vukile
Centre of Growth

BUILDING COMMUNITIES, GROWING VALUE.

FY23

Year ended 31 March 2023

AGENDA

01 INTRODUCTION

Laurence Rapp

PROFILE

Centre of Growth

WHO WE ARE

- High-quality, low-risk, **retail REIT** operating in South Africa and Spain
- Significant **geographic diversification** with **59% 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**
- **99.5%** held subsidiary Castellana Property Socimi listed on the **BME growth***

* Madrid Junior Board

EXCELLENT OPERATING RESULTS AND STRONG FINANCIAL POSITION

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SOUTH AFRICAN PORTFOLIO CONTINUES TO DELIVER STELLAR RESULTS

Like-for-like annualised **NOI growth** of **5.4%**

Vacancies reduced to **2.0% from 2.6%**

Rental **reversions +2.3%, up from -2.4%**

Annualised trading densities increased by **6.2%**

Like-for-like retail **valuations increase** of **5.8%**

CASTELLANA CONSISTENTLY OUTPERFORMS AND DELIVERS MARKET-LEADING RESULTS

Normalised **NOI growth** of **9.0%**

Negligible vacancies at **1.3%**

Positive reversions of **+3.3%** (Excluding impact of indexation)

Rent collection rate at **99.2%**

Portfolio WALE of **12.6 years**

94% of retail space let to **international / national tenants**

STRONG BALANCE SHEET METRICS LEADS TO CREDIT RATING UPGRADE

89% of group interest-bearing **debt hedged**

No debt maturities in Castellana until **FY26**

Interest cover ratio (ICR) of **3.1 times** and LTV reduced to **42.6%**

GCR upgraded Vukile's corporate **long-term credit rating** to **AA**$_{(ZA)}$

Strong liquidity with cash and undrawn debt facilities of **R3.9 billion**

R700 million equity raise post year-end

OPTIMISING CAPITAL ALLOCATION BY EXECUTING ON CORE STRATEGY

Sale of direct property assets of **c.R309 million** in South Africa (**2.7% premium** to book value)

Further sale of Fairvest shares, realising **R50.8 million**

Acquired a **33%** investment in **ALT Capital Partners** and a c.**15%** investment in **REimagine Social Impact Retail Fund**

Acquired 50% undivided share in **BT Ngebs City (R400 million)**, expected to transfer in Q1 2024

R350 million investment in SA sustainable backup power (at an accretive yield)

Castellana acquired a further **4%** in **Lar España** for **c.€15.9 million**, increasing total shareholding to **25.7%**

6.2% INCREASE IN CASH DIVIDEND

Final dividend of **65.1 cents per share**

Total dividend for the year of **112.4 cents per share** (R1.14 billion), up **6.2%** on the prior year

Total FFO of **144.5 cents per share**, up **6.0%** on the prior year

GROUP OVERVIEW – PROPERTY ASSETS OF R37 BILLION

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

	SPAIN			SOUTH AFRICA	
Total property assets	€1 118 million	R21.5 billion	58%	R15.3 billion	42%
Direct property assets	€1 012 million	R19.5 billion	100% Retail	R15.1 billion	96% Retail
Strategic listed investments	€106 million	R2.0 billion	LAR España 25.7% ↑	R285 million	Fairvest 6% ↓
Property NOI	€59 million	R1.0 billion	45%	R1.3 billion	55%
Portfolio yield	6.4%		EUR yield	8.8%	ZAR yield
Debt	€498 million	R9.6 billion	56% of total debt No recourse to Vukile	R7.6 billion	44% of total debt

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02

SOUTH AFRICAN RETAIL PORTFOLIO OVERVIEW AND TRADING UPDATE

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DIRECT SOUTH AFRICAN RETAIL PORTFOLIO

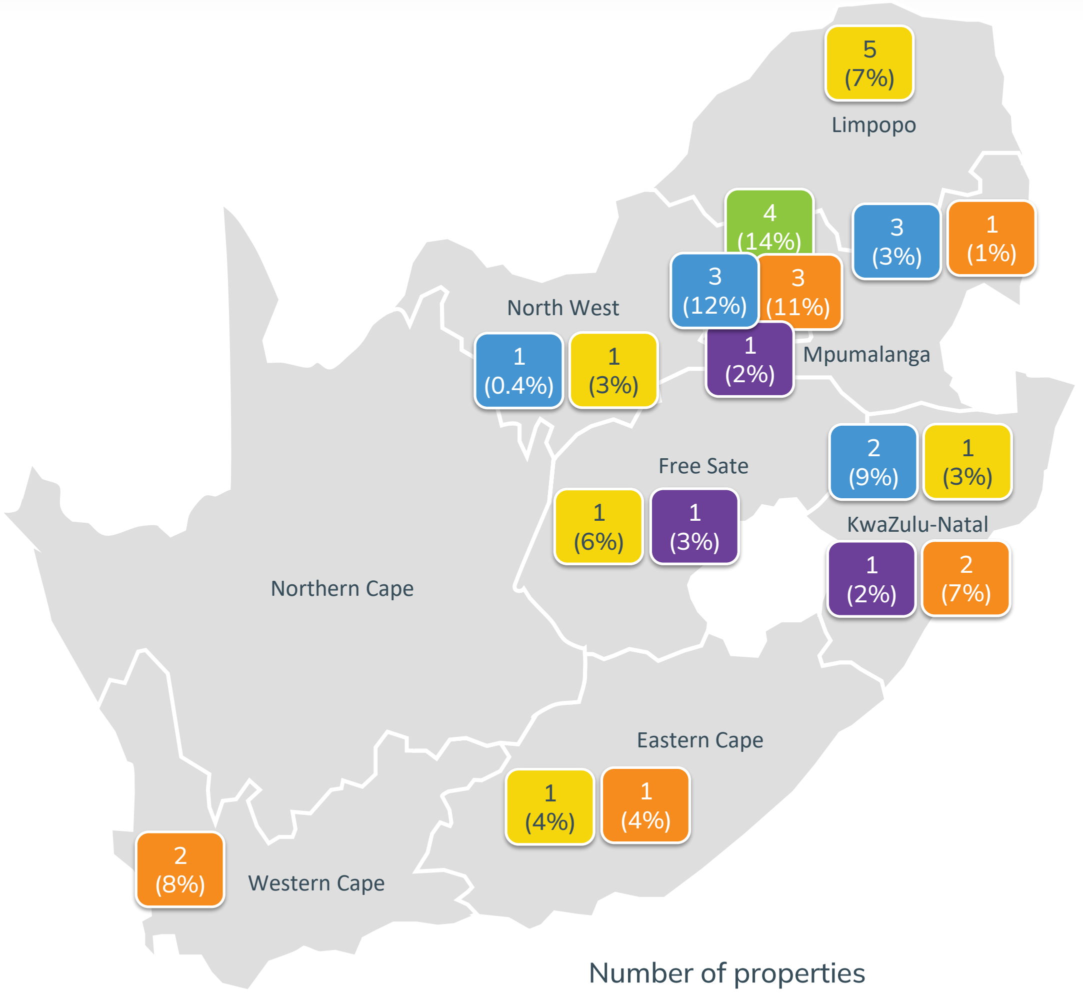
KEY RETAIL PORTFOLIO METRICS

KEY FACTS	Portfolio Value R14.4 billion	Total number of assets 34	GLA 760 632m^2	Operational Capex R100.3 million	PV installed 20 plants 14.9MWp 9.6% of energy consumption
VALUATIONS	Like-for-like annual increase in value 5.8%	Average asset value R423 million	Value density R18 895/m^2	Average discount rate 13.4%	Average exit capitalisation rate 8.8%
PERFORMANCE OVERVIEW	Like-for-like net income growth 5.4%	Vacancies 2.0% GLA 2.3% Rent	Reversions +2.3% 81% Positive or flat	Base rentals R159.96/m^2 4.8% growth	Contractual escalations 6.3%
EFFICIENCY	Rent-to-sales ratio 6.1%	Annualised growth in trading densities 6.2%	Average annual trading density R32 579/m^2	Net cost to property revenue 16.8%	
TENANT PROFILE	National exposure 85% GLA 82% Rent	Top 10 tenants 54% GLA 47% Rent	WALE 3.2 years GLA 2.6 years Rent	Tenant retention 93%	Rent collection rate 100%

RETAIL PORTFOLIO COMPOSITION

WELL POSITIONED DEFENSIVE PORTFOLIO FOCUSSED ON TOWNSHIP AND RURAL MARKETS

	Township	Rural	Value Centre	Urban	Commuter
Value	R4.4 billion	R3.4 billion	R2.0 billion	R3.6 billion	R1.0 billion
Number of properties	9	9	4	9	3
GLA	193 204m²	162 812m²	144 318m²	155 364m²	104 934m²
Vacancy	2.8%	0.8%	1.1%	2.0%	3.8%
Average base rental	R 186/m²	R 164/m²	R 107/m²	R 190/m²	R 134/m²
Average trading density	R43 019/m²	R37 821/m²	R21 488/m²	R30 071/m²	R24 229/m²
Rent-to-sales ratio	5.1%	5.2%	5.7%	8.0%	7.5%
WALE (GLA)	2.6 years	3.6 years	3.4 years	3.7 years	2.8 years
National tenant exposure	84%	88%	88%	89%	74%
Top 10 tenant exposure	29%	25%	11%	24%	10%
Tenant retention	92%	93%	93%	94%	92%

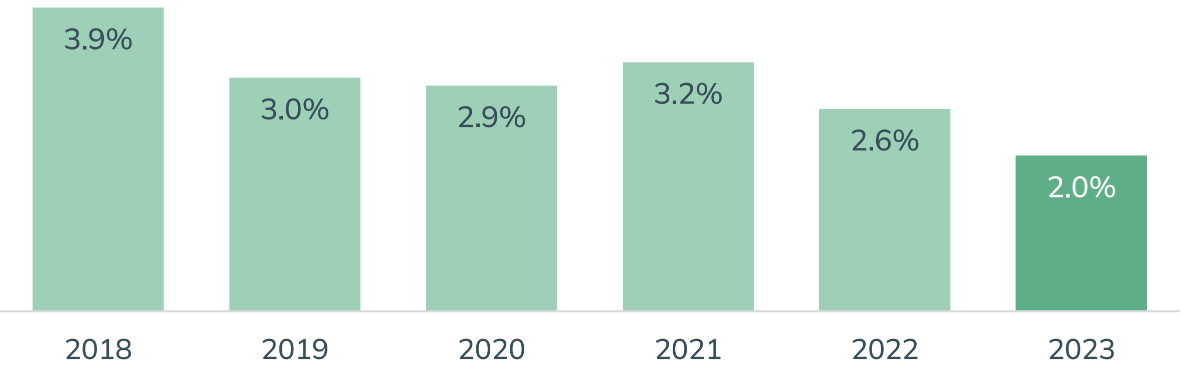


Number of properties
(% of Retail portfolio value)

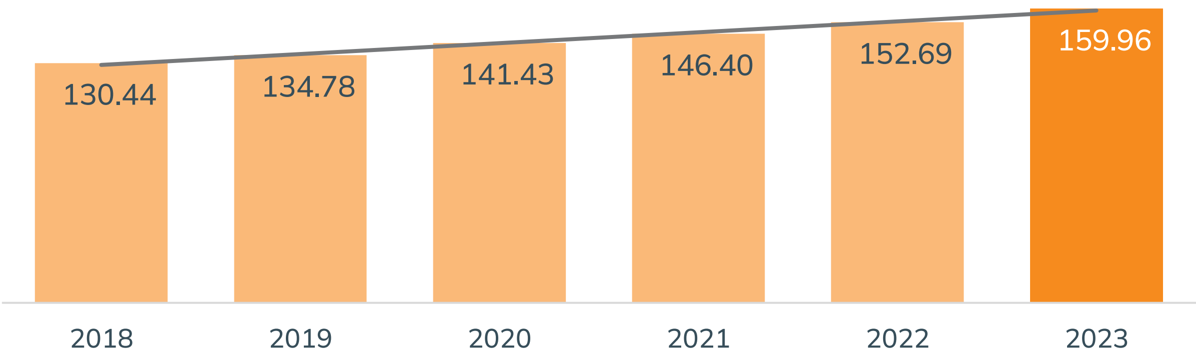
TENANT AFFORDABILITY

CONSISTENTLY SOUND PORTFOLIO METRICS

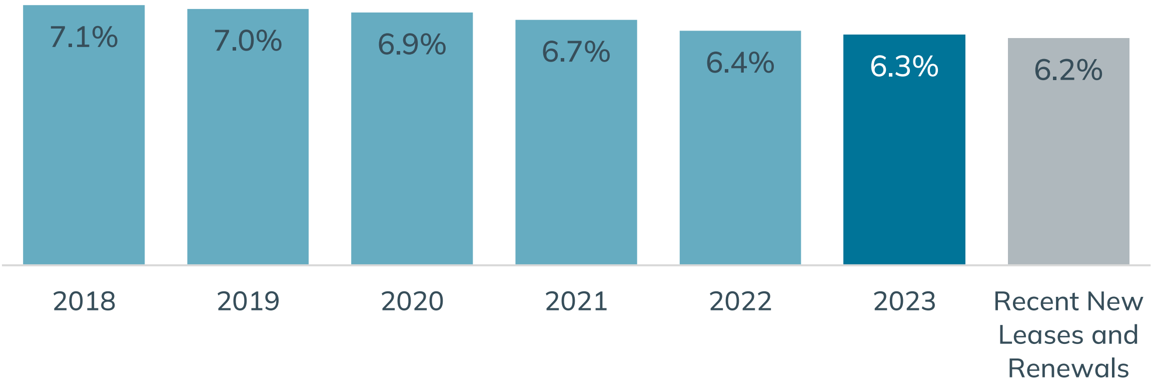
RETAIL VACANCY PROFILE BY GLA



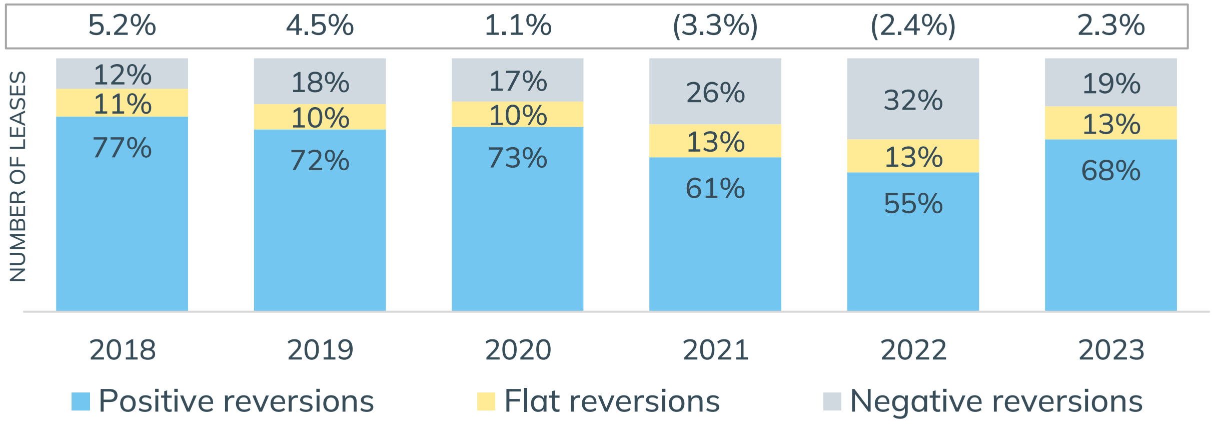
RETAIL AVERAGE BASE RENTALS R/m² (EXCL. RECOVERIES)



RETAIL CONTRACTUAL ESCALATIONS



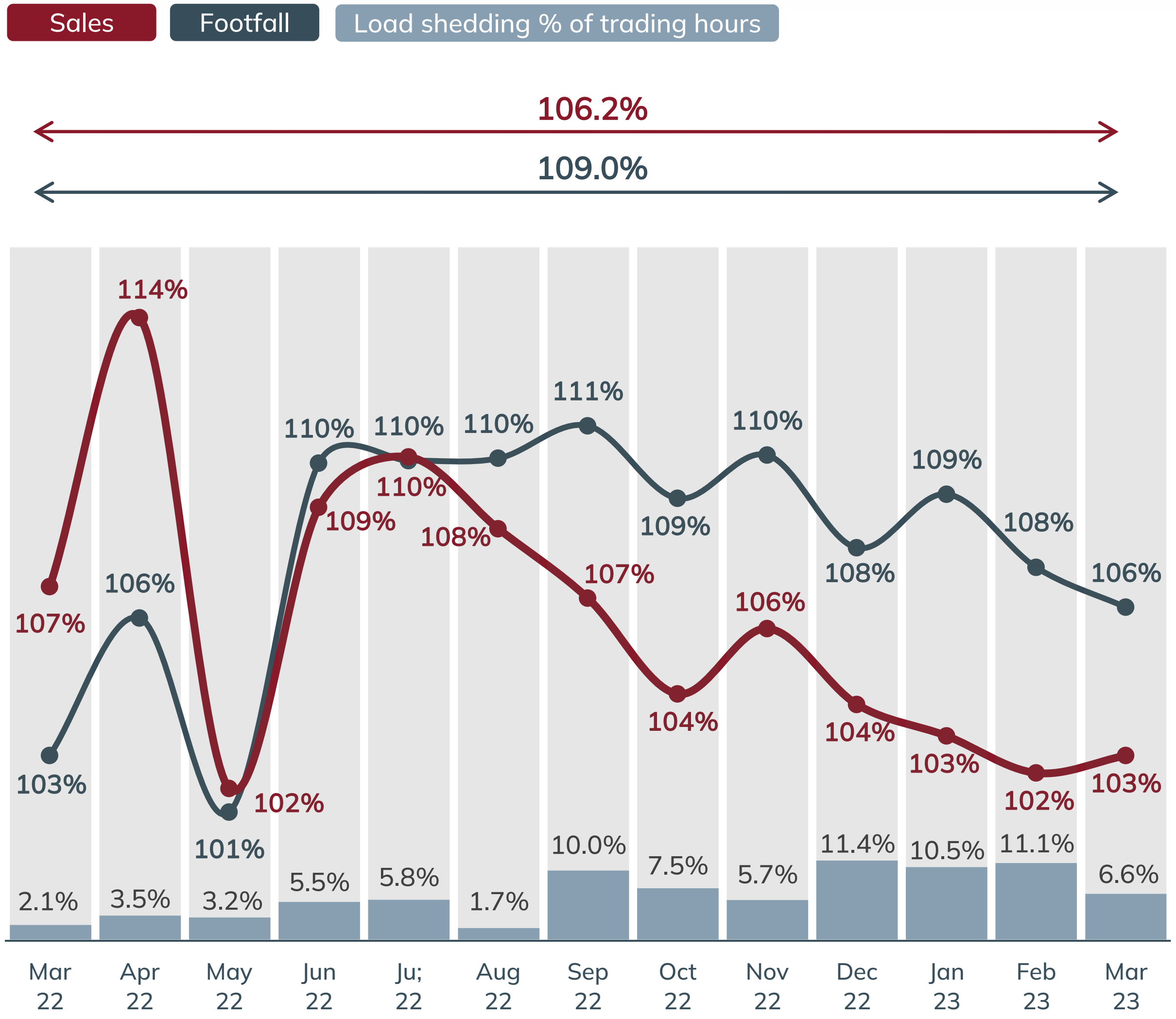
RETAIL RENT REVERSIONS



RETAIL PORTFOLIO PERFORMANCE AND TRADING ENVIRONMENT

IMPROVED FOOTFALL AND SALES

- Year-on-year portfolio **sales increased by 6.2%** and continue to grow across all major categories
- Portfolio **trading density growth** of **6.2%** (FY22 6.1%)
- All four main segments have shown **continued growth in trading densities** (township 9.6%, urban 7.9%, commuter 7.8% and rural 4.5%)
- **Footfall** is at **106%** compared to March 2022, showing **year-on-year growth of 9%**. All segments trending upwards (urban 108%, township 107%, commuter 107% and rural 104%)
- **Rural and township centres** show consistent year-on-year growth in both sales **(+6.7%)** and footfall **(+9.8%)**
- **H2 FY23 trade** has had a significantly **higher percentage** of **load shedding** during trading hours **impacting both turnover and footfall**
  - Load shedding as a percentage of trading hours on average was 8.8% in H2 FY23 compared to 4.9% in H1 FY23
  - On average 75% of the top assets trade during load shedding periods



CONSUMER TRENDS - FOOTFALL AND PROMOTIONAL ACTIVITY

TARGETED PROMOTIONAL ACTIVITY DRIVING FOOTFALL AND INCREASED SALES

230 MARKETING CAMPAIGNS
DELIVERED ACROSS 34 MALLS

38% INCREASE IN
SOCIAL MEDIA FOLLOWERS
REACHING c.35 MILLION SHOPPERS

EXHIBITION INCOME TARGET
EXCEEDED BY
11%

- Most popular shopping days back to **Fridays and Saturdays**, a change back to normal from midweek over lock-down period
  - Weekend flow now accounts for 45% of footfall, as opposed to 39% in 2020
  - **Month end and first week** account for **65%** of monthly footfall
  - Promotional activity spread throughout the month to **increase loyalty** in the busy times and **create hype** and activity mid-month
- **Promotions** keep shoppers **engaged** particularly in **current environment** with **more frequent visits** necessitated by current **load shedding environment**
  - Although both **sales and footfall** have **increased**, the overall **spend per head** has decreased to **98%** of previous year signalling **more frequent visits** and **smaller basket sizes**
  - Spend per head has remained **stable** in **urban** (102%) and **township** (100%) segment while there has been a decrease in spend per head in the **rural** (98%) and **commuter** (95%) market

ALTERNATIVE INCOME AND CUSTOMER ENGAGEMENT

ENHANCED DIGITAL FOOTPRINT RESULTING IN INCREASED ALTERNATIVE INCOME

SHOPPER WI-FI

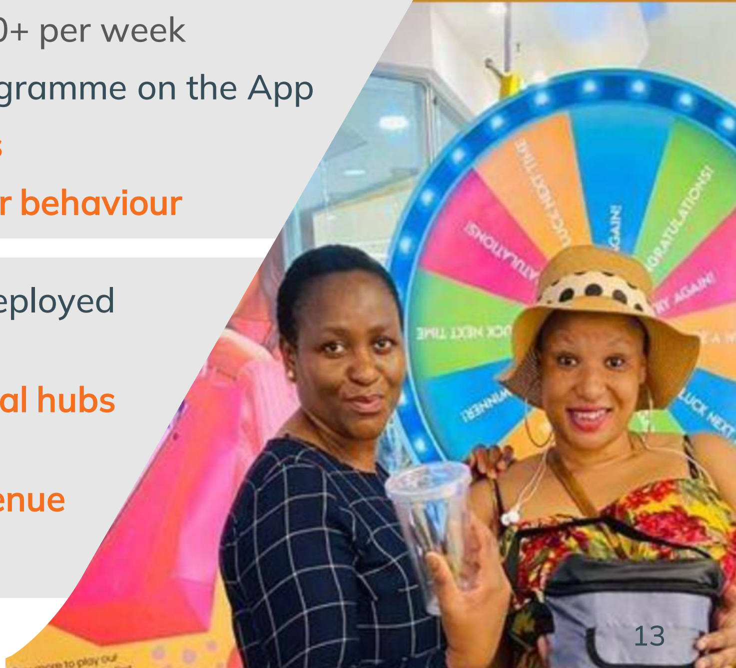
- Shopper Wi-Fi registrations of **13.3 million** across 18 shopping centres (**2792 Terabytes; R245.7 million** free data)
- Wi-Fi registrations increased by **24%** over the last 12 months
- Shopper analytics has **27 unique data points** which is used for direct marketing campaigns
- **Data analytics reporting** with shopper visits, journeys, trading densities and entrance utilisation
- **Shopper surveys** via the captive portal provide **key insights** regarding tenant mix, entertainment preferences and internet connectivity preferences, demographics at specific malls and shopping preferences (spaza vs mall)

MALL APP

- Multi-Mall Shopper App has over **33 800 downloads** and increasing on average by 200+ per week
- **Tenant exposure** via advertising banners, store directory for 17 malls and rewards programme on the App
- Mall map with detailed **places of interest** and **marketing events and tenant promotions**
- Special offers and product promotions to **encourage spend** and **drive desired consumer behaviour**

FIBRE AND ADVERTISING

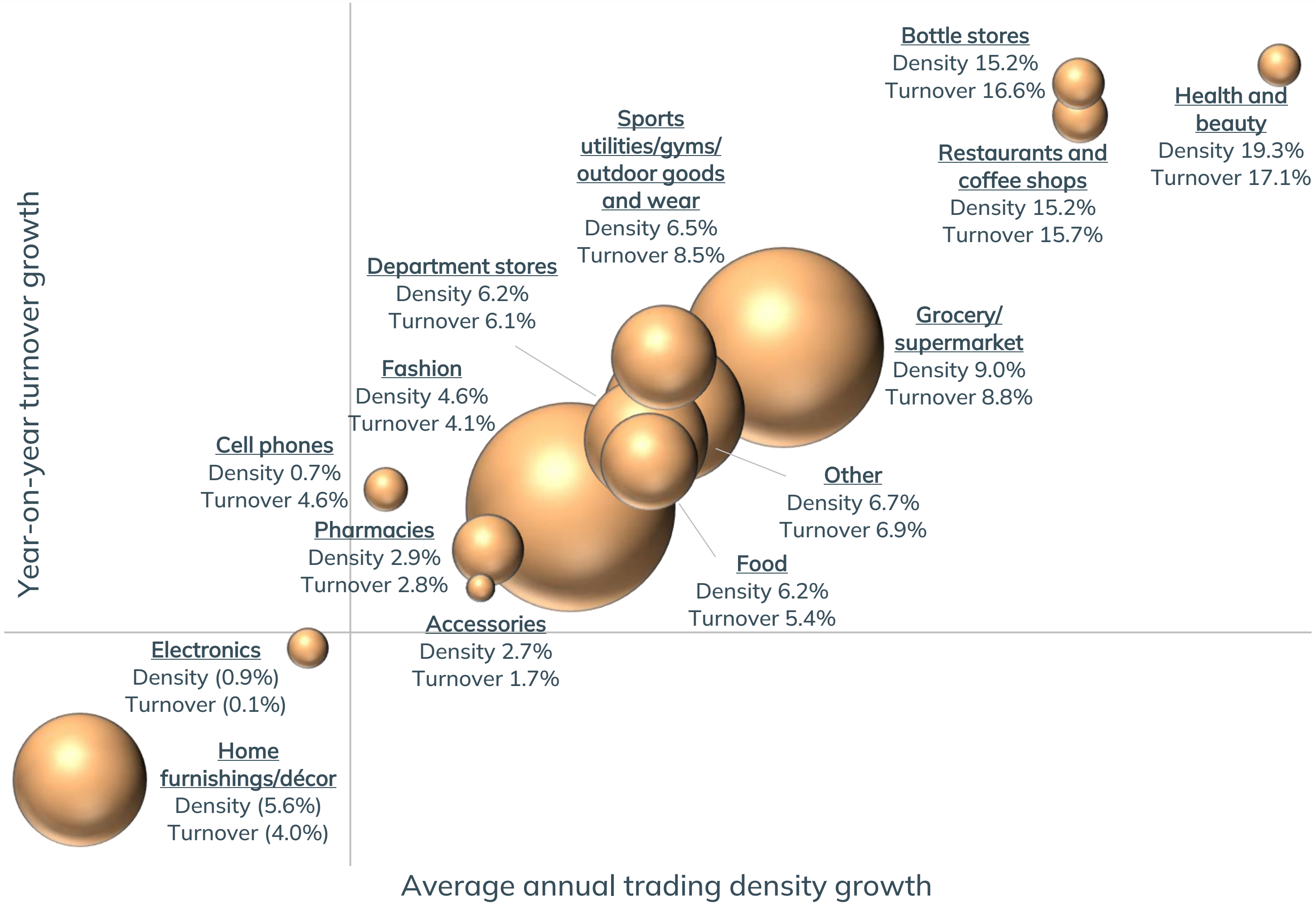
- **Tenant fibre connections** enabling better trading and **backup energy solutions** being deployed to support infrastructure
- Additional large format **digital advertising screens, TV network screens** and **three digital hubs** are being added to malls
- New advertising agreements (static and digital) ensuring **32% increase in outdoor revenue**
- **Telecomms** performing very well with **multiple renewals and new agreements**



RETAIL CATEGORY PERFORMANCE

TRADING DENSITIES AND ANNUAL TURNOVER GROWTH OF 6.2%

- **Fashion and grocery** categories (45% of GLA), delivered improved trading density growth of **4.6%** (FY22 4.3%) and **9.0%** (FY22 7.7%) respectively
- Turnover of top 10 retailers with **backup power** significantly outperformed **(+8.4%)** those without **(+0.6%)** over the period
- **Listed fashion retailers** in our top 10 tenants with a **supporting credit offering** showed a turnover growth **(+7.1%)**
- **12 out of 14 categories showing growth** on both turnover and trading densities
- **Health and beauty** has shown the greatest increase in trading metrics year to date, improving from 3.7% to **19.3%**
- **Sports utilities and athleisure, travel and luggage, bottle stores, restaurants and coffee shops** have shown strong performance, with **growth exceeding 10%**



LEASING ACTIVITY

CONTINUED VIBRANT LEASING ACTIVITY AND SUPPORT ACROSS ALL SEGMENTS

- **86%** of the 123 594m² **renewed leases** were concluded with **national and mid-tier** tenants
- The biggest supporters of **new deal generation** in our top 10 tenants are **TFG, Mr Price, Pepkor and Woolworths**
- Our top **10 tenants** renewed leases on **c.64 000m²** (**52%** of FY23 renewals) and **expanded** their **footprint** with **c.7 000m²** (**26%** of FY23 new leases)
- Most vibrant leasing activity (both new and renewals) was in the **township (31%), rural (26%) and urban (20%)** portfolios
- **Fashion (34%),** home furnishings/décor (11%), groceries (8%) and banking (7%) contributed the most to leasing activity during the period
- **Retention ratio** maintained at **93%** with the majority of terminated leases being **SMME's (5%)**

744
LEASES SIGNED

565	179
RENEWALS	NEW CONTRACTS

R1.4 billion
NEW RENT SIGNED

R1.1 billion	R0.3 billion
RENEWALS	NEW CONTRACTS

150 243m²
GLA SIGNED

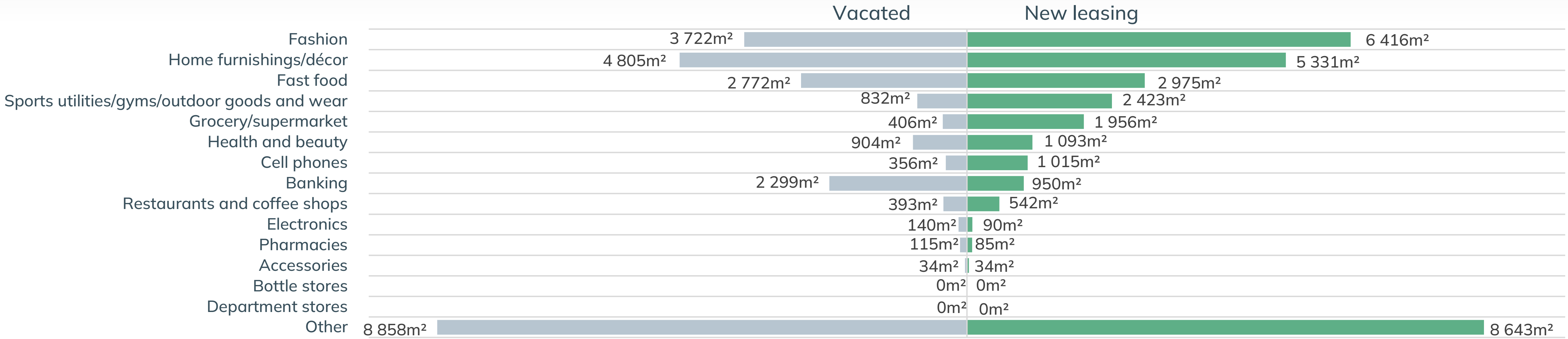
123 594m²	26 649m²
RENEWALS	NEW CONTRACTS

3.8 years
WALE

3.8 years	4.0 years
RENEWALS	NEW CONTRACTS

RETAIL VACANCY MOVEMENT

31 553m² VACANT SPACE LET VS. 25 636m² VACATED



- Retail **vacancies decreased** from 2.6% to 2.0%
  - 12 malls fully let; 17 malls with vacancies less than 1 000m²
  - **Rural, urban** and **commuter vacancies** decreased to **0.8%, 2.0%** and **3.8%** respectively, from 1.5%, 2.9% and 4.7% in FY22
- Fashion and athleisure **(26% of retail portfolio GLA)** contributed the most **(28% of deals concluded)** to new lets over the period
  - **Fashion growth** has increased across **all segments** with majority of deals concluded with top 10 national retailers
  - The biggest **absorption of vacant space** has been in the **township portfolio (42%)** followed by **urban (18%)** and **rural (17%)**
- Continue to see growth in groceries, supermarkets and fast foods, categories with strong trading density growth over the period
- **Banking exposure decreased** further to 7% of rent, resulting in the subdivision of the space to bring about more variety in fashion
- The **"other" categories** represent **27%** of overall new lets, driven predominantly by movement in gambling, professional services, medical, cleaning and security

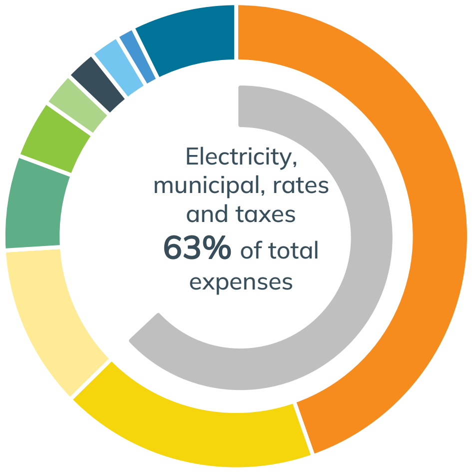
NET COST TO PROPERTY REVENUE

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

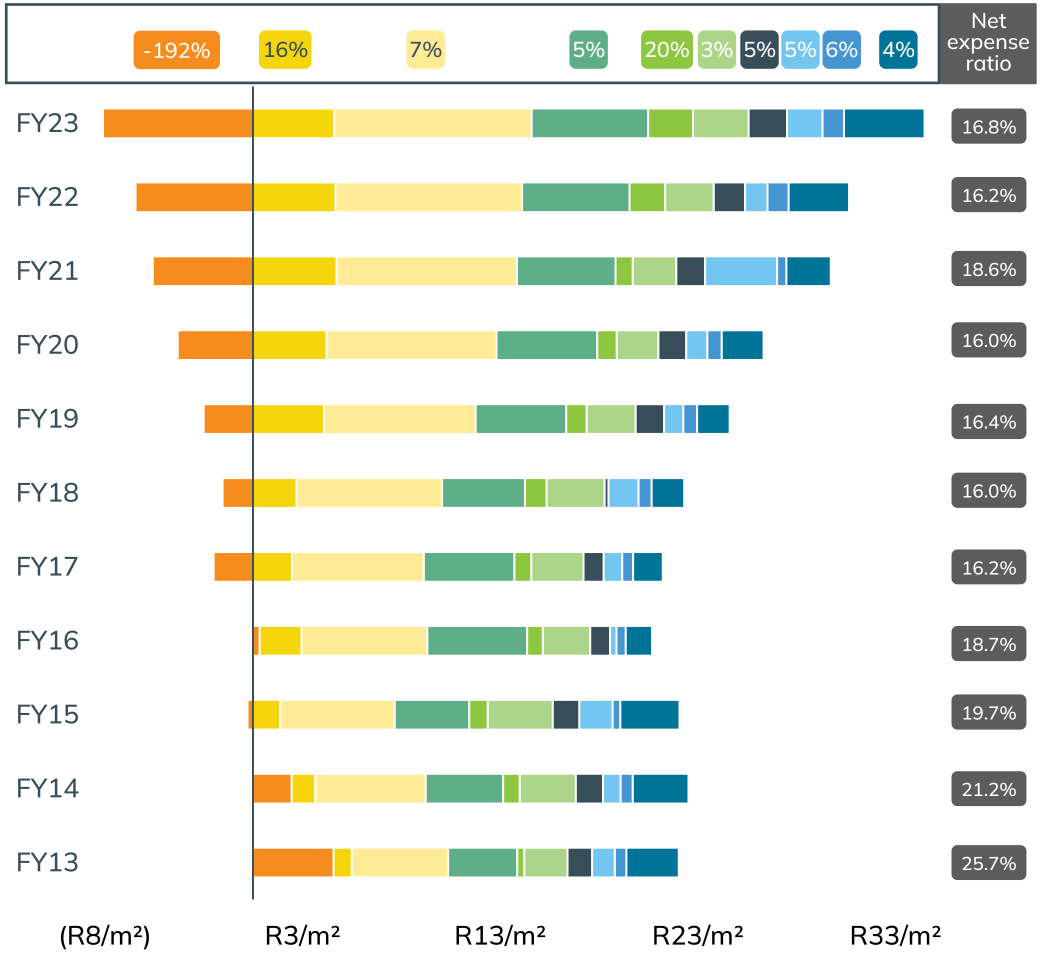
COST CATEGORY EXPOSURE



- ● Electricity and municipal 45%
- ● Rates and taxes 18%
- ● Cleaning and security contracts 11%
- ● Property management 7%
- ● Wi-Fi, innovation and promotions 4%
- ● Maintenance and refurbishment 3%
- ● Amortised commission and tenant installation 2%
- ● Bad debt 2%
- ● Insurance 1%
- ● Sundry Expenses 7%

NET EXPENSES

Average annual escalation since 2013



Stable retail portfolio excluding sales

ENERGY AND SUSTAINABILITY

THE COST OF DIESEL BACKUP GENERATORS

Total diesel cost FY23	**R11.2 million (budget R2.2 million)**
Total unrecoverable common area diesel cost FY23	**R3.4 million**
Total tenant diesel cost FY23	**R7.8 million**
Recovery of tenant diesel cost	**R4.2 million (54%)**
Unrecoverable diesel expenses as a percentage of net operating income	**0.6%**

- Vukile's historical **policy and strategy** on backup power has been mostly geared to **common area and emergency lighting provision**, hence a **lower percentage** of tenants **rely on Vukile** to provide backup power
- Approximately **75% of tenants trade** during load shedding, using some form of alternative power at their cost
- Total **diesel cost** as percentage of **total electricity expense** is **3.2%**
- **88%** of all **common areas** are backed up
- Vukile provides generator backup **directly to tenants** occupying c.**30%** of the portfolio

ENERGY AND SUSTAINABILITY

RENEWABLE POWER BACKUP STRATEGY

- **14.9 MWp** of **Solar PV installed** over the past five years – equating to **9.6%** of **portfolio energy consumption**
- Installation of **2.3MWp completed for FY23** and an additional **7.5 MWp under construction**
- **16 completed** solar projects at **R169 million** yielding between 16% and 21%
- **12 projects** costing **R138 million** in the pipeline at the same projected yields between 16% and 21%
- Aim to **increase Solar PV** exposure to **more than 25MWp** by end **FY24** (completed and planned) representing 16.1% of consumption

UPDATE ON SOLAR AND BESS PROJECT

- **On schedule** to **complete yield accretive R350 million** spend on **17 projects** by end of FY24
- The solution will enhance **tenant relationships** as it is more **cost effective** and ensures **tenant sustainability** through the energy crisis and beyond
  - Offers optionality to **contract out** of future NERSA approved high **tariff increases**
  - Enables **conducive** shopping environment for customers as all tenants will be able to trade
  - Projects will be **yield-accretive** showing returns of between 13% to 16%
  - Positions Vukile as value-add **property partner** for multiple stakeholders (tenants, customers, communities)
- Under construction: Maluti (2MWh) and Nonesi (1MWh) including full battery and generator backup
- Anticipated commissioning date: mid-October 2023
- Very **high level of interest and uptake** from **tenants**
- Balance of projects simulated and will be **tendered by July 2023**

PORTFOLIO ACQUISITIONS AND DISPOSALS

PROPOSED ACQUISITION OF BT NGEBS CITY LOCATED IN MTHATHA, EASTERN CAPE

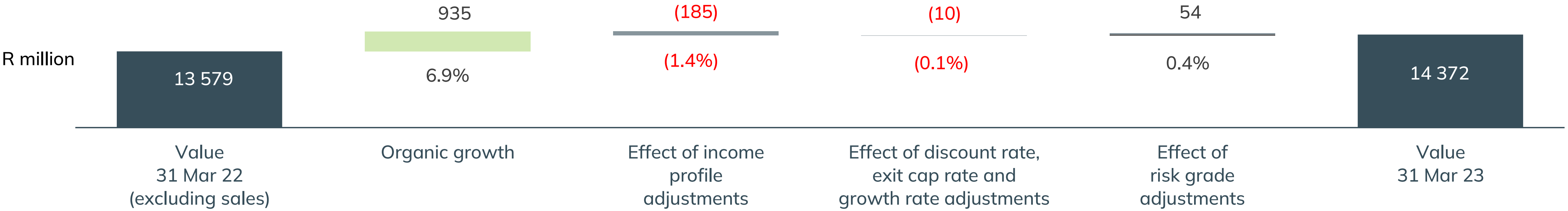
- Vukile, in partnership with Flanagan & Gerard, have entered into **formal agreements** with the Billion Group to acquire **BT Ngebs City**
- We have agreed to a purchase price of **R400 million** (for Vukile's 50% share) at an initial yield of **9.25%**, momentum to close the transaction continues to be strong amongst counterparties
- Our **due diligence is almost complete** and a merger filing has been submitted to the **Competition Commission**
- The purchase of the asset **excludes the hotel and the casino** which are on the same erf as the mall. A town planning exercise is underway to separate these two assets which are not part of the transaction
- **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 FY24** with **funding in place** through prior asset sales

DISPOSALS OF R309.4 MILLION CONCLUDED AT A YIELD OF 10.8% AT 2.7% ABOVE BOOK VALUE

	Sales price (R million)	Transfer date
Monsterlus Moratiwa Crossing	165.0	19 Sep 22
Midrand Allandale Industrial Park	91.0	22 Sep 22
Jhb Houghton 1 West Street	30.0	28 Feb 23
Mbombela Truworths Centre	23.4	18 May 22

VALUATIONS: RETAIL PORTFOLIO
34 PROPERTIES VALUED AT R14.4 BILLION

5.8% INCREASE WITH A CONSERVATIVE VALUE DENSITY OF R18 895/m²



	Township	Rural	Value Centre	Urban	Commuter	Total Retail Portfolio
Exposure	31%	23%	14%	25%	7%	100%
Value	R4.4 billion	R3.4 billion	R2.0 billion	R3.6 billion	R1.0 billion	R14.4 billion
Average value per property	R489 million	R373 million	R491 million	R402 million	R343 million	R423 million
Value density	R22 781/m²	R20 639/m²	R13 616/m²	R23 267/m²	R9 820/m²	R18 895/m²
Value movement	R272 million	R253 million	R127 million	R207 million	(R66 million)	R794 million
Yield	8.5%	8.6%	8.9%	8.7%	10.1%	8.8%
Discount rate	13.4%	13.3%	13.5%	13.4%	13.8%	13.4%
Exit capitalisation rate	8.9%	8.4%	8.9%	8.9%	9.9%	8.8%

SHORT-TERM FOCUS AREAS

CONTINUED TIGHT OPERATIONAL FOCUS

TENANT RELATIONSHIPS

- Remain a **partner of choice** by providing well-managed and safe shopping environments for our retailers to prosper
- Continue to foster **sound relationships** at executive level with our top 20 tenants to ensure **sustained growth** of the portfolio
- Ensure low barriers to entry for innovative game-changing retail offerings
- Continue to **incubate new entrants** and SMMEs into the portfolio via our retailer academy programme
- Introduce **energy availability strategy** to support our tenants

CUSTOMER INSIGHTS

- **Accumulate** and **analyse data** on consumers to improve shopper journey in a tangible and meaningful way
- **Integration** of data that includes current portfolio metrics, psychographic information, nodal dynamics and individualised customer data from the Wi-Fi database
- Utilise integrated data to enable the business to **respond** in **real-time** to **consumer behaviour changes and movements**
- Explore new avenues for **alternative revenue sources**
- Provide **customer insights** to our tenants to help them improve their **offering at a localised level**

OPERATIONAL EXCELLENCE

- Continue exploring sustainable solutions to **manage costs** through **integration, efficiency of operations, and cash flow** management - across soft services, hard services, marketing and promotions, property, utility and alternative income management
- Continue **delivering on PV strategy** to optimise energy and utility spend
- Continue spending our **capital budget** responsibly to ensure that the assets are **fit for purpose** and highly **marketable**
- Refine and improve property management service delivery model interface to gear more towards **improving end-user customer satisfaction**

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 communities** in which we operate
- Execute on **targeted promotional activity** to drive **footfall and spend** at our malls
- **Support local communities** to entrench the position of our malls as a loved and integral part of the community

CASTELLANA
PROPERTIES

03

CASTELLANA PROPERTIES OVERVIEW AND TRADING UPDATE

Alfonso Brunet

ECONOMIC UPDATE: SPAIN

GDP & INFLATION

- **Despite general macroeconomic headwinds, the Spanish economy grew by +5.5% in 2022, significantly above the European average of +3.5%.** The result was better than expected, mainly thanks to the unexpected drop in energy prices, a strong recovery in tourism and exports activity and dynamism of private consumption, also supported by positive labour market developments. GDP growth for 2023 has been revised upwards to +1.6%, reducing the likelihood of a near term contraction.
- **Headline inflation continues to decline in the last months; core inflation still at high levels but also decreasing.**
  - Inflation reached 5.7% in 2022, significantly below that of the European average of 9.2%.
  - In May 2023, advanced data of core inflation indicated another drop of 50bps to 6.1%, keeping the tendency of a relaxation of inflationary pressures. Positively, advanced data of headline inflation in May (excluding food and energy) experienced a significant drop to 3.2%.
- **Spanish 10-year bond is reflecting part of the inflationary pressures as well as interest rate hikes (now at 3.75%) and is currently yielding at 3.35% vs. 0.06% in January 2021.**

LABOUR MARKET

- **Latest employment data in April 2023 signals that the labour market remains strong in Spain.**
- **Registered unemployment in April 2023 stood below 2.8 million for the first time since April 2008, pre-financial crisis levels.** This figure represents a -2.58% drop compared to March. Compared to the same month of the previous year, unemployment decreased by -7.75%.
- Positively, **Employers Representatives and Unions have agreed on a three-year plan to raise wages by 4% in 2023, 3% in 2024 and 2025.** An additional 1% per year will be added to the recommended increase for 2024 and 2025 if inflation exceeds these increases.

TOURISM

- **With 72 million visitors, Spain showed a very positive recovery in tourism activity and was ranked as the third country by number of tourists in 2022. This figure represents a c.+130% vs. 2021 (31 million visits).** Visitors mainly came from United Kingdom (21%), France (14%) and Germany (13%).
- **In Q1 2023 the recovery is even more positive. During this period Spain received 13.7 million international tourists, +41.2% vs. Q1 2022. Total spend increased by +44% to €17.2 billion, also signaling an increase in average spend per visit.**

CONSUMPTION

- **In 2022, household spending increased ahead of inflation by +11.5%. The flip side of it being household savings (expressed as % of gross income) generated throughout the pandemic, which were reduced to c.€58 billion. Savings rate reached a record in the historical series in 2020 when it reached 17.7% of household gross income. This figure was then reduced to 13.8% in 2021 and closed 2022 in 7.2%.**
- **While the savings rate is naturally being reduced, it is in line with the historical average.**

Source: Funcas, BBVA Research, ECB, INE.

SPANISH PORTFOLIO

KEY PORTFOLIO METRICS

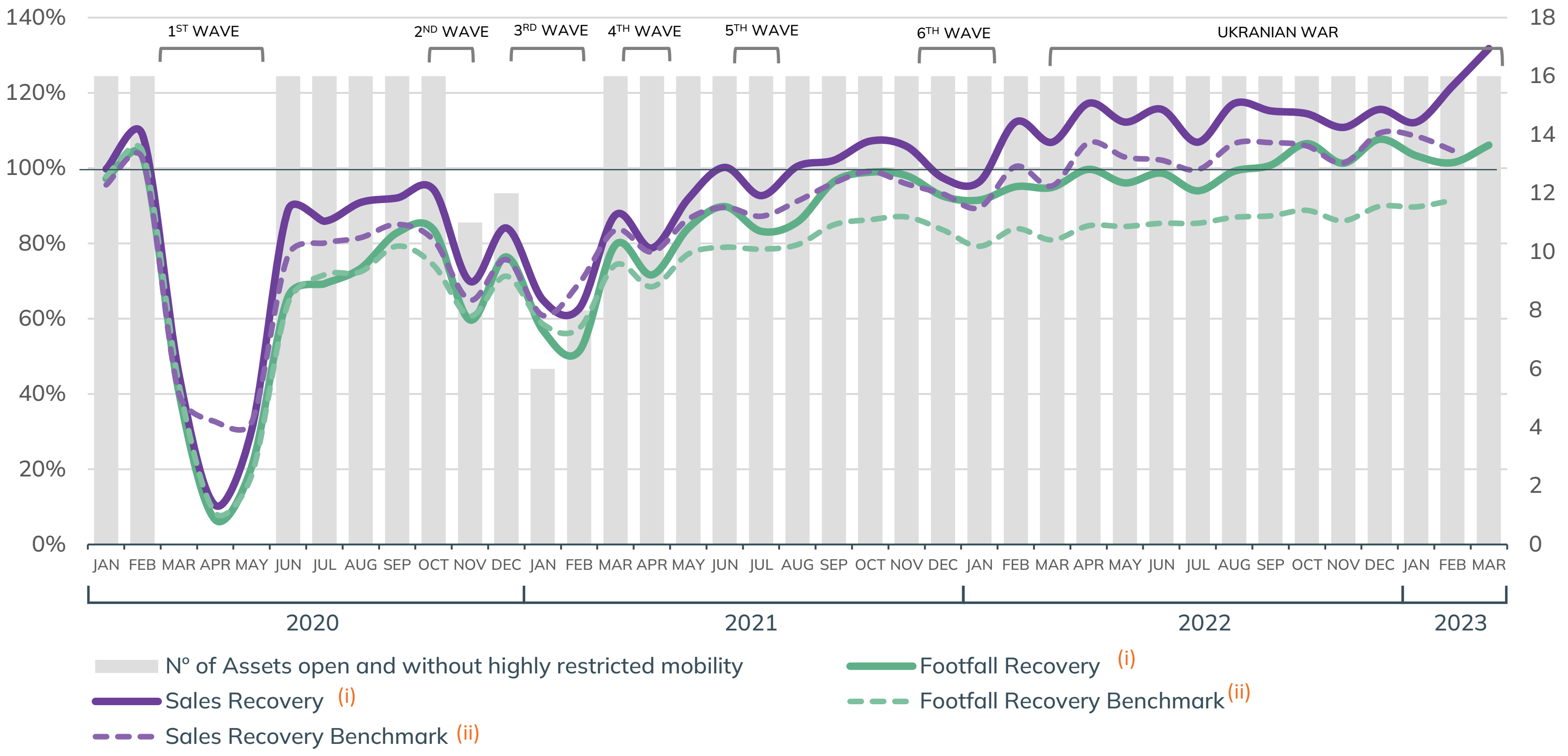
KEY FACTS	GAV €1 118 billion +2.5%(i)	Portfolio value €1 012 billion +1.1% (ii)	GLA 350 925m²	Normalised NOI Like-for-like growth +9.0% (iii)
VALUATIONS	Average asset value €63 million	Average discount rate 9.1% +100 BPS (iv)	Average exit capitalisation rate 6.25%	Total number of assets 16
TENANT PROFILE	Retail space let to international & national tenants 94%	Income from top 10 tenants 37.9%	WALE 12.6 years (v)	OCR 8.9% (vi)
OPERATING METRICS	Letting transactions signed during the year 189	Increase in reversions and new lettings 3.26% (vii)	Occupancy 98.7%	Collection rate 99.2%

(i) Including LAR España stake
(ii) Like-for-Like growth on Direct Portfolio valuations versus March 2022
(iii) Like-for-Like excluding COVID-19 rent concessions during FY22 (+16.3% including COVID-19 rent concessions)
(iv) Compared to Average discount rate considered in valuation of investment properties at March 2022
(v) WALE (by GLA) is to expiry of lease excluding break options
(vi) Expenses included. Market Average of 11.1% according to 2022 results published by European peers
(vii) Excluding vacant units let

FOOTFALL AND SALES

RECORD FIGURES IN FOOTFALL AND SALES

FOOTFALL & SALES INDEX



- **Outstanding year in terms of footfall and sales** during FY23 beating all records since acquisitions. Castellana portfolio continuously outperforming benchmarks thanks to the strength and dominance of the portfolio, and the excellence of the management team.
- **Sales in FY23 grew by +18.4%** compared to FY20. This trend is consolidated and even improved during the first months of current year (Jan-Mar 2023), with an increase of +14.2% compared to the same period of 2022.
- **Retail Parks portfolio delivered an increase of +22.5%** vs FY20 and +4% vs FY22.
- **Shopping Centres showed a significant growth of +16.8% during the year** compared to FY20 and +18.2% compared to FY22)
- **Footfall in FY23 grew by +1.2%** compared to FY20. As with sales, footfall trend continues to improve +10.6% vs the same quarter in 2022.

Source: Castellana Properties

(i) 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 2023, 2022, 2021 and 2020 are compared with same period in 2019.

(ii) Benchmark: Spanish Shopping Centres Association

CUSTOMER CENTRICITY: CASTELLANA'S COMMITMENT TO CONVERT ITS MALLS INTO GO-TO DESTINATIONS

- Castellana Properties continues to bring the most powerful and exciting events and experiences to our shopping centers. Our target is to have constant events and also create new partnerships and collaborations with local stakeholders that reinforce the connections with our communities.
- The launch of more than 370 events and animations during 2022, shows Castellana Properties' unwavering commitment to converting its shopping centres into places where people can do so much more than shop - creating leisure spaces that attract people who are looking to enjoy activities and shows – driving footfall, dwell time and ultimately sales.

376
EVENTS IN 2022

21%
ESG ACTIONS WITH LOCAL PARTNERSHIPS

21%
COLLABORATIONS WITH RETAILERS

CUSTOMER CENTRICITY: BRINGING THE MOST EXCITING EXPERIENCES TO OUR PORTFOLIO, EVEN PRODUCING OUR OWN EVENTS

- Thanks to the scale and diversification of our portfolio, Castellana Properties benefits from certain synergies and cost efficiencies, even producing our own events, designed exclusively for our portfolio.
- The initiative *Legend of Excalibur*, inspired by legendary King Arthur, saw our shopping centres turn into medieval spaces offering a whole host of specially-themed shows, parades, activities, games and prizes for the whole family. This is only one of many examples that takes place throughout the year and that demonstrates the big impact on the footfall figures recorded when these type of events are held.

RESULTS OF THE SHOW

7	77	+11.6%	€112.4K
CENTRES	LIVE SHOWS IN THE MALLS	FOOTFALL VS 2022	INCENTIVE SALES

CUSTOMER CENTRICITY: STRENGTHENING TIES WITH OUR STAKEHOLDERS

POSITIONING THE COMPANY AS A TRUSTED AND LOVED RETAIL PARTNER

CUSTOMERS (i)

NPS:
41

- Research indicates that a net promoter score over 20 confirms a **very high level of customer satisfaction**
- Achieving an **NPS of 41** endorses the excellent job done in the malls by upgrading the customer experience

REFERENCE SC:
79%

- Almost 8 out of 10 of our visitors consider our assets as their reference and **main shopping and leisure destination,** highlighting the dominance of our assets in their catchment area

TENANTS (ii)

With **a response rate of 82.3 %,** tenant satisfaction achieves a rate of **8 out of 10, above benchmark** and notably improving in several categories compared to last year's survey.

REMARKABLE INCREASE IN THE FOLLOWING CATEGORIES:

"SHOPPING CENTRE MANAGEMENT"
8.3 POINTS / **0.9** POINTS ABOVE BENCHMARK

"MARKETING AND COMMUNICATION POLICY"
7.8 POINTS / **0.7** POINTS ABOVE BENCHMARK

"SERVICES TO THE CUSTOMERS"
8.1 POINTS / **0.2** POINTS ABOVE BENCHMARK

This confirms the outstanding strategy carried out by Castellana team to support and stay close to our tenants.

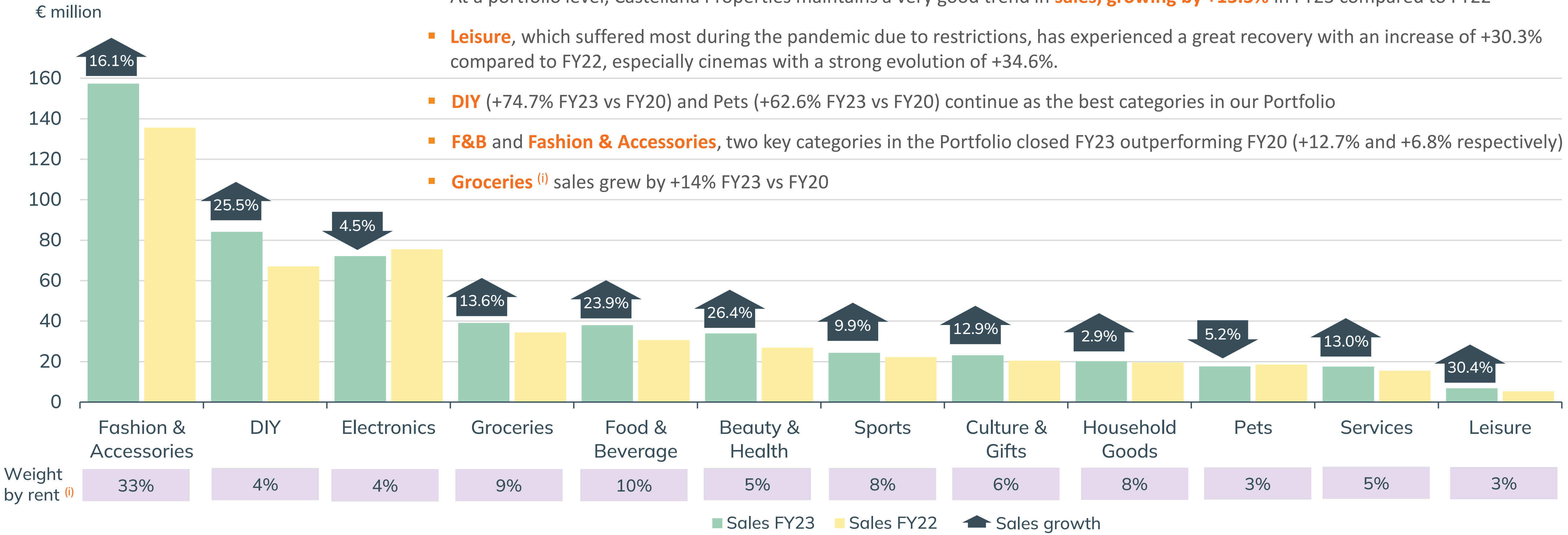
(i) Sample of 2 210 surveys among all the shopping centres and Granaita RP
(ii) Hamilton Research March 2023 in all portfolio

SALES PERFORMANCE PER TENANT CATEGORY

IMPRESSIVE GROWTH IN SALES FIGURES FOR OUR MAIN CATEGORIES

CASTELLANA PORTFOLIO SALES EVOLUTION

- At a portfolio level, Castellana Properties maintains a very good trend in **sales, growing by +13.3%** in FY23 compared to FY22
- **Leisure**, which suffered most during the pandemic due to restrictions, has experienced a great recovery with an increase of +30.3% compared to FY22, especially cinemas with a strong evolution of +34.6%.
- **DIY** (+74.7% FY23 vs FY20) and Pets (+62.6% FY23 vs FY20) continue as the best categories in our Portfolio
- **F&B** and **Fashion & Accessories**, two key categories in the Portfolio closed FY23 outperforming FY20 (+12.7% and +6.8% respectively)
- **Groceries** [(i)] sales grew by +14% FY23 vs FY20



Source: Castellana Properties

(i) Excluding Storage and Other category (2%)

LEASING ACTIVITY

CONSISTENTLY STRONG COMMERCIAL PERFORMANCE

189
LEASES SIGNED

85 RENEWALS	104 NEW CONTRACTS

€7.3 million
NEW RENT SIGNED

€4.1 million RENEWALS	€3.2 million NEW CONTRACTS

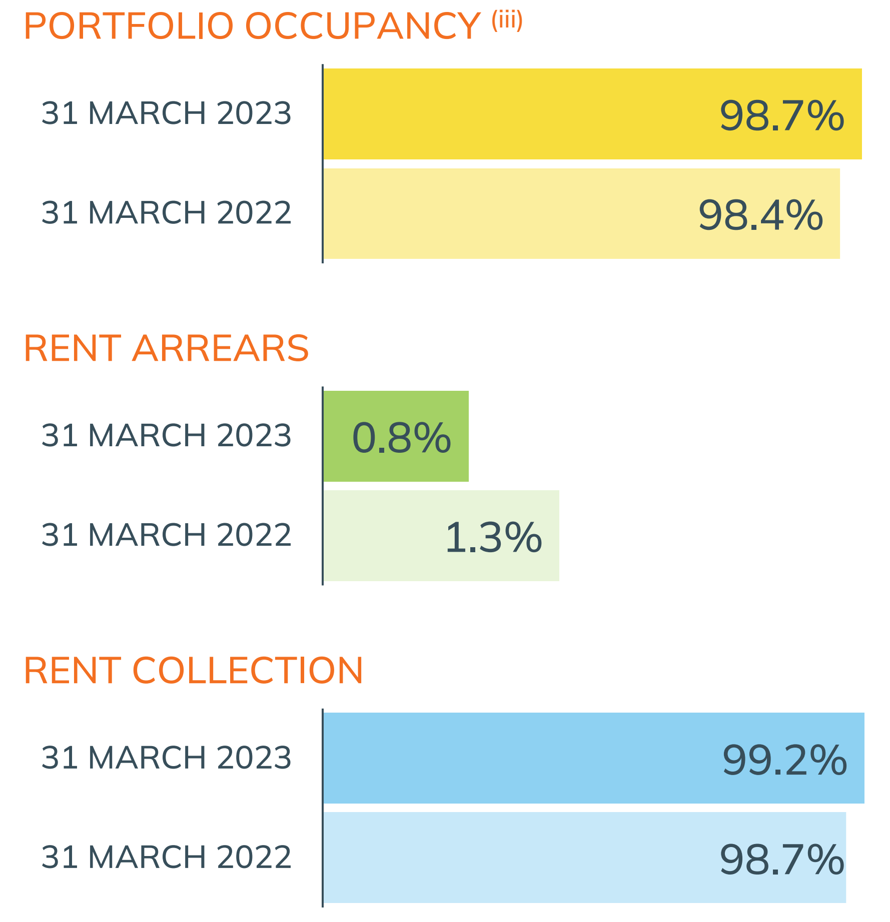
26 254m²
GLA SIGNED

11 467 m² RENEWALS	14 787 m² NEW CONTRACTS

4.20%
AV. RENT INCREASE (i)

3.26% RENEWALS (ii)	6.18% NEW CONTRACTS

MAIN BUSINESS KPI´S

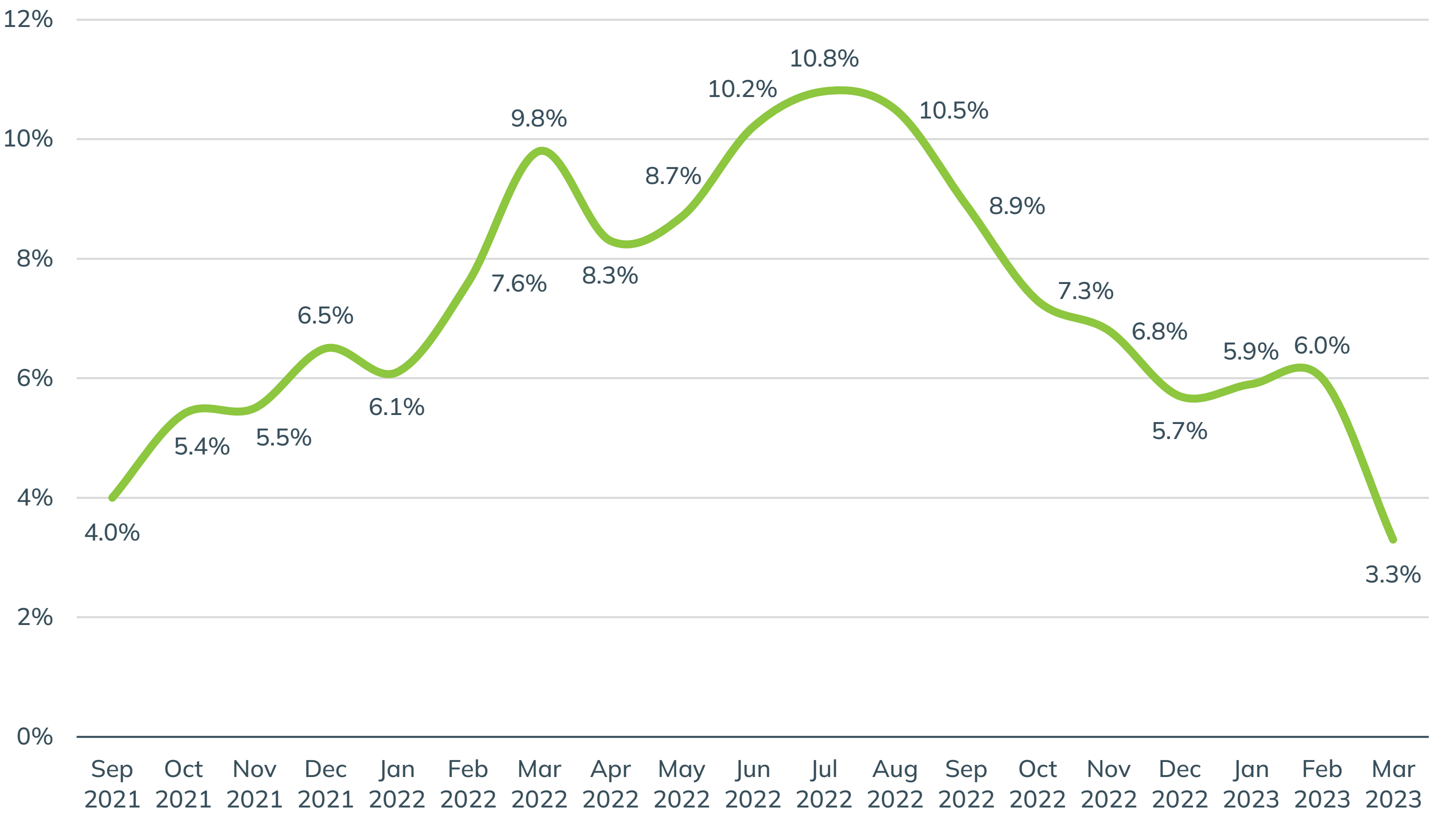


(i) Considering operations with passing rent as renewals, relocations, resizing and replacements
(ii) Excludes CPI increases which will be applied on indexation date mainly in the month of January 2023
(iii) Like for like (excluding the area under development of Vallsur Repositioning Project)

CPI INDEXATION ENVIRONMENT

CPI-LINKED ESCALATIONS ARE MANDATORY FOR c.100% OF OUR LEASE AGREEMENTS, 72% OF THE INCREASED RENTAL ESCALATIONS WILL APPLY IN FY24

ALL TENANTS ACCEPTED CPI INDEXATION DURING FY23 WITH ASSET MANAGEMENT MONITORING TENANT AFFORDABILITY



Source: Instituto Nacional de Estadística (INE)

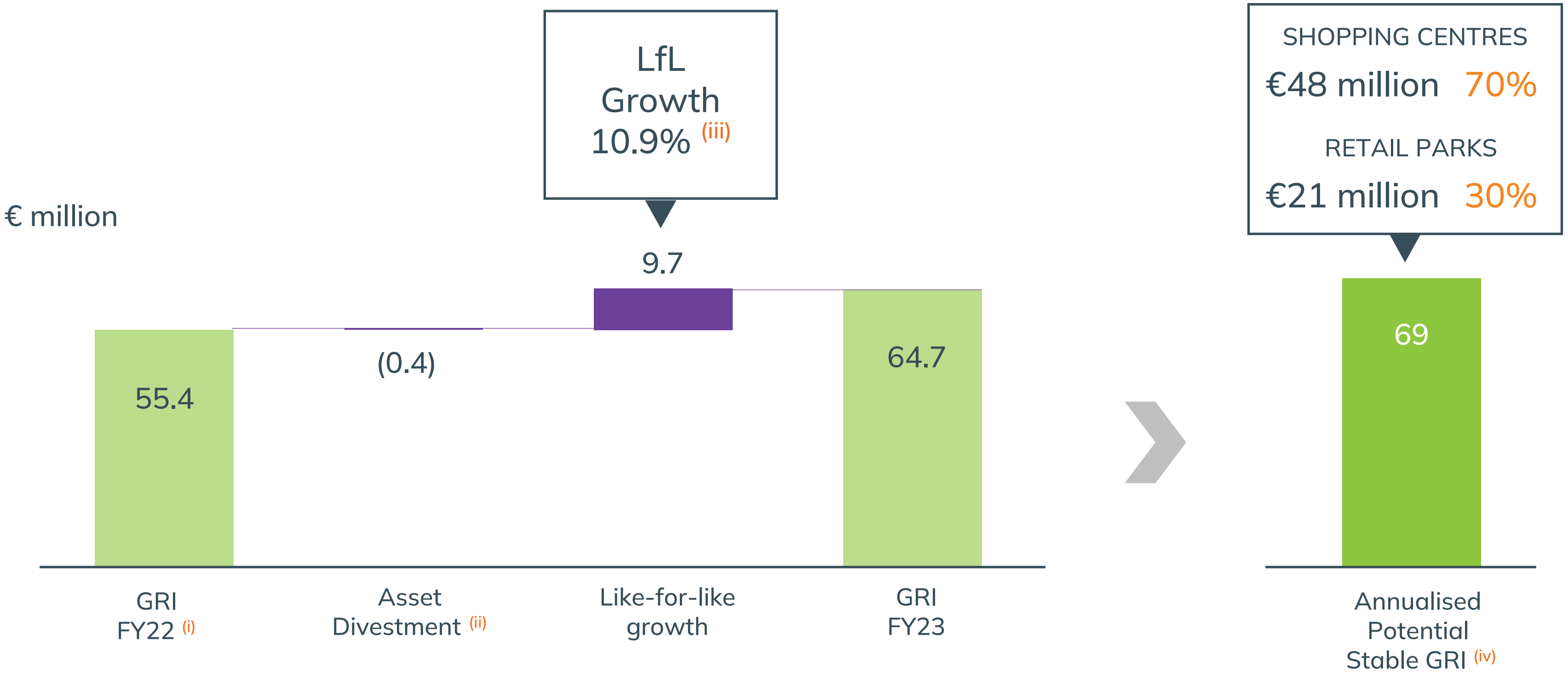
ALMOST 100% OF LEASE AGREEMENTS HAVE BEEN INDEXED DURING THE PERIOD:

- 80% of total MGR has been indexed at an **average rate of 7.7%**
- **Of this 80%:**
  - **55%** indexed in January 23 with September's indexation rate of 8.9%
  - **35%** indexed in January 23 with December's indexation rate of 5.7%
  - **10%** indexed during FY23 with mainly April's, May's and October's indices at an average rate of 7.8%
- Only **28%** of the indexation detailed above has impacted in FY23 (January, February and March 2023), the remaining **72%** is applying during FY24

GRI BRIDGE AND BREAKDOWN

GRI INCREASED TO OVER €64 MILLION LIKE-FOR-LIKE GROWTH OF 10.9% VERSUS FY22

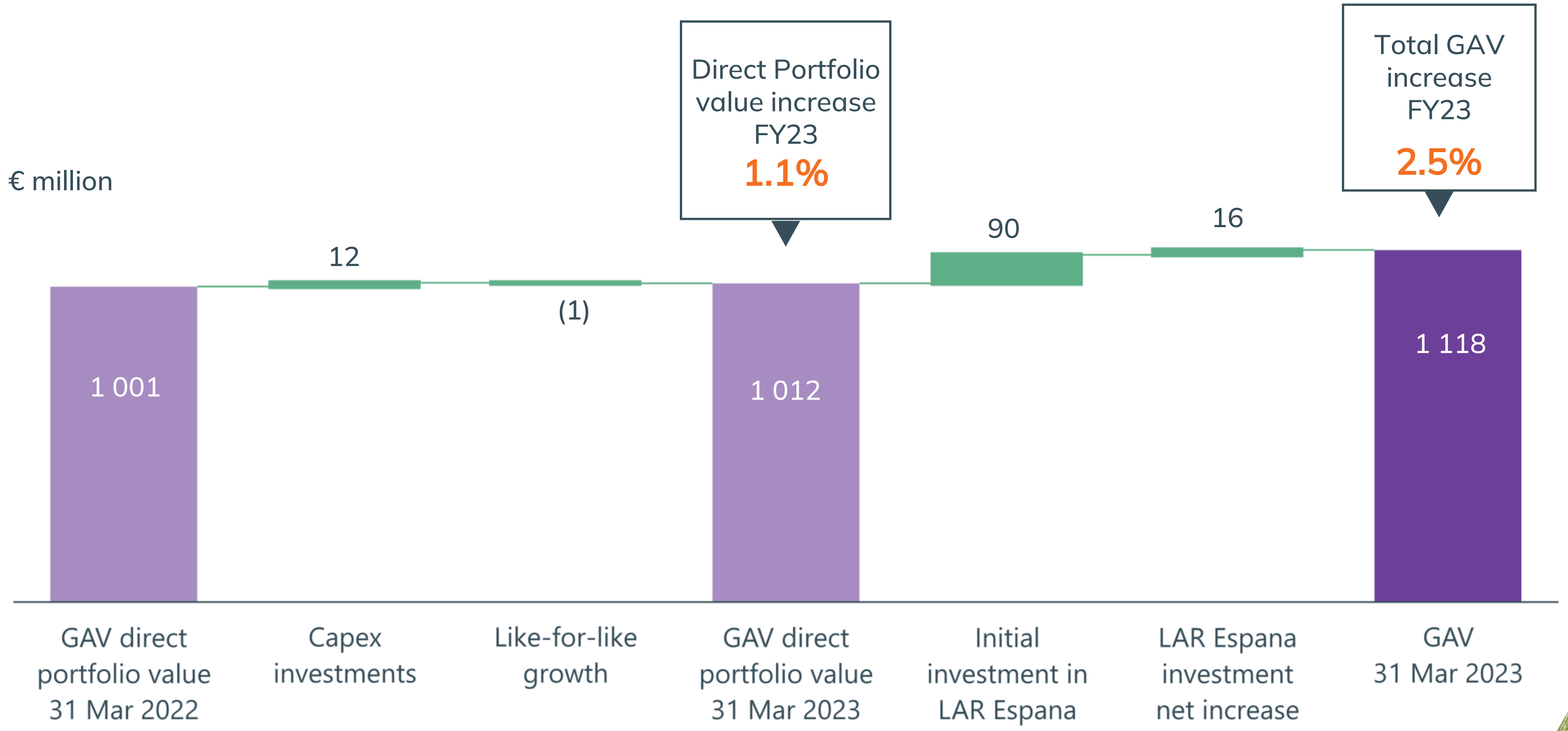
NOI LIKE-FOR-LIKE GROWTH OF 9% VERSUS FY22



(i) Including the effect of COVID-19 rent concessions during FY22
(ii) Non-strategic asset divestment regarding Konecta Office Buildings sale in June 2021
(iii) Like-for-Like excluding COVID-19 rent concessions during FY22 (+17.7% including COVID-19 rent concessions)
(iv) Annualised GRI considering portfolio fully let

GAV BRIDGE AND BREAKDOWN

DEFENSIVE ASSET PORTFOLIO, STRONG NOI GROWTH AND ACTIVE ASSET MANAGEMENT KEY DRIVERS OF +1.1% GROWTH IN VALUE DESPITE +100BPS HIKE IN DISCOUNT RATES (IRR)



	€ million
GAV direct portfolio value 31 Mar 2022	1 001
Capex investments	12
Like-for-like growth	(1)
GAV direct portfolio value 31 Mar 2023	1 012
Initial investment in LAR Espana	90
LAR Espana investment net increase	16
GAV 31 Mar 2023	1 118

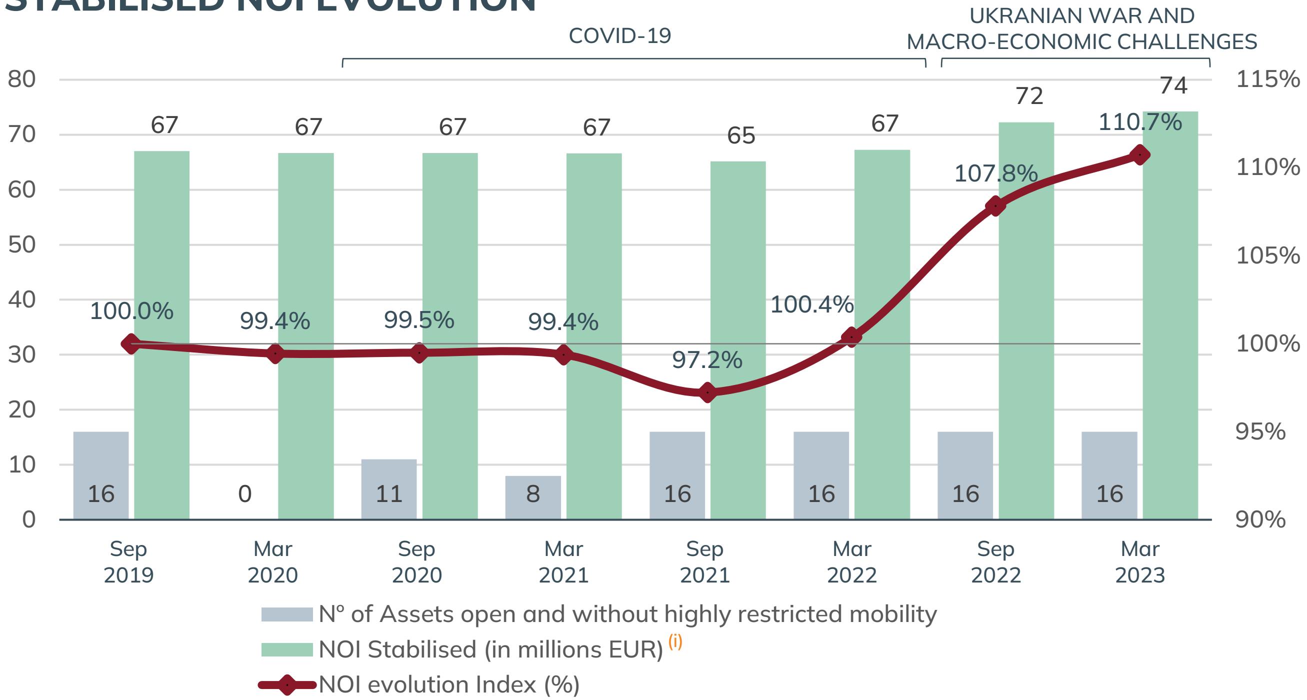
Note: Portfolio externally valued by Colliers

VALUATIONS

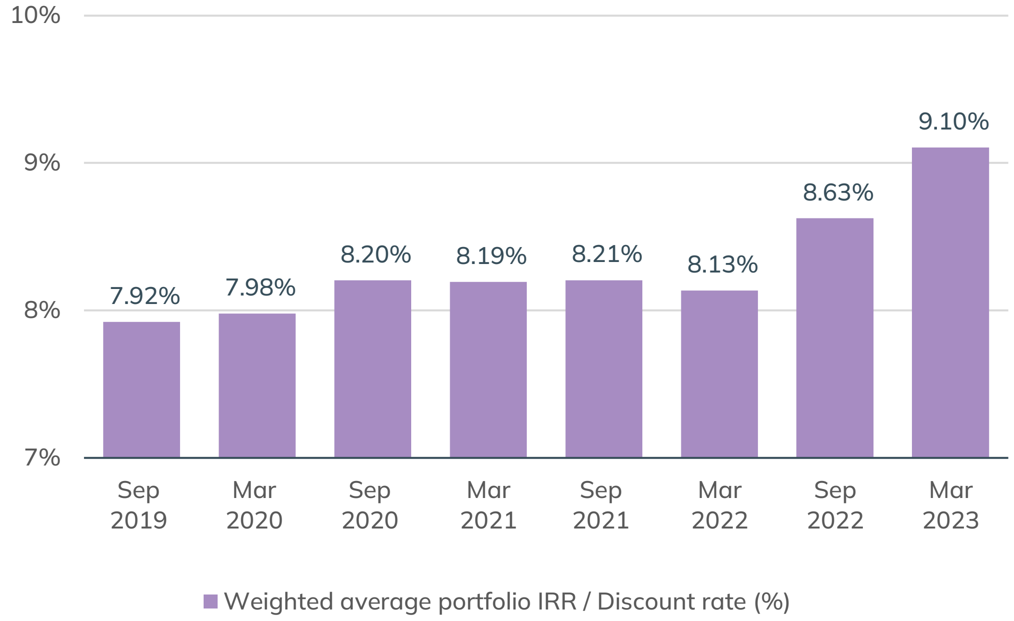
CYCLICAL YIELD EXPANSION ABSORBED BY VERY POSITIVE OPERATIONAL PERFORMANCE KEEPING VALUES FLAT

DESPITE AVERAGE PORTFOLIO CAP RATES EXPANSION OF 113 BPS PORTFOLIO VALUES REMAIN STABLE

STABILISED NOI EVOLUTION



IRR EVOLUTION



- Despite average IRR expansion of c.113 bps and increases in Exit Yields since March 2020, Castellana active Asset Management has performed to absorb such impact by increasing average stabilized NOI.
- Defensive nature of retail parks, which represent c.30% of Castellana's portfolio, have also contributed to keep values stable.

Source: Colliers

(i) Stabilised NOI: Average NOI of Years 2-3-4-5-6; Market Rents: Includes mall income & TOR at market/stabilized

VALUE ADDED PROJECT - VALLSUR

RE-ENVISIONING THE FIRST FLOOR TO REINFORCE EXPERIENTIAL LEISURE AND F&B OFFERING THROUGH A REPOSITIONING AND RESTYLING OF THE MALL

PROJECT ALREADY COMMENCED WITH F&B AREA OPENING SCHEDULED IN H2 2024

€16.7 million CAPEX INVESTMENT

€1.0 million ADDITIONAL NOI GENERATED

H2 2024 EXPECTED COMPLETION DATE

BEFORE

AFTER

INVESTMENT IN LAR ESPAÑA

- Castellana's investment in Lar España continues to **perform well** as a financial investment
- In line with our expectations, FY22 results reported by the company reflect a **strong operational performance:**
  - Sales in 2022 increased to €1.05 billion +10.6% vs. 2019 and +13.9% vs. 2021
  - Footfall in 2022 80.5 million visitors, -6% vs. 2019 levels and +8% vs. 2021
  - Occupancy was maintained at 96%
  - Accrued GRI reached €80 million from €76 million in 2021 (+6% LfL)
- In January 2023, Lar España used its cash on its balance sheet to perform a **bond buyback programme for €90.5 million at a c.18% discount to par value.**
- Key impacts include:
  - **Reduced** gross debt by €110 million and Net LTV to 37%
  - **Profit** of **c.€19.5 million** that will have a positive impact in 2023
  - Increased NTA to €11.16 per share
- We remain **long term shareholders** of LAR España with **25.7% (c.55% discount to EPRA NTA)**
- Dividend for the period announced by Lar España was €50 million or **€0.60** per share, equivalent to a **c.12% dividend yield on our investment**
- **Proven investment case** with further potential for capital growth and strategic opportunity

lar España
Real Estate

INNOVATION AND DIGITALISATION: OPEN INNOVATION

DISCOVERING THE NEXT TRENDS IMPACTING THE RETAIL ECOSYSTEM

NEW RETAIL CHALLENGE

OPEN CALL FOR STARTUPS WITH FRESH RETAIL CONCEPTS

- Acceleration program to **bring new innovative and sustainable retail models to shopping malls**
- Partnering up with *The retail Crew* to **explore new market demands and community needs**

+25
COMPANIES LISTED

100K €
REWARDS

MBA STUDENTS CHALLENGE

5 TEAMS and 5 WEEKS TO PROTOTYPE NEW BUSINESS MODELS

- Digital product // Mixed use solutions // Flexible-Rotating leasing models // Blighted spaces uses…
- **Young empowered segment** (25-35) prototyping the future of the shopping mall
- In collaboration with **EAE Business School** and **Area 101**

25
MBA STUDENTS

5
WEEKS PROTOTYPING

CASTELLANA SUCCESSFULLY CONTINUES WITH ITS ESG ROAD MAP

IN THIS FIRST YEAR OF ESG REPORTING CASTELLANA PROPERTIES HAS OBTAINED SEVERAL AWARDS AND CERTIFICATIONS:

AT CORPORATE LEVEL

EPRA sBPR

- Castellana obtained the top award and a "Special mention for improvement"

VALIDATED ESG PERFORMANCE DATA AND PEER BENCHMARK.

- Castellana achieved 3 out of 5 stars in its debut year

- Castellana has obtained the Great Place to Work® certification for second year with a confidence rate by employees of 91%, improving previous year's score

ONGOING GOALS:

- Improve last year's ratings of **GRESB** 2023 (FY23 reporting period)
- Maintain the gold award of the result of **EPRA sBPR** 2023 (Reporting Period FY23)
- Publish our **ESG REPORT** 2023 with EPRA and **GRI criteria** (Reporting Period FY23)
- **Auditing** our ESG REPORT for the first time (Reporting Period FY23)

AT ASSET LEVEL

100% of Castellana commercial centers and parks (certifiable) are BREEAM In-Use certification

Castellana has calculated and registered its carbon footprint for the year 2021 for scopes 1+2 and 3 (partially)

Implementation of an Environmental Management System to enhance our contribution to the environmental pillar of sustainability

Implementation of an Energy Management System to integrate energy management into our overall efforts to improve quality and environmental management

Quantification and reporting of greenhouse gas emissions according to ISO 1406

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
- Maintain strong tenant relationship to keep driving a partnership mindset and be the partner of choice
- Keep focus on cost management and driving efficiencies

FUNDING

- Stable funding position with no refinancing needed until FY26
- Dynamically evaluate the best strategy for the interest rate review in September 2023 for West facility
- Continue to work on the diversification of funding sources 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 ironically limited by availability of capital at the right buying point in the cycle
- Continue looking for ways to extract value from our LAR shareholding

ESG & INNOVATION

- Continue developing and implementing 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

PEOPLE

- Keep up the best-in-breed climate and company culture already proved by the GPTW ranking
- Implement Castellana Talent Program including succession, training and career plans to keep evolving the teams´ skills

Centre of Growth

04 FINANCIAL PERFORMANCE, DEBT AND TREASURY

Laurence Cohen

COMPARISON OF FY23 TO FY22

6.2% INCREASE IN DIVIDEND PER SHARE

	31 March 2023	31 March 2022	Variance
FFO (Rm)	**1 416**	1 336	6.0%
FFO per share (cents)	**144.5**	136.3	6.0%
Dividend (Rm)	**1 139**	1 028	10.8%
Dividend per share (cents)	**112.4**	105.8	6.2%
Shares in issue (i)	**980 226 628**	980 226 628	
Pay-out ratio (ii)	**81%**	77%	

FFO PER SHARE INCREASED BY 6.0% COMPARED TO FY22. GROWTH IN FFO PER SHARE WAS AFFECTED BY:

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

(i) 56 million new Vukile shares were issued after year-end (April 2023), which increased the total shares in issue (participating in the final dividend for FY23) to 1 036 226 628 shares.

(ii) The increase in pay-out ratio from 77% to 81% is mainly due to the inclusion of an ante-cedent dividend of R36,7 million in the final dividend for FY23.

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

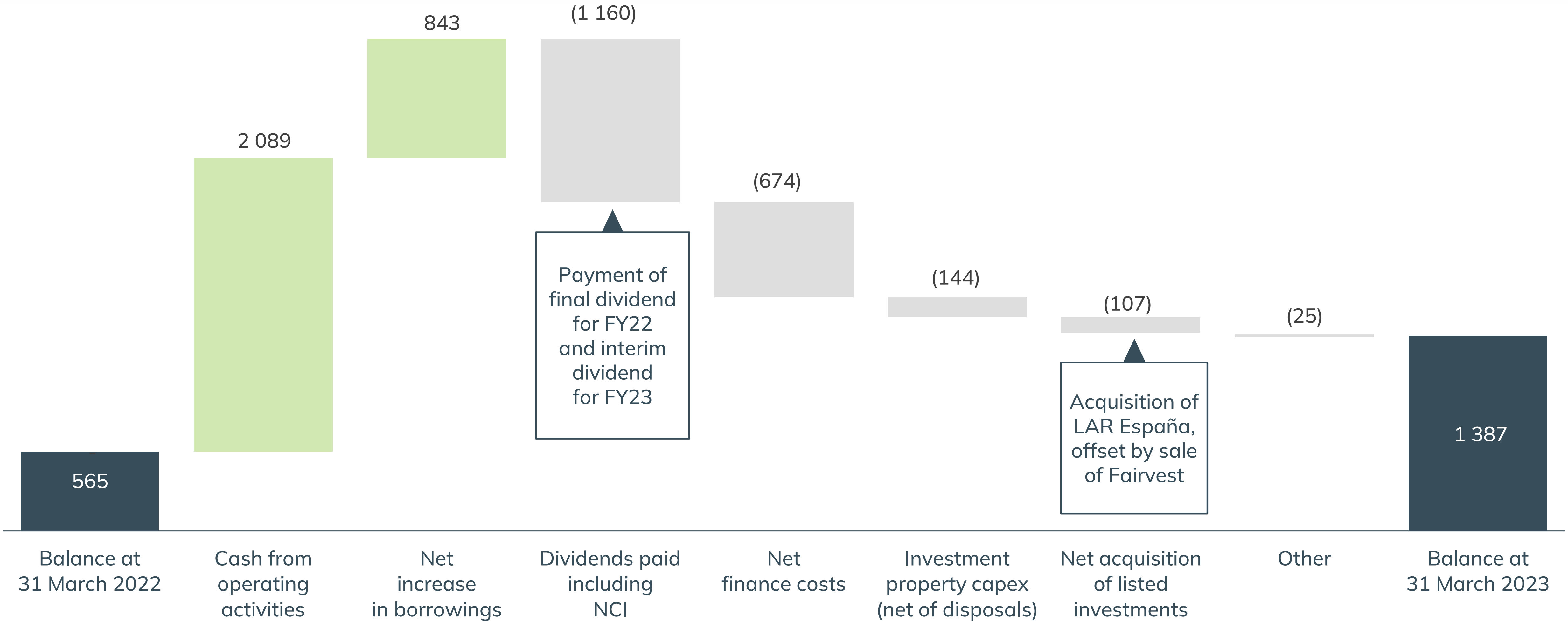
COMPOSITION OF FFO

	31 March 2023 Rm	31 March 2022 Rm	Variance %
Net Property Income (South Africa)	**1 280**	1 335	
Stable portfolio	1 266	1 207	4.9
Sold properties	14	128	
Income from Castellana (Net of non-controlling interest) (ZAR) (i)	**796**	**592**	**34.5**
Castellana published FFO (ZAR) (ii)	783	533	46.9
Minority portion of Castellana published FFO	(79)	(55)	
Merev top-up	(47)	(52)	(9.6)
FEC early terminated (iii)	58	(58)	
FECs and CCIRS relating to Castellana dividend (iv)	81	224	(63.8)
Income from other investments (South Africa) (v)	41	93	(55.9)
Corporate costs (South Africa)	(168)	(157)	7.0
Net interest (South Africa)	(528)	(504)	4.8
Taxation (Namibia)	-	(18)	
Non-controlling interest (Clidet - Moruleng Mall)	(5)	(5)	
FFO	**1 416**	**1 336**	**6.0**

(i) Average foreign exchange rate for FY23 was R17.69/€ (FY22: R17.24/€)
(ii) Castellana FFO for FY23 amounts to €44,3 million (FY22: €30,9 million), which includes a dividend accrual from LAR España of €9,6 million (FY22: nil)
(iii) This amount is not recurring
(iv) The last remaining CCIRS were settled in June 2022
(v) Includes income from Fairvest of R38.9mil (2022: R71.7million). During FY23, Vukile reduced its shareholding in Fairvest to 6%.
Also includes share of income from MICC Namibia of R9.9 million (FY22: Nil) and Fetch of -R6.0mil (FY22: -R9.4 million)

CASH FLOW BRIDGE (Rm)

R822 MILLION INCREASE IN CASH FOR THE YEAR

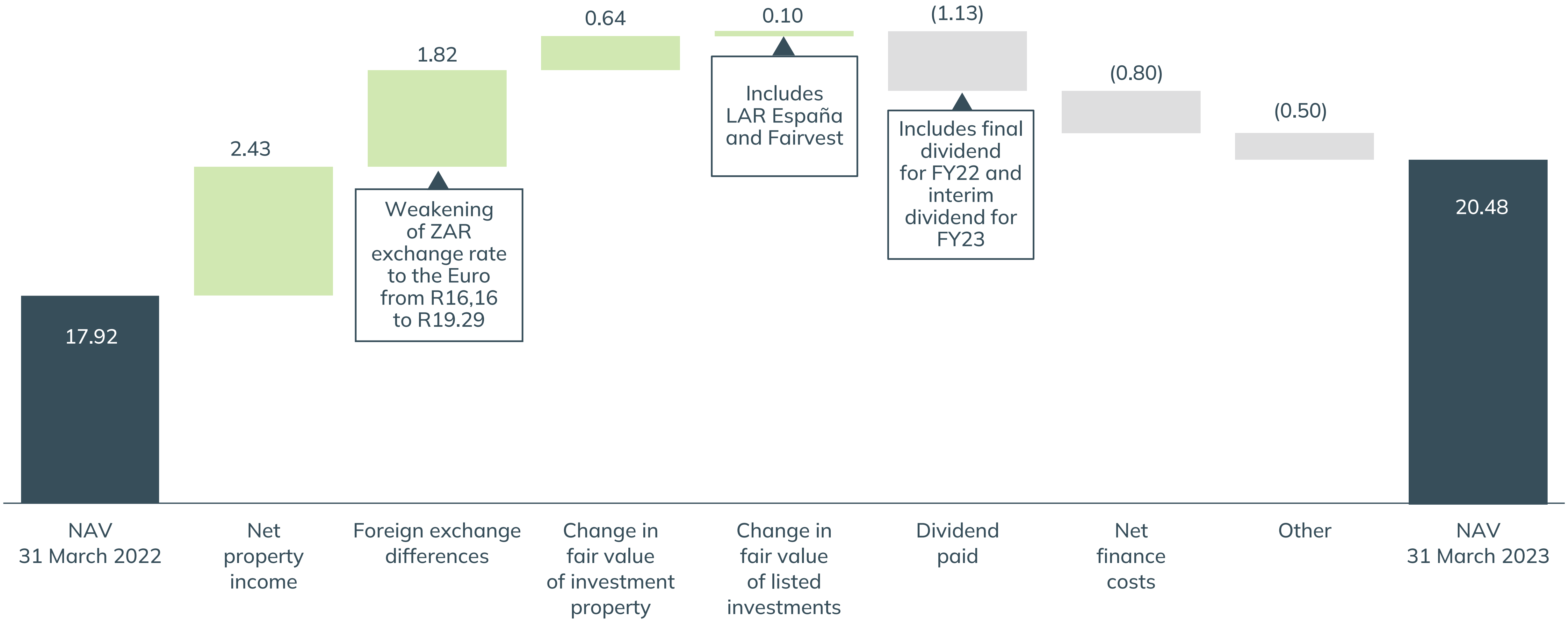


Payment of final dividend for FY22 and interim dividend for FY23

Acquisition of LAR España, offset by sale of Fairvest

NAV BRIDGE (R)

NAV PER SHARE INCREASED BY 14.3% TO R20.48



Weakening of ZAR exchange rate to the Euro from R16,16 to R19.29

Includes LAR España and Fairvest

Includes final dividend for FY22 and interim dividend for FY23

RECOGNITION OF INCOME FROM THE INVESTMENT IN LAR ESPAÑA

- Following Castellana's initial investment in LAR España (LAR), we communicated to the market that Castellana would accrue for dividends from LAR (in Castellana's FFO) based on **historical, declared dividends** from LAR
- The 'accrual' is done by way of a **non-IFRS adjustment** in Castellana
- The amount of income from LAR that we include in Castellana's FFO will therefore always be based on **actual cash or dividends received from LAR**
- Going forward, the manner in which we recognise income from LAR will **remain consistent with the previously communicated policy**
- For the 10 months from 1 April 2022 to 31 January 2023, we recognised **36 cents per share** from LAR España in Castellana's FFO i.e. 3.6 cents per share per month
- The 36 cents per share was based on the actual dividend declared by LAR for the LAR financial year ended 31 December 2021
- In February 2023, LAR announced a dividend of **60 cents per share**, for the LAR financial year ended 31 December 2022
- Castellana will therefore 'accrue' in its FFO (as a non-IFRS adjustment) 60 cents for the 12 months from 1 February 2023 to 31 January 2024 – i.e. **5 cents per month**
- **10 cents** of this amount accrued in FY23 (i.e. in February and March 2023) and **50 cents** will accrue in FY24, in the 10 months ending 31 January 2024

RECOGNITION OF INCOME FROM THE INVESTMENT IN LAR ESPAÑA

(CONTINUED)

- In terms of IFRS and Spanish GAAP, the LAR dividend of 60 cents per share was recognised in Castellana in FY23, since LAR declared the dividend in March 2023.
- The under-accrual in FY23, amounting to €3.4 million (Vukile share: €3.0 million), will in terms of SA REIT best practice, be recognised in Castellana's FFO in FY24, by way of a non-IFRS adjustment
- Income from LAR, recognised in Castellana's FFO in FY23, was 46 cents in total, comprising:
  - 36 cents (for the 10 months to 31 January 2023)
  - 10 cents (for the 2 months ended 31 March 2023)
- Income from LAR to be recognised in Castellana's FFO in FY24, will comprise:
  - 50 cents (for the 10 months to 31 January 2024)
  - plus a further accrual for the two months ending 31 March 2024 (which at this stage will be based on a forecast for the LAR year ended 31 December 2023)
  - plus the under-accrual from FY23 amounting €3.4 million (Vukile share: €3.0 million)
- In terms of Spanish Socimi rules, the dividend received from LAR will need to be on-paid in full to Castellana shareholders, to avoid any tax leakage in Spain

DEBT AND BALANCE SHEET OVERVIEW

LIQUIDITY AND EXPIRY PROFILE

- Only **5.9%** (R1.0 billion) of group debt matures in FY24
- Undrawn debt facilities of **R2.5 billion** at 31 March 2023 (R3.1 billion at 31 March 2022)
- **Cash and undrawn committed facilities** exceed all debt expiring over next 12 months by **3.9 times**
- **Debt maturity profile** of **3.2 years** at 31 March 2023

CASTELLANA DEBT FUNDING

- **Castellana debt maturity profile of 3.8 years** at 31 March 2023
- Next Castellana **bank debt maturity in FY26**
- Next Castellana fix / **hedge maturity in September 2023** (€256 million). Currently evaluating the hedging strategy for this amount

INTEREST RATE RISK MANAGEMENT

- **89%** of Group interest-bearing debt hedged (76% at 31 March 2022)
- **Hedge maturity profile** of **1.8 years** at 31 March 2023
- All interest rate caps are **providing protection** (with R1.5 billion of subsidised caps struck at 7.50%)
- **96%** of **Castellana's** interest-bearing debt hedged

FX RISK MANAGEMENT

- Vukile SA EUR debt of **€40 million**
- All **remaining CCIRS have been settled**
- Castellana's **net forecast dividends for FY24 are fully 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 **R12.4 billion**, with unsecured debt to unencumbered assets ratio of **16%**
- **12%** of total group debt is in the SA DCM market

KEY TREASURY METRICS

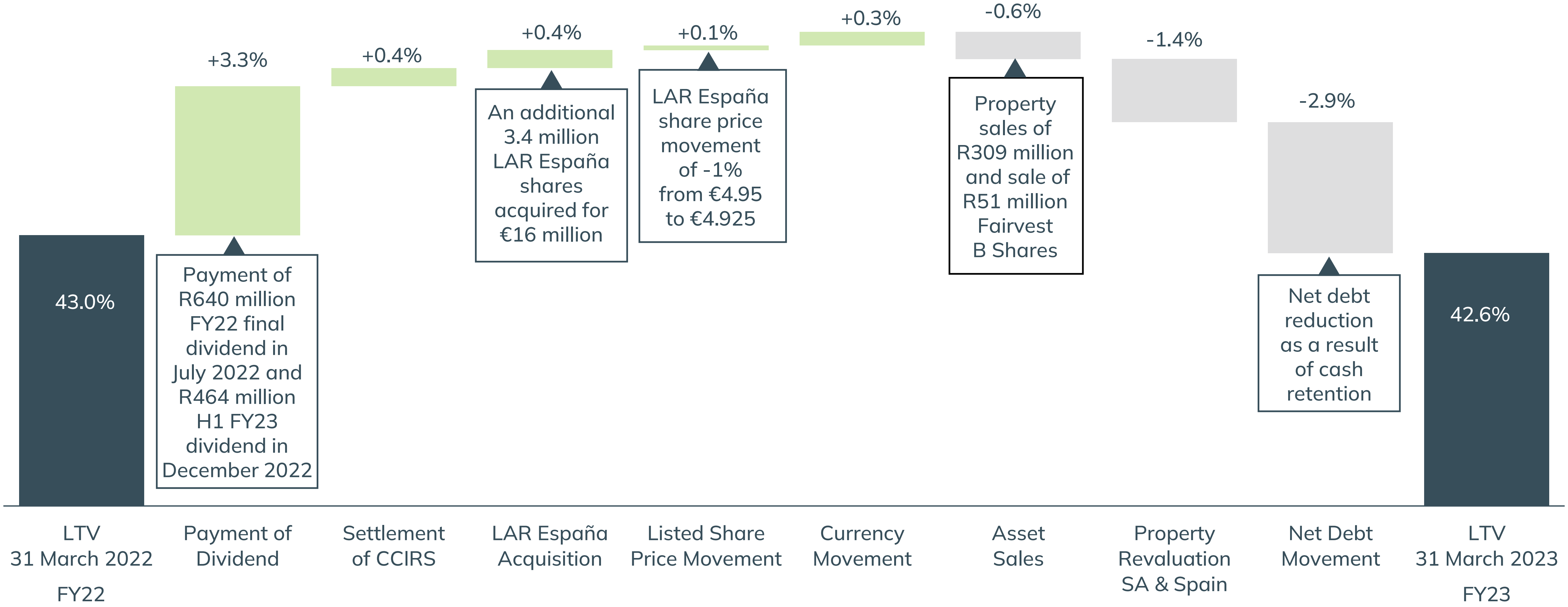
STRONG BALANCE SHEET AND CREDIT METRICS SUPPORT CREDIT RATING UPGRADE

	31 March 2023 R million	31 March 2022 R million
Interest cover ratio	**3.1 times**	3.4 times
Loan-to-value ratio (net of cash and cash equivalents)	**42.6%**	43.0%
Unsecured debt to unencumbered assets ratio	**16.4%**	15.1%
Debt maturity profile	**3.2 years**	3.8 years
Interest-bearing debt hedged	**89.1%**	75.5%
Group cost of funding	**5.3%**	4.9%
Liquidity ratio (cash + undrawn facilities / debt expiry in next 12 months)	**3.9 times**	3.1 times
Corporate long-term credit rating	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 36% reduction in Group EBITDA, before reaching 2 times bank interest cover covenant level.
- Castellana stress testing of valuations indicates the portfolio has a 36% headroom (€400 million) in property value, relative to Castellana’s LTV covenant of 65%.
- Stress testing of Castellana interest cover ratio indicates that the Castellana portfolio would need to undergo a 74% reduction in Castellana EBITDA, before reaching 1.15 times bank interest cover covenant level.

GROUP LOAN-TO-VALUE BRIDGE

REDUCTION IN LTV FROM PROPERTY SALES AND VALUATION UPLIFT



Payment of R640 million FY22 final dividend in July 2022 and R464 million H1 FY23 dividend in December 2022

An additional 3.4 million LAR España shares acquired for €16 million

LAR España share price movement of -1% from €4.95 to €4.925

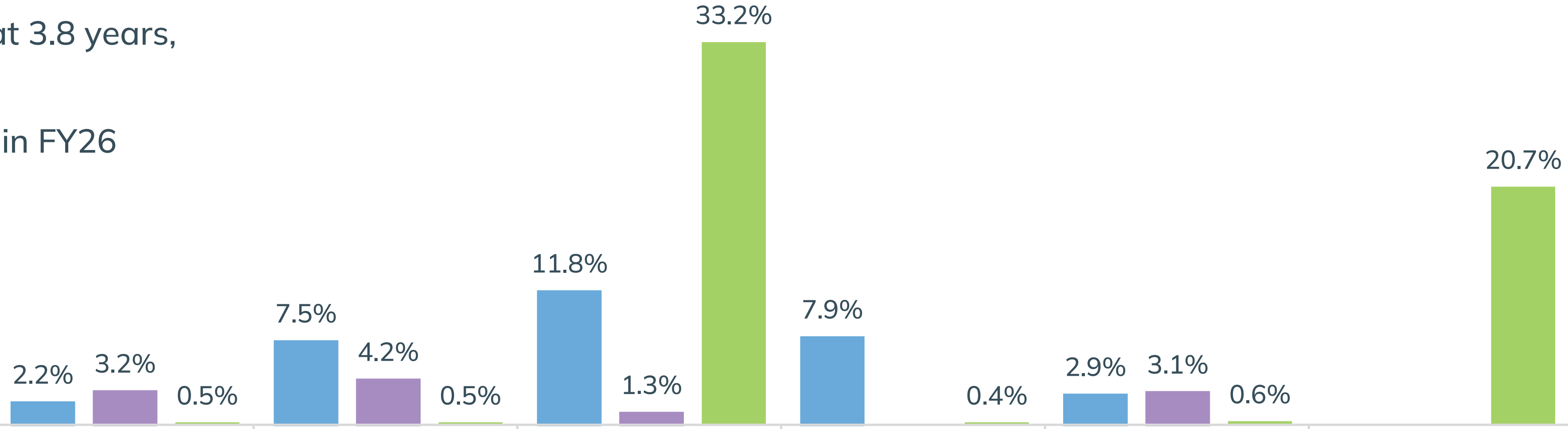
Property sales of R309 million and sale of R51 million Fairvest B Shares

Net debt reduction as a result of cash retention

ANALYSIS OF GROUP LOAN EXPIRY PROFILE

LOW RISK EXPIRY PROFILE

- R767 million of unsecured corporate bonds were refinanced through 4.6x oversubscribed auction in August 2022 (R2.3 billion of bids from 16 investors);
- Sufficient cash and undrawn committed facilities (R3.9 billion) exceed all debt expiring (R1.0 billion) over the next 12 months (3.9 times);
- 12% of group debt in corporate bonds; and
- Castellana debt maturity profile at 3.8 years, with a hedge profile of 1.9 years.
- First refinance in Castellana only in FY26

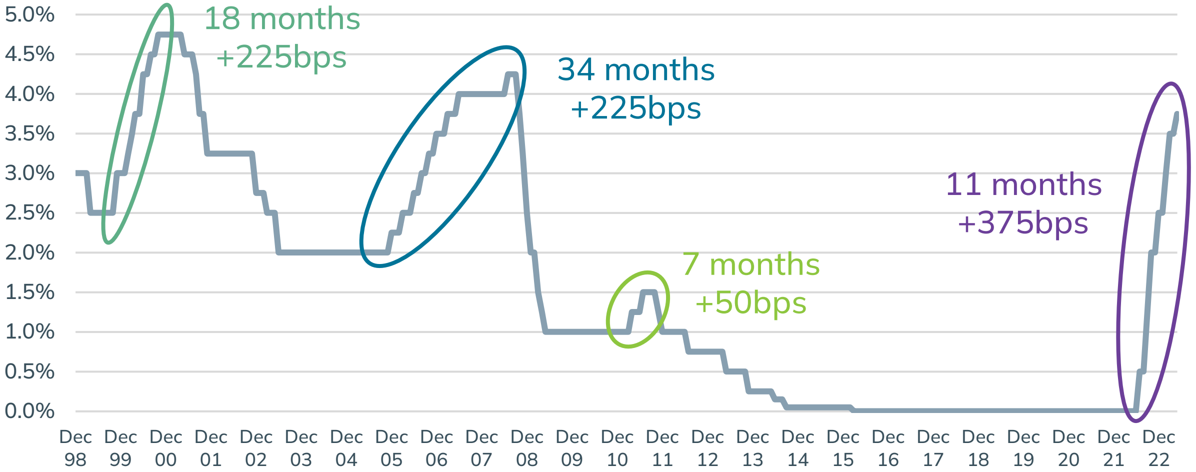


	2024	2025	2026	2027	2028	2029 and beyond
🟦 Vukile bank debt expiry profile Rm	386	1 291	2 031	1 350	500	
🟪 Vukile corporate bond expiry profile Rm	550	723	232		535	
🟩 Castellana bank debt expiry profile Rm	77	77	5 708	77	94	3 566
Total	1 013	2 091	7 971	1 427	1 129	3 566

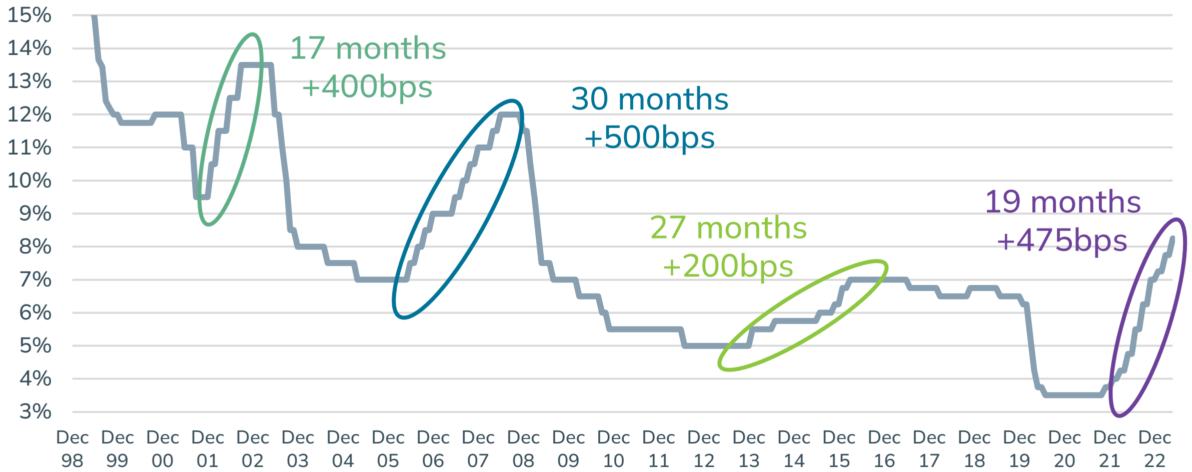
INTEREST RATE CYCLES

CURRENT HIKING CYCLE HAS BEEN SHORT AND AGGRESSIVE, WITH A CUTTING CYCLE EXPECTED TO FOLLOW

EUROPEAN CENTRAL BANK BENCHMARK INTEREST RATE (EURR002W INDEX)



SOUTH AFRICAN REPO AVERAGE RATE (SARPRT INDEX)



- The ECB region has experienced 3 hiking cycles and 3 cutting cycles over the last 25 years, with a 6-year period of zero interest rates.
- The average cutting cycle has lasted ½ to 4½ years with an average decrease of 150bps to 325bps.
- The average hiking cycle has lasted ½ to 3 years with an average increase of 50bps to 225bps.
- The current hiking cycle has lasted 1 year with an increase of 375bps, with consensus forecasts expecting a further 50bps of hikes over the next 6 months, followed by 175bps of cuts during 2024 and 2025.

- South Africa has experienced 3 hiking cycles and 4 cutting cycles over the last 25 years, with a 3-year period of relatively unchanged interest rates.
- The average cutting cycle has lasted 2 to 5 years with an average decrease of 325bps to 700bps.
- The average hiking cycle has lasted 1½ to 2½ years with an average increase of 200bps to 500bps.
- The current hiking cycle has lasted 1½ years with an increase of 475bps, with consensus forecasts expecting a further 25bps of hikes over the next 6 months, followed by 150bps of cuts during 2024 and 2025.

Source: Bloomberg

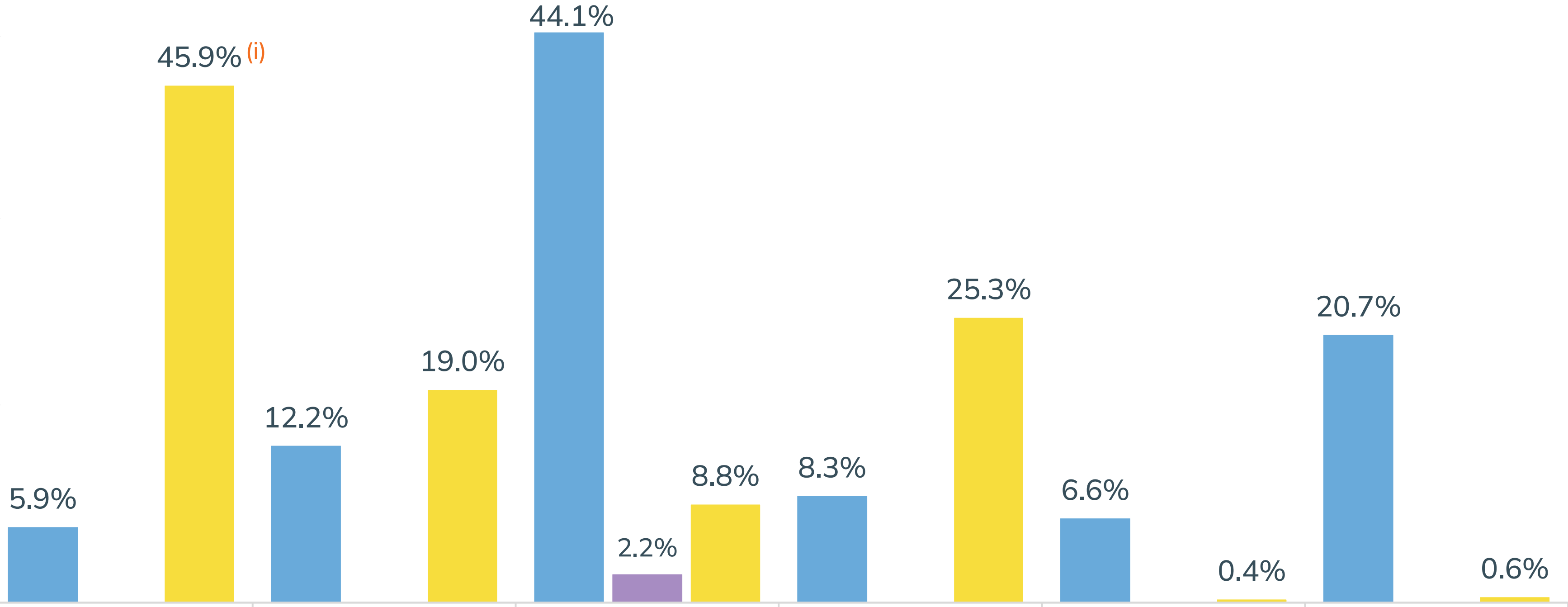
ANALYSIS OF GROUP LOAN REPAYMENT AND HEDGING PROFILE

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

R2.5 billion OF AVAILABLE UNDRAWN BANK FACILITIES

89% OF INTEREST-BEARING DEBT HEDGED

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



	2024	2025	2026	2027	2028	2029 & beyond
🟦 Loan expiry profile R'm	1 013	2 091	7 585	1 427	1 129	3 566
🟪 Access Facility expiry profile R'm			386			
🟨 Hedging (Swap & Fixed debt) profile R'm	6 879	2 840	1 317	3 795	55	85

(i) This relates to the €256 million fix / hedge maturity in Castellana in September 2023. The effect of the anticipated increased cost of debt has been incorporated into our forecast for FY24.

KEY TREASURY FOCUS AREAS GOING FORWARD

LIQUIDITY AND EXPIRY PROFILE

- Continue to proactively manage debt expiry by maintaining strong relationships across all major bank funders
- Increasing debt maturity profile by refinancing debt into new 3 to 5 years facilities
- Continued focus on liquidity by maintaining balance between undrawn committed facilities and short-term debt expiry
- Refinancing of the €256 million facility to be evaluated closer to expiry in FY26

INTEREST RATE RISK MANAGEMENT

- Cognisant of interest rate hiking cycle in short to medium term, will continue to dynamically evaluate interest rate exposure
- Preference to hedge interest rates over 1 to 3 years (short to medium term) as analysis suggests that hiking and cutting cycles remain shorter and more volatile
- Majority of debt is either fixed or hedged with interest rate swaps
- The hedging of the Castellana fix that matures in September 2023 will be actively evaluated to decide on an optimal interest rate strategy for this loan

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
- Vukile's NAV positively exposed to a weaker ZAR going forward
- Castellana FFO is not hedged, therefore 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 (based on cashflow requirements)
- Annual debt investor roadshow aligned with GCR rating review, Integrated Report and 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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05 ESG, STRATEGY AND TRANSACTION UPDATE

Laurence Rapp

DELIVERING ON OUR ESG STRATEGY

ACHIEVEMENTS FOR FY23

ENVIRONMENTAL

Renewable energy installations (PV) of **2.3 MWp in SA for the year** - total capacity at 14.8MWp

Additional renewable installations of **7.5 MWp currently under construction** and will **double capacity by end FY24**

Evaluating **Solar PV** entry strategy in Spain

Completed **first verified Carbon Footprint Calculation** to serve to baseline for future targets

Investment in boreholes to secure water supply – **increased coverage** from **41%** to **58%**

100% of rural malls have **backup water** storage and **98%** have **borehole water** supply

All Spanish buildings are **BREEAM Certified at "very good" or "excellent" levels**

SOCIAL

Successfully launched the **Vukile Academy Class of 2023** with 7 new interns

Provided full scholarships for a total of **50 bursary students for 2023** academic year

89% of the class of 2022 placed in **formal employment**

Vukile Retail Academy successfully launched with 8 emerging retailers trading

Vukile achieved a **Platinum seal in Deloitte Best Company Survey** with an 81 net promoter score

Castellana again **rated a Great Place to Work with employee confidence rate of 91%**

GOVERNANCE

Additional appointment to the board resulting in an **overall 64% black representation**

Vukile and Castellana completed their **first GRESB submissions** during year achieving a 1-star and 3-star rating respectively

Vukile secured inaugural **CDP ratings of B & B- for climate change and water** respectively

Castellana awarded **EPRA Gold for financial reporting, and EPRA SBPR Gold Award and Most Improved Award for sustainability**

Intellidex Top Investor Relations Awards to Vukile:

- 2nd place: **Investor Relations for mid-caps**
- 3rd place: **Most accessible senior management,** and
- 3rd place: **Best Integrated report**

Top performance in **GIBS Ethics Barometer** with high level of adherence to BLSA Integrity Pledge

EVENTS AFTER REPORTING PERIOD

SUBSEQUENT TO 31 MARCH 2023

CAPITAL RAISE

- On 5 April 2023, 56 million new shares were issued at R12.50 per share, amounting to **R700 million**
- Response to reverse enquiries and broadened to allow wider market participation
- Proceeds to be used to pursue growth opportunities in SA and Spain including:
  - Spanish redevelopment projects
  - Further Solar PV investment
  - Purchase of Merev
  - Funding of BT Ngebs

MEREV

- On 10 May 2023, Vukile exercised its call option to acquire 9 833 333 shares in Castellana from **MEREV**
- The total consideration was **EUR 64 million**. As a result, Vukile's shareholding in **Castellana** increased to **99.5%**
- The option could be exercised by latest June 2024 but decided to call early due to **strong growth from Castellana** and **added flexibility in evaluating transactions** by owning effectively 100% of Castellana
- LTV is anticipated to increase by ±1.5%, after which the **LTV is anticipated to reduce to approximately 40% in the medium term**

PAN AFRICA SHOPPING CENTRE

- Vukile had concluded an agreement to acquire Pan Africa Shopping Centre, including leasehold rights, for an anticipated cash consideration of **R669 million**
- Despite the sellers' best efforts to engage with COJ , the COJ failed to review and hence grant the amendment to the notarial head lease and therefore failed to consent to the cession and assignment of the notarial head lease to Vukile, which was fundamental to our deal evaluation
- As a result, the agreement has been **cancelled**, with no claim by any party against another, arising from the cancellation of the agreement - sticking to our deal discipline and to ensure the risk return profile is always reviewed and adhered to

UPDATED STRATEGY

BECOMING A CONSUMER-FOCUSED RETAIL REAL ESTATE BUSINESS

BECOMING A CONSUMER-FOCUSED RETAIL REAL ESTATE BUSINESS

OUR CONSUMER-LED MODEL WILL CREATE VALUE FOR ALL OUR STAKEHOLDERS

SHOPPERS

- Understanding our SHOPPERS' and COMMUNITIES' needs
- Assists us to not only meet, but exceed expectations through the experiences we create in our centres
- This increases customer loyalty and the time and money people spend at our centres

TENANTS

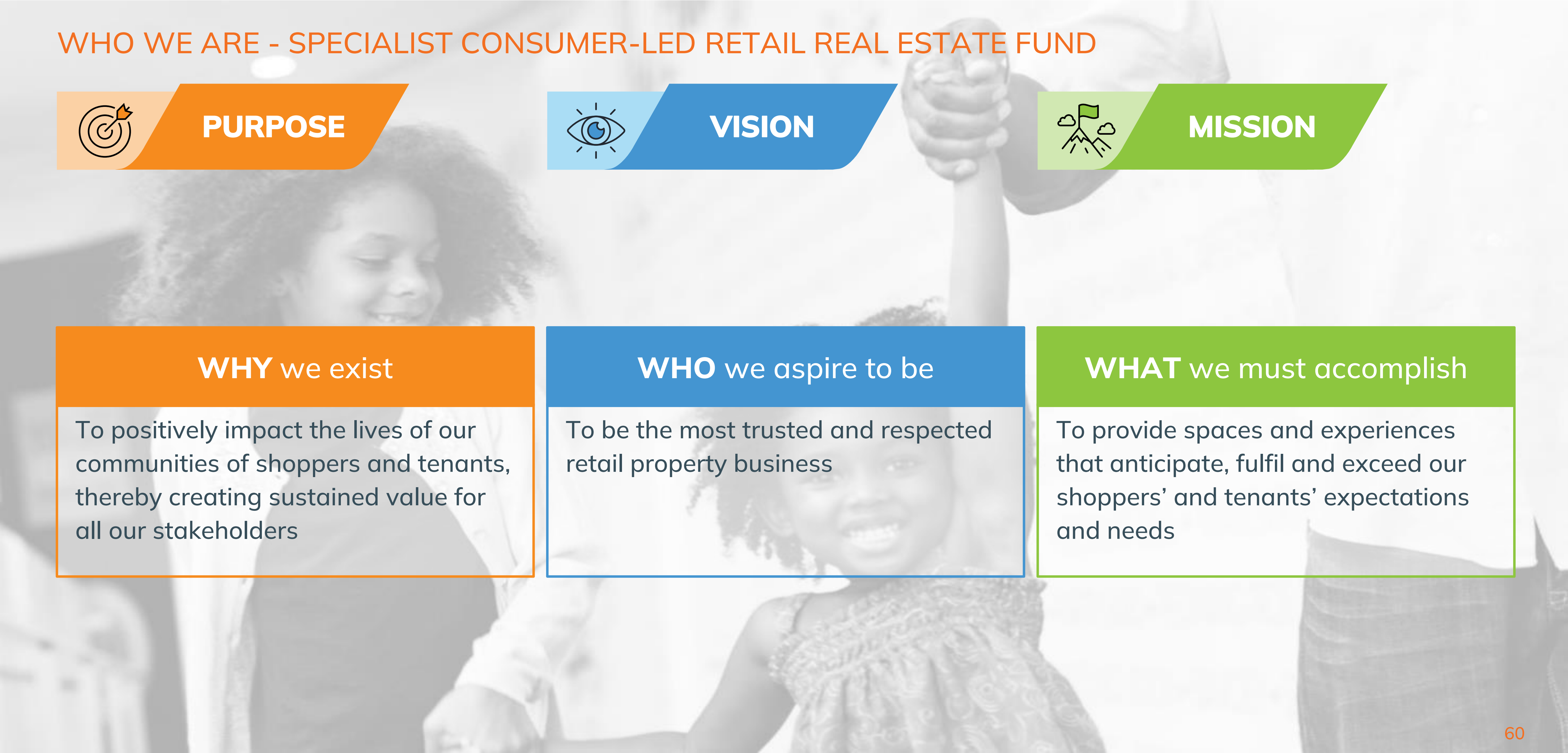
- Growing customer support strengthens TENANT performance at our centres
- Enhancing tenant performance boosts demand for space and position at our centres
- Elevating demand improves rental growth and performance at our centres

INVESTORS

- Increasing rentals grows income streams
- Growing income streams support higher returns, more positive impact and greater value creation for our INVESTORS, FUNDERS and all other stakeholders

Exceeding our Shoppers' needs → **Contributing to stronger Tenant performance** → **Increased value for Investors and all other stakeholders**

TRANSLATING OUR STRATEGY INTO ACTION



WHO WE ARE - SPECIALIST CONSUMER-LED RETAIL REAL ESTATE FUND

PURPOSE

WHY we exist

To positively impact the lives of our communities of shoppers and tenants, thereby creating sustained value for all our stakeholders

VISION

WHO we aspire to be

To be the most trusted and respected retail property business

MISSION

WHAT we must accomplish

To provide spaces and experiences that anticipate, fulfil and exceed our shoppers' and tenants' expectations and needs

DELIVERING ON OUR STRATEGY

HOW WE WILL ACHIEVE OUR PURPOSE, VISION AND MISSION

BY FOCUSING ON OUR UNIQUE VALUES AND STRATEGIC OBJECTIVES

OUR VALUES

These are the attitudes and behaviours we live by:

- **Delighting** our shoppers with our excellence and expertise
- **Effecting** positive change through innovation and inclusivity
- **Agile** collaboration with partners and teams
- **Leading** with passion and integrity

STRATEGIC OBJECTIVES

- Operational excellence
- Leading-edge customer and market insights
- Managed impact
- People centricity
- Long-term growth

BUILDING OUR BRAND STRATEGY

VUKILE
PROPERTY FUND

REAL ESTATE. REAL GROWTH.

vukile
Centre of Growth

BUILDING COMMUNITIES,
GROWING VALUE.

Our brand ethos is encapsulated in our brand descriptor.

Centre of Growth

Our tagline summarises our approach – by considering the needs of our communities, we create sustained value for them, our tenants and ultimately our investors and funders.

BUILDING COMMUNITIES,
GROWING VALUE.

STRATEGY

A CLEAR AND CONSISTENT RETAIL-FOCUSED STRATEGY

CONSUMER-FOCUSED RETAIL REAL ESTATE BUSINESS

	South Africa	Spain	3rd Party Asset Management	Other markets
EXISTING	Core Portfolio	Core Portfolio	▪ Namibia ▪ ALT Capital and ▪ REimagine Fund	
NEW OPPORTUNITIES / INITIATIVES	▪ BT Ngebs City ▪ Evaluating potential expansions and upgrades to existing centres	▪ Vallsur upgrade ▪ El Faro potential expansion ▪ LAR España ▪ Evaluating deal flow	▪ Spain ▪ Pan-European ▪ United Kingdom	▪ Desktop evaluation and research driven by window of opportunity

STRATEGIC FOCUS AREAS FOR 2024

Operational excellence

- Already providing our tenants with **nodally dominant shopping centres** with very strong trading conditions
- 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 increasing security** in our centres
- Increased **promotional activity** and utilising our customer insights to drive **increased customer loyalty**
- Continually reviewing asset management strategies to deliver **sustainable growth in earnings across the portfolio**

Leading-edge customer and market insights

- Integrate data analytics from multiple tested **customer insight solutions** into a single powerful asset management tool (to include current portfolio metrics, psychographic information, geolocation trends and **customer data** from in-mall wi-fi)
- Enable the business, through data analytics, to respond in real time to **consumer behavioural changes**
- Utilise embedded **core competence** of data analytics to consider and generate **new revenue and value streams**
- Successful implementation of **iCast innovation projects** and **ongoing drive to embedding an innovative, forward-thinking culture** amongst employees

Managed impact

- Develop a **consolidated stakeholder engagement strategy** – considering stakeholder feedback, analysing risks and identifying unique opportunities to further entrench our consumer-focused approach
- **Further enhance Group ESG strategy** – benefiting from learnings gained through unique risks in multiple jurisdictions
- Continue to **develop and improve on implementation of renewable energy sources** across both South African and Spanish portfolios
- **Assessing and augmenting utilities supply** to ensure sustainability of trade

People centricity

- Continue to foster a **partnership relationship with tenants** in a co-operative and non-conflictual manner
- Continued drive to embed a **singular culture** within Vukile and Castellana - ensuring the group remains an **employer of choice**
- Maintain **strong relationships** with our multiple banking and funding partners in SA and Europe
- Consider opportunities to **upskill and develop suppliers** (focusing on Entrepreneurs and SMMEs)
- Continue to increase opportunities for SMMEs to enter the retail environment through the **Retail Academy**

Long-term growth

- Build a **strong, reputable brand**
- Continued focus on maintaining a **strong and liquid balance sheet**
- Deployment of **retained cash** to drive long term strategic **sustainability**
- Deliver on **sustained earnings for investors**

Centre of Growth

06 PROSPECTS AND GUIDANCE

Laurence Rapp

PROSPECTS FOR THE GROUP

- We are confident that with our **strong operating platform, clear strategic direction** and **solid balance sheet**, Vukile is well-positioned to manage the global macro-economic headwinds, dampened consumer confidence and specific South African-related challenges, such as loadshedding and sluggish economic growth.

- Whilst we have been expecting pressure on the consumer for the better part of the last 18 months, it has not materialized to the extent that we anticipated. It now appears that higher interest rates are negatively impacting consumer spending in South Africa. We believe that our business is **well insulated** against reduced spending, both through the **defensive nature of our tenant mix** and because of the **annuity income** nature of our rental income. Some **99% of rental income is contractual in nature** and provided by the strongest retail covenants in Spain and South Africa. A healthy WALE in both markets should comfortably see us through a short to medium term cyclical downturn.

- As we come closer to the peak of the interest rate cycle, Vukile and Castellana remain **well hedged**. The business is further insulated with a relatively **long loan expiry profile** and a **strong liquidity position**.

- We continue to focus on **sustainable growth** as we execute on our focused strategy to be a **consumer-focused retail real estate business.**

- We expect to deliver **growth in FFO per share of between 3% to 5%** and **growth in dividend per share of between 7% to 9%** for the year ending 31 March 2024,
  assuming:
  - SA interest rates of 3-month JIBAR of 8.50%
  - European interest rates of 3-month Euribor of 3.75%
  - ZAR/EUR exchange rate of R19,29
  - a similar pay-out ratio to the current year

- This will equate to a **full year dividend per share** of between **120 and 123 cents per share** (FY23: 112.4 cents), to be paid with an interim and a final dividend.

- The forecast assumes no material adverse change in trading conditions, contractual escalations and market-related renewals. The forecast also assumes no material further change in interest rates and exchange rates from the levels indicated above.

- The forecast has not been reviewed or audited by the company's external auditors.

WHY VUKILE?

OUR INVESTMENT CASE

SPECIALISTS IN RETAIL

- **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**

HIGH QUALITY PORTFOLIO

- **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**

ROBUST FINANCIAL METRICS

- **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

ACTIVE MANAGEMENT

- **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

HIGHEST GOVERNANCE STANDARDS

- **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**

INNOVATION AND CUSTOMER CENTRICITY AS PART OF OUR DNA

- **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

STRONG INCOME & GROWTH PROSPECTS

- **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

ACKNOWLEDGEMENTS

Vukile Centre of Growth

- BOARD
- PROPERTY MANAGERS
- SERVICE PROVIDERS
- BROKERS AND DEVELOPERS
- TENANTS
- INVESTORS
- FUNDERS
- COLLEAGUES

07 QUESTIONS AND ANSWERS

Centre of Growth

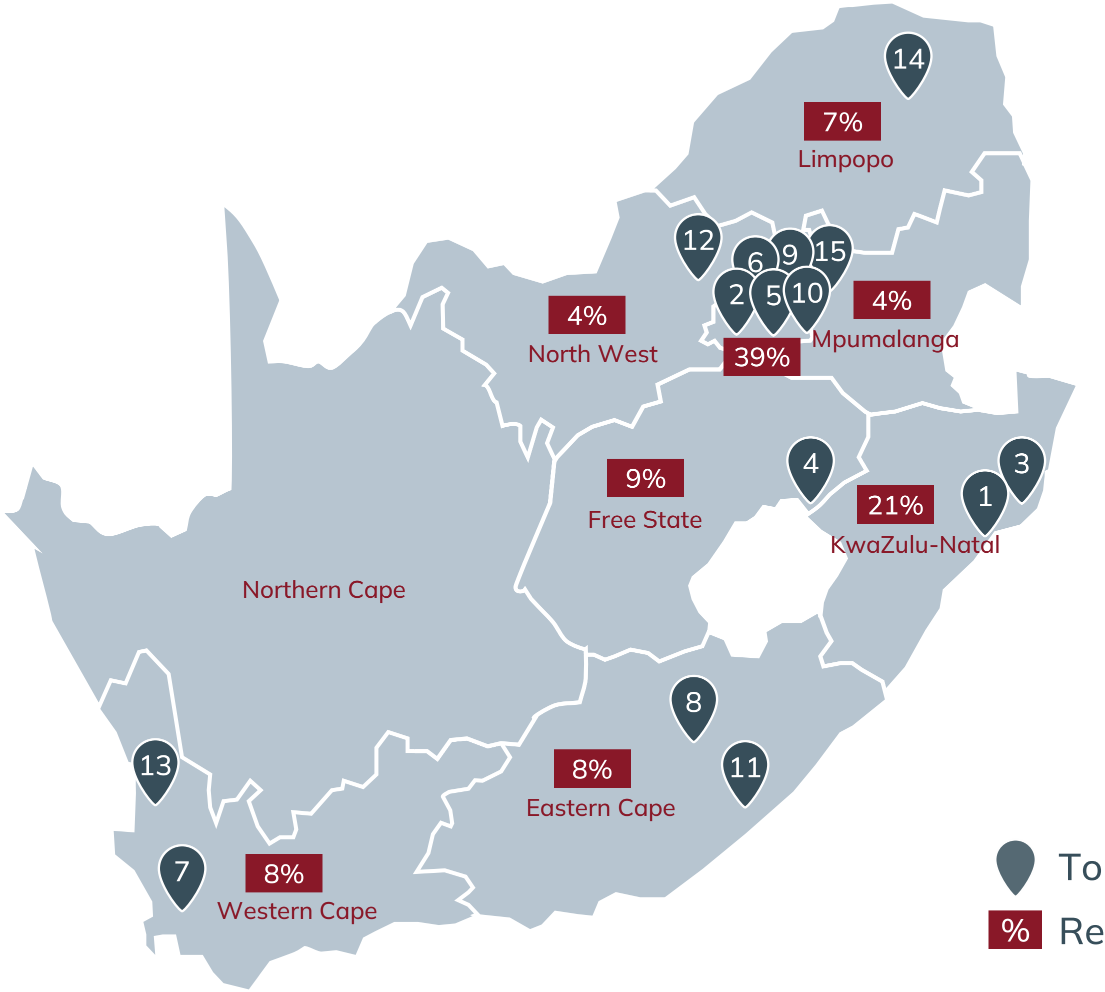
Appendix 1A

RETAIL PORTFOLIO COMPOSITION

South African Portfolio

SOUTH AFRICA RETAIL FOOTPRINT

RETAIL PORTFOLIO PROFILE - TOP 15 PROPERTIES ACCOUNT FOR 73% OF RETAIL PORTFOLIO BY VALUE



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

- Top 15 Properties
- % Retail geographic profile by value

HIGH QUALITY RETAIL ASSETS

TOP 15 ASSETS	PINE CREST	EAST RAND MALL	PHOENIX PLAZA	MALUTI CRESCENT	KOLONNADE RETAIL PARK
					
Gross Asset Value	R1 180 million	R1 172 million	R916 million	R887 million	R708 million
Region	KwaZulu-Natal	Gauteng	KwaZulu-Natal	Free State	Gauteng
Gross Lettable Area	43 345m²	68 580m²	24 072m²	35 741m²	39 660m²
Monthly rental	R212/m²	R263/m²	R301/m²	R176/m²	R138/m²
National tenant exposure	92%	94%	78%	95%	96%
Vukile ownership	100%	50%	100%	100%	100%
Approx. footfall	10 million	8 million	11 million	11 million	
Vacancy	0.5%	1.6%	0.8%	Fully let	Fully let

HIGH QUALITY RETAIL ASSETS

TOP 15 ASSETS
(CONT.)

	DOBSONVILLE MALL	GUGULETHU SQUARE	NONESI MALL	DAVEYTON MALL	MEADOWDALE MALL
					
Gross Asset Value	R677 million	R674 million	R587 million	R574 million	R564 million
Region	Gauteng	Western Cape	Eastern Cape	Gauteng	Gauteng
Gross Lettable Area	26 438m²	25 699m²	27 881m²	19 859m²	49 472m²
Monthly rental	R184/m²	R195/m²	R161/m²	R219/m²	R103/m²
National tenant exposure	94%	95%	98%	86%	88%
Vukile ownership	100%	100%	100%	100%	67%
Approx. footfall	9.5 million	11.8 million	8.2 million	7.5 million	
Vacancy	1.2%	1.1%	Fully let	6.0%	Fully let

HIGH QUALITY RETAIL ASSETS

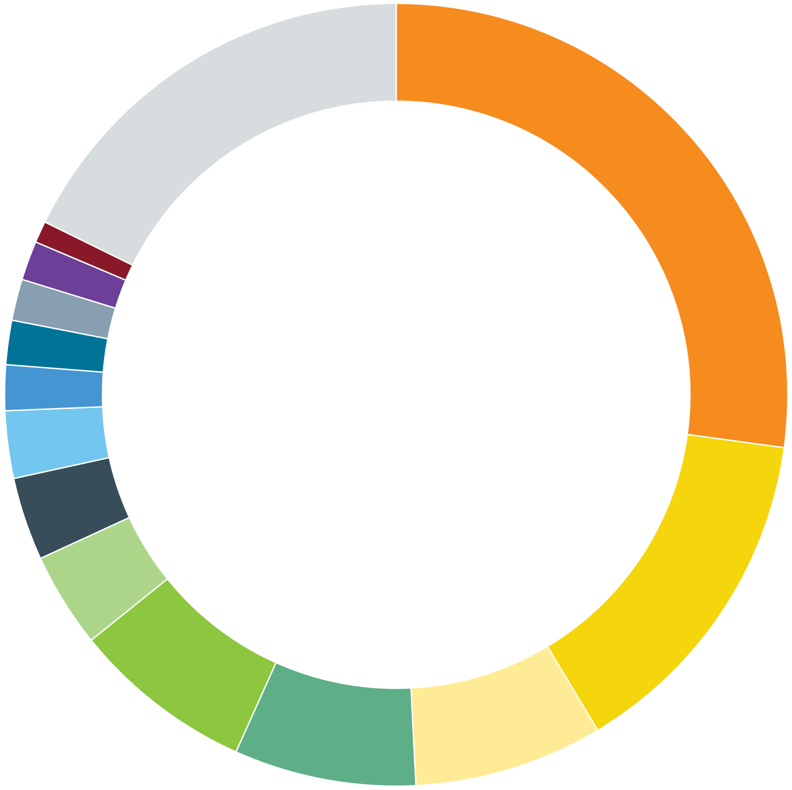
TOP 15 ASSETS
(CONT.)

	MDANTSANE CITY	MORULENG MALL	ATLANTIS SHOPPING CENTRE	THAVHANI MALL	HILLFOX VALUE CENTRE
Gross Asset Value	R559 million	R533 million	R511 million	R498 million	R437 million
Region	Eastern Cape	North West	Western Cape	Limpopo	Gauteng
Gross Lettable Area	36 614m²	31 558m²	21 983m²	53 342m²	37 562m²
Monthly rental	R146/m²	R147/m²	R181/m²	R200/m²	R96/m²
National tenant exposure	83%	81%	81%	94%	72%
Vukile ownership	100%	80%	100%	33.33%	100%
Approx. footfall	7.5 million	4.3 million	9.5 million	9.5 million	
Vacancy	Fully let	Fully let	2.0%	0.6%	1.4%

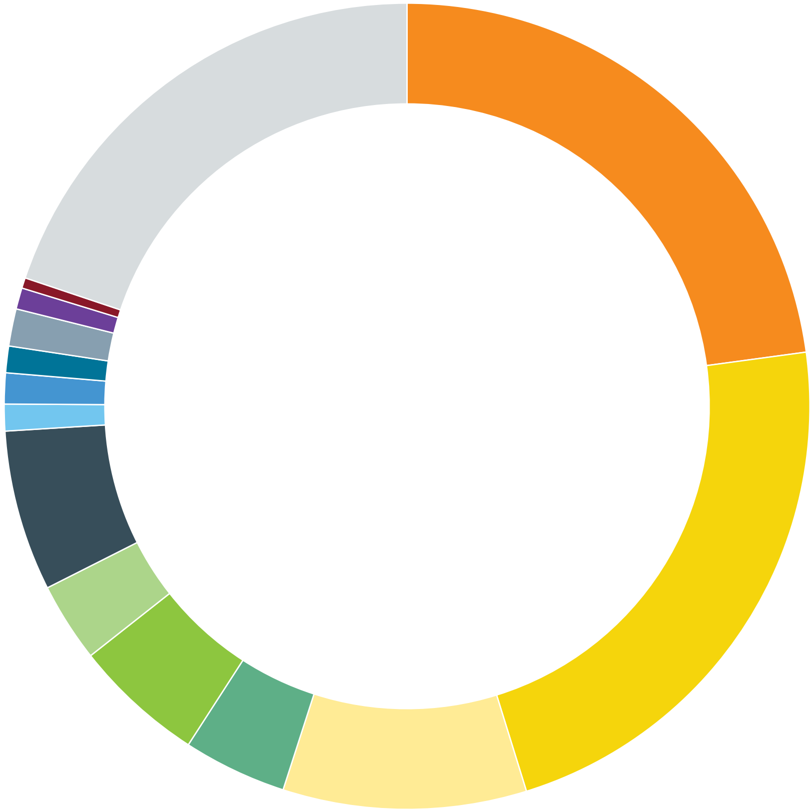
RETAIL CATEGORY EXPOSURE

WELL DIVERSIFIED MIX OF TENANT CATEGORIES

CATEGORY PROFILE BY RENT



CATEGORY PROFILE BY GLA)

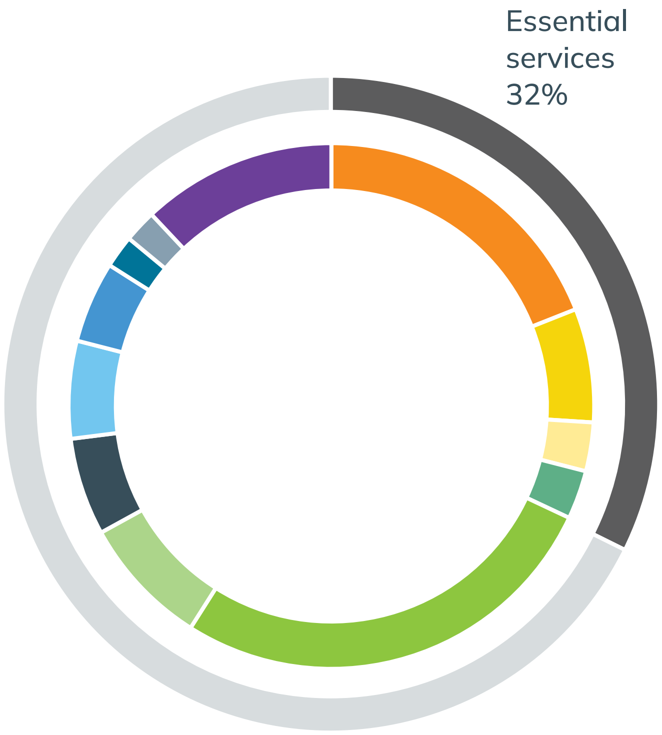


27%	● Fashion	23%
14%	● Grocery/supermarket	22%
8%	● Home furnishings/décor	10%
7%	● Banking	4%
7%	● Food	5%
4%	● Sporting/outdoor goods and wear	3%
3%	● Department Stores	6%
3%	● Cell phones	1%
2%	● Restaurants and coffee shops	1%
2%	● Health and beauty	1%
2%	● Bottle stores	2%
2%	● Electronics	1%
1%	● Accessories	1%
18%	● Other	20%

RETAIL TENANT EXPOSURE

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

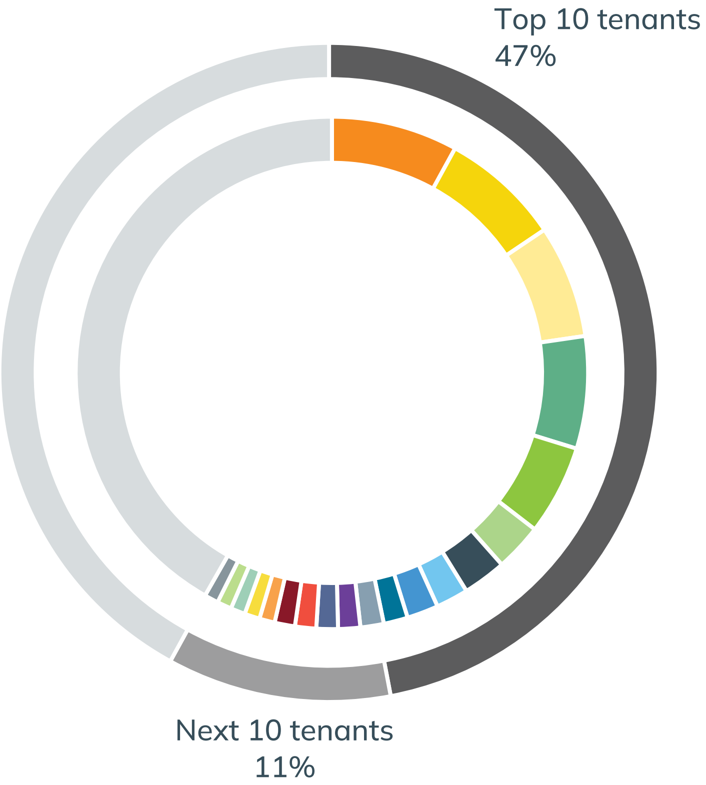
32% OF RENT FROM ESSENTIAL SERVICES



19%	●	Grocery/ supermarket
7%	●	Banking
3%	●	Pharmacies
3%	●	Other

27%	●	Fashion
8%	●	Home furnishings/ décor
6%	●	Restaurants, fast foods and coffee shops
6%	●	Sporting/gym/ outdoor wear
5%	●	Cell phones and electronics
2%	●	Health and beauty
2%	●	Bottle stores
12%	●	Other

58% OF RENT FROM TOP 20 TENANTS



8%	●	TFG
8%	●	Pepkor
7%	●	Pick n Pay
7%	●	Mr Price
6%	●	Shoprite
3%	●	Spar
3%	●	Truworths
2%	●	Massmart
2%	●	Clicks
2%	●	Absa Bank

1%	●	Retailability
1%	●	First Rand Group
1%	●	Famous Brands
1%	●	Capitec Bank
1%	●	Nedcor
1%	●	Yum Foods
1%	●	Woolworths
1%	●	Virgin Group
1%	●	Cashbuild
1%	●	Standard Bank

42%	●	Other

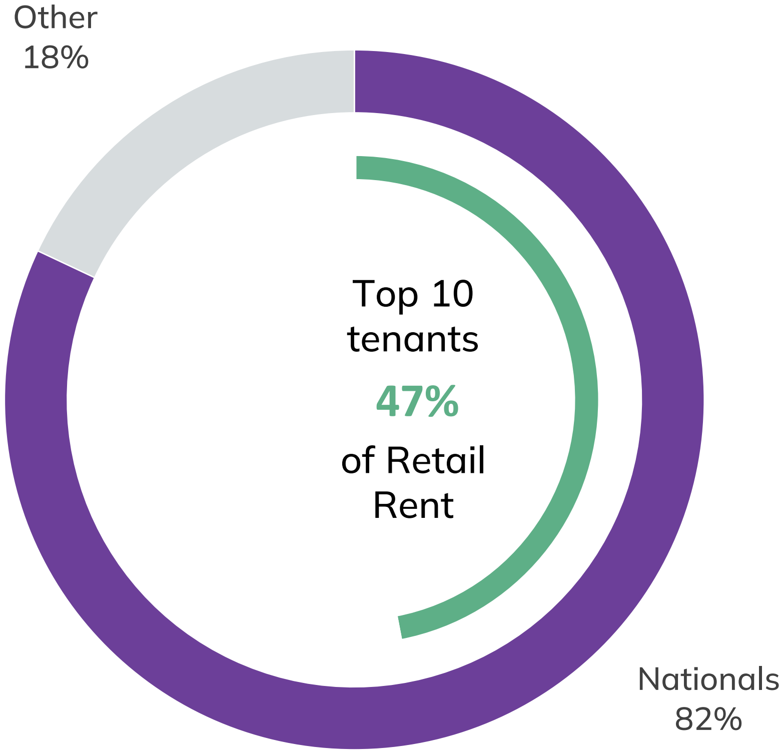
Base rent excluding recoveries

RETAIL TENANT EXPOSURE

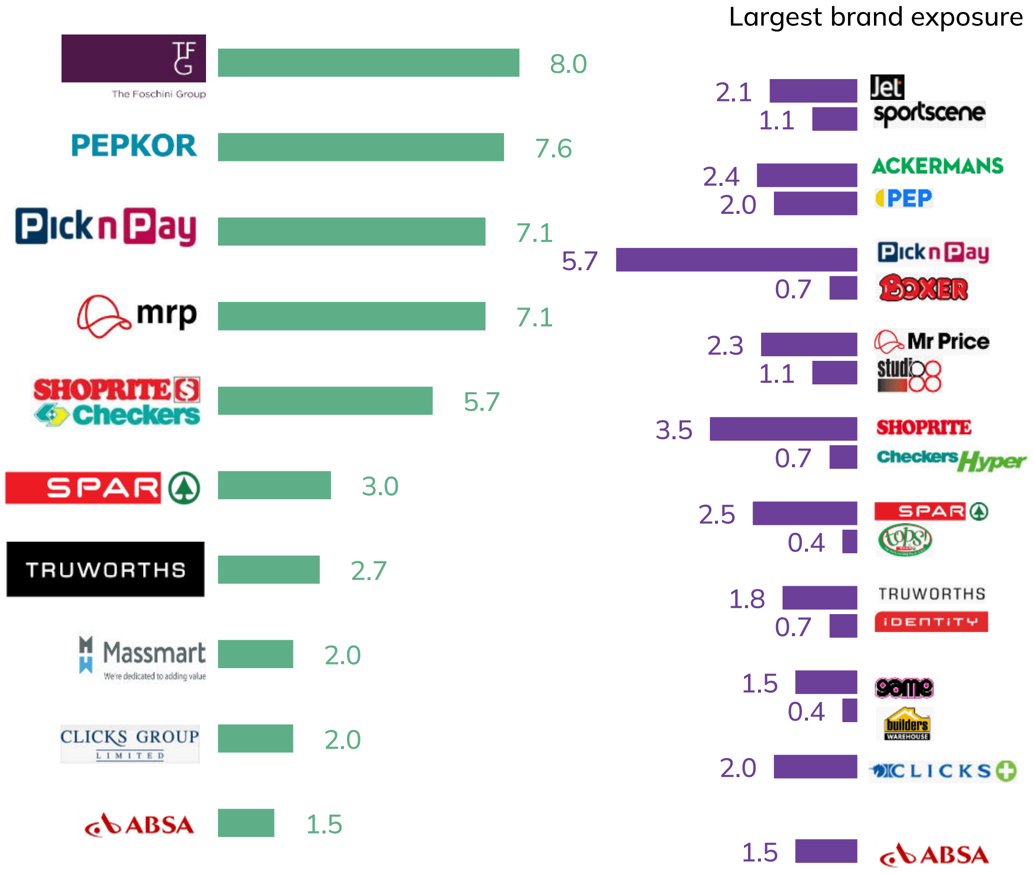
vukile
Centre of Growth

DIRECT SOUTH AFRICAN RETAIL PORTFOLIO

TENANT PROFILE - BY CONTRACTUAL RENT



TOP 10 TENANTS - BY CONTRACTUAL RENT



Base rent excluding recoveries

Centre of Growth

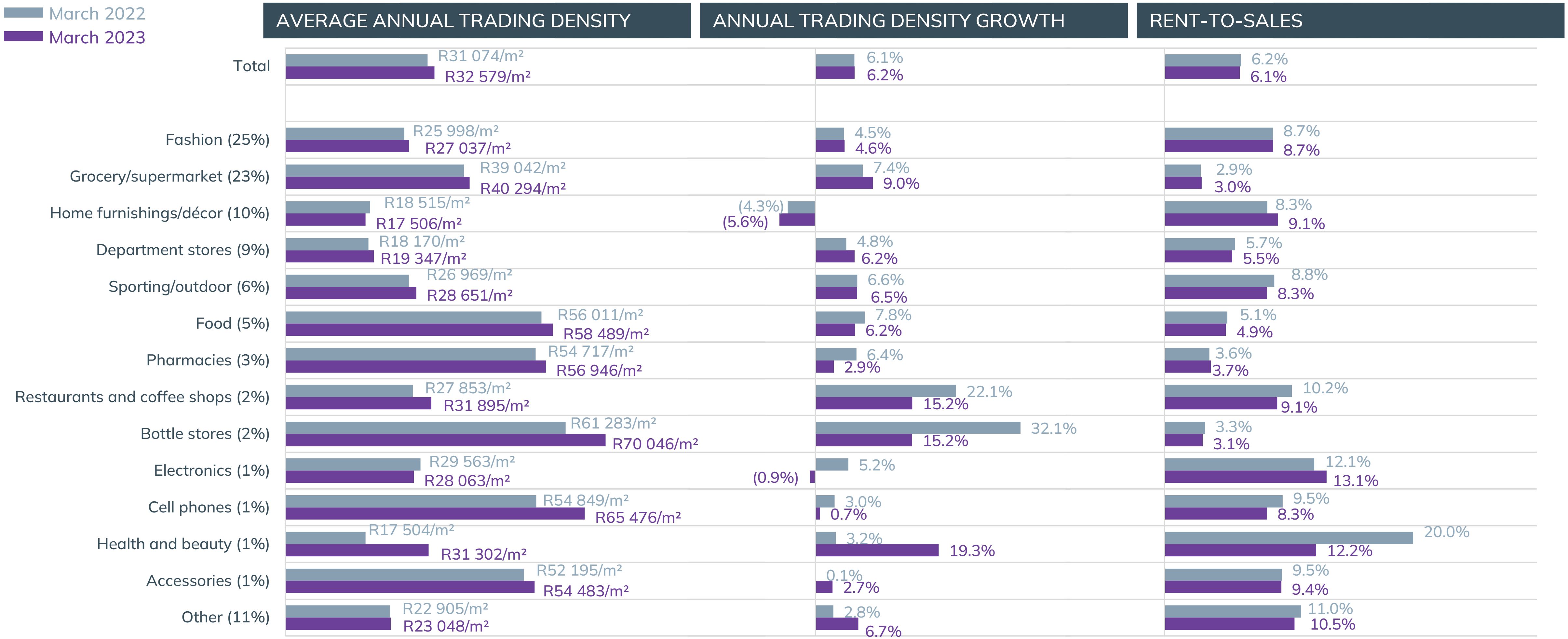
Appendix 1B

FY23 RETAIL PORTFOLIO PERFORMANCE METRICS

South African Portfolio

TRADING DENSITIES

12 OUT OF 14 CATEGORIES SHOWING POSITIVE TRADING DENSITY GROWTH



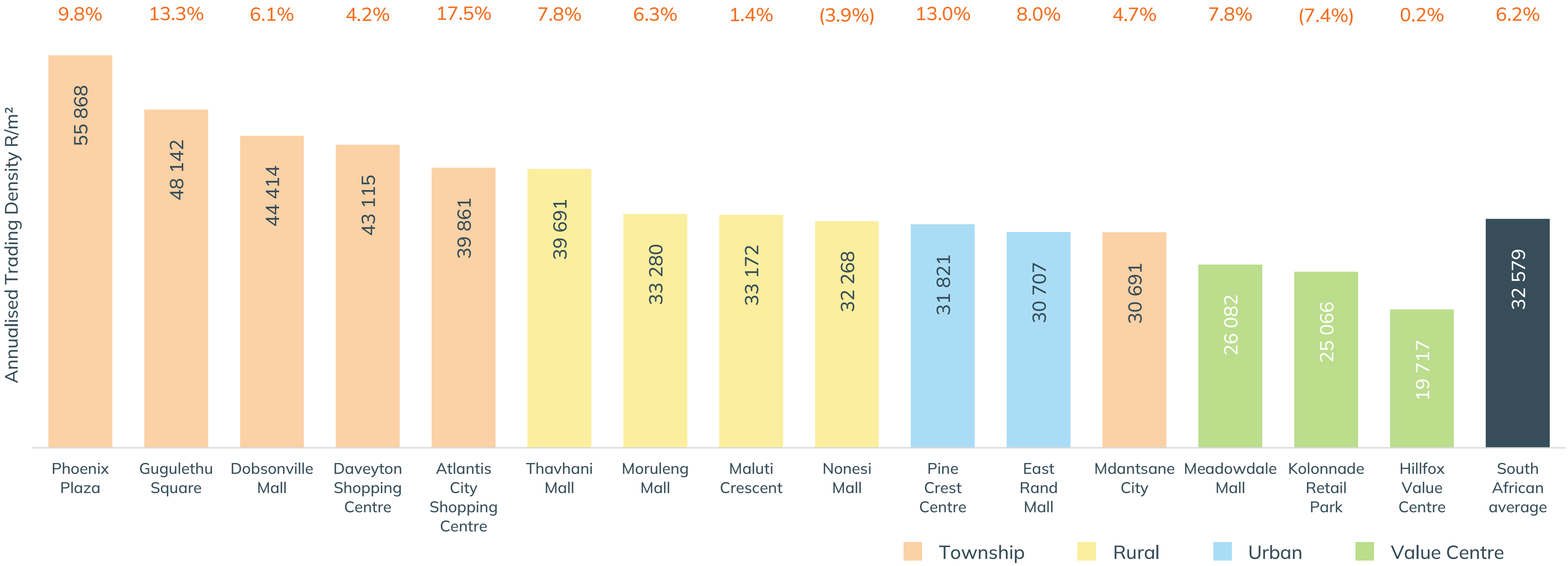
AVERAGE ANNUAL TRADING DENSITY | ANNUAL TRADING DENSITY GROWTH | RENT-TO-SALES

Remaining portfolio excluding sold properties

RETAIL PORTFOLIO TRADING STATISTICS FOR TOP 15 PROPERTIES

CONTINUING TO PROVIDE VERY PROFITABLE CENTRES FOR OUR TENANTS

TRADING DENSITY GROWTH (LIKE-FOR-LIKE)

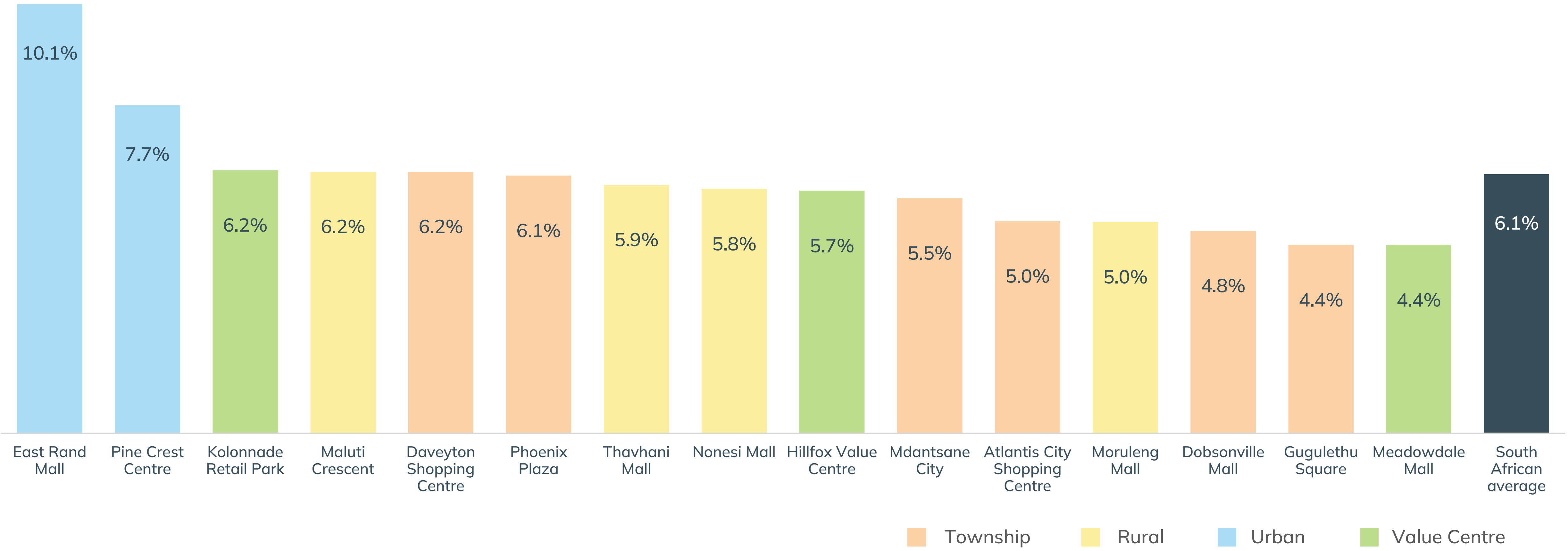


Note: Annualised trading density calculated using monthly trading density over 12 months. Trading density (like-for-like) growth calculated on stable tenants.

RENT-TO-SALES RATIO BY TOP 15 PROPERTIES

vukile Centre of Growth

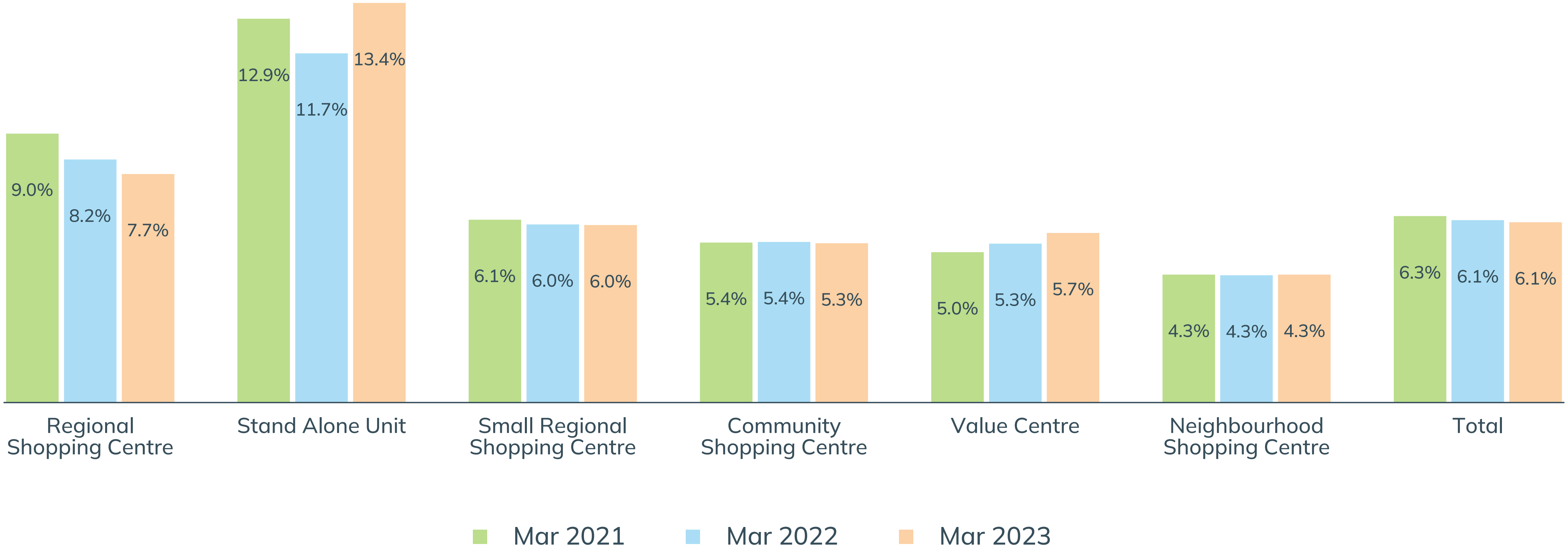
CONTINUING TO PROVIDE VERY PROFITABLE CENTRES FOR OUR TENANTS



TENANT AFFORDABILITY

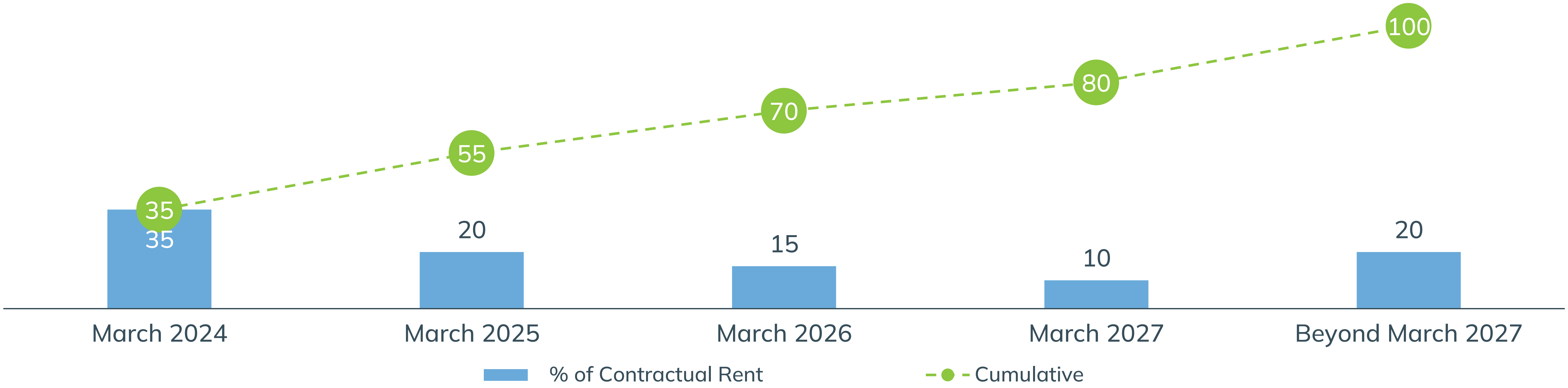
RENT TO SALES HOLDING STEADY ACROSS THE PORTFOLIO THROUGH TOUGH MARKET CONDITIONS

AVERAGE ANNUAL RENT-TO-SALES RATIO



RETAIL TENANT EXPIRY PROFILE

30% OF CONTRACTUAL RENT EXPIRING IN FY27 AND BEYOND (WALE 2.6 YEARS)



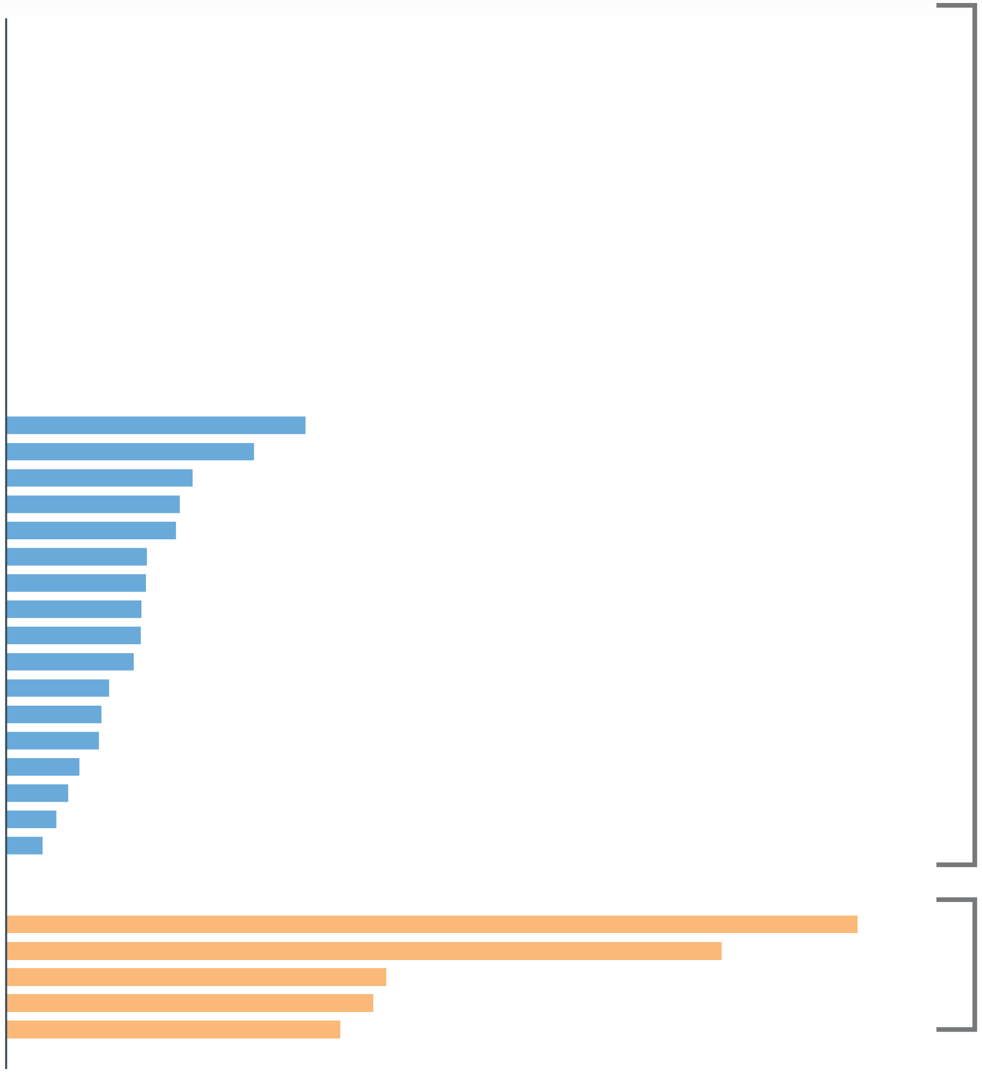
FOR THE 12 MONTHS ENDED 31 MARCH 2023 RETAIL LEASES WERE CONCLUDED WITH:

CONTRACT VALUE	RENTABLE AREA	TENANT RETENTION
R1.4 billion	150 243m²	93%

RETAIL VACANCIES

vukile
Centre of Growth

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



FULLY LET

- Ga-Kgapane Modjadji Plaza
- Germiston Meadowdale Mall
- Giyani Plaza
- Hammarsdale Junction
- Mdantsane City Shopping Centre
- Moruleng Mall
- Phuthaditjhaba Maluti Crescent
- Pretoria Kolonnade Retail Park
- Queenstown Nonesi Mall
- Rustenburg Edgars Building
- Springs Mall
- Tzaneen Maake Plaza

VACANCY LOWER THAN 1 000m²

- Durban Workshop (938m²; 4.7%)
- Ermelo Game Centre (777m²; 11.7%)
- Emalahleni Highland Mews (584m²; 3.5%)
- Boksburg East Rand Mall (544m²; 1.6%)
- Roodepoort Hillfox Value Centre (532m²; 1.4%)
- Atlantis City Shopping Centre (441m²; 2.0%)
- Roodepoort Ruimsig Shopping Centre (438m²; 3.8%)
- Piet Retief Shopping Centre (424m²; 5.6%)
- Bloemfontein Plaza (422m²; 1.0%)
- KwaMashu Shopping Centre (400m²; 3.6%)
- Soweto Dobsonville Mall (323m²; 1.2%)
- Hammanskraal Renbro Shopping Centre (298m²; 2.2%)
- Gugulethu Square (290m²; 1.1%)
- Pinetown Pine Crest (229m²; 0.5%)
- Durban Phoenix Plaza (194m²; 0.8%)
- Pietermaritzburg The Victoria Centre (157m²; 1.5%)
- Thohoyandou Thavhani Mall (114m²; 0.6%)

VACANCY GREATER THAN 1 000m²

- Randburg Square (2 668m²; 6.5%)
- Mbombela Shoprite Centre (2 243m²; 16.0%)
- Daveyton Shopping Centre (1 192m²; 6.0%)
- Elim Hubyeni Shopping Centre (1 150m²; 9.1%)
- Vereeniging Bedworth Centre (1 048m²; 3.1%)

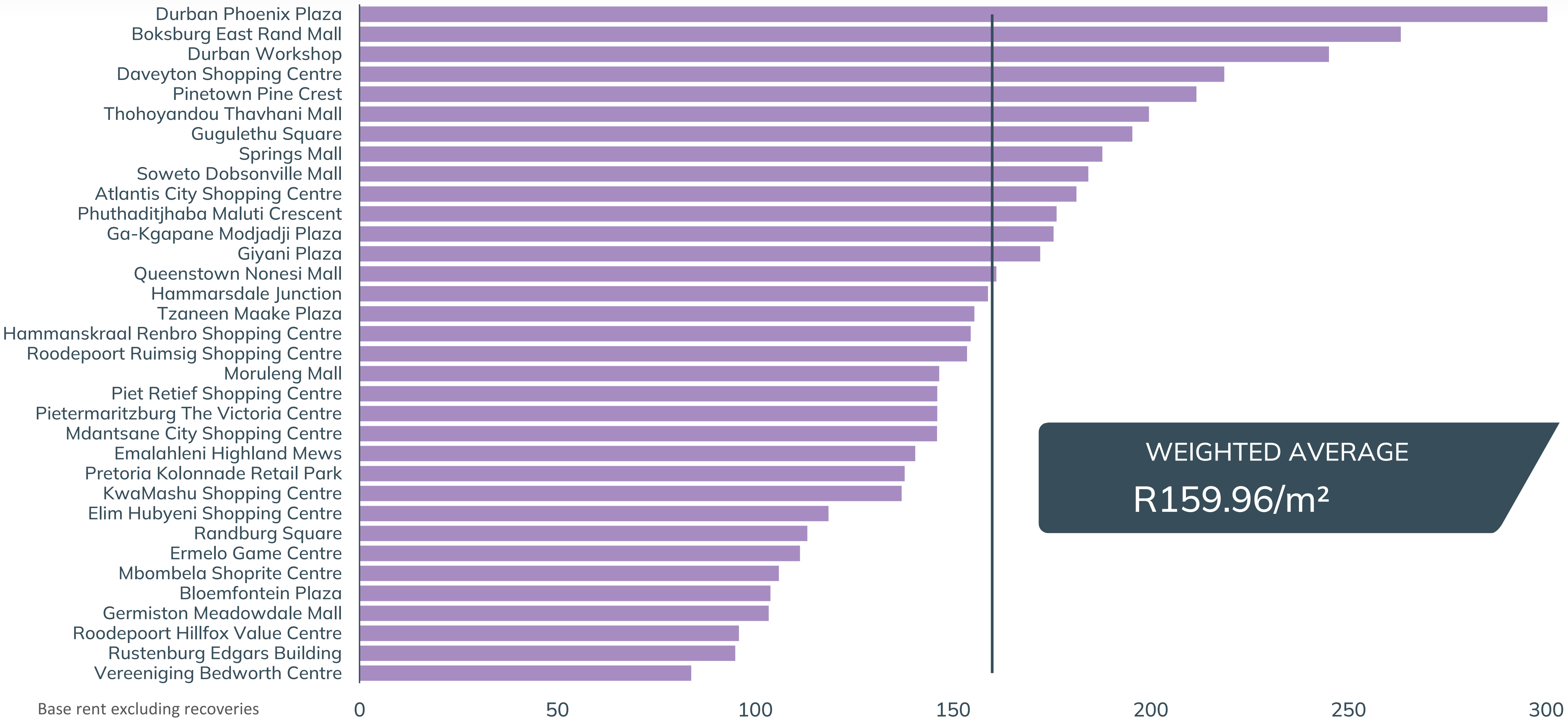
29	Properties
84%	of Retail Portfolio GLA
1.1%	Vacant

5	Properties
16%	of Retail Portfolio GLA
6.8%	Vacant

WEIGHTED AVERAGE BASE RENTALS R/m² (EXCLUDING RECOVERIES)

Centre of Growth

SOUTH AFRICAN RETAIL PORTFOLIO



Base rent excluding recoveries

WEIGHTED AVERAGE

R159.96/m²

Centre of Growth

Appendix 1C

FY23 TOTAL PORTFOLIO

South African Portfolio

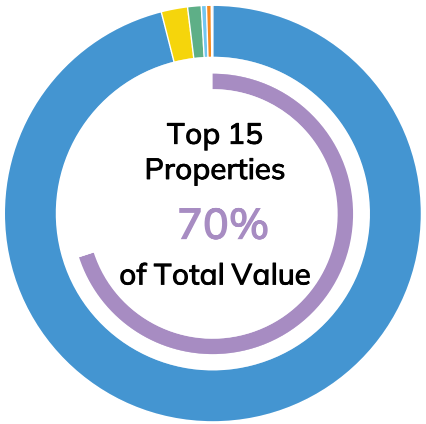
SOUTH AFRICAN TOTAL PORTFOLIO COMPOSITION

vukile Centre of Growth

40 PROPERTIES VALUED AT R15.0 BILLION COVERING 807 046m²

SECTORAL PROFILE - BY VALUE

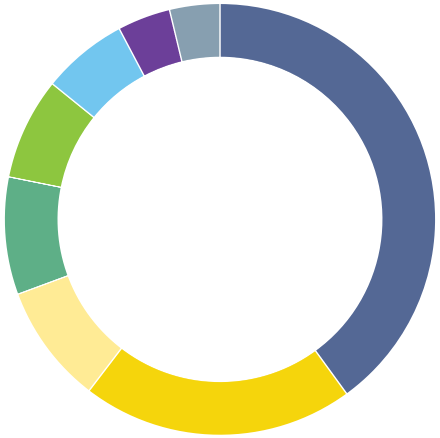
SECTORAL PROFILE - BY GLA



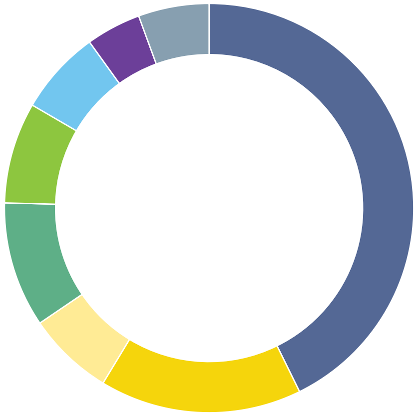
By Value		Number of properties	By GLA
96%	Retail	34	94%
2%	Offices	3	3%
1%	Motor Related	1	1%
0.4%	Industrial	1	1%
0.4%	Residential	1	1%
0.1%	Vacant Land		0%

GEOGRAPHIC PROFILE - BY VALUE

GEOGRAPHIC PROFILE - BY GLA



By Value		Number of properties	By GLA
40%	Gauteng	16	43%
20%	KwaZulu-Natal	6	16%
9%	Western Cape	3	7%
9%	Free State	2	10%
8%	Eastern Cape	2	8%
6%	Limpopo	5	7%
4%	North West	2	4%
4%	Mpumalanga	4	5%



CASTELLANA
PROPERTIES

Appendix 2A

SOCIAL AND ECONOMIC UPDATE

Spanish Portfolio

IMPACT ON SPANISH ECONOMY

AN IMPROVED OUTLOOK IN EUROPE AMID CHALLENGES

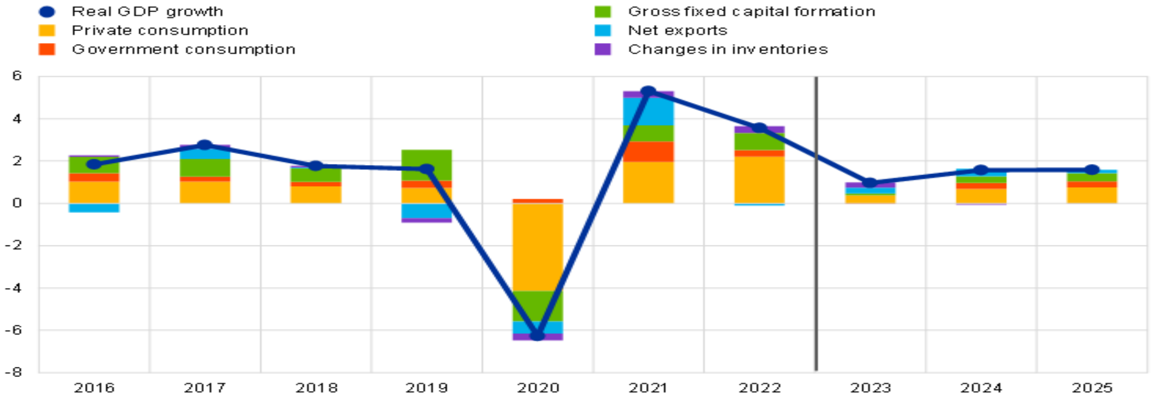
EUROPEAN ECONOMIC OUTLOOK

- Amid disruptions caused by the war in Ukraine, the energy crisis and central banks embarking on a tightening of monetary policy, the EU economy performed better than expected. Along these lines, **GDP growth in the Euro area has been revised upwards to 1.1% and 1.6% in 2023 and 2024 respectively**.
- **Inflation also surprised positively, and it is now expected at 5.8% in 2023 and 2.8% in 2024**, respectively 0.2% and 0.3% higher than previous forecast.
- Improved outlook is driven by:
  - Better trade environment due to decrease in energy prices and unwind of supply bottlenecks;
  - Improved business confidence and a strong labour market
  - Rapid diversification of energy supply and a fall in consumption. As the EU approaches the gas-refilling season, gas storage levels are at comfortable levels and risks of shortages during next winter have considerably abated
  - Implementation of Next Generation EU programme (c.€800 billion in grants and loans)
- The debt-to-GDP ratio fell to c.85% of GDP in 2022, from the record high of c.92% in 2020.
- In the Euro area, the **persistence of core inflation has set the ECB on a path of a tighter monetary policy. In its meeting of 5th May 2023 it raised interest rates to 3.75%, up by only 25bps.** These tighter conditions are increasing borrowing costs while decreasing credit flows significantly.
- **The ECB is determined to keep a strong euro and has made a firm commitment to bring down inflation to its 2% target by 2025.**

EURO AREA GDP GROWTH AND INFLATION

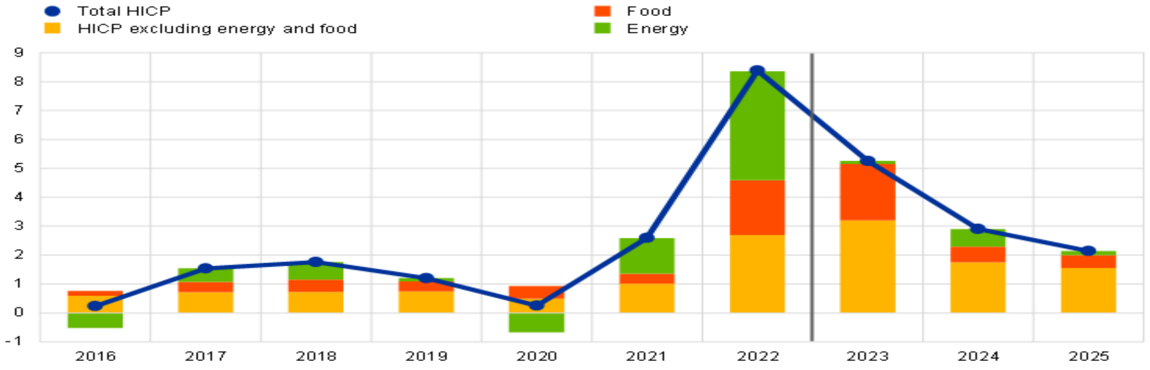
EURO AREA REAL GDP – Decomposition into the main expenditure components

(Annual percentage changes, percentage point contributions)



EURO AREA HICP INFLATION - Decomposition into the main components

(Annual percentage changes, percentage points)

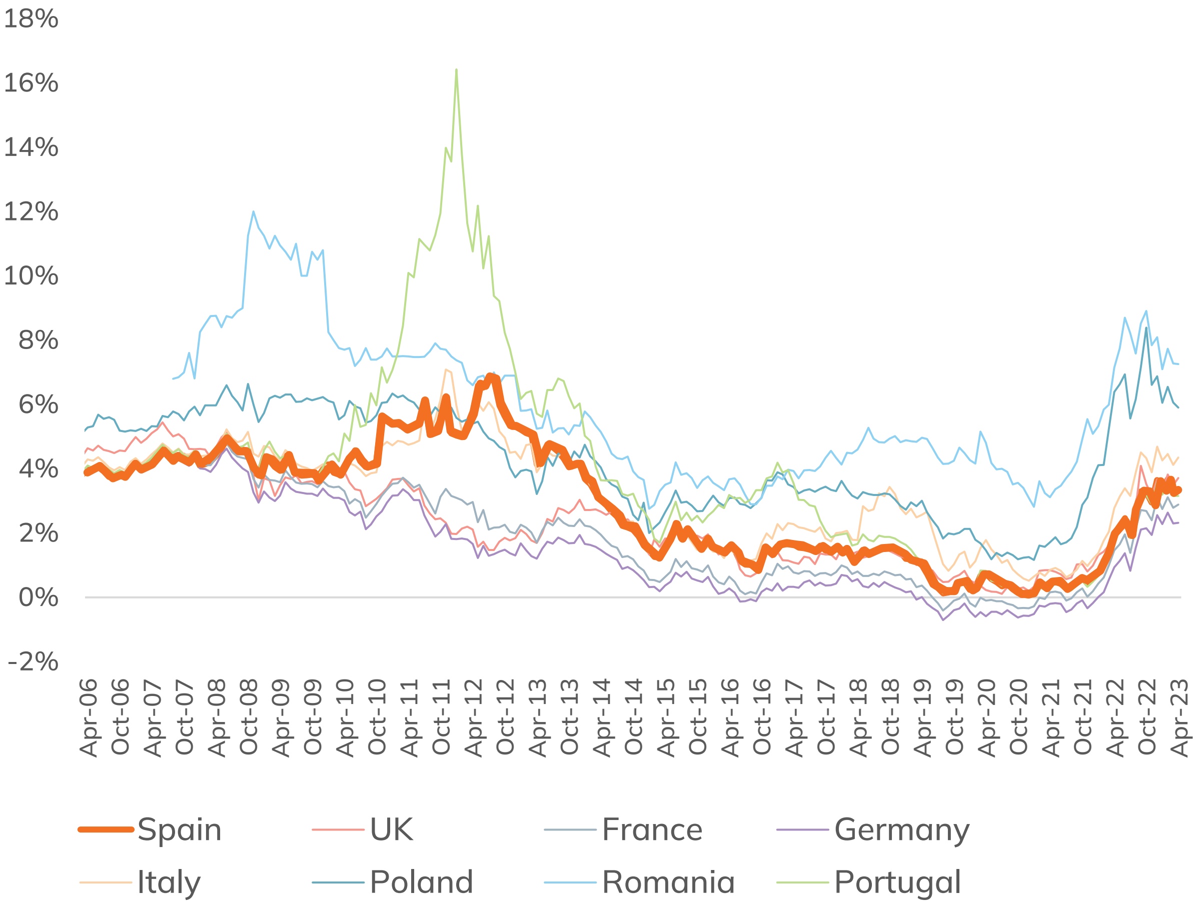


Source: ECB Staff Report March 2023, European Commission..

IMPACT ON SPANISH ECONOMY

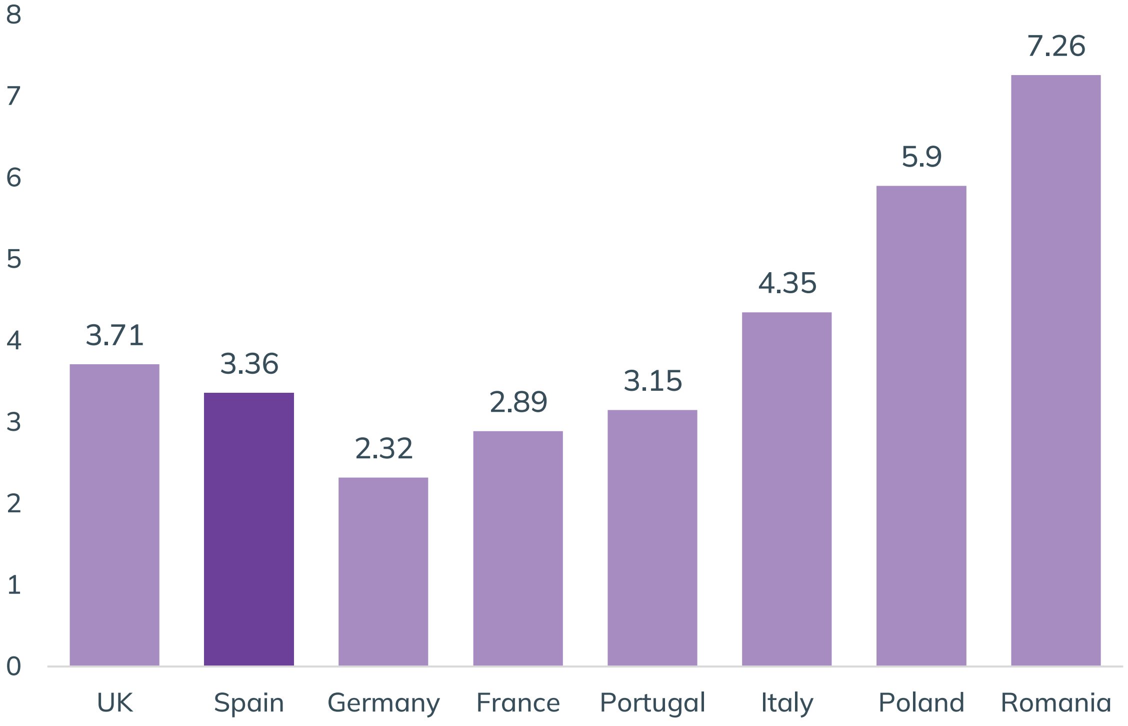
EUROPEAN BOND YIELDS SEEM TO HAVE PEAKED ANTICIPATING SOME LEVEL OF CONTAINED INFLATION

10-YEAR GOVERNMENT BONDS (YIELD %)



Source: Investing.com.

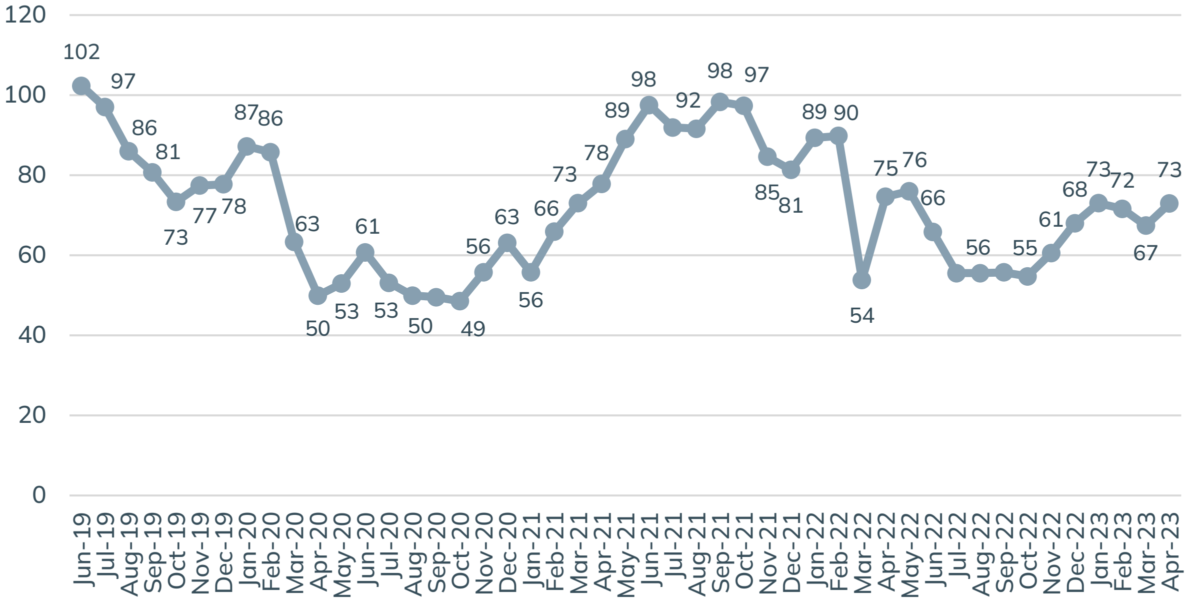
BID YIELD (%) APRIL 2023



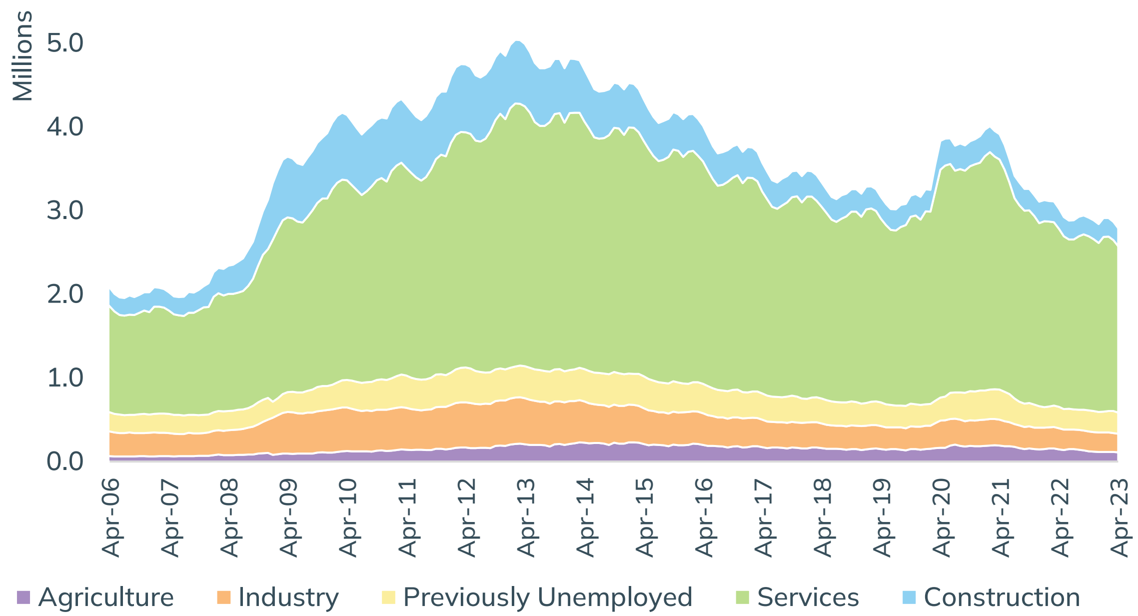
IMPACT ON SPANISH ECONOMY

UNEMPLOYMENT RATE AND CONSUMER CONFIDENCE

CONSUMER CONFIDENCE (CIS)



UNEMPLOYMENT (i) IN SPAIN BY ECONOMIC SECTOR



- The Consumer Confidence Index for the month of April stands at 72.9 points, which represents 5.5 points less than the figure for the previous month.
- In April 2023, the number of people registered as unemployed in Spain fell by 73,890 from March 2023, reaching 2.8 million people.

Source: INE, EpData.

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

CASTELLANA
PROPERTIES

Appendix 2B

PORTFOLIO OVERVIEW

Spanish Portfolio

OUR PORTFOLIO

WELL DIVERSIFIED ACROSS SPAIN

- Andalucía
- Comunidad Valenciana
- Castilla y León

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	Habaneras	13	Pinatar Park
6	Puerta Europa	14	Motril Retail Park
7	Vallsur	15	Mejostilla
8	Parque Oeste de Alcorcón	16	Ciudad del Transporte

Property ranked by value

% Geographic profile by value

SPANISH PORTFOLIO OVERVIEW

TOP 10 ASSETS

	EL FARO	BAHÍA SUR	LOS ARCOS	GRANAITA (i)	HABANERAS
					
Gross Asset Value	€171.5 million	€149.8 million	€135.6 million	€108.4 million	€89.3 million
Province	Badajoz	Cádiz	Seville	Granada	Alicante
Catchment Area (Inhabitants)	517 491	674 250	1 499 884	628 002	531 670
Gross Lettable Area	40 718m²	35 297m²	26 577m²	54 633m²	24 892m²
Monthly Rental	€21.5/m²	€24.5/m²	€25.7/m²	€11.1/m²	€19.8/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	9.3 years	10.6 years	13.5 years	12.5 years	6.4 years
Vacancy	1.8%	1.2%	5.1% (ii)	0.6%	1.4%

(i) Granaita is the integration of the former Kinepolis Retail Park, Kinepolis Leisure Centre and Alameda City Store into one asset
(ii) Los Arcos vacancy: 69% of the vacant area correspond to storages. Excluding storage area from calculation, vacancy decreases to 1.6%

SPANISH PORTFOLIO OVERVIEW

TOP 10 ASSETS
(CONT.)





	PUERTA EUROPA	VALLSUR	PARQUE OESTE [(ii)]	PARQUE PRINCIPADO	MARISMAS DEL POLVORÍN
Gross Asset Value	€75.2 million	€74.4 million	€51.4 million	€39.3 million	€29 million
Province	Cádiz	Valladolid	Madrid	Oviedo	Huelva
Catchment Area (Inhabitants)	311 110	477 746	5 856 325	866 511	318 213
Gross Lettable Area	29 783m²	35 879m²	13 604m²	16 090m²	18 220m²
Monthly Rental	€17.4/m²	€16.2/m²	€18.1/m²	€11.2/m²	€8.6/m²
Sector	Shopping Centre	Shopping Centre	Retail Park	Retail Park	Retail Park
Major Tenants	Primark, Yelmo Cines, Mercadona	Carrefour, Yelmo Cines, H&M	Media Markt, Kiwoko, ALDI	Obramart, Conforama, Jysk	Media Markt, Mercadona, Low Fit
WALE	9.3 years	14 years	21.1 years	9.5 years	18.6 years
Vacancy	0.1%	1.1%[(i)]	Fully let	Fully let	0.8%

(i) Excluding areas under development in Vallsur Repositioning Project
(ii) 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

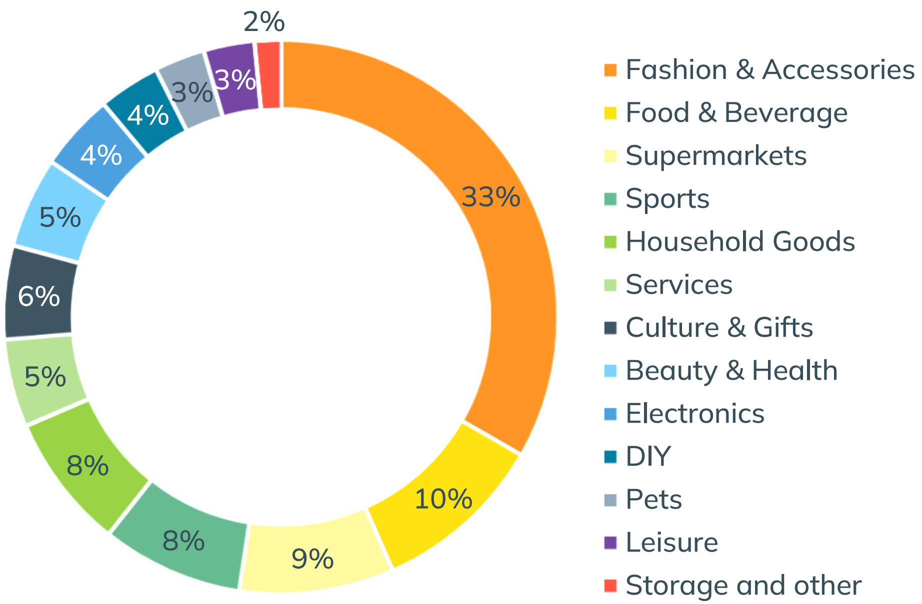
TENANT MIX

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

ASSETS	GLA	WALE (i)	OCCUPANCY
16	350 925m²	12.6 years	98.7%

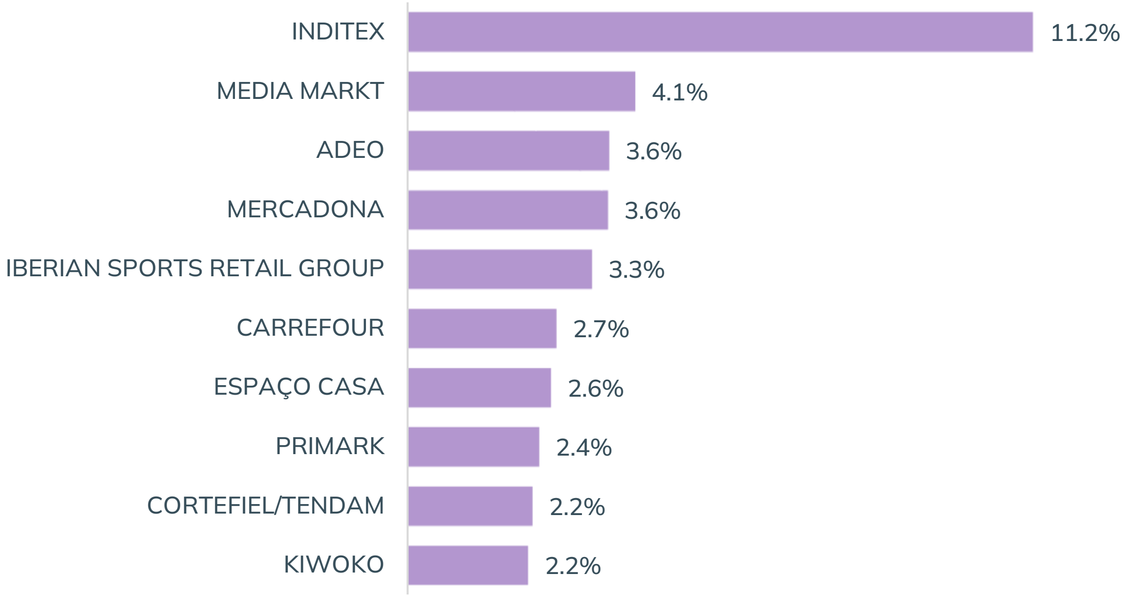
CATEGORY PROFILE BY RENT

31 MARCH 2023



TOP 10 TENANTS BY RENT

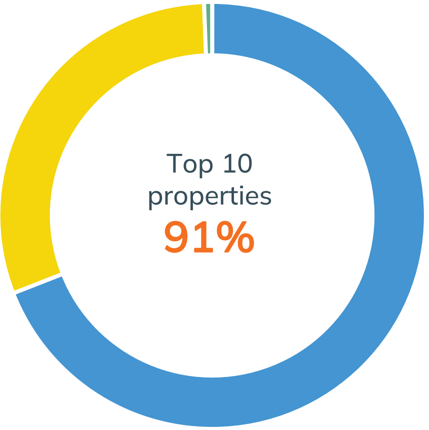
31 MARCH 2023



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

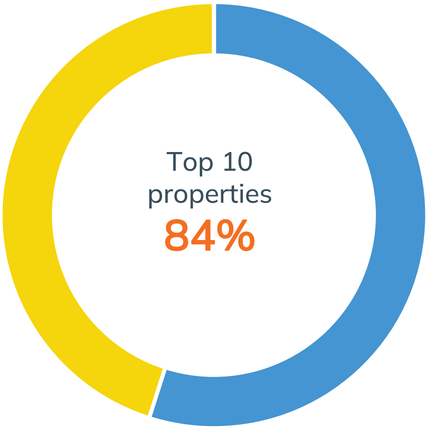
SPANISH TOTAL PORTFOLIO COMPOSITION

SECTORAL PROFILE - BY VALUE

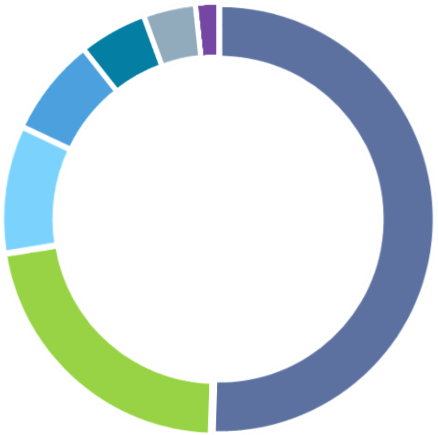


By Value		Number of properties	By GLA
69%	● Shopping centres	6	55%
30%	● Retail parks	10	45%
1%	● Development potential		-

SECTORAL PROFILE - BY GLA

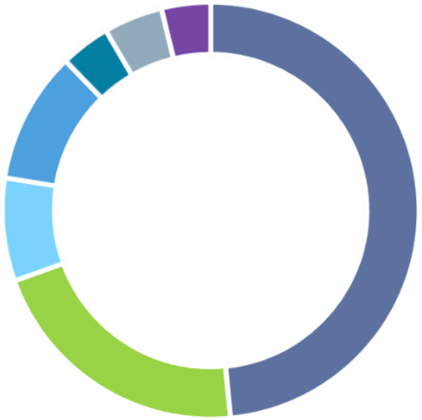


GEOGRAPHIC PROFILE - BY VALUE



By Value		Number of properties	By GLA
50%	● Andalucía	6	48%
22%	● Extremadura	4	21%
10%	● Comunidad Valenciana	2	8%
7%	● Castilla y León	1	10%
5%	● Madrid	1	4%
4%	● Asturias	1	5%
2%	● Murcia	1	4%

GEOGRAPHIC PROFILE - BY GLA

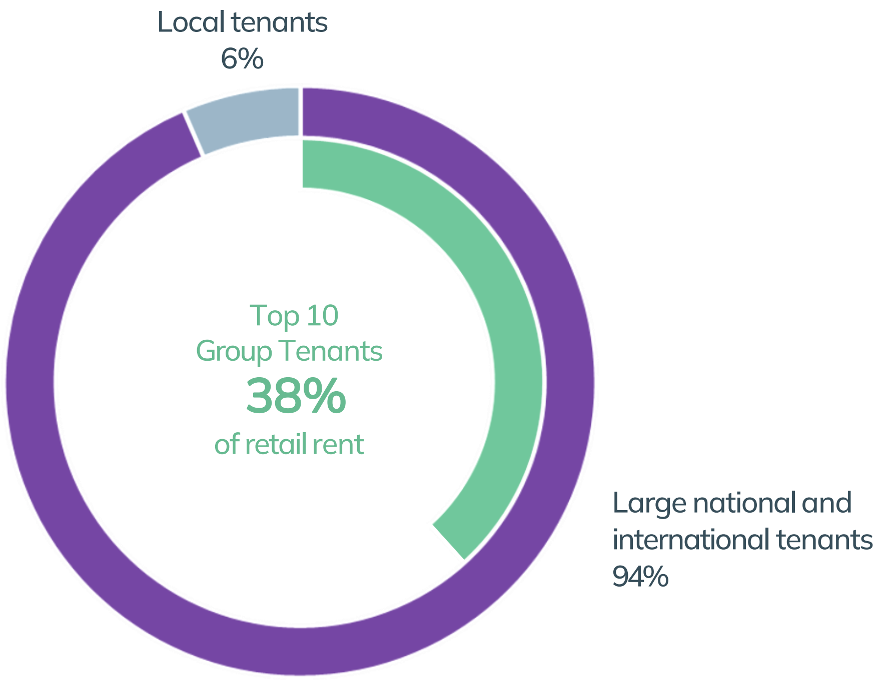


Number of properties	By GLA
6	48%
4	21%
2	8%
1	10%
1	4%
1	5%
1	4%

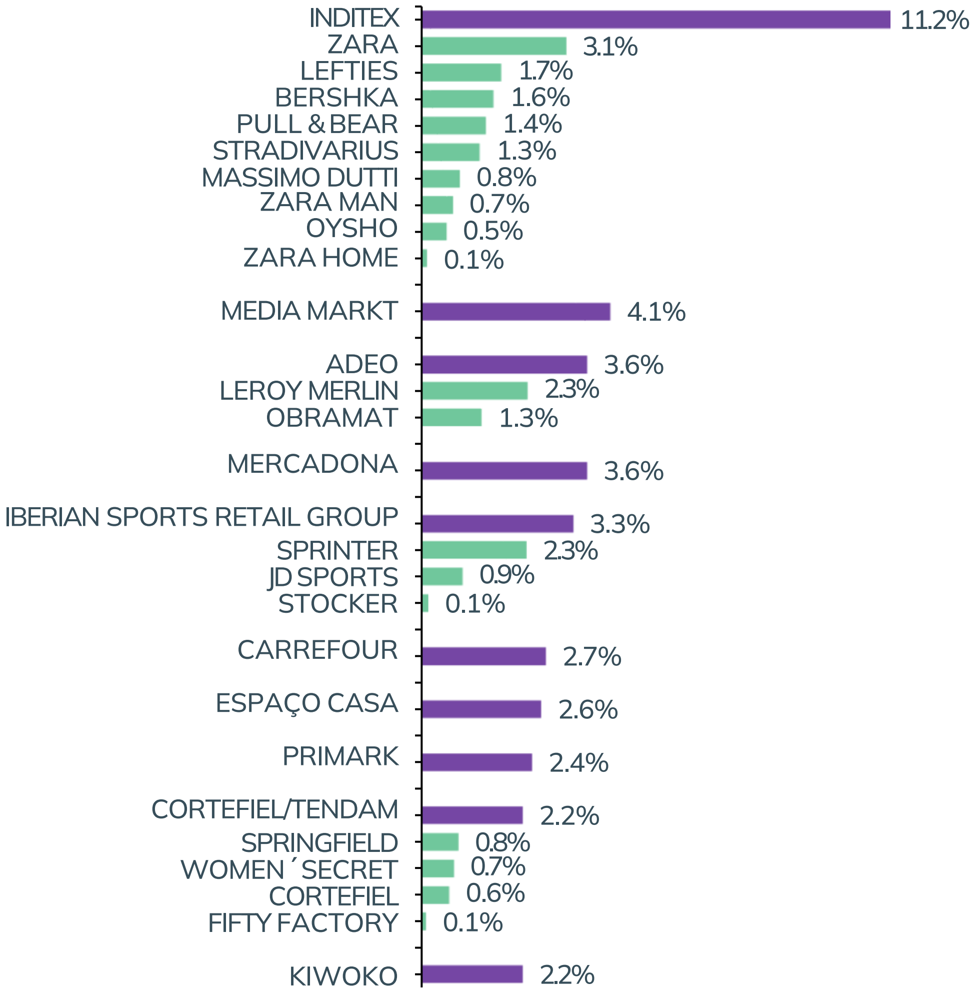
RETAIL TENANT EXPOSURE

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

TENANT EXPOSURE BY RENT



TOP 10 TENANT GROUP PROFILE - BY CONTRACTUAL RENT



CASTELLANA
PROPERTIES

Appendix 2C

OPERATIONAL REVIEW

Spanish Portfolio

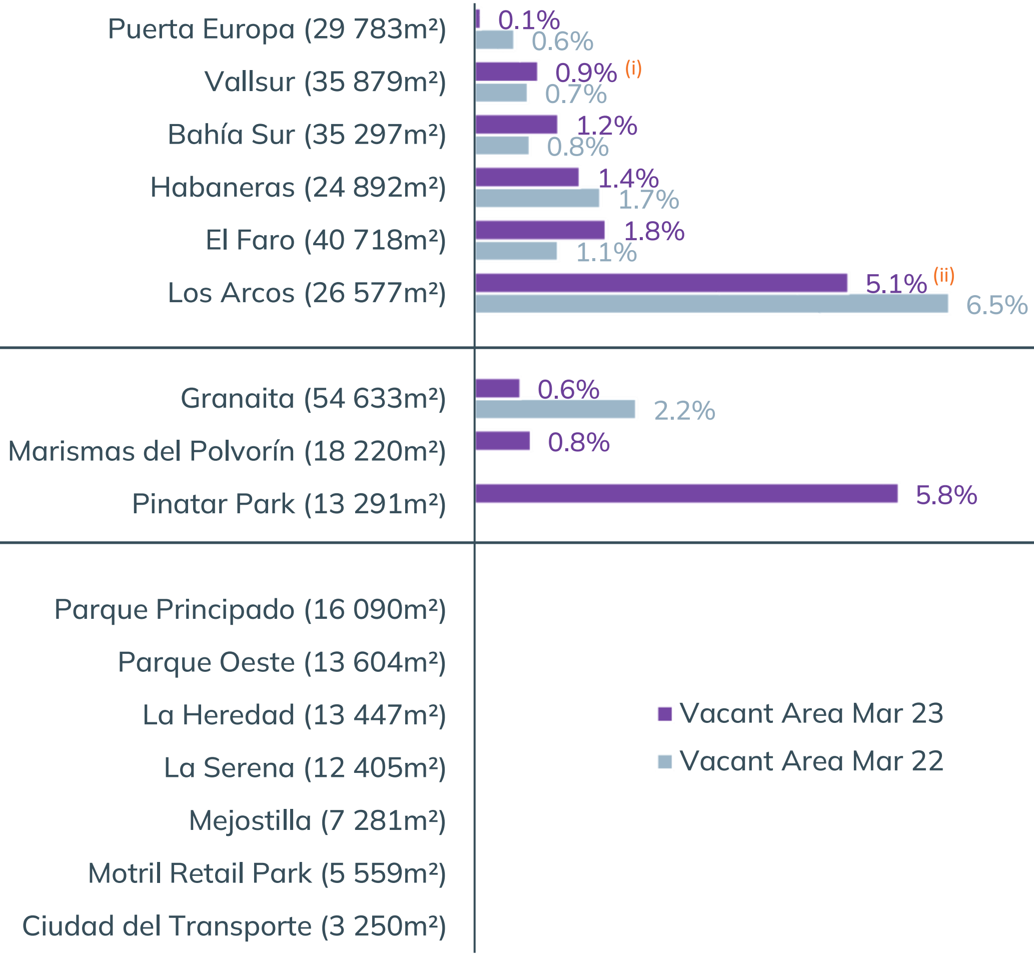
SPANISH VACANCY PROFILE

PORTFOLIO VACANCY OF 1.3% OF GLA

SHOPPING CENTRES

RETAIL PARKS

RETAIL PARKS FULLY LET

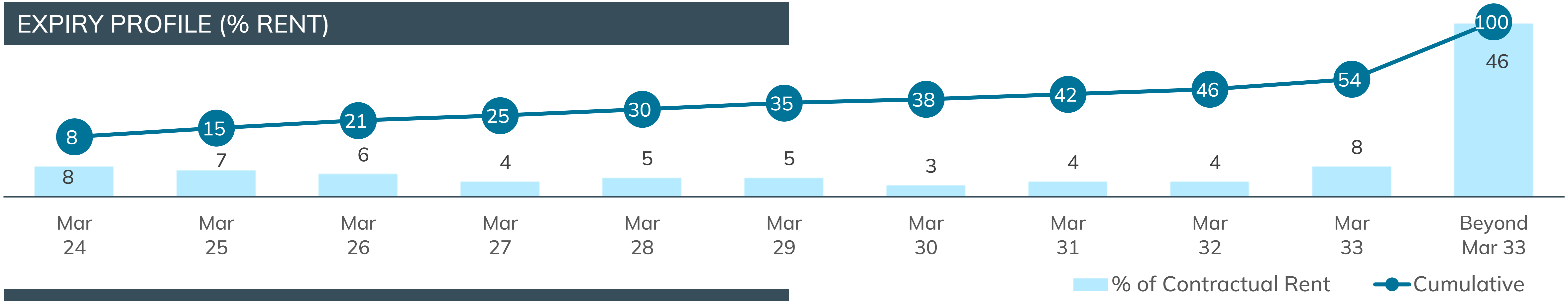


(i) Excluding areas under development in Vallsur Repositioning Project
(ii) Los Arcos vacancy: 69% of the vacant area correspond to storages. Excluding storage area from calculation, vacancy decreases to 1.6% (3.2% In March 2022)

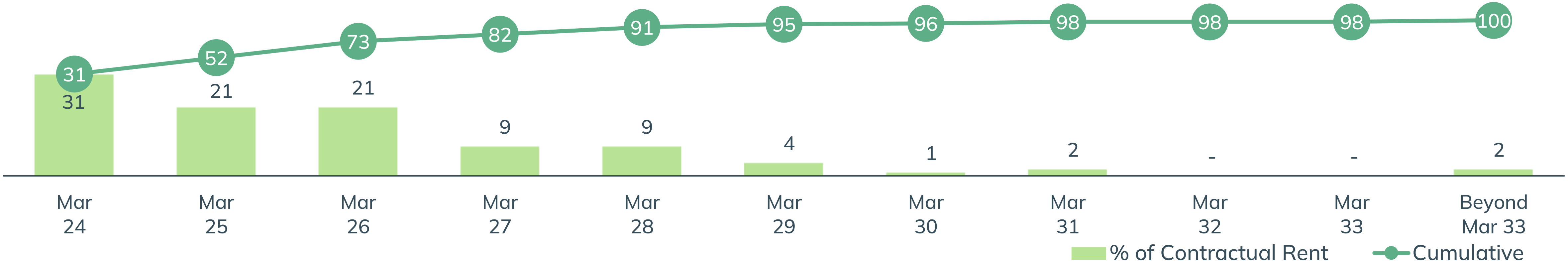
LEASE EXPIRY PROFILE

54% OF CONTRACTUAL RENT EXPIRING IN FY33 AND BEYOND (WALE 10.6 YEARS TO EXPIRY AND 2.4 YEARS TO BREAK)

EXPIRY PROFILE (% RENT)



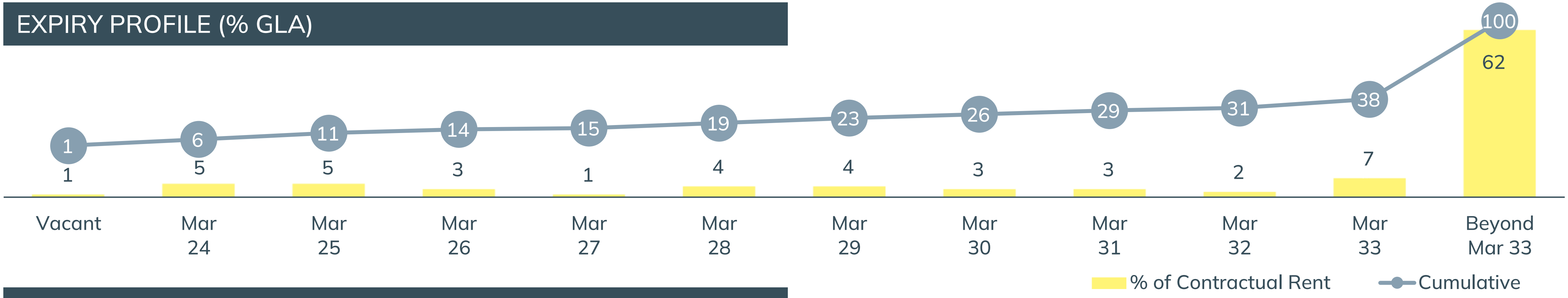
BREAK PROFILE (% RENT)



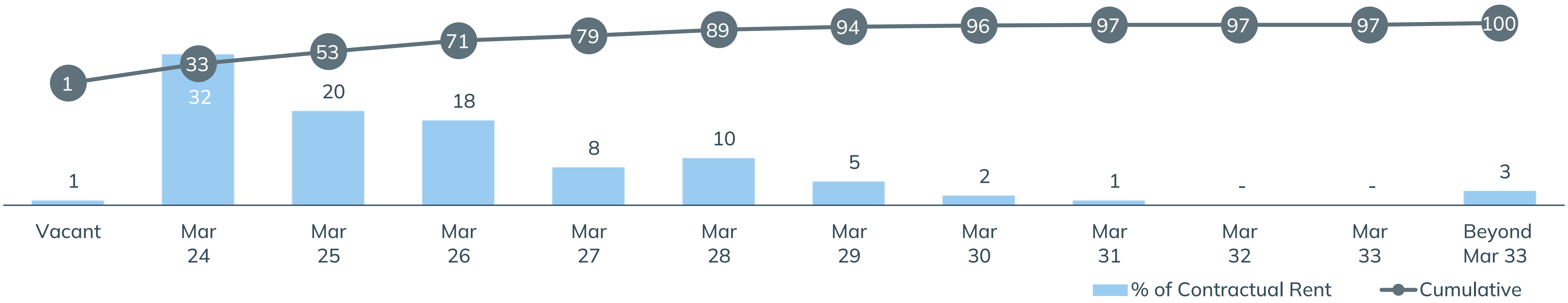
LEASE EXPIRY PROFILE

69% OF CONTRACTUAL GLA EXPIRING IN FY33 AND BEYOND (WALE 12.6 YEARS TO EXPIRY AND 2.4 YEARS TO BREAK)

EXPIRY PROFILE (% GLA)



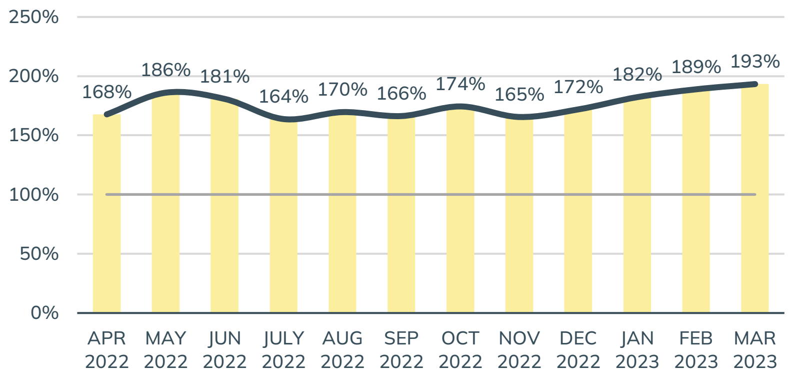
BREAK PROFILE (% GLA)



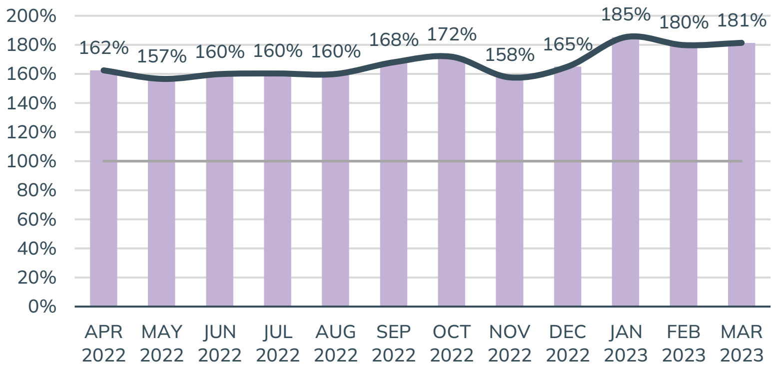
SALES PERFORMANCE PER TENANT CATEGORY CONTINUED

KEY PORTFOLIO CATEGORIES OUTPERFORMING INDEX DESPITE MACRO CHALLENGES

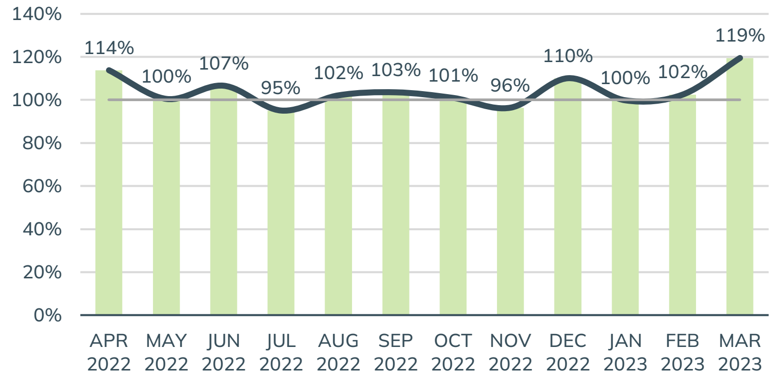
DIY (4%) (i)



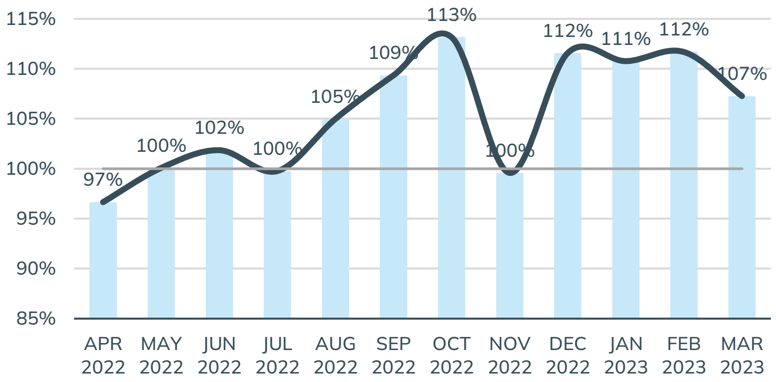
PETS (3%) (i)



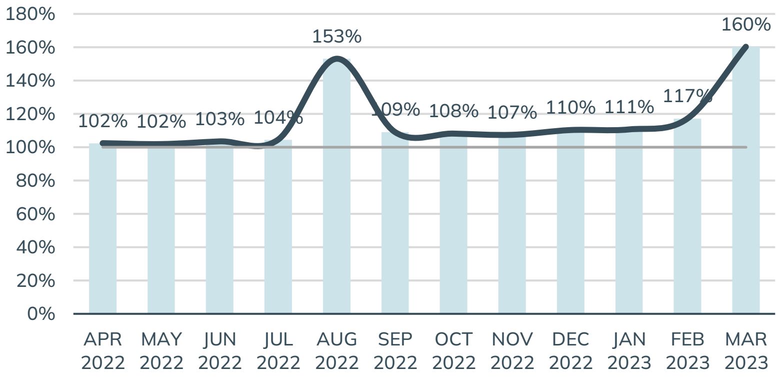
FASHION & ACCESSORIES (33%) (i)



FOOD & BEVERAGE (10%) (i)



GROCERIES (9%) (i) (ii)



Source: Castellana Properties
(i) Portfolio Weight by Rent
(ii) Groceries sample doesn´t include Mercadona supermarkets

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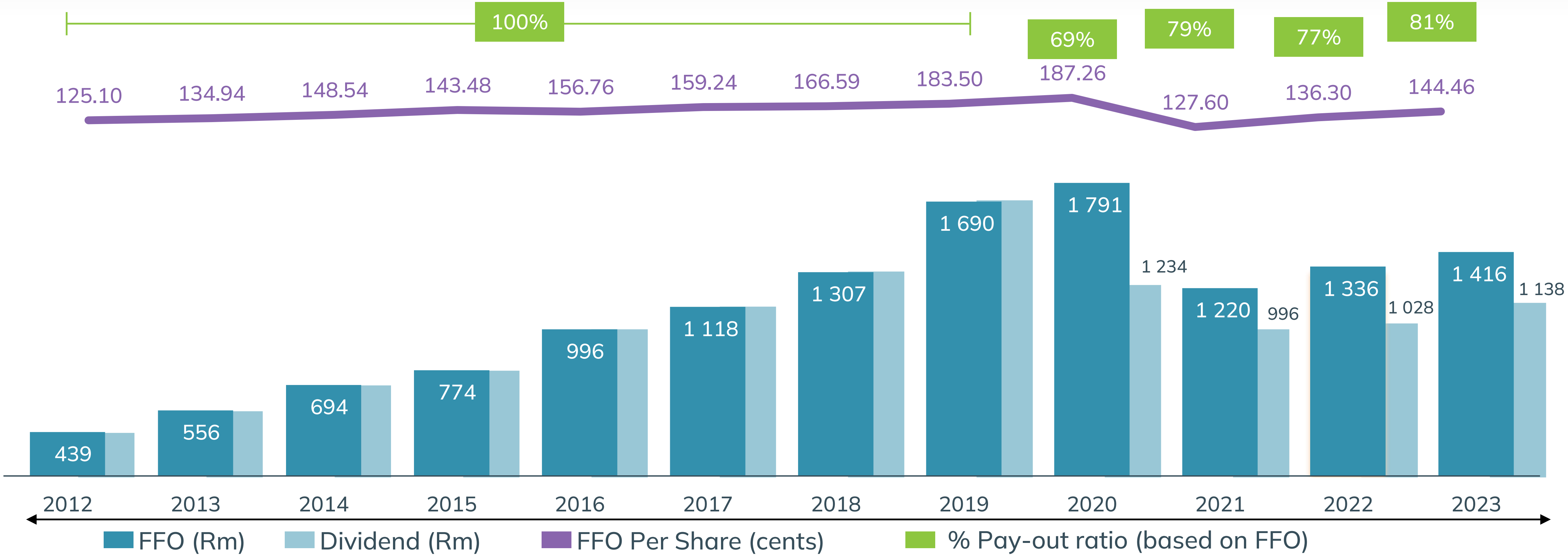
Appendix 3

FINANCIAL PERFORMANCE, DEBT AND TREASURY

FFO AND DIVIDENDS

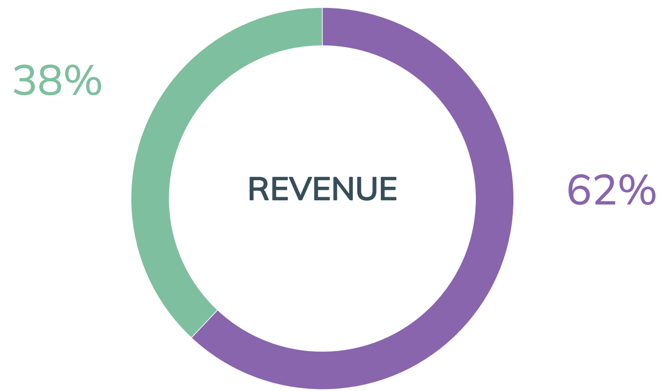
6.2% INCREASE IN DIVIDEND PER SHARE WITH 81% PAY-OUT RATIO

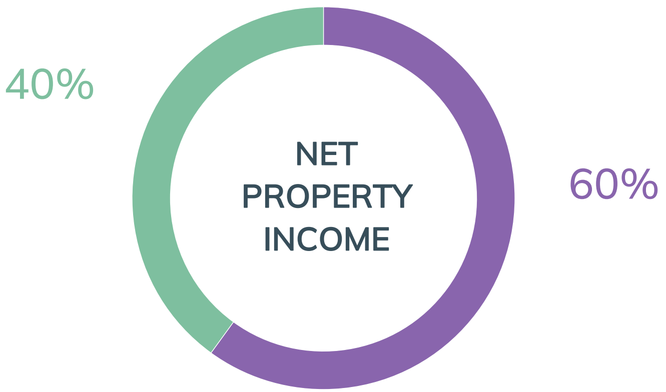


During the year, **437.3 million Vukile shares were traded**, equating to approximately 36.4 million shares per month. The shares traded represent **44.6%** of shares in issue.

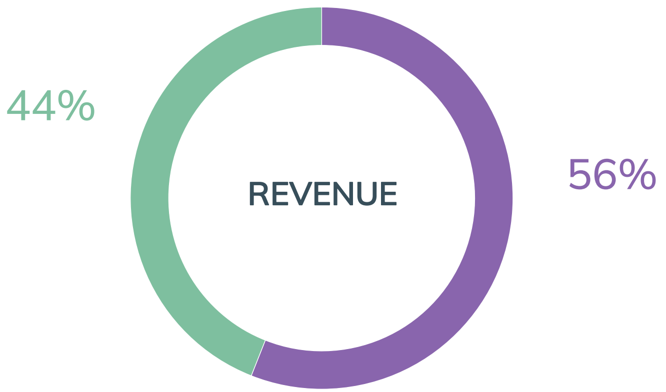
GEOGRAPHICAL SEGMENT ANALYSIS

YEAR ENDED 31 MARCH 2022





YEAR ENDED 31 MARCH 2023



● SPAIN ● SOUTH AFRICA

SIMPLIFIED INCOME STATEMENT

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	31 March 2023 Rm	31 March 2022 Rm	Variance %
Revenue	2 717	2 607	4.2
Stable portfolio	2 685	2 420	11.0
Sold properties	32	187	(82.9)
Property Expenses (net of recoveries)	(396)	(384)	3.1
Net property income	2 321	2 223	**4.4**
Stable portfolio	2 307	2 095	10.1
Sold properties	14	128	(89.1)
Corporate administration expenses	(330)	(296)	11.5
Income from investments (i)	297	157	89.2
Termination of FECs		101	
MEREV top-up payment	(19)	(59)	(67.8)
Operating profit before finance costs	2 269	2 126	**6.7**
Net finance costs	(764)	(674)	13.4
Profit before equity-accounted income	1 505	1 452	**3.7**
Share of profit from associate and joint venture (ii)	10	23	
Profit before taxation	1 515	1 475	**2.7**
Taxation	(7)	(21)	(66.7)
Profit for the period	1 508	1 454	**3.7**

(i) Income from investments includes dividend income received from LAR España amounting to R228 million (2022: Rnil), dividend income received from Fairvest of R43.6 million (2022: R129.6 million, including Arrowhead) and FECs realised of R25.4 million (2022: R26.6 million).

(ii) Net amount in respect of Vukile's share of profits from MICC Namibia (after accounting for interest on in-country debt), Dream and Fetch.

SIMPLIFIED INCOME STATEMENT (CONTINUED)

vukile Centre of Growth

	31 March 2023 Rm	31 March 2022 Rm	Variance %
Profit for the period	**1 508**	**1 454**	**3.7**
Non controlling interests (i)	(90)	(47)	(28.0)
Attributable to Vukile	**1 418**	**1 407**	**0.8**
Non-IFRS adjustments	(2)	(71)	
Early termination of FECs (ii)	58	(58)	
Accrued dividends (iii)	(70)	15	
Non-cash impact of IFRS entries (iv)	10	(28)	
FFO	**1 416**	**1 336**	**6.0**
Pay-out ratio (v)	81%	77%	
Dividend (Rm)	1 139	1 028	10.8
Shares in issue (vi)	980 226 628	980 226 628	
FFO per share (cents)	144.5	136.3	6.0
Dividend per share (cents)	112.4	105.8	6.2

(i) Net income attributed to NCI increased due to recognition of LAR España dividend declared and the impact of foreign currency exchange rates.
(ii) This amount is not recurring
(iii) LAR España dividend accrual of –R54 million, MEREV top-up accrual of –R28 million, FEC accrual relating to Castellana's dividend of R17 million and Fairvest dividend accrual of –R5 million.
(iv) This amount relates mainly to the non-cash impact of IFRS 16 - Leases.
(v) The increase in pay-out ratio from 77% to 81% is due to the inclusion of an ante-cedent dividend of R36,7 million in the final dividend for FY23 and due to a higher than anticipated final FY23 dividend from Castellana, arising from a higher dividend from LAR España (included in Castellana income in FY23).
(vi) 56 million new shares issued after year-end (April 2023), which increased the total shares in issue (participating in the final dividend for FY23) to 1 036 226 628 shares.

CASTELLANA FFO FY23

RECONCILIATION OF CASTELLANA'S PUBLISHED FFO FOR FY23 TO VUKILE GROUP FFO

	R'000	€'000
Castellana results - Spanish GAAP (Consolidated)	**434 046**	**24 539**
Investment property amortisation	407 850	23 059
Fair value adjustment to investment property	(18 567)	(1 050)
Castellana results - IFRS (Included in Vukile group consolidation)	**823 329**	**46 548**
Accrual of LAR España dividend	(59 325)	(3 354)
Fair value adjustment to investment property	18 567	1 050
Depreciation of property, plant and equipment	403	23
Castellana published FFO	**782 974**	**44 267**
Published FFO attributable to NCI (i)	(79 471)	(4 493)
Reversal of inter-company transactions (ii)	12 742	720
Vukile Non-IFRS adjustments:		
MEREV top-up accrual (iii)	(28 434)	(1 608)
FEC early terminated (iv)	57 830	3 270
FEC accrual (H2 FY23 Castellana dividend)	17 000	961
Castellana FFO attributable to Vukile included in Vukile group FFO	**762 641**	**43 117**

(i) Non-controlling interest
(ii) Directors fees and interest on shareholder loan
(iii) The MEREV top-up accrual relates to the required 6% yield payable to MEREV
(iv) R58 million gain included in FFO in FY23 formed part of the FEC early terminated in FY22

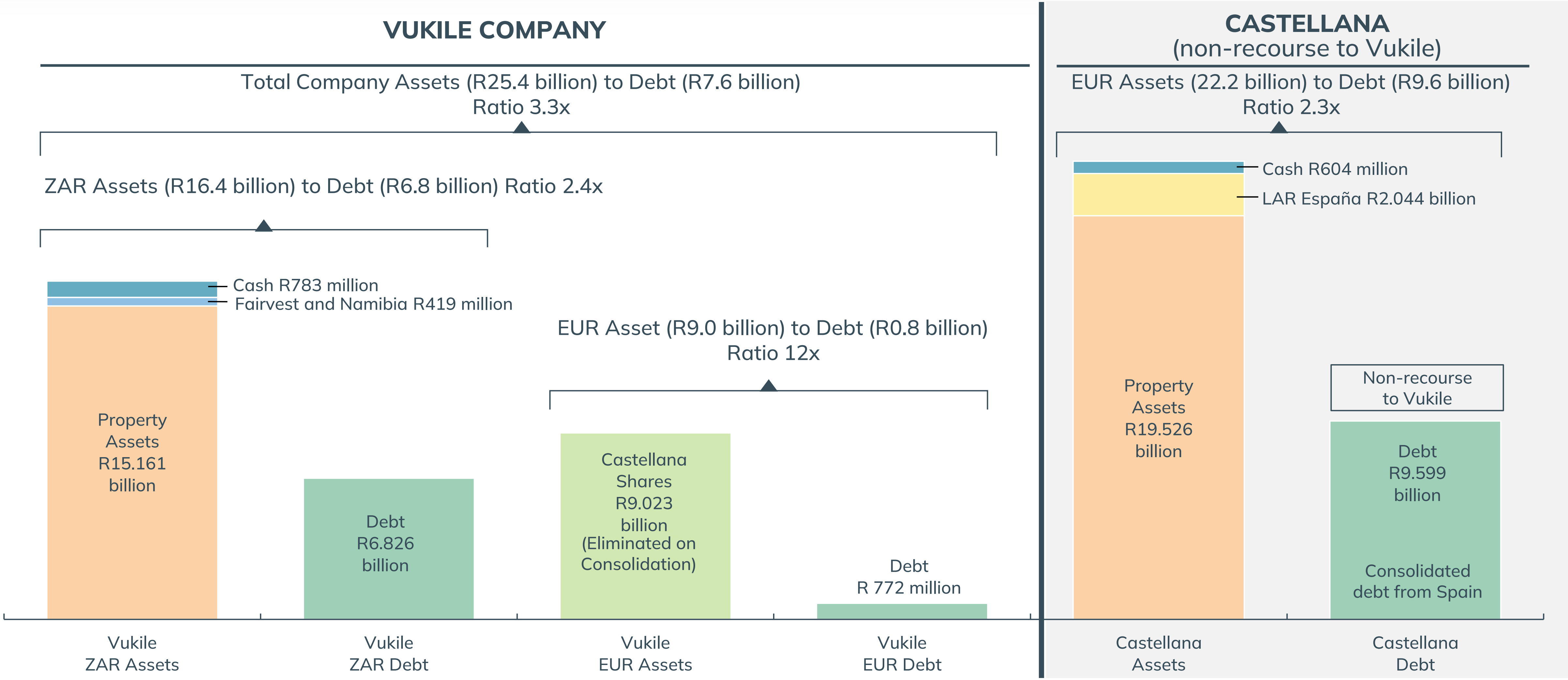
SA REIT RATIOS

	31 March 2023	31 March 2022
SA REIT funds from operations	**R1,42 million**	R1,34 billion
SA REIT funds from operations per share	**144.76c**	136.91c
SA REIT net asset value	**R19,3 billion**	R16,9 billion
SA REIT net asset value per share	**R19.72**	R17.23
SA REIT cost-to-income ratio	**SA: 47.6%**	SA: 47.0%
	Spain: 40.0%	Spain: 40.1%
SA REIT administrative cost-to-income ratio	**SA: 7.9%**	SA: 7.0%
	Spain: 11.1%	Spain: 11.1%
SA REIT vacancy rate	**SA: 2.6%**	SA: 2.9%
	Spain: 1.3%	Spain: 1.6%
SA REIT cost of debt (i)	**ZAR: 9.3%**	ZAR: 7.7%
	EUR: 2.5%	EUR: 2.4%
SA REIT loan-to-value	**41.6%**	42.0%

(i) SA REIT cost of debt for FY22 excludes the impact of CCIRS.

COMPOSITION OF GROUP BALANCE SHEET

MATCHING DEBT WITH PROPERTY ASSETS - BY GEOGRAPHY AND CURRENCY

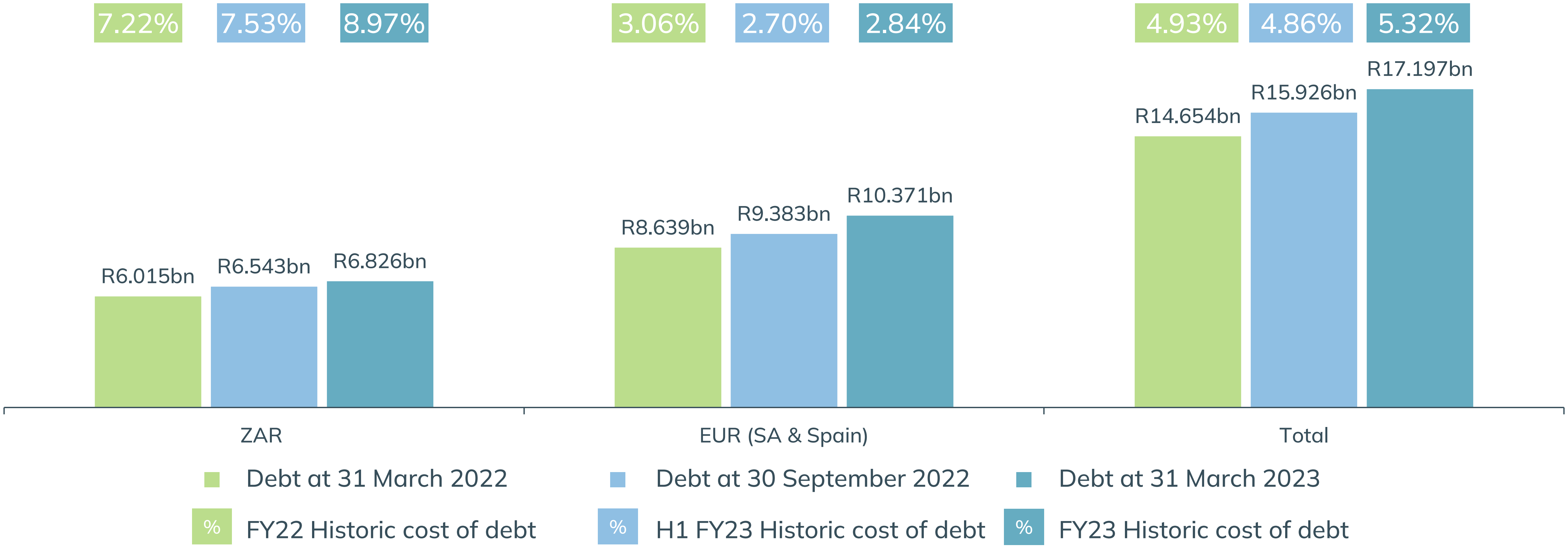


COST OF FUNDING

vukile Centre of Growth

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

GROUP DEBT BY CURRENCY

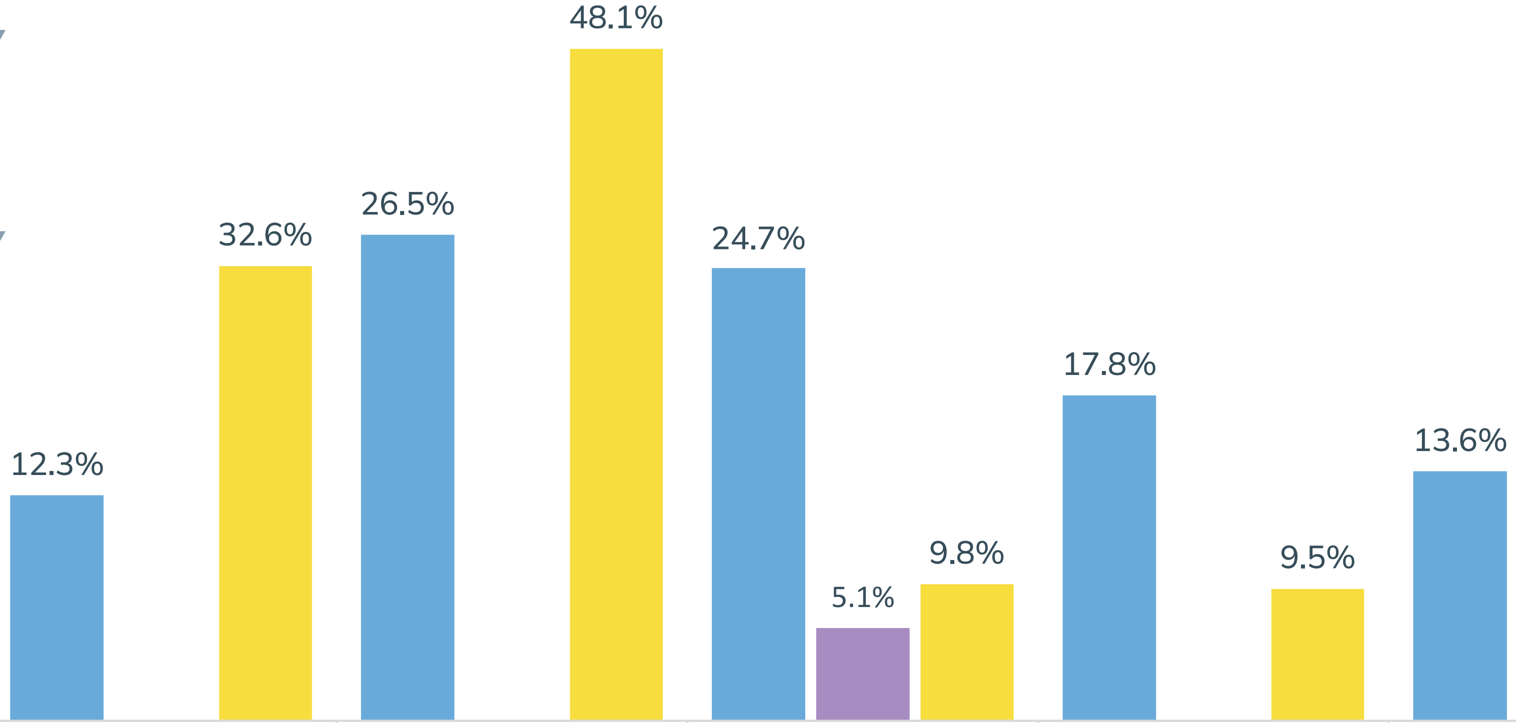


ANALYSIS OF SOUTH AFRICAN LOAN REPAYMENT AND HEDGING EXPIRY PROFILE

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

80% OF INTEREST-BEARING DEBT HEDGED

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



	2024	2025	2026	2027	2028
🟦 Loan expiry profile R'm	936	2 014	1 877	1 350	1 035
🟪 Access Facility expiry profile R'm			386		
🟨 Hedging (Swap & Fixed debt) profile R'm	1 886	2 785	569	550	

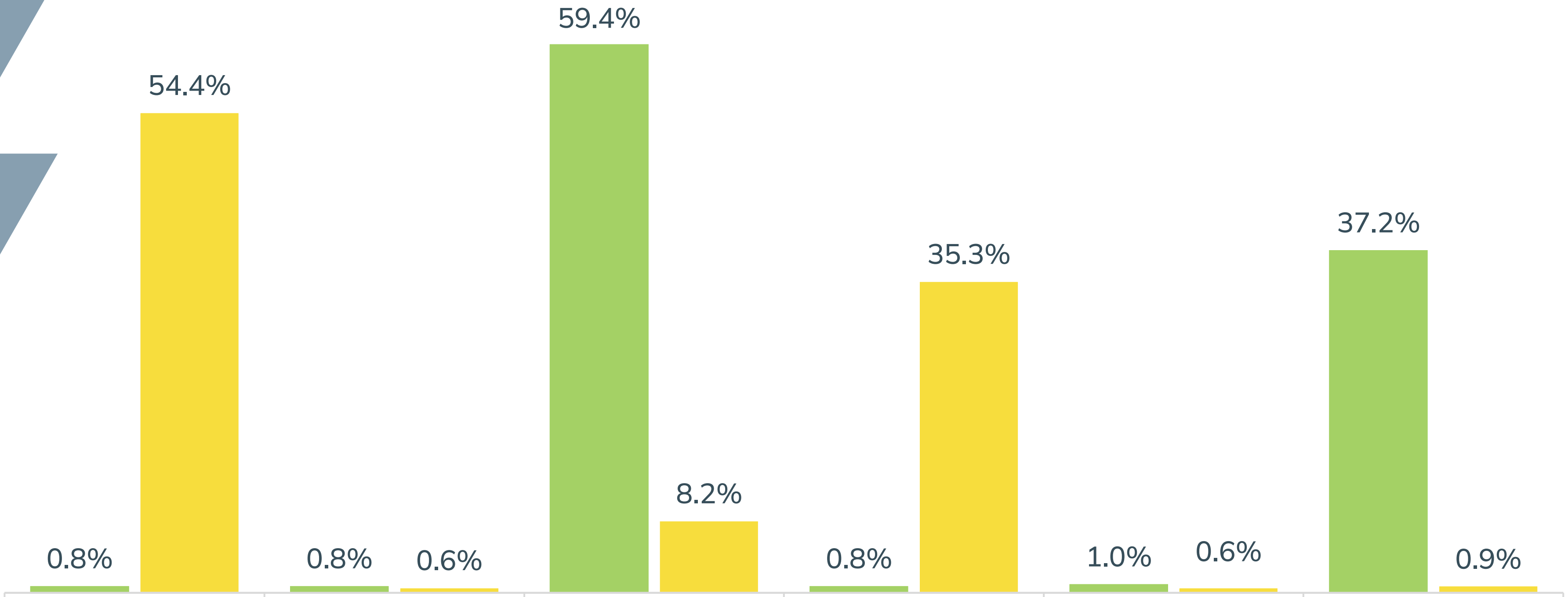
ANALYSIS OF CASTELLANA LOAN REPAYMENT AND HEDGING EXPIRY PROFILE

LOW REFINANCE RISK OVER THE NEXT FOUR YEARS

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

96% OF INTEREST-BEARING DEBT HEDGED

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



	2024	2025	2026	2027	2028	2029 & beyond
🟩 Loan expiry profile €'m	4	4	296	4	5	185
🟨 Hedging (Swap & Fixed debt) profile €'m	259	3	39	168	3	4

EUR FOREIGN EXCHANGE HEDGING

vukile
Centre of Growth

MAINTAINING SUSTAINABLE PREDICTABLE DIVIDENDS WHILE REDUCING CURRENCY VOLATILITY

	FY23	FY24	FY25	FY26	FY27	FY28
Fixed EUR/ZAR rate	20.0930	21.6679	22.2144	22.5553	22.8818	24.9307
% Hedge Target	100%	100%	80%	60%	40%	20%
% Net EUR dividend hedged	102%	105%	124%	90%	63%	34%

	Over 12 months	Over 3 years	Over 5 years
Average percentage Net EUR dividend hedged	105%	106%	82%

10% ZAR WEAKENING TO EUR FROM **19.29** TO **21.22**

=

+R1 180m
INCREASE IN
NAV

+

+R33m
INCREASE IN
FY24 FFO

+

+0.1%
INCREASE IN
THE GROUP LTV

FORECAST LTV SENSITIVITY TO VALUATION AND FOREIGN EXCHANGE MOVEMENTS

AT 31 MARCH 2023

EXAMPLE:

5% ZAR STRENGTHENING TO 18.32 + 3% INCREASE IN PROPERTY VALUATION = -1.3% DECREASE IN GROUP LTV TO 41.3%

EUR/ZAR exchange rate		Property valuation movement												
		-12%	-10%	-7%	-5%	-3%	-1%	0%	1%	3%	5%	7%	10%	12%
-25%	14.47	47.4%	46.5%	45.1%	44.2%	43.3%	42.5%	42.1%	41.7%	40.9%	40.2%	39.5%	38.5%	37.8%
-20%	15.43	47.5%	46.6%	45.2%	44.3%	43.4%	42.6%	42.2%	41.8%	41.0%	40.3%	39.6%	38.6%	37.9%
-15%	16.40	47.7%	46.7%	45.3%	44.4%	43.5%	42.7%	42.3%	41.9%	41.1%	40.4%	39.7%	38.7%	38.0%
-10%	17.36	47.7%	46.8%	45.4%	44.5%	43.6%	42.8%	42.4%	42.0%	41.2%	40.5%	39.8%	38.8%	38.1%
-5%	18.32	47.8%	46.9%	45.4%	44.6%	43.7%	42.9%	42.5%	42.1%	41.3%	40.6%	39.9%	38.8%	38.2%
-1%	19.10	47.9%	46.9%	45.5%	44.6%	43.8%	42.9%	42.5%	42.1%	41.4%	40.6%	39.9%	38.9%	38.3%
0%	19.2891	47.9%	46.9%	45.5%	44.6%	43.8%	43.0%	42.6%	42.2%	41.4%	40.7%	39.9%	38.9%	38.3%
1%	19.48	47.9%	47.0%	45.5%	44.7%	43.8%	43.0%	42.6%	42.2%	41.4%	40.7%	40.0%	38.9%	38.3%
5%	20.25	48.0%	47.0%	45.6%	44.7%	43.9%	43.0%	42.6%	42.2%	41.5%	40.7%	40.0%	39.0%	38.3%
10%	21.22	48.1%	47.1%	45.7%	44.8%	43.9%	43.1%	42.7%	42.3%	41.5%	40.8%	40.1%	39.1%	38.4%
15%	22.18	48.2%	47.2%	45.8%	44.9%	44.0%	43.2%	42.8%	42.4%	41.6%	40.9%	40.2%	39.1%	38.5%
20%	23.15	48.2%	47.2%	45.8%	44.9%	44.1%	43.2%	42.8%	42.4%	41.7%	40.9%	40.2%	39.2%	38.5%
25%	24.11	48.3%	47.3%	45.9%	45.0%	44.1%	43.3%	42.9%	42.5%	41.7%	41.0%	40.3%	39.3%	38.6%

PROFORMA: EUR FOREIGN EXCHANGE HEDGING AFTER MEREV TRANSACTION

PROFORMA: AFTER MEREV TRANSACTION (MAY 2023)

	FY23	FY24	FY25	FY26	FY27	FY28
Fixed EUR/ZAR rate	20.1649	21.6679	22.2144	22.5553	22.8818	24.9307
% Hedge Target	100%	100%	80%	60%	40%	20%
% Net EUR dividend hedged	105%	108%	132%	91%	56%	31%

	Over 12 months	Over 3 years	Over 5 years
Average percentage Net EUR dividend hedged	108%	109%	80%

10% ZAR WEAKENING TO EUR FROM **19.29** TO **21.22** = **+R1 053m** INCREASE IN **NAV** + **+R36m** INCREASE IN **FY24 FFO** + **+0.4%** INCREASE IN THE GROUP LTV

PROFORMA: FORECAST LTV SENSITIVITY TO VALUATION AND FOREIGN EXCHANGE MOVEMENTS AFTER MEREV TRANSACTION

PROFORMA: AFTER MEREV TRANSACTION (MAY 2023)

EXAMPLE:

5% ZAR STRENGTHENING TO **18.32**

+

3% INCREASE IN PROPERTY VALUATION

=

-1.4% DECREASE IN GROUP LTV TO 42.7%

EUR/ZAR exchange rate		Property valuation movement												
		-12%	-10%	-7%	-5%	-3%	-1%	0%	1%	3%	5%	7%	10%	12%
-25%	14.47	48.3%	47.3%	45.9%	45.0%	44.1%	43.3%	42.9%	42.5%	41.7%	41.0%	40.3%	39.2%	38.6%
-20%	15.43	48.6%	47.6%	46.2%	45.3%	44.4%	43.6%	43.2%	42.8%	42.0%	41.2%	40.5%	39.5%	38.8%
-15%	16.40	48.9%	47.9%	46.5%	45.6%	44.7%	43.8%	43.4%	43.0%	42.2%	41.5%	40.8%	39.7%	39.0%
-10%	17.36	49.2%	48.2%	46.7%	45.8%	44.9%	44.1%	43.7%	43.3%	42.5%	41.7%	41.0%	39.9%	39.3%
-5%	18.32	49.4%	48.4%	47.0%	46.0%	45.2%	44.3%	43.9%	43.5%	42.7%	41.9%	41.2%	40.1%	39.5%
-1%	19.10	49.6%	48.6%	47.1%	46.2%	45.3%	44.5%	44.1%	43.6%	42.9%	42.1%	41.4%	40.3%	39.6%
0%	19.2891	49.7%	48.6%	47.2%	46.3%	45.4%	44.5%	44.1%	43.7%	42.9%	42.1%	41.4%	40.3%	39.7%
1%	19.48	49.7%	48.7%	47.2%	46.3%	45.4%	44.6%	44.1%	43.7%	42.9%	42.2%	41.4%	40.4%	39.7%
5%	20.25	49.9%	48.9%	47.4%	46.5%	45.6%	44.7%	44.3%	43.9%	43.1%	42.3%	41.6%	40.5%	39.8%
10%	21.22	50.1%	49.1%	47.6%	46.7%	45.8%	44.9%	44.5%	44.1%	43.3%	42.5%	41.8%	40.7%	40.0%
15%	22.18	50.3%	49.3%	47.8%	46.8%	46.0%	45.1%	44.7%	44.3%	43.5%	42.7%	41.9%	40.9%	40.2%
20%	23.15	50.5%	49.4%	48.0%	47.0%	46.1%	45.3%	44.8%	44.4%	43.6%	42.8%	42.1%	41.0%	40.3%
25%	24.11	50.6%	49.6%	48.1%	47.2%	46.3%	45.4%	45.0%	44.6%	43.8%	43.0%	42.2%	41.2%	40.5%

CORPORATE BOND ISSUANCES

COMPOSITION OF UNSECURED DEBT AND COVENANT EXCLUSIVE DEBT

Corporate Bonds	Security	Amount - Rm	Reference Rate	Margin	Maturity Date	Initial Term
VKE11	Unsecured	175	3M JIBAR	1.75%	20 April 2023	5.0 years
VKE14	Unsecured	375	3M JIBAR	1.65%	27 August 2023	5.0 years
VKE16	Unsecured	381	3M JIBAR	1.61%	14 February 2025	5.0 years
VKE18	Unsecured	342	3M JIBAR	1.85%	27 August 2024	3.0 years
VKE19	Unsecured	232	3M JIBAR	1.39%	27 August 2025	3.0 years
VKE20	Unsecured	535	3M JIBAR	1.59%	27 August 2027	5.0 years
TOTAL		2 040				

Unsecured Debt Summary	Security	Amount - Rm
Corporate bonds	Unsecured	2 040
Bank debt	Covenant exclusive (i)	386
Total unsecured & covenant exclusive debt		**2 426**

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

(i) 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.

“SEE-THROUGH” LOAN-TO-VALUE RATIO

vukile
Centre of Growth

	Interest-bearing debt Rm	Property assets Rm	Cash Rm	**LTV**	Shareholding
Vukile Company, MICC, Namibia, and 100% of Clidet No. 1011	7 597	15 296	783	**44.6%**	100.0%
Castellana	9 599	21 570	604	**41.7%**	89.9%
Fairvest	6 120	14 873	135	**40.2%**	6.0%
"See-through" Loan-to-Value Ratio	**16 594**	**35 578**	**1 334**	**42.9%**	

OVERVIEW OF UNENCUMBERED ASSETS

TOTAL UNENCUMBERED ASSETS
R12 404m (A)

UNENCUMBERED DIRECT PROPERTY
R1 052m

UNENCUMBERED LISTED SHARES
R11 352m

NUMBER OF PROPERTIES
7

GLA
74 737m²

AVERAGE PROPERTY VALUE
R150m

RETAIL RENT FROM NATIONAL TENANTS
87%

CONTRACTUAL RENTAL ESCALATION
6.4%

INCOME FROM TOP 10 TENANTS
67%

WALE
2.7 years

RETAIL TENANT RETENTION
93%

VACANCY (BY RENT)
3.1%

TOTAL UNSECURED DEBT
R2 040 (B)

UNSECURED DEBT TO UNENCUMBERED ASSETS RATIO
16.4% (B/A)