



INDUSTRIAL | RETAIL | RESIDENTIAL | REST OF AFRICA

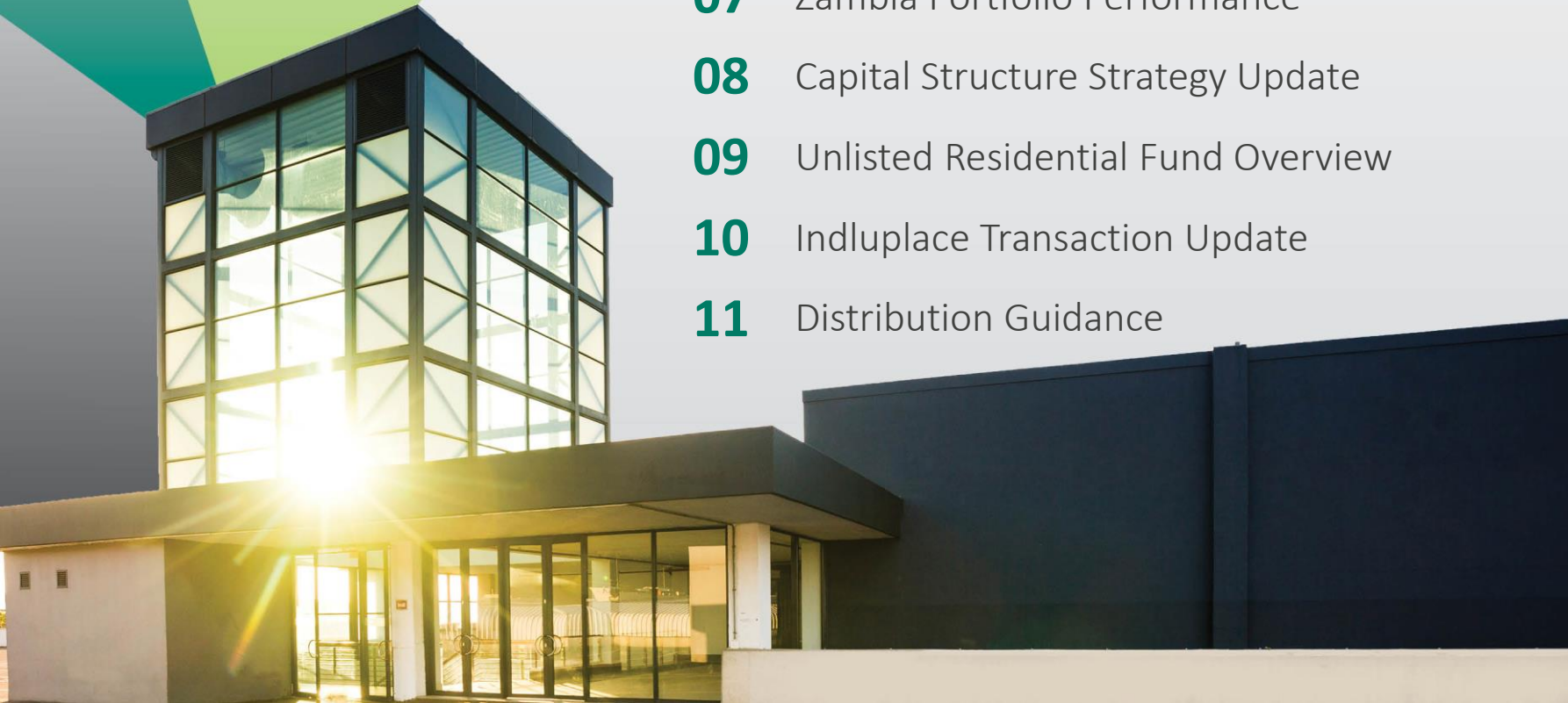
SA Corporate 2023 Pre-Close Update Presentation

30 June 2023



AGENDA

- 01** LFL NPI Portfolio Performance
- 02** Retail Portfolio Performance
- 03** Retail Leasing Update
- 04** Industrial & Commercial Performance
- 05** Afhco Portfolio Performance
- 06** Afhco Residential Leasing Lead Analysis
- 07** Zambia Portfolio Performance
- 08** Capital Structure Strategy Update
- 09** Unlisted Residential Fund Overview
- 10** Indluplace Transaction Update
- 11** Distribution Guidance



LFL NPI PORTFOLIO PERFORMANCE

Sector	Forecast H1'23 vs H1'22 LFL NPI Growth	Commentary
Industrial	2.2%	Strong rental growth from long-term leases at Gauteng based properties (57 Sarel Baard, 112 Yaldwyn, 37 Yaldwyn, and Beryl Street), curtailed by vacancies at Suffert Street, 27 Jet Park and 28 Goodwood subsequently retented
Retail	1.2%	Lower growth on NPI mainly due to rental downtime resulting from developments at Coachman's Crossing, Montana and Musgrave (R3.6m). Tenant Installation write-back due to eviction of a tenant at Coachman's Crossing (R1.5m). Diesel costs of R6.2m of which 57% is recoverable are significantly higher than H1'22 due to higher load shedding levels in H1'23
Office	(10.2%)	Decrease in NPI of small office portfolio driven by increased diesel consumption at GreenPark Corner and bad debts increasing, together with rental downtime in early H1'23. Diesel costs for the period were R800,000
Afhco	7.0% excl. HFS 3.5% incl. HFS	Due to lower residential vacancies compared to H1'22. Higher interest rates have had a positive impact on the demand for rented accommodation, resulting in higher rentals being achieved. Diesel costs of R3.7m are significantly higher than H1'22 due to higher loadshedding levels in H1'23. Residential apartments held for sale are vacated in preparation for sale to owner occupiers causing a drag on NPI
Total	2.8% excl. Afhco HFS 2.0% incl. Afhco HFS	

RETAIL PORTFOLIO PERFORMANCE

Sector	Vacancy 31-Dec-22	Vacancy 31-May-23	Anticipated Vacancy 30-Jun-23	Comments
Retail	3.2%	3.8%	3.1%	Letting of vacant and new space in the repurposed section of Morning Glen (1,800m ²) to lifestyle & restaurant tenancies and leasing previously vacant space to Bradlows at Umlazi Mega City (581m ²)

Sector	Retention Rate 31-Dec-22	Retention Rate YTD 31-May-23	Anticipated Retention Rate 30-Jun-23	Comments
Retail	84.2%	79.4%	78.4%	Non-retention of Ster-Kinekor at Musgrave of 2,252m ² for Checkers redevelopment. Post Office at Bluff Towers and Umlazi Mega City of 537m ² replaced by fashion tenancies. Strengthening of fashion tenancies of 792m ² at Umlazi Mega City. CNA at Musgrave of 299m ² relet to Kingsmead shoes

Sector	Renewal Reversion 31-Dec-22	Renewal Reversion YTD 31-May-23	Anticipated Renewal Reversion 30-Jun-23	Comments
Retail	0.2%	-2.0%	-1.5%	Negatively affected in the first half by 2 renewals (Tyres and More at Morning Glen, LM Bookmakers at African City). Reversions expected to be positive by year end

RETAIL LEASING UPDATE

Strategic Focus

Convenience Orientated Retail portfolio

31-Dec-22



VACANCY

3.2%



NATIONAL
TENANCY

63.3%



CONVENIENCE

59.2%

30-Jun-23



VACANCY

3.1%



NATIONAL
TENANCY

66.5%



CONVENIENCE

63.1%



LEASING

GLA (m ²)	4,112
National tenancy	92.2%
Convenience	82.8%

INDUSTRIAL & COMMERCIAL PORTFOLIO PERFORMANCE

Sector	Vacancy 31-Dec-22	Vacancy 31-May-23	Anticipated Vacancy 30-Jun-23	Comments
Industrial	0.2%	0.2%	0.2%	Remaining 757m ² vacancy relates to office space within otherwise fully let industrial property in Westmead
Office	17.7%	21.9%	18.5%	Decrease in vacancy at GreenPark Corner, stand-alone office vacancy 8.2%

Sector	Retention Rate 31-Dec-22	Retention Rate YTD 31-May-23	Anticipated Retention Rate 30-Jun-23	Comments
Industrial	83.2%	87.3%	77.8%	1,585m ² space vacated at 27 Jet Park and has been relet to Gantec Tool and Die, 1,508m ² space being vacated at Suffert Street at end June 2023 and has been relet to BFG Retail
Office	55.9%	100.0%	100.0%	Renewals all successfully concluded

Sector	Renewal Reversion 31-Dec-22	Renewal Reversion YTD 31-May-23	Anticipated Renewal Reversion 30-Jun-23	Comments
Industrial	-3.1%	2.6%	2.9%	Small renewal base largely affected by positive reversions at 8 Director and 85 Newton buildings
Office	-26.0%	-3.7%	-3.7%	Long-term office tenant at GreenPark Corner reverting to market rentals

INDUSTRIAL LEASING UPDATE

Strategic Focus		Quality Industrial Property Portfolio					
Lease Renewals							
	Expiry 2023		Renewal YTD 30 June 2023		Renewal 2023 Forecast		
	Extent	% of Portfolio GLA	% Renewed	Reversion	% Renewed	Reversion	Comments
Total	56,444	14.0%	77.8%	2.9%	19.2%	-6.4%	Negative reversions anticipated in H2'23
Gauteng	45,881	11.4%	85.1%	3.6%	19.7%	-6.4%	Negative 30% reversion anticipated at 33 Ontdekkers motor showroom
Kwa-Zulu Natal	10,562	2.6%	54.7%	0.0%	17.2%	-6.1%	Negative 7.9% reversion at 153 Old Main Road motor showroom
Western Cape	–	0.0%	0.0%	0.0%	0.0%	0.0%	No expiries in 2023

AFHCO PORTFOLIO PERFORMANCE

Sector	Vacancy 31-Dec-22	Vacancy 31-May-23	Anticipated Vacancy 30-Jun-23	Comments
Residential	2.9%	4.0%	3.1%	Marginal increase in vacancy attributable to water outages at South Hills and Platinum Place and delays in local authority repairs to Hendrik Potgieter Road serving the The Falls Lifestyle Estate all being addressed
Retail	5.5%	6.2%	5.5%	A property with high vacancy disposed of in June

Sector	Rental Increase on Expiring Leases 31-Dec-22	Rental Increase on Expiring Leases 31-May-23	Anticipated Rental Increase 30-Jun-23	Comments
Residential	2.6%	3.0%	3.2%	Continued steady improvement in rental increases

Sector	Renewal Reversion 31-Dec-23	Renewal Reversion YTD 31-May-23	Anticipated Renewal Reversion 30-Jun-23	Comments
Retail	-4.6%	0.4%	0.0%	Flat reversions in H1'23 in order to retain long-standing tenants

AFHCO RESIDENTIAL LEASING LEAD ANALYSIS

Lead Type	Percentage
Online Listing Platforms	65%
Afhco Website	26%
Telephone	6%
Other	3%

- A substantial portion of rental leads are generated via on-line platforms, which has led to increased letting activity
- Leads management is to be further enhanced with the release of Afhco's upgraded on-line leasing application in H2'23

ZAMBIA PORTFOLIO PERFORMANCE

Sector	Vacancy 31-Dec-22	Vacancy 31-May-23	Anticipated Vacancy 30-Jun-23	Comments
East Park Mall	2.3%	1.6%	1.6%	Vacancy reduced due to 977m ² of space that has now been let to a multi-national electronics retailer
Acacia Office Park	13.8%	5.8%	5.8%	Vacancy reduced by a total of 1,272m ² as a result of 1,000m ² of space being let to Bank ABC as well as 272m ² of space being let to a new restaurant
Jacaranda Mall	19.1%	17.3%	17.3%	An existing value retail emporium has taken a further 500m ²
Sector	Retention Rate 31-Dec-22	Retention Rate YTD 31-May-23	Anticipated Retention Rate 30-Jun-23	Comments
East Park Mall	100.0%	0.0%	0.0%	There were no expiring leases in H1'23
Acacia Office Park	0.0%	100.0%	100.0%	452m ² leased to Access Bank retained
Jacaranda Mall	64.6%	100.0%	100.0%	Southern Comfort Bank retained
Sector	Renewal Reversion 31-Dec-22	Renewal Reversion YTD 31-May-23	Anticipated Renewal Reversion 30-Jun-23	Comments
East Park Mall	0.0%	n/a	n/a	There were no expiring leases in H1'23
Acacia Office Park	0.0%	3.0%	3.0%	Access Bank lease was renewed at a positive 3% renewal reversion
Jacaranda Mall	0.0%	3.0%	3.0%	Southern Comfort Bank lease was renewed at a positive 3% renewal reversion

CAPITAL STRUCTURE STRATEGY UPDATE

Strategic Focus

Financial Sustainability

Disposals update

2023 Disposal Pipeline	R1.1 billion
Previously Contracted	R862.8 million
Transferred	R478.8 million
Unconditional	R328.6 million
Conditional	R55.4 million
Newly Contracted¹	R261.4 million
Transferred	R2.9 million
Unconditional	R32.8 million
Conditional	R225.7 million

Notes:

1. 2 motor dealerships, 1 office/industrial property, La Vie Nouvelle Frail Care Centre & non-core residential apartments @ 9.2% exit yield
2. Counterparty for divestment of ILU portfolio of circa R250 million in due diligence
3. Anticipate disposal of Transcend shares in H2'23 not included in above

CAPITAL STRUCTURE STRATEGY UPDATE

Strategic Focus

Financial Sustainability

Debt Refinancing

- Offer to refinance R1.2 billion oversubscribed
- Indicative pricing:
 - 3 Year: 3-month JIBAR + 165bps to 175bps
 - 5 Year: 3-month JIBAR + 185bps to 195bps

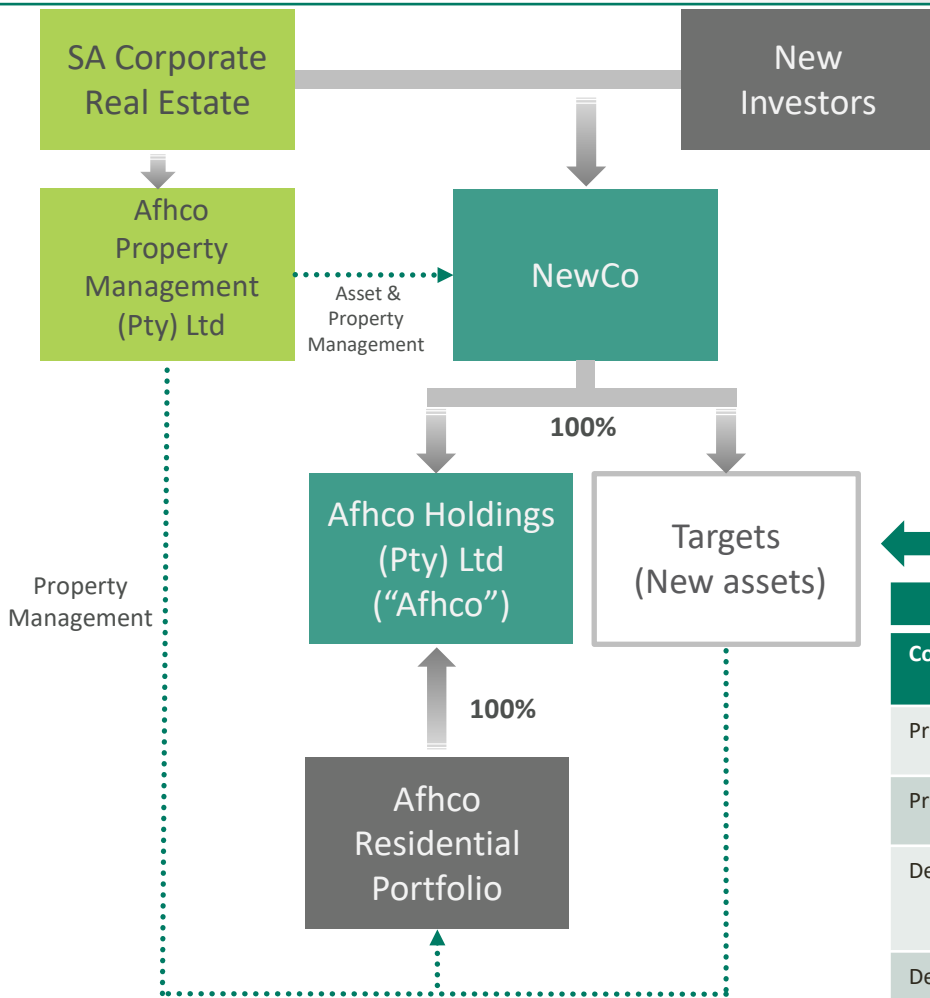
Increased Hedging

- R400 million 3 Year swap to ensure hedging is >70% in H2'23
- 78.4% hedged with tenor of 1.7 years at 31 May 2023. Monitoring the market to extend tenor

Reduced Gearing

- Anticipated Loan to value (“LTV”) ratio as at 30 June 2023 to be circa 37% (38.1% as at 31 December 2022)

UNLISTED RESIDENTIAL FUND OVERVIEW



Investors	Appetite	Progress	Anticipated commitment
Investor 1	R1.0bn+	In Due Diligence	1 Dec-23
Investor 2	R500m+	In Due Diligence	1 Oct-23
Investor 3	R500m	Exploratory	
Investor 4	Variable	Exploratory	

POTENTIAL PIPELINE			
Counterparty	Offtake	Approx property value	Timing
Private Seller 1	Income generating	R400m	6 months
Private Seller 2	Income generating	R700m	6 months
Developer 1	Development but income generating on transfer	R500m	6 months
Developer 2	Development but income generating on transfer	R1.5bn	18 -24 months



INDLUPLACE TRANSACTION UPDATE

Conditions Precedent

- 99.98% support at scheme meeting (5 June 2023)
- Unconditional recommendation by Competition Commission to the Tribunal
- Targeting commercial effective date 1 July 2023

Financial Effects

- Improved operational performance has increased forecast accretion for first 12 months to between 6% & 8%



DISTRIBUTION GUIDANCE (including ILU)

2023 H1:

- Similar to H2'22
- 12% to 14% < H1'22

2023 YE:

- 3% to 5% < 2022 YE

2024:

- Anticipate strong performance

