



## INTERIM RESULTS PRESENTATION

for the six months ended 30 June 2023

# STRATEGY



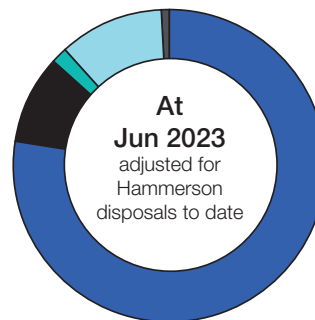
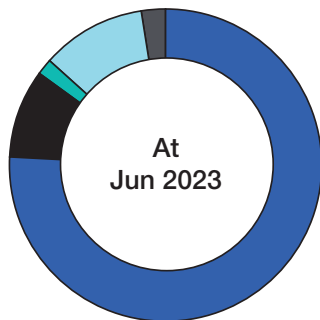
- Own dominant retail centres
- Aggressively address the structural changes in retail
- Maintain conservative risk management including financing, interest rate hedging and quality of income
- Aggressively reduce reliance on Eskom and municipal services
- Remain leaders in all aspects of green energy and its applications to malls
- Achieve the highest environmental standards

# PERFORMANCE



- June 2023 dividend declared: 203,22 cents per share (Jun 2022: 234,05 cents; Dec 2022: 203,98 cents)
  - Interest rates
  - Income from investee companies (Hammerson and Lighthouse)
  - Performance of French portfolio
- SA comparable sales growth of +3,6% for six months till June (rolling 12 months +6,4%)
- SA net property income growth of +5,8%
- Rentals for renewals and new leases increased on average by 9,6% (renewals +5,1%; new leases +30,8%)
- Weighted average rental escalations of 6,2%
- Loan-to-value ratio of 36,1%
- Vacancy: SA – 1,9%; France – 9,0% and Nigeria – fully let
- Sold 58 568 486 Hammerson shares during June 2023

# INVESTMENT PORTFOLIO



## Direct property (86,7%)

- SA (76,0%)
- France (9,1%)
- Nigeria (1,6%)

R29 039m

R25 455m

R3 056m

R528m

## Listed property offshore (13,3%)

- Lighthouse (10,8%)
- Hammerson (2,5%)

R4 443m

R3 596m

R847m

## Direct property (88,4%)

- SA (77,5%)
- France (9,3%)
- Nigeria (1,6%)

R29 039m

R25 455m

R3 056m

R528m

## Listed property offshore (11,6%)

- Lighthouse (10,9%)
- Hammerson (0,7%)

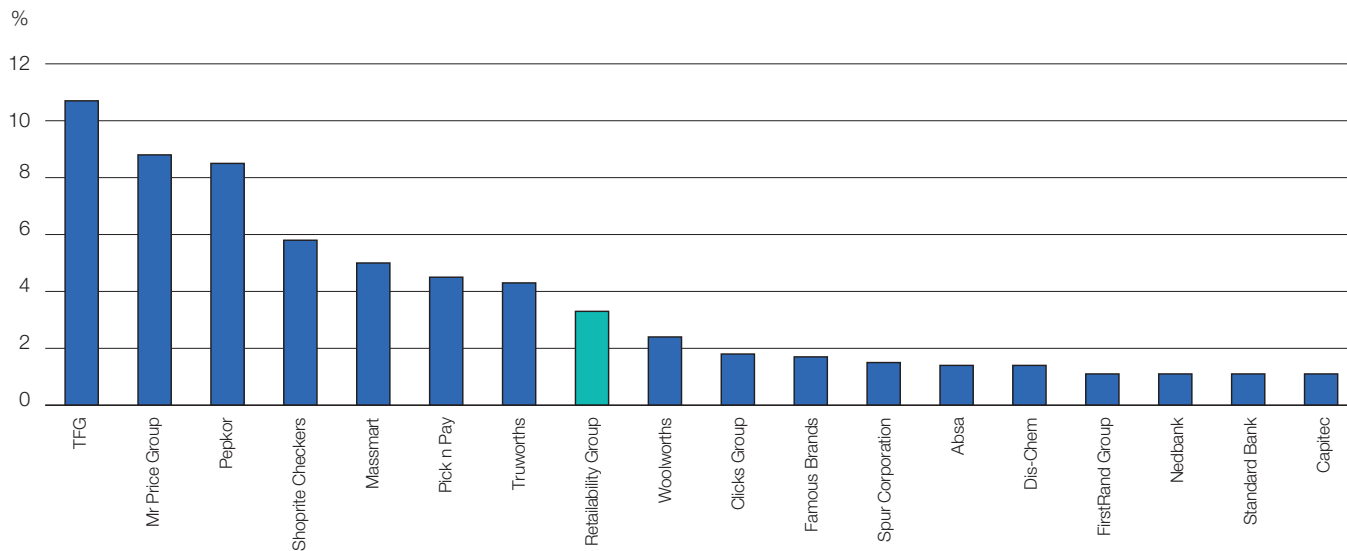
R3 822m

R3 596m

R226m

# NATIONAL TENANT GROUPS

as a percentage of contractual rental revenue as at 30 June 2023



# COMPARABLE SALES GROWTH PER PROVINCE



Province	Six months ended		South African properties by value %
	Jun 2023 vs Jun 2019 %	Jun 2023 vs Jun 2022 %	
Northern Cape	23,6	6,7	6,2
Eastern Cape	38,0	6,5	3,5
Mpumalanga	14,2	5,3	13,7
Gauteng	15,4	4,2	24,1
Limpopo	24,4	3,4	29,5
KwaZulu-Natal	29,5	1,6	17,2
North West	6,1	0,1	5,8



# LEASE EXPIRY PROFILE AT JUNE 2023



	Rentable area %	Contractual rental revenue %
<b>South Africa</b>		
Vacant	1,9	
Dec 2023	20,1	21,9
Dec 2024	17,6	19,6
Dec 2025	12,0	12,8
Dec 2026	14,7	15,9
Dec 2027	14,6	14,7
> Dec 2027	19,1	15,1





# KURT GEIGER SPITZ

# DEVELOPMENTS AND EXTENSIONS

- 13 500m<sup>2</sup> extension to Mahikeng Mall commenced
- 9 000m<sup>2</sup> The Village in Klerksdorp commenced
- Regulatory approval outstanding: Irene Village Mall, Tubatse Crossing, Tzaneen Lifestyle Centre



# ENERGY PROJECTS



- Addressing structural changes including availability of electricity
- Solar capacity
  - June 2023 – 45,8MWp\* (20,4% of Resilient's total consumption)
  - December 2023 – 59,3MWp\* (27,7% of Resilient's total projected consumption)
  - A further 24,8MWp\* of solar installations currently planned for 2024 (increasing capacity to 38,4% Resilient's total projected consumption)
- Expansion of battery installations (The Grove Mall and Irene Village Mall)
- Development of mini grids (The Grove Mall and Irene Village Mall)
  - Integration of solar, battery, municipal power and back-up generators
- R564 million invested to date with a further R463 million included in capital commitments

*\* Representing 100% of system size.*





Pick n Pay

some

WOOLWORTHS

Get the price you want

Jet

some ACKERMANS

## FRANCE

- 40% ownership
- Extensive redevelopment and reletting
- Delays due to beaucroatic processes and procedures
- National retailers with private equity structures
- Continued upgrading of tenant profile





# NIGERIA



- Resilient owns 60,94% of Resilient Africa in partnership with Shoprite
- Severe disruption to Nigerian economy following election of a new President
- Weaker covenant on anchor following the sale of Shoprite Nigeria
- Interim valuation of the portfolio by CBRE Excellerate at June 2023
- Nigerian investment contributes 41 cents to Resilient's NAV (R62,81)
- Expiry of USD facility in March 2024 (no recourse to South African balance sheet)

# LISTED PORTFOLIO



Counter	Jun 2023		Dec 2022	
	Number of shares	Fair value R'000	Number of shares	Fair value R'000
Lighthouse Properties (LTE)	549 874 355	3 596 178	523 610 673	3 560 553
Hammerson (HMSO/HMN)	141 700 000	846 772	197 927 768	971 682
		4 442 950		4 532 235

- 103 863 163 Hammerson shares were sold for R626 million after the reporting period
- Proceeds are being invested in the solar and battery rollout and projects

# SUMMARY OF FINANCIAL PERFORMANCE



	Jun 2023	Dec 2022	Jun 2022	Dec 2021
Dividend (cents per share)	203,22	203,98	234,05	226,62
Shares in issue for IFRS	334 334 849	340 575 147	347 037 531	360 970 213
Shares held in treasury: Resilient Properties	30 156 041	30 156 041	30 156 041	39 156 041
Shares held in treasury: Deferred Share Plan	713 848	–	–	–
Shares in issue	365 204 738	370 731 188	377 193 572	400 126 254
<b>Management accounts information</b>				
Net asset value per share	R62,81	R62,18	R58,23	R64,96*
LTV ratio (%)**	36,1 <sup>#</sup>	34,7	32,1	28,8
Gross property expense ratio (%)	38,1	38,0	35,0	38,1
Percentage of direct and indirect property assets offshore (%)	24,0	23,8	21,3	29,3
<b>IFRS accounting</b>				
Net asset value per share	R59,95	R58,26	R54,16	R56,58

\* This net asset value per share includes the 170 554 201 Lighthouse shares Resilient distributed to its shareholders in May 2022.

\*\* The LTV ratio is calculated by dividing total interest-bearing borrowings adjusted for cash on hand and the fair value of derivative financial instruments by the total of investments in property, listed securities and loans advanced.

<sup>#</sup> The LTV ratio is 34,9% taking into account the proceeds of R626 million from the disposal of Hammerson shares since the reporting date.

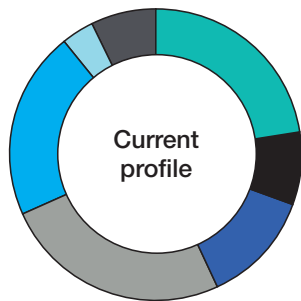


# INDICATIVE LTV RATIO



	<b>At Jun 2023</b>	<b>Hammerson disposals to date</b>	<b>Adjusted LTV ratio</b>	<b>Disposal of remaining Hammerson position</b>	<b>Assume all capital commitments once-off</b>	<b>Adjusted LTV ratio</b>
Assets (R'000)	<b>33 725 947</b>	(620 666)	<b>33 105 281</b>	(226 106)	1 246 220	<b>34 125 395</b>
Net debt (R'000)	<b>12 168 713</b>	(626 150)	<b>11 542 563</b>	(226 106)	1 246 220	<b>12 562 677</b>
LTV ratio (%)	<b>36,1</b>		<b>34,9</b>			<b>36,8</b>

# FUNDING AND FACILITIES

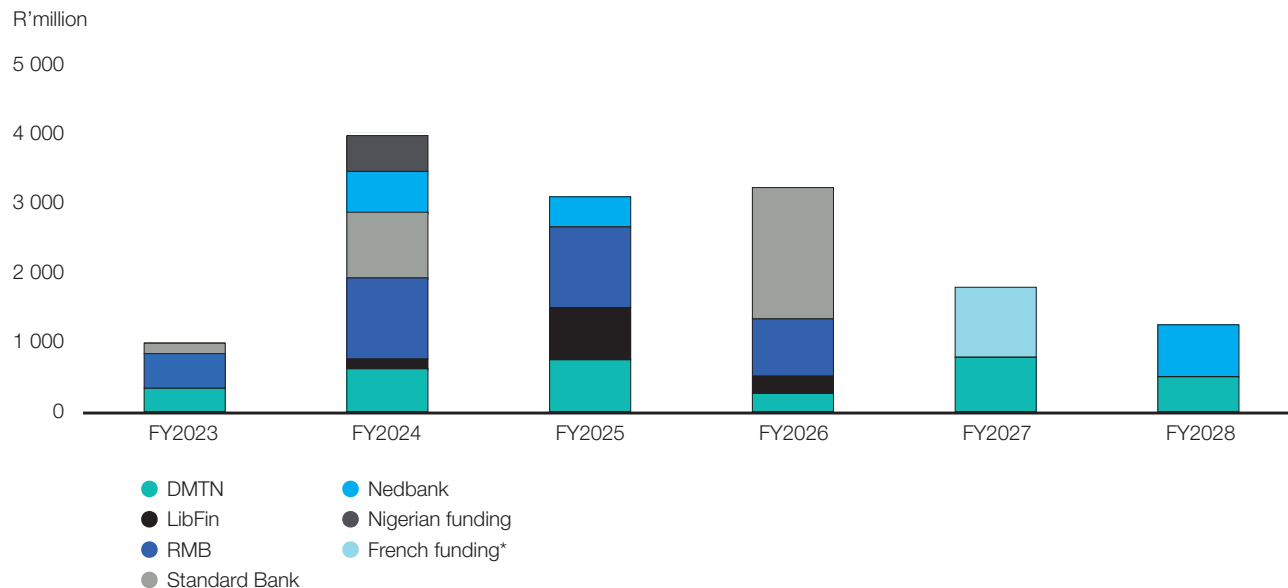


<b>South African facilities</b> (100,0%)	<b>R12 840m</b>
● Capital markets (25,2%)	R3 234m
● Financial institutions (74,8%)	R9 606m
● LibFin	R1 160m
● Nedbank	R1 798m
● RMB	R3 640m
● Standard Bank	R3 008m
● Nigerian funding*	R517m
● French funding*	R1 011m

- Unencumbered assets
  - listed: R3,8 billion (following Hammerson disposals to date)
  - property: R5,5 billion
  
- Undrawn facilities of R2,3 billion

\* Converted at spot rate at reporting date.

# FACILITY EXPIRIES



\* Including extension option in 2025.

# INTEREST RATE DERIVATIVES



The all-in weighted average cost of funding of Resilient was 8,63% at June 2023 and the average hedge term is 3,4 years. The following interest rate derivatives are in place in mitigation of South African interest rate risk:

Expiry	Interest rate swaps		Interest rate caps	
	Amount R'000	Average swap rate %	Amount R'000	Average cap rate %
Sep 2023	–		300 000	7,91
Dec 2023	–		200 000	7,43
FY2024	1 100 000	4,81	400 000	8,37
FY2025	1 500 000	6,10	–	
FY2026	1 600 000	6,65	400 000	7,91
FY2027	1 500 000	7,44	1 000 000	8,03
FY2028	2 750 000	7,18	500 000	7,15
	<b>8 450 000</b>	<b>6,63</b>	<b>2 800 000</b>	<b>7,85</b>

The following interest rate derivatives are in place in mitigation of foreign interest rate risk:

Interest rate cap expiry	Amount '000	Average cap rate %
Dec 2026	USD11 000	1,645*
Mar 2027	EUR50 445	1,00

\* Based on the Secured Overnight Financing Rate.

# SOCIAL RESPONSIBILITY

- Masakane Womens Empowerment initiative
- Introduction of an additional Learning Lab in Tzaneen
- Investing in the local community NGOs and local schools
- Strong emphasis on local employment
- Supporting government initiatives







# CHALLENGES

- Pressure on consumers in a difficult macroeconomic environment
- Economic and retail structural changes
- Decline of local authorities and infrastructure
- Cost and reliability of electricity and water supply
- Impact of loadshedding



# OUTLOOK AND OPPORTUNITIES



- Retirement of Des de Beer and appointment of Johann Kriek as CEO elect
- Continued expansion of battery and solar initiatives
- Right-sizing retail offerings and expanding malls where appropriate
- Ongoing demand from retailers for Resilient's malls
- Well located properties with strong corporate tenant profile
- Appropriately hedged interest rate profile
- No external contingent liabilities
- Full year dividend of approximately R4,00 per share for FY2023



# Q & A

