



BUILDING  
COMMUNITIES,  
GROWING VALUE.  
H1FY24

INTERIM FINANCIAL RESULTS  
Six months ended 30 September 2023

# AGENDA

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01 INTRODUCTION  
Laurence Rapp

# PROFILE



## 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 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

# GROUP OVERVIEW – PROPERTY ASSETS OF R39 BILLION

FOCUSED RETAIL REIT WITH A BLUE-CHIP TENANT MIX AND WELL DIVERSIFIED EXPOSURE ACROSS MACRO-ECONOMIC DRIVERS, PROVIDING A STRONG RAND-HEDGE

|                              | SPAIN  |               | SOUTH AFRICA  |               |                   |
|------------------------------|---|---------------|--|---------------|-------------------|
| Total property assets        | €1 141 million  | R22.8 billion | 59%  | R15.9 billion | 41%               |
| Direct property assets       | €1 022 million  | R20.4 billion | 100% Retail  | R15.6 billion | 96% Retail        |
| Strategic listed investments | €119 million  | R2.4 billion  | LAR España<br>25.7%  | R0.3 billion  | Fairvest<br>6%    |
| Property NOI                 | €35 million   | R711 million  | 52%  | R643 million  | 48%               |
| Portfolio yield              | 6.2%  |               | EUR yield  | 8.6%          | ZAR yield         |
| Debt                         | €501 million  | R10.0 billion | 56% of total debt<br>No recourse to Vukile   | R7.7 billion  | 44% of total debt |

# EXCEPTIONAL GROUP RESULTS DERIVED FROM STRONG OPERATIONAL PERFORMANCE AND CLEAR STRATEGIC FOCUS



## SOUTH AFRICAN PORTFOLIO CONTINUES DELIVERING STRONG OPERATING RESULTS

Like-for-like annualised retail NOI growth of **5.1%**

Vacancies maintained at **2.0%**

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

Annualised trading densities increased by **3.5%**

Like-for-like retail valuations increased by **3.9%**

## CASTELLANA METRICS STILL SETTING THE BENCHMARK IN THE SPANISH MARKET

Normalised NOI growth of **13%**

Negligible vacancies at **1%**

Positive reversions of **+8.3%** (Including indexation **+11.6%**)

**95%** of retail space let to international / national tenants

## BALANCE SHEET STRENGTH SUPPORTED BY ROBUST CREDIT METRICS

No debt maturities in Castellana until **FY26**

All FY24 debt maturities have been repaid, refinanced or renegotiated

Interest cover ratio (ICR) of **2.9 times** and LTV of **42.9%**

Strong liquidity with cash and undrawn debt facilities of **R3.1 billion**

Corporate long-term credit rating of **AA<sub>(ZA)</sub>** reaffirmed with a stable outlook

## 10.0% INCREASE IN CASH DIVIDEND AND INCREASE IN GUIDANCE FOR FY24

Interim dividend of **52.1 cents per share** (R540 million in aggregate), up **10.0%** on the prior period

FFO of **85.0 cents per share**, up **5.2%** on the prior period





Guidance for full year FY24 increased to growth in FFO per share of **4% to 6%**, and growth in dividend per share to **8% to 10%**



02 SOUTH AFRICAN  
RETAIL PORTFOLIO  
OVERVIEW AND  
TRADING UPDATE  
Itumeleng Mothibeli

# DIRECT SOUTH AFRICAN RETAIL PORTFOLIO

## KEY RETAIL PORTFOLIO METRICS

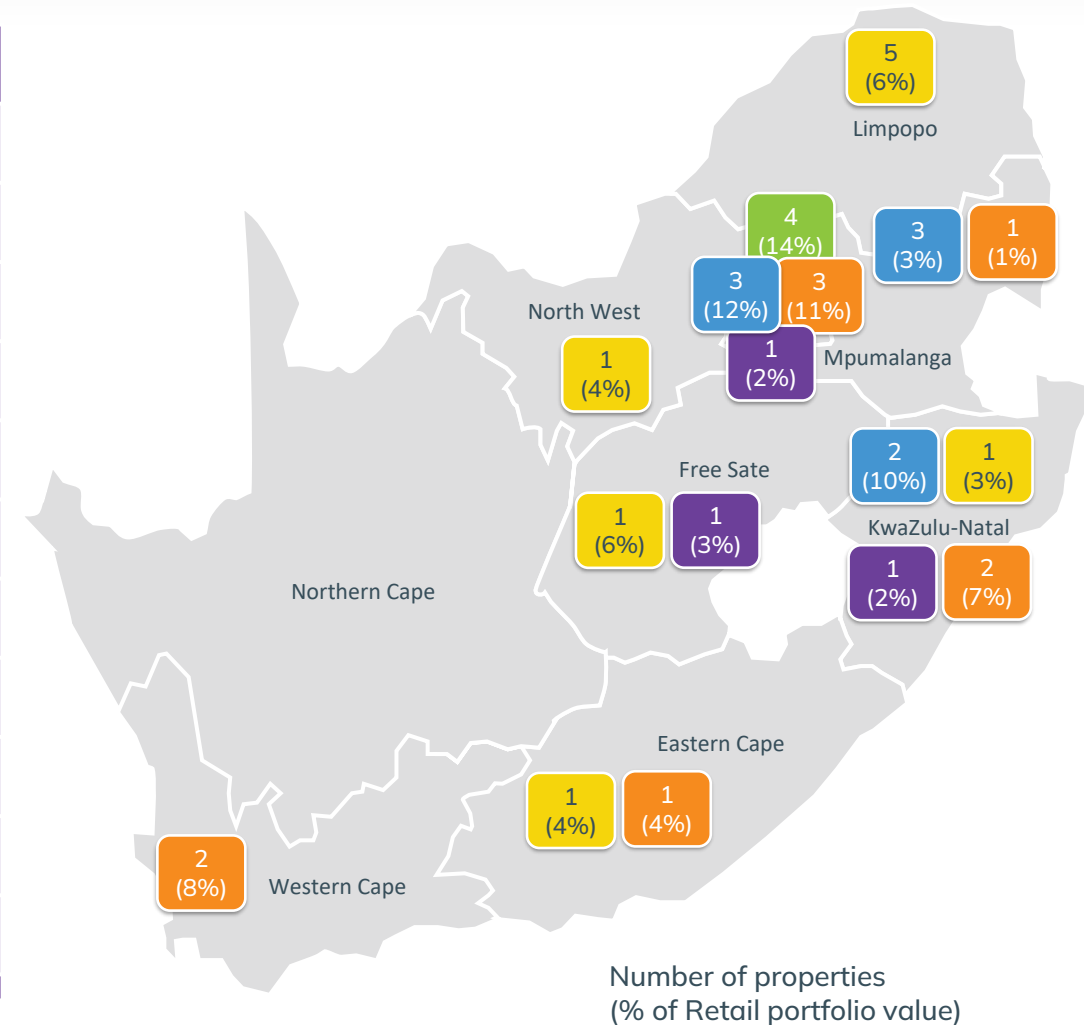
|  |   |  |   |   |  |
|--|---|--|---|---|--|
| <b>KEY FACTS</b><br>            | <b>Portfolio value</b><br><b>R14.9 billion</b>                | <b>Total number of assets</b><br><b>33</b>                   | <b>GLA</b><br><b>750 772m<sup>2</sup></b>                             | <b>Operational capex</b><br><b>R55.5 million YTD</b>                        | <b>PV installed</b><br><b>23 plants 18.6MWp</b>        |
| <b>VALUATIONS</b><br>           | <b>Like-for-like increase in value</b><br><b>3.9%</b>         | <b>Average asset value</b><br><b>R451 million</b>            | <b>Value density</b><br><b>R19 803/m<sup>2</sup></b>                  | <b>Average discount rate</b><br><b>13.3%</b>                                | <b>Average exit capitalisation rate</b><br><b>8.7%</b> |
| <b>PERFORMANCE OVERVIEW</b><br> | <b>Like-for-like net income growth</b><br><b>5.1%</b>         | <b>Vacancies</b><br><b>2.0% GLA</b><br><b>2.1% Rent</b>      | <b>Reversions</b><br><b>+2.4%</b><br><b>86% Positive or flat</b>      | <b>Base rentals</b><br><b>R164.54/m<sup>2</sup></b>                         | <b>Contractual escalations</b><br><b>6.3%</b>          |
| <b>EFFICIENCY</b><br>         | <b>Rent-to-sales ratio</b><br><b>6.1%</b>                     | <b>Annualised growth in trading densities</b><br><b>3.5%</b> | <b>Average annual trading density</b><br><b>R33 472/m<sup>2</sup></b> | <b>Net cost to property revenue</b><br><b>FY24 forecast</b><br><b>16.3%</b> |  |
| <b>TENANT PROFILE</b><br>     | <b>National exposure</b><br><b>85% GLA</b><br><b>82% Rent</b> | <b>Top 10 tenants</b><br><b>54% GLA</b><br><b>47% Rent</b>   | <b>WALE</b><br><b>3.2 years GLA</b><br><b>2.7 years Rent</b>          | <b>Tenant retention</b><br><b>95%</b>                                       | <b>Rent collection rate</b><br><b>100%</b>             |



# RETAIL PORTFOLIO COMPOSITION

## WELL POSITIONED DEFENSIVE PORTFOLIO FOCUSED ON TOWNSHIP, VALUE AND RURAL MARKETS

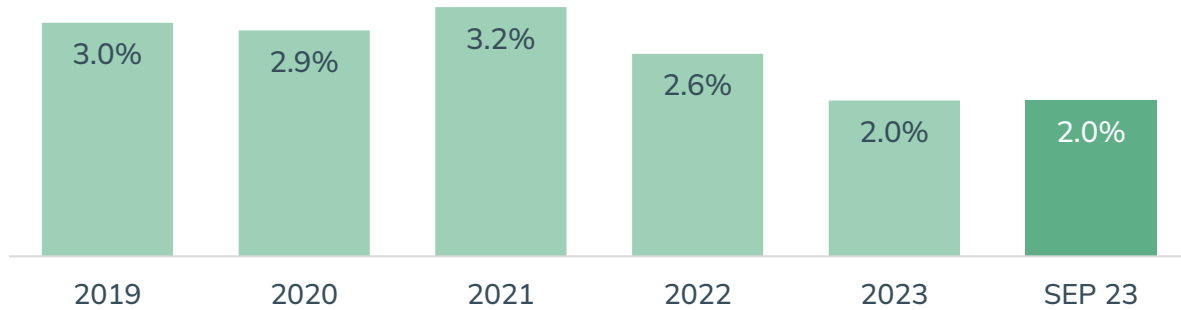
|                          | Township               | Rural                  | Value Centre           | Urban                  | Commuter               |
|--------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Value                    | R4.6 billion           | R3.4 billion           | R2.0 billion           | R3.7 billion           | R1.0 billion           |
| Number of properties     | 9                      | 9                      | 4                      | 8                      | 3                      |
| GLA                      | 193 202m <sup>2</sup>  | 162 812m <sup>2</sup>  | 144 318m <sup>2</sup>  | 145 527m <sup>2</sup>  | 104 913m <sup>2</sup>  |
| Vacancy                  | 2.7%                   | 0.6%                   | 0.9%                   | 2.3%                   | 3.9%                   |
| Average base rental      | R 191/m <sup>2</sup>   | R 168/m <sup>2</sup>   | R 109/m <sup>2</sup>   | R 202/m <sup>2</sup>   | R 134/m <sup>2</sup>   |
| Average trading density  | R44 224/m <sup>2</sup> | R38 352/m <sup>2</sup> | R21 843/m <sup>2</sup> | R32 026/m <sup>2</sup> | R23 887/m <sup>2</sup> |
| Rent-to-sales ratio      | 5.1%                   | 5.4%                   | 5.8%                   | 7.7%                   | 7.7%                   |
| WALE (GLA)               | 2.8 years              | 3.6 years              | 3.2 years              | 3.7 years              | 2.8 years              |
| National tenant exposure | 84%                    | 87%                    | 89%                    | 88%                    | 74%                    |
| Top 10 tenant exposure   | 29%                    | 25%                    | 12%                    | 23%                    | 10%                    |
| Tenant retention         | 97%                    | 97%                    | 94%                    | 88%                    | 95%                    |



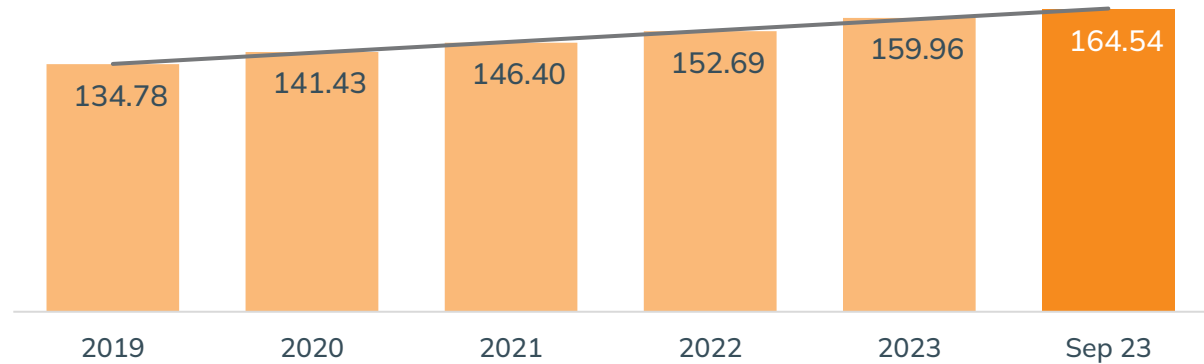
# TENANT AFFORDABILITY

## CONSISTENTLY SOUND PORTFOLIO METRICS

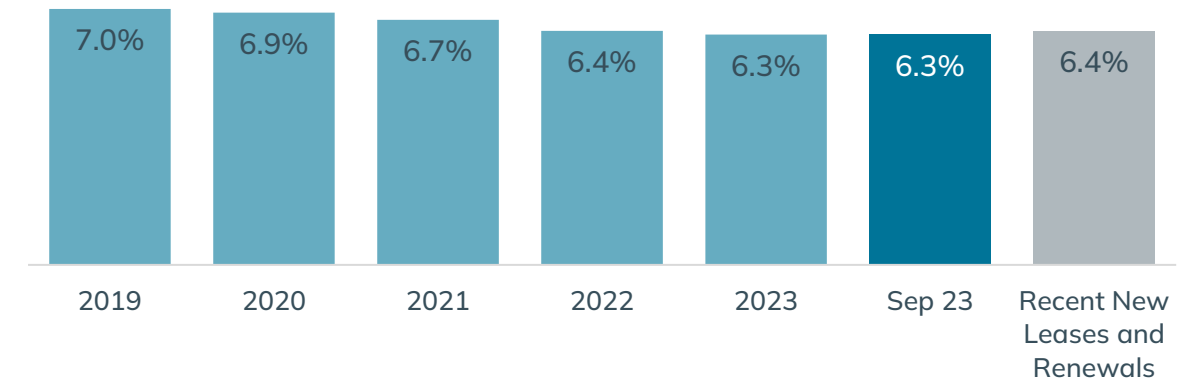
RETAIL VACANCY PROFILE BY GLA



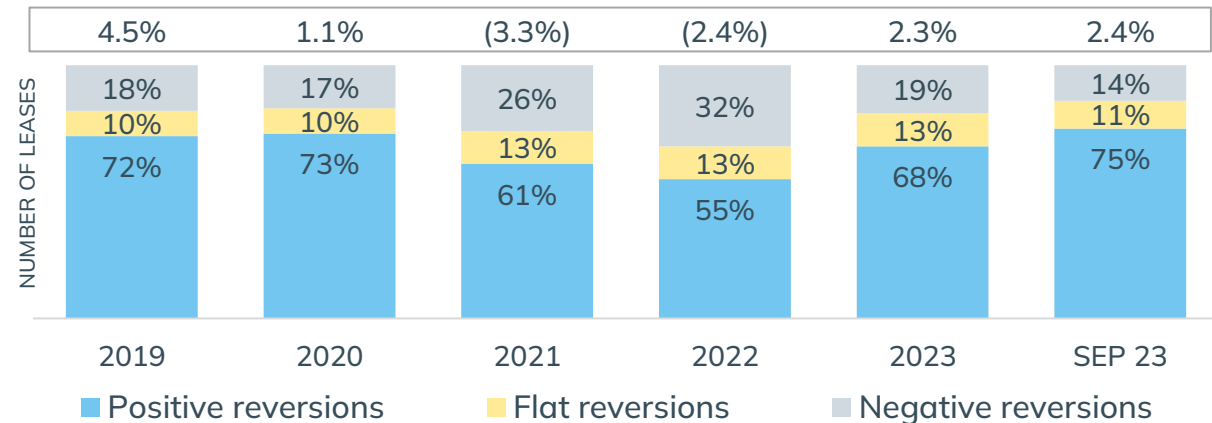
RETAIL AVERAGE BASE RENTALS R/m<sup>2</sup> (EXCL. RECOVERIES)



RETAIL CONTRACTUAL ESCALATIONS



RETAIL RENT REVERSIONS

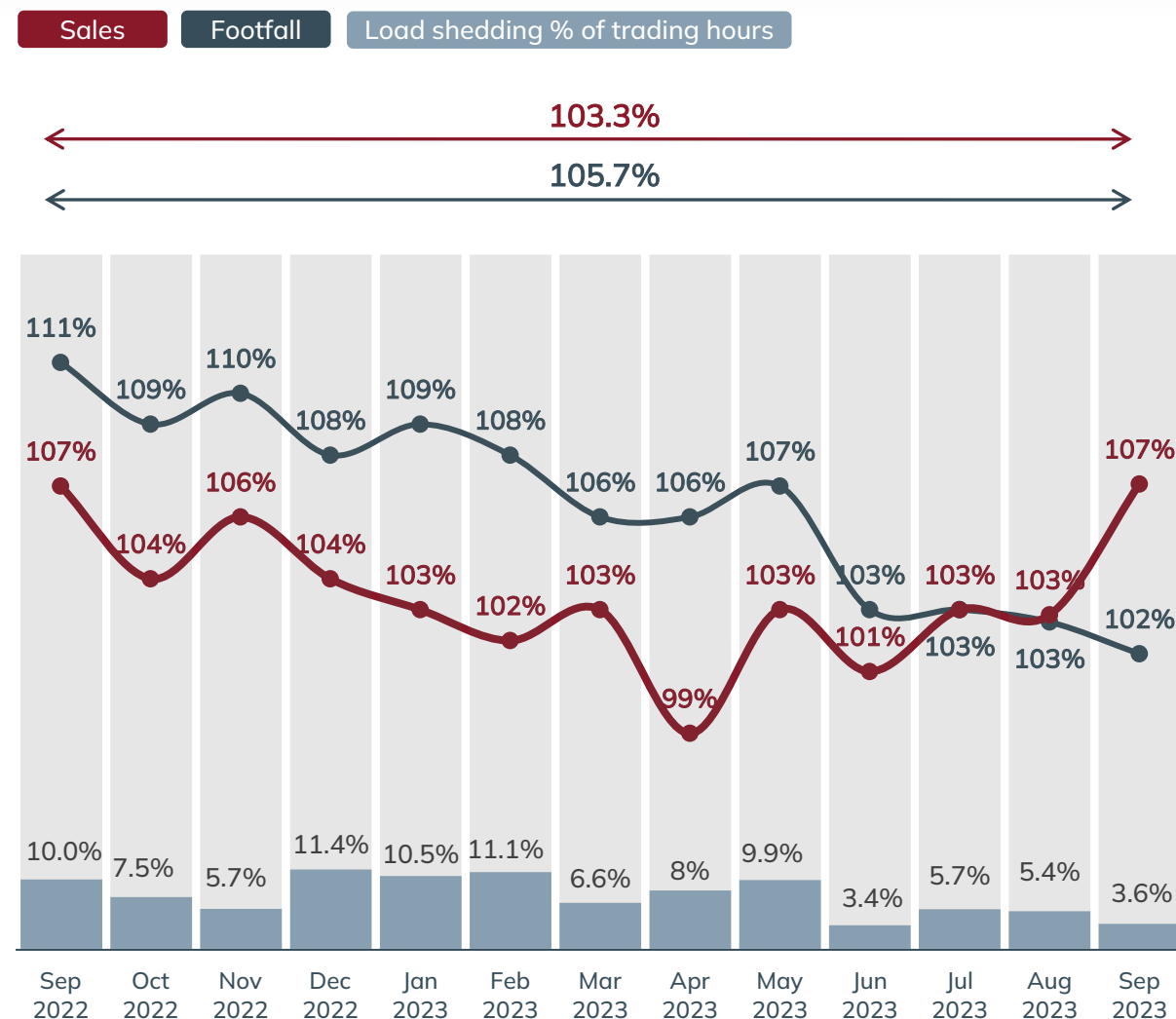


# RETAIL PORTFOLIO PERFORMANCE AND TRADING ENVIRONMENT



## IMPROVED FOOTFALL AND SALES CONTINUE DESPITE PERSISTENTLY CHALLENGING ENVIRONMENT

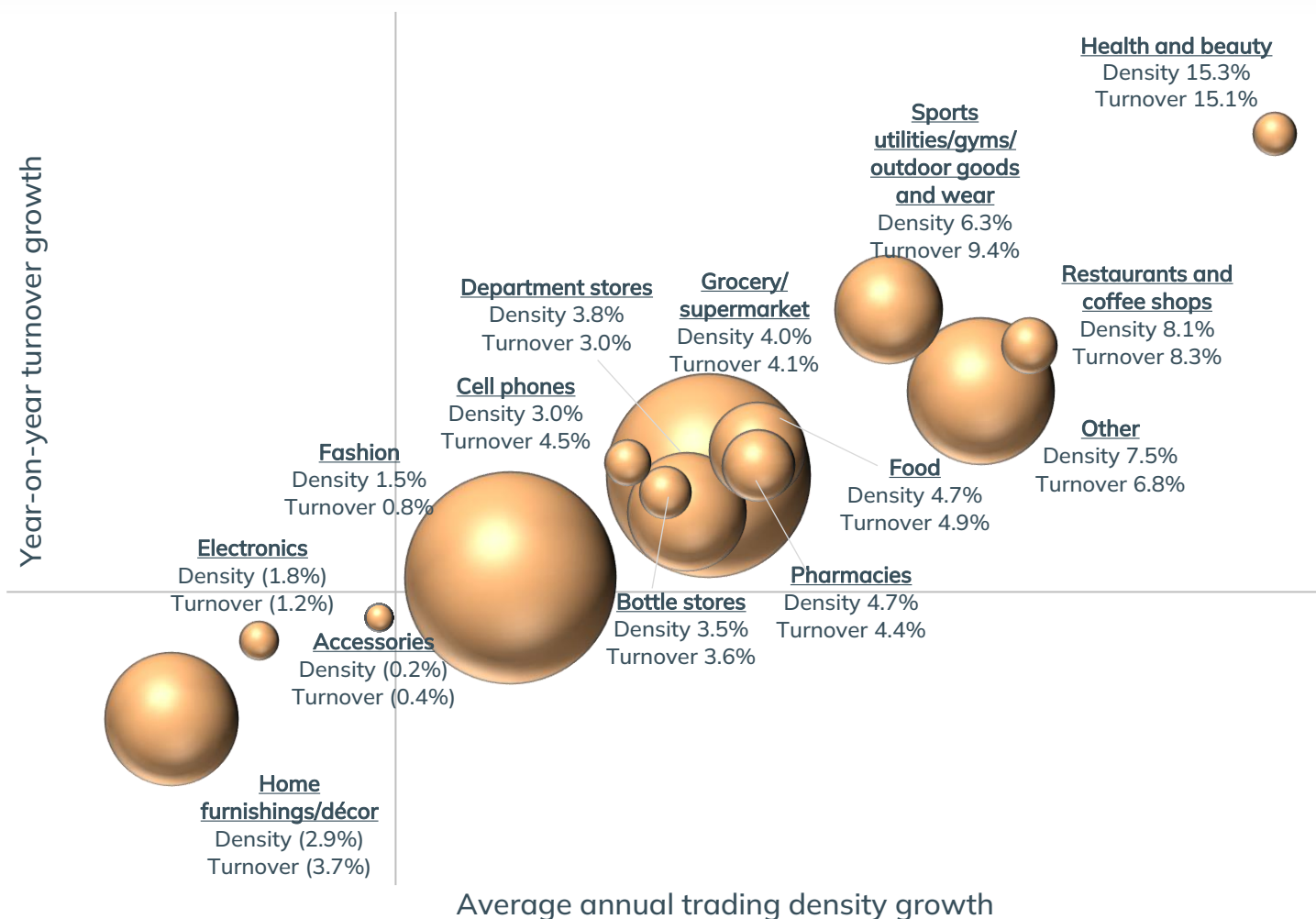
- Year-on-year portfolio sales increased by 3.3% and continue to grow across all major categories
- Portfolio trading density growth of 3.5% with growth across all four main segments (township 5.4%, urban 4.9%, rural 1.8% and commuter 0.1%)
- The fashion category (23% of GLA) was under pressure exhibiting only 0.8% growth over the period
  - August and September trade however started showing green shoots, with highest month-to-month movements in past 12 months
- Township centres show year-on-year growth in both sales (+5.5%) and footfall (+5.9%)
- Assets in the Western Cape and East Rand showed the greatest amount of growth in turnover during the period (Gugulethu 21%, Atlantis 13%, Springs 19%, East Rand Mall 11%)
- Footfall has increased by 2.0% compared to September 2022, with an impressive 13% aggregated improvement since 2021



# RETAIL CATEGORY PERFORMANCE

## TRADING DENSITIES GROWTH OF 3.5% AND ANNUAL TURNOVER GROWTH OF 3.3%

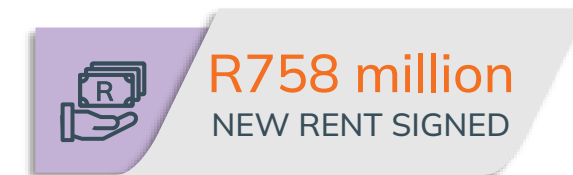
- The portfolio delivered trading density growth of **3.5%**
- **11 out of 14 categories** showing growth in both turnover and trading densities
- **Health and beauty** (+15.1%), **restaurants and coffee shops** (+8.3%), **sports goods and athleisure wear** (+9.4%) and **groceries** (+4.1%) delivered strong and sustained growth
- All five segments showed trading density growth, with township ahead at **5.4%**
- The **Fashion** category (23% of GLA), produced trading density growth of **1.5%** (FY23 4.6%), a sign of a consumer under pressure, however, we are starting to see **green shoots** over August and September.
  - Women and children's wear delivered trading densities of -4.7% and -1.5% respectively
- **Luggage** and **travel** stores showed an increase in trading density of **15%** and **69%** respectively, as travelling patterns normalise post Covid



## LEASING ACTIVITY

### CONTINUED VIBRANT LEASING ACTIVITY AND STRONG SUPPORT ACROSS ALL SEGMENTS WITH VACANCIES MAINTAINED AT 2%

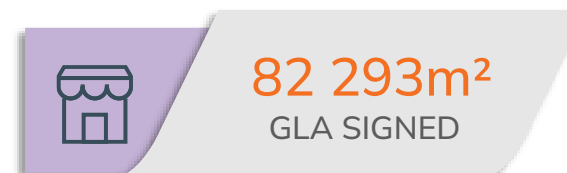
- 86% of the 68 359m<sup>2</sup> renewed leases were concluded with national and mid-tier tenants
- The biggest supporters of new deal generation in our top 10 tenants are Shoprite, Mr Price, Pepkor, Spar and Truworths
- Our top 10 tenants renewed leases for c.29 000m<sup>2</sup> (42% of H1 FY24 renewals) and expanded their footprint with c.2 700m<sup>2</sup> (19% of H1 FY24 new leases)
- Most vibrant leasing activity (both new and renewals) was in the township (36%), rural (25%) and value centre (17%) portfolios
- Fashion (24%), home furnishings/décor (18%), groceries (14%) and banking (8%) contributed the most to leasing activity during the period
- Retention ratio increased to 95% from 93% with the majority of terminated leases being from SMMEs



**266**  
RENEWALS

**81**  
NEW CONTRACTS

**R649 million** | **R109 million**  
RENEWALS | NEW CONTRACTS



**68 359m<sup>2</sup>** | **13 933m<sup>2</sup>**  
RENEWALS | NEW CONTRACTS

**4.1 years** | **3.5 years**  
RENEWALS | NEW CONTRACTS

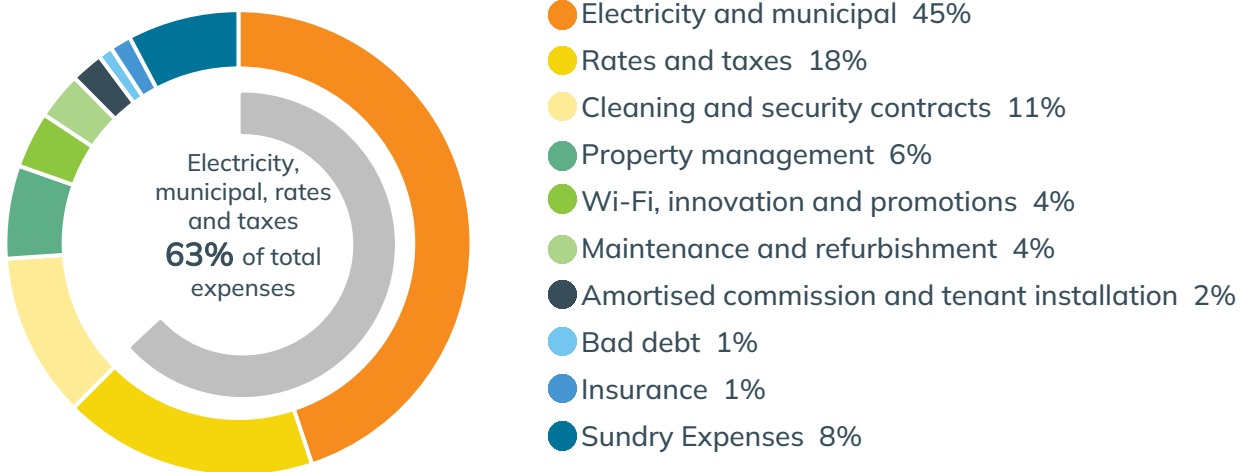
# NET COST TO PROPERTY REVENUE

## DRIVING OPERATIONAL EFFICIENCIES TO MANAGE COST PRESSURES

### RATES AND TAXES OBJECTION BENEFITS

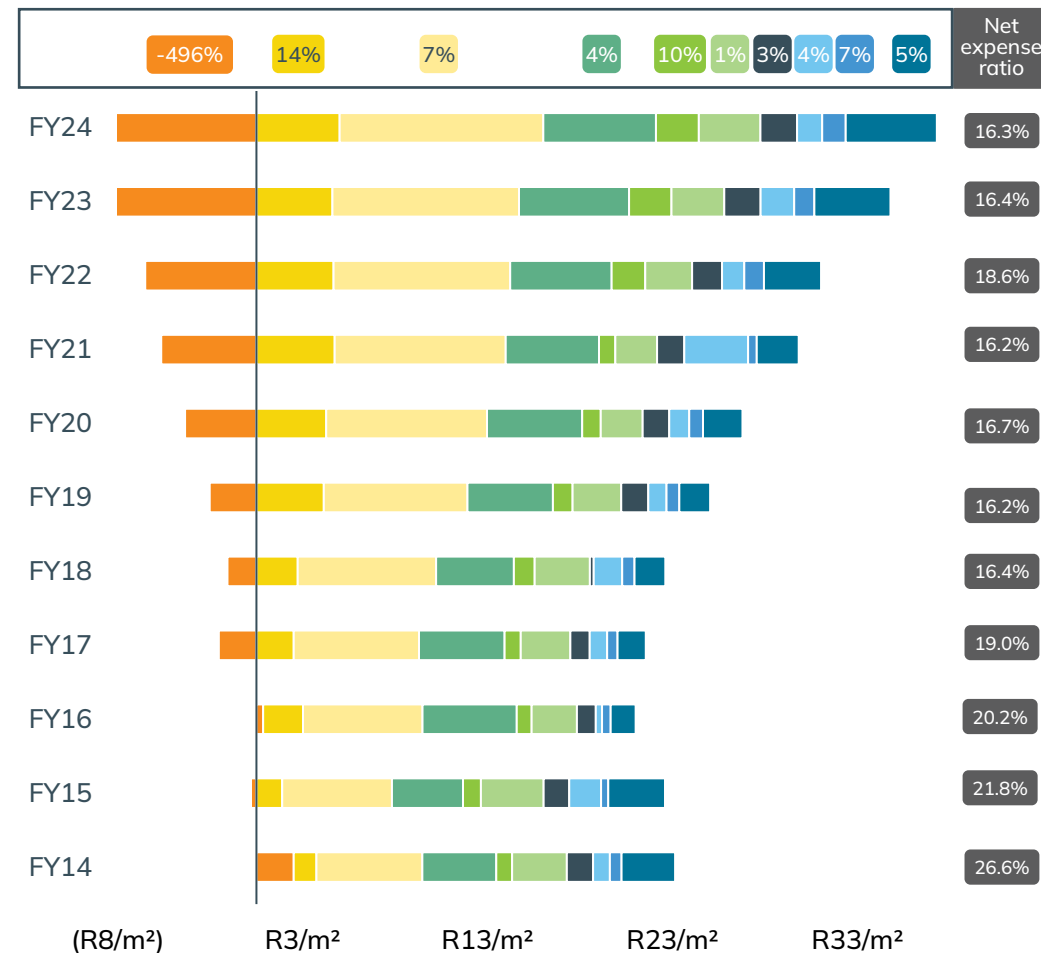
- Rates and taxes accounts for **18%** of our costs and have increased on average by **14%** since 2014
- The recovery ratio of rates and taxes has steadily declined as the **structure of national leases** has changed over this period
  - Recovering 10% less in 2024 relative to 2014
- **Key lever** to manage rates and taxes has been to **object to municipal valuations** whenever a valuation roll is proposed
- **Have objected to R7.6 billion** of value and have received **R392 million** benefit from the objection process, resulting in **R7.4 million** annual savings in rates and taxes for the portfolio

### COST CATEGORY EXPOSURE



### NET EXPENSES

Average annual escalation since 2014



# ALTERNATIVE INCOME – EXHIBITIONS AND PRODUCT PROMOTIONS

## STRONG EXHIBITION INCOME, LEAD INDICATOR TO IMPROVING SENTIMENT FROM ENTREPRENEURS

**R8.1 million**  
YTD SALES ACHIEVED  
APR TO SEP

**R6.5 million**  
BUDGET  
APR TO SEP

**+24.6%**  
YTD ACHIEVED  
APR TO SEP

- Significant **increase in exhibition income** across the portfolio, driven by popular brands, car dealerships, entrepreneurs, and new entrants into the retail mall environment
- **Strong exhibition** income points to **improving sentiment from entrepreneurs**. Increased marketing from retailers and FMCG groups which **augurs well** for general trade of the mall
- Community response to exhibitions has been outstanding driven by brands such as **Milo, Telkom, Orlando Pirates and Vodacom**
- Targeted and **sustained mall promotional activity** leads to **stronger performing exhibition spaces**
- **Top performers include:**
  - Inovativ Spaces in various properties nationally - Insurance and Funeral services
  - Clientele Life - Funeral and Loyalty Programmes
  - Icebulethu in various properties - Black Owned Insurance
  - Fine Fragrance – in various properties nationally
  - Hollywood bets in KZN properties



# FOCUS ON THE CONSUMER – KEY TO OUR SUCCESS

## CUSTOMER CENTRICITY SCORECARD

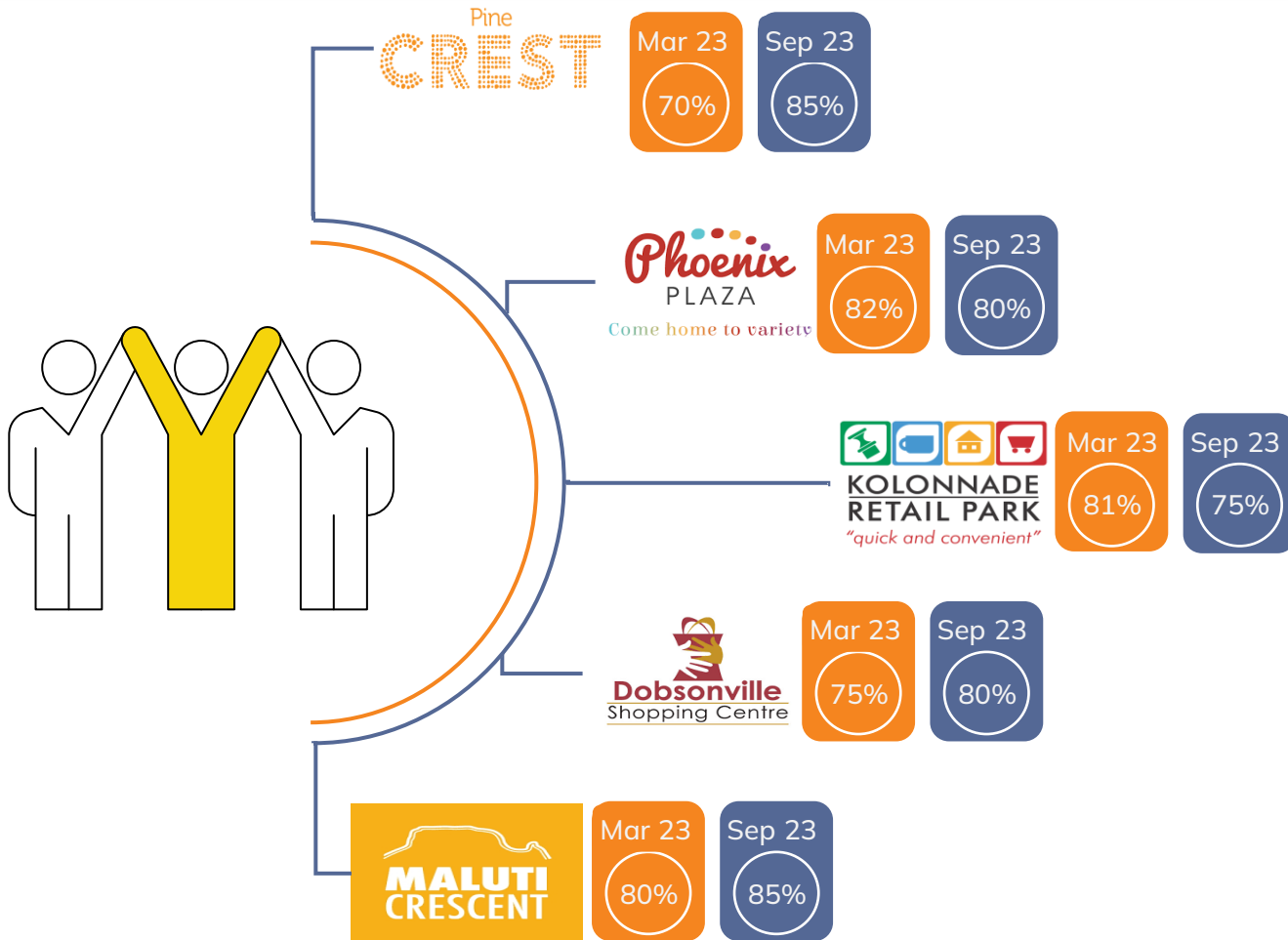
| east rand mall           | 6 Months to          |                      |                      | Trend |
|--------------------------|----------------------|----------------------|----------------------|-------|
|                          | Sep 22               | Mar 23               | Sep 23               |       |
| Exhibition Courts Income | R380k                | R327k                | R583k                | ▲▼▲   |
| Avg Footfall             | 639 449              | 666 051              | 734 131              | ▲▲▲   |
| Courts Income / Footfall | 60%                  | 49%                  | 80%                  | ▲▼▲   |
| Spend Per Head           | R257                 | R258                 | R236                 | ▲▲▼   |
| Average Dwell Time       | 62 mins              | 62 mins              | 63 mins              | ▬▲▲   |
| New Tenants              | 4                    | 6                    | 9                    | ▲▲▲   |
| Wifi Registrations       | 1.05m                | 1.21m                | 1.35m                | ▲▲▲   |
| Google Reviews           | 21 482               | 23 249               | 24 385               | ▲▲▲   |
| Google Rating            | 4.3 / 5              | 4.3 / 5              | 4.3 / 5              | ▬▬▬   |
| Maintenance Expense      | R0.52/m <sup>2</sup> | R0.73/m <sup>2</sup> | R1.96/m <sup>2</sup> | ▲▲▲   |
| Incidents of Crime       | 38                   | 25                   | 27                   | ▼▼▲   |
| # Promotions             | 17                   | 21                   | 28                   | ▲▲▲   |
| Overall Score            |                      | 83%                  | 88%                  | ●●    |

- Customer centricity ethos, now well entrenched in all mall business operations
- Management tool to monitor progress is customer centricity scorecard
- Scorecard measures, improvements in customer engagements, dwell time, spend per head, visits, promotions, environment.
- Key improvements in these elements result in more satisfied customers within the mall



# CONTINUED FOCUS ON THE CONSUMER

## CUSTOMER CENTRICITY SCORECARD



## Campaigns

|                                 |   |
|---------------------------------|---|
| <p><b>CSI</b></p>               | <ul style="list-style-type: none"> <li>Engaged in various campaigns to raise awareness and drive donations for <b>environmental conservation, humanitarian relief, and animal welfare</b> causes</li> <li>Partnered with WWF, Dr's Without Borders, Greenpeace, Action Aid and Four Paws</li> </ul> |
| <p><b>Community Support</b></p> | <ul style="list-style-type: none"> <li><b>Fundraising</b> for Youth Orchestra overseas travel</li> <li><b>Meals on Wheels</b>, support for the elderly</li> <li><b>Cupcakes of hope</b>, cancer support and awareness</li> <li>Providing space for CANSA shavathon</li> </ul>                       |
| <p><b>Tenant Support</b></p>    | <ul style="list-style-type: none"> <li>11 campaigns to assist struggling tenants</li> <li>Influence <b>mall perception and tenant turnover</b></li> <li>Improve <b>shop displays, layout, and marketing</b></li> </ul>  |

# ENERGY AND SUSTAINABILITY

## CONTINUED TRACTION ON ENERGY AND SUSTAINABILITY MANAGEMENT STRATEGY

### Four Key Pillars of Utility Management Strategy

#### Optimum Electricity Supply



- 14.9MWP installed as at 2023FY
- +3.7MWP installed in H1 FY24
- Current projects under construction 7.1MWP

#### Optimum Water Supply



- 86% of the portfolio with backup water storage (Rural and Commuter at 100%, Township and Urban at 80%)
- FY2024 Completed boreholes and tanks - Pinecrest and Durban Workshop
- In Progress - Daveyton, Hammanskraal and Phoenix

#### Utility Efficiency Focus



- Installation of 840 Propel Air toilets which are projected to save 32% of portfolio water per annum
- Installed additional energy saving lights at Moruleng, Bloem Plaza and Nonesi, which are 30% more efficient than the previous fittings
- Waste Management baseline project commenced and service providers appointed

#### Management and Monitoring



- Increased the percentage of Smart Electricity Meters on remote to more than 50% of the portfolio
- Completion of first two BESS projects (Nonesi and Maluti), collect data to enable revised tariffs for tenants and peak shaving
- Completed base line measure of all required Energy Performance Certificates

# ENERGY AND SUSTAINABILITY

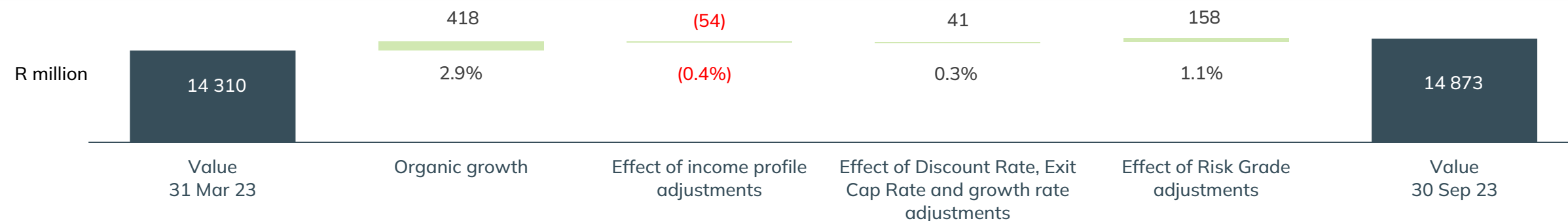
## PROJECT UPDATES ON PV AND BESS PROJECTS

|                                     |      |    |     | Projects (kWp) |       |        |   |
|-------------------------------------|------|----|-----|----------------|-------|--------|---|
|                                     | Bess | PV | Gen | FY23           | FY24  | FY25   |   |
|                                     |      |    |     | 14 847         | 7 060 | 18 024 |   |
| Existing projects                   |      |    |     | 14 847         |       |        | Completed                                   |
| Moruleng                            |      | ✓  |     |                | 1 300 |        | Completed                                   |
| Meadowdale Phase 3 (1 046 kWp @67%) |      | ✓  |     |                | 701   |        | Completed                                   |
| ERM Phase 2 (3 440 kWp @ 50%)       |      | ✓  | ✓   |                | 1 720 |        | Completed                                   |
| Nonesi BESS                         | ✓    | ✓  | ✓   |                | 909   |        | Under construction                          |
| Maluti BESS                         | ✓    | ✓  | ✓   |                | 750   |        | Under construction                          |
| KwaMashu                            |      | ✓  | ✓   |                | 750   |        | Under construction                          |
| Springs (1 832 kWp @ 28%)           |      | ✓  |     |                | 513   |        | Under construction                          |
| Thavhani (1 251 kWp @33.3%)         |      | ✓  | ✓   |                | 417   |        | Under construction                          |
| Dobsonville PV                      |      | ✓  |     |                |       | 1 308  | Under construction                          |
| Pine Crest PV / Gen                 |      | ✓  | ✓   |                |       | 2 166  | Contracted                                  |
| Atlantis BESS                       | ✓    | ✓  |     |                |       | 300    | Contracted                                  |
| Mdantsane BESS                      | ✓    | ✓  |     |                |       | 1 700  | Tendered                                    |
| Gugulethu BESS                      | ✓    | ✓  |     |                |       | 1 500  | Tendered                                    |
| Hammarsdale BESS                    | ✓    | ✓  | ✓   |                |       | 1 300  | Tendered                                    |
| Bloemfontein Plaza PV               |      | ✓  |     |                |       | 750    | Tendered                                    |
| Phoenix BESS                        | ✓    | ✓  |     |                |       | 2 700  | Simulations in process, *Structural/roofing |
| Dobsonville BESS                    | ✓    | ✓  |     |                |       | 1 700  | Simulations in process, *Eskom approval     |
| Hillfox BESS                        | ✓    | ✓  |     |                |       | 1 500  | Simulations in process, *Structural/roofing |
| Moruleng BESS                       | ✓    | ✓  |     |                |       | 1 300  | Simulations in process, *Structural/roofing |
| Meadowdale BESS                     | ✓    | ✓  |     |                |       | 1 300  | Simulations in process, *Structural/roofing |
| KRP BESS                            | ✓    | ✓  |     |                |       | 500    | Simulations in process, *Municipal approval |
| Daveyton Gen                        |      |    | ✓   |                |       | 0      | Investigations                              |

# VALUATIONS: RETAIL PORTFOLIO

## 33 PROPERTIES VALUED AT R14.9 BILLION

3.9% INCREASE WITH A CONSERVATIVE VALUE DENSITY OF R19 803/m<sup>2</sup>



|                            | Township               | Rural                  | Value Centre           | Urban                  | Commuter              | Total<br>Retail Portfolio |
|----------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|---------------------------|
| Exposure                   | 31%                    | 23%                    | 14%                    | 25%                    | 7%                    | 100%                      |
| Value                      | R4.6 billion           | R3.4 billion           | R2.0 billion           | R3.7 billion           | R1.0 billion          | R14.9 billion             |
| Average value per property | R516 million           | R383 million           | R504 million           | R468 million           | R341 million          | R451 million              |
| Value density              | R24 088/m <sup>2</sup> | R21 157/m <sup>2</sup> | R13 934/m <sup>2</sup> | R25 690/m <sup>2</sup> | R9 739/m <sup>2</sup> | R19 803/m <sup>2</sup>    |
| Value movement             | R244 million           | R84 million            | R51 million            | R192 million           | (R9 million)          | R562 million              |
| Yield                      | 8.3%                   | 8.6%                   | 8.7%                   | 8.2%                   | 10.2%                 | 8.5%                      |
| Discount rate              | 13.3%                  | 13.3%                  | 13.5%                  | 13.1%                  | 13.8%                 | 13.3%                     |
| Exit capitalisation rate   | 8.6%                   | 8.4%                   | 8.9%                   | 8.6%                   | 9.9%                  | 8.7%                      |

# SHORT-TERM FOCUS AREAS

## CONTINUED TIGHT OPERATIONAL FOCUS

### 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

### 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
- Continue to incubate new entrants and SMMEs into the portfolio through our Retailer Academy Programme
- Introduce energy availability strategy to support our tenants

### OPERATIONAL EXCELLENCE



- Explore 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
- Effective spending of our capital budget to ensure that the assets are fit for purpose and highly marketable
- Drive effective and quick decision making and turnaround time for innovative solutions across the value chain

### 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



03 CASTELLANA  
PROPERTIES  
OVERVIEW AND  
TRADING UPDATE  
Alfonso Brunet

# ECONOMIC UPDATE: SPAIN

## ECONOMICS & POLITICS



- Amidst slowing global economic activity in recent months and current geopolitical instability that further adds to uncertainty, **Spain has shown better growth than other European countries**, mainly due to internal demand and the scale of hospitality and tourism. 2023 is expected to close with **interannual growth of 2.3%**.
- While economic activity is expected to weaken in Q4 2023, due to reduced exports and lower public consumption, it is anticipated to pick up at the beginning of 2024, as inflation further declines, and the Next Generation EU funds starts flowing into the economy. **The Bank of Spain expects growth of 1.8% in 2024 and 2% in 2025** versus 0.8% and 1.3% in the Euro area over the same periods respectively.
- Inflation is expected to reach 3.6% in 2023, rising to 4.3% in 2024, and decline to 1.8% in 2025**

## LABOUR MARKET



- The **labour market remains strong**
- In Q2 2023 **unemployment was at 11.6%, the lowest level since 2008**
- Despite this, job creation is slowing in line with slower GDP growth. However, the **Spanish unemployment rate remains at one of the lowest levels in the last 15 years.**
- The Bank of Spain expects **unemployment to be at 12% in 2023, reducing to 11.5% in 2024 and 11.3% in 2025**

## TOURISM



- The **number of international tourists to Spain in August 2023, was 10.1 million.** This is 14% above the same period in 2022.
- Average hotel rates increased by 6.7% to €136.50 per night** in the month of August.
- Spain welcomed 73.2 million international tourists** between January and September 2023, up 19% compared to the same period in 2022.

## CONSUMPTION



- Household consumption rose in Q3 2023.** This was driven by recreation and tourism. However, tightening finance conditions and normalisation of savings rates, should see this consumption rate slow over the medium-term.
- Main contributing factors for private consumption remaining strong, are **elevated savings rates** (that at still at highest levels post the pandemic) and the **low and diminishing private sector debt** (for both households and companies), which allow **high spending capacity.**
- Private consumption is expected to grow at a reasonable rate of 2% in 2023 and 2% in 2024.** Savings rates, while below the Covid-related peak of c. 15% are still healthy at c. 8.3% of disposable income.

# SPANISH PORTFOLIO

## KEY PORTFOLIO METRICS

### KEY FACTS



GAV  
**€1 141 billion**  
 +2.1% <sup>(i)</sup>

Portfolio value  
**€1 022 billion**  
 +1.0% <sup>(ii)</sup>

GLA  
**368 495m<sup>2</sup>**

Normalised NOI  
 Like-for-like growth  
**+13.0%**

### VALUATIONS



Average asset  
 value  
**€64 million**

Average  
 discount rate  
**9.3% +66 BPS** <sup>(iii)</sup>

Average exit  
 capitalisation rate  
**6.42%**

Total number  
 of assets  
**16**

### TENANT PROFILE



Retail space let to  
 international & national  
 tenants  
**94%**

Income from  
 top 10 tenants  
**37%**

WALE  
**12.9 years** <sup>(iv)</sup>

OCR  
**9.4%** <sup>(v)</sup>

### OPERATING METRICS



Letting transactions  
 signed during the year  
**81**

Increase in reversions  
 and new lettings  
**8.3%** <sup>(vi)</sup>

Occupancy  
**99.0%**

Collection rate  
**98.9%**

- <sup>(i)</sup> Including LAR España stake
- <sup>(ii)</sup> Like-for-Like growth on direct portfolio valuations versus March 2023 based on external valuation by Colliers
- <sup>(iii)</sup> Compared to average discount rate considered in valuation of investment properties at September 2022
- <sup>(iv)</sup> WALE (by GLA) is by expiry of lease excluding break options
- <sup>(v)</sup> Expenses included. Market average of 11.9% according to 2023 half year results published by European peers
- <sup>(vi)</sup> Only passing rent operations. Excluding vacant units let

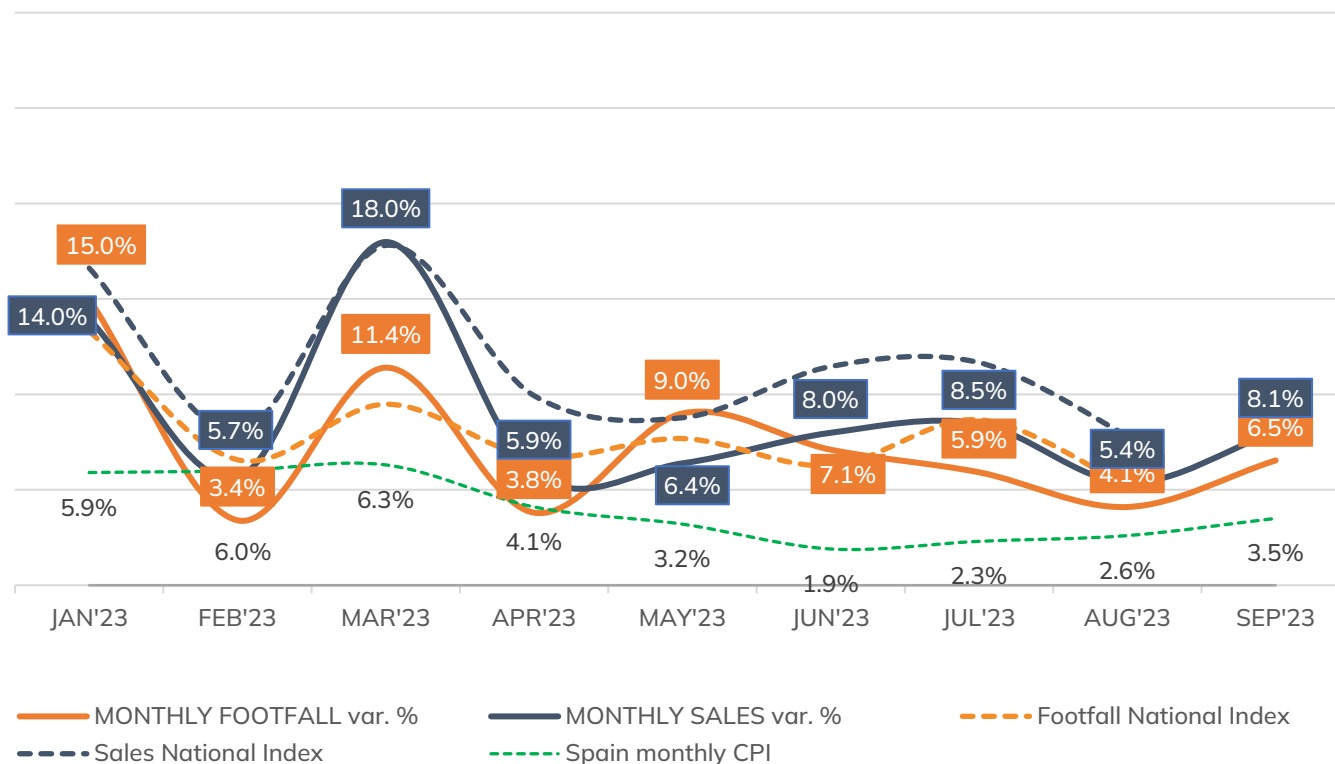


# FOOTFALL AND SALES

## RECORD FIGURES IN FOOTFALL AND SALES

### FOOTFALL & SALES INDEX

#### MONTHLY VARIATION 2023 vs 2022



Source: Castellana Properties

(i) Footfall data includes the following shopping centres: El Faro, Bahía Sur, Los Arcos, Vallsur, Habaneras, Puerta Europa and Granaita. There are no counters in the rest of the retail park assets. Granaita counts only cars, so we have estimated 2 people on average per car. Sales data includes all retail assets.

(ii) Benchmark: Spanish Shopping Centre Association

#### FOOTFALL:

- Footfall in 2022, surpassed figures recorded in 2019. Total number of visitors YTD Sep'23 increased by 7.3% compared to the same period last year (YTD Sep'22). The increase was achieved across all assets in the portfolio: Los Arcos +12%, Habaneras +10.9%, Bahía Sur +8.2%, Puerta Europa +7.7%, Granaita +6.2%, El Faro +4.5% and Vallsur +3.2%
- We anticipate setting a new record in footfall numbers at the end of the financial year

#### SALES:

- Our tenants continue to deliver increased sales in 2023. Accumulated sales grew by +9.1% (YTD Sep'23 compared to YTD Sep'22).
- Shopping Centre sales: continued to outperform the benchmark and grew by +11.5% (YTD Sep'23 vs YTD Sep'22). Retail Park sales: continued the stable growth trend, increasing by +4.0% YTD Sep'23 vs YTD Sep'22 (from a higher base than shopping centres).
- Accumulated turnovers of all shopping centres are growing at double digit rates (YTD Sep'23 vs YTD Sep'22) – all way above inflation: Los Arcos +16%, Vallsur +13.2%, Bahía Sur +11.2%, Habaneras +11%, El Faro +10.5%, Puerta Europa +9.4%

# CUSTOMER CENTRICITY



## OUR SHOPPING CENTRES PLAY A LEADING ROLE AS SOCIAL HUBS IN OUR COMMUNITIES

We continue to deliver on our promise to understand our communities' needs and exceed their expectations through innovative initiatives - creating new spaces of interaction and making a positive impact in the regions where we operate.



# CUSTOMER CENTRICITY

## ADDING VALUE TO OUR COMMUNITIES IMPROVES FOOTFALL AND SALES IN OUR CENTRES

As part of our marketing strategy, we support local causes in our centres, but also drive national projects across the Castellana portfolio, to address matters that are relevant to consumers nationally.

An example of this was a visit by Pulguitas, a mascot designed by illustrator Luis de Mano, specially for this campaign with the aim of creating awareness and reducing animal abandonment. The giant soft toy, Pulguitas, was part of a broader campaign including children's workshops, storytelling sessions, videos, talks and a range of special discounts and prizes offered to families in collaboration with our pet stores.



### PULGUITAS CAMPAIGN PERFORMANCE



7

SHOPPING  
CENTRES

5 000

REGISTERED  
HUGS TO PULGUITAS

8,5/10

CUSTOMER  
SATISFACTION

+3%

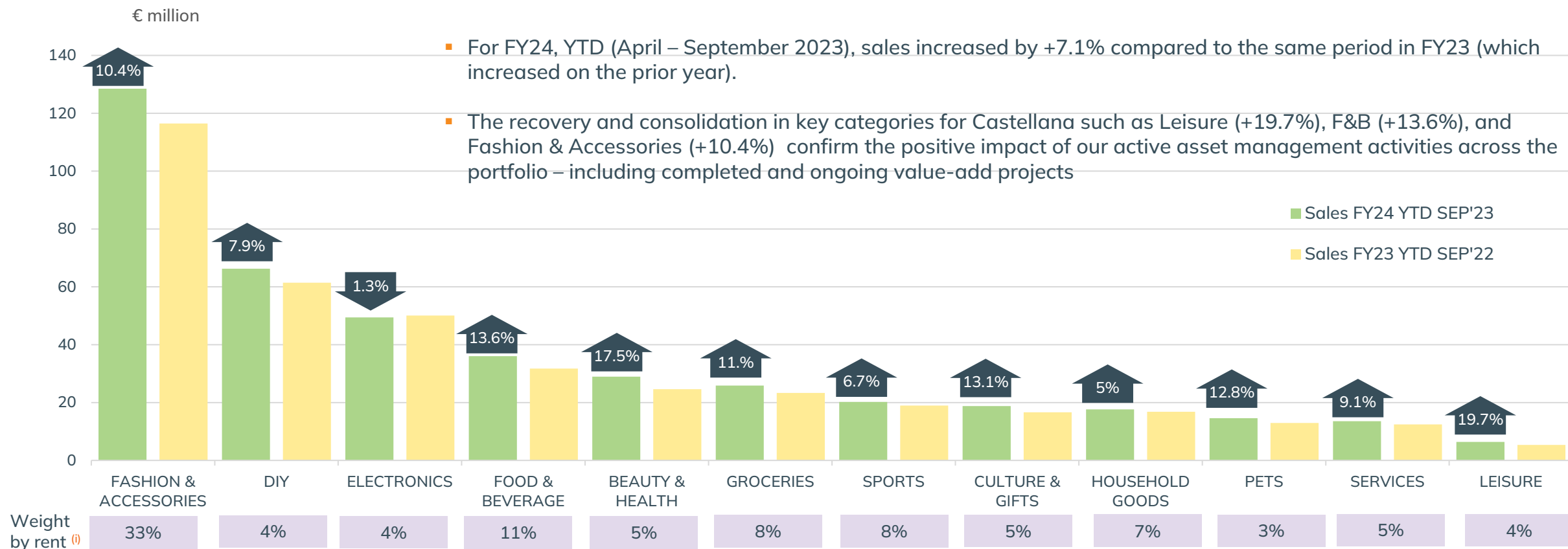
FOOTFALL vs  
PREVIOUS WEEK

# SALES PERFORMANCE PER TENANT CATEGORY



## IMPRESSIVE GROWTH IN SALES FIGURES OF OUR MAIN CATEGORIES

### CASTELLANA PORTFOLIO SALES EVOLUTION



Source: Castellana Properties

(i) Excluding Storage and Other category (3%)

# OPERATING METRICS & LEASING ACTIVITY



## CONSISTENTLY STRONG OPERATIONAL PERFORMANCE



(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 2024  
 (iii) Like-for-like (excluding the area under development of Vallsur Repositioning Project and El Faro Hipercor Project). 47% of vacant area belongs to storages. Excluding this from calculations, occupancy rate rises to 99.5%

## MAIN BUSINESS KPI'S

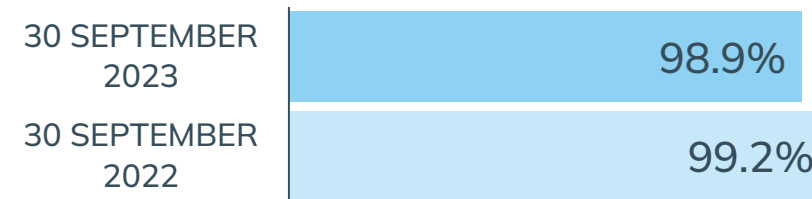
### PORTFOLIO OCCUPANCY <sup>(iii)</sup>



### RENT ARREARS



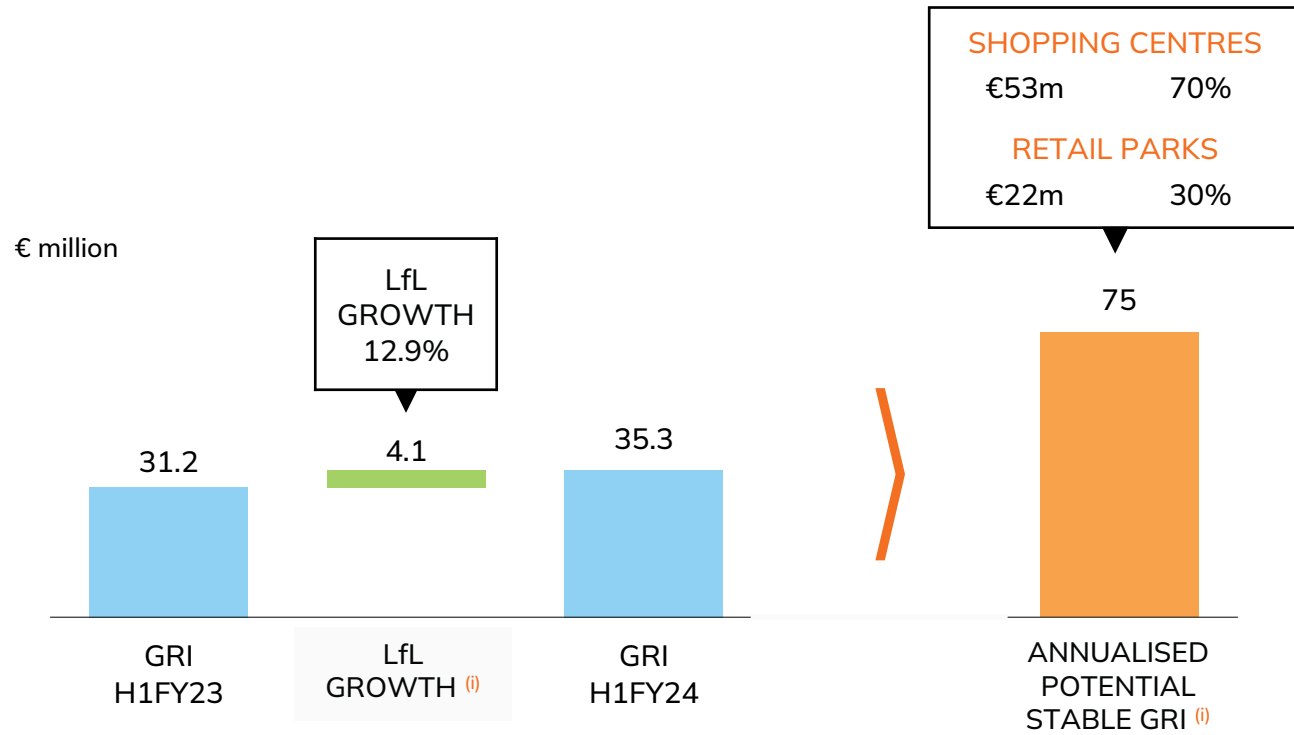
### RENT COLLECTION



# GRI BRIDGE AND BREAKDOWN

GRI FOR H1FY24 INCREASED TO OVER €35 MILLION SHOWING LIKE-FOR-LIKE GROWTH OF 13% COMPARED TO H1FY23

NOI LIKE-FOR-LIKE GROWTH OF 13% VERSUS H1FY23



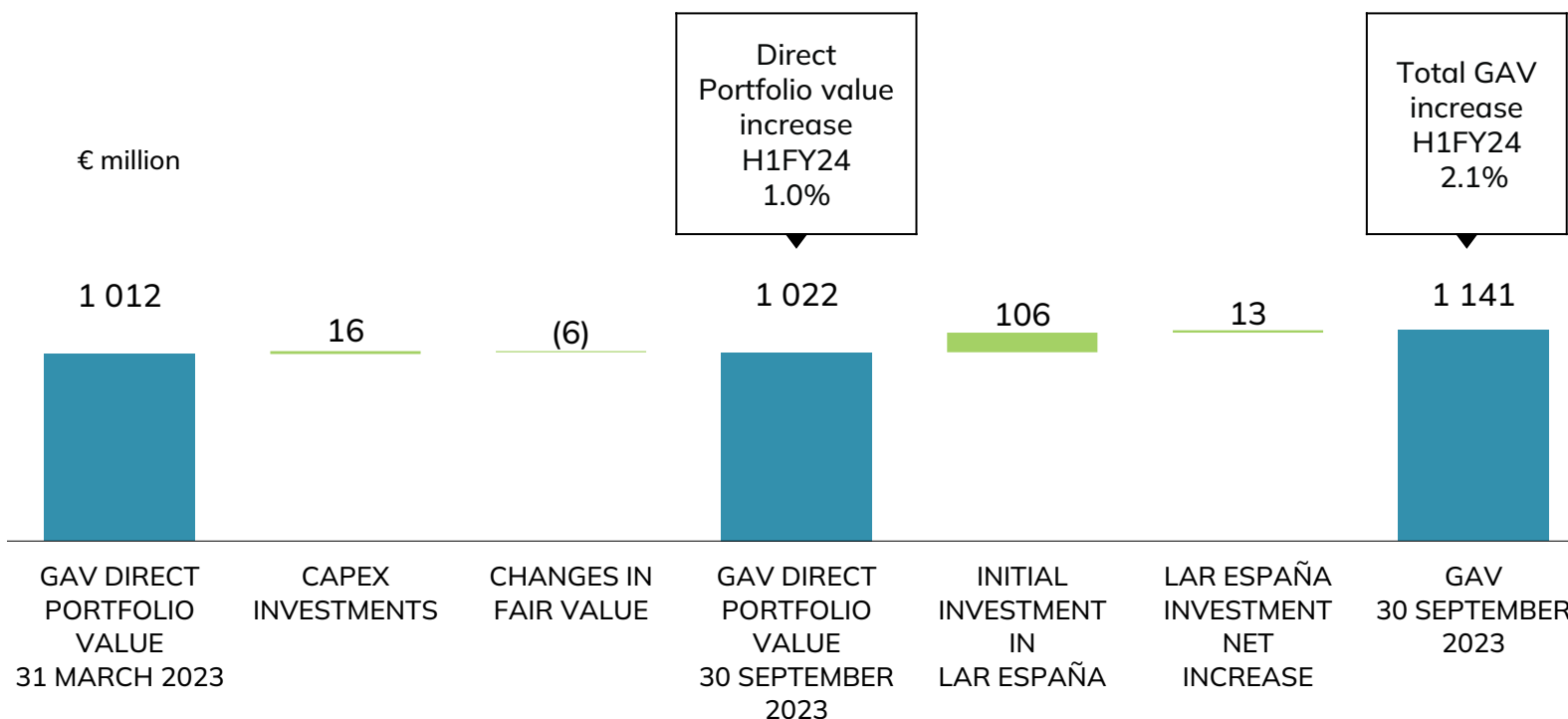
(i) Annualised GRI considering portfolio fully let including value-added projects in progress

# GAV BRIDGE AND BREAKDOWN



## TOTAL GAV INCREASE OF 2.1% FROM MARCH 2023

STRONG NOI GROWTH AND ACTIVE ASSET MANAGEMENT, WERE KEY DRIVERS OF +1.0% GROWTH IN DIRECT PORTFOLIO VALUE DESPITE +25BPS INCREASES IN DISCOUNT RATES (IRR) TO MOST ASSETS, AND MORE THAN +30BPS EXPANSION IN EXIT YIELDS



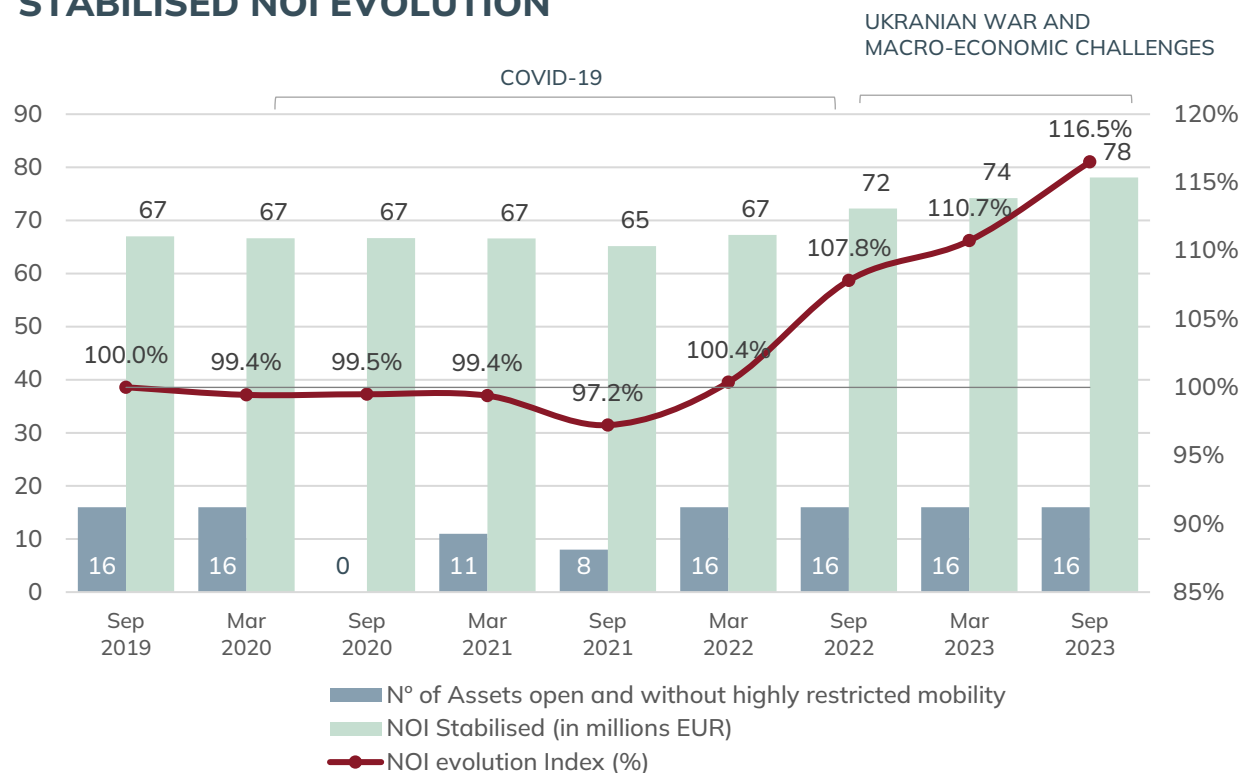
# VALUATIONS



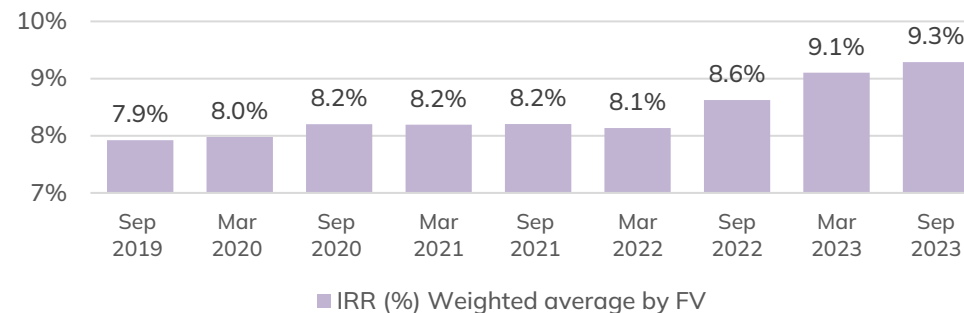
## POSITIVE GROWTH IN NOI OFFSETS EXIT YIELD AND IRR EXPANSION

DESPITE AVERAGE PORTFOLIO CAP RATES AND EXIT YIELDS EXPANSION, PORTFOLIO VALUES REMAIN STABLE

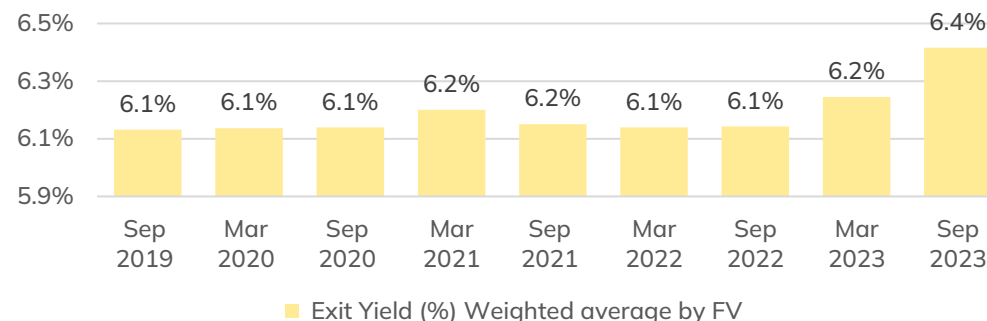
### STABILISED NOI EVOLUTION



### IRR EVOLUTION



### EXIT YIELD



The impact of active asset management to grow and stabilise NOI more than offsets the portfolio IRR expansion of 137 bps and increases in average exit yields of 29bps since Sep'2019.

Source: Colliers


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




# VALUE-ADD PROJECT – EL FARO HIPERCOR

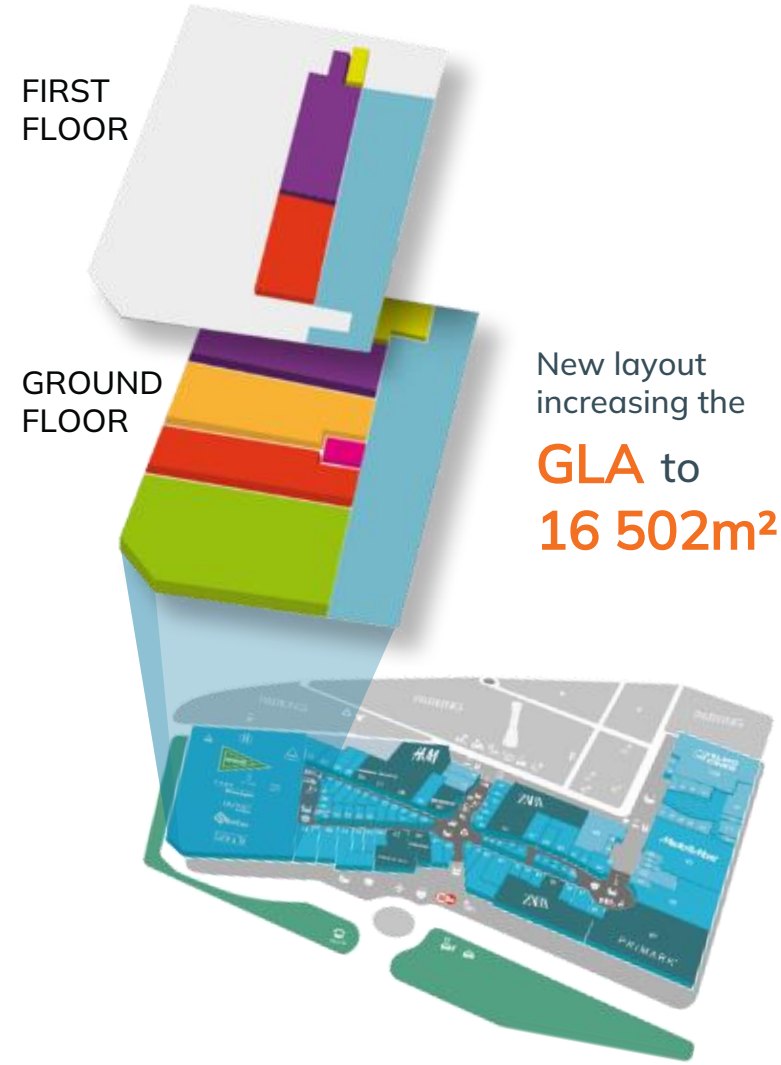
TRANSFORMATIVE PROJECT TO STRENGTHEN THE TENANT MIX BY INTRODUCING A SUPERMARKET, LEISURE AND LEADING TIER-1 FASHION BRANDS



 **€2.2 million**  
ADDITIONAL NOI  
GENERATED

 **Q4 2024**  
PROJECT COMPLETION  
DATE

 **€23.3 million**  
CAPEX  
INVESTMENT



# VALUE-ADD PROJECT - VALLSUR

RECONFIGURATION OF THE FIRST FLOOR TO POSITION VALLSUR AS THE MAIN F&B AND LEISURE DESTINATION IN THE REGION

PHASE I IS PROGRESSING WELL AND OPENING ON 1 DECEMBER 2023



**€16.7 million**  
CAPEX INVESTMENT



**€1.0 million**  
ADDITIONAL NOI GENERATED



**10 557m<sup>2</sup>**  
GLA AFFECTED



# VALUE-ADD PROJECT - VALLSUR

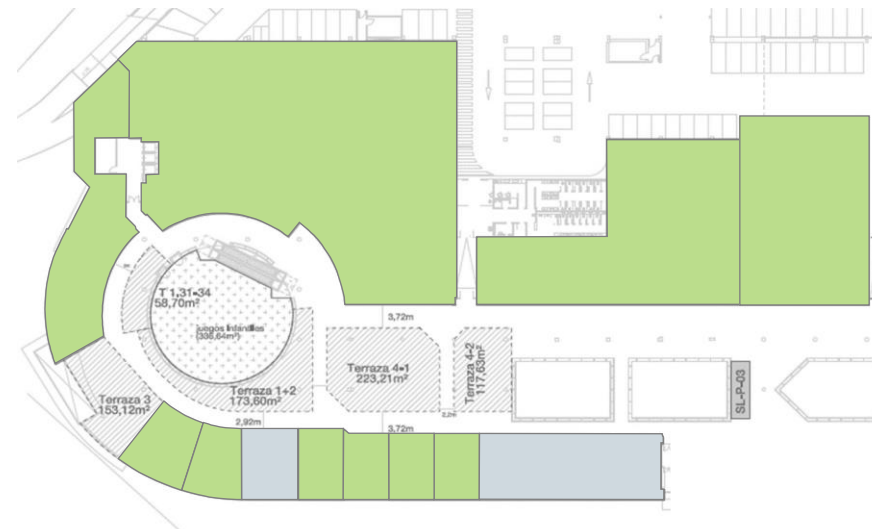


REFRESHED BRANDING OF THE MALL AS WELL AS THE NEW LEISURE AREA ("LA CHISMERIA") TO BE LAUNCHED IN DECEMBER 2023



**1 Dec 2023**  
OPENING

**12**  
NEW BRANDS



# INVESTMENT IN LAR ESPAÑA

## PROVING A SOLID INVESTMENT THESIS WITH A DIVIDEND YIELD OF 12%

- Lar España presented a very good set of operational results for the period Q3 2023, in line with our forecast:
  - Sales increased by +8.7% vs Q3 22
  - Footfall increased by +5% vs Q3 22
  - GRI reached €72.2m +12% vs Q3 22
  - Net LTV of c. 31% including cash from asset disposals
  - Positive retail park disposals of €129.1m “slightly above valuations”, generating a profit of c. €14m.
    - Net yield was c. 6.3% including transaction costs
  - In January 2023, Lar España undertook a bond buy-back programme for €90.5m at a c. 18% discount to par value. Key impacts include:
    - Reduced gross debt by €110m
    - Profit of c. €19.5m that will have a positive impact on 2023 results
  - Dividend for the period ended December 2022 of €0.60 p.s., generated 12% dividend yield on our investment.
  
- Management has given guidance for the FY23 dividend to be “close to €60 million”
  
- Strong balance sheet and cash proceeds from asset disposals position Lar España well for growth opportunities
  
- As part of the asset rotation strategy, Lar España will continue to look to sell its other mature retail parks: Abadía RP in Toledo and Vidanova RP in Sagunto (Valencia)
  
- Current share price reflects a c. 20% increase on our in-cost, although still at a large discount of c 45% to stated EPRA NTA



# INNOVATION

## FIRST DARK KITCHEN IN A SHOPPING CENTRE IN SPAIN IN ANTICIPATION OF NEW RETAIL TRENDS AND IN ORDER TO DELIVER ON OUR SHOPPERS' NEEDS

### BRIGHT KITCHENS

#### INTRODUCING "DARK KITCHENS" IN SHOPPING CENTRES

- Exploring NEW food delivery business models to delight our customer through any channel, including home delivery and take aways
- Partnering with Booh! Foods startup to develop opportunities in integrating food delivery services and shopping centre offerings



MORE CHOICES FOR OUR CUSTOMERS  
12 new restaurant brands

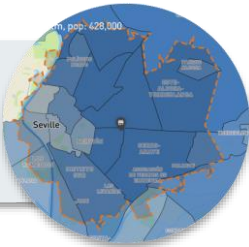
APP & LOYALTY INTEGRATION  
Special deals for loyal customers



AL FRESCO AREAS  
Grab and Sit



+500K  
HOMES REACHED



# CASTELLANA PROPERTIES MAINTAINS ESG SUCCESS ON ITS JOURNEY TOWARDS BEING A MORE SUSTAINABLE COMPANY

## AT CORPORATE LEVEL



### EPRA BPR and sBPR

Castellana Properties obtained the top award BPR (Gold) for the third consecutive year and sBPR (Gold) for the second consecutive year



### GRESB

Castellana Properties achieved 4 out of 5 stars, increasing its score by 15% (86 points)



### GPTW

Castellana Properties has obtained the great place to work® certification for third year with a confidence rate by employees of 92%

### ONGOING GOALS

- Improve last year's score in GRESB 2024 (FY24 reporting period).
- Maintain the Gold Award in EPRA sBPR 2024 (FY24 reporting period).
- Extension of **ESG strategy** from FY25 to FY29
- Analysis of the financial impact of climate risks under **TFCD**

## AT ASSET LEVEL



100% of Castellana Properties shopping centers are currently certified. Renovation scheduled for FY25



Castellana Properties has registered in MITECO its FY23 carbon footprint, calculated for scopes 1+2 and 3 (partially) according to ISO 14064



81% of Castellana Properties assets are aligned with EU Taxonomy for sustainable activities, with a planned increase during FY24



Accessibility certification:

100% of Castellana Properties shopping centers will be certified during FY24 and FY25

El Faro and Bahía Sur have already achieved 4 out of 5 stars



An Environmental and Energy Management System is in place across Castellana Properties' portfolio to enhance our sustainability performance

# 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**
- **Decided not to hedge** West facility given where interest rates are for the moment, we'll **maintain a flexible strategy**
- Continue to work on the **diversification** of funding sources

## INVESTMENT READY



- Secure and **assess accretive deals** on the direct asset market and continue to find opportunities to take advantage of the dislocation of opportunities from distressed sellers
- **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 Programme** including succession, training and career plans to keep evolving the teams' skills



04 FINANCIAL PERFORMANCE,  
DEBT AND TREASURY  
Laurence Cohen



# SIMPLIFIED INCOME STATEMENT

|   | 30 SEPTEMBER 2023<br>Rm | 30 SEPTEMBER 2022<br>Rm | Variance<br>% |
|---|-------------------------|-------------------------|---------------|
| <b>Revenue</b>  | <b>1 546</b>            | <b>1 328</b>            | <b>16.4</b>   |
| Stable portfolio  | 1 541                   | 1 314                   | 17.3          |
| Sold properties   | 5                       | 14                      |               |
| Property Expenses (net of recoveries)                             | (192)                   | (178)                   | 7.9           |
| <b>Net property income</b>  | <b>1 354</b>            | <b>1 150</b>            | <b>17.7</b>   |
| Stable portfolio  | 1 350                   | 1 140                   | 18.4          |
| Sold properties   | 4                       | 10                      |               |
| Corporate administration expenses <sup>(i)</sup>                  | (181)                   | (148)                   | 22.3          |
| Income from investments <sup>(ii)</sup>                           | 24                      | 25                      | (4.0)         |
| MEREV top-up payment <sup>(iii)</sup>                             | (33)                    | (9)                     |               |
| <b>Operating profit before net finance costs</b>                  | <b>1 164</b>            | <b>1 018</b>            | <b>14.3</b>   |
| Net Finance costs   | (459)                   | (350)                   | 31.1          |
| <b>Profit before equity-accounted income</b>                      | <b>705</b>              | <b>668</b>              | <b>5.5</b>    |
| Share of profit from associates and joint venture <sup>(iv)</sup> | 1                       | 2                       |               |
| <b>Profit before taxation</b>                                     | <b>706</b>              | <b>670</b>              | <b>5.4</b>    |
| Taxation  | (1)                     | (6)                     | (83.3)        |
| <b>Profit for the period</b>                                      | <b>705</b>              | <b>664</b>              | <b>6.2</b>    |

(i) The increase in corporate costs was mainly due to an increase in corporate costs in Castellana, in part due to costs related to new staff development initiatives and due to a weakening of the Rand/Euro foreign exchange rate. Excluding the effect of foreign exchange rates, the increase in Castellana's corporate costs (excluding ESG and innovation costs) was 9.8%.

(ii) Investment income includes dividend income from Fairvest R20 million (H1FY23 R23 million) and realised FEC gain of R4 million (H1FY23 R2 million).

(iii) The MEREV top-up of R33 million was paid at the time of exercising the option to acquire the Castellana shares from MEREV. This amount is eliminated from FFO in H1FY24 by way of a non-IFRS adjustment since it was included in FFO in FY23.

(iv) Net amount in respect of Vukile's share of profit from MICC Namibia (after accounting for interest on in-country debt), ALT Capital and Fetch.

# SIMPLIFIED INCOME STATEMENT (CONTINUED)

|   | 30 SEPTEMBER 2023<br>Rm | 30 SEPTEMBER 2022<br>Rm | Variance<br>% |
|---|-------------------------|-------------------------|---------------|
| <b>Profit for the period</b>                    | <b>705</b>              | <b>664</b>              | <b>6.2</b>    |
| Non controlling interest (NCI) <sup>(i)</sup>   | (4)                     | (36)                    |               |
| <b>Attributable to Vukile</b>                   | <b>701</b>              | <b>628</b>              | <b>11.6</b>   |
| Non-IFRS adjustments                            | 180                     | 163                     |               |
| Early termination of FECs                       | -                       | 58                      |               |
| Antecedent dividend <sup>(ii)</sup>             | 1                       | -                       |               |
| Accrued dividends <sup>(iii)</sup>              | 174                     | 96                      |               |
| Non-cash impact of IFRS entries <sup>(iv)</sup> | 5                       | 9                       |               |
| <b>FFO</b>                                      | <b>881</b>              | <b>791</b>              | <b>11.4</b>   |
| Dividend (Rm)                                   | 540                     | 464                     | 16.4          |
| Shares in issue <sup>(ii)</sup>                 | 1 036 226 628           | 980 226 628             |               |
| FFO per share (cents)                           | 85.0                    | 80.8                    | 5.2           |
| Dividend per share (cents)                      | 52.1                    | 47.3                    | 10.0          |

(i) Net income attributed to NCI decreased due to Vukile exercising its option to acquire 9 833 333 shares in Castellana from MEREV, increasing Vukile's shareholding to 99.5%.

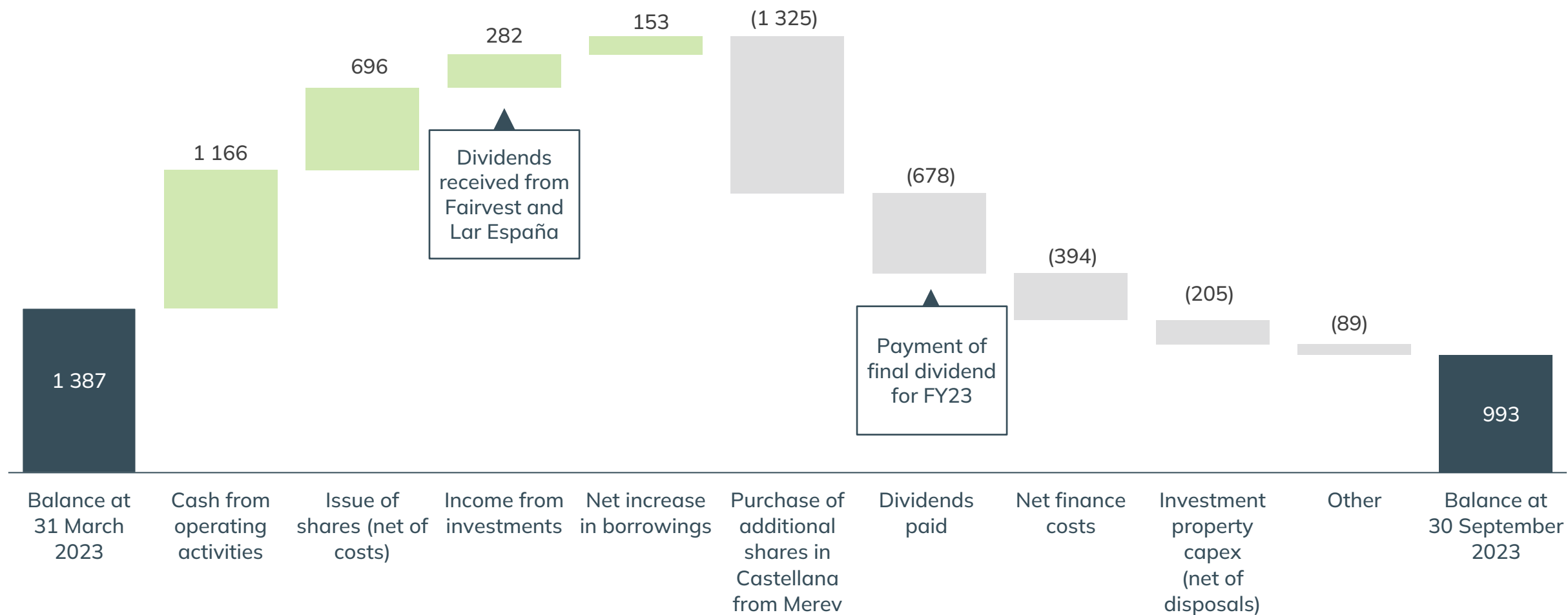
(ii) 56 million new shares issued in April 2023, which increased the total shares in issue to 1 036 226 628 shares.

(iii) LAR España dividend accrual (net of withholding tax) of R156 million (H1FY23 R65 million), elimination of R33 million MEREV top-up (included in FFO in H2FY23), FEC accrual of –R14 million relating to Castellana's dividend (H1FY23 R32 million), and Fairvest dividend accrual of –R1 million (H1FY23 -R1million).

(iv) This amount relates mainly to the non-cash impact of IFRS 16 - Leases.

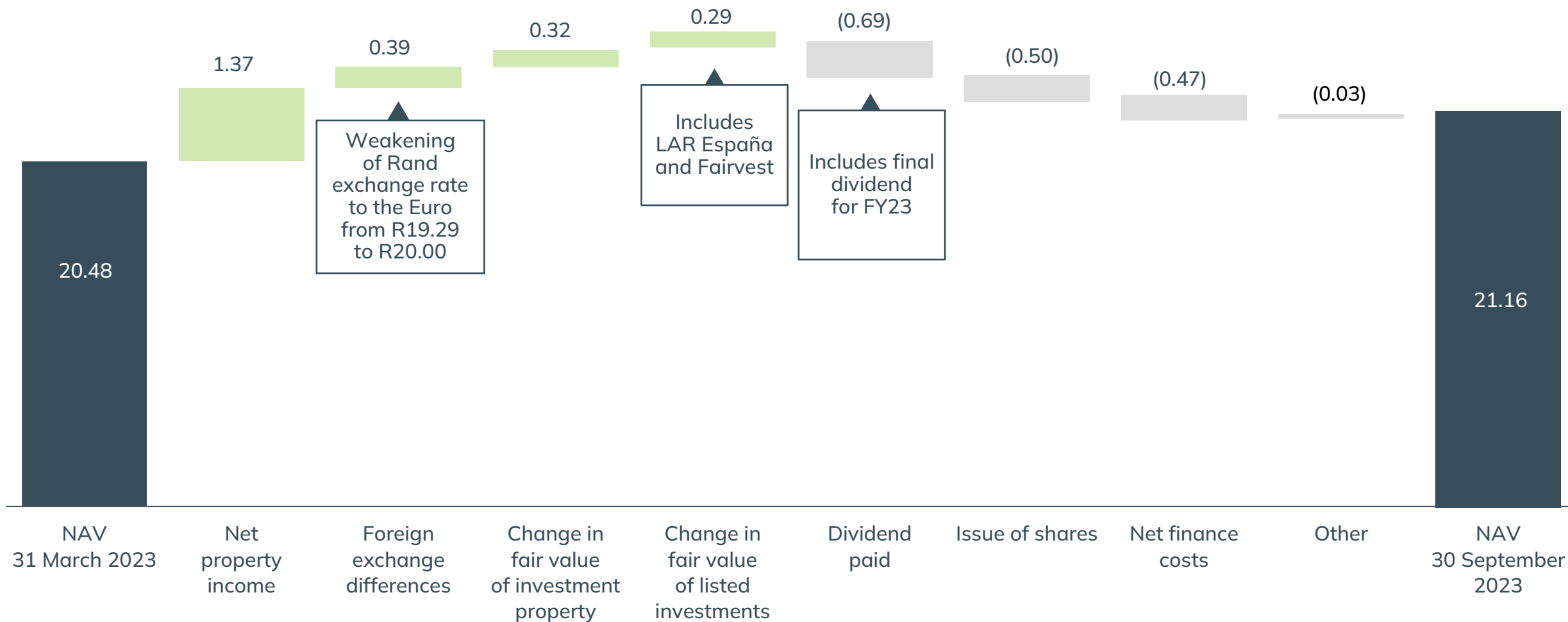
## CASH FLOW BRIDGE (Rm)

### R993 MILLION CASH ON HAND AT 30 SEPTEMBER 2023



# NAV BRIDGE (R)

## NAV PER SHARE INCREASED BY 3.3% TO R21.16



# DEBT AND BALANCE SHEET OVERVIEW

## LIQUIDITY AND EXPIRY PROFILE



- All FY24 debt maturities have been repaid, refinanced or renegotiated
- Undrawn debt facilities of R2.1 billion at 30 September 2023 (R2.5 billion at 31 March 2023)
- Cash and undrawn committed facilities exceed all debt expiring over next 12 months by 2.2 times
- Debt maturity profile of 3.1 years at 30 September 2023

## CASTELLANA DEBT FUNDING



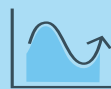
- Castellana debt maturity profile of 3.3 years at 30 September 2023
- Next Castellana bank debt maturity in FY26
- Fix of €256 million expired at the end of September 2023. Decision made not to hedge €256 million facility at this stage, thereby reducing hedge profile to 55% of group interest-bearing debt (89% at 31 March 2023)

## INTEREST RATE RISK MANAGEMENT



- We continue to monitor the interest-rate cycle to ensure an optimal time for hedging this debt
- Hedge maturity profile of 2.1 years at 30 September 2023
- 90% of interest rate derivatives are in-the-money with a positive mark-to-market of R67 million
- 44% (96% at 31 March 2023) of Castellana's interest-bearing debt is hedged. Reduction due to the fix of €256 million expiring at the end of September 2023

## FX RISK MANAGEMENT



- Castellana's net forecast dividends for FY24 are fully hedged
- Vukile provides a balance sheet "Rand hedge" to future ZAR weakness, whilst LTV sensitivity to FX movements is muted
- A 10% weakening of the ZAR to the EUR would increase NAV by R1.1 billion with only a 38bps increase in LTV
- Vukile SA EUR debt of €106 million

## DEBT CAPITAL MARKETS



- GCR reaffirmed Vukile's corporate long-term credit rating at AA<sub>(ZA)</sub> in July 2023, with a stable outlook
- Unencumbered assets at year-end were R14.4 billion, with unsecured debt to unencumbered assets ratio of 14%
- 11% of total group debt is in the SA DCM market
- Castellana international investment grade corporate credit rating reaffirmed by Fitch at BBB- with a stable outlook

## KEY TREASURY METRICS

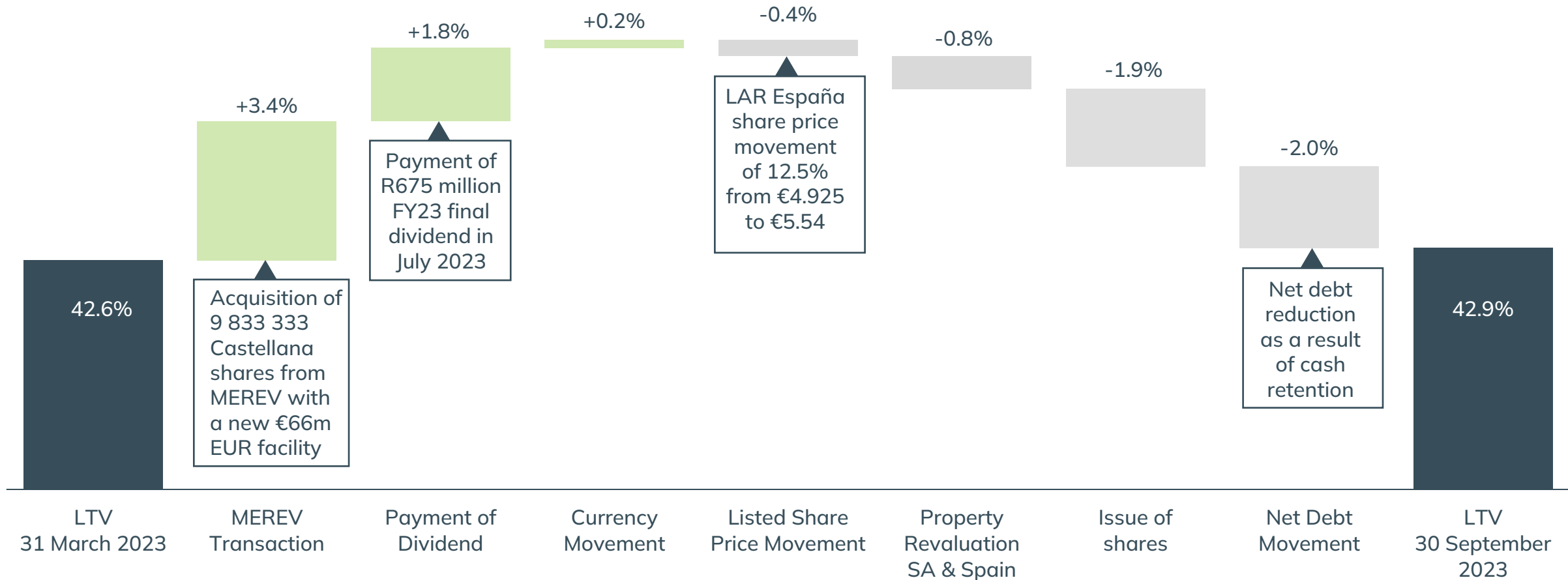
### STRONG BALANCE SHEET AND CREDIT METRICS

|   | 31 September<br>2023<br>R million | 31 March 2023<br>R million |
|---|-----------------------------------|----------------------------|
| Interest cover ratio  | 2.9 times                         | 3.1 times                  |
| Loan-to-value ratio (net of cash and cash equivalents)                      | 42.9%                             | 42.6%                      |
| Unsecured debt to unencumbered assets ratio                                 | 14.0%                             | 16.4%                      |
| Debt maturity profile   | 3.1 yeas                          | 3.2 years                  |
| Interest-bearing debt hedged  | 55.2%                             | 89.1%                      |
| Group cost of funding   | 5.3%                              | 5.3%                       |
| Liquidity ratio (cash + undrawn facilities / debt expiry in next 12 months) | 2.2 times                         | 3.9 times                  |
| Corporate long-term credit rating   | AA <sub>(ZA)</sub>                | AA <sub>(ZA)</sub>         |

- Notwithstanding increases in base interest rates, the Group cost of funding was unchanged as existing interest rate derivatives/fixeds, reduced margins and an increase in the percentage mix of EUR debt relative to ZAR debt increased (post the MEREV transaction) mitigated the impact.
- Stress testing of Group interest cover ratio indicates that the portfolio would need to undergo a 32% reduction in Group EBITDA, before reaching 2 times bank interest cover covenant level.
- Castellana debt is non-recourse to Vukile, stress testing of valuations indicates the Castellana portfolio has a 38% headroom (€430 million) in property value, relative to Castellana's LTV covenant of 65%.

# GROUP LOAN-TO-VALUE BRIDGE

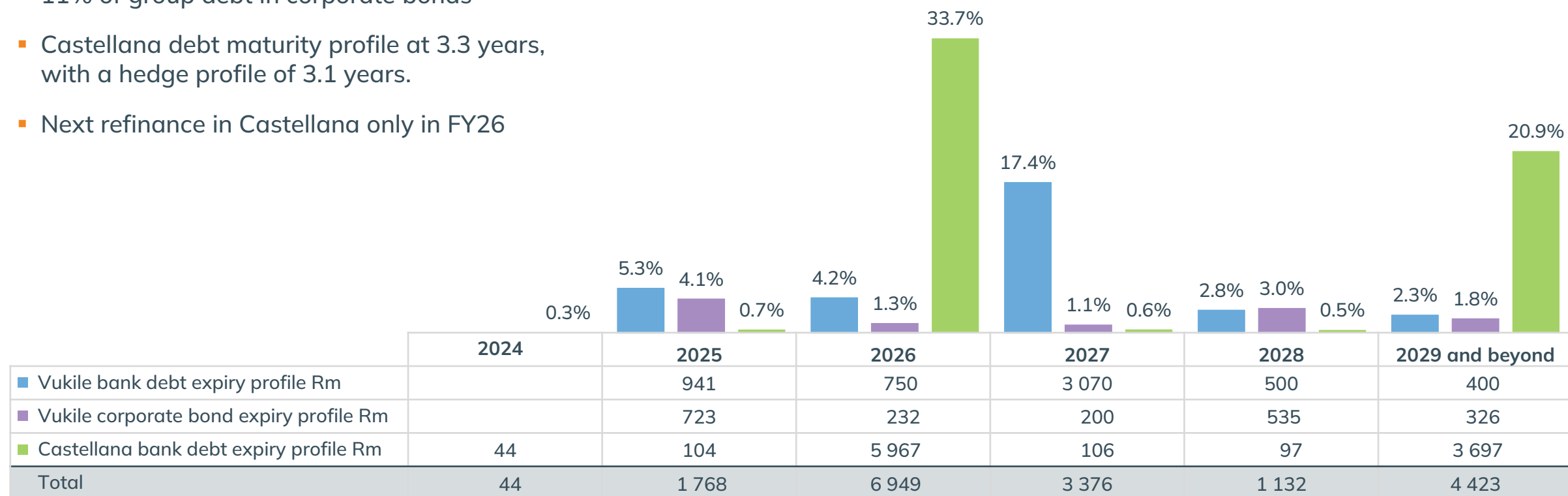
## STABLE LTV



# ANALYSIS OF GROUP LOAN EXPIRY PROFILE

## LOW RISK EXPIRY PROFILE

- R526m of unsecured corporate bonds were refinanced through a 4.1x oversubscribed auction (R2.0bn of bids from 17 investors) with 3- and 5-year notes, both issued at margins better than guidance
- Sufficient cash and undrawn committed facilities (R3.1 billion) exceed all debt expiring over the next 12 months (R1.4 billion) (2.2 times)
- 11% of group debt in corporate bonds
- Castellana debt maturity profile at 3.3 years, with a hedge profile of 3.1 years.
- Next refinance in Castellana only in FY26





# KEY TREASURY FOCUS AREAS GOING FORWARD

## LIQUIDITY AND EXPIRY PROFILE



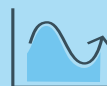
- Continue to **proactively manage debt expiry** by maintaining strong relationships across all major bank funders
- **Increasing debt maturity profile** by refinancing debt into new 3 to 5 years facilities
- Continued focus on **liquidity** by maintaining balance between undrawn committed facilities and short-term debt expiry

## 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 hedged debt is either fixed or hedged with interest rate swaps

## 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 to medium-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 formulating '**sustainability linked**' framework for corporate bonds and bank loans



05 ESG, STRATEGY AND  
TRANSACTION UPDATE  
Laurence Rapp

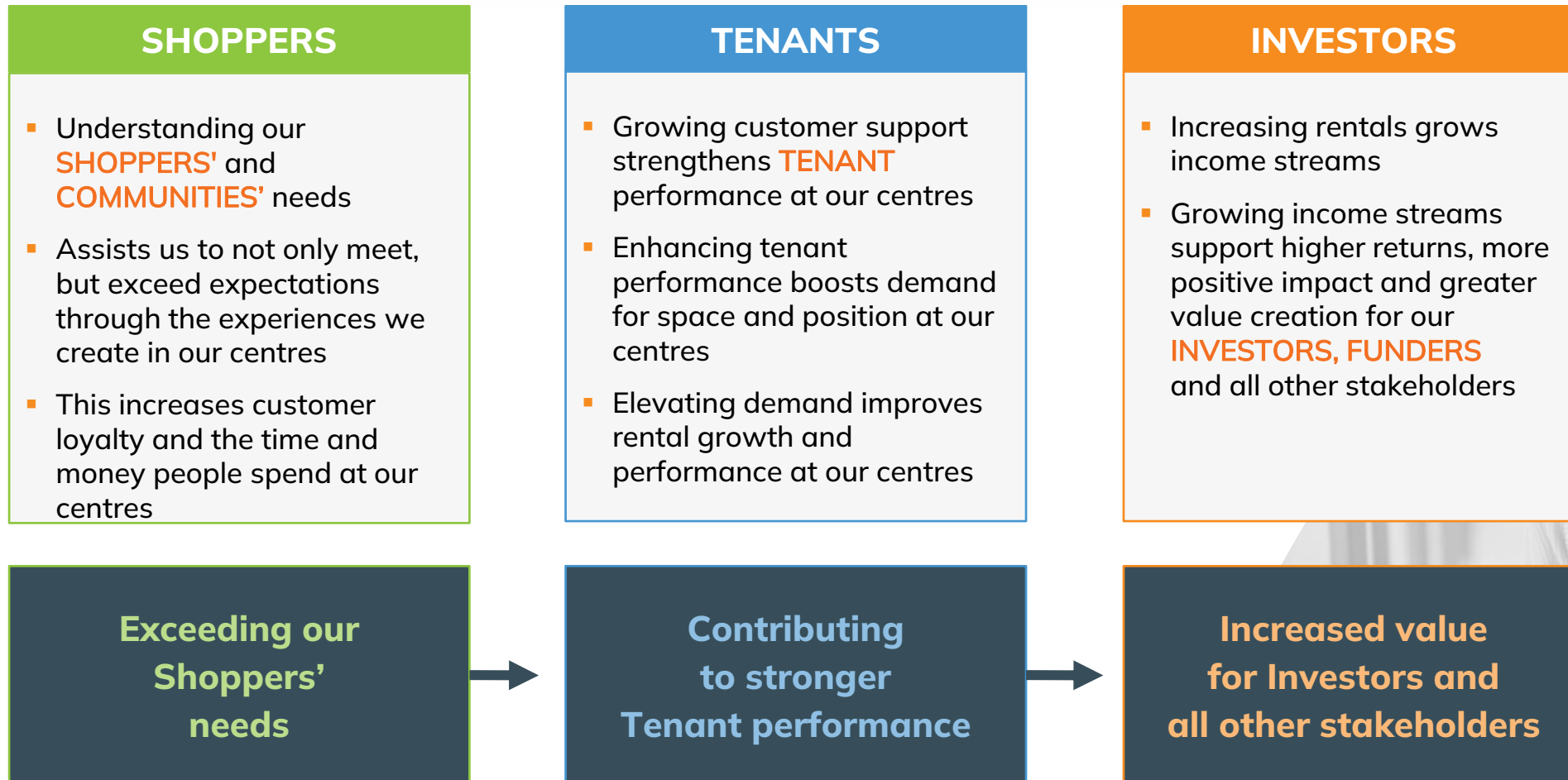
## DELIVERING ON OUR ESG STRATEGY

### UPDATES FOR H1 FY24

|  |  |  |   |   |  |   |   |
|--|--|--|---|---|--|---|---|
| <p>ENVIRONMENTAL</p>  | <p>Renewable energy installations (PV) of <b>3.7 MWp in SA for the six months</b> - total capacity at <b>18 MWp</b></p>                                    | <p>Additional renewable installations of <b>7 MWp currently under construction</b> with targeted capacity of <b>25 MWp by FY25</b></p> | <p>Strong progress on the <b>PV strategy roll-out in Spain through the Castellana GREEN JV</b> expected to launch in Q4 FY24</p>  | <p>Second <b>verified Carbon Footprint Calculation</b> in final stages of completion.</p>                         | <p>Investment in boreholes to secure water supply – <b>project coverage at 58%</b></p>   | <p><b>100%</b> of rural malls have <b>backup water storage</b> and <b>98%</b> have <b>borehole water supply</b></p> | <p>All Spanish buildings are <b>BREEAM Certified</b> at “very good” or “excellent” levels</p> |
| <p>SOCIAL</p>         | <p>Successful graduation of 7 interns from the <b>Vukile Academy Class of 2023</b> with 43% already placed in formal employment.</p>                       | <p>An additional 50 full scholarships currently being finalised for <b>bursary students for 2024</b> academic year</p>                 | <p>Since inception <b>25 (100%) graduates from the Vukile Academy (excl. 2023 cohort)</b> have successfully transferred into <b>formal employment</b> following their recent graduation</p>                       | <p>Vukile Retail Academy <b>successfully operating with 7 emerging retailers trading</b></p>                      | <p>Vukile secured a <b>Level 3 BEE Rating</b> upgraded from a Level 4 in 2022</p>  | <p>Castellana obtained <b>Great Place to Work certification</b> for the third consecutive year</p>                  |   |
| <p>GOVERNANCE</p>   | <p>Board refresh process underway with the <b>appointment of James Formby and Jon Zehner</b> on Vukile Board and <b>Lucy Lilly</b> on Castellana Board</p> | <p>Board comprises of <b>55% black non-executive directors</b> and 33% black executive directors</p>                                   | <p>Vukile and Castellana completed their <b>second GRESB certifications</b> during the past six months with an overall points <b>improvement of 8% and 15%</b> and <b>1- and 4-star ratings</b>, respectively</p> | <p>Vukile completed its second <b>CDP rating process climate change and water</b> with results due in Q4 FY24</p> | <p>Castellana awarded <b>EPRA sBPR top award (Gold)</b> for sustainability indicators, and <b>EPRA sBPR Gold for governance section in financial indicators</b>, for second consecutive year</p> |   |   |

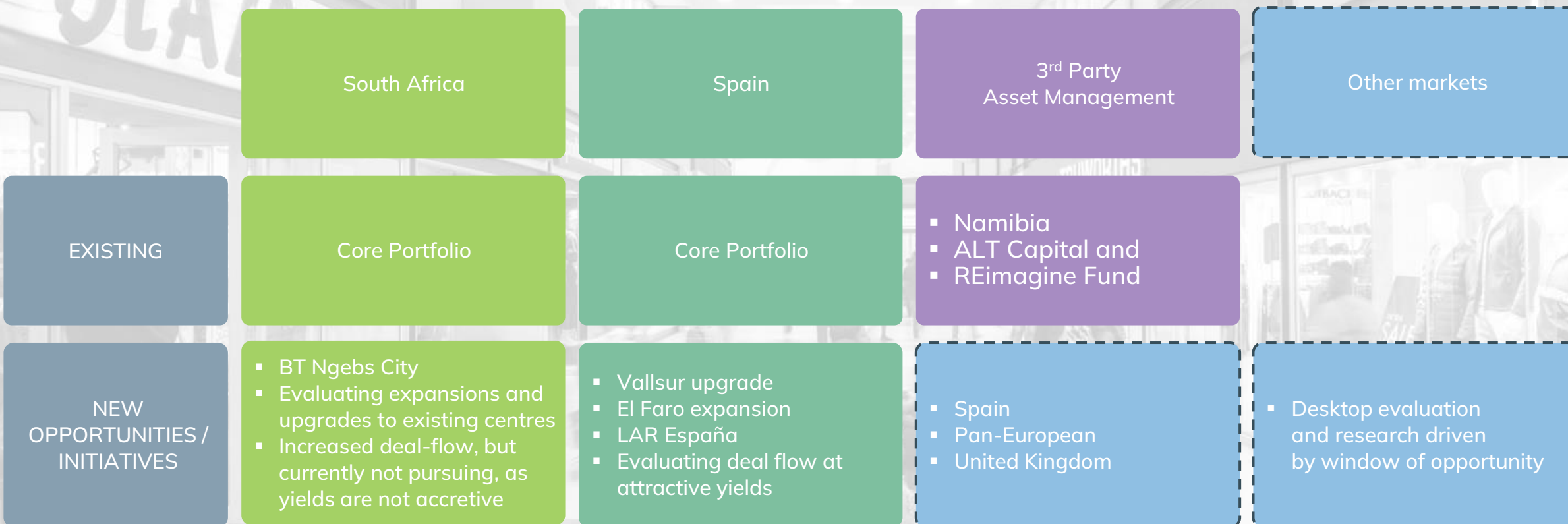
# STRATEGY IN ACTION

## OUR CONSUMER-LED MODEL CREATES VALUE FOR ALL OUR STAKEHOLDERS



## A CLEAR AND CONSISTENT RETAIL-FOCUSED STRATEGY

### CONSUMER-FOCUSED RETAIL REAL ESTATE BUSINESS



# STRATEGIC FOCUS AREAS FOR 2024

## Leading-edge customer and market insights



Always placing the customer at the heart of what we do and recognising that meeting and exceeding customer needs is the starting point of value creation for all stakeholders

## Operational excellence



Hands-on asset management focus to keep delivering leading results

## Managed impact



Being a responsible corporate citizen

## People centricity



Maintain a strong and unique culture to ensure we remain an employer of choice

## Long-term growth



Deliver sustained earnings for investors



06 PROSPECTS  
AND GUIDANCE  
Laurence Rapp

# PROSPECTS FOR THE GROUP

- Over the past six months, Vukile has managed to **sustain strong operational results and solid trading metrics** in both the South African and Spanish portfolios, despite a very challenging macro-economic environment. This is testament to the **dominant and defensive composition** of the overall portfolio and our clear and focused strategy
- In addition to a strong operational performance, the results were further enhanced by the **Rand hedge** nature of Vukile's earnings
- Delivered **impressive growth in FFO and dividends** over the past six months, with FFO and dividends per share increasing in the interim period by **5.2%** and **10.0%** respectively
- The business is well positioned from an **operational, financial and strategic** perspective, which will provide impetus for further **growth** once the global economic position improves
- Off the back of ongoing and sustained strong operating performances, we are pleased to report an **increase in our guidance for FY24**. We expect to deliver growth in **FFO per share of between 4% to 6%** (previously 3% to 5%) and growth in **dividend per share of between 8% to 10%** (previously 7% to 9%) for the year ending 31 March 2024
- The increased guidance will equate to a full year dividend per share of between **121.4 and 123.6 cents** (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
- The forecast has not been reviewed or audited by the company's external auditors





elf



# WHY VUKILE?

## OUR INVESTMENT CASE

|   |    |    |    |    |   |   |
|--|---|---|---|---|--|--|
| SPECIALISTS IN RETAIL  | HIGH QUALITY PORTFOLIO  | ROBUST FINANCIAL METRICS  | ACTIVE MANAGEMENT   | HIGHEST GOVERNANCE STANDARDS  | INNOVATION AND CUSTOMER CENTRICITY AS PART OF OUR DNA  | STRONG INCOME & GROWTH PROSPECTS   |
| <ul style="list-style-type: none"> <li>▪ <b>Specialists in the retail sector</b>, with more than 1 million m<sup>2</sup> of GLA across 52 retail properties in South Africa and Spain</li> <li>▪ Best-in-class <b>internalised management structure</b></li> <li>▪ Supported by <b>strong relationship with national &amp; international tenants</b></li> <li>▪ With a focus on providing our <b>customers a unique retail experience</b></li> </ul> | <ul style="list-style-type: none"> <li>▪ <b>Strategically constructed portfolio</b> of handpicked properties</li> <li>▪ <b>Dominant assets</b> in catchment areas</li> <li>▪ <b>Highly diversified portfolio</b> in terms of property type, regions, categories and tenants, offering a <b>low level of portfolio risk</b></li> <li>▪ <b>Attractive pipeline of opportunities</b> to bolster growth</li> <li>▪ Supported by focus on <b>customer needs</b></li> </ul> | <ul style="list-style-type: none"> <li>▪ <b>Conservative and prudent financial policy</b> to ensure long-term sustainable growth</li> <li>▪ Active debt management supported by <b>strong relationships with debt funders</b></li> <li>▪ <b>Dynamic hedging policy</b> to mitigate risk whilst optimising returns</li> <li>▪ <b>Consistent capex &amp; development policy</b> to ensure sustainability and income growth</li> </ul> | <ul style="list-style-type: none"> <li>▪ <b>Unique and effective active management style</b>, aiming to add long-term value as evidenced by recent development projects and choice of acquisitions and sales</li> <li>▪ <b>Highly dynamic and efficient team</b>, able to quickly adapt when it comes to decision making</li> <li>▪ <b>Strong operational focus</b>, integrating assets with local communities, anticipating customers' needs and supporting tenants</li> </ul> | <ul style="list-style-type: none"> <li>▪ <b>Strong corporate governance</b> with a highly <b>experienced and independent Board of Directors</b></li> <li>▪ <b>Integrity and transparency</b> as core values</li> <li>▪ Committed to <b>ESG principles</b> throughout business processes</li> <li>▪ Committed to generating <b>maximum value for stakeholders and returns for shareholders</b></li> <li>▪ Acknowledged as an <b>employer of choice</b> with <b>high ethical standards</b></li> </ul> | <ul style="list-style-type: none"> <li>▪ <b>Proactively spearheading new trends</b> at its shopping centres</li> <li>▪ <b>Internal innovation programme</b> to embrace cutting-edge new trends</li> <li>▪ <b>Placing the customer at the centre of our innovation with data analytics</b> evaluating customer needs</li> <li>▪ <b>Embracing technology</b> to adapt our shopping centres to emerging consumer needs</li> </ul> | <ul style="list-style-type: none"> <li>▪ <b>Incentivised to achieve FFO and NAV growth</b></li> <li>▪ Returns driven through <b>healthy, sustainable and robust growth</b></li> <li>▪ <b>Diversified net currency exposure</b></li> <li>▪ Stable NAV with <b>meaningful upside potential over the next 5 years</b></li> <li>▪ <b>High quality cash flows resulting in competitive dividend yield</b> with conservative tax efficient pay-out ratio</li> <li>▪ <b>Highly liquid stock:</b> consistently amongst the most highly liquid REIT shares traded on the JSE</li> </ul> |

Consistently and significantly outperforming the SAPY over a 10-, 5-, 3- and 1-year period

# ACKNOWLEDGEMENTS

BOARD

PROPERTY MANAGERS

SERVICE PROVIDERS

BROKERS AND DEVELOPERS

TENANTS

INVESTORS

FUNDERS

COLLEAGUES





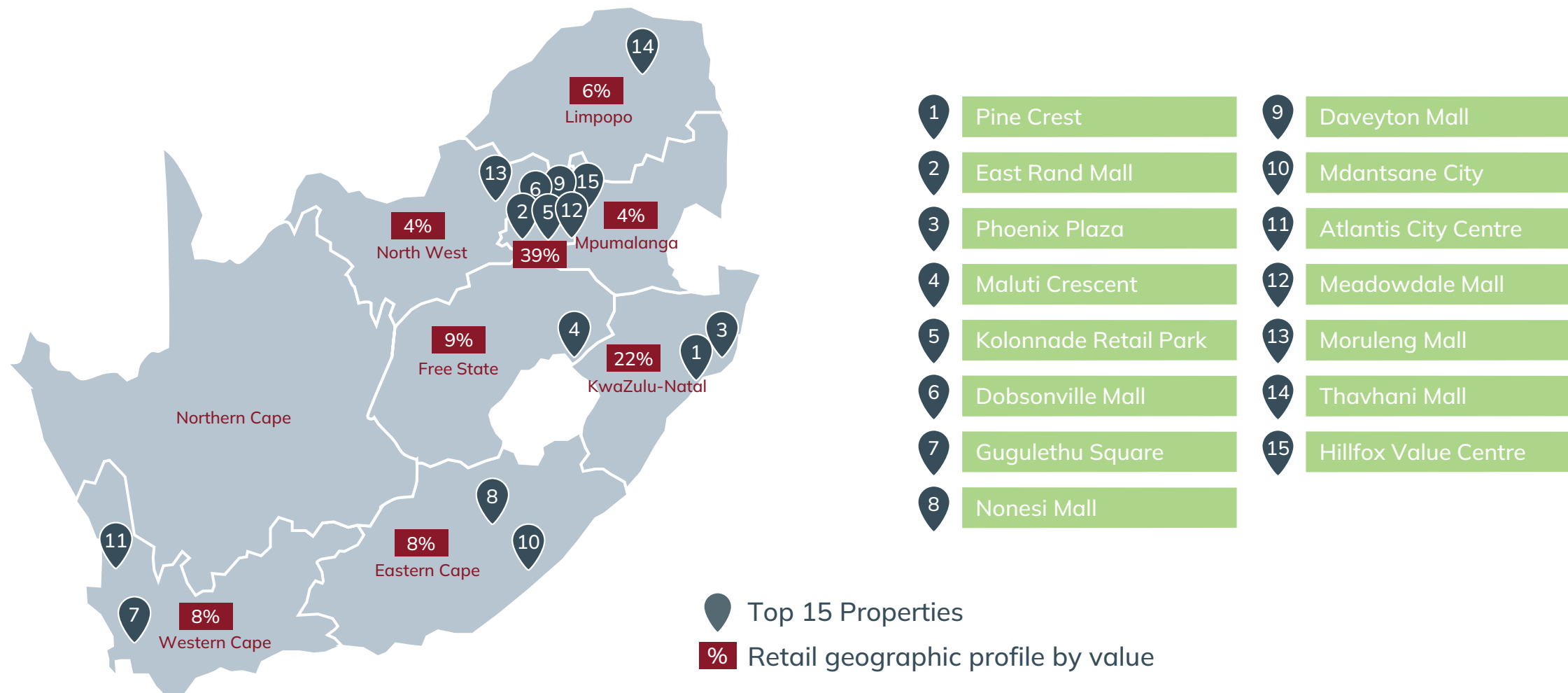
07 QUESTIONS  
AND ANSWERS

Appendix 1A  
RETAIL PORTFOLIO  
COMPOSITION  
South African Portfolio








# SOUTH AFRICA RETAIL FOOTPRINT

RETAIL PORTFOLIO PROFILE - TOP 15 PROPERTIES ACCOUNT FOR 74% OF RETAIL PORTFOLIO BY VALUE








# HIGH QUALITY RETAIL ASSETS

## TOP 15 ASSETS

|                          | PINE CREST  | EAST RAND MALL   | PHOENIX PLAZA   | MALUTI CRESCENT   | KOLONNADE RETAIL PARK   |
|--------------------------|---|--|---|---|---|
|                          |  |  |  |  |  |
| Region                   | KwaZulu-Natal   | Gauteng  | KwaZulu-Natal   | Free State  | Gauteng   |
| Gross Lettable Area      | 43 345m <sup>2</sup>  | 68 580m <sup>2</sup>   | 24 072m <sup>2</sup>  | 35 741m <sup>2</sup>  | 39 660m <sup>2</sup>  |
| Monthly rental           | R220/m <sup>2</sup>   | R260/m <sup>2</sup>  | R303/m <sup>2</sup>   | R183/m <sup>2</sup>   | R141/m <sup>2</sup>   |
| National tenant exposure | 92%   | 93%  | 79%   | 92%   | 96%   |
| Vukile ownership         | 100%  | 50%  | 100%  | 100%  | 100%  |
| Approx. footfall         | 10.0 million  | 8.8 million  | 10.2 million  | 11.0 million  |   |
| Vacancy                  | Fully let   | 0.7%   | 1.9%  | 0.4%  | Fully let   |






# HIGH QUALITY RETAIL ASSETS

## TOP 15 ASSETS (CONT.)

|                          | DOBSONVILLE MALL  | GUGULETHU SQUARE   | NONESI MALL   | DAVEYTON MALL   | MDANTSANE CITY  |
|--------------------------|---|--|---|---|---|
|                          |  |  |  |  |  |
| Region                   | Gauteng   | Western Cape   | Eastern Cape  | Gauteng   | Eastern Cape  |
| Gross Lettable Area      | 26 438m <sup>2</sup>  | 25 697m <sup>2</sup>   | 27 881m <sup>2</sup>  | 19 859m <sup>2</sup>  | 36 614m <sup>2</sup>  |
| Monthly rental           | R191/m <sup>2</sup>   | R198/m <sup>2</sup>  | R163/m <sup>2</sup>   | R225/m <sup>2</sup>   | R151/m <sup>2</sup>   |
| National tenant exposure | 92%   | 91%  | 98%   | 87%   | 85%   |
| Vukile ownership         | 100%  | 100%   | 100%  | 100%  | 100%  |
| Approx. footfall         | 9.4 million   | 12.2 million   | 8.3 million   | 8.0 million   | 7.4 million   |
| Vacancy                  | Fully let   | 1.4%   | Fully let   | 4.9%<br>Office 4.1%; Retail 0.8%  | Fully let   |

# HIGH QUALITY RETAIL ASSETS

## TOP 15 ASSETS (CONT.)

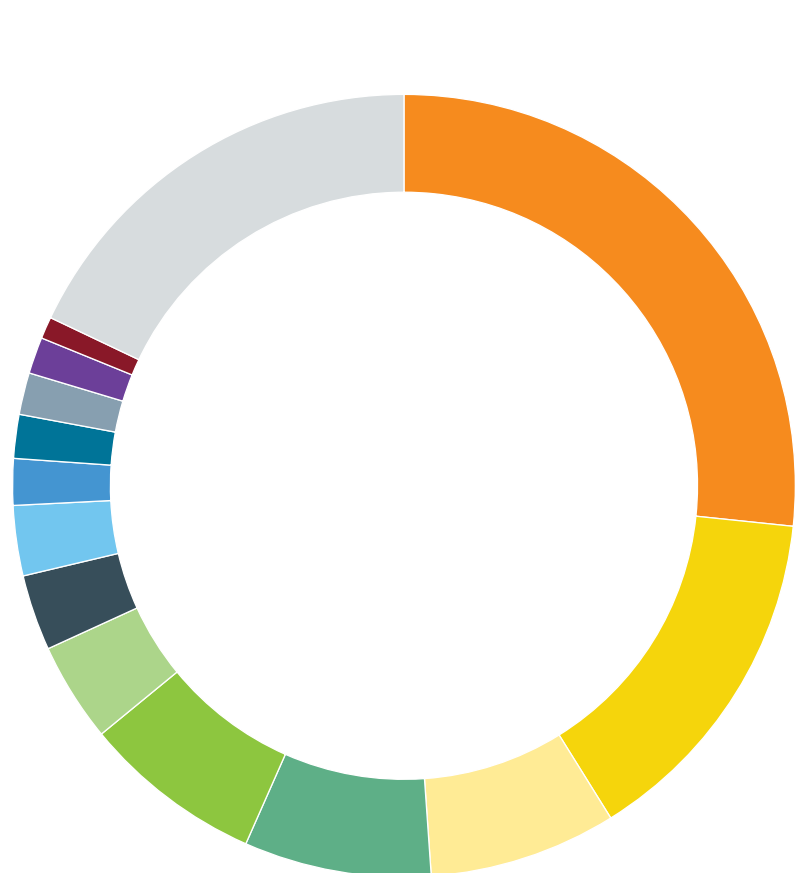
|                          | ATLANTIS SHOPPING CENTRE  | MEADOWDALE MALL  | MORULENG MALL   | THAVHANI MALL   | HILLFOX VALUE CENTRE  |
|--------------------------|---|--|---|---|---|
|                          |  |  |  |  |  |
| Region                   | Western Cape  | Gauteng  | North West  | Limpopo   | Gauteng   |
| Gross Lettable Area      | 21 983m <sup>2</sup>  | 49 472m <sup>2</sup>   | 31 558m <sup>2</sup>  | 53 342m <sup>2</sup>  | 37 562m <sup>2</sup>  |
| Monthly rental           | R186/m <sup>2</sup>   | R108/m <sup>2</sup>  | R148/m <sup>2</sup>   | R207/m <sup>2</sup>   | R99/m <sup>2</sup>  |
| National tenant exposure | 82%   | 91%  | 82%   | 94%   | 72%   |
| Vukile ownership         | 100%  | 67%  | 80%   | 33.33%  | 100%  |
| Approx. footfall         | 9.9 million   |  | 4.5 million   | 9.6 million   |   |
| Vacancy                  | 2.8%  | Fully let  | 1.5%  | Fully let   | 2.0%  |



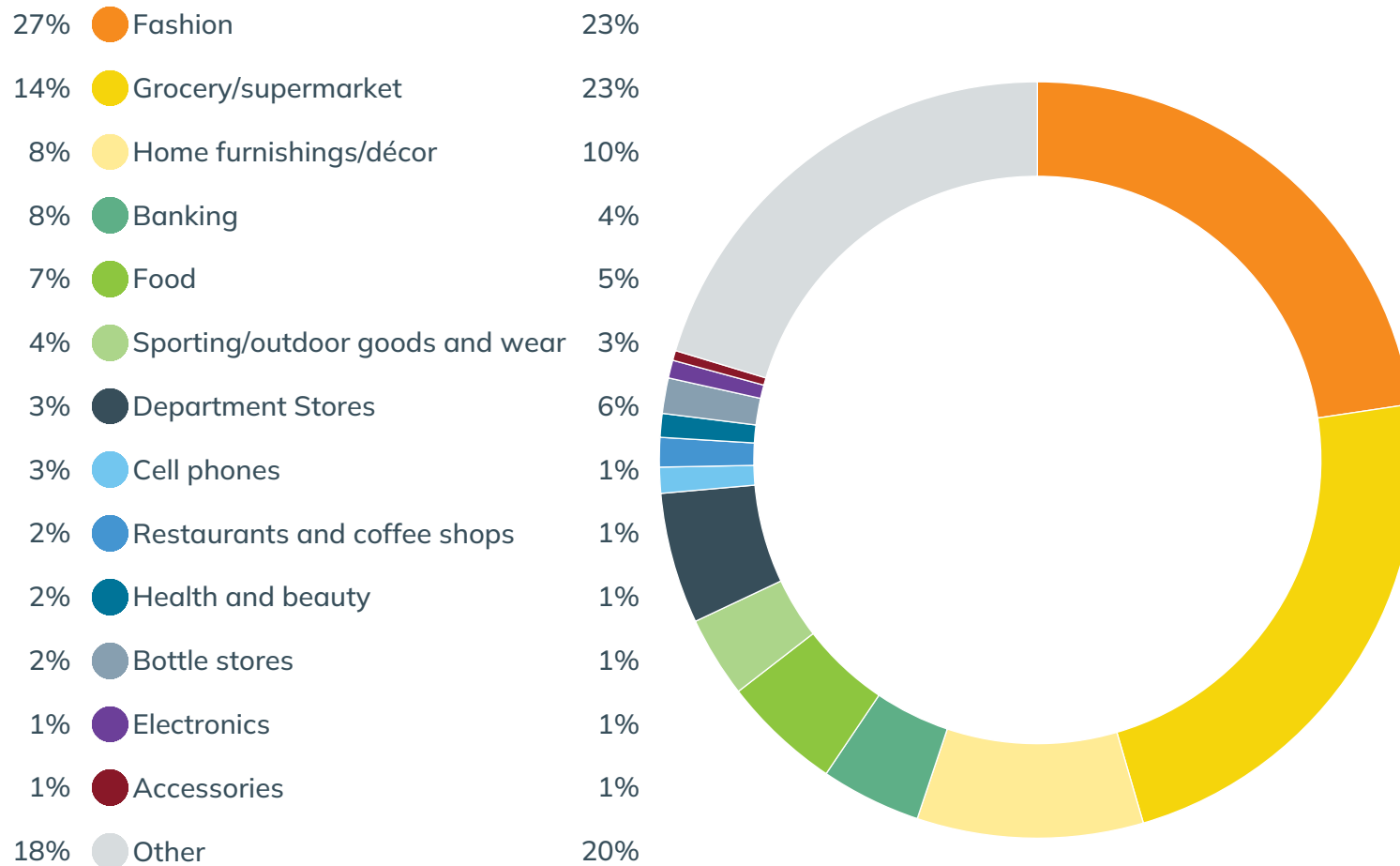
# RETAIL CATEGORY EXPOSURE

## WELL DIVERSIFIED MIX OF TENANT CATEGORIES

CATEGORY PROFILE BY RENT



CATEGORY PROFILE BY GLA)

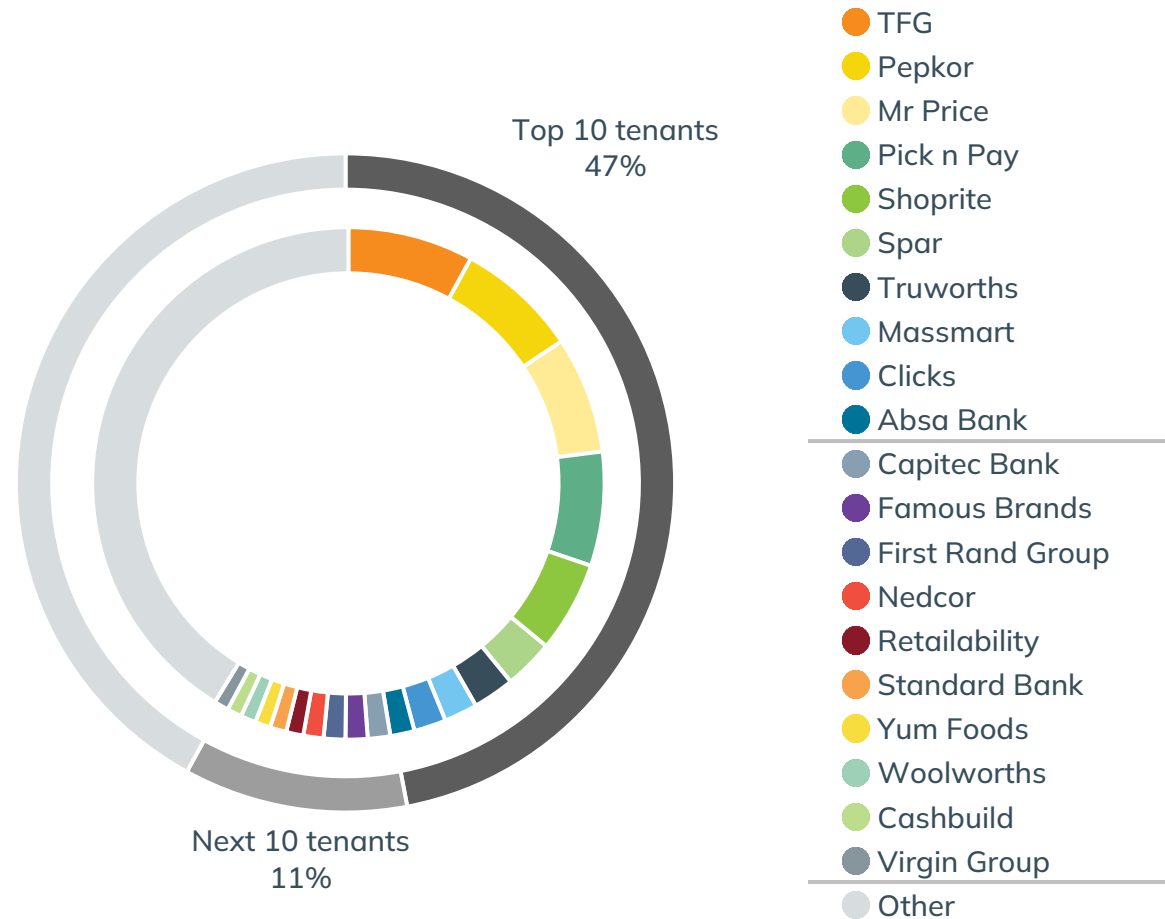
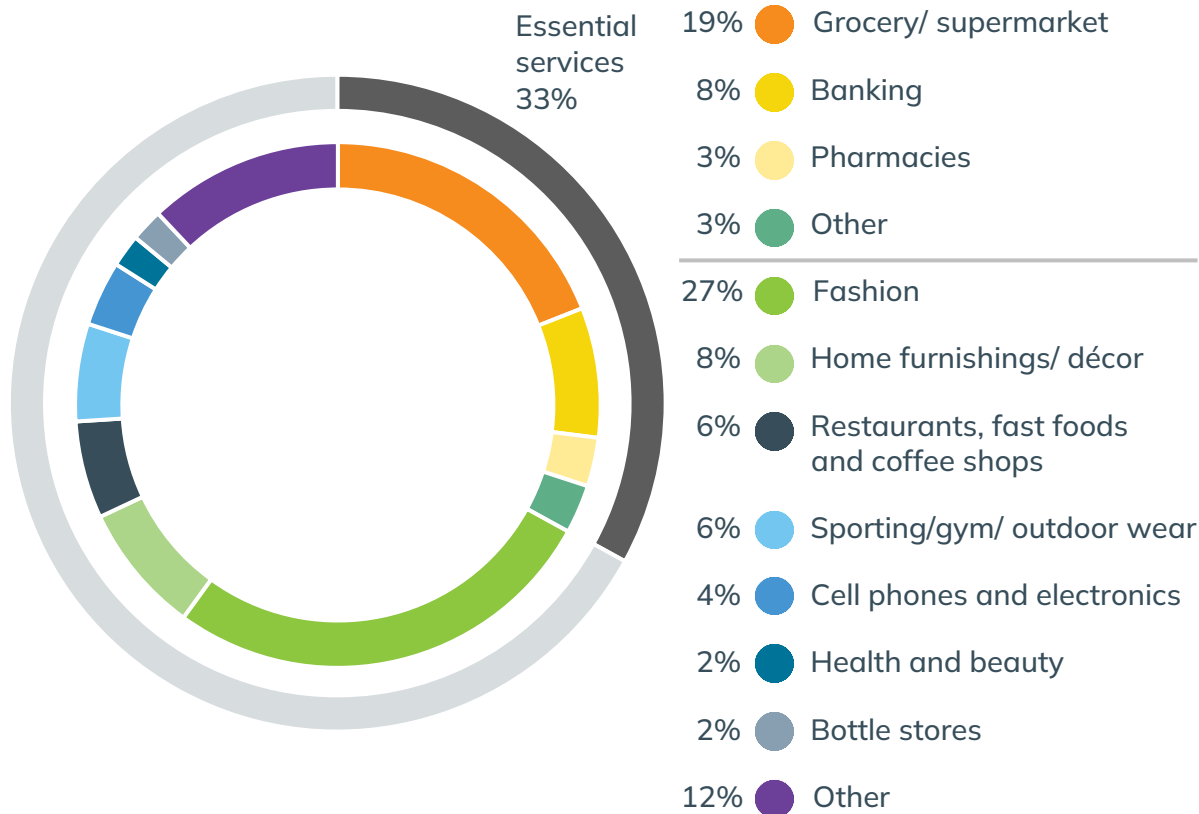


# RETAIL TENANT EXPOSURE

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

32% OF RENT FROM ESSENTIAL SERVICES

58% OF RENT FROM TOP 20 TENANTS

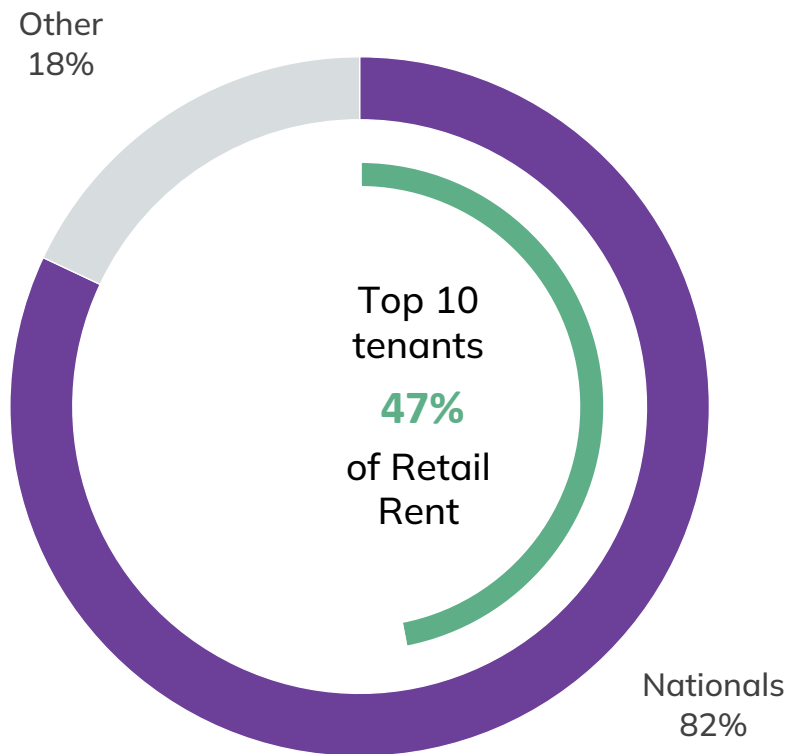


Base rent excluding recoveries

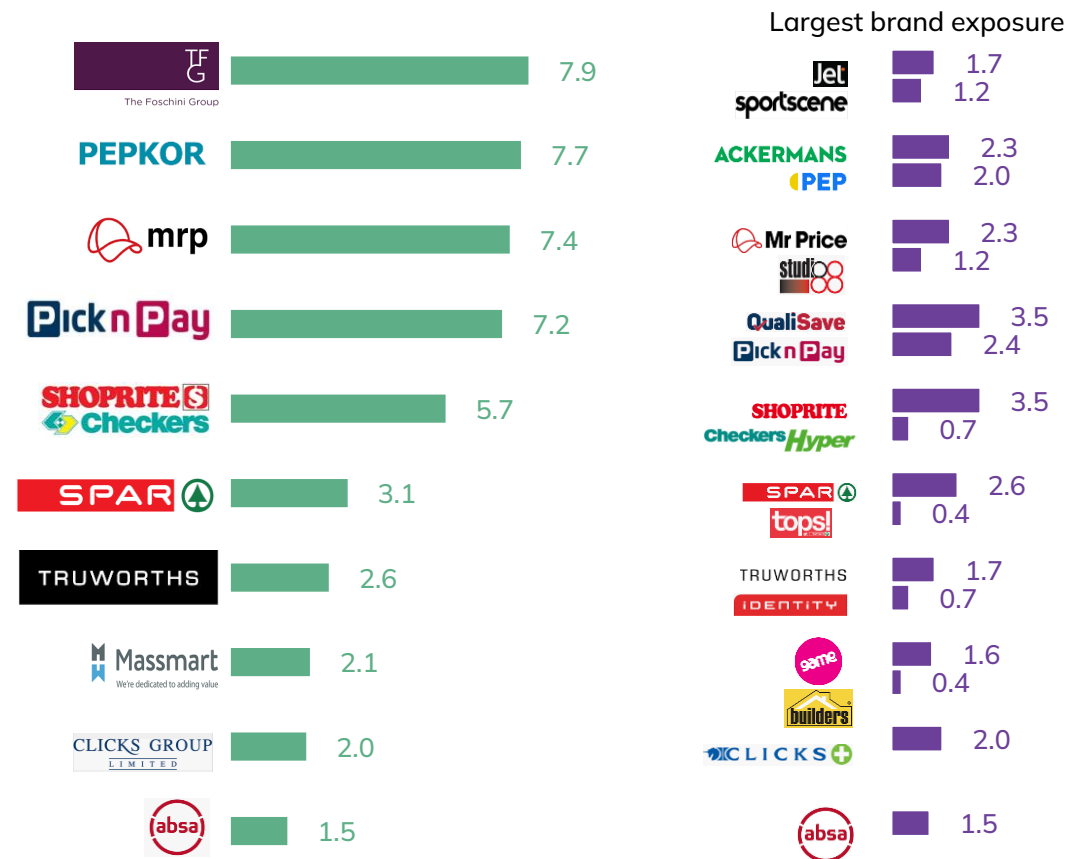
# RETAIL TENANT EXPOSURE

## DIRECT SOUTH AFRICAN RETAIL PORTFOLIO

### TENANT PROFILE - BY CONTRACTUAL RENT



### TOP 10 TENANTS - BY CONTRACTUAL RENT



Base rent excluding recoveries

## Appendix 1B

# RETAIL PORTFOLIO PERFORMANCE METRICS South African Portfolio



# TRADING DENSITIES

## 11 OUT OF 14 CATEGORIES SHOWING POSITIVE TRADING DENSITY GROWTH

■ March 2023  
■ September 2023

|                                   | AVERAGE ANNUAL TRADING DENSITY   | ANNUAL TRADING DENSITY GROWTH  | RENT-TO-SALES  |
|-----------------------------------|--|--|--|
| Total                             | <span style="color: yellow;">■</span> R32 914/m <sup>2</sup><br><span style="color: orange;">■</span> R33 472/m <sup>2</sup> | <span style="color: yellow;">■</span> 6.2%<br><span style="color: orange;">■</span> 3.5%     | <span style="color: yellow;">■</span> 6.0%<br><span style="color: orange;">■</span> 6.1%   |
| Fashion (25%)                     | <span style="color: yellow;">■</span> R27 298/m <sup>2</sup><br><span style="color: orange;">■</span> R27 504/m <sup>2</sup> | <span style="color: yellow;">■</span> 4.7%<br><span style="color: orange;">■</span> 1.5%     | <span style="color: yellow;">■</span> 8.7%<br><span style="color: orange;">■</span> 8.7%   |
| Grocery/supermarket (23%)         | <span style="color: yellow;">■</span> R40 294/m <sup>2</sup><br><span style="color: orange;">■</span> R40 859/m <sup>2</sup> | <span style="color: yellow;">■</span> 9.0%<br><span style="color: orange;">■</span> 4.0%     | <span style="color: yellow;">■</span> 3.0%<br><span style="color: orange;">■</span> 3.1%   |
| Home furnishings/décor (10%)      | <span style="color: yellow;">■</span> R17 506/m <sup>2</sup><br><span style="color: orange;">■</span> R17 638/m <sup>2</sup> | <span style="color: yellow;">■</span> (5.6%)<br><span style="color: orange;">■</span> (2.9%) | <span style="color: yellow;">■</span> 9.1%<br><span style="color: orange;">■</span> 9.4%   |
| Department stores (8%)            | <span style="color: yellow;">■</span> R20 617/m <sup>2</sup><br><span style="color: orange;">■</span> R20 746/m <sup>2</sup> | <span style="color: yellow;">■</span> 6.7%<br><span style="color: orange;">■</span> 3.8%     | <span style="color: yellow;">■</span> 5.3%<br><span style="color: orange;">■</span> 5.3%   |
| Sporting/outdoor (7%)             | <span style="color: yellow;">■</span> R28 651/m <sup>2</sup><br><span style="color: orange;">■</span> R30 168/m <sup>2</sup> | <span style="color: yellow;">■</span> 6.5%<br><span style="color: orange;">■</span> 6.3%     | <span style="color: yellow;">■</span> 8.3%<br><span style="color: orange;">■</span> 7.8%   |
| Food (5%)                         | <span style="color: yellow;">■</span> R58 489/m <sup>2</sup><br><span style="color: orange;">■</span> R61 461/m <sup>2</sup> | <span style="color: yellow;">■</span> 6.2%<br><span style="color: orange;">■</span> 4.7%     | <span style="color: yellow;">■</span> 4.9%<br><span style="color: orange;">■</span> 4.9%   |
| Pharmacies (3%)                   | <span style="color: yellow;">■</span> R56 946/m <sup>2</sup><br><span style="color: orange;">■</span> R59 313/m <sup>2</sup> | <span style="color: yellow;">■</span> 2.9%<br><span style="color: orange;">■</span> 4.7%     | <span style="color: yellow;">■</span> 3.7%<br><span style="color: orange;">■</span> 3.6%   |
| Restaurants and coffee shops (2%) | <span style="color: yellow;">■</span> R31 895/m <sup>2</sup><br><span style="color: orange;">■</span> R33 160/m <sup>2</sup> | <span style="color: yellow;">■</span> 15.2%<br><span style="color: orange;">■</span> 8.1%    | <span style="color: yellow;">■</span> 9.1%<br><span style="color: orange;">■</span> 8.9%   |
| Bottle stores (2%)                | <span style="color: yellow;">■</span> R70 046/m <sup>2</sup><br><span style="color: orange;">■</span> R71 191/m <sup>2</sup> | <span style="color: yellow;">■</span> 15.2%<br><span style="color: orange;">■</span> 3.5%    | <span style="color: yellow;">■</span> 3.1%<br><span style="color: orange;">■</span> 3.1%   |
| Cell Phones (1%)                  | <span style="color: yellow;">■</span> R65 476/m <sup>2</sup><br><span style="color: orange;">■</span> R67 471/m <sup>2</sup> | <span style="color: yellow;">■</span> 0.7%<br><span style="color: orange;">■</span> 3.0%     | <span style="color: yellow;">■</span> 8.3%<br><span style="color: orange;">■</span> 8.1%   |
| Health and beauty (1%)            | <span style="color: yellow;">■</span> R31 302/m <sup>2</sup><br><span style="color: orange;">■</span> R33 418/m <sup>2</sup> | <span style="color: yellow;">■</span> 19.3%<br><span style="color: orange;">■</span> 15.3%   | <span style="color: yellow;">■</span> 12.2%<br><span style="color: orange;">■</span> 11.9% |
| Electronics (1%)                  | <span style="color: yellow;">■</span> R28 063/m <sup>2</sup><br><span style="color: orange;">■</span> R27 930/m <sup>2</sup> | <span style="color: yellow;">■</span> (0.9%)<br><span style="color: orange;">■</span> (1.8%) | <span style="color: yellow;">■</span> 13.1%<br><span style="color: orange;">■</span> 13.7% |
| Accessories (1%)                  | <span style="color: yellow;">■</span> R54 483/m <sup>2</sup><br><span style="color: orange;">■</span> R54 753/m <sup>2</sup> | <span style="color: yellow;">■</span> 2.7%<br><span style="color: orange;">■</span> (0.2%)   | <span style="color: yellow;">■</span> 9.4%<br><span style="color: orange;">■</span> 9.4%   |
| Other (11%)                       | <span style="color: yellow;">■</span> R23 048/m <sup>2</sup><br><span style="color: orange;">■</span> R22 933/m <sup>2</sup> | <span style="color: yellow;">■</span> 6.7%<br><span style="color: orange;">■</span> 7.5%     | <span style="color: yellow;">■</span> 10.5%<br><span style="color: orange;">■</span> 10.2% |

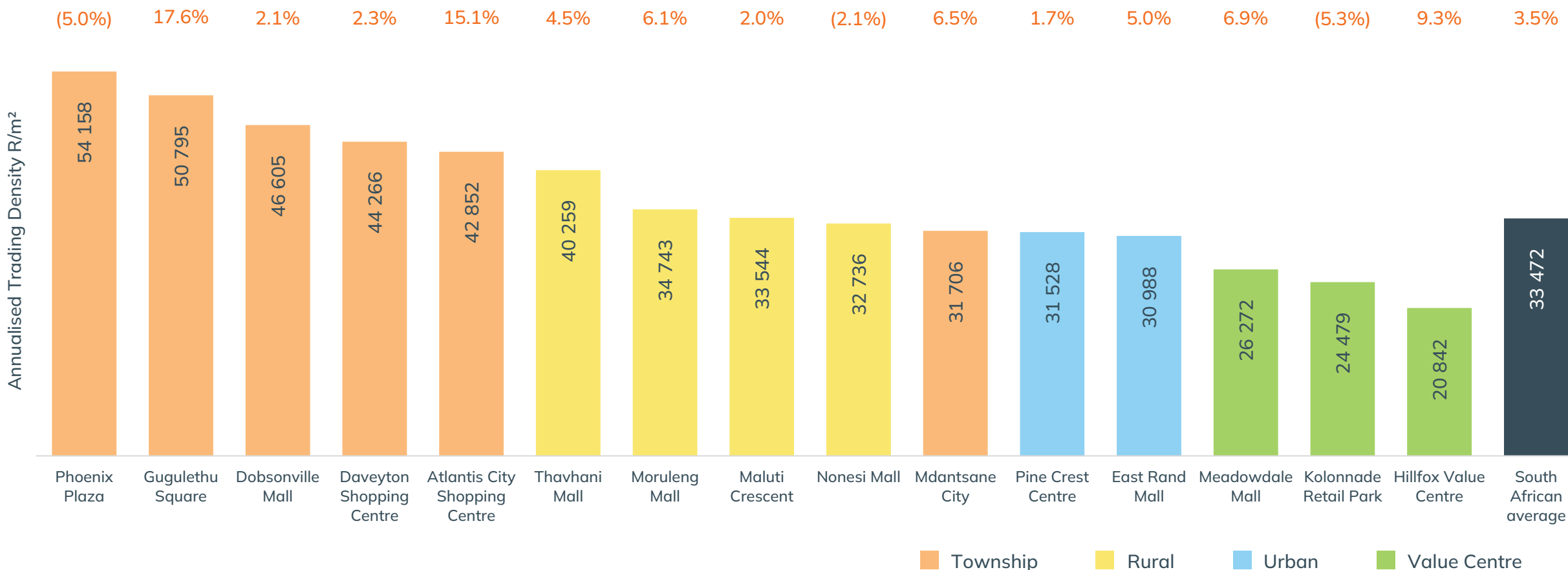
Remaining portfolio excluding sold properties

# RETAIL PORTFOLIO TRADING STATISTICS FOR TOP 15 PROPERTIES



## CONTINUING TO PROVIDE VERY PROFITABLE CENTRES FOR OUR TENANTS

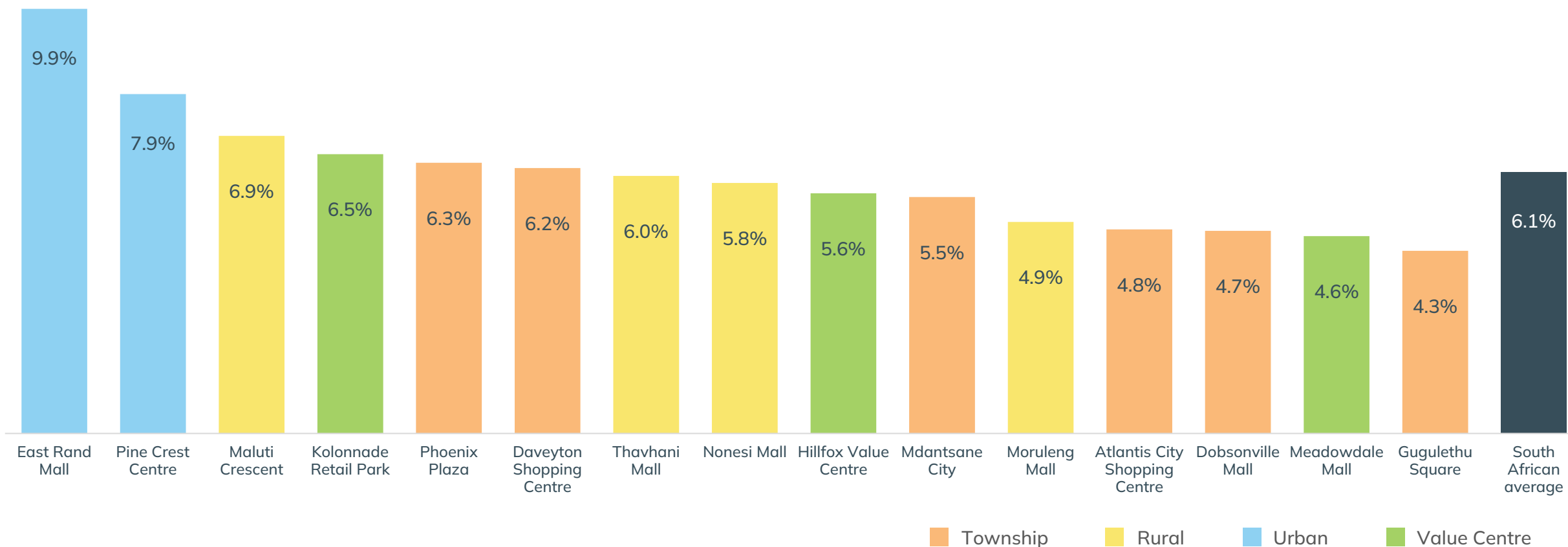
### TRADING DENSITY GROWTH (LIKE-FOR-LIKE)



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

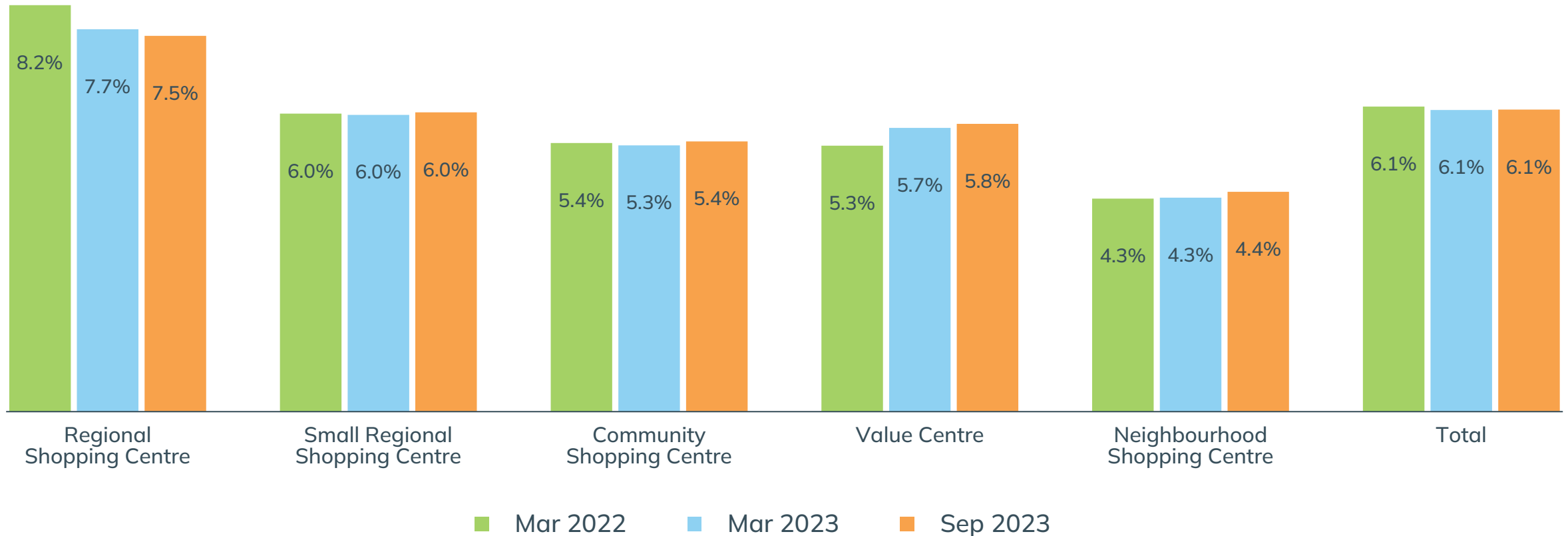
LOW RENT-TO-SALES RATIO AND HIGH TRADING DENSITIES PROVIDE SCOPE FOR RENTAL INCREASES



# TENANT AFFORDABILITY

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

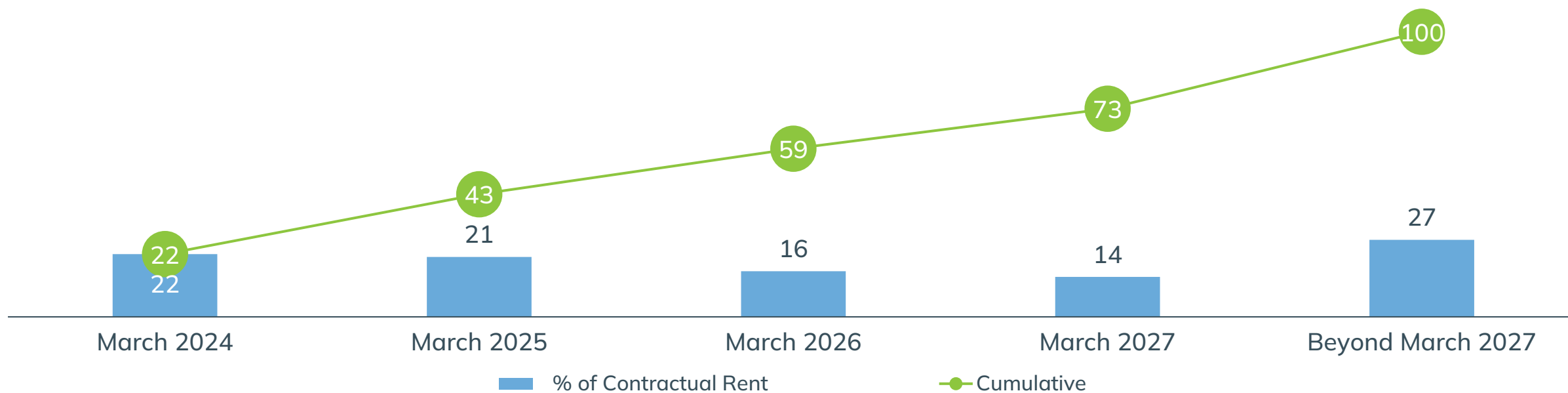
## AVERAGE ANNUAL RENT-TO-SALES RATIO





## RETAIL TENANT EXPIRY PROFILE

41% OF CONTRACTUAL RENT EXPIRING IN FY27 AND BEYOND (WALE 2.7 YEARS)



FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023 RETAIL LEASES WERE CONCLUDED WITH:

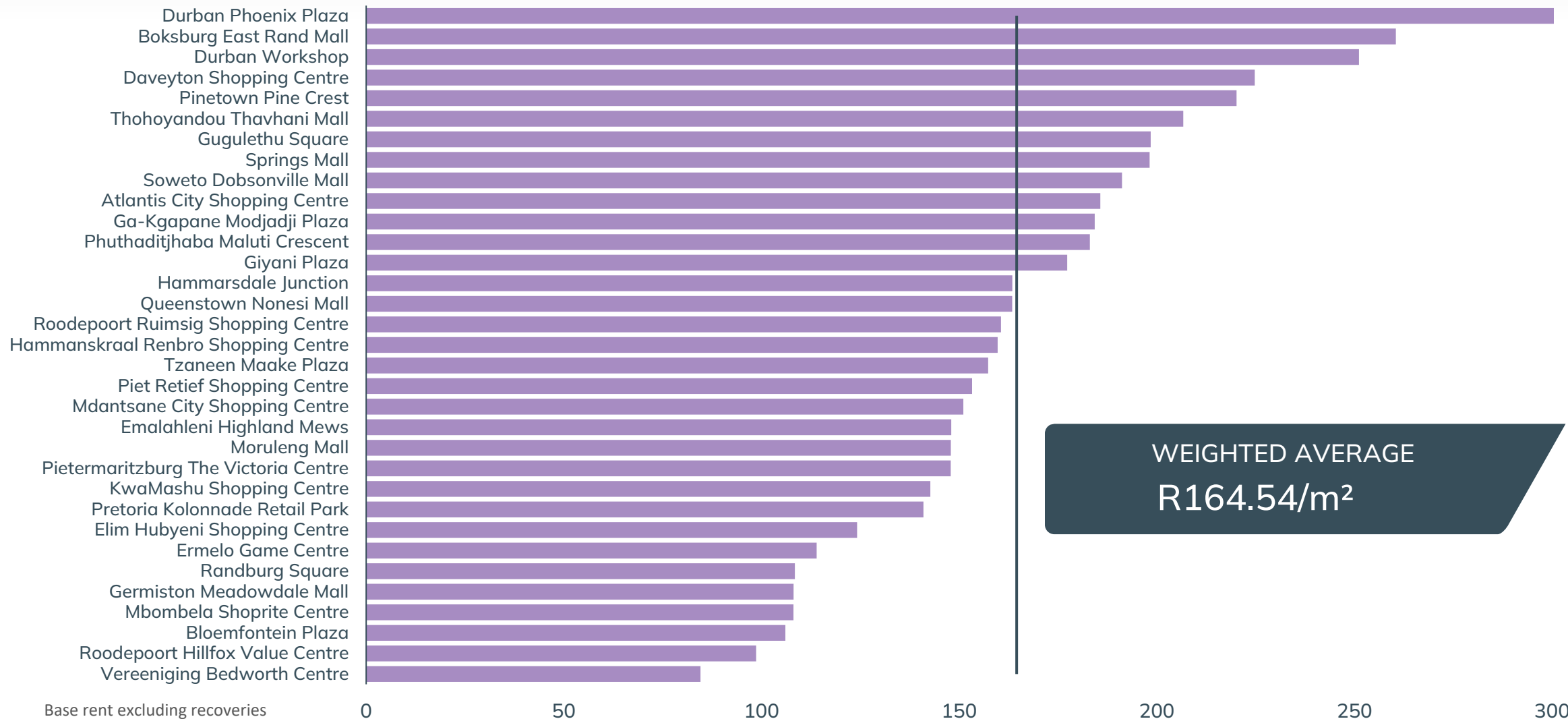
CONTRACT VALUE  
**R758 million**

RENTABLE AREA  
**82 293m<sup>2</sup>**

TENANT RETENTION  
**95%**

# WEIGHTED AVERAGE BASE RENTALS R/m<sup>2</sup> (EXCLUDING RECOVERIES)

## SOUTH AFRICAN RETAIL PORTFOLIO



Base rent excluding recoveries

0

50

100

150

200

250

300

# LEASING ACTIVITY

## STRONG TENANT RELATIONSHIPS LEADING TO SUSTAINED LOW VACANCY LEVELS

### FULLY LET

Ga-Kgapane Modjadji Plaza  
Germiston Meadowdale Mall  
Giyani Plaza  
Mdantsane City Shopping Centre  
Pinetown Pine Crest  
Pretoria Kolonnade Retail Park  
Queenstown Nonesi Mall  
Soweto Dobsonville Mall  
Springs Mall  
Thohoyandou Thavhani Mall  
Tzaneen Maake Plaza

### VACANCY LOWER THAN 1 000m<sup>2</sup>

|   |   |
|---|---|
| Daveyton Shopping Centre (965m <sup>2</sup> ; 4.9%)             | ■ |
| Ermelo Game Centre (953m <sup>2</sup> ; 14.4%)                  | ■ |
| Roodepoort Ruimsig Shopping Centre (854m <sup>2</sup> ; 7.4%)   | ■ |
| Bloemfontein Plaza (772m <sup>2</sup> ; 1.7%)                   | ■ |
| Roodepoort Hillfox Value Centre (736m <sup>2</sup> ; 2.0%)      | ■ |
| Emalaheni Highland Mews (707m <sup>2</sup> ; 4.2%)              | ■ |
| Durban Workshop (688m <sup>2</sup> ; 3.4%)                      | ■ |
| Atlantis City Shopping Centre (614m <sup>2</sup> ; 2.8%)        | ■ |
| Vereeniging Bedworth Centre (576m <sup>2</sup> ; 1.7%)          | ■ |
| Durban Phoenix Plaza (465m <sup>2</sup> ; 1.9%)                 | ■ |
| Piet Retief Shopping Centre (424m <sup>2</sup> ; 5.6%)          | ■ |
| Moruleng Mall (386m <sup>2</sup> ; 1.5%)                        | ■ |
| Gugulethu Square (373m <sup>2</sup> ; 1.5%)                     | ■ |
| Hammanskraal Renbro Shopping Centre (326m <sup>2</sup> ; 2.4%)  | ■ |
| KwaMashu Shopping Centre (260m <sup>2</sup> ; 2.4%)             | ■ |
| Hammarsdale Junction (239m <sup>2</sup> ; 1.2%)                 | ■ |
| Boksburg East Rand Mall (227m <sup>2</sup> ; 0.7%)              | ■ |
| Elim Hubyeni Shopping Centre (179m <sup>2</sup> ; 1.4%)         | ■ |
| Pietermaritzburg The Victoria Centre (154m <sup>2</sup> ; 1.5%) | ■ |
| Phuthaditjhaba Maluti Crescent (139m <sup>2</sup> ; 0.4%)       | ■ |

### VACANCY GREATER THAN 1 000m<sup>2</sup>

|  |   |
|--|---|
| Randburg Square (2 590m <sup>2</sup> ; 6.4%)           | ■ |
| Mbombela Shoprite Centre (2 247m <sup>2</sup> ; 16.0%) | ■ |

- **2.0% retail vacancies** (1.3% excluding retail offices)
- **11 Malls fully let**
  - 20 malls with vacancies less than 1 000m<sup>2</sup>
- Key to concluding **347 deals worth R760 million, over 11% of portfolio value** in the H1 FY24 is strong tenant relationships
- Relationships with retailers **have never been stronger**
- Recently hosted **top 20 retailers** in Cape Town to:
  - Further strengthen relationships
  - Introduce redevelopment pipeline
  - Close deals while reflecting on challenging past 52 months
- Attended by Senior executives of TFG, PEPKOR, PNP, SHOPRITE, MR PRICE and more
- Expect **strong demand and relationships to continue**

31  
93%  
1.4%  
Properties  
of Retail Portfolio GLA  
Vacant

2  
7%  
8.8%  
Properties  
of Retail Portfolio GLA  
Vacant



# ALTERNATIVE INCOME AND CUSTOMER ENGAGEMENT

## ENHANCED CONSUMER ENGAGEMENT INITIATIVES VIA DIGITAL PLATFORMS

### SHOPPER WI-FI



- Shopper Wi-Fi registrations of **14.5 million** across 18 shopping centres (**3069 terabytes**; **R267 million** free data)
- Wi-Fi registrations via the Connect Waya-Waya Shopper App are **55 000** over the last 3 months
- Programmatic advertising being implemented on the Wi-Fi Captive Portal for **increased advertising revenue**
- Regular **data analytics reporting** with shopper visits, journeys, trading densities and entrance utilisation
- Wi-Fi networks in healthy state, **sites upgraded** with higher internet bandwidth capacity to match shoppers

### MALL APP



- Multi-Mall Shopper App has over **38 000 downloads** and increasing monthly
- Most visited/utilised sections of the App are **rewards at 65%**, followed by **offers 11%**, with shops, restaurants and mall map very popular
- Special offers and product promotions to **encourage spend** and **drive desired consumer behaviour**

### FIBRE AND ADVERTISING



- **Tenant fibre connections** progressing well with **backup energy solutions** deployed to support infrastructure and ensure “always-on” scenario
- **Digital In-Mall gaining momentum** with large format LED screens, TV screens, iPoints, lift doors, lift interior screens displaying interactive brand merchandise content
- Telecoms performing very well with **multiple renewals and new agreements**



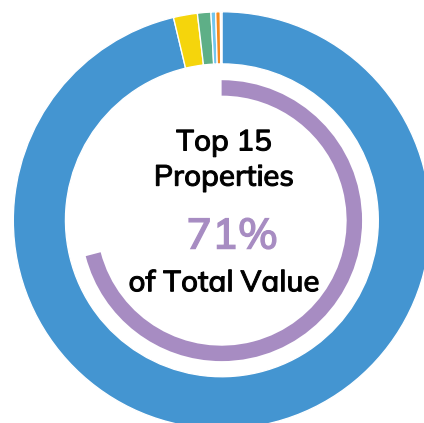
Appendix 1C  
FY24 TOTAL PORTFOLIO  
South African Portfolio



# SOUTH AFRICAN TOTAL PORTFOLIO COMPOSITION

39 PROPERTIES VALUED AT R15.4 BILLION COVERING 797 186m<sup>2</sup>

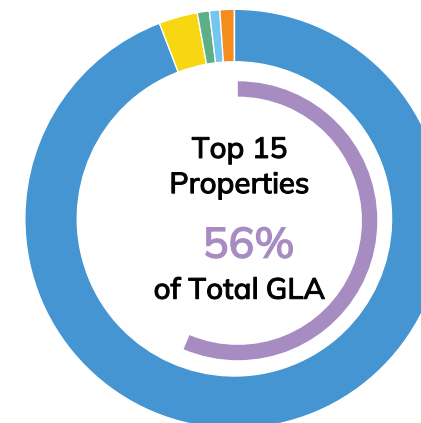
## SECTORAL PROFILE - BY VALUE



By  
Value

|      |                 |
|------|-----------------|
| 96%  | ● Retail        |
| 2%   | ● Offices       |
| 1%   | ● Motor Related |
| 0.4% | ● Industrial    |
| 0.4% | ● Residential   |
| 0.1% | ● Vacant Land   |

## SECTORAL PROFILE - BY GLA

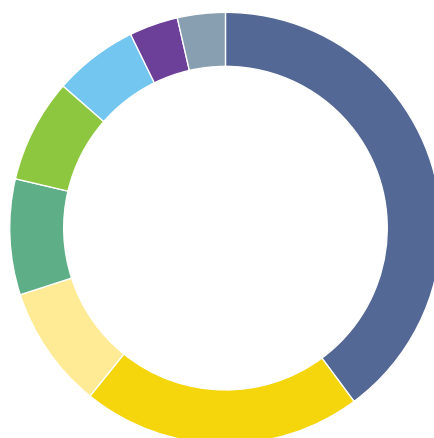


Number of  
properties

By  
GLA

|    |     |
|----|-----|
| 33 | 94% |
| 3  | 3%  |
| 1  | 1%  |
| 1  | 1%  |
| 1  | 1%  |
| 0  | 0%  |

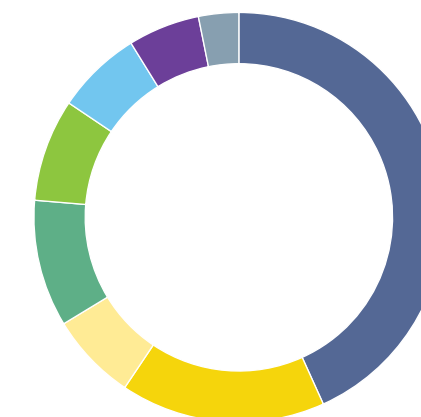
## GEOGRAPHIC PROFILE - BY VALUE



By  
Value

|     |                 |
|-----|-----------------|
| 40% | ● Gauteng       |
| 21% | ● KwaZulu-Natal |
| 9%  | ● Western Cape  |
| 9%  | ● Free State    |
| 8%  | ● Eastern Cape  |
| 6%  | ● Limpopo       |
| 4%  | ● Mpumalanga    |
| 3%  | ● North West    |

## GEOGRAPHIC PROFILE - BY GLA



Number of  
properties

By  
GLA

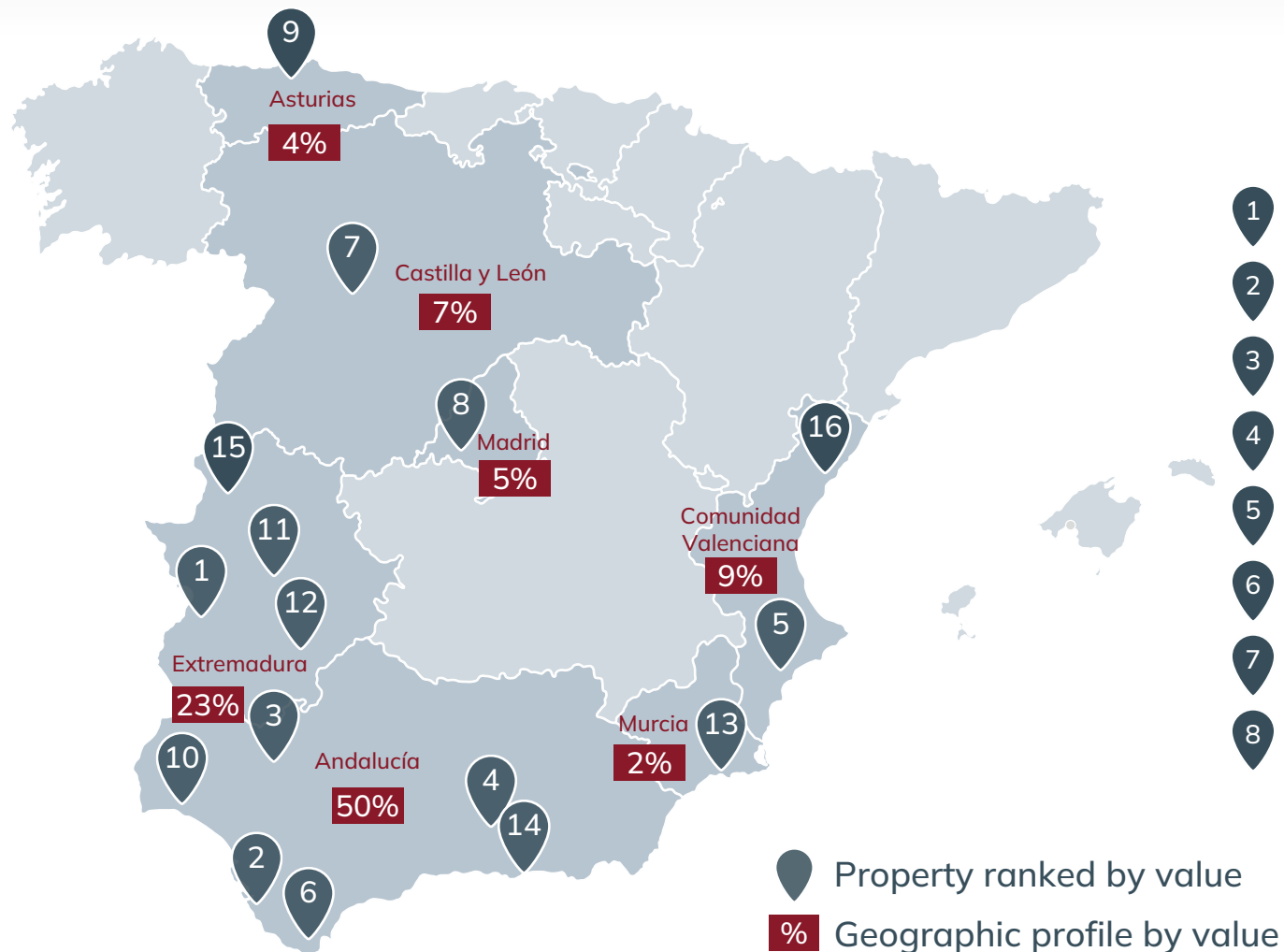
|    |     |
|----|-----|
| 16 | 43% |
| 6  | 16% |
| 3  | 7%  |
| 2  | 10% |
| 2  | 8%  |
| 5  | 7%  |
| 4  | 6%  |
| 1  | 3%  |

Appendix 2A  
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 |



# SPANISH PORTFOLIO OVERVIEW

## TOP 10 ASSETS

|                              | EL FARO   | BAHÍA SUR  | LOS ARCOS   | GRANAITA <sup>(ii)</sup>  | HABANERAS   |
|------------------------------|---|--|---|---|---|
|                              |  |  |  |  |  |
| Province                     | Badajoz   | Cádiz  | Seville   | Granada   | Alicante  |
| Catchment Area (Inhabitants) | 517 491   | 674 250  | 1 499 884   | 628 002   | 531 670   |
| Gross Lettable Area          | 57 273m <sup>2</sup>  | 35 304m <sup>2</sup>   | 26 577m <sup>2</sup>  | 54 716m <sup>2</sup>  | 24 892m <sup>2</sup>  |
| Monthly Rental               | €21.8/m <sup>2</sup>  | €25.3/m <sup>2</sup>   | €26.6/m <sup>2</sup>  | €11.1/m <sup>2</sup>  | €19.8/m <sup>2</sup>  |
| 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   | 11 years   | 13.4 years  | 12.5 years  | 6.0 years   |
| Vacancy                      | 0.1% <sup>(i)</sup>   | 2.9%   | 3.8% <sup>(iii)</sup>   | 0.9%  | 1.3%  |


(i) Excluding area under development in El Faro Hipercor Project

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

(iii) Los Arcos vacancy: 54% of the vacant area correspond to storages. Excluding storage area from calculation, vacancy decreases to 1.8%

# SPANISH PORTFOLIO OVERVIEW

## TOP 10 ASSETS (CONT.)

|                              | PUERTA EUROPA   | VALLSUR  | PARQUE OESTE <sup>(ii)</sup>  | PARQUE PRINCIPADO   | MARISMAS DEL POLVORÍN   |
|------------------------------|---|--|---|---|---|
|                              |  |  |  |  |  |
| Province                     | Cádiz   | Valladolid   | Madrid  | Oviedo  | Huelva  |
| Catchment Area (Inhabitants) | 311 110   | 477 746  | 5 856 325   | 866 511   | 318 213   |
| Gross Lettable Area          | 29 783m <sup>2</sup>  | 35 963m <sup>2</sup>   | 13 604m <sup>2</sup>  | 16 090m <sup>2</sup>  | 19 052m <sup>2</sup>  |
| Monthly Rental               | €16.8/m <sup>2</sup>  | €16.9/m <sup>2</sup>   | €18.1/m <sup>2</sup>  | €11.0/m <sup>2</sup>  | €8.6/m <sup>2</sup>   |
| Sector                       | Shopping Centre   | Shopping Centre  | Retail Park   | Retail Park   | Retail Park   |
| Major Tenants                | Primark, Yelmo Cines, Mercadona   | Carrefour, Yelmo Cines, Forum  | Media Markt, Kiwoko, ALDI   | Obramart, Conforama, Jysk   | Media Markt, Mercadona, Low Fit   |
| WALE                         | 8.9 years   | 19.0 years   | 20.7 years  | 9.0 years   | 18.8 years  |
| Vacancy                      | 0.1%  | 1.5% <sup>(i)</sup>  | Fully let   | Fully let   | Fully let   |

<sup>(i)</sup> Excluding areas under development in Vallsur Repositioning Project

<sup>(ii)</sup> 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  
16

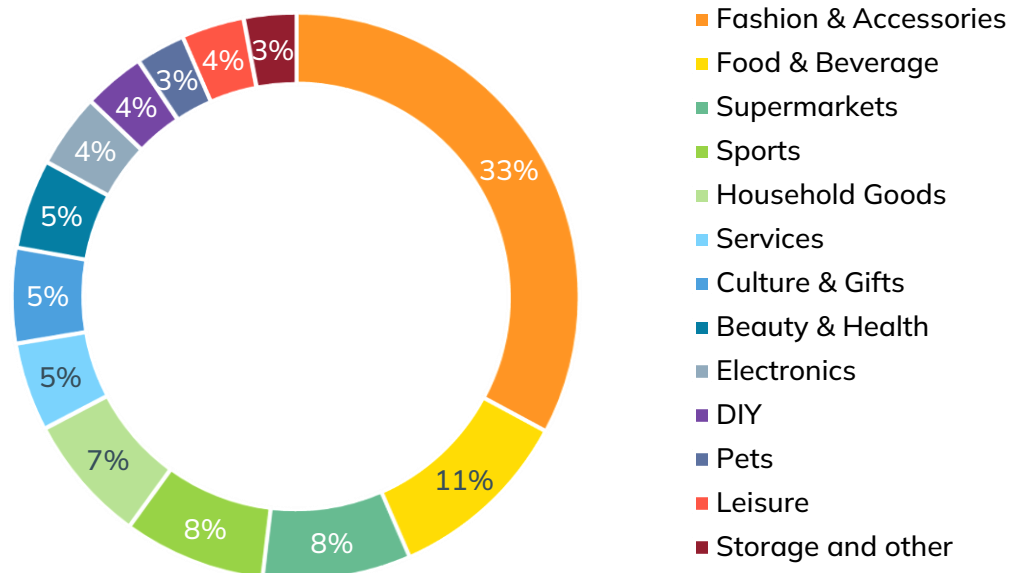
GLA  
368 495m<sup>2</sup>

WALE <sup>(i)</sup>  
12.9 years

OCCUPANCY  
99%

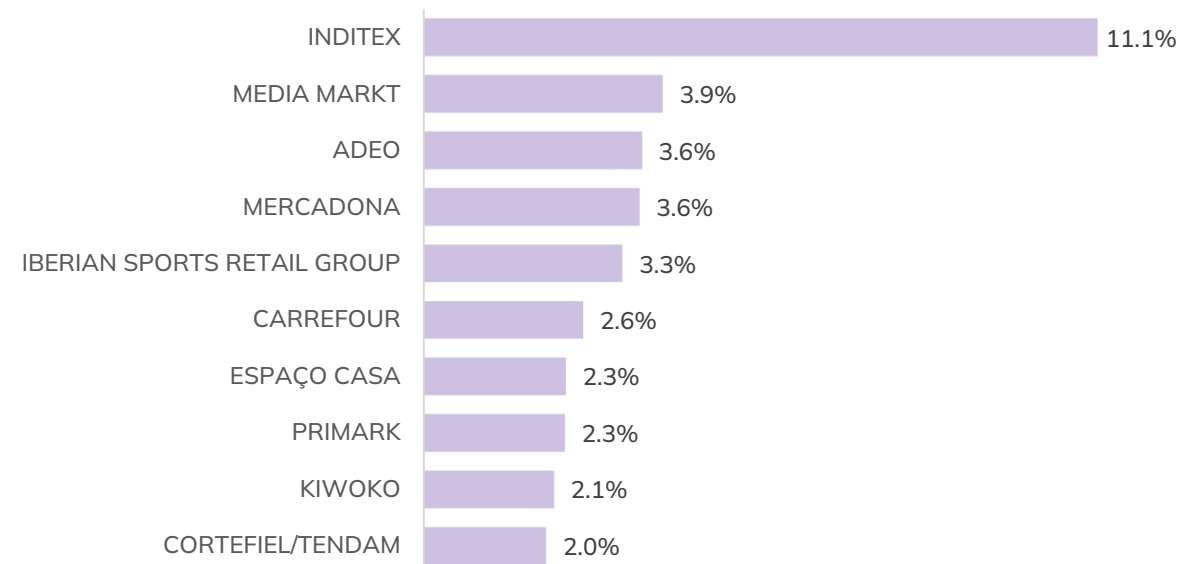
### CATEGORY PROFILE BY RENT

30 SEPTEMBER 2023



### TOP 10 TENANTS BY RENT

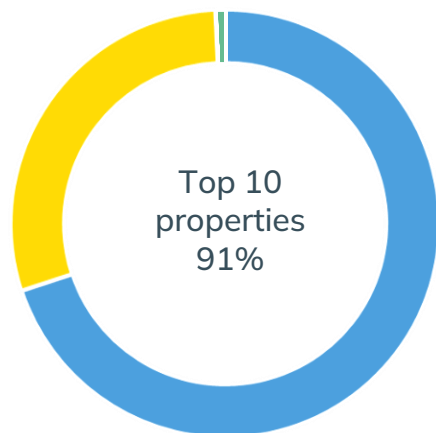
30 SEPTEMBER 2023



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

# SPANISH TOTAL PORTFOLIO COMPOSITION

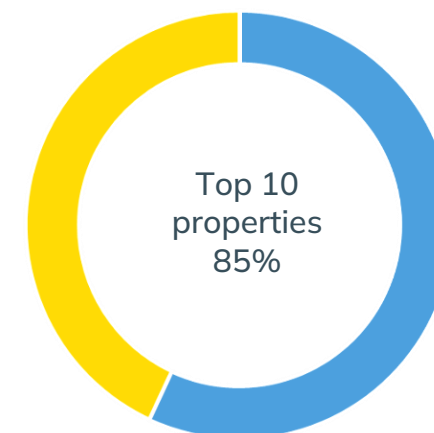
## SECTORAL PROFILE - BY VALUE



By Value

|     |                         |
|-----|-------------------------|
| 70% | ● Shopping centres      |
| 29% | ● Retail parks          |
| 1%  | ● Development potential |

## SECTORAL PROFILE - BY GLA

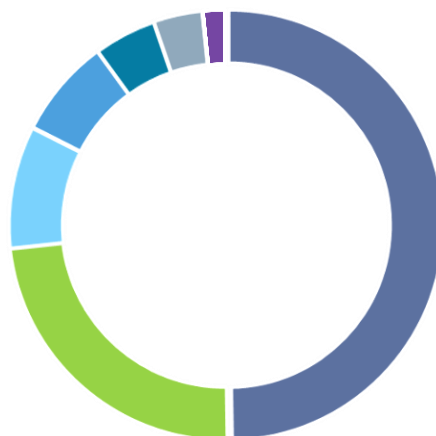


Number of properties

By GLA

|    |     |
|----|-----|
| 6  | 57% |
| 10 | 43% |
| -  | -   |

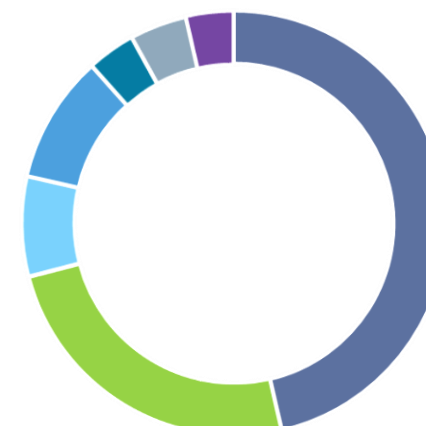
## GEOGRAPHIC PROFILE - BY VALUE



By Value

|     |                        |
|-----|------------------------|
| 50% | ● Andalucía            |
| 24% | ● Extremadura          |
| 9%  | ● Comunidad Valenciana |
| 7%  | ● Castilla y León      |
| 5%  | ● Madrid               |
| 3%  | ● Asturias             |
| 2%  | ● Murcia               |

## GEOGRAPHIC PROFILE - BY GLA



Number of properties

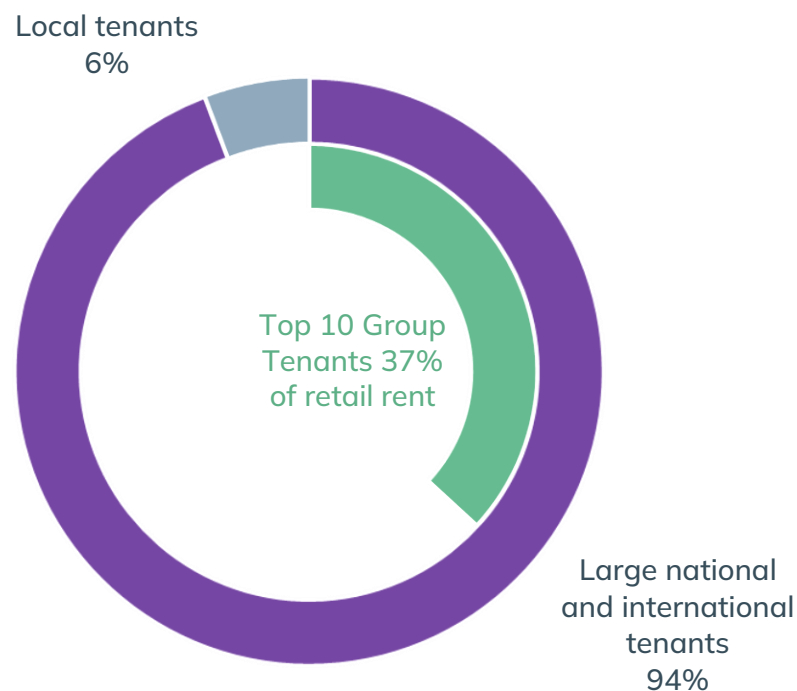
By GLA

|   |     |
|---|-----|
| 6 | 46% |
| 4 | 25% |
| 2 | 8%  |
| 1 | 10% |
| 1 | 4%  |
| 1 | 4%  |
| 1 | 3%  |

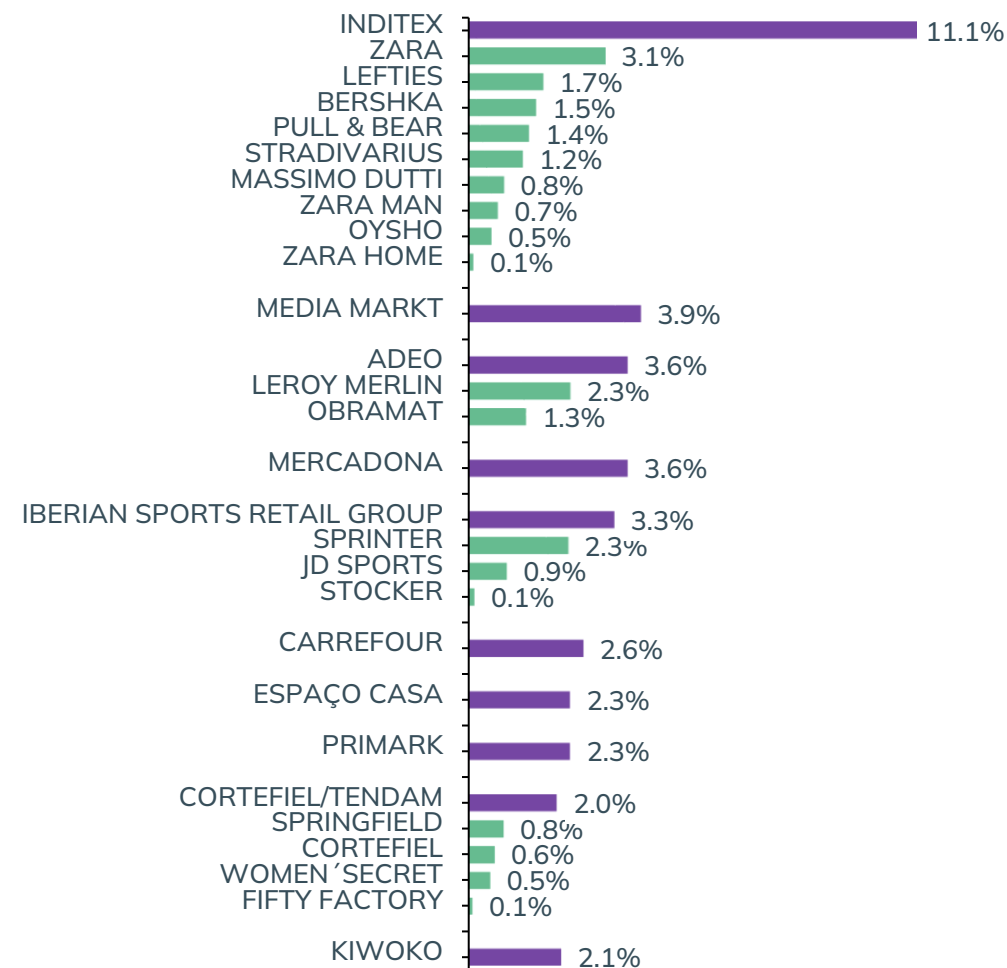
# RETAIL TENANT EXPOSURE

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

### TENANT EXPOSURE BY RENT



### TOP 10 TENANT GROUP PROFILE - BY CONTRACTUAL RENT



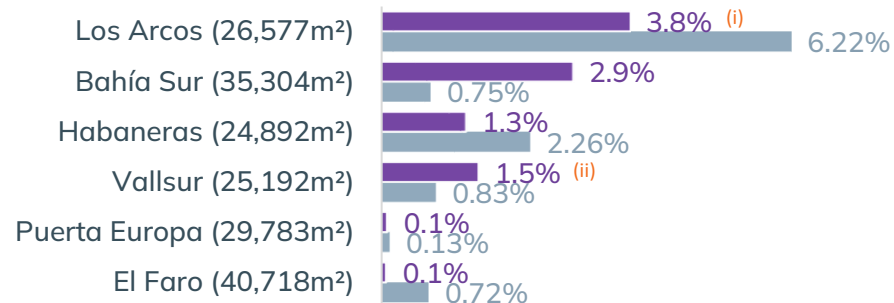
Appendix 2B  
OPERATIONAL REVIEW  
Spanish Portfolio



# SPANISH VACANCY PROFILE

## PORTFOLIO VACANCY OF 1.0% OF GLA

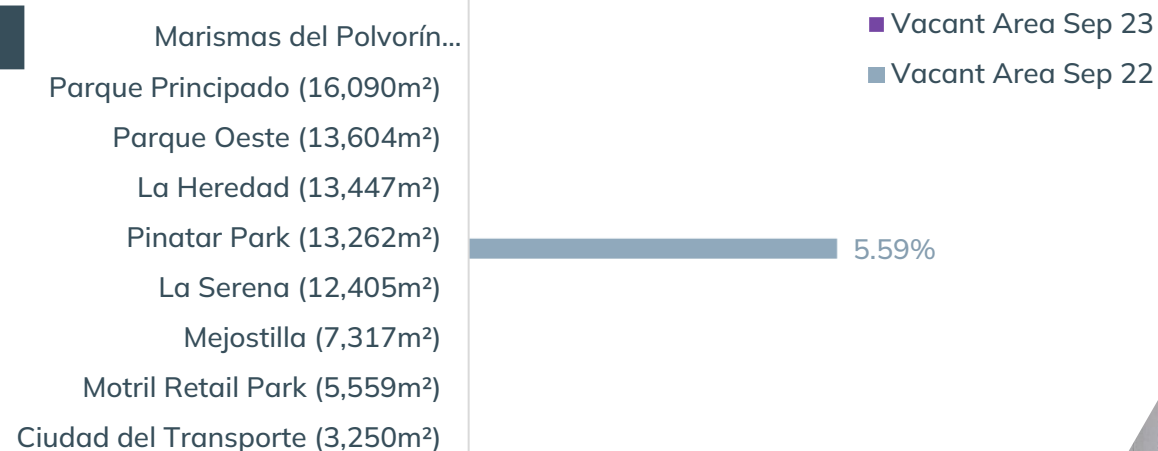
### SHOPPING CENTRES



### RETAIL PARKS



### RETAIL PARKS FULLY LET

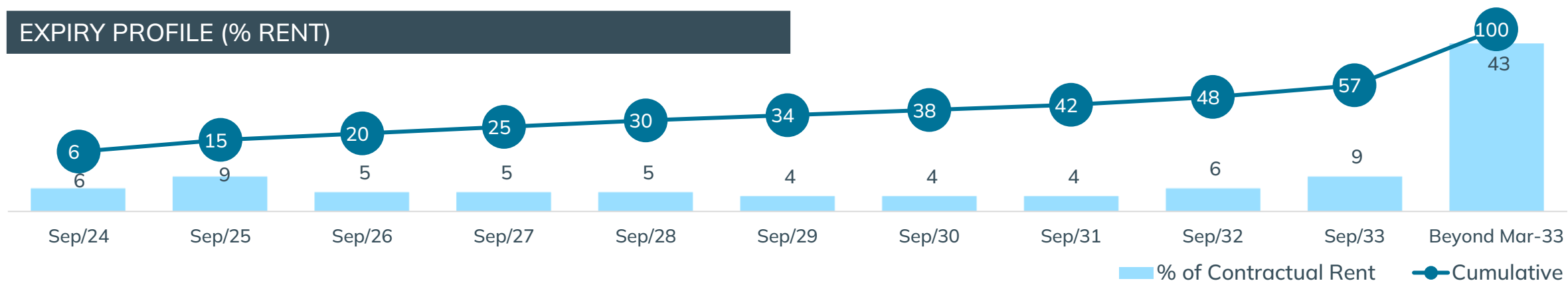


(i) Los Arcos vacancy: 54% of the vacant area correspond to storages. Excluding storage area from calculation, vacancy decreases to 1.8% (2.7% in September 2022) Excluding areas under development in Vallsur Repositioning Project

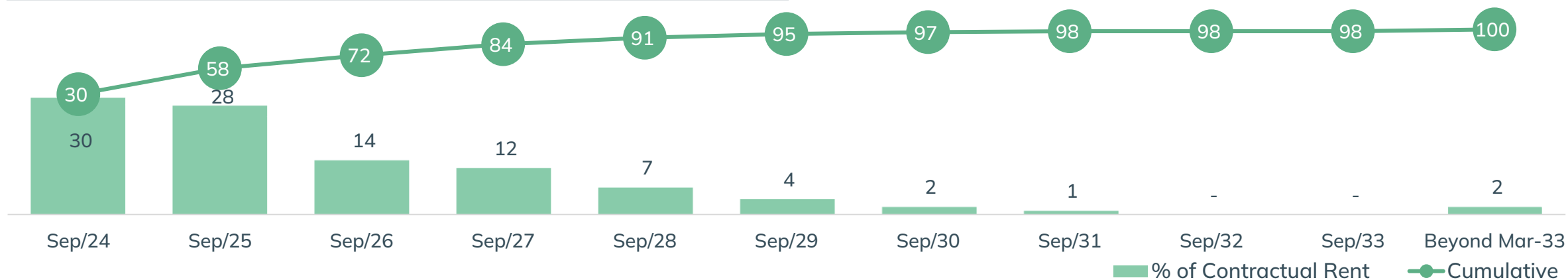
# LEASE EXPIRY PROFILE

52% OF CONTRACTUAL RENT EXPIRING IN FY33 AND BEYOND  
(WALE 10.7 YEARS TO EXPIRY AND 2.3 YEARS TO BREAK)

## EXPIRY PROFILE (% RENT)



## BREAK PROFILE (% RENT)

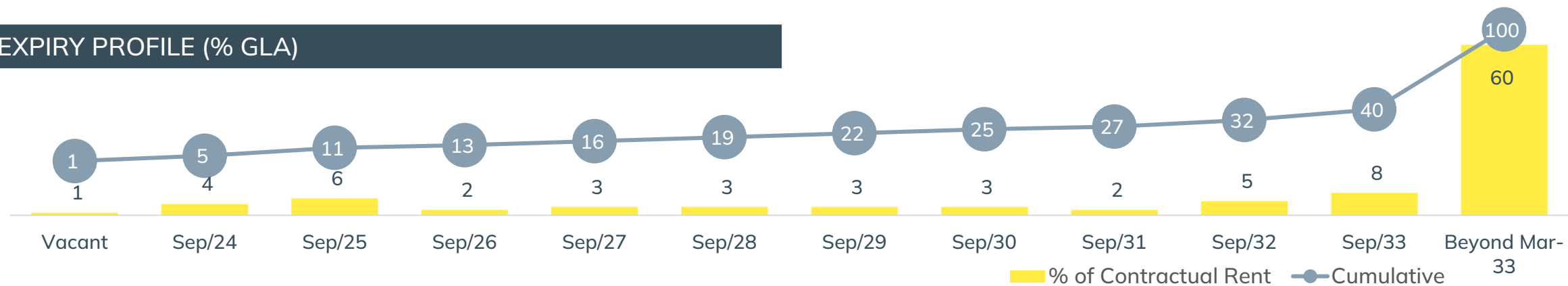




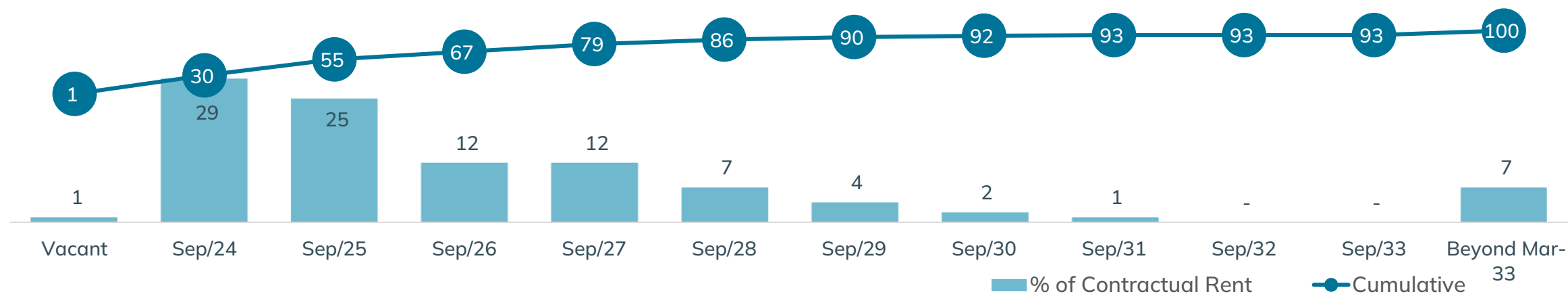
# LEASE EXPIRY PROFILE

68% OF CONTRACTUAL GLA EXPIRING IN FY33 AND BEYOND  
(WALE 12.9 YEARS TO EXPIRY AND 2.4 YEARS TO BREAK)

## EXPIRY PROFILE (% GLA)

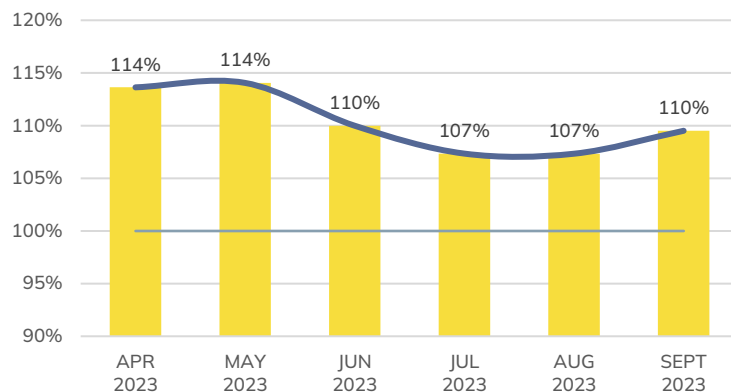
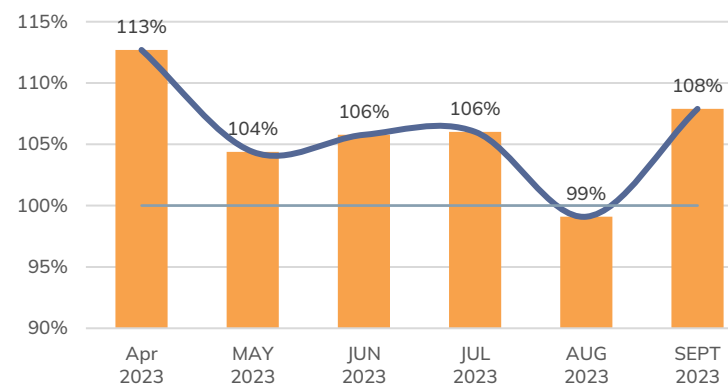
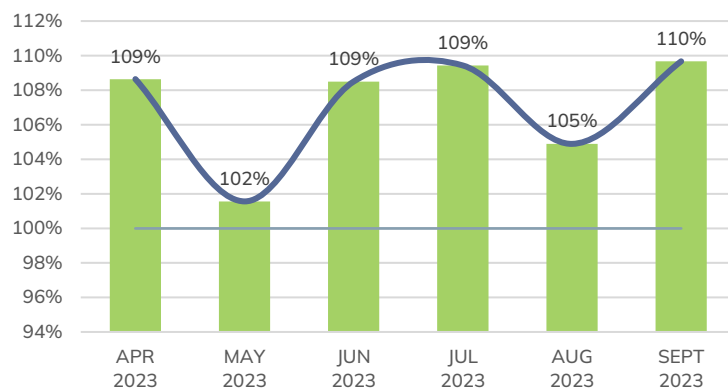
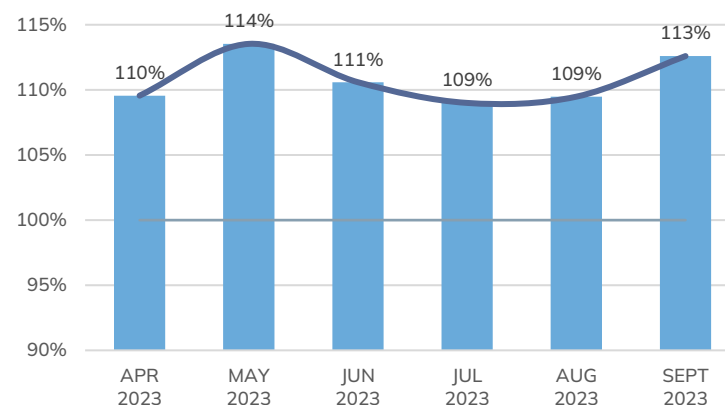
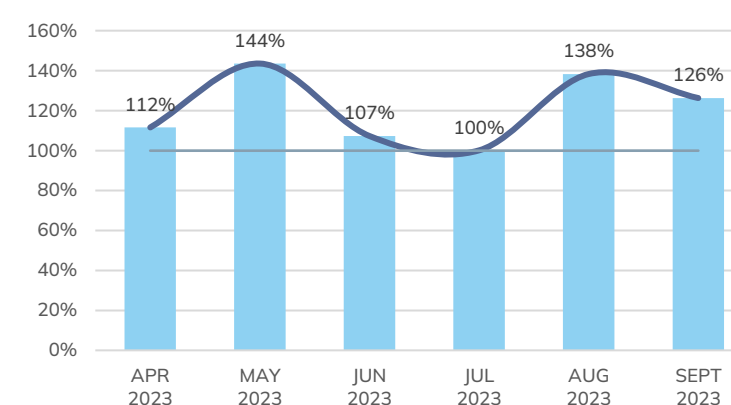


## BREAK PROFILE (% GLA)



## SALES PERFORMANCE PER TENANT CATEGORY CONTINUED

## KEY PORTFOLIO CATEGORIES OUTPERFORMING INDEX DESPITE MACRO CHALLENGES

GROCERIES (8%) <sup>(i)(ii)</sup>PETS (8%) <sup>(i)</sup>FASHION & ACCESSORIES (33%) <sup>(i)</sup>FOOD & BEVERAGE (11%) <sup>(i)</sup>LEISURE (4%) <sup>(i)</sup>

Source: Castellana Properties

<sup>(i)</sup> Portfolio Weight by Rent<sup>(ii)</sup> Groceries sample doesn't include Mercadona supermarkets

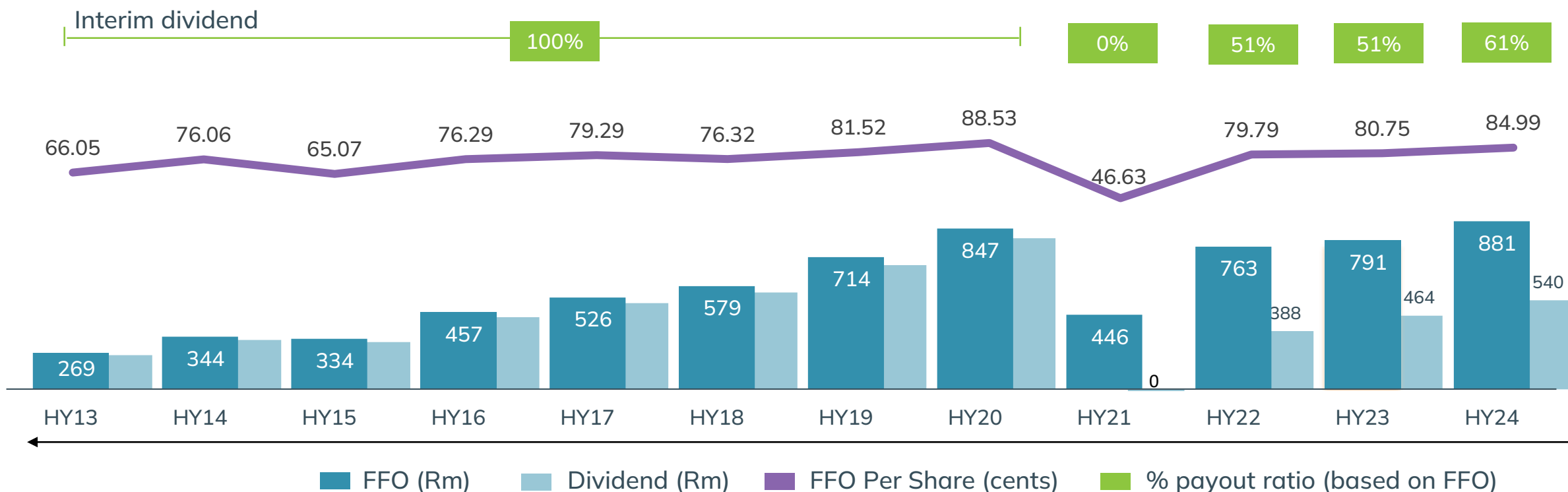
## Appendix 3

# FINANCIAL PERFORMANCE, DEBT AND TREASURY



# FFO AND DIVIDENDS

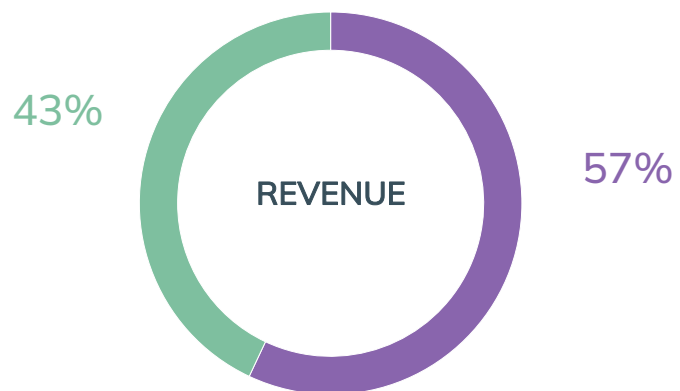
## 10.0% INCREASE IN DIVIDEND PER SHARE



During the period, 220 million Vukile shares were traded (H1FY23: 250 million shares), equating to approximately 36.7 million shares per month (H1FY23: 41.7 million shares per month). In the last 12 months, 40% of Vukile shares in issue were traded.

# GEOGRAPHICAL SEGMENT ANALYSIS

PERIOD ENDED 30 SEPTEMBER 2022



● SPAIN

PERIOD ENDED 30 SEPTEMBER 2023



● SOUTH AFRICA

## COMPOSITION OF FFO

|  | 30 September<br>2023<br>Rm | 30 September<br>2022<br>Rm | Variance<br>% |
|--|----------------------------|----------------------------|---------------|
| Net Property Income (South Africa) <sup>(i)</sup>                                      | 643                        | 642                        |               |
| Income from other investments (South Africa) <sup>(ii)</sup>                           | 18                         | 26                         | (30.8)        |
| Corporate costs (South Africa)   | (83)                       | (84)                       | (1.2)         |
| Net interest (Excluding IFRS 16 adjustment) (South Africa)                             | (293)                      | (239)                      | 22.6          |
| Taxation (Namibia WHT)   | (1)                        | (1)                        |               |
| Non-controlling interest (Clidet - Moruleng Mall)                                      | (2)                        | (3)                        |               |
| <b>Income from Castellana (Net of non-controlling interest) (ZAR) <sup>(iii)</sup></b> | <b>599</b>                 | <b>450</b>                 | <b>33.1</b>   |
| Castellana published FFO (ZAR) <sup>(iv)</sup>   | 611                        | 395                        | 54.7          |
| Minority portion of Castellana published FFO <sup>(v)</sup>                            | (3)                        | (33)                       |               |
| Merev top-up <sup>(v)</sup>  | -                          | (9)                        |               |
| FEC early terminated   | -                          | 58                         |               |
| FECs and CCIRS relating to Castellana dividend <sup>(vi)</sup>                         | (9)                        | 39                         |               |
| <b>FFO</b>   | <b>881</b>                 | <b>791</b>                 | <b>11.4</b>   |

(i) Like-for-like annualised NOI growth in the SA retail portfolio was 5.1%

(ii) Includes income from Fairvest of R18.9 million (H1FY2023: R22.3 million), share of income from MICC Namibia of R3.4 million (H1FY23: R5.6 million) and Fetch of -R3.8mil (H1FY23: -R1.7 million)

(iii) Average foreign exchange rate for H1FY24 was R20.30/€ (H1FY23: R16.87/€)

(iv) Castellana FFO for H1FY24 amounts to €30.1 million (H1FY23: €23.4 million), which includes a dividend accrual from LAR España of €8.1 million (H1FY23: €4.3 million)

(v) No MEREV top-up recognised in FFO in H1FY24

(vi) The last remaining CCIRS were settled in June 2022

# CASTELLANA FFO H1FY24

## RECONCILIATION OF CASTELLANA'S PUBLISHED FFO FOR H1FY24 TO VUKILE GROUP FFO

|   | €'000         | R'000          |
|---|---------------|----------------|
| <b>Castellana results - Spanish GAAP (Consolidated)</b>                   | <b>15 570</b> | <b>316 071</b> |
| Investment property amortisation  | 6 382         | 129 555        |
| Fair value adjustment to investment property                              | (5 733)       | (116 380)      |
| <b>Castellana results - IFRS (Included in Vukile group consolidation)</b> | <b>16 219</b> | <b>329 246</b> |
| Accrual of LAR España dividend  | 8 130         | 165 039        |
| Fair value adjustment to investment property                              | 5 733         | 116 380        |
| Depreciation of property, plant and equipment                             | 13            | 264            |
| <b>Castellana published FFO</b>   | <b>30 095</b> | <b>610 929</b> |
| Published FFO attributable to NCI <sup>(i)</sup>                          | (145)         | (2 944)        |
| Vukile Non-IFRS adjustments:  |               |                |
| FEC Accrual adjustment  | (433)         | (8 790)        |
| <b>Castellana FFO attributable to Vukile included in Vukile group FFO</b> | <b>29 517</b> | <b>599 195</b> |

(i) Non-controlling interest

# SA REIT RATIOS

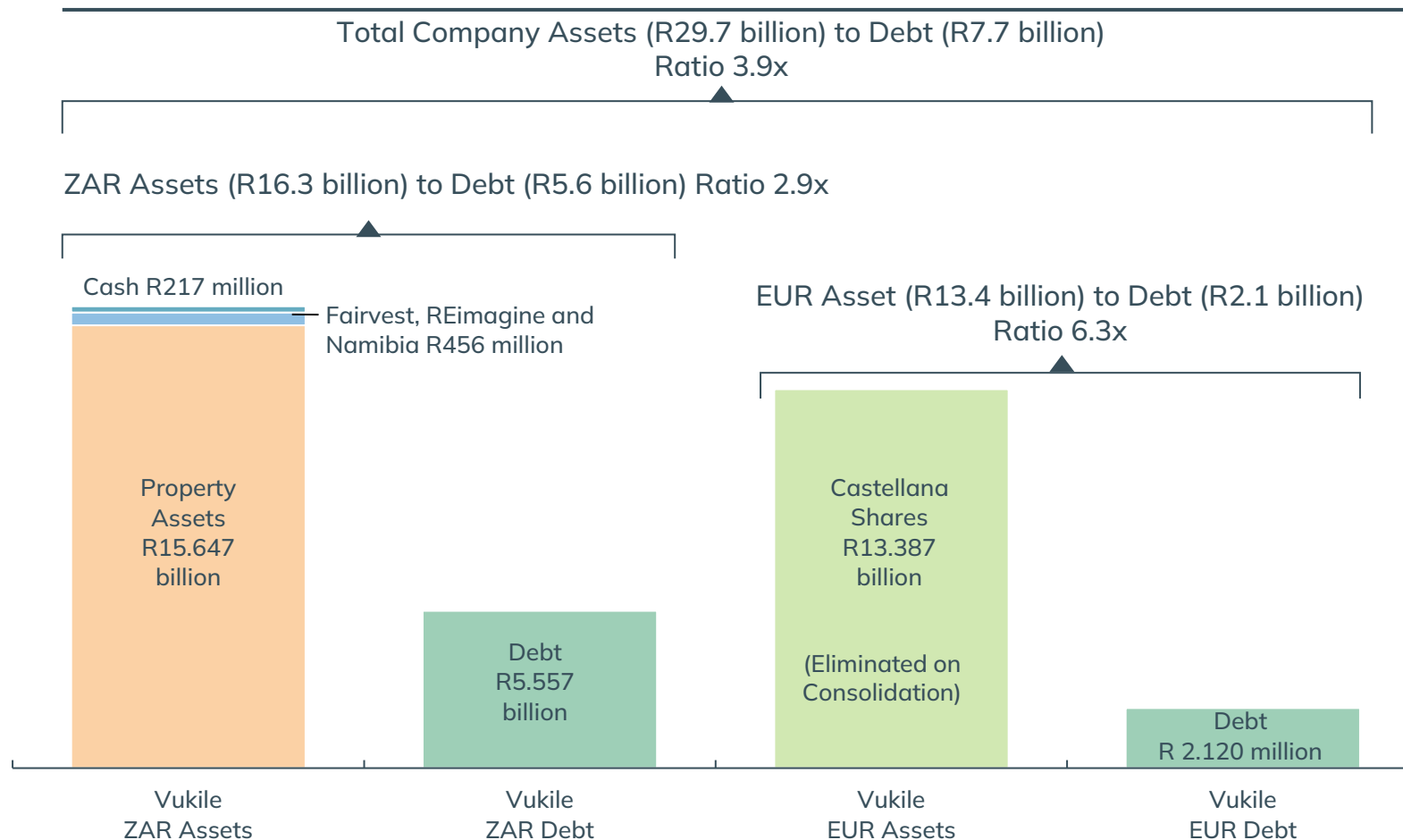
|   | 30 September<br>2023 | 31 March<br>2023 | 30 September<br>2022 |
|---|----------------------|------------------|----------------------|
| SA REIT funds from operations               | R883 million         | R1,42 billion    | R793 million         |
| SA REIT funds from operations per share     | 85.21c               | 144.76c          | 80.90c               |
| SA REIT net asset value                     | R21,3 billion        | R19,3 billion    | R18,1 billion        |
| SA REIT net asset value per share           | R20.58               | R19.72           | R18.43               |
| SA REIT cost-to-income ratio                | SA: 48.0%            | SA: 47.6%        | SA: 47.0%            |
|   | Spain: 34.6%         | Spain: 40.0%     | Spain: 37.3%         |
| SA REIT administrative cost-to-income ratio | SA: 7.7%             | SA: 7.9%         | SA: 8.0%             |
|   | Spain: 10.5%         | Spain: 11.1%     | Spain: 9.0%          |
| SA REIT vacancy rate                        | SA: 2.7%             | SA: 2.6%         | SA: 3.0%             |
|   | Spain: 1.0%          | Spain: 1.3%      | Spain: 1.6%          |
| SA REIT cost of debt                        | ZAR: 9.8%            | ZAR: 9.3%        | ZAR: 8.7%            |
|   | EUR: 5.3%            | EUR: 2.5%        | EUR: 2.2%            |
| SA REIT loan-to-value                       | 41.9%                | 41.6%            | 41.8%                |



# COMPOSITION OF GROUP BALANCE SHEET

## MATCHING DEBT WITH PROPERTY ASSETS - BY GEOGRAPHY AND CURRENCY

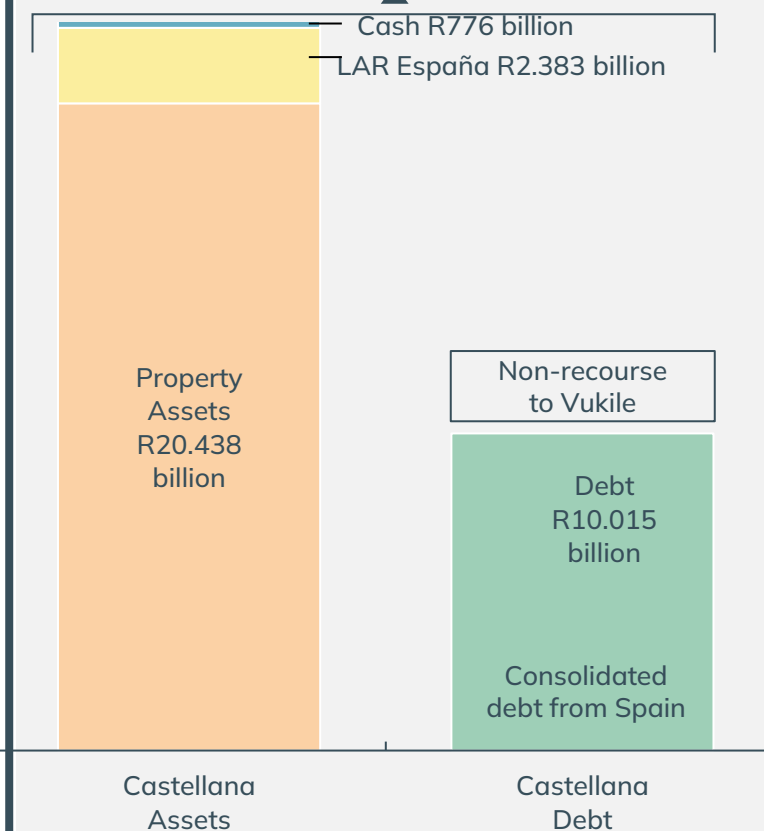
### VUKILE COMPANY



### CASTELLANA

(non-recourse to Vukile)

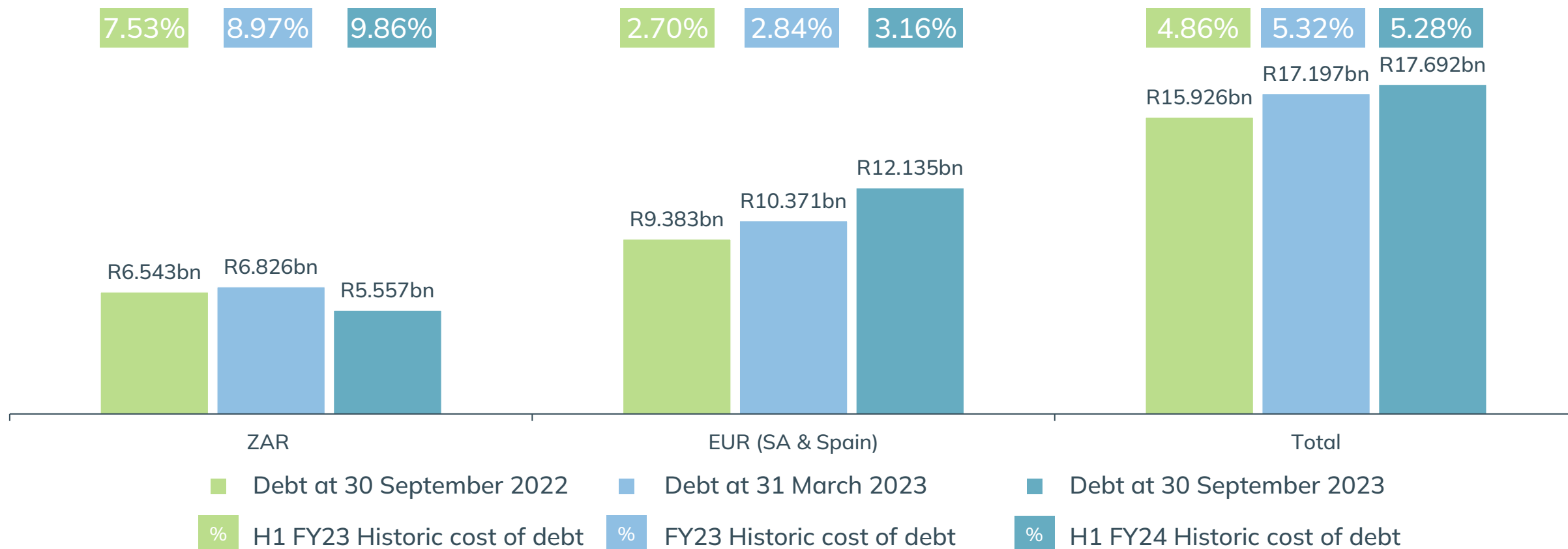
EUR Assets (23.6 billion) to Debt (R10.0 billion)  
Ratio 2.4x



# COST OF FUNDING

## INCREASE IN ZAR AND EUR BASE RATES

### GROUP DEBT BY CURRENCY



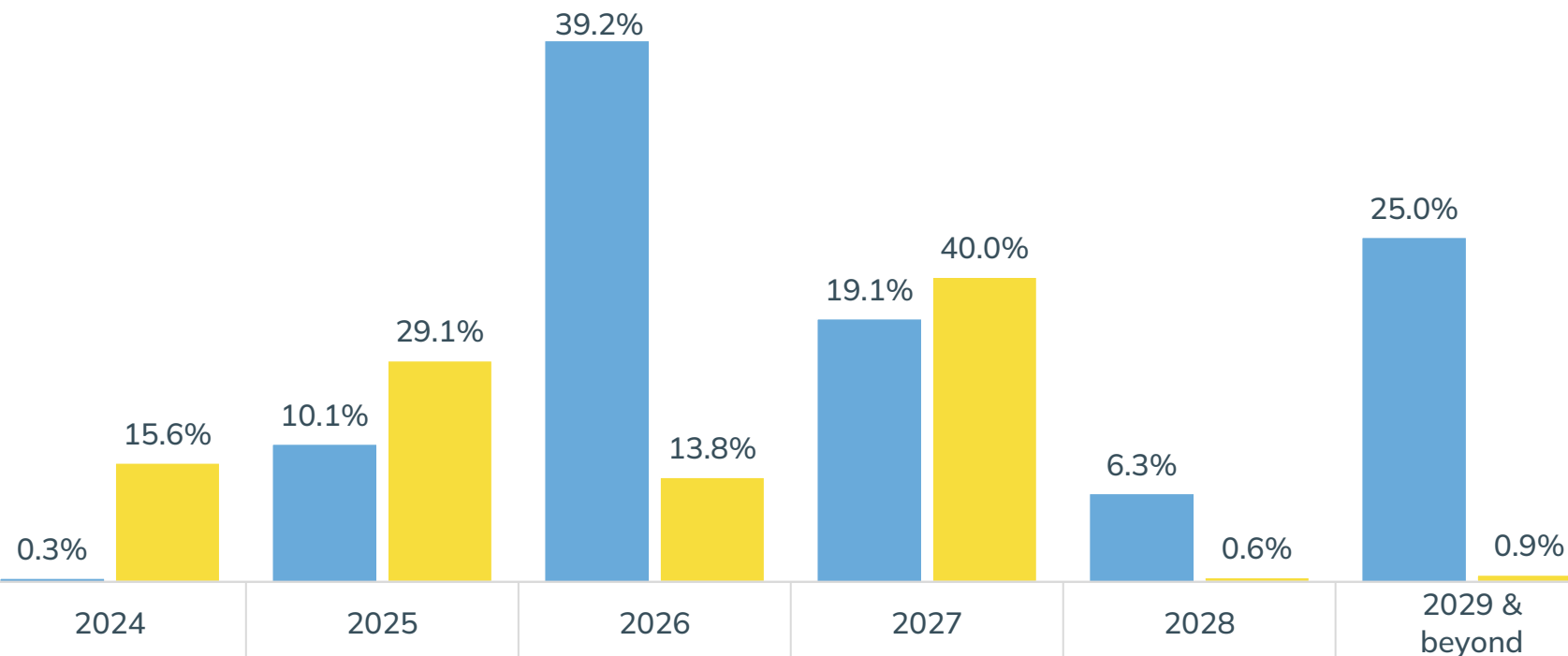
# ANALYSIS OF GROUP LOAN REPAYMENT AND HEDGING PROFILE

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

**R2.1 billion** OF AVAILABLE  
UNDRAWN BANK FACILITIES

**55%** OF INTEREST-BEARING  
DEBT HEDGED

**2.1 years** FIXED RATE  
(SWAP & FIXED DEBT)  
MATURITY PROFILE



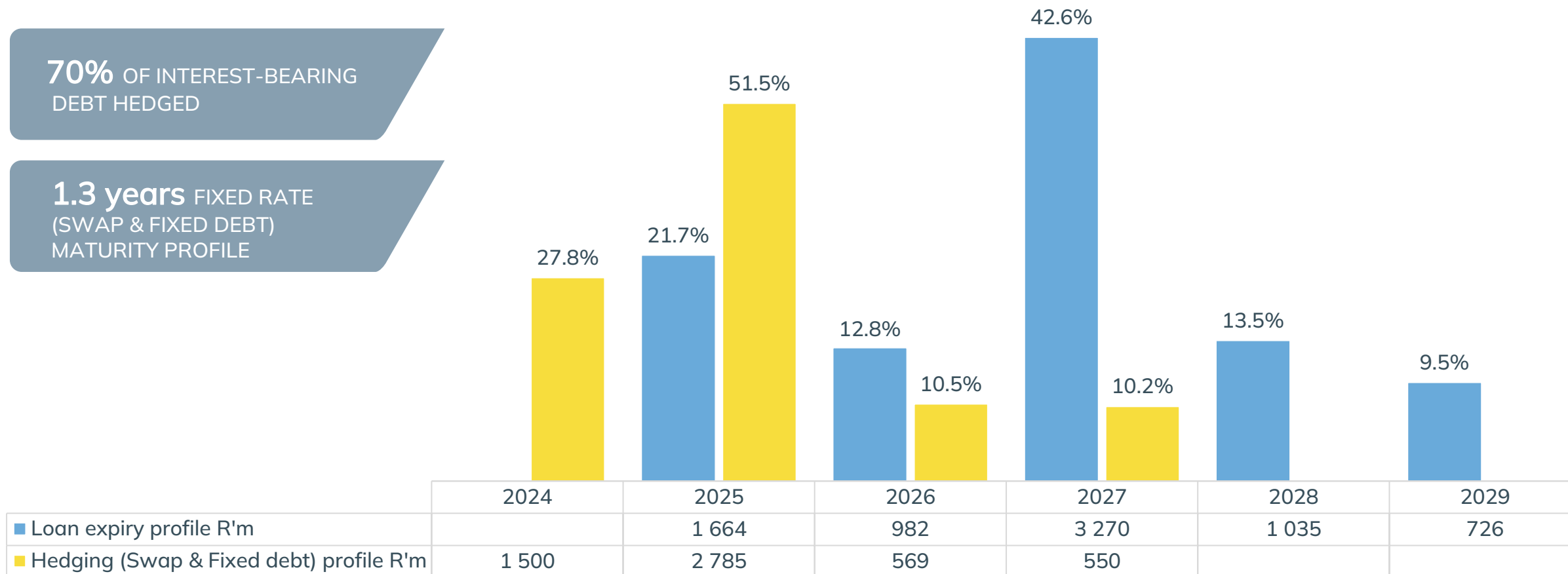
|   | 2024  | 2025  | 2026  | 2027  | 2028  | 2029 & beyond |
|---|-------|-------|-------|-------|-------|---------------|
| ■ Loan expiry profile R'm                 | 44    | 1 768 | 6 949 | 3 376 | 1 132 | 4 423         |
| ■ Hedging (Swap & Fixed debt) profile R'm | 1 528 | 2 842 | 1 344 | 3 914 | 57    | 89            |

# ANALYSIS OF SOUTH AFRICAN LOAN REPAYMENT AND HEDGING EXPIRY PROFILE

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

**70%** OF INTEREST-BEARING DEBT HEDGED

**1.3 years** FIXED RATE (SWAP & FIXED DEBT) MATURITY PROFILE

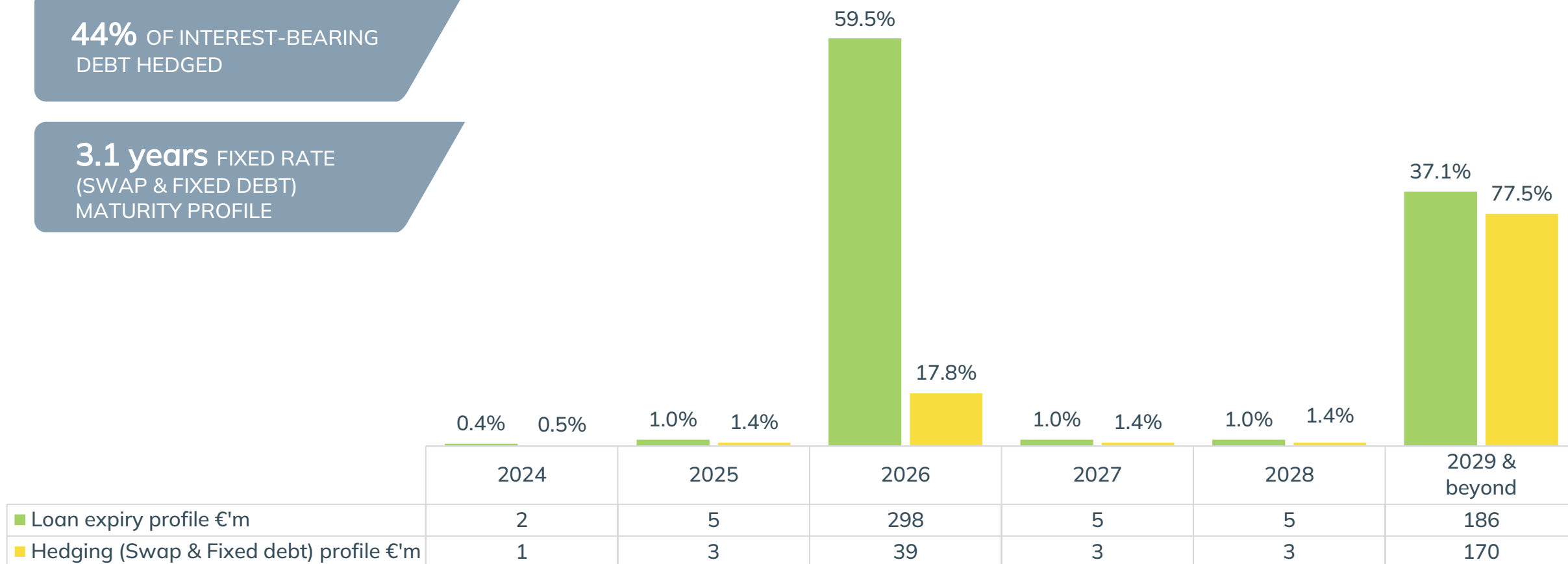


# ANALYSIS OF CASTELLANA LOAN REPAYMENT AND HEDGING EXPIRY PROFILE

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

**44%** OF INTEREST-BEARING DEBT HEDGED

**3.1 years** FIXED RATE (SWAP & FIXED DEBT) MATURITY PROFILE



# EUR FOREIGN EXCHANGE HEDGING

## MAINTAINING SUSTAINABLE PREDICTABLE DIVIDENDS WHILE REDUCING CURRENCY VOLATILITY

|  | FY24    | FY25    | FY26           | FY27    | FY28         | FY29    |
|--|---------|---------|----------------|---------|--------------|---------|
| Fixed EUR/ZAR rate                         | 18.6726 | 22.1820 | 22.5037        | 22.5649 | 23.5259      | 25.8086 |
| % Hedge Target                             | 100%    | 100%    | 80%            | 60%     | 40%          | 20%     |
| % Net EUR dividend hedged                  | 142%    | 130%    | 102%           | 75%     | 48%          | 22%     |
|  |         |         | Over 12 months |         | Over 3 years |         |
| Average percentage Net EUR dividend hedged |         |         | 108%           | 102%    | 79%          |         |

10% ZAR WEAKENING TO  
EUR FROM 20.00 TO 22.00

=

+R1 146m  
INCREASE IN  
NAV

+R22m  
INCREASE IN  
FY25 FFO

+0.4%  
INCREASE IN  
THE GROUP LTV

# FORECAST LTV SENSITIVITY TO VALUATION AND FOREIGN EXCHANGE MOVEMENTS

AT 30 SEPTEMBER 2023

EXAMPLE:

5% ZAR STRENGTHENING  
TO 19.00



3% INCREASE IN  
PROPERTY VALUATION



-1.4% DECREASE IN  
GROUP LTV TO 41.5%

| EUR/ZAR<br>exchange rate |         | Property valuation movement |       |       |       |       |       |       |       |       |       |       |       |       |
|--------------------------|---------|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|                          |         | -12%                        | -10%  | -7%   | -5%   | -3%   | -1%   | 0%    | 1%    | 3%    | 5%    | 7%    | 10%   | 12%   |
| -25%                     | 15.00   | 47.0%                       | 46.0% | 44.6% | 43.8% | 42.9% | 42.1% | 41.7% | 41.3% | 40.6% | 39.9% | 39.2% | 38.2% | 37.5% |
| -20%                     | 16.00   | 47.3%                       | 46.3% | 44.9% | 44.0% | 43.2% | 42.4% | 42.0% | 41.6% | 40.8% | 40.1% | 39.4% | 38.4% | 37.8% |
| -15%                     | 17.00   | 47.5%                       | 46.6% | 45.2% | 44.3% | 43.5% | 42.6% | 42.2% | 41.9% | 41.1% | 40.4% | 39.7% | 38.6% | 38.0% |
| -10%                     | 18.00   | 47.8%                       | 46.8% | 45.4% | 44.5% | 43.7% | 42.9% | 42.5% | 42.1% | 41.3% | 40.6% | 39.9% | 38.9% | 38.2% |
| -5%                      | 19.00   | 48.0%                       | 47.1% | 45.7% | 44.8% | 43.9% | 43.1% | 42.7% | 42.3% | 41.5% | 40.8% | 40.1% | 39.1% | 38.4% |
| -1%                      | 19.80   | 48.2%                       | 47.2% | 45.8% | 44.9% | 44.1% | 43.3% | 42.9% | 42.5% | 41.7% | 41.0% | 40.2% | 39.2% | 38.6% |
| 0%                       | 19.9969 | 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% |
| 1%                       | 20.20   | 48.3%                       | 47.3% | 45.9% | 45.0% | 44.2% | 43.3% | 42.9% | 42.5% | 41.8% | 41.0% | 40.3% | 39.3% | 38.6% |
| 5%                       | 21.00   | 48.5%                       | 47.5% | 46.1% | 45.2% | 44.3% | 43.5% | 43.1% | 42.7% | 41.9% | 41.2% | 40.5% | 39.4% | 38.8% |
| 10%                      | 22.00   | 48.7%                       | 47.7% | 46.3% | 45.4% | 44.5% | 43.7% | 43.3% | 42.9% | 42.1% | 41.4% | 40.6% | 39.6% | 39.0% |
| 15%                      | 23.00   | 48.9%                       | 47.9% | 46.5% | 45.6% | 44.7% | 43.9% | 43.5% | 43.1% | 42.3% | 41.5% | 40.8% | 39.8% | 39.1% |
| 20%                      | 24.00   | 49.1%                       | 48.1% | 46.6% | 45.7% | 44.9% | 44.0% | 43.6% | 43.2% | 42.4% | 41.7% | 41.0% | 39.9% | 39.3% |
| 25%                      | 25.00   | 49.2%                       | 48.2% | 46.8% | 45.9% | 45.0% | 44.2% | 43.8% | 43.4% | 42.6% | 41.8% | 41.1% | 40.1% | 39.4% |

# CORPORATE BOND ISSUANCES

## COMPOSITION OF UNSECURED DEBT AND COVENANT EXCLUSIVE DEBT

| Corporate Bonds | Security  | Amount - Rm  | Reference Rate | Margin | Maturity Date    | Initial Term |
|-----------------|-----------|--------------|----------------|--------|------------------|--------------|
| 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    |
| VKE21           | Unsecured | 200          | 3M JIBAR       | 1.30%  | 27 August 2026   | 3.0 years    |
| VKE22           | Unsecured | 326          | 3M JIBAR       | 1.44%  | 27 August 2028   | 5.0 years    |
| <b>TOTAL</b>    |           | <b>2 016</b> |                |        |                  |              |

| Unsecured Debt Summary | Security  | Amount - Rm  |
|------------------------|-----------|--------------|
| Corporate bonds        | Unsecured | 2 016        |
| <b>Total unsecured</b> |           | <b>2 016</b> |

Corporate long-term credit rating reaffirmed at AA<sub>(ZA)</sub> and corporate short term rating A1+<sub>(ZA)</sub>, with a stable outlook



# "SEE-THROUGH" LOAN-TO-VALUE RATIO

|  | Interest-bearing debt<br>Rm | Property assets<br>Rm | Cash<br>Rm | LTV          | Shareholding |
|--|-----------------------------|-----------------------|------------|--------------|--------------|
| Vukile Company, MICC, Namibia, and 100% of Clidet No. 1011 | 7 677                       | 15 803                | 216        | 47.2%        | 100.0%       |
| Castellana   | 10 015                      | 22 821                | 776        | 40.5%        | 99.5%        |
| Fairvest   | 4 813                       | 11 502                | 138        | 40.6%        | 6.0%         |
| <b>"See-through" Loan-to-Value Ratio</b>                   | <b>17 933</b>               | <b>39 205</b>         | <b>997</b> | <b>43.2%</b> |              |



elfaro

# OVERVIEW OF UNENCUMBERED ASSETS

TOTAL UNENCUMBERED ASSETS  
**R14 423m (A)**

UNENCUMBERED DIRECT PROPERTY  
**R1 013m**

UNENCUMBERED LISTED SHARES  
**R13 410m**

NUMBER OF PROPERTIES  
**6**

GLA  
**64 951m<sup>2</sup>**

AVERAGE PROPERTY VALUE  
**R169m**

RETAIL RENT FROM NATIONAL TENANTS  
**85%**

CONTRACTUAL RENTAL ESCALATION  
**6.8%**

INCOME FROM TOP 10 TENANTS  
**66%**

WALE  
**2.8 years**

RETAIL TENANT RETENTION  
**93%**

VACANCY (BY RENT)  
**5.3%**

TOTAL UNSECURED DEBT  
**R2 016 (B)**

UNSECURED DEBT TO UNENCUMBERED ASSETS RATIO  
**14.0% (B/A)**