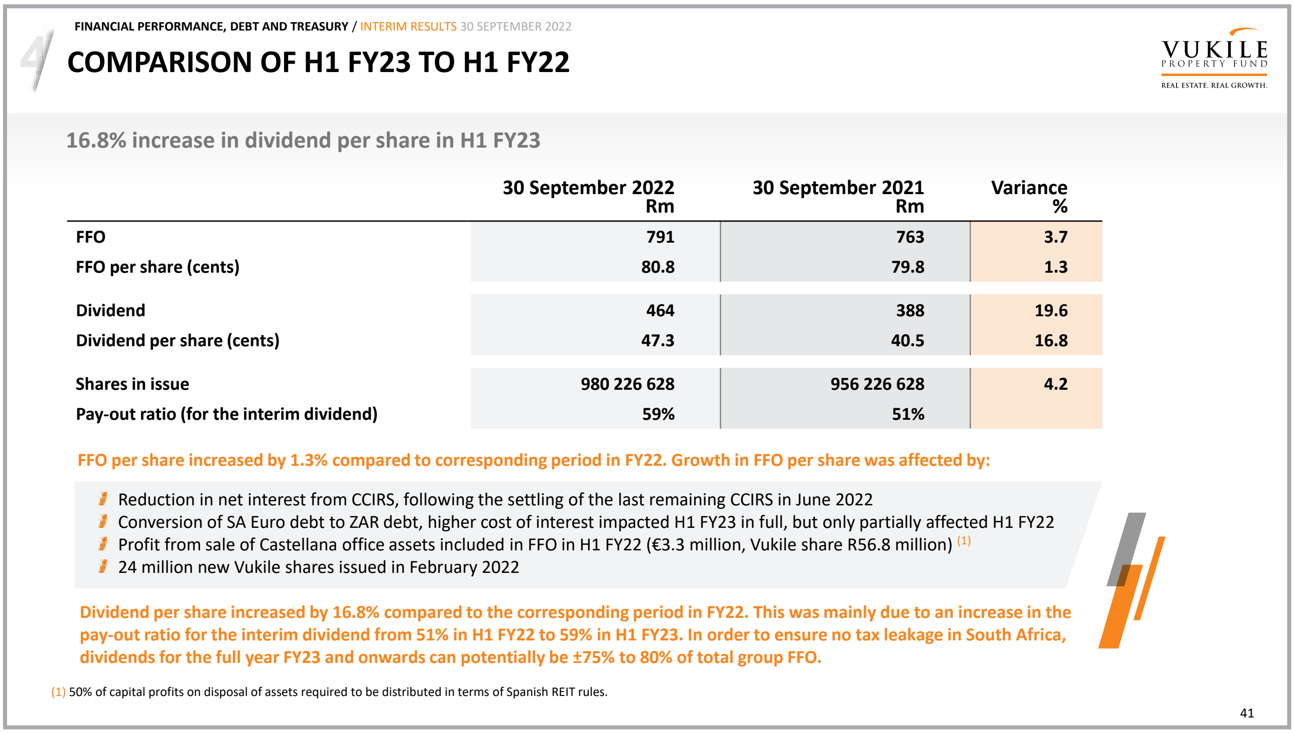
- Continue developing our ESG strategy to achieve all our objectives.
- Develop our innovation strategy ensuring incremental business improvements leveraged by technology and lead innovation within the sector through disruptive opportunities.

NOTES:

FINANCIAL PERFORMANCE, DEBT AND TREASURY

Laurence Cohen

NOTES:



FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

COMPARISON OF H1 FY23 TO H1 FY22

16.8% increase in dividend per share in H1 FY23

	30 September 2022 Rm	30 September 2021 Rm	Variance %
FFO	**791**	**763**	**3.7**
FFO per share (cents)	**80.8**	**79.8**	**1.3**
Dividend	**464**	**388**	**19.6**
Dividend per share (cents)	**47.3**	**40.5**	**16.8**
Shares in issue	**980 226 628**	**956 226 628**	**4.2**
Pay-out ratio (for the interim dividend)	**59%**	**51%**	

FFO per share increased by 1.3% compared to corresponding period in FY22. Growth in FFO per share was affected by:

- Reduction in net interest from CCIRS, following the settling of the last remaining CCIRS in June 2022
- Conversion of SA Euro debt to ZAR debt, higher cost of interest impacted H1 FY23 in full, but only partially affected H1 FY22
- Profit from sale of Castellana office assets included in FFO in H1 FY22 (€3.3 million, Vukile share R56.8 million) (1)
- 24 million new Vukile shares issued in February 2022

Dividend per share increased by 16.8% compared to the corresponding period in FY22. This was mainly due to an increase in the pay-out ratio for the interim dividend from 51% in H1 FY22 to 59% in H1 FY23. In order to ensure no tax leakage in South Africa, dividends for the full year FY23 and onwards can potentially be ±75% to 80% of total group FFO.

(1) 50% of capital profits on disposal of assets required to be distributed in terms of Spanish REIT rules.

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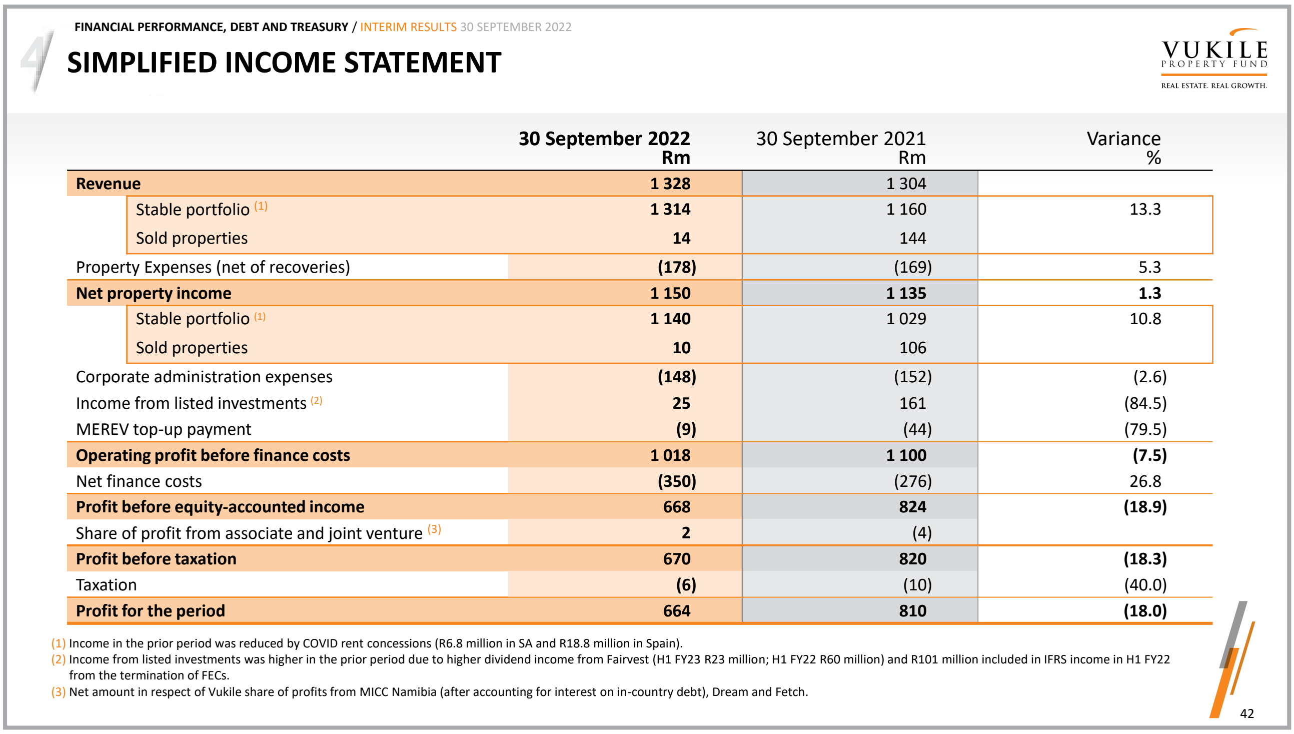


FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

SIMPLIFIED INCOME STATEMENT

		30 September 2022 Rm	30 September 2021 Rm	Variance %
Revenue		**1 328**	1 304	
	Stable portfolio (1)	**1 314**	1 160	13.3
	Sold properties	**14**	144	
Property Expenses (net of recoveries)		**(178)**	(169)	5.3
Net property income		**1 150**	**1 135**	**1.3**
	Stable portfolio (1)	**1 140**	1 029	10.8
	Sold properties	**10**	106	
Corporate administration expenses		**(148)**	(152)	(2.6)
Income from listed investments (2)		**25**	161	(84.5)
MEREV top-up payment		**(9)**	(44)	(79.5)
Operating profit before finance costs		**1 018**	**1 100**	**(7.5)**
Net finance costs		**(350)**	(276)	26.8
Profit before equity-accounted income		**668**	**824**	**(18.9)**
Share of profit from associate and joint venture (3)		**2**	(4)	
Profit before taxation		**670**	**820**	**(18.3)**
Taxation		**(6)**	(10)	(40.0)
Profit for the period		**664**	**810**	**(18.0)**

(1) Income in the prior period was reduced by COVID rent concessions (R6.8 million in SA and R18.8 million in Spain).
(2) Income from listed investments was higher in the prior period due to higher dividend income from Fairvest (H1 FY23 R23 million; H1 FY22 R60 million) and R101 million included in IFRS income in H1 FY22 from the termination of FECs.
(3) Net amount in respect of Vukile share of profits from MICC Namibia (after accounting for interest on in-country debt), Dream and Fetch.

NOTES:

SIMPLIFIED INCOME STATEMENT (CONTINUED)

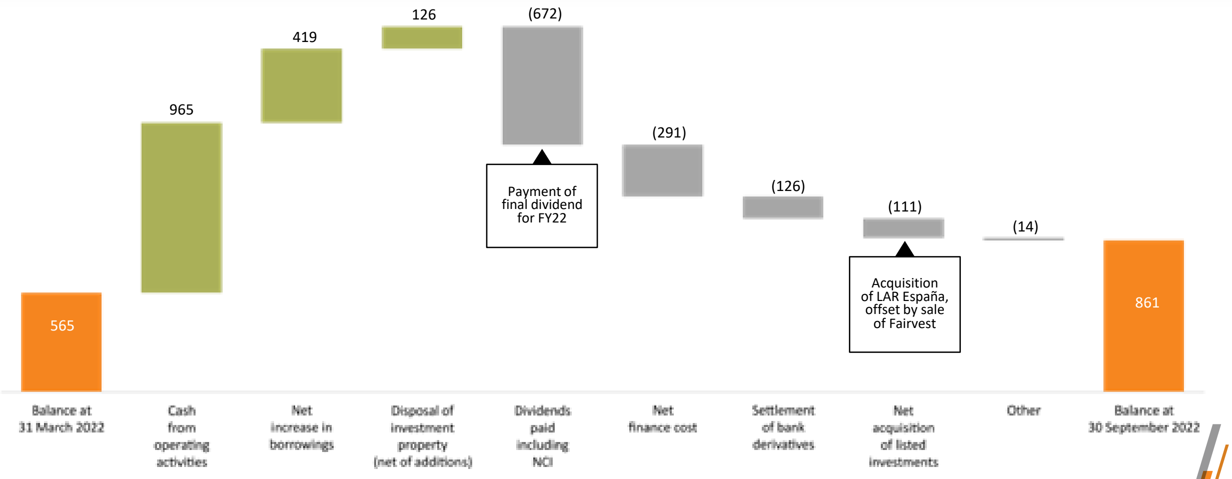
	30 September 2022 Rm	30 September 2021 Rm	Variance %
Profit for the period	**664**	**810**	**(18.0)**
Non controlling interests (1)	**(36)**	(50)	(28.0)
Attributable to Vukile	**628**	**760**	**(17.4)**
Non-IFRS adjustments	**163**	3	
Early termination of FECs	**58**	(76)	
Accrued dividends (2)	**96**	76	
Non-cash impact of IFRS entries	**9** (3)	3	
FFO	**791**	**763**	**3.7**
Pay-out ratio (for the interim dividend)	**59%**	51%	
Dividend (Rm)	**464**	388	19.6
Shares in issue (4)	**980 226 628**	956 226 628	
FFO per share (cents)	**80.8**	79.8	1.3
Dividend per share (cents)	**47.3**	40.5	16.8

(1) Vukile increased its shareholding in Castellana from 82.5% in to 89.6%. In December 2021, 3.5 million shares were acquired from Merev and a further 12.5 million shares were acquired in March 2022, following a conversion of a shareholder loan to equity.
(2) LAR España dividend accrual of R65 million (2021: Rnil), Fairvest accrual of –R0.7 million and FEC accrual of R32 million. Included in the prior period is R53 million for the sale of the Konecta office buildings in Spain.
(3) R7 million of this amount relates to non-cash impact of IFRS 16 Leases.
(4) 24 million new Vukile shares issued in H2 FY22

NOTES:

CASH FLOW BRIDGE (Rm)

ACTIVE CASH MANAGEMENT TO INVEST IN CORE STRATEGY



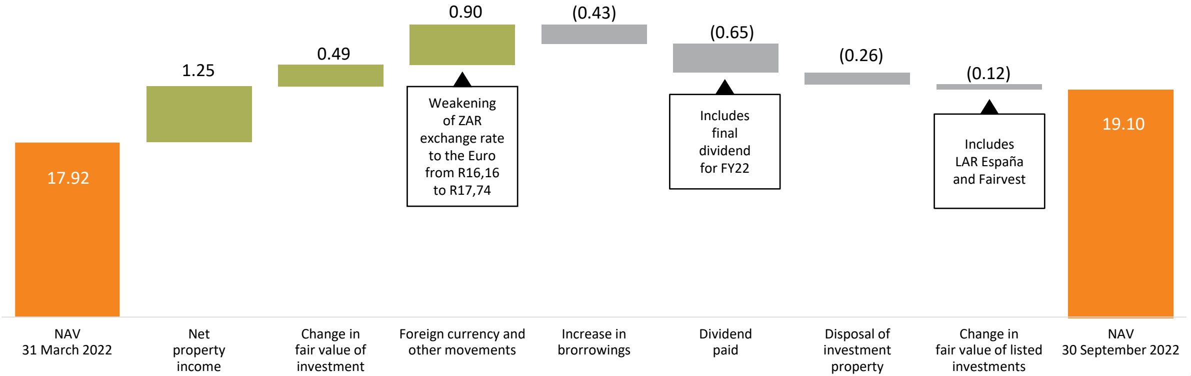
NOTES:

FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

NAV BRIDGE (R)

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

NAV PER SHARE INCREASED BY 6.6% to R19.10 PER SHARE



NOTES:

FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

DEBT AND BALANCE SHEET OVERVIEW

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

LIQUIDITY AND EXPIRY PROFILE

- **88%** (R1.0bn) of FY23 maturing debt has already been repaid, refinanced or renegotiated
- Undrawn debt facilities of **R3.6bn** at 30 September 2022 (R3.1bn at 31 March 2022)
- **Sufficient cash and undrawn committed facilities** exceed all debt expiring over next 12 months (**2.8 times** covered)
- **Debt maturity profile** of **3.5 years** at 30 September 2022

CASTELLANA SYNDICATED LOAN FUNDING

- **Castellana debt maturity profile** at **4.3 years** at 30 September 2022
- Next Castellana **debt maturity in FY26**
- Inaugural **Fitch ratings** investment grade rating for Castellana of **BBB-** in March 2022

INTEREST RATE RISK MANAGEMENT

- **87%** of Group interest-bearing debt hedged (76% at 31 March 2022)
- **Hedge maturity profile** of **2.2 years** at 30 September 2022
- Expect interest cost to increase in **FY23** as a result of interest rate hikes
- **96%** of **Castellana's** interest-bearing debt hedged

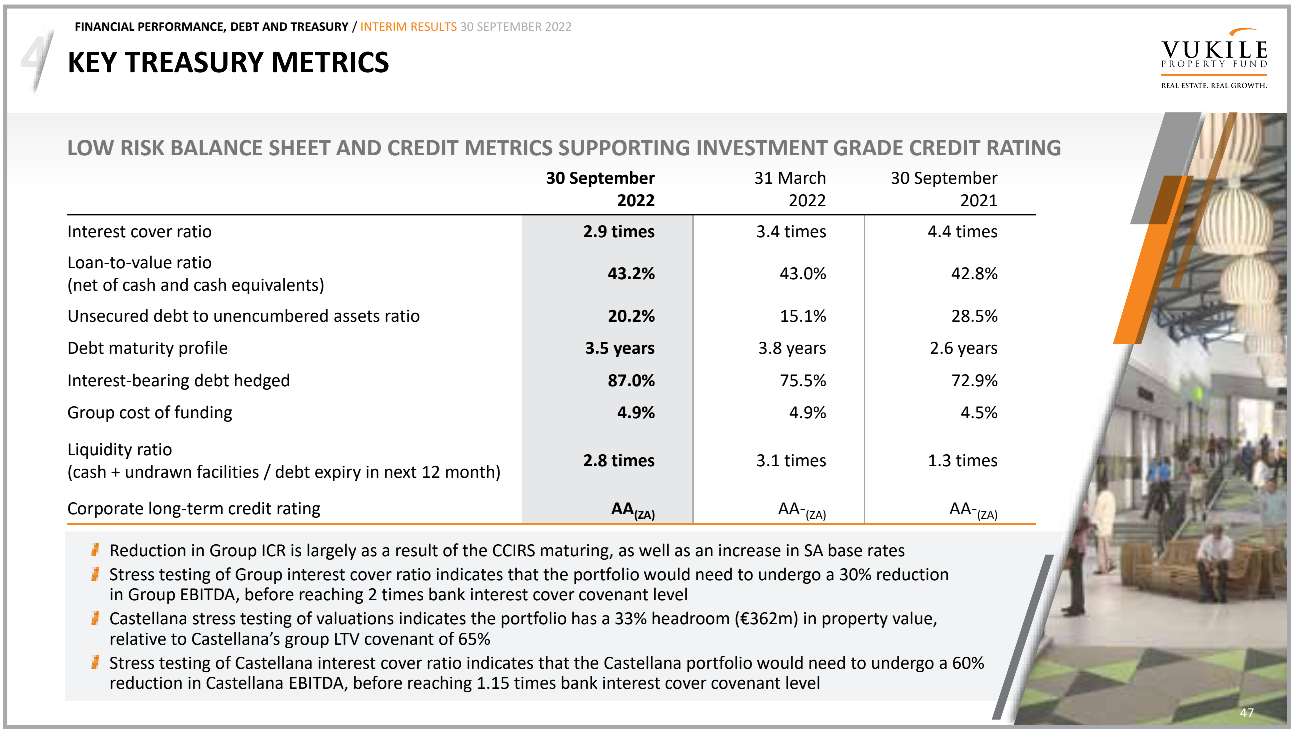
FX RISK MANAGEMENT

- Vukile SA EUR debt reduced to **€30m**
- All remaining CCIRS have been settled
- **98%** of Castellana's net forecast FY23 dividends are hedged

DEBT CAPITAL MARKETS

- **GCR upgraded** Vukile's corporate long-term credit rating to **AA$_{(ZA)}$** in July 2022, with a stable outlook
- **Unencumbered assets** at year-end were **R10.7bn**, with unsecured debt to unencumbered assets ratio of **20%**
- **13.6%** of total group debt is in the SA DCM market

NOTES:



FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

KEY TREASURY METRICS

LOW RISK BALANCE SHEET AND CREDIT METRICS SUPPORTING INVESTMENT GRADE CREDIT RATING

	30 September 2022	31 March 2022	30 September 2021
Interest cover ratio	**2.9 times**	3.4 times	4.4 times
Loan-to-value ratio (net of cash and cash equivalents)	**43.2%**	43.0%	42.8%
Unsecured debt to unencumbered assets ratio	**20.2%**	15.1%	28.5%
Debt maturity profile	**3.5 years**	3.8 years	2.6 years
Interest-bearing debt hedged	**87.0%**	75.5%	72.9%
Group cost of funding	**4.9%**	4.9%	4.5%
Liquidity ratio (cash + undrawn facilities / debt expiry in next 12 month)	**2.8 times**	3.1 times	1.3 times
Corporate long-term credit rating	**AA$_{(ZA)}$**	AA-$_{(ZA)}$	AA-$_{(ZA)}$

- Reduction in Group ICR is largely as a result of the CCIRS maturing, as well as an increase in SA base rates
- Stress testing of Group interest cover ratio indicates that the portfolio would need to undergo a 30% reduction in Group EBITDA, before reaching 2 times bank interest cover covenant level
- Castellana stress testing of valuations indicates the portfolio has a 33% headroom (€362m) in property value, relative to Castellana's group LTV covenant of 65%
- Stress testing of Castellana interest cover ratio indicates that the Castellana portfolio would need to undergo a 60% reduction in Castellana EBITDA, before reaching 1.15 times bank interest cover covenant level

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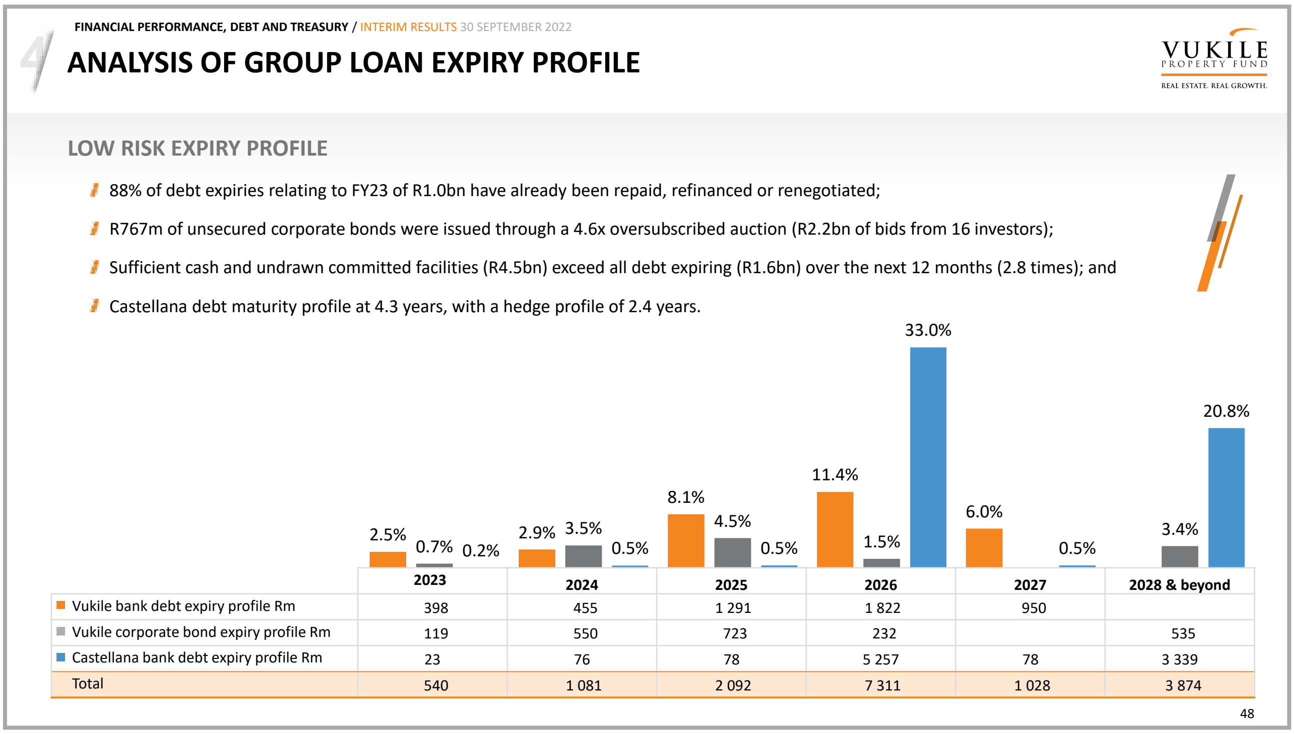
NOTES:



FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

ANALYSIS OF GROUP LOAN EXPIRY PROFILE

LOW RISK EXPIRY PROFILE

- 88% of debt expiries relating to FY23 of R1.0bn have already been repaid, refinanced or renegotiated;
- R767m of unsecured corporate bonds were issued through a 4.6x oversubscribed auction (R2.2bn of bids from 16 investors);
- Sufficient cash and undrawn committed facilities (R4.5bn) exceed all debt expiring (R1.6bn) over the next 12 months (2.8 times); and
- Castellana debt maturity profile at 4.3 years, with a hedge profile of 2.4 years.

	2023	2024	2025	2026	2027	2028 & beyond
🟧 Vukile bank debt expiry profile Rm	398	455	1 291	1 822	950	
▨ Vukile corporate bond expiry profile Rm	119	550	723	232		535
🟦 Castellana bank debt expiry profile Rm	23	76	78	5 257	78	3 339
Total	540	1 081	2 092	7 311	1 028	3 874

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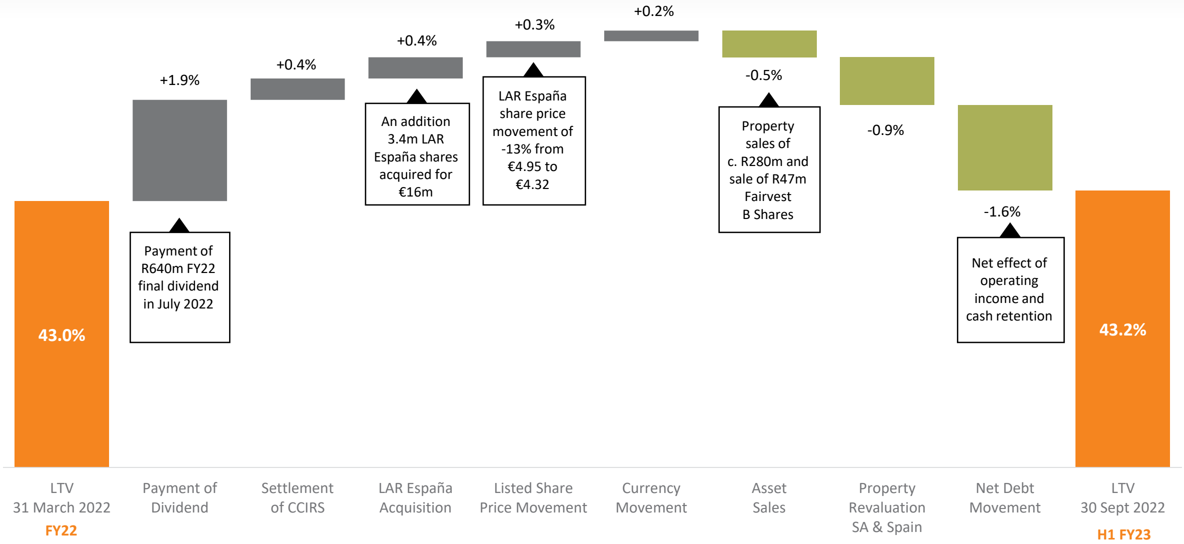
NOTES:

GROUP LOAN-TO-VALUE BRIDGE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

LTV HELD CONSTANT WITH A KEY DRIVER BEING LAR ESPAÑA SHARE PRICE MOVEMENT



Payment of R640m FY22 final dividend in July 2022

An addition 3.4m LAR España shares acquired for €16m

LAR España share price movement of -13% from €4.95 to €4.32

Property sales of c. R280m and sale of R47m Fairvest B Shares

Net effect of operating income and cash retention

NOTES:

GROUP NAV AND LOAN-TO-VALUE SENSITIVITY TO LAR ESPAÑA SHARE PRICE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

AT 30 SEPTEMBER 2022

	Impact on Vukile	
LAR España share price	NAV per share	LTV
3.00	-0.52	43.9%
3.50	-0.32	43.6%
4.00	-1.13	43.4%
4.32	0.00	43.2%
4.50	0.07	43.1%
5.00	0.26	42.9%
5.50	0.46	42.7%
6.00	0.65	42.4%
7.00	1.04	42.0%
8.00	1.43	41.6%
9.00	1.82	41.1%
10.00	2.21	40.7%
11.00	2.60	40.3%

SENSITIVITIES

FY22 (31 MARCH 2022 SHARE PRICE)

LAR ESPAÑA SHARE PRICE STRENGTHENING TO €4.95

= 24 cents INCREASE IN NAV PER SHARE + -0.3% DECREASE IN THE GROUP LTV

VUKILE INITIAL COST PRICE

LAR ESPAÑA SHARE PRICE STRENGTHENING TO €5.35

= 40 cents INCREASE IN NAV PER SHARE + -0.5% DECREASE IN THE GROUP LTV

LAR ESPAÑA EPRA NTA

LAR ESPAÑA SHARE PRICE STRENGTHENING TO €10.72

= 249 cents INCREASE IN NAV PER SHARE + -2.8% DECREASE IN THE GROUP LTV

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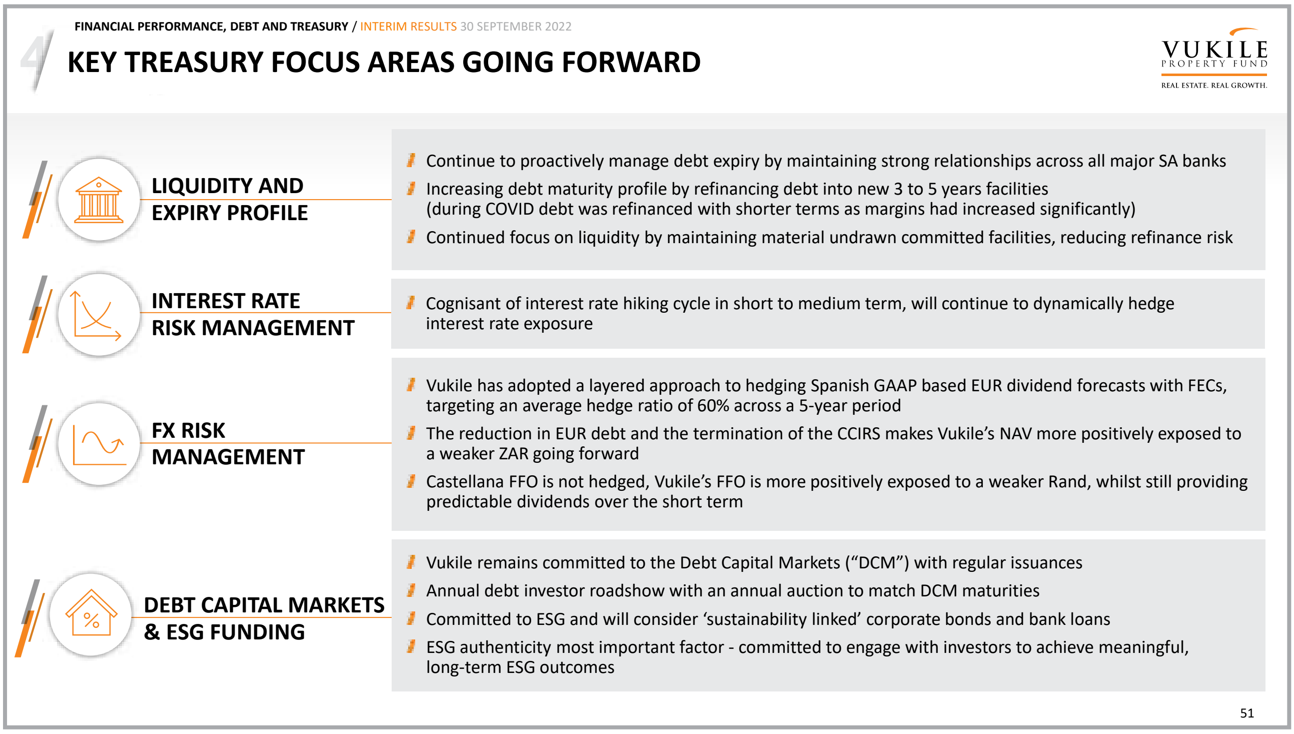

FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

KEY TREASURY FOCUS AREAS GOING FORWARD

VUKILE
PROPERTY FUND
REAL ESTATE. REAL GROWTH.

LIQUIDITY AND EXPIRY PROFILE

- Continue to proactively manage debt expiry by maintaining strong relationships across all major SA banks
- Increasing debt maturity profile by refinancing debt into new 3 to 5 years facilities (during COVID debt was refinanced with shorter terms as margins had increased significantly)
- Continued focus on liquidity by maintaining material undrawn committed facilities, reducing refinance risk

INTEREST RATE RISK MANAGEMENT

- Cognisant of interest rate hiking cycle in short to medium term, will continue to dynamically hedge interest rate exposure

FX RISK MANAGEMENT

- Vukile has adopted a layered approach to hedging Spanish GAAP based EUR dividend forecasts with FECs, targeting an average hedge ratio of 60% across a 5-year period
- The reduction in EUR debt and the termination of the CCIRS makes Vukile's NAV more positively exposed to a weaker ZAR going forward
- Castellana FFO is not hedged, Vukile's FFO is more positively exposed to a weaker Rand, whilst still providing predictable dividends over the short term

DEBT CAPITAL MARKETS & ESG FUNDING

- Vukile remains committed to the Debt Capital Markets ("DCM") with regular issuances
- Annual debt investor roadshow with an annual auction to match DCM maturities
- Committed to ESG and will consider 'sustainability linked' corporate bonds and bank loans
- ESG authenticity most important factor - committed to engage with investors to achieve meaningful, long-term ESG outcomes

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NOTES:

5

TRANSACTION UPDATE AND STRATEGY

Laurence Rapp

VUKILE
PROPERTY FUND
REAL ESTATE. REAL GROWTH.

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NOTES:

TRANSACTION UPDATE AND STRATEGY / INTERIM RESULTS 30 SEPTEMBER 2022

STRATEGY

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

A CLEAR AND CONSISTENT RETAIL-FOCUSED STRATEGY

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

Group Balance Sheet

South African portfolio

CASTELLANA PROPERTIES

3rd Party Asset Management

Operational excellence

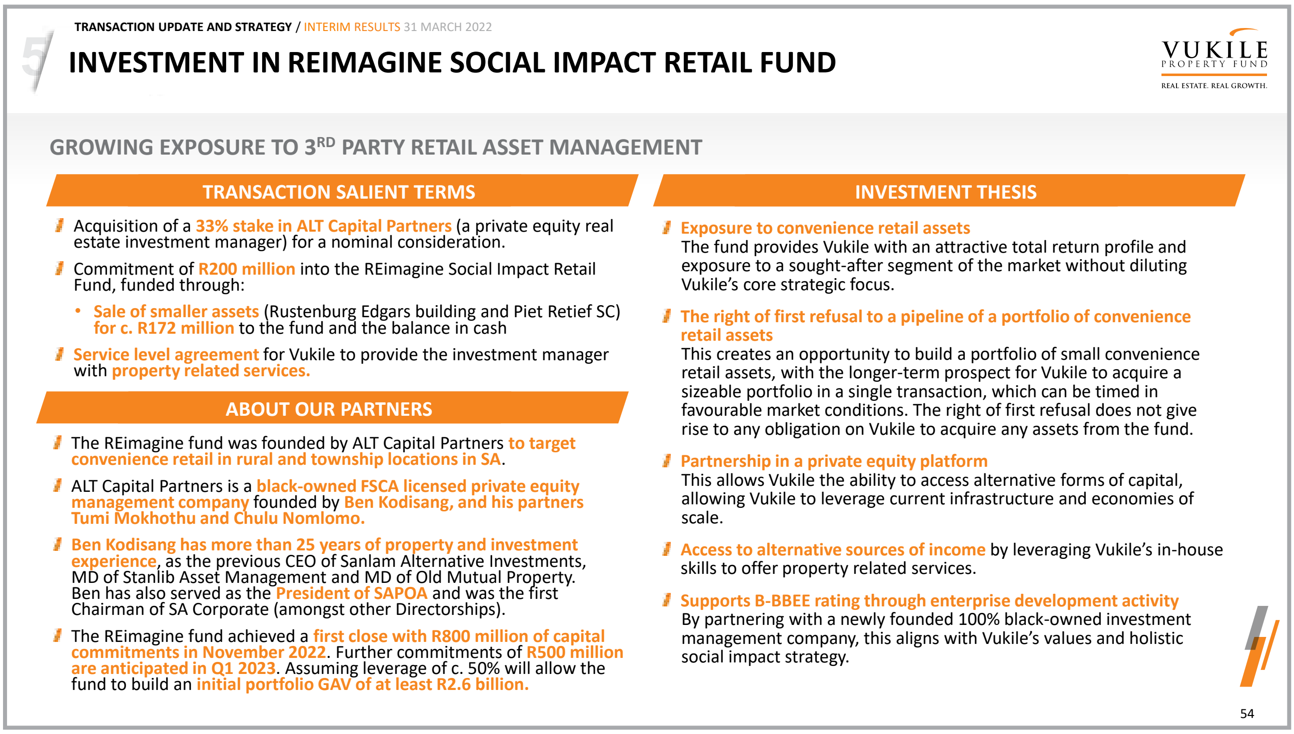
- Pan Africa Mall
- BT Ngebs City

- LAR España

- South Africa
  - Reimagine
- Namibia
- Spain (under evaluation)

53

NOTES:



TRANSACTION UPDATE AND STRATEGY / INTERIM RESULTS 31 MARCH 2022

INVESTMENT IN REIMAGINE SOCIAL IMPACT RETAIL FUND

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

GROWING EXPOSURE TO 3RD PARTY RETAIL ASSET MANAGEMENT

TRANSACTION SALIENT TERMS

- Acquisition of a **33% stake in ALT Capital Partners** (a private equity real estate investment manager) for a nominal consideration.
- Commitment of **R200 million** into the REimagine Social Impact Retail Fund, funded through:
  - **Sale of smaller assets** (Rustenburg Edgars building and Piet Retief SC) **for c. R172 million** to the fund and the balance in cash
- **Service level agreement** for Vukile to provide the investment manager with **property related services.**

ABOUT OUR PARTNERS

- The REimagine fund was founded by ALT Capital Partners **to target convenience retail in rural and township locations in SA**.
- ALT Capital Partners is a **black-owned FSCA licensed private equity management company** founded by **Ben Kodisang, and his partners Tumi Mokhothu and Chulu Nomlomo.**
- **Ben Kodisang has more than 25 years of property and investment experience**, as the previous CEO of Sanlam Alternative Investments, MD of Stanlib Asset Management and MD of Old Mutual Property. Ben has also served as the **President of SAPOA** and was the first Chairman of SA Corporate (amongst other Directorships).
- The REimagine fund achieved a **first close with R800 million of capital commitments in November 2022**. Further commitments of **R500 million are anticipated in Q1 2023**. Assuming leverage of c. 50% will allow the fund to build an **initial portfolio GAV of at least R2.6 billion.**

INVESTMENT THESIS

- **Exposure to convenience retail assets**
  The fund provides Vukile with an attractive total return profile and exposure to a sought-after segment of the market without diluting Vukile's core strategic focus.
- **The right of first refusal to a pipeline of a portfolio of convenience retail assets**
  This creates an opportunity to build a portfolio of small convenience retail assets, with the longer-term prospect for Vukile to acquire a sizeable portfolio in a single transaction, which can be timed in favourable market conditions. The right of first refusal does not give rise to any obligation on Vukile to acquire any assets from the fund.
- **Partnership in a private equity platform**
  This allows Vukile the ability to access alternative forms of capital, allowing Vukile to leverage current infrastructure and economies of scale.
- **Access to alternative sources of income** by leveraging Vukile's in-house skills to offer property related services.
- **Supports B-BBEE rating through enterprise development activity**
  By partnering with a newly founded 100% black-owned investment management company, this aligns with Vukile's values and holistic social impact strategy.

54

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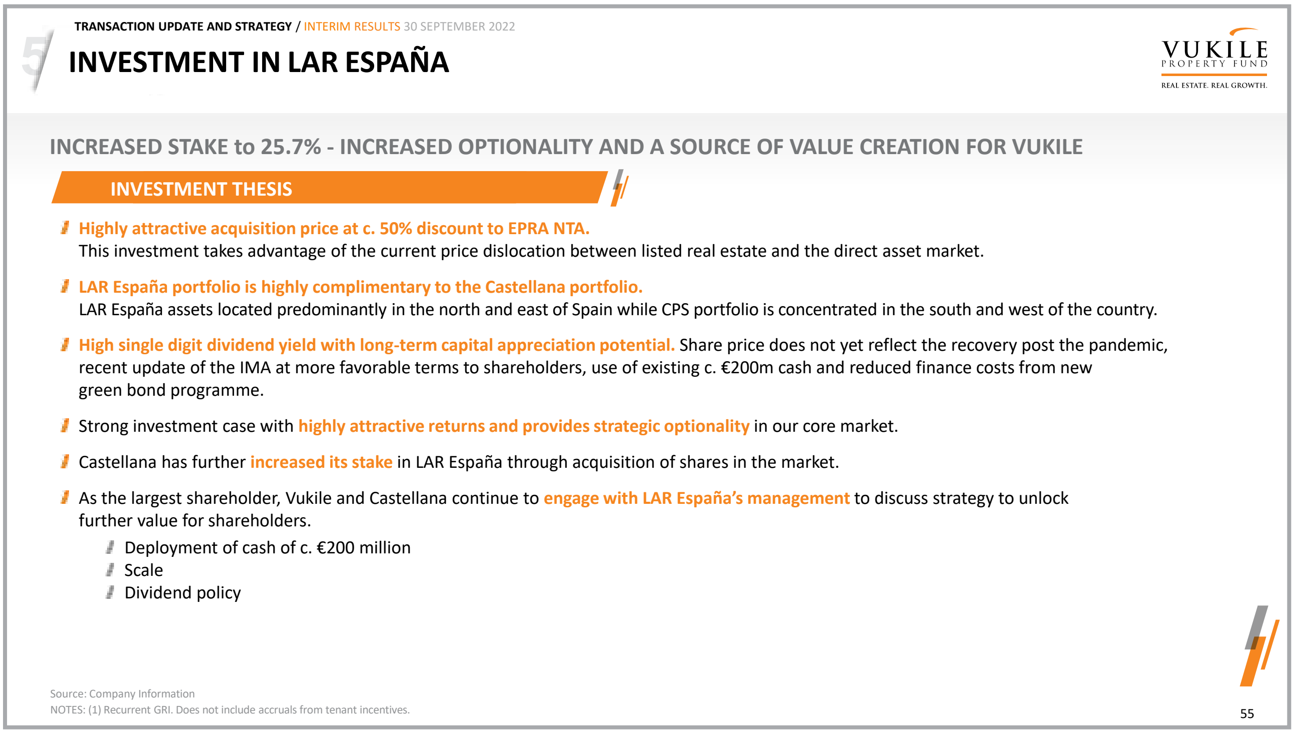

TRANSACTION UPDATE AND STRATEGY / INTERIM RESULTS 30 SEPTEMBER 2022

INVESTMENT IN LAR ESPAÑA

INCREASED STAKE to 25.7% - INCREASED OPTIONALITY AND A SOURCE OF VALUE CREATION FOR VUKILE

INVESTMENT THESIS

- **Highly attractive acquisition price at c. 50% discount to EPRA NTA.**
  This investment takes advantage of the current price dislocation between listed real estate and the direct asset market.
- **LAR España portfolio is highly complimentary to the Castellana portfolio.**
  LAR España assets located predominantly in the north and east of Spain while CPS portfolio is concentrated in the south and west of the country.
- **High single digit dividend yield with long-term capital appreciation potential.** Share price does not yet reflect the recovery post the pandemic, recent update of the IMA at more favorable terms to shareholders, use of existing c. €200m cash and reduced finance costs from new green bond programme.
- Strong investment case with **highly attractive returns and provides strategic optionality** in our core market.
- Castellana has further **increased its stake** in LAR España through acquisition of shares in the market.
- As the largest shareholder, Vukile and Castellana continue to **engage with LAR España's management** to discuss strategy to unlock further value for shareholders.
  - Deployment of cash of c. €200 million
  - Scale
  - Dividend policy

Source: Company Information

NOTES: (1) Recurrent GRI. Does not include accruals from tenant incentives.

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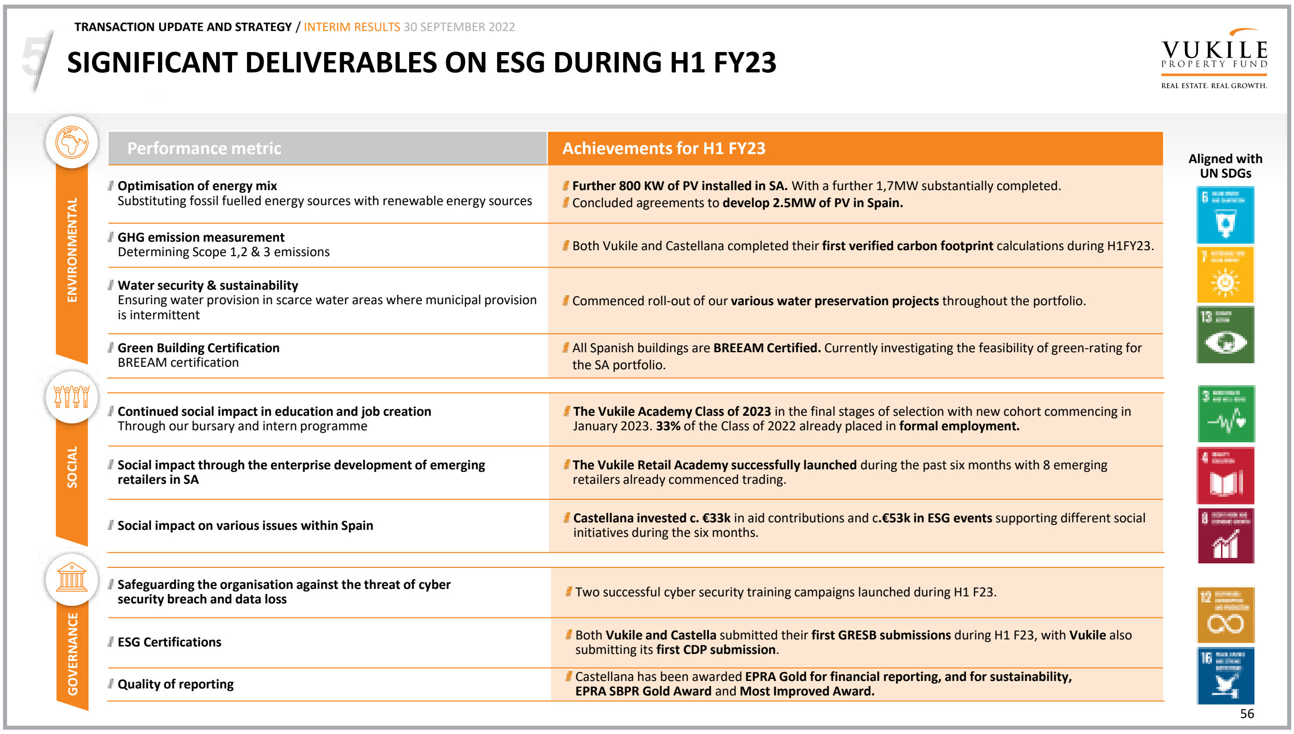

TRANSACTION UPDATE AND STRATEGY / INTERIM RESULTS 30 SEPTEMBER 2022

SIGNIFICANT DELIVERABLES ON ESG DURING H1 FY23

	Performance metric	Achievements for H1 FY23
ENVIRONMENTAL	**Optimisation of energy mix** Substituting fossil fuelled energy sources with renewable energy sources	**Further 800 KW of PV installed in SA.** With a further 1,7MW substantially completed. Concluded agreements to **develop 2.5MW of PV in Spain.**
	GHG emission measurement Determining Scope 1,2 & 3 emissions	Both Vukile and Castellana completed their **first verified carbon footprint** calculations during H1FY23.
	Water security & sustainability Ensuring water provision in scarce water areas where municipal provision is intermittent	Commenced roll-out of our **various water preservation projects** throughout the portfolio.
	Green Building Certification BREEAM certification	All Spanish buildings are **BREEAM Certified.** Currently investigating the feasibility of green-rating for the SA portfolio.
SOCIAL	**Continued social impact in education and job creation** Through our bursary and intern programme	**The Vukile Academy Class of 2023** in the final stages of selection with new cohort commencing in January 2023. **33%** of the Class of 2022 already placed in **formal employment.**
	Social impact through the enterprise development of emerging retailers in SA	**The Vukile Retail Academy successfully launched** during the past six months with 8 emerging retailers already commenced trading.
	Social impact on various issues within Spain	**Castellana invested c. €33k** in aid contributions and c.**€53k in ESG events** supporting different social initiatives during the six months.
GOVERNANCE	**Safeguarding the organisation against the threat of cyber security breach and data loss**	Two successful cyber security training campaigns launched during H1 F23.
	ESG Certifications	Both **Vukile and Castella** submitted their **first GRESB submissions** during H1 F23, with **Vukile** also submitting its **first CDP submission**.
	Quality of reporting	Castellana has been awarded **EPRA Gold for financial reporting, and for sustainability, EPRA SBPR Gold Award** and **Most Improved Award.**

Aligned with UN SDGs

NOTES:

TRANSACTION UPDATE AND STRATEGY / INTERIM RESULTS 30 SEPTEMBER 2022

5

STRATEGIC FOCUS AREAS

CUSTOMERS DRIVE VALUE

VUKILE
PROPERTY FUND
REAL ESTATE. REAL GROWTH.

OUR PEOPLE

- Continued drive to embed a **singular culture** within Vukile and Castellana
- Ensuring the group remains an **employer of choice**
- **People leadership** and management will be a key differentiating factor; focus on new ideas and **innovation**

OUR CUSTOMERS

- Integrate data analytics from multiple tested **customer insight solutions** into a single powerful asset management tool
- Will include current portfolio metrics, psychographic information, geolocation trends and **customer data** from in-mall wi-fi
- Enable the business to respond in real time to **consumer behaviour changes**
- Has become an embedded **core competence** and source of long term advantage; open up new revenue and value streams

OUR TENANTS

- Already providing our tenants with **nodally dominant shopping centres** with very strong trading conditions
- Believe strongly in a co-operative and non-conflictual relationship with tenants; foster a **partnership relationship**
- Look to further develop the **excellent relations with our tenants**
- Opportunities to **add value to our tenants** to make them and our centres more successful using our unique geolocation data

BALANCE SHEET STRENGTH

- Continued focus on maintaining a **strong and liquid balance sheet**
- Maintain **strong relationships** with our multiple banking and funding partners with specific focus on Spain
- Deployment of **retained cash** to drive long term strategic **sustainability**

OPERATIONAL EXCELLENCE

- Continued focus on **retaining tenants and filling vacant space** through our in-house letting teams
- Tight focus on cost control whilst ensuring we meet the **highest standards of safety and hygiene** in our assets
- Successful implementation of **iCast innovation projects and embedding a culture of innovation**

ESG

- Implementation of **ESG roadmap**
- **Ongoing investment into PV plants** in SA and beginning the journey in Spain
- Focus on transformation and **further CSI initiatives**

GROWTH

- **Focus on closing** the two acquisitions and integrating assets into the portfolio
- **Unlock value** in the LAR España investment
- Remain focused on core **retail expertise**

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PROSPECTS AND GUIDANCE

Laurence Rapp

VUKILE
PROPERTY FUND
REAL ESTATE. REAL GROWTH.

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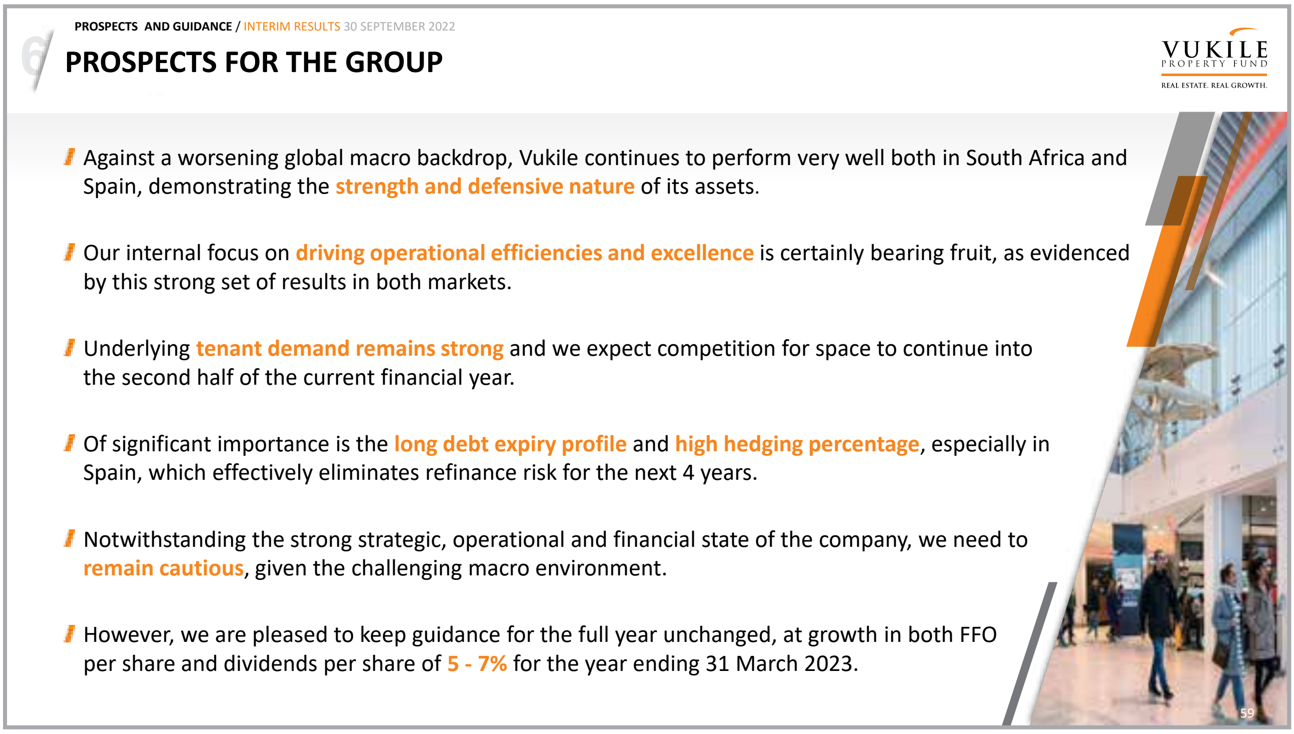

PROSPECTS AND GUIDANCE / INTERIM RESULTS 30 SEPTEMBER 2022

PROSPECTS FOR THE GROUP

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

- Against a worsening global macro backdrop, Vukile continues to perform very well both in South Africa and Spain, demonstrating the **strength and defensive nature** of its assets.
- Our internal focus on **driving operational efficiencies and excellence** is certainly bearing fruit, as evidenced by this strong set of results in both markets.
- Underlying **tenant demand remains strong** and we expect competition for space to continue into the second half of the current financial year.
- Of significant importance is the **long debt expiry profile** and **high hedging percentage**, especially in Spain, which effectively eliminates refinance risk for the next 4 years.
- Notwithstanding the strong strategic, operational and financial state of the company, we need to **remain cautious**, given the challenging macro environment.
- However, we are pleased to keep guidance for the full year unchanged, at growth in both FFO per share and dividends per share of **5 - 7%** for the year ending 31 March 2023.

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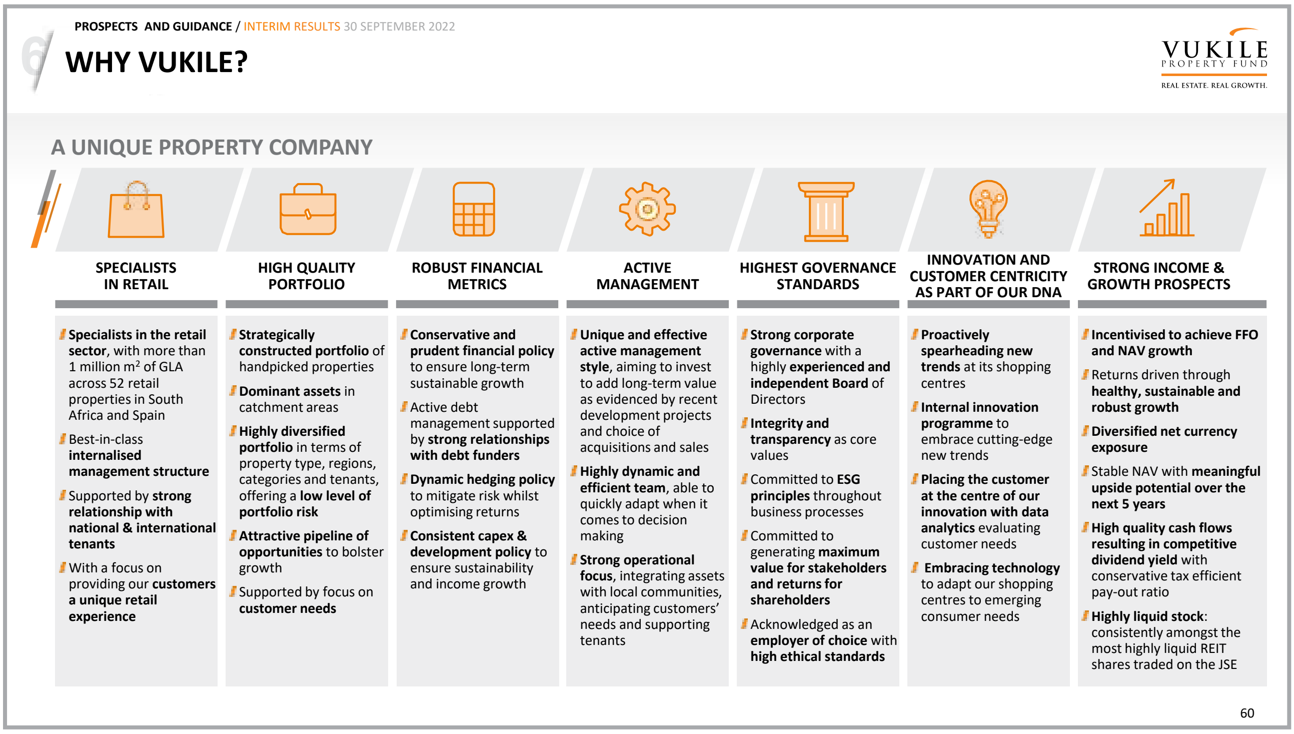

PROSPECTS AND GUIDANCE / INTERIM RESULTS 30 SEPTEMBER 2022

WHY VUKILE?

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

A UNIQUE PROPERTY COMPANY

SPECIALISTS IN RETAIL	HIGH QUALITY PORTFOLIO	ROBUST FINANCIAL METRICS	ACTIVE MANAGEMENT	HIGHEST GOVERNANCE STANDARDS	INNOVATION AND CUSTOMER CENTRICITY AS PART OF OUR DNA	STRONG INCOME & GROWTH PROSPECTS
Specialists in the retail sector, with more than 1 million m^2 of GLA across 52 retail properties in South Africa and Spain Best-in-class **internalised management structure** Supported by **strong relationship with national & international tenants** With a focus on providing our **customers a unique retail experience**	**Strategically constructed portfolio** of handpicked properties **Dominant assets** in catchment areas **Highly diversified portfolio** in terms of property type, regions, categories and tenants, offering a **low level of portfolio risk** **Attractive pipeline of opportunities** to bolster growth Supported by focus on **customer needs**	**Conservative and prudent financial policy** to ensure long-term sustainable growth Active debt management supported by **strong relationships with debt funders** **Dynamic hedging policy** to mitigate risk whilst optimising returns **Consistent capex & development policy** to ensure sustainability and income growth	**Unique and effective active management style**, aiming to invest to add long-term value as evidenced by recent development projects and choice of acquisitions and sales **Highly dynamic and efficient team**, able to quickly adapt when it comes to decision making **Strong operational focus**, integrating assets with local communities, anticipating customers' needs and supporting tenants	**Strong corporate governance** with a highly **experienced and independent Board** of Directors **Integrity and transparency** as core values Committed to **ESG principles** throughout business processes Committed to generating **maximum value for stakeholders and returns for shareholders** Acknowledged as an **employer of choice** with **high ethical standards**	**Proactively spearheading new trends** at its shopping centres **Internal innovation programme** to embrace cutting-edge new trends **Placing the customer at the centre of our innovation with data analytics** evaluating customer needs **Embracing technology** to adapt our shopping centres to emerging consumer needs	**Incentivised to achieve FFO and NAV growth** Returns driven through **healthy, sustainable and robust growth** **Diversified net currency exposure** Stable NAV with **meaningful upside potential over the next 5 years** **High quality cash flows resulting in competitive dividend yield** with conservative tax efficient pay-out ratio **Highly liquid stock**: consistently amongst the most highly liquid REIT shares traded on the JSE

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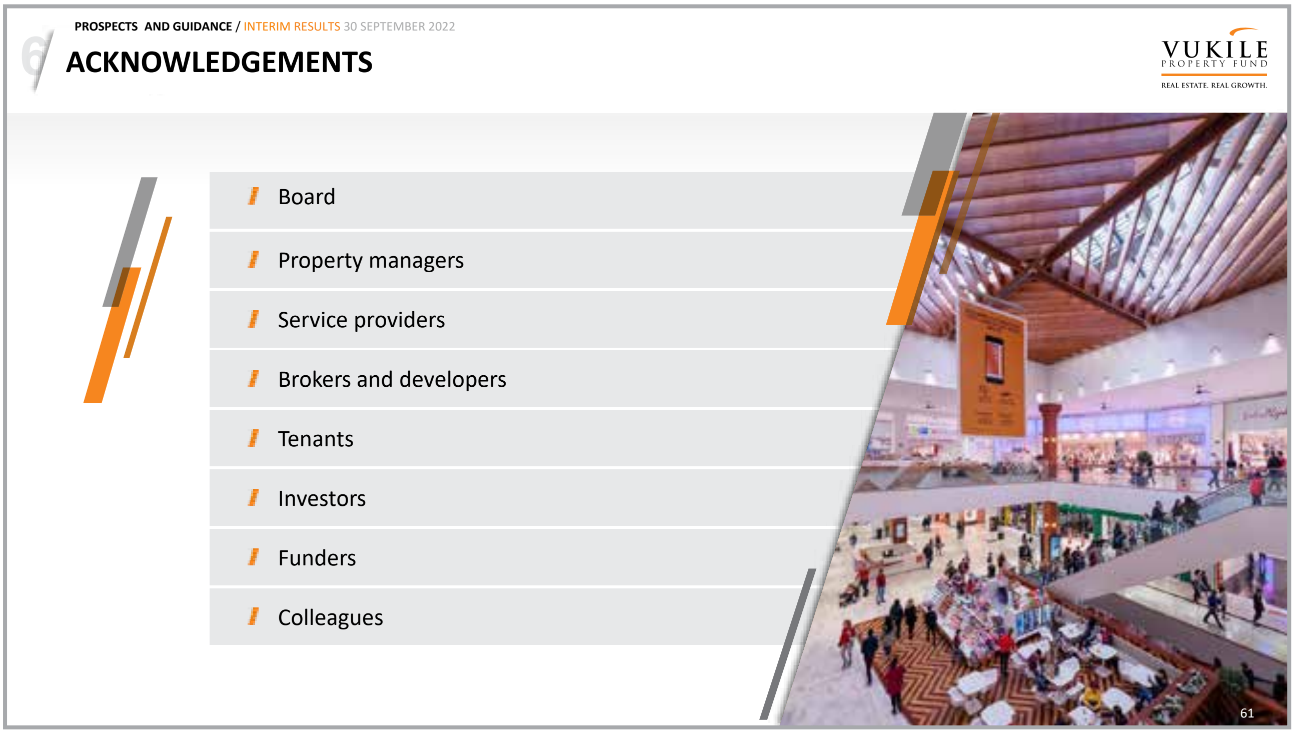

PROSPECTS AND GUIDANCE / INTERIM RESULTS 30 SEPTEMBER 2022

ACKNOWLEDGEMENTS

- Board
- Property managers
- Service providers
- Brokers and developers
- Tenants
- Investors
- Funders
- Colleagues

NOTES:

QUESTIONS AND ANSWERS

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Appendix 1A

RETAIL PORTFOLIO

South African Portfolio

VUKILE PROPERTY FUND

REAL ESTATE. REAL GROWTH.

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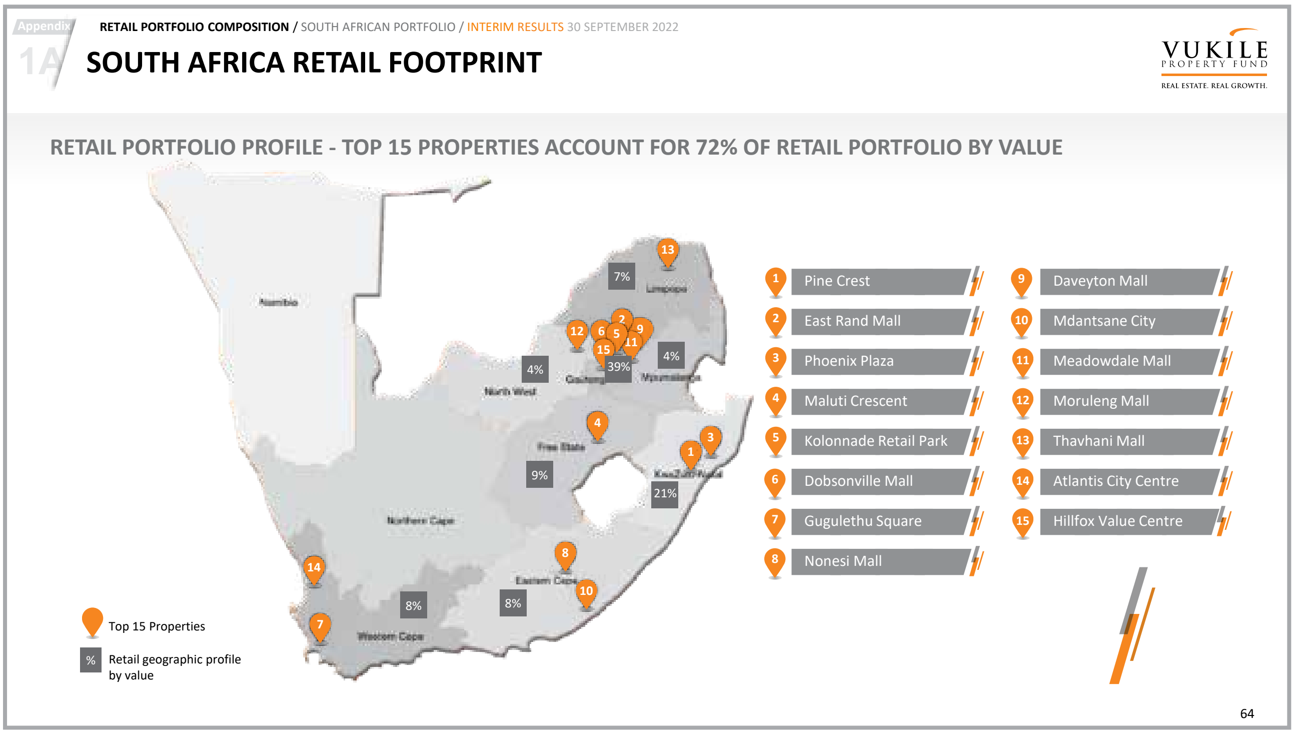

SOUTH AFRICA RETAIL FOOTPRINT

VUKILE PROPERTY FUND

REAL ESTATE. REAL GROWTH.

RETAIL PORTFOLIO PROFILE - TOP 15 PROPERTIES ACCOUNT FOR 72% OF RETAIL PORTFOLIO BY VALUE

1. Pine Crest
2. East Rand Mall
3. Phoenix Plaza
4. Maluti Crescent
5. Kolonnade Retail Park
6. Dobsonville Mall
7. Gugulethu Square
8. Nonesi Mall
9. Daveyton Mall
10. Mdantsane City
11. Meadowdale Mall
12. Moruleng Mall
13. Thavhani Mall
14. Atlantis City Centre
15. Hillfox Value Centre

Top 15 Properties

% Retail geographic profile by value

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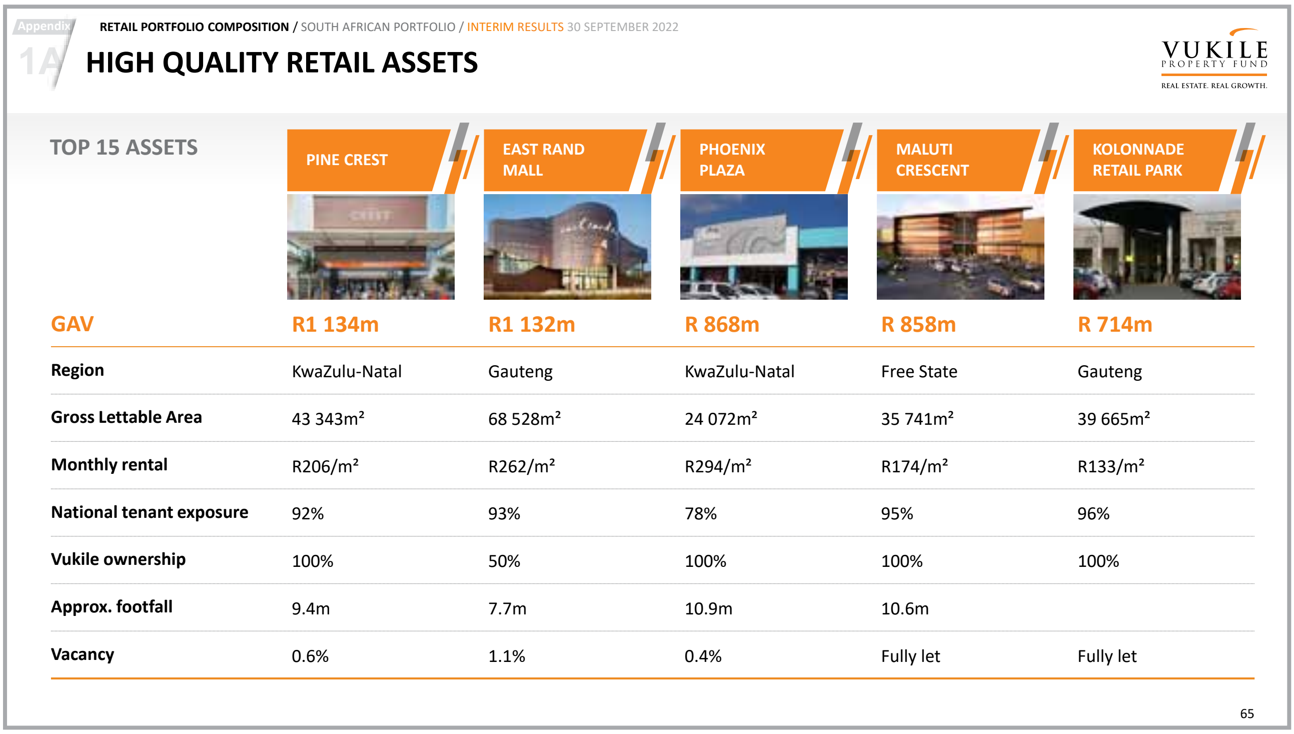

Appendix 1A

RETAIL PORTFOLIO COMPOSITION / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

HIGH QUALITY RETAIL ASSETS

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

TOP 15 ASSETS

	PINE CREST	EAST RAND MALL	PHOENIX PLAZA	MALUTI CRESCENT	KOLONNADE RETAIL PARK
GAV	**R1 134m**	**R1 132m**	**R 868m**	**R 858m**	**R 714m**
Region	KwaZulu-Natal	Gauteng	KwaZulu-Natal	Free State	Gauteng
Gross Lettable Area	43 343m^2	68 528m^2	24 072m^2	35 741m^2	39 665m^2
Monthly rental	R206/m^2	R262/m^2	R294/m^2	R174/m^2	R133/m^2
National tenant exposure	92%	93%	78%	95%	96%
Vukile ownership	100%	50%	100%	100%	100%
Approx. footfall	9.4m	7.7m	10.9m	10.6m	
Vacancy	0.6%	1.1%	0.4%	Fully let	Fully let

65

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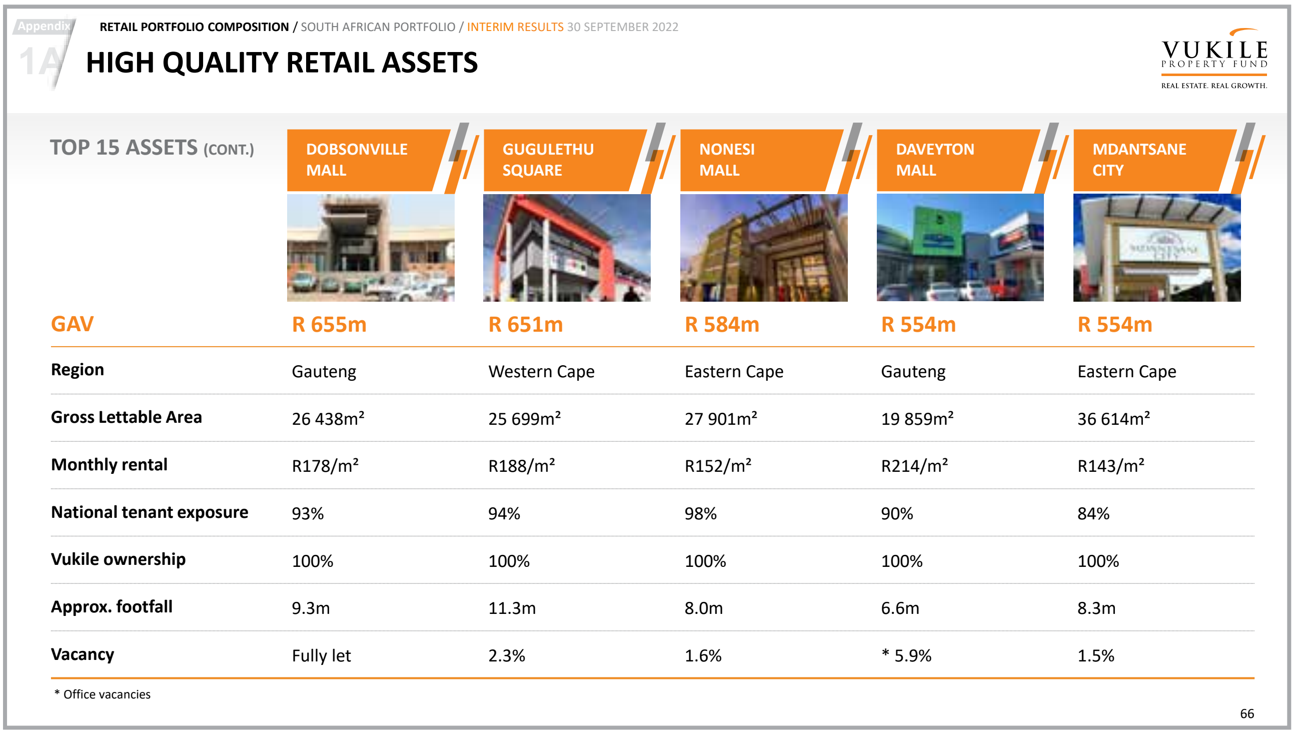


Appendix 1A

RETAIL PORTFOLIO COMPOSITION / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

HIGH QUALITY RETAIL ASSETS

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

TOP 15 ASSETS (CONT.)

	DOBSONVILLE MALL	GUGULETHU SQUARE	NONESI MALL	DAVEYTON MALL	MDANTSANE CITY
GAV	**R 655m**	**R 651m**	**R 584m**	**R 554m**	**R 554m**
Region	Gauteng	Western Cape	Eastern Cape	Gauteng	Eastern Cape
Gross Lettable Area	26 438m^2	25 699m^2	27 901m^2	19 859m^2	36 614m^2
Monthly rental	R178/m^2	R188/m^2	R152/m^2	R214/m^2	R143/m^2
National tenant exposure	93%	94%	98%	90%	84%
Vukile ownership	100%	100%	100%	100%	100%
Approx. footfall	9.3m	11.3m	8.0m	6.6m	8.3m
Vacancy	Fully let	2.3%	1.6%	* 5.9%	1.5%

* Office vacancies

66

NOTES:

HIGH QUALITY RETAIL ASSETS

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

TOP 15 ASSETS (CONT.)

	MEADOWDALE MALL	MORULENG MALL	THAVHANI MALL	ATLANTIS SHOPPING CENTRE	HILLFOX VALUE CENTRE
					
GAV	**R 534m**	**R 489m**	**R 481m**	**R 474m**	**R 426m**
Region	Gauteng	North West	Limpopo	Western Cape	Gauteng
Gross Lettable Area	49 487m²	31 558m²	53 345m²	21 983m²	37 562m²
Monthly rental	R101/m²	R139/m²	R197/m²	R177/m²	R93/m²
National tenant exposure	88%	81%	94%	82%	72%
Vukile ownership	67%	80%	33.33%	100%	100%
Approx. footfall		4.2m	9.1m	9.4m	
Vacancy	Fully let	Fully let	Fully let	3.6%	0.9%

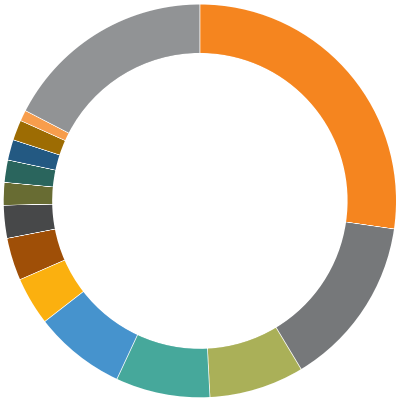
NOTES:

RETAIL CATEGORY EXPOSURE

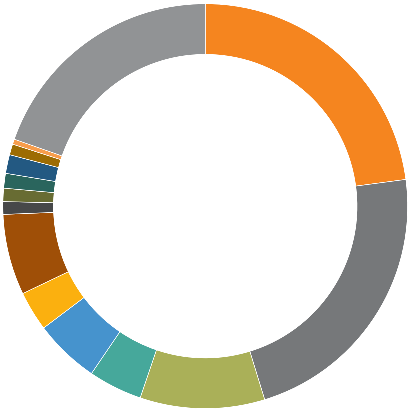
VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

WELL DIVERSIFIED MIX OF TENANT CATEGORIES

CATEGORY PROFILE BY RENT



CATEGORY PROFILE BY GLA



27%	Fashion	23%
14%	Grocery/ Supermarket	22%
8%	Home Furnishings/ Décor	10%
8%	Banking	4%
7%	Food	5%
4%	Sporting/ Outdoor Goods & Wear	3%
3%	Department Stores	6%
3%	Cell Phones	1%
2%	Health & Beauty	1%
2%	Restaurants & Coffee Shops	1%
2%	Bottle Stores	1%
2%	Electronics	2%
1%	Accessories	1%
17%	Other	20%

NOTES:

Appendix 1A

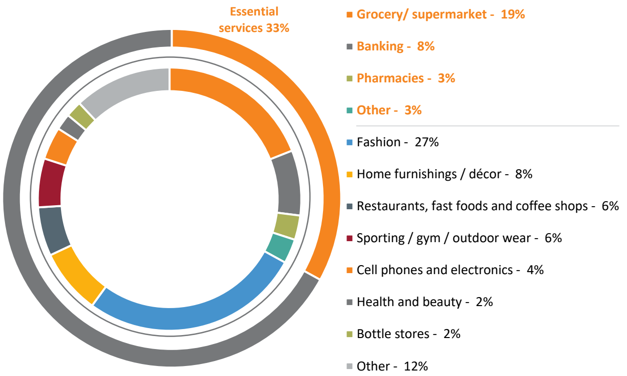
RETAIL PORTFOLIO COMPOSITION / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL TENANT EXPOSURE

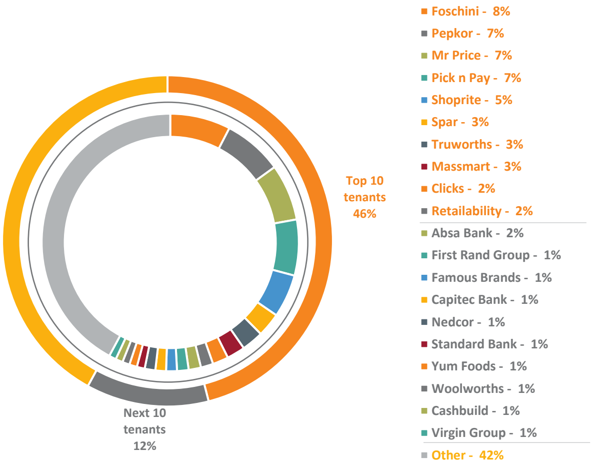
VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

HIGH QUALITY CASHFLOWS FROM A WELL DIVERSIFIED BLUE-CHIP TENANT MIX

33% OF RENT FROM ESSENTIAL SERVICES



58% OF RENT FROM TOP 20 TENANTS



Base rent excluding recoveries

69

NOTES:

Appendix 1A

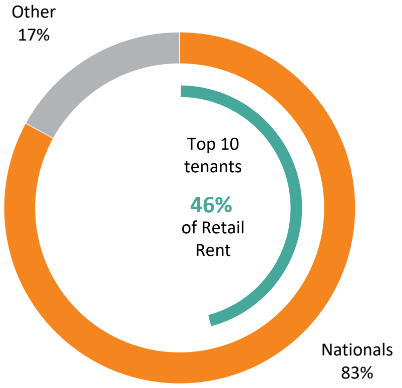
RETAIL PORTFOLIO COMPOSITION / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL TENANT EXPOSURE

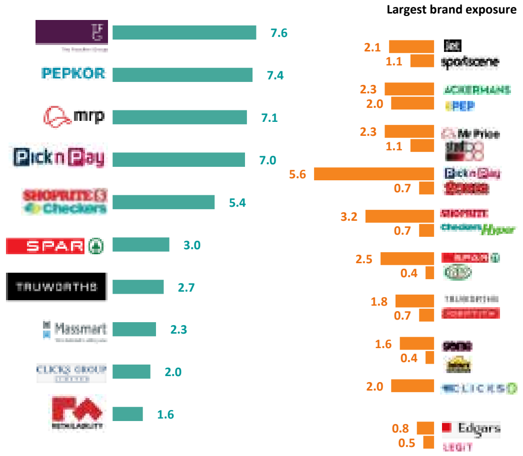
VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

DIRECT SOUTH AFRICAN RETAIL PORTFOLIO

TENANT PROFILE - BY CONTRACTUAL RENT



TOP 10 TENANTS - BY CONTRACTUAL RENT



Base rent excluding recoveries

70

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Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS

South African Portfolio

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

71

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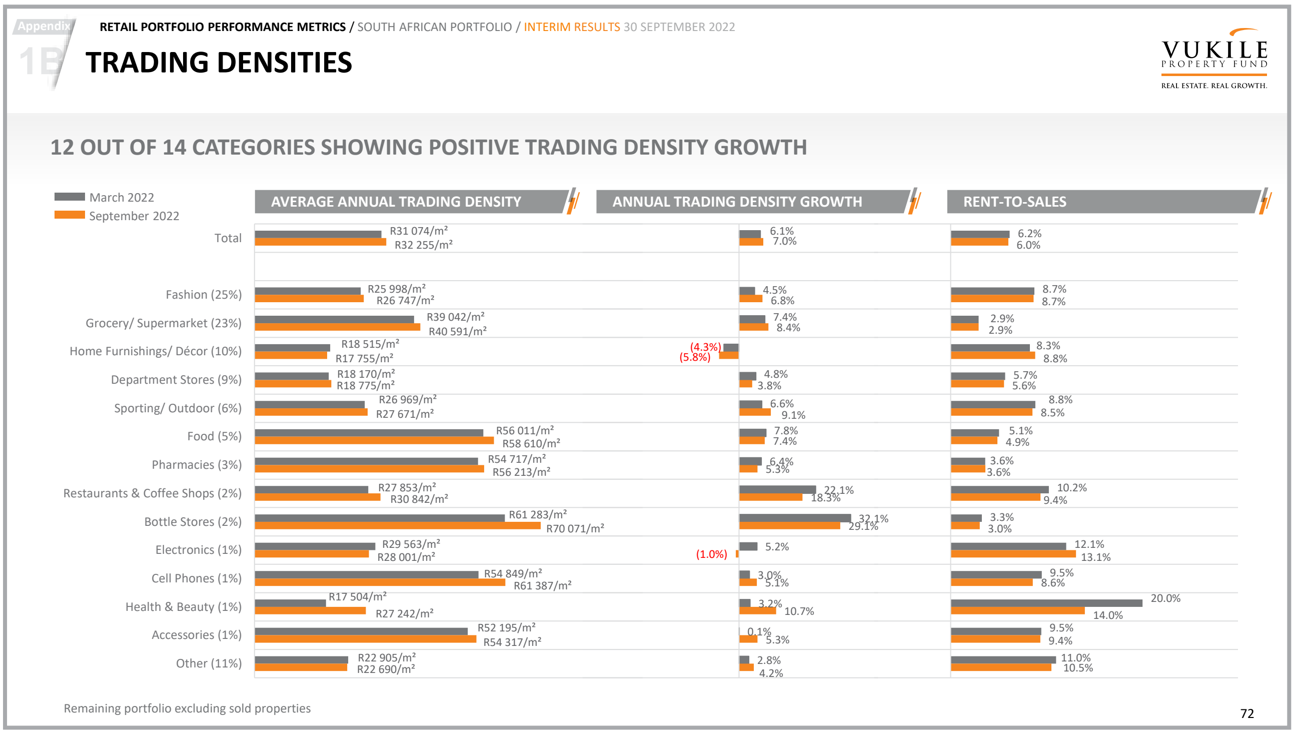


Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

TRADING DENSITIES

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

12 OUT OF 14 CATEGORIES SHOWING POSITIVE TRADING DENSITY GROWTH

	AVERAGE ANNUAL TRADING DENSITY		ANNUAL TRADING DENSITY GROWTH		RENT-TO-SALES	
	March 2022	September 2022	March 2022	September 2022	March 2022	September 2022
Total	R31 074/m²	R32 255/m²	6.1%	7.0%	6.2%	6.0%
Fashion (25%)	R25 998/m²	R26 747/m²	4.5%	6.8%	8.7%	8.7%
Grocery/ Supermarket (23%)	R39 042/m²	R40 591/m²	7.4%	8.4%	2.9%	2.9%
Home Furnishings/ Décor (10%)	R18 515/m²	R17 755/m²	(4.3%)	(5.8%)	8.3%	8.8%
Department Stores (9%)	R18 170/m²	R18 775/m²	4.8%	3.8%	5.7%	5.6%
Sporting/ Outdoor (6%)	R26 969/m²	R27 671/m²	6.6%	9.1%	8.8%	8.5%
Food (5%)	R56 011/m²	R58 610/m²	7.8%	7.4%	5.1%	4.9%
Pharmacies (3%)	R54 717/m²	R56 213/m²	6.4%	5.3%	3.6%	3.6%
Restaurants & Coffee Shops (2%)	R27 853/m²	R30 842/m²	22.1%	18.3%	10.2%	9.4%
Bottle Stores (2%)	R61 283/m²	R70 071/m²	32.1%	29.1%	3.3%	3.0%
Electronics (1%)	R29 563/m²	R28 001/m²	5.2%	(1.0%)	12.1%	13.1%
Cell Phones (1%)	R54 849/m²	R61 387/m²	3.0%	5.1%	9.5%	8.6%
Health & Beauty (1%)	R17 504/m²	R27 242/m²	3.2%	10.7%	20.0%	14.0%
Accessories (1%)	R52 195/m²	R54 317/m²	0.1%	5.3%	9.5%	9.4%
Other (11%)	R22 905/m²	R22 690/m²	2.8%	4.2%	11.0%	10.5%

Remaining portfolio excluding sold properties

72

NOTES:

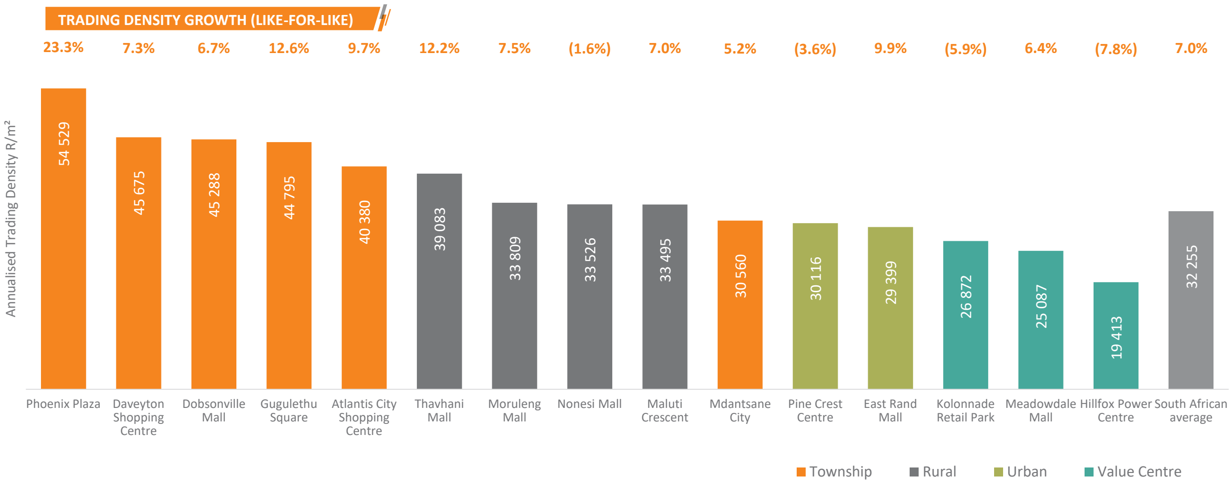
Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL PORTFOLIO TRADING STATISTICS FOR TOP 15 PROPERTIES

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

CONTINUING TO PROVIDE VERY PROFITABLE CENTRES FOR OUR TENANTS



Note: Annualised trading density calculated using monthly trading density over 12 months. Trading density (like-for-like) growth calculated on stable tenants.

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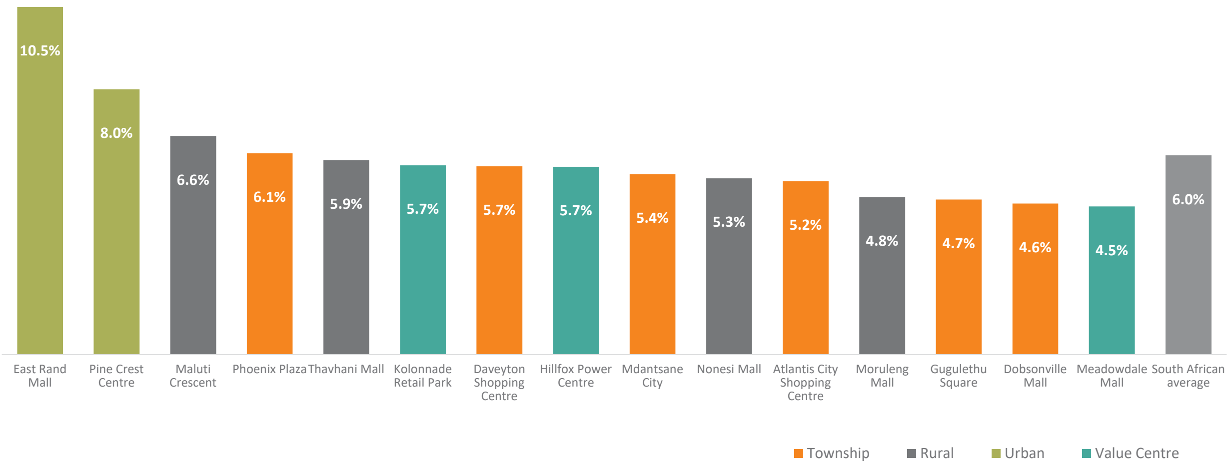
Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RENT-TO-SALES RATIO BY TOP 15 PROPERTIES

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

CONTINUING TO PROVIDE VERY PROFITABLE CENTRES FOR OUR TENANTS



NOTES:

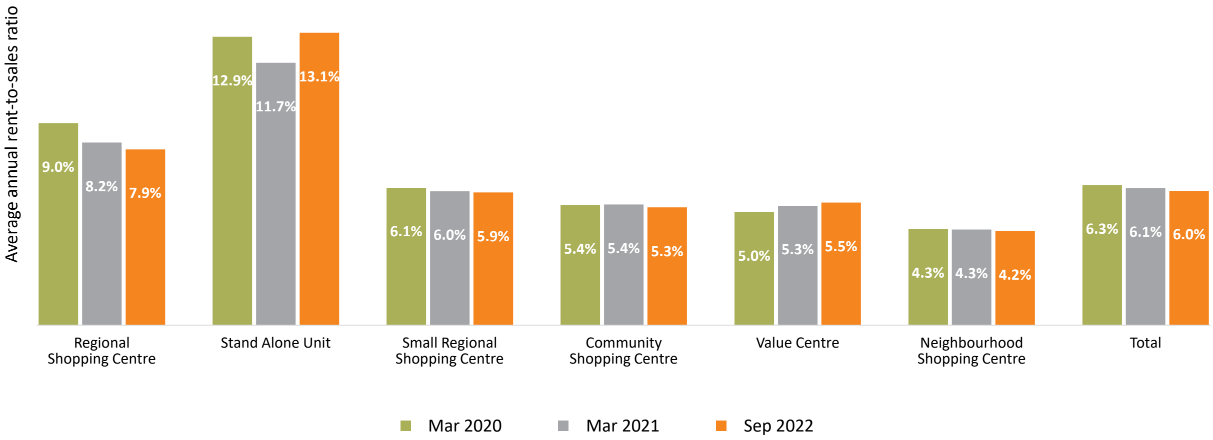
Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

TENANT AFFORDABILITY

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

RENT-TO-SALES HOLDING STEADY ACROSS THE PORTFOLIO THROUGH TOUGH MARKET CONDITIONS



NOTES:

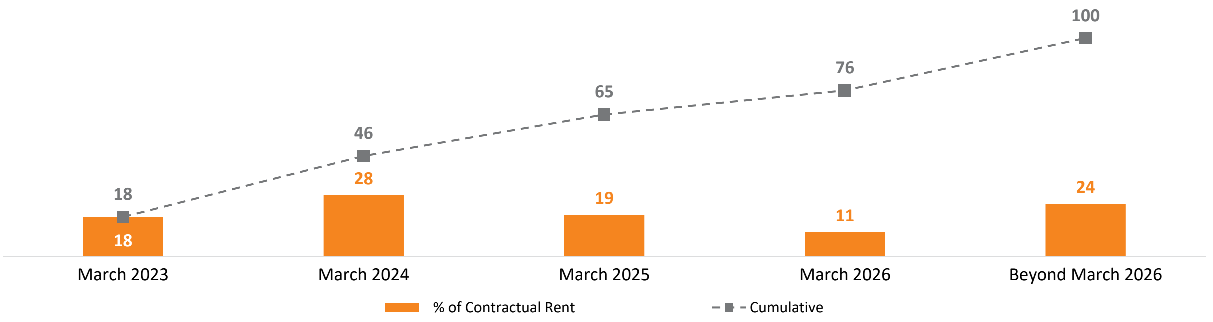
Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL TENANT EXPIRY PROFILE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

35% OF CONTRACTUAL RENT EXPIRING IN FY26 AND BEYOND (WALE 2.7 YEARS)



FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2022 RETAIL LEASES WERE CONCLUDED WITH:

CONTRACT VALUE
R714m

RENTABLE AREA
82 567m²

TENANT RETENTION
94%

NOTES:

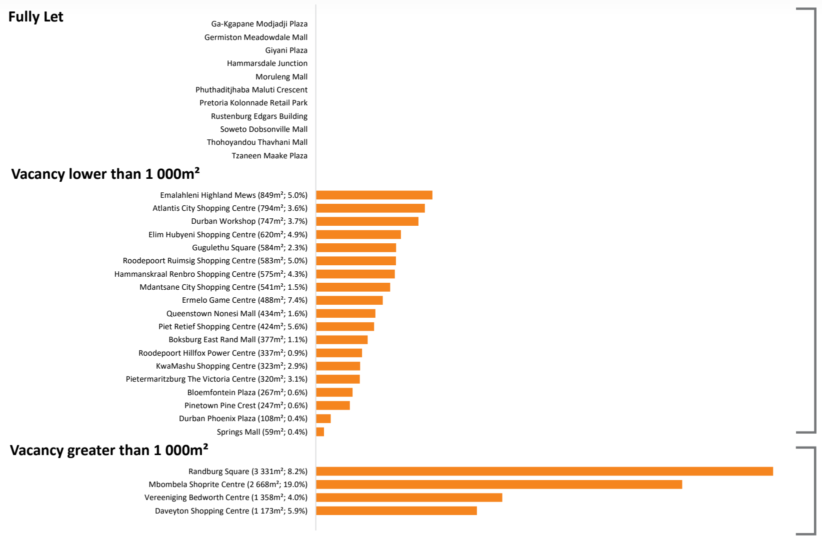
Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL VACANCIES

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

30 PROPERTIES FULLY LET OR WITH VACANCIES LOWER THAN 1 000m²



30	Properties
86%	of Retail Portfolio GLA
1.3%	Vacant

4	Properties
14%	of Retail Portfolio GLA
7.9%	Vacant

NOTES:

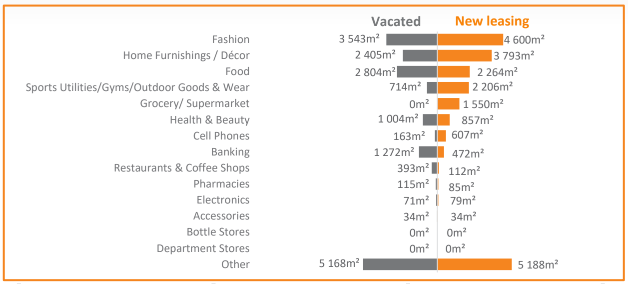
Appendix 1B

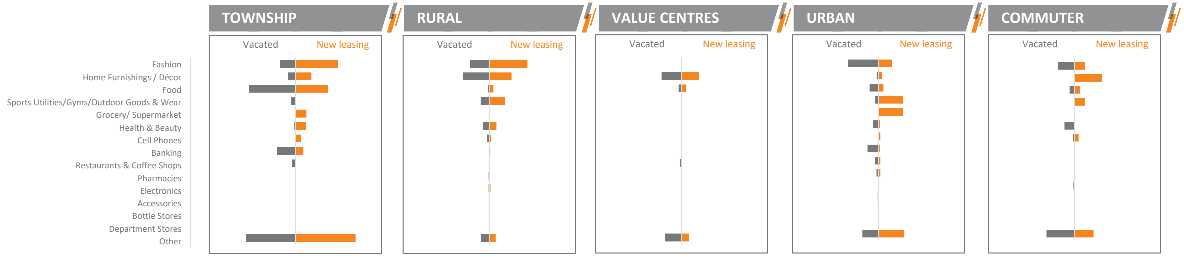
RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

RETAIL VACANCY MOVEMENT

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

21 847m² OF VACANT SPACE HAS BEEN LET WHEN CONTRASTED WITH 17 731m² OF VACATED SPACE





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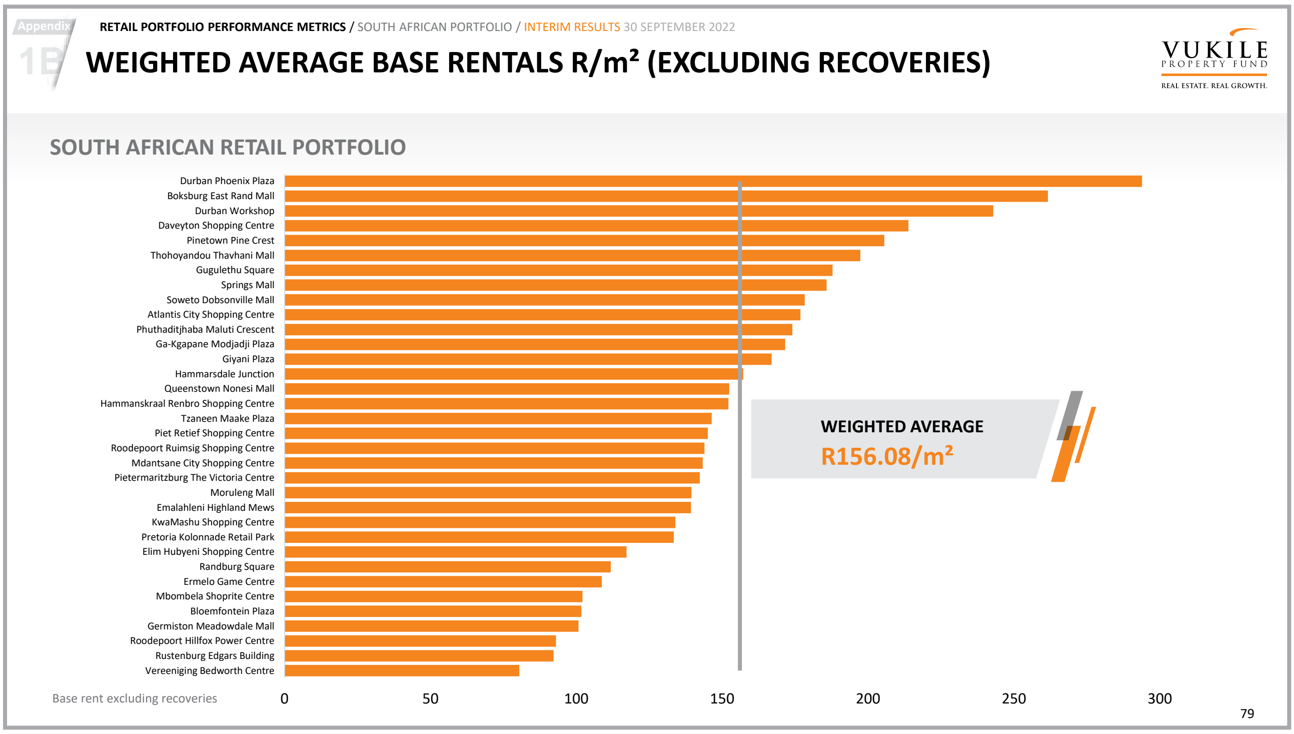


Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

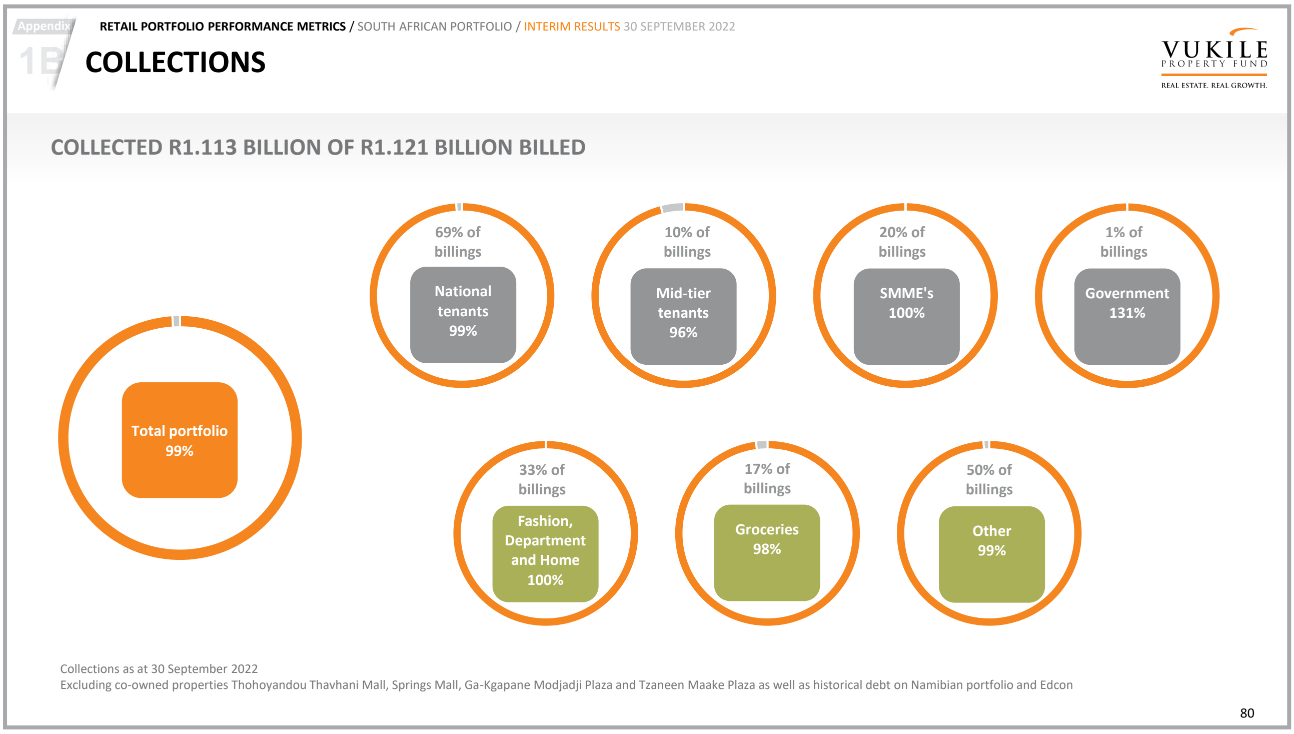
VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

WEIGHTED AVERAGE BASE RENTALS R/m² (EXCLUDING RECOVERIES)

SOUTH AFRICAN RETAIL PORTFOLIO

WEIGHTED AVERAGE
R156.08/m²

NOTES:



Appendix 1B

RETAIL PORTFOLIO PERFORMANCE METRICS / SOUTH AFRICAN PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

COLLECTIONS

COLLECTED R1.113 BILLION OF R1.121 BILLION BILLED

Collections as at 30 September 2022
Excluding co-owned properties Thohoyandou Thavhani Mall, Springs Mall, Ga-Kgapane Modjadji Plaza and Tzaneen Maake Plaza as well as historical debt on Namibian portfolio and Edcon

NOTES:

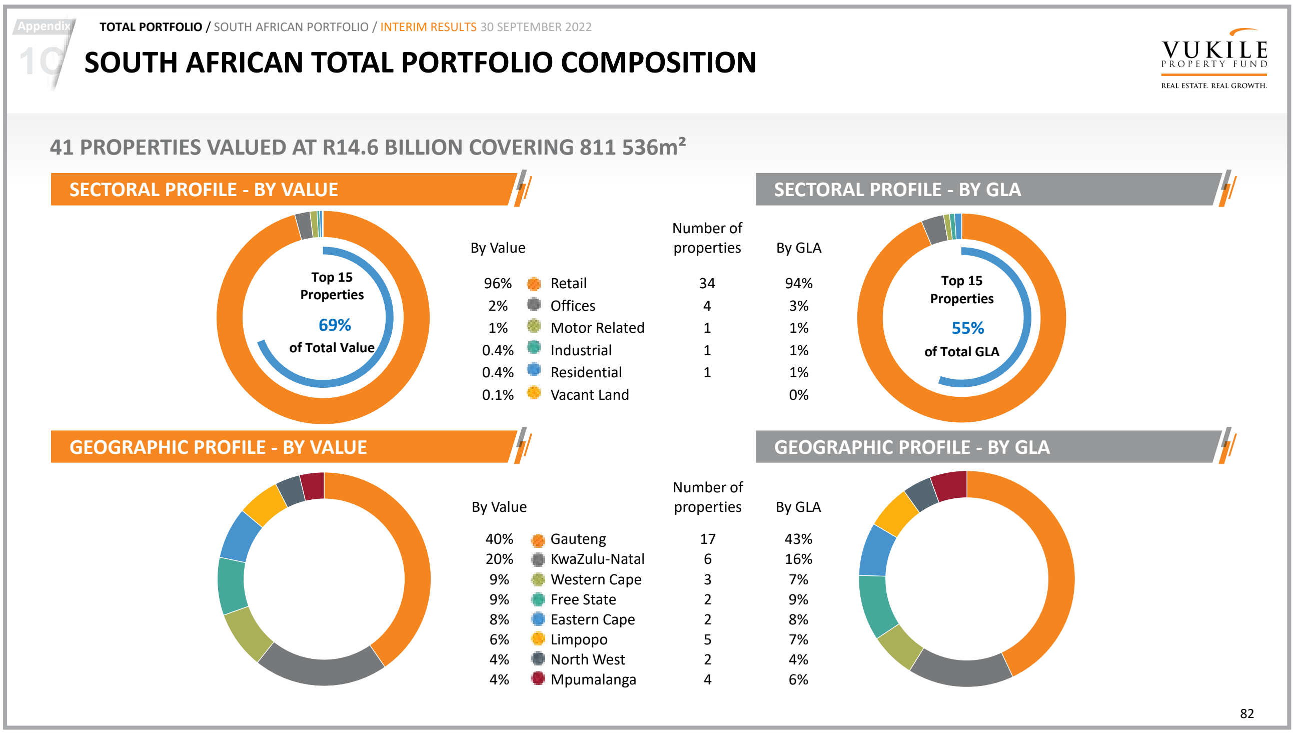
Appendix 10

TOTAL PORTFOLIO

South African Portfolio

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

NOTES:



SOUTH AFRICAN TOTAL PORTFOLIO COMPOSITION

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

41 PROPERTIES VALUED AT R14.6 BILLION COVERING 811 536m²

SECTORAL PROFILE - BY VALUE

SECTORAL PROFILE - BY GLA

By Value		Number of properties	By GLA
96%	🟧 Retail	34	94%
2%	● Offices	4	3%
1%	● Motor Related	1	1%
0.4%	● Industrial	1	1%
0.4%	● Residential	1	1%
0.1%	● Vacant Land		0%

GEOGRAPHIC PROFILE - BY VALUE

GEOGRAPHIC PROFILE - BY GLA

By Value		Number of properties	By GLA
40%	● Gauteng	17	43%
20%	● KwaZulu-Natal	6	16%
9%	● Western Cape	3	7%
9%	● Free State	2	9%
8%	● Eastern Cape	2	8%
6%	● Limpopo	5	7%
4%	● North West	2	4%
4%	● Mpumalanga	4	6%

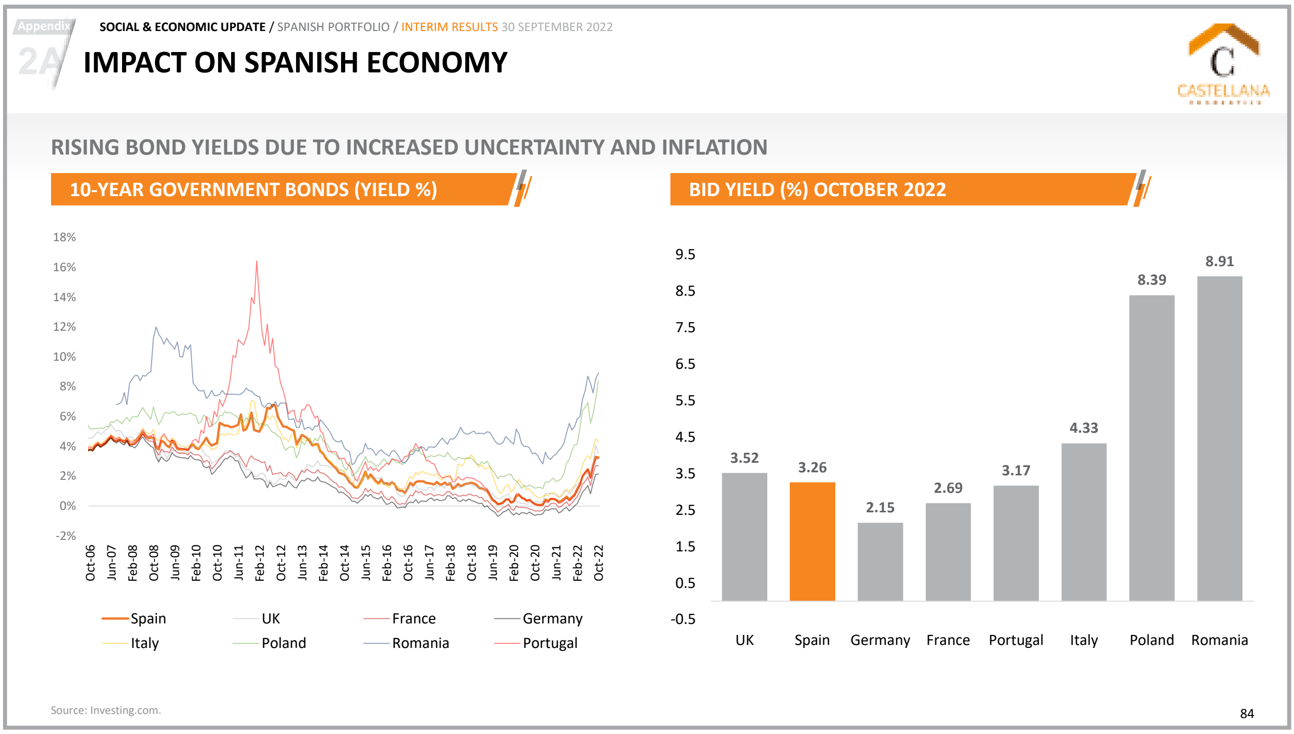
NOTES:

Appendix 2A

SOCIAL & ECONOMIC UPDATE

Spanish Portfolio

NOTES:



IMPACT ON SPANISH ECONOMY

RISING BOND YIELDS DUE TO INCREASED UNCERTAINTY AND INFLATION

10-YEAR GOVERNMENT BONDS (YIELD %)

BID YIELD (%) OCTOBER 2022

UK	3.52
Spain	3.26
Germany	2.15
France	2.69
Portugal	3.17
Italy	4.33
Poland	8.39
Romania	8.91

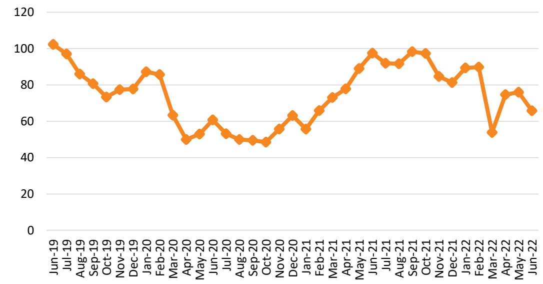
Source: Investing.com.

NOTES:

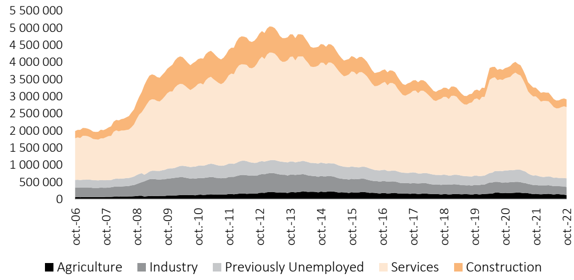
IMPACT ON SPANISH ECONOMY

UNEMPLOYMENT RATE AND CONSUMER CONFIDENCE

CONSUMER CONFIDENCE (CIS)



UNEMPLOYMENT(1) IN SPAIN BY ECONOMIC SECTOR



- The Consumer Confidence Index for the month of June stands at 65.8 points, which represents 10.2 points less than the figure for the previous month.
- This notable drop in the index is due to both the decline in the assessment of the current situation and consumer expectations going forward.
- The number of people registered as unemployed in Spain fell by 193,871 from March 2022 to 2.9 million in October 2022.
- By economic sector, unemployment decreased in services (-113,348), agriculture (-33,617), construction (-25,221) and industry (-17,181).
- However, compared to September, labour market figures indicate a moderation in the pace of job creation.

Source: INE, EpData.

(1) Registered unemployment excludes Temporary Employment Adjustments or ERTEs.

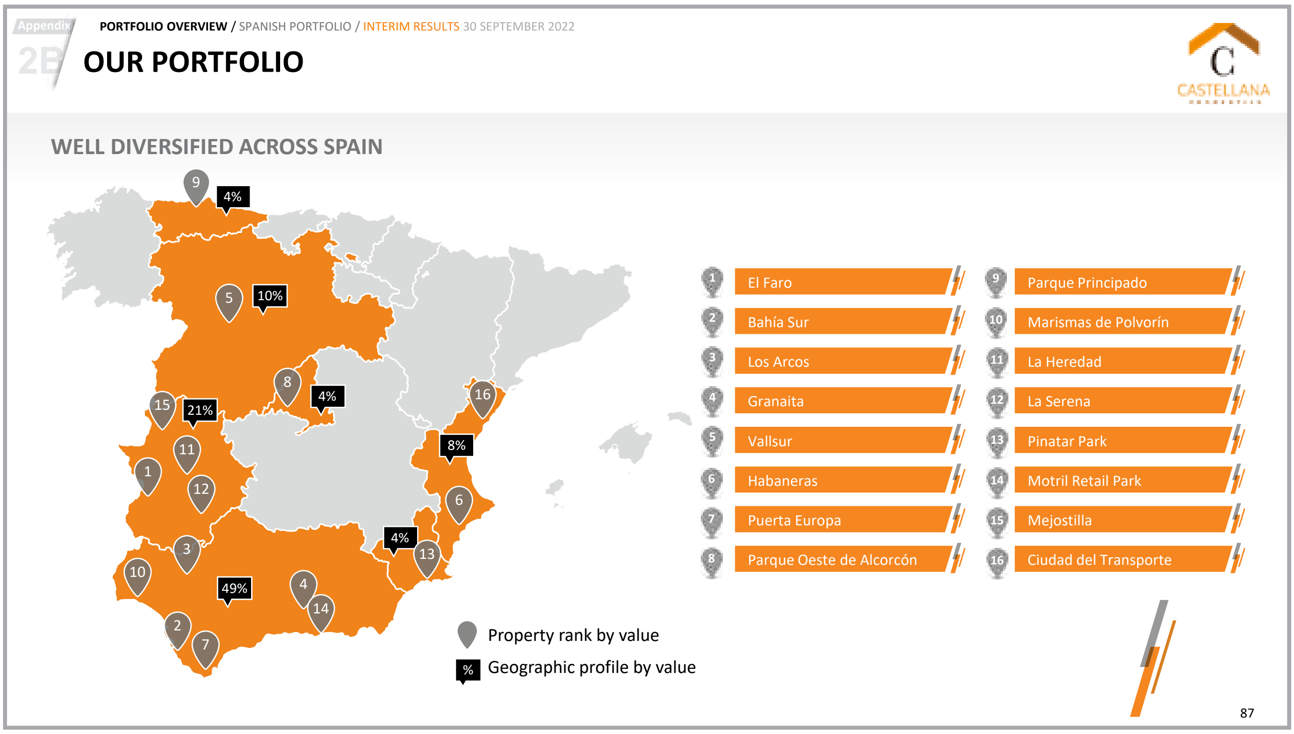
NOTES:

Appendix 2B

PORTFOLIO OVERVIEW

Spanish Portfolio

NOTES:



OUR PORTFOLIO

WELL DIVERSIFIED ACROSS SPAIN

1	El Faro	9	Parque Principado
2	Bahía Sur	10	Marismas de Polvorín
3	Los Arcos	11	La Heredad
4	Granaita	12	La Serena
5	Vallsur	13	Pinatar Park
6	Habaneras	14	Motril Retail Park
7	Puerta Europa	15	Mejostilla
8	Parque Oeste de Alcorcón	16	Ciudad del Transporte

● Property rank by value

% Geographic profile by value

NOTES:

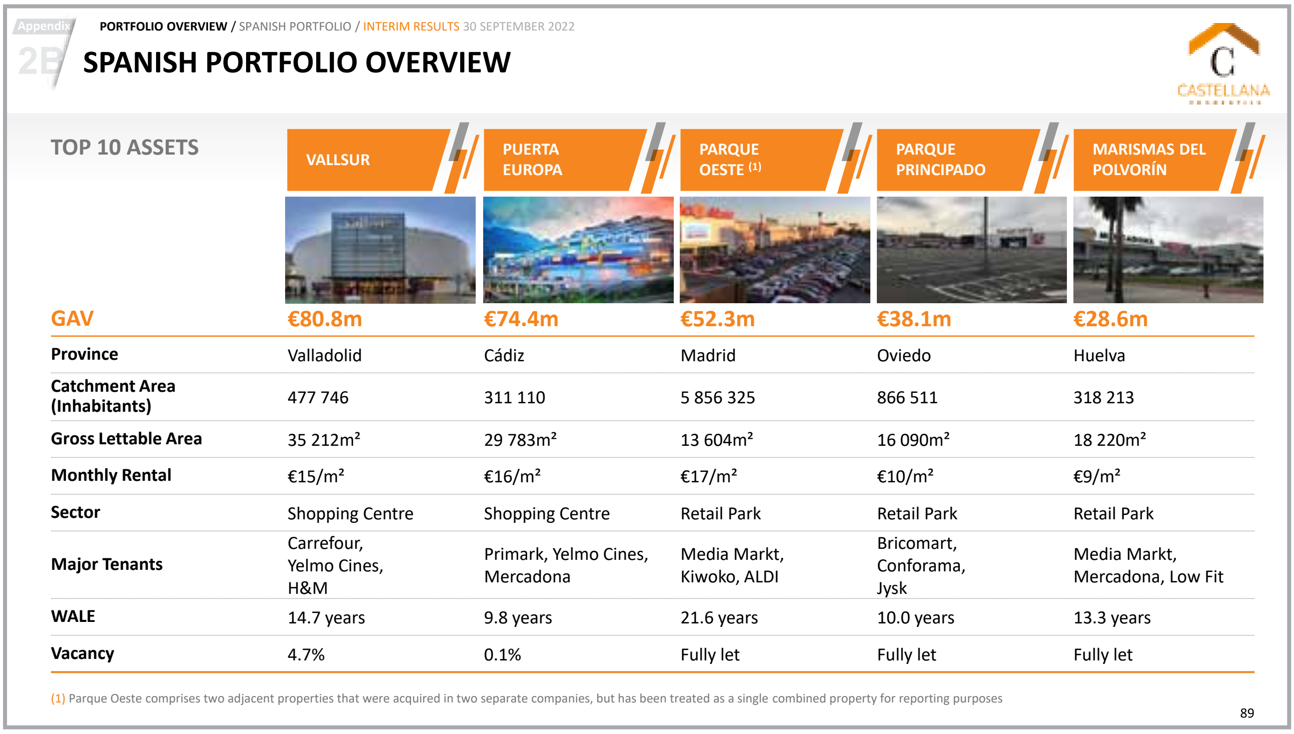
SPANISH PORTFOLIO OVERVIEW

TOP 10 ASSETS	EL FARO	BAHÍA SUR	LOS ARCOS	GRANAITA (1)	HABANERAS
GAV	€172.8m	€149.9m	€139.2m	€106.8m	€88.3m
Province	Badajoz	Cádiz	Seville	Granada	Alicante
Catchment Area (Inhabitants)	517 491	674 250	1 499 884	628 002	531 670
Gross Lettable Area	40 618m²	35 297m²	26 648m²	54 389m²	25 021m²
Monthly Rental	€20/m²	€23/m²	€24/m²	€11/m²	€18.6/m²
Sector	Shopping Centre	Shopping Centre	Shopping Centre	Retail Park	Shopping Centre
Major Tenants	Primark, Media Markt, Yelmo Cines	Primark, Zara, Yelmo Cines	Mercadona, Lefties, Media Markt	Decathlon, Homelandia, Media Markt	Leroy Merlin, Zara, Forum Sport
WALE	8.5 years	11.1 years	14.0 years	12.7 years	6.8 years
Vacancy	0.7%	0.7%	6.2%(2)	0.4%	2.3%

(1) Granaita is the integration of the former Kinepolis Retail Park, Kinepolis Leisure Centre and Alameda City Store into one asset

(2) Los Arcos vacancy: 54% of the vacant area correspond to storages. Excluding storage area from calculation, vacancy decreases to 2.9%

NOTES:



Appendix 2B

PORTFOLIO OVERVIEW / SPANISH PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

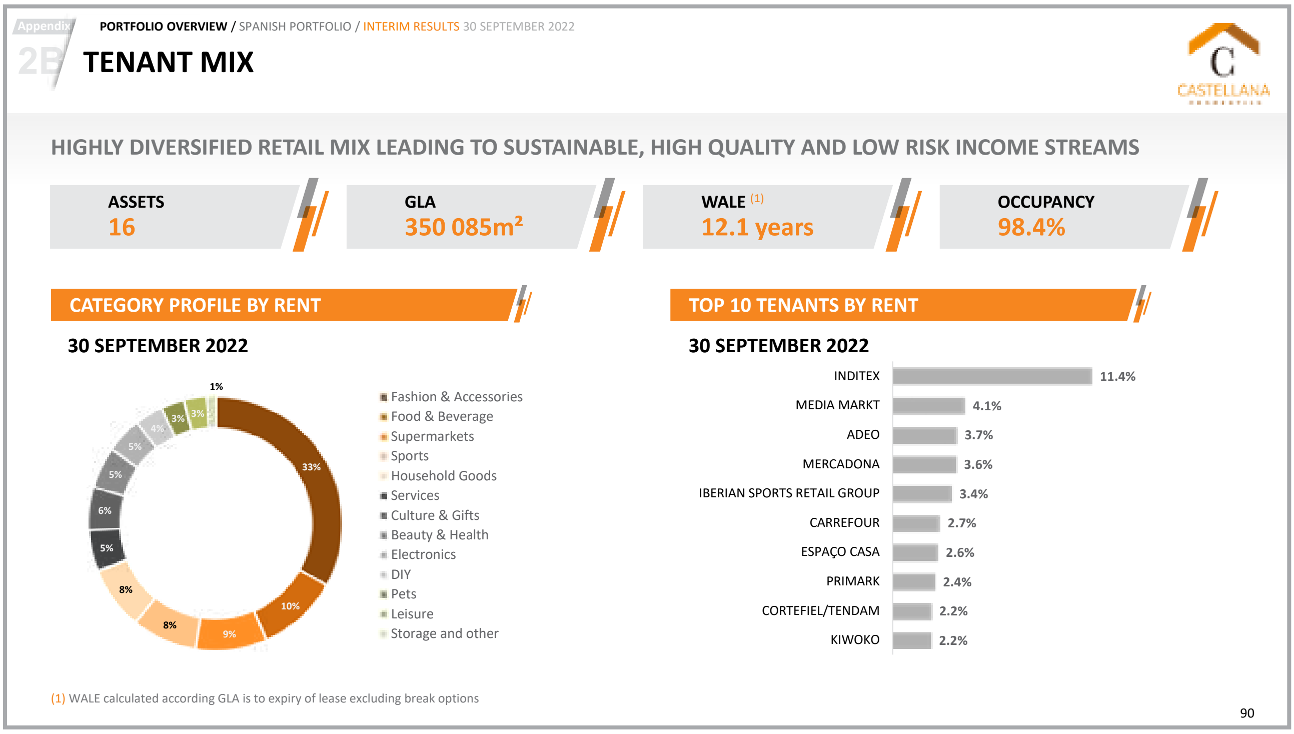
SPANISH PORTFOLIO OVERVIEW

CASTELLANA PROPERTIES

TOP 10 ASSETS	VALLSUR	PUERTA EUROPA	PARQUE OESTE (1)	PARQUE PRINCIPADO	MARISMAS DEL POLVORÍN
GAV	**€80.8m**	**€74.4m**	**€52.3m**	**€38.1m**	**€28.6m**
Province	Valladolid	Cádiz	Madrid	Oviedo	Huelva
Catchment Area (Inhabitants)	477 746	311 110	5 856 325	866 511	318 213
Gross Lettable Area	35 212m²	29 783m²	13 604m²	16 090m²	18 220m²
Monthly Rental	€15/m²	€16/m²	€17/m²	€10/m²	€9/m²
Sector	Shopping Centre	Shopping Centre	Retail Park	Retail Park	Retail Park
Major Tenants	Carrefour, Yelmo Cines, H&M	Primark, Yelmo Cines, Mercadona	Media Markt, Kiwoko, ALDI	Bricomart, Conforama, Jysk	Media Markt, Mercadona, Low Fit
WALE	14.7 years	9.8 years	21.6 years	10.0 years	13.3 years
Vacancy	4.7%	0.1%	Fully let	Fully let	Fully let

(1) Parque Oeste comprises two adjacent properties that were acquired in two separate companies, but has been treated as a single combined property for reporting purposes

NOTES:



Appendix 2B

PORTFOLIO OVERVIEW / SPANISH PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

TENANT MIX

CASTELLANA PROPERTIES

HIGHLY DIVERSIFIED RETAIL MIX LEADING TO SUSTAINABLE, HIGH QUALITY AND LOW RISK INCOME STREAMS

ASSETS	GLA	WALE (1)	OCCUPANCY
16	350 085m²	12.1 years	98.4%

CATEGORY PROFILE BY RENT

30 SEPTEMBER 2022

TOP 10 TENANTS BY RENT

30 SEPTEMBER 2022

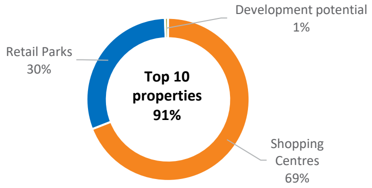
INDITEX	11.4%
MEDIA MARKT	4.1%
ADEO	3.7%
MERCADONA	3.6%
IBERIAN SPORTS RETAIL GROUP	3.4%
CARREFOUR	2.7%
ESPAÇO CASA	2.6%
PRIMARK	2.4%
CORTEFIEL/TENDAM	2.2%
KIWOKO	2.2%

(1) WALE calculated according GLA is to expiry of lease excluding break options

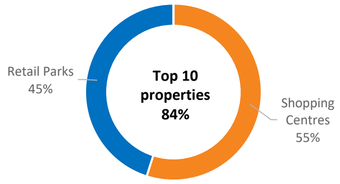
NOTES:

SPANISH TOTAL PORTFOLIO COMPOSITION

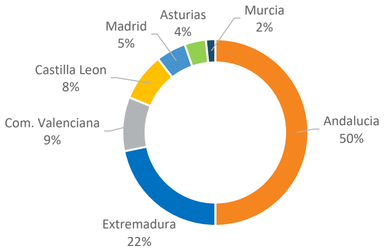
SECTORAL PROFILE - BY VALUE



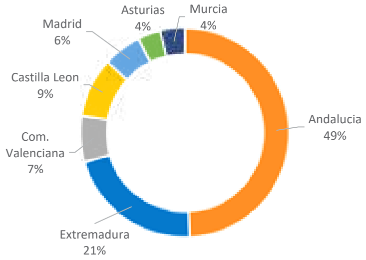
SECTORAL PROFILE - BY GLA



GEOGRAPHIC PROFILE - BY VALUE



GEOGRAPHIC PROFILE - BY GLA

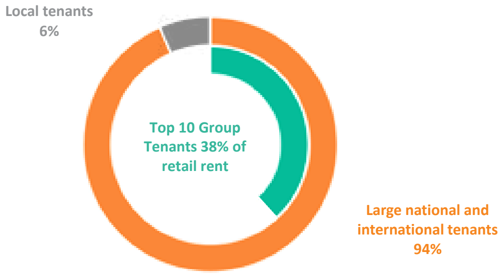


NOTES:

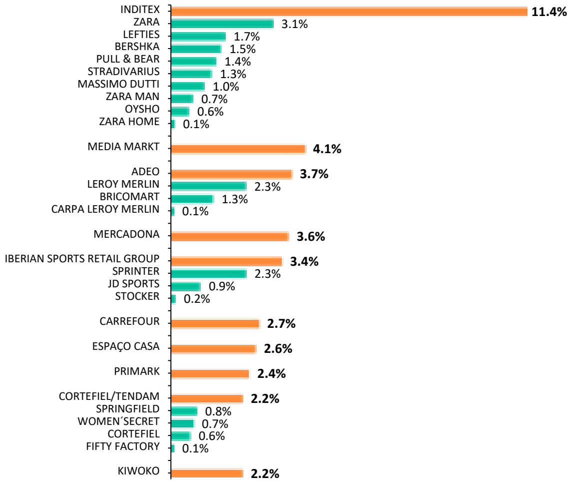
RETAIL TENANT EXPOSURE

94% INTERNATIONAL AND NATIONAL TENANT PROFILE BUILDING A ROBUST AND DEFENSIVE PORTFOLIO

TOP 10 TENANT GROUPS BY RENT



TENANT GROUP PROFILE - BY CONTRACTUAL RENT



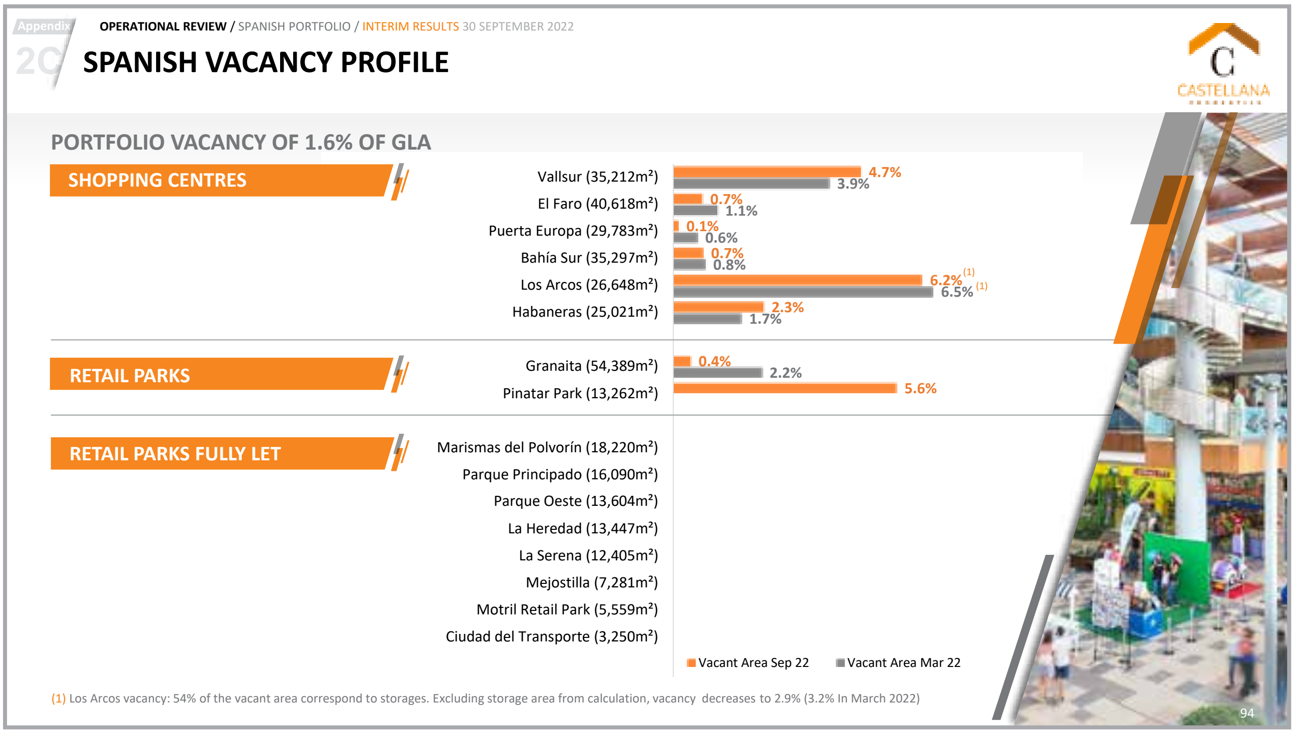
NOTES:

Appendix 2C

H1 FY23
OPERATIONAL REVIEW

Spanish Portfolio

NOTES:



Appendix 2C

OPERATIONAL REVIEW / SPANISH PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

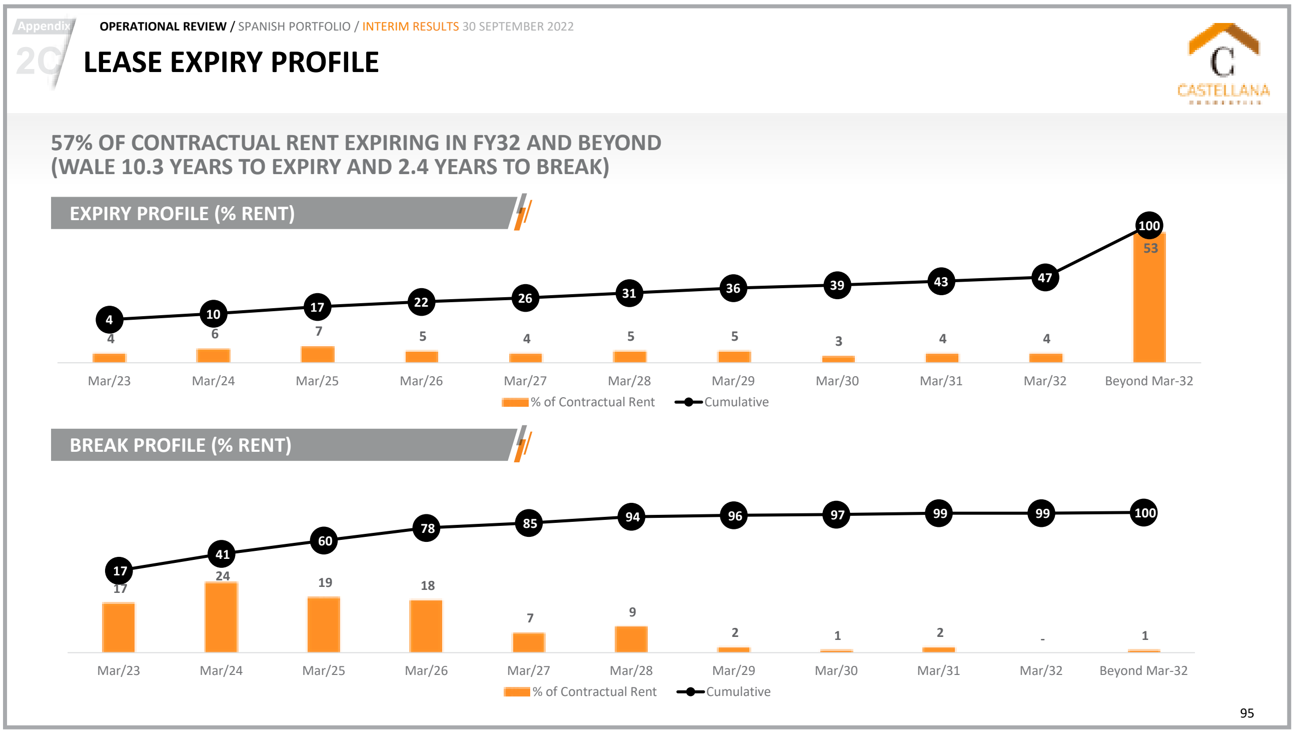
SPANISH VACANCY PROFILE

PORTFOLIO VACANCY OF 1.6% OF GLA

		Vacant Area Sep 22	Vacant Area Mar 22
SHOPPING CENTRES	Vallsur (35,212m²)	4.7%	3.9%
	El Faro (40,618m²)	0.7%	1.1%
	Puerta Europa (29,783m²)	0.1%	0.6%
	Bahía Sur (35,297m²)	0.7%	0.8%
	Los Arcos (26,648m²)	6.2%(1)	6.5%(1)
	Habaneras (25,021m²)	2.3%	1.7%
RETAIL PARKS	Granaita (54,389m²)	0.4%	2.2%
	Pinatar Park (13,262m²)	5.6%	
RETAIL PARKS FULLY LET	Marismas del Polvorín (18,220m²)		
	Parque Principado (16,090m²)		
	Parque Oeste (13,604m²)		
	La Heredad (13,447m²)		
	La Serena (12,405m²)		
	Mejostilla (7,281m²)		
	Motril Retail Park (5,559m²)		
	Ciudad del Transporte (3,250m²)		

(1) Los Arcos vacancy: 54% of the vacant area correspond to storages. Excluding storage area from calculation, vacancy decreases to 2.9% (3.2% In March 2022)

NOTES:



Appendix 2C

OPERATIONAL REVIEW / SPANISH PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

LEASE EXPIRY PROFILE

57% OF CONTRACTUAL RENT EXPIRING IN FY32 AND BEYOND (WALE 10.3 YEARS TO EXPIRY AND 2.4 YEARS TO BREAK)

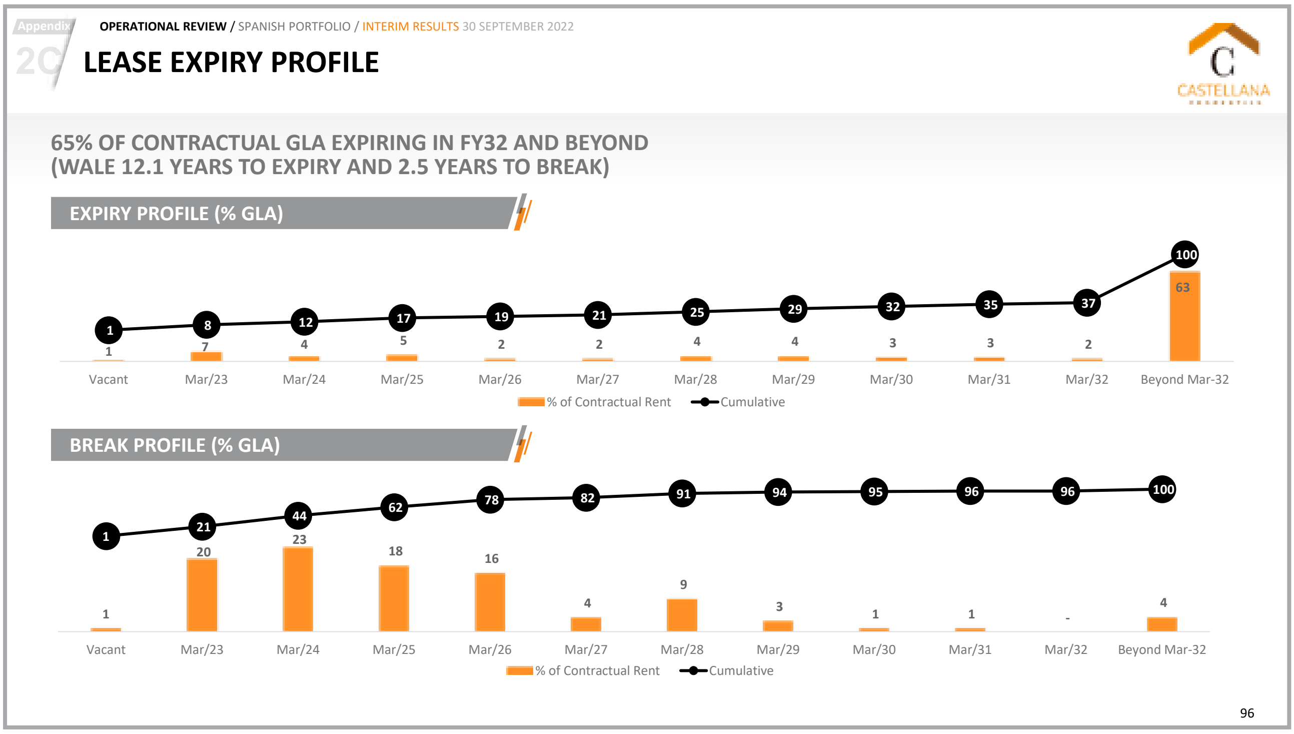
EXPIRY PROFILE (% RENT)

BREAK PROFILE (% RENT)

CASTELLANA

95

NOTES:



Appendix 2C

OPERATIONAL REVIEW / SPANISH PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

LEASE EXPIRY PROFILE

65% OF CONTRACTUAL GLA EXPIRING IN FY32 AND BEYOND (WALE 12.1 YEARS TO EXPIRY AND 2.5 YEARS TO BREAK)

EXPIRY PROFILE (% GLA)

BREAK PROFILE (% GLA)

CASTELLANA

96

NOTES:

Appendix 2C

OPERATIONAL REVIEW / SPANISH PORTFOLIO / INTERIM RESULTS 30 SEPTEMBER 2022

CUSTOMER CENTRICITY

CASTELLANA PROPERTIES

CASTELLANA PROPERTIES ENGAGES ITS CUSTOMERS AND POSITIONS ITS SHOPPING CENTRES AS SOCIAL HUBS WITH INNOVATIVE ROADSHOWS

HALLOWEEN ACTIVITIES CARRIED OUT FROM 28TH OCTOBER TO 1ST NOVEMBER

- Halloween has recently been established as a popular festivity in Spain, and this is demonstrated by the numbers of footfall and participation in the Halloween events we have held in recent years.
- Once again, Castellana has led the way in **bringing the terror and excitement of Halloween to its shopping centres**.
- Passages of terror, different parades with giant luminous characters and horror film villains, make-up workshops, magic animations and photocalls to make our clients **live unforgettable experiences**.

6	+18.5K	+2.4K	+€100K	+38% Avg
SHOPPING CENTRES*	PARTICIPANTS IN HORROR ACTIVITIES	NEW MEMBERS IN LP	INCENTIVE SALES	IN FOOTFALL vs PREVIOUS WEEK
				+18% Avg VS 2019 +19% Avg VS 2021

* Held in Bahia Sur, El Faro, Puerta Europa, Habaneras and Vallsur shopping centres and in Granaita retail park.

97

NOTES:

Appendix 3

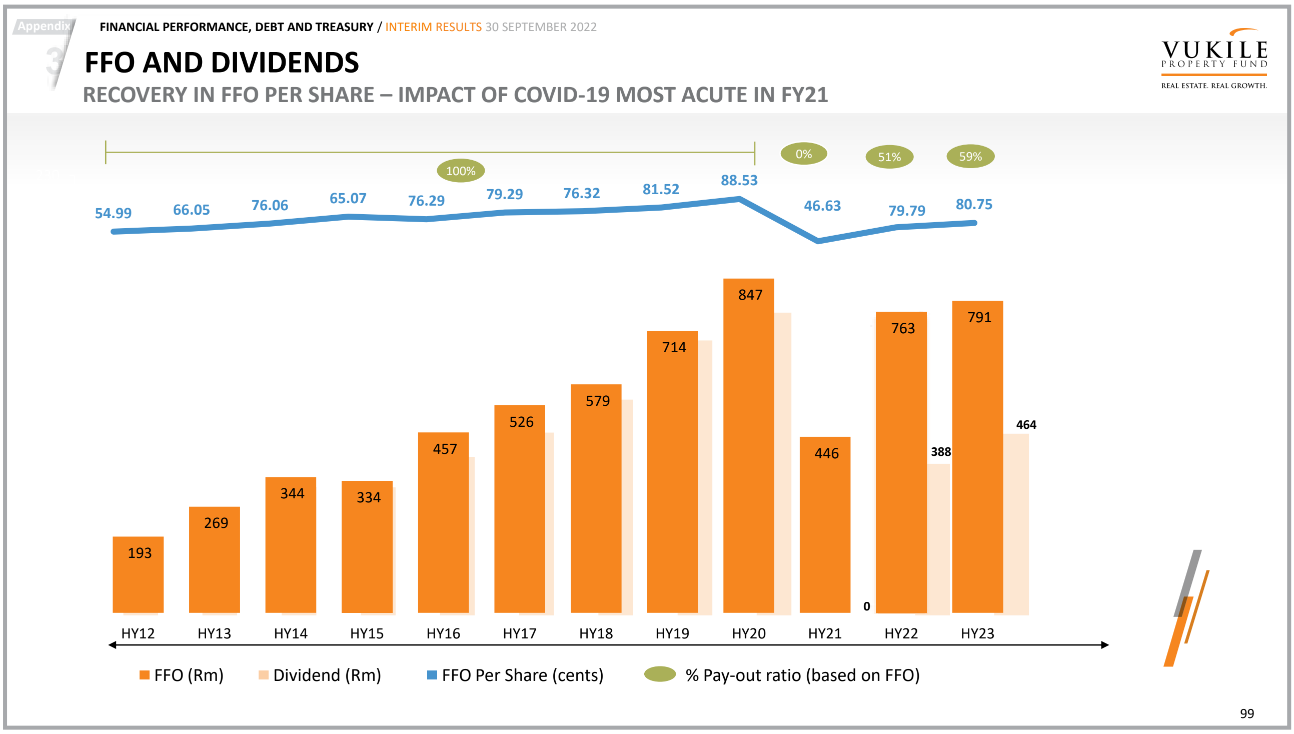
FINANCIAL PERFORMANCE, DEBT AND TREASURY

VUKILE PROPERTY FUND

REAL ESTATE. REAL GROWTH.

98

NOTES:



Appendix 3

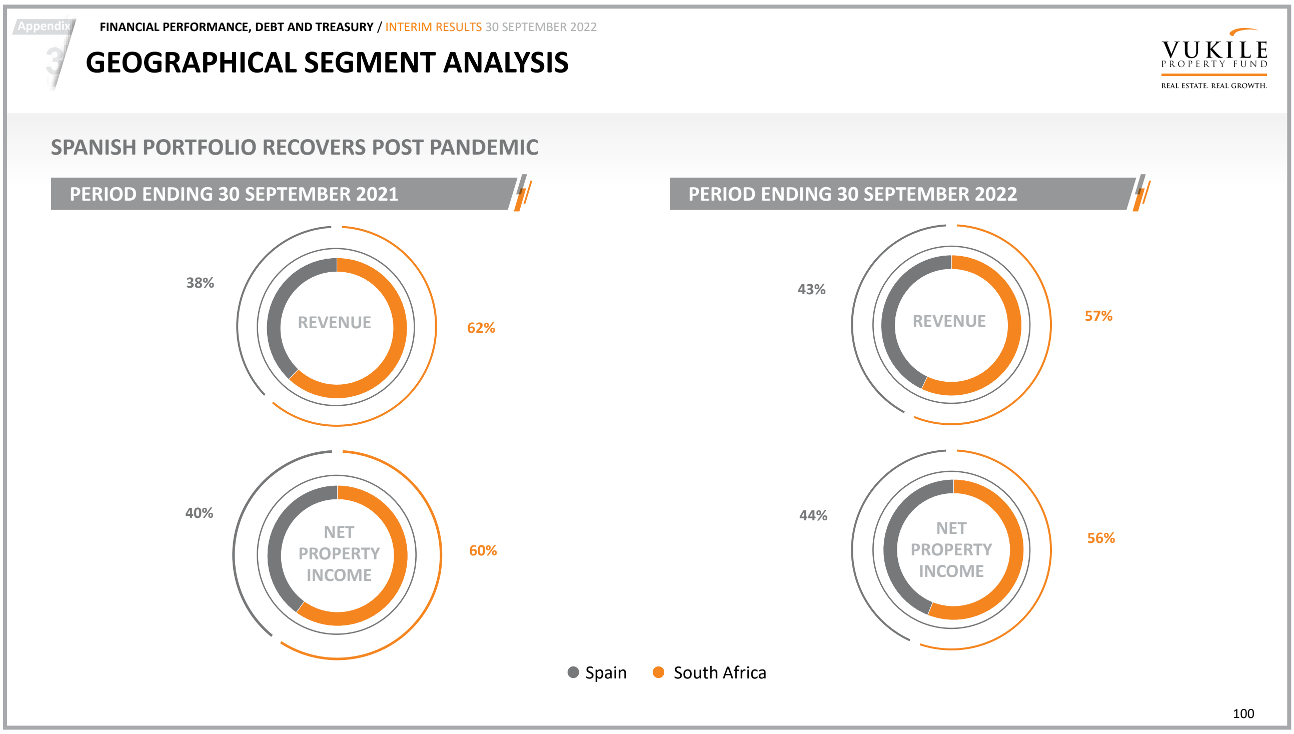
FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

FFO AND DIVIDENDS

RECOVERY IN FFO PER SHARE – IMPACT OF COVID-19 MOST ACUTE IN FY21

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

NOTES:



Appendix 3

FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

GEOGRAPHICAL SEGMENT ANALYSIS

SPANISH PORTFOLIO RECOVERS POST PANDEMIC

PERIOD ENDING 30 SEPTEMBER 2021

PERIOD ENDING 30 SEPTEMBER 2022

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

NOTES:

CASTELLANA FFO H1 FY23

Reconciliation of Castellana's published FFO for H1 FY23 to Vukile group FFO

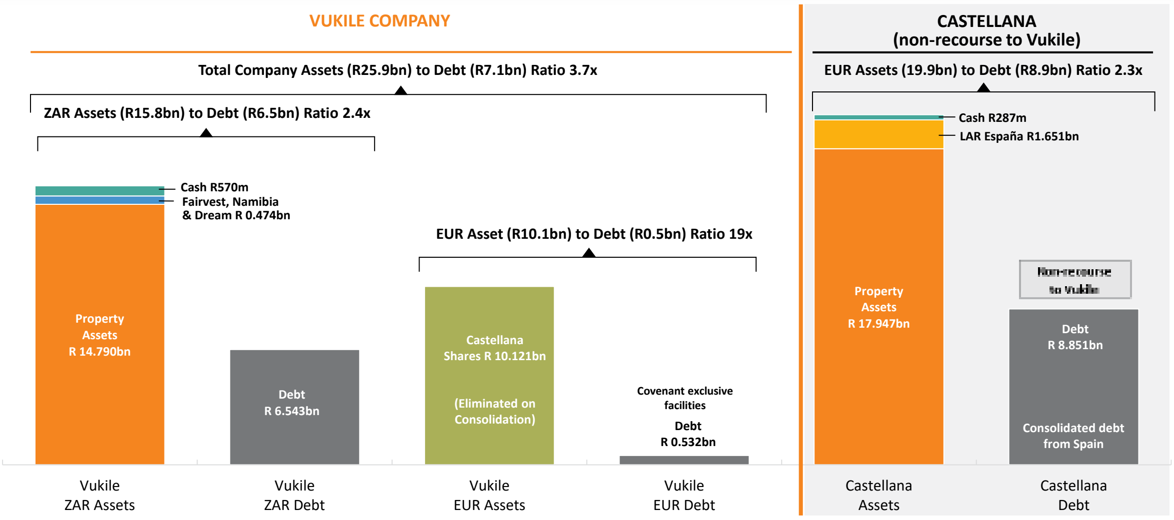
	R'000	€'000
Castellana results - Spanish GAAP (Consolidated)	**226 986**	**13 455**
Investment property amortisation	94 978	5 630
Fair value adjustment to investment property	122 611	7 268
Castellana results - IFRS (Included in Vukile group consolidation)	**444 575**	**26 353**
Accrual for LAR España dividend for the period 01 April 2022 to 30 September 2022	72 862	4 319
Fair value adjustment to investment property	(122 611)	(7 268)
Depreciation of property, plant and equipment	186	11
Castellana published FFO	**395 012**	**23 415**
Published FFO attributable to NCI (1)	(41 247)	(2 445)
Reversal of inter-company transactions (2)	6 562	389
Vukile Non IFRS adjustments:		
FEC early terminated (3)	57 830	3 428
FEC accrual (H1 FY23 Castellana dividend)	31 783	1 884
Castellana FFO attributable to Vukile included in Vukile group FFO	**449 940**	**26 671**

(1) Non-controlling interest
(2) Directors fees and interest on shareholders loan
(3) The R58 million gain included in FFO in H1 FY23 formed part of the FEC early terminated in FY22

NOTES:

COMPOSITION OF GROUP BALANCE SHEET

MATCHING DEBT WITH PROPERTY ASSETS - BY GEOGRAPHY AND CURRENCY



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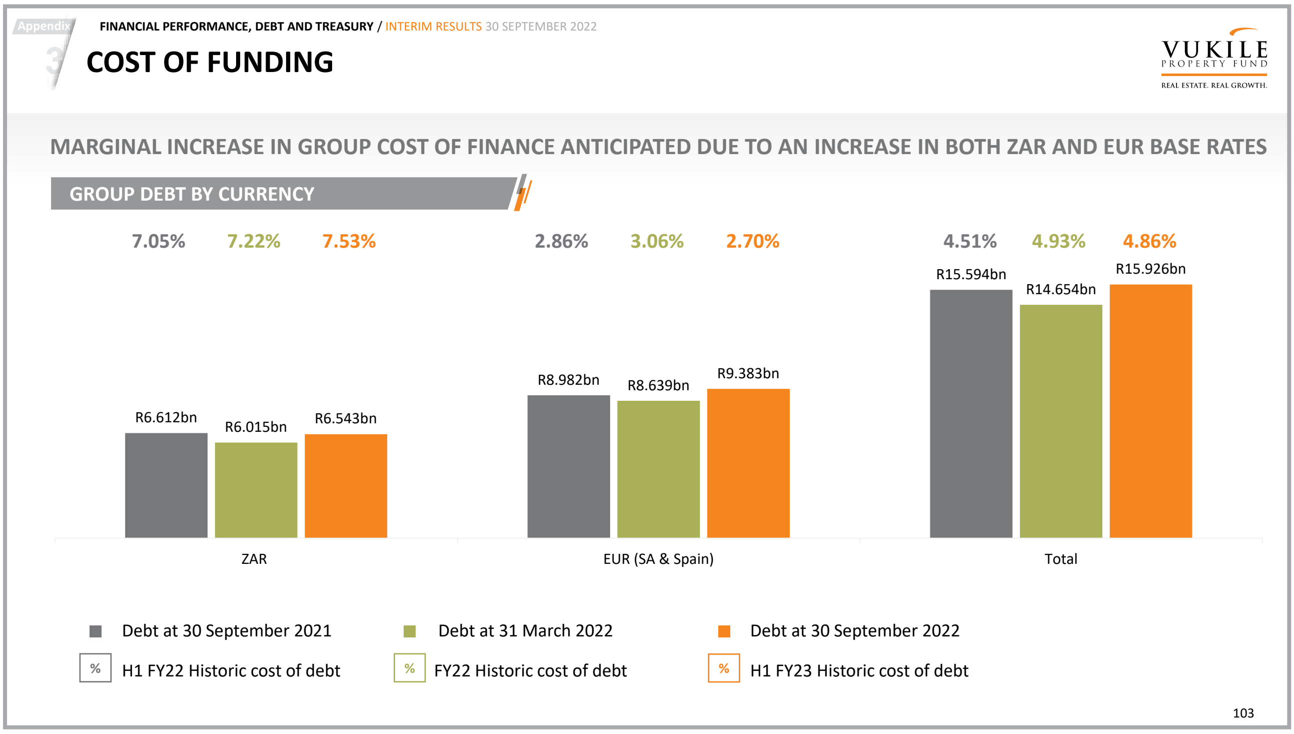
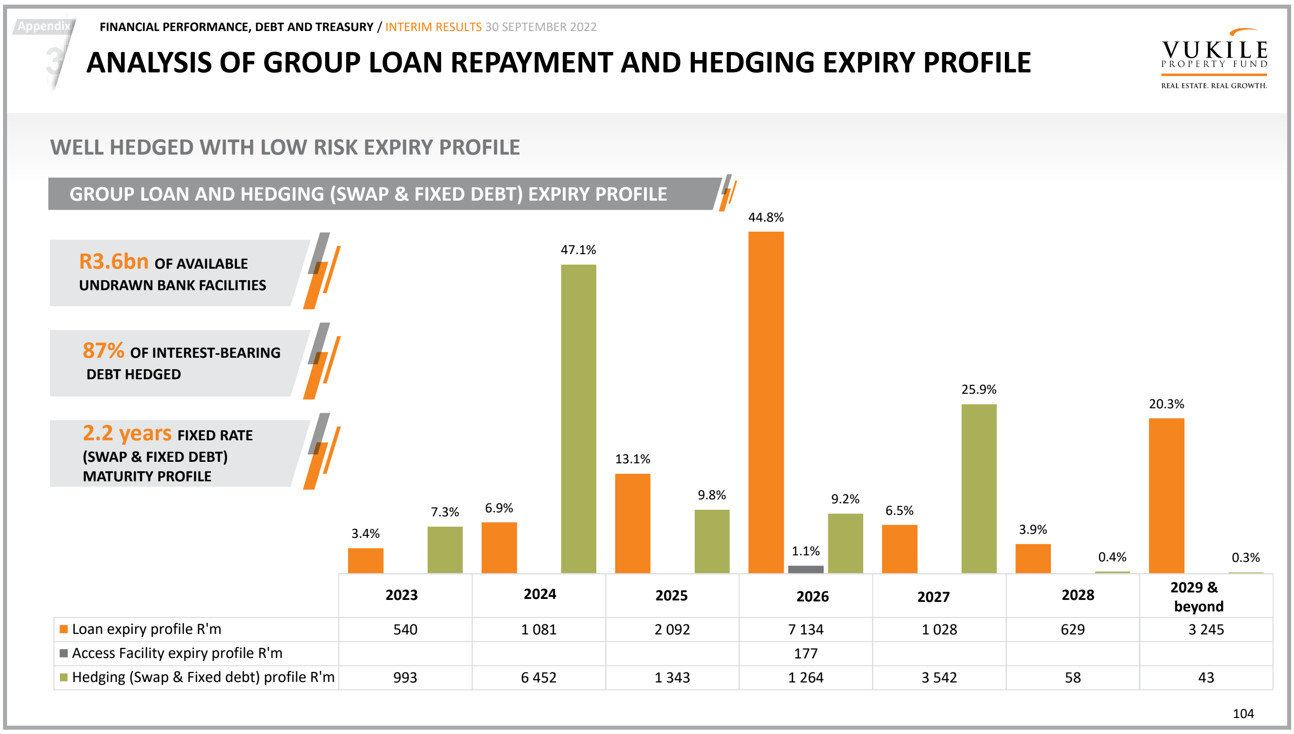


COST OF FUNDING

MARGINAL INCREASE IN GROUP COST OF FINANCE ANTICIPATED DUE TO AN INCREASE IN BOTH ZAR AND EUR BASE RATES

GROUP DEBT BY CURRENCY

NOTES:



ANALYSIS OF GROUP LOAN REPAYMENT AND HEDGING EXPIRY PROFILE

WELL HEDGED WITH LOW RISK EXPIRY PROFILE

GROUP LOAN AND HEDGING (SWAP & FIXED DEBT) EXPIRY PROFILE

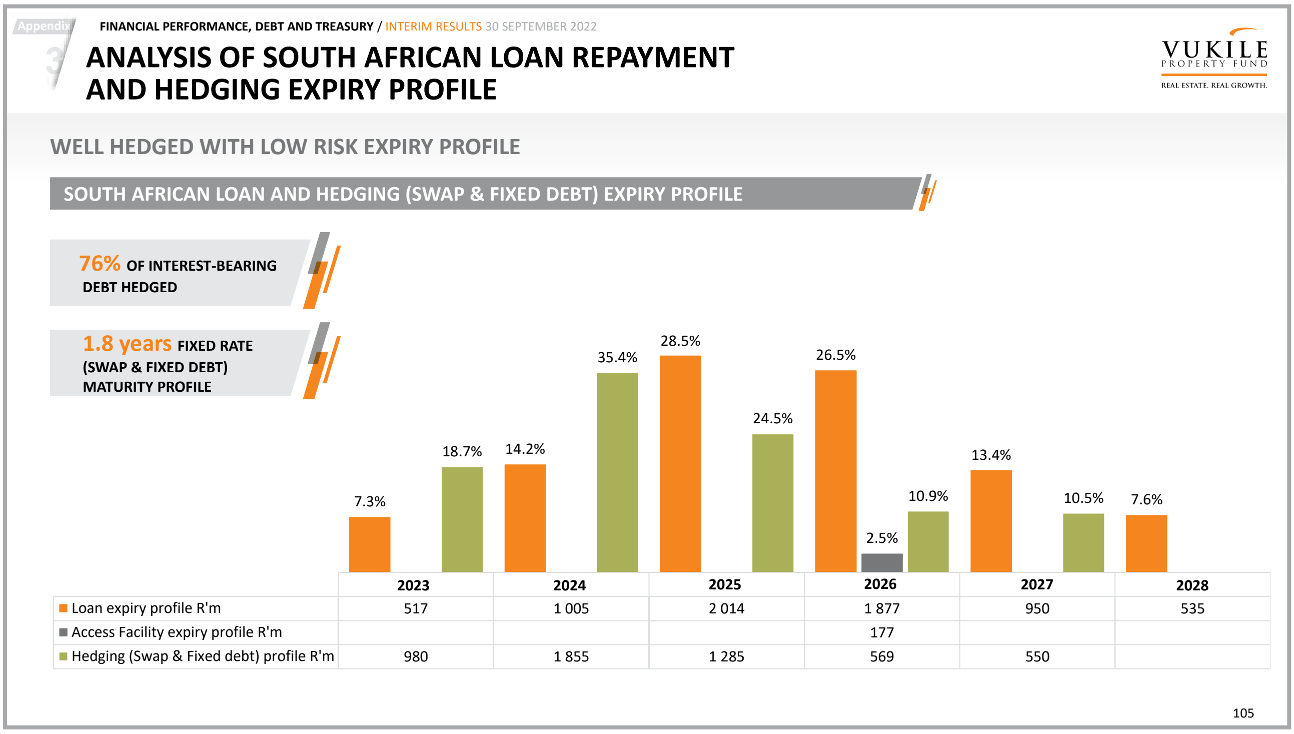
R3.6bn OF AVAILABLE UNDRAWN BANK FACILITIES

87% OF INTEREST-BEARING DEBT HEDGED

2.2 years FIXED RATE (SWAP & FIXED DEBT) MATURITY PROFILE

	2023	2024	2025	2026	2027	2028	2029 & beyond
🟧 Loan expiry profile R'm	540	1 081	2 092	7 134	1 028	629	3 245
■ Access Facility expiry profile R'm				177			
🟩 Hedging (Swap & Fixed debt) profile R'm	993	6 452	1 343	1 264	3 542	58	43

NOTES:



Appendix 3

FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

ANALYSIS OF SOUTH AFRICAN LOAN REPAYMENT AND HEDGING EXPIRY PROFILE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

WELL HEDGED WITH LOW RISK EXPIRY PROFILE

SOUTH AFRICAN LOAN AND HEDGING (SWAP & FIXED DEBT) EXPIRY PROFILE

76% OF INTEREST-BEARING DEBT HEDGED

1.8 years FIXED RATE (SWAP & FIXED DEBT) MATURITY PROFILE

	2023	2024	2025	2026	2027	2028
■ Loan expiry profile R'm	517	1 005	2 014	1 877	950	535
■ Access Facility expiry profile R'm				177		
■ Hedging (Swap & Fixed debt) profile R'm	980	1 855	1 285	569	550	

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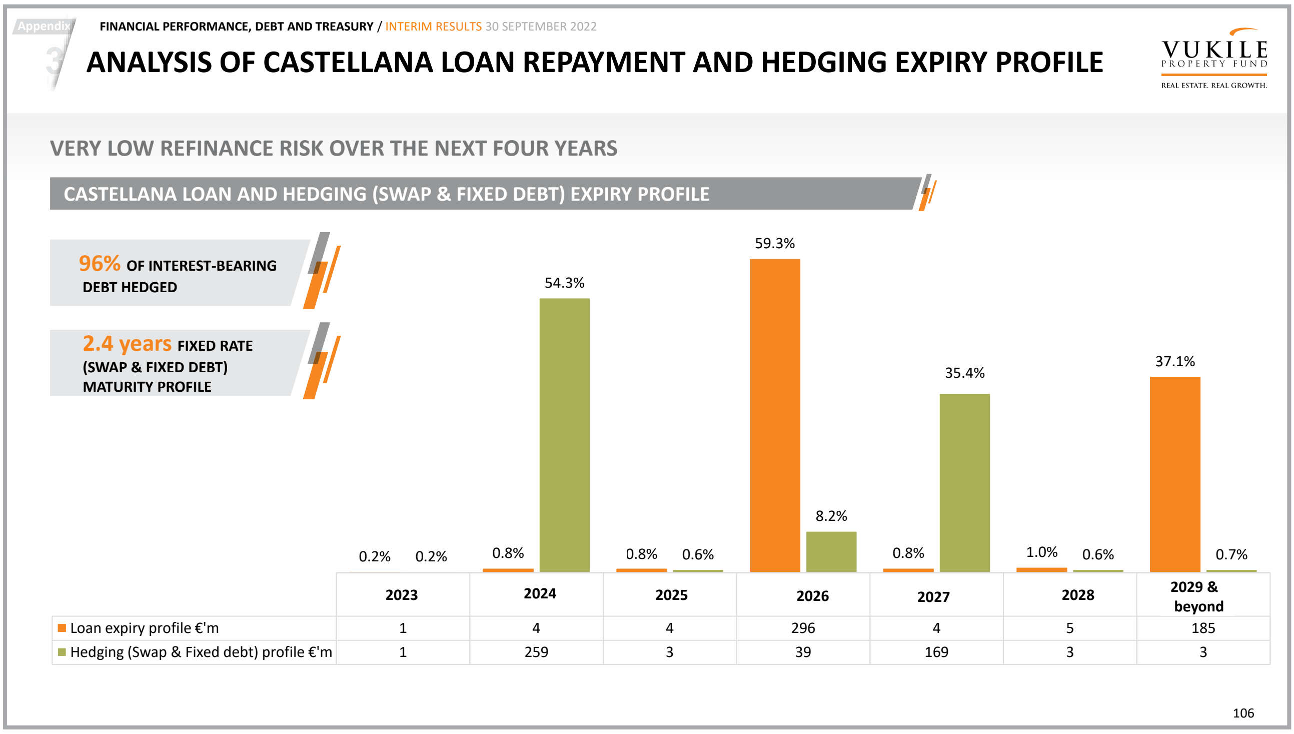
NOTES:



Appendix 3

FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

ANALYSIS OF CASTELLANA LOAN REPAYMENT AND HEDGING EXPIRY PROFILE

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

VERY LOW REFINANCE RISK OVER THE NEXT FOUR YEARS

CASTELLANA LOAN AND HEDGING (SWAP & FIXED DEBT) EXPIRY PROFILE

96% OF INTEREST-BEARING DEBT HEDGED

2.4 years FIXED RATE (SWAP & FIXED DEBT) MATURITY PROFILE

	2023	2024	2025	2026	2027	2028	2029 & beyond
■ Loan expiry profile €'m	1	4	4	296	4	5	185
■ Hedging (Swap & Fixed debt) profile €'m	1	259	3	39	169	3	3

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NOTES:

EUR FOREIGN EXCHANGE HEDGING

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

MAINTAINING SUSTAINABLE PREDICTABLE DIVIDENDS WHILE REDUCING CURRENCY VOLATILITY

	FY23		FY24		FY25		FY26		FY27	
Dividend Date	**Dec-22**	**Jun-23**	**Dec-23**	**Jun-24**	**Dec-24**	**Jun-25**	**Dec-25**	**Jun-26**	**Dec-26**	**Jun-27**
Fixed EUR/ZAR rate	20.1845	20.4531	21.5351	22.1175	22.1334	23.3364	22.7036	22.9812	21.9735	22.7190
% Hedge Target	100%	100%	80%	80%	60%	60%	40%	40%	20%	20%
% Net EUR dividend hedged	110%	90%	84%	84%	61%	63%	42%	42%	21%	24%

	Over 12 months	**Over 3 years**	**Over 5 years**
Average percentage Net EUR dividend hedged	98%	80%	59%

10% ZAR WEAKENING TO EUR FROM 17.74 TO 19.51 = **+R1 050m INCREASE IN NAV** + **+R25m INCREASE IN FY23 FFO** + **+0.2% INCREASE IN THE GROUP LTV**

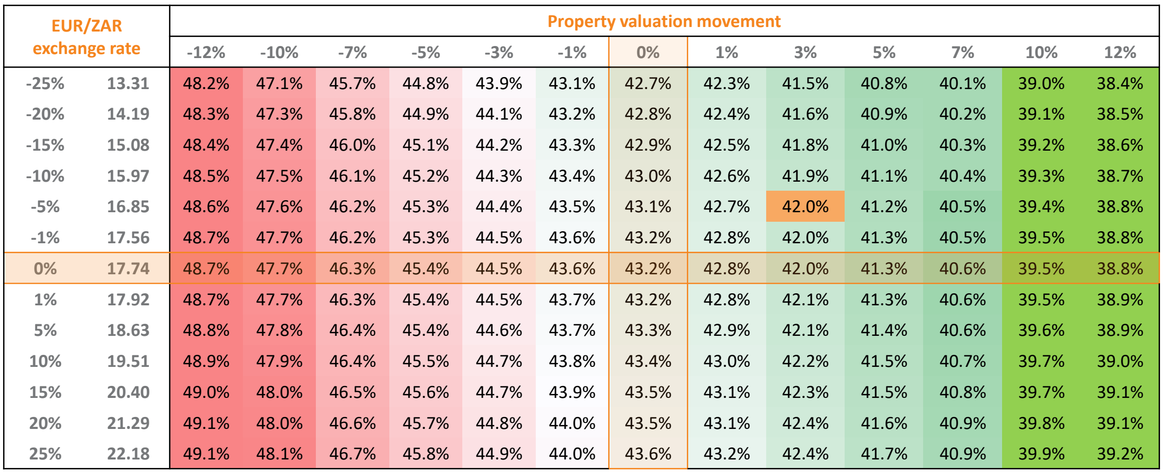
NOTES:

FORECAST LTV SENSITIVITY TO VALUATION AND FOREIGN EXCHANGE MOVEMENTS

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

AT 30 SEPTEMBER 2022

EXAMPLE: **5% ZAR STRENGTHENING TO 16.85** + **3% INCREASE IN PROPERTY VALUATION** = **-1.2% DECREASE IN GROUP LTV TO 42%**



EUR/ZAR exchange rate		Property valuation movement												
		-12%	-10%	-7%	-5%	-3%	-1%	0%	1%	3%	5%	7%	10%	12%
-25%	13.31	48.2%	47.1%	45.7%	44.8%	43.9%	43.1%	42.7%	42.3%	41.5%	40.8%	40.1%	39.0%	38.4%
-20%	14.19	48.3%	47.3%	45.8%	44.9%	44.1%	43.2%	42.8%	42.4%	41.6%	40.9%	40.2%	39.1%	38.5%
-15%	15.08	48.4%	47.4%	46.0%	45.1%	44.2%	43.3%	42.9%	42.5%	41.8%	41.0%	40.3%	39.2%	38.6%
-10%	15.97	48.5%	47.5%	46.1%	45.2%	44.3%	43.4%	43.0%	42.6%	41.9%	41.1%	40.4%	39.3%	38.7%
-5%	16.85	48.6%	47.6%	46.2%	45.3%	44.4%	43.5%	43.1%	42.7%	42.0%	41.2%	40.5%	39.4%	38.8%
-1%	17.56	48.7%	47.7%	46.2%	45.3%	44.5%	43.6%	43.2%	42.8%	42.0%	41.3%	40.5%	39.5%	38.8%
0%	17.74	48.7%	47.7%	46.3%	45.4%	44.5%	43.6%	43.2%	42.8%	42.0%	41.3%	40.6%	39.5%	38.8%
1%	17.92	48.7%	47.7%	46.3%	45.4%	44.5%	43.7%	43.2%	42.8%	42.1%	41.3%	40.6%	39.5%	38.9%
5%	18.63	48.8%	47.8%	46.4%	45.4%	44.6%	43.7%	43.3%	42.9%	42.1%	41.4%	40.6%	39.6%	38.9%
10%	19.51	48.9%	47.9%	46.4%	45.5%	44.7%	43.8%	43.4%	43.0%	42.2%	41.5%	40.7%	39.7%	39.0%
15%	20.40	49.0%	48.0%	46.5%	45.6%	44.7%	43.9%	43.5%	43.1%	42.3%	41.5%	40.8%	39.7%	39.1%
20%	21.29	49.1%	48.0%	46.6%	45.7%	44.8%	44.0%	43.5%	43.1%	42.4%	41.6%	40.9%	39.8%	39.1%
25%	22.18	49.1%	48.1%	46.7%	45.8%	44.9%	44.0%	43.6%	43.2%	42.4%	41.7%	40.9%	39.9%	39.2%

NOTES:

CORPORATE BOND ISSUANCES

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

COMPOSITION OF UNSECURED DEBT AND COVENANT EXCLUSIVE DEBT

Corporate Bonds	Security	Amount	Reference Rate	Margin	Maturity Date	Initial Term
VKE11	Unsecured	**R175m**	3M JIBAR	1.75%	20 April 2023	**5.0 years**
VKE14	Unsecured	**R375m**	3M JIBAR	1.65%	27 August 2023	**5.0 years**
VKE15	Unsecured	**R119m**	3M JIBAR	1.41%	14 February 2023	**3.0 years**
VKE16	Unsecured	**R381m**	3M JIBAR	1.61%	14 February 2025	**5.0 years**
VKE18	Unsecured	**R342m**	3M JIBAR	1.85%	27 August 2024	**3.0 years**
VKE19	Unsecured	**R232m**	3M JIBAR	1.39%	27 August 2025	**3.0 years**
VKE20	Unsecured	**R535m**	3M JIBAR	1.59%	27 August 2027	**5.0 years**
TOTAL		**R2 159m**				

Unsecured Debt Summary	Security	Amount
Corporate bonds	Unsecured	R2 159m
Bank debt	Covenant exclusive (1)	R355m
Total unsecured & covenant exclusive debt		**R2 514m**

Corporate long-term credit rating upgraded to **AA$_{(ZA)}$** and corporate short term rating **A1+$_{(ZA)}$**, with a **stable outlook**

(1) Covenant exclusive facilities form part of the bank's secured debt with rights to the bank's secured security pool, however they do not form part of transactional financial covenants.

NOTES:

OVERVIEW OF UNENCUMBERED ASSETS

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

Total unencumbered assets **R10 705m** (A)	Unencumbered direct property **R924m**	Unencumbered listed shares **R9 781m**	Number of properties **6**	GLA **61 821m²**
Average property value **R154m**	Retail rent from national tenants **83%**	Contractual rental escalation **6.9%**	Income from top 10 tenants **67%**	WALE **3.1 years**
Retail tenant retention **86%**	Vacancy (by rent) **2.3%**	Total unsecured debt **R2 159** (B)	Unsecured debt to unencumbered assets ratio **20.2%** (B/A)	

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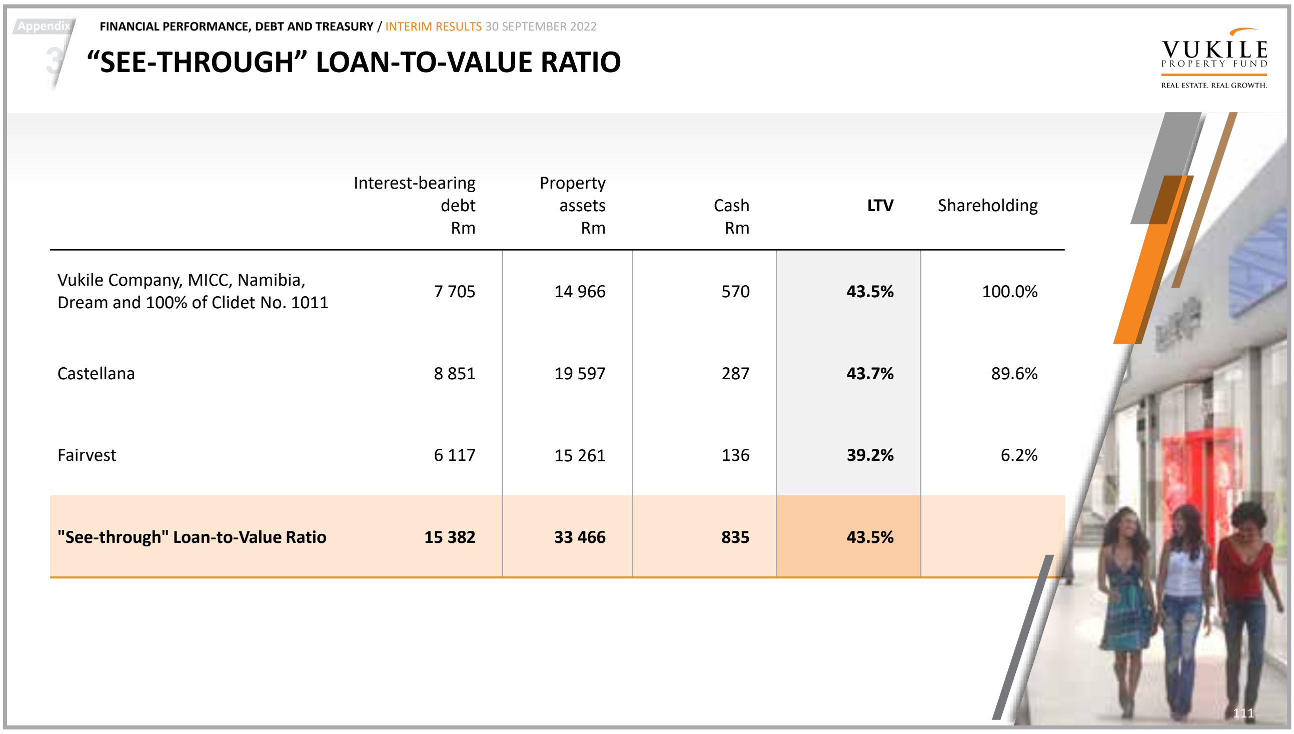

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FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

“SEE-THROUGH” LOAN-TO-VALUE RATIO

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

	Interest-bearing debt Rm	Property assets Rm	Cash Rm	LTV	Shareholding
Vukile Company, MICC, Namibia, Dream and 100% of Clidet No. 1011	7 705	14 966	570	**43.5%**	100.0%
Castellana	8 851	19 597	287	**43.7%**	89.6%
Fairvest	6 117	15 261	136	**39.2%**	6.2%
"See-through" Loan-to-Value Ratio	**15 382**	**33 466**	**835**	**43.5%**	

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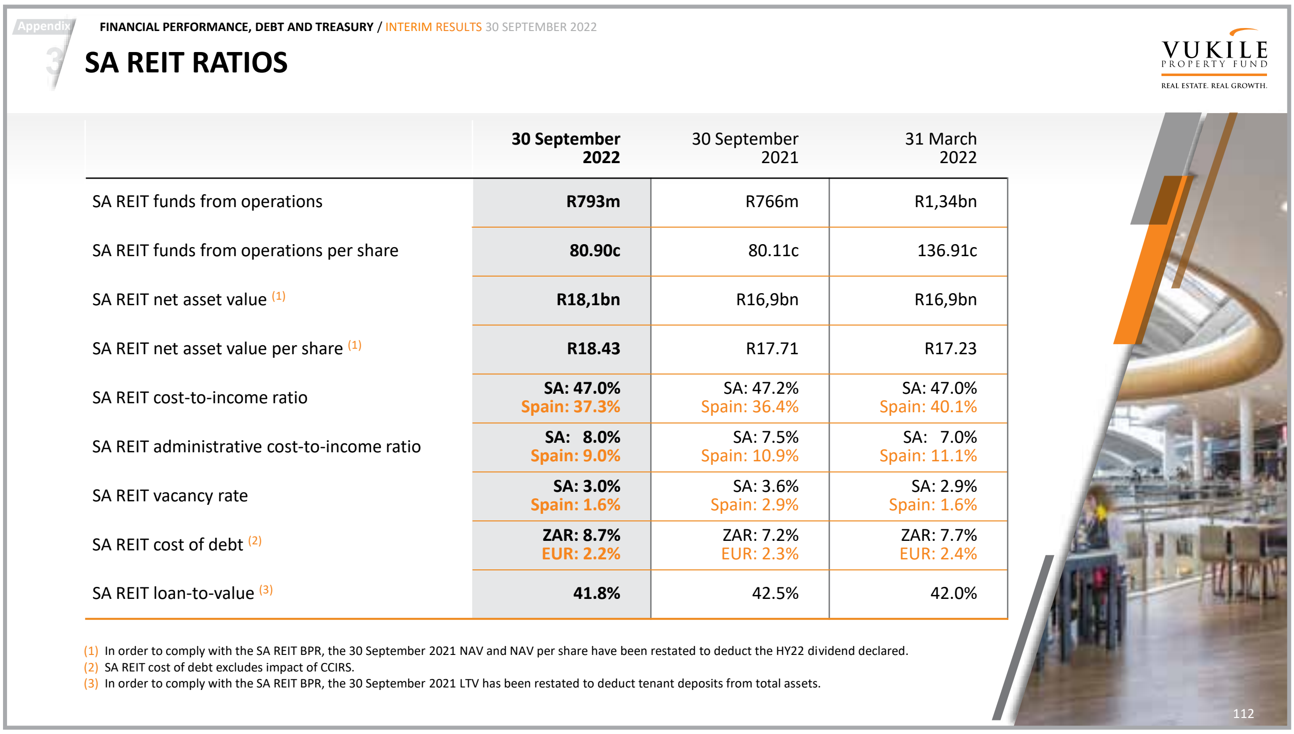

Appendix 3

FINANCIAL PERFORMANCE, DEBT AND TREASURY / INTERIM RESULTS 30 SEPTEMBER 2022

SA REIT RATIOS

VUKILE PROPERTY FUND
REAL ESTATE. REAL GROWTH.

	30 September 2022	30 September 2021	31 March 2022
SA REIT funds from operations	**R793m**	R766m	R1,34bn
SA REIT funds from operations per share	**80.90c**	80.11c	136.91c
SA REIT net asset value (1)	**R18,1bn**	R16,9bn	R16,9bn
SA REIT net asset value per share (1)	**R18.43**	R17.71	R17.23
SA REIT cost-to-income ratio	**SA: 47.0%** **Spain: 37.3%**	SA: 47.2% Spain: 36.4%	SA: 47.0% Spain: 40.1%
SA REIT administrative cost-to-income ratio	**SA: 8.0%** **Spain: 9.0%**	SA: 7.5% Spain: 10.9%	SA: 7.0% Spain: 11.1%
SA REIT vacancy rate	**SA: 3.0%** **Spain: 1.6%**	SA: 3.6% Spain: 2.9%	SA: 2.9% Spain: 1.6%
SA REIT cost of debt (2)	**ZAR: 8.7%** **EUR: 2.2%**	ZAR: 7.2% EUR: 2.3%	ZAR: 7.7% EUR: 2.4%
SA REIT loan-to-value (3)	**41.8%**	42.5%	42.0%

(1) In order to comply with the SA REIT BPR, the 30 September 2021 NAV and NAV per share have been restated to deduct the HY22 dividend declared.
(2) SA REIT cost of debt excludes impact of CCIRS.
(3) In order to comply with the SA REIT BPR, the 30 September 2021 LTV has been restated to deduct tenant deposits from total assets.

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