RESILIENT

ANNUAL RESULTS

for the year ended
31 December 2023

CONTENTS

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 December 2023

NATURE OF THE BUSINESS

Resilient is a retail-focused Real Estate Investment Trust ("REIT") listed on the JSE Limited ("JSE"). Its strategy is to invest in dominant retail centres with a minimum of three anchor tenants and let predominantly to national retailers. A core competency is its strong development skills which support new developments and the reconfiguration of existing malls to adapt to structural changes in the market. Resilient also invests directly and indirectly in offshore property assets.

The Company's focus is on regions with strong growth fundamentals. Resilient generally has the dominant offering in its target markets with strong grocery and flagship fashion offerings.

DISTRIBUTABLE EARNINGS AND DIVIDEND DECLARED

The Board has declared a dividend of 203,02 cents per share for the six months ended December 2023. The total dividend of 406,24 cents per share for FY2023 is in line with the guidance of approximately 400,00 cents per share provided in the interim results. The results were ahead of guidance mainly due to less loadshedding experienced in the portfolio compared to what was expected, particularly in the months of November and December.

The total dividend for FY2023 is 7,3% lower than the 438,03 cents per share for the previous year. The main reasons for the decline in distributable earnings are higher interest rates (increase of 450 basis points since January 2022 with long-standing interest rate caps not providing full protection) and lower distributions from investee companies.

COMMENTARY ON RESULTS

South Africa

The South African property portfolio recorded comparable net property income ("NOI") growth of 7,1% for the year. This growth has been supported by Resilient's energy strategy that assisted in containing the rise in electricity costs.

During FY2023, comparable sales increased by 5,2%. Comparable sales were impacted by the high base effect in KwaZulu-Natal, construction at Mahikeng Mall and surrounding infrastructure upgrades in Mahikeng as well as the redevelopment of Tzaneng Mall. Excluding these malls, the remaining portfolio achieved comparable sales growth of 6,9%. Strong trading performances were achieved in the Northern Cape, Mpumalanga and Limpopo provinces.

The comparable sales growth per province is set out below.

	Year ended: Dec 2023 vs Dec 2022 %	South African properties by value %
Northern Cape	10,9	6,6
Mpumalanga	6,7	13,7
Limpopo	6,2	29,1
Gauteng	6,1	24,0
Eastern Cape	5,2	3,5
North West	2,1	6,3
KwaZulu-Natal	0,3	16,8

During FY2023, trading was supported by the new Checkers at The Grove Mall as well as the Dis-Chem and Food Lover's Market that opened in Kathu Village Mall. Dis-Chem also opened in I'langa Mall, Tubatse Crossing and Diamond Pavilion. A relocated and enlarged Truworths store was opened in Mvusuludzo Mall. A&D Spitz, Kurt Geiger, G-Star RAW, Fabiani, Pringle, Skipper Bar and Le Coq Sportif opened in Tubatse Crossing while Totalsports, Sportscene and Markham expanded materially. G-Star RAW and Fabiani opened in Limpopo Mall. At Mall of the North, Checkers was fully revamped, while Sportscene, Totalsports, Baby City and Hi-Fi Corporation were materially expanded. Checkers and Clicks are being expanded and revamped at Diamond Pavilion. Sportscene, Totalsports and Markham were expanded and revamped at Kathu Village Mall. During the year, A&D Spitz, Fabiani, Polo, Yuppiechef and Pringle were introduced and Poetry and Sportscene were expanded at I'langa Mall. The new Pick n Pay store in Jabulani Mall, owned by a leading local franchisee, opened in November 2023.

Rentals on lease renewals were concluded on average 4,6% higher than expiring rentals. Leases concluded with new tenants were on average 26,5% higher than the rentals of the outgoing tenants. In total, rentals for renewals and new leases increased on average by 7,9%.

Property acquisitions and developments

The development of "The Village" in Klerksdorp, a 9 000m² convenience centre anchored by Checkers and Clicks, is expected to be completed in November 2024.

The extension to Mahikeng Mall to accommodate a new Checkers, Dis-Chem, banks and various additional retailers is progressing well and is expected to open in May 2024. The extension has resulted in additional interest from retailers. Based on demand, Resilient will use this opportunity to rightsize several tenants and is considering a further expansion to the centre.

The redevelopment of Tzaneng Mall is well underway. Truworths, Mr Price, Mr Price Home, Milady's, Edgars, Sportscene, Jet, Markham and Identity are being rightsized and Mr Price Kids, Office London and Sync (a new Truworths brand) will be introduced. The existing Pick n Pay has been fully revamped.

The extensions to Irene Village Mall, Tubatse Crossing and Tzaneen Lifestyle Centre remain subject to regulatory approval.

Vacancies

Resilient is invested in 27 retail centres with a gross lettable area ("GLA") of 1,2 million square metres. Resilient's *pro rata* share of the vacancy in the portfolio was 1,5% at December 2023. This includes vacancies created to facilitate the introduction of new tenants at Tzaneng Mall and Jabulani Mall.

Energy projects

Resilient has continued the roll-out of solar and battery installations in line with its long-term energy strategy in South Africa. Resilient exceeded its target by increasing its generation capacity to 59,9MWp by December 2023. This constitutes 27,7% of Resilient's total energy consumption.

It is projected that installed capacity will increase by a further 16,5MWp during FY2024. Resilient continues to reduce its energy demand through various initiatives, including relamping of centres and upgrading air-conditioning systems. Resilient actively assists tenants in becoming more energy efficient.

France

Resilient owns a 40% interest in Retail Property Investments SAS ("RPI"), the owner of four regional malls in France, in partnership with Lighthouse Properties p.l.c. ("Lighthouse").

In 1H2023, the French portfolio was negatively affected by a number of tenant failures and receiverships, including Go-Sport, La Grande Recre, Kookai, Don't Call Me Jennyfer and San Marina. A common theme was that most of these retailers had private equity capital structures. Administrative procedures in France are challenging, resulting in delays of up to 12 months to recover space from failing tenants. These tenant failures increased the French vacancies from 7,2% at FY2022 to 9,0% at 1H2023. At December 2023, vacancies reduced to 7,9% following lettings to national retailers such as Chaussea (a leading French footwear retailer), Bershka, Action and Normal. Although economic conditions remain subdued, terms have been agreed (pending lease signature) with international tenants for 3 877m² of currently vacant space. The conclusion of these leases will further reduce vacancies in the French portfolio to 5,2%.

Comparable sales for FY2023 grew by 6,5% with footfall increasing by 9,6%. The improved footfall was driven by the introduction of new retailers including Action, New Yorker and Primark.

At Saint Sever, Primark successfully opened its 6 709m² flagship store and is trading ahead of expectation. The Primark opening increased December's footfall by over 29% year-on-year. The introduction of Primark has resulted in a significant increase in tenant demand. During the year, New Yorker, ONLY and Crep'eat opened for trading and Bershka, Normal and Chaussea have either concluded leases or taken beneficial occupation to open new stores during FY2024. Footlocker has agreed to relocate from its current 250m² store to a new 450m² flagship concept on the upper level of the mall. Terms have been agreed with a large international sports retailer to occupy the majority of the space vacated by Go-Sport (which went into receivership in February 2023) with the remaining space having been let to Chaussea.

In 1Q2024, the expansion project at Rivetoile commenced. This project will improve the flow on the upper level of the mall. JD Sports is currently fitting out its store and will open during 2Q2024.

At Docks Vauban, Starbucks opened during August 2023. Leases have been concluded with Action and Pull&Bear to enter the mall. The extensive road infrastructure upgrade in the immediate vicinity of the mall was completed during November 2023, which has improved access and egress to the mall.

Action opened a 1 247m² store on the first floor of Docks 76 during December 2023. A lease has been concluded with Snipes for a 426m² store which is scheduled to open during March 2024.

Spain

Resilient and Lighthouse each own a 50% interest in the holding company of Salera Properties, S.L.U. ("Propco"). On 21 December 2023, Propco entered into an agreement for the acquisition of Salera Centro Comercial ("Salera"), a retail shopping centre in the city of Castellón de la Plana, Spain. The transaction closed and Propco took transfer of Salera on 31 January 2024.

Salera opened in 2006 and is the dominant regional shopping centre in the province of Castellón. The shopping centre provides a comprehensive retail offering of 68 752m², including a 13 693m² Alcampo Hypermarket. The Alcampo Hypermarket is under separate ownership and does not form part of the acquisition. Salera is fully let to 147 major international and national tenants including Primark, H&M, JD Sports, FNAC, Primor, C&A and eight Inditex brands (Zara, Massimo Dutti, Lefties, Bershka, Pull&Bear, Oysho, Zara Home and Stradivarius). The entertainment offering includes a 14-screen cinema, an arcade, bowling, as well as a food court. The current annual footfall is 9 million, which is 8,7% above 2019 levels. The shopping centre is well located with easy access to the A-7 motorway (the main motorway between Valencia and Barcelona).

The retail landscape in Castellón de la Plana is consolidating into Salera and Zara closed its high-street location in the city in January 2024. Salera now offers the only Zara in the region.

During December 2023, Resilient paid EUR8,6 million (R171,6 million) as a deposit towards the acquisition of Salera. As the deposit was non-interest-bearing, Resilient entered into a EUR8,6 million cross-currency swap to limit the impact of this until transfer of the property.

The purchase consideration of EUR174,5 million (100% and inclusive of transaction costs) represents an annualised net initial yield of 7,7% based on the forecast 2024 net operating income. In total, Resilient paid EUR87,25 million (R1,765 billion) for its share of Salera. The intention is for Propco to introduce senior bank debt of approximately 45% of the acquisition price in due course.

Nigeria

Resilient Africa, together with local partners, owns Asaba Mall, Delta Mall and Owerri Mall. Resilient owns 60,94% of Resilient Africa in partnership with Shoprite Holdings Limited ("Shoprite").

Resilient Africa received USD45 million of funding from the Shoprite group which was due to be repaid on 3 March 2024. The funding was secured by the three properties, with no recourse to Resilient's South African balance sheet. As the valuation of the properties exceeds the value of the funding, Resilient and Shoprite effectively agreed, subsequent to year-end, that Resilient's portion of the properties will settle its share of the debt. Consequently, Resilient will dispose of its Nigerian operations to Shoprite for a consideration of R1. From 3 March 2024, Resilient has no further financial obligations with regard to the Nigerian operations with Shoprite taking full responsibility thereof.

The Nigerian investment contributed 42 cents per share to Resilient's net asset value of R66,28 per share at December 2023.

LISTED PORTFOLIO

Counter	Dec 2023 Number of shares	Dec 2023 Fair value R'000	Dec 2022 Number of shares	Dec 2022 Fair value R'000
Lighthouse Properties (LTE)	564 089 431	4 146 057	523 610 673	3 560 553
Hammerson (HMSO/HMN)	–	–	197 927 768	971 682
		4 146 057		4 532 235

Resilient's interest in Hammerson plc ("Hammerson") was sold during the year in line with the Board's priority to proceed with Resilient's energy initiatives and fund its capital commitments while retaining conservative leverage. Total proceeds of R1,2 billion were received against the original purchase price of R746,4 million.

The increase in the number of shares held in Lighthouse follows Resilient's election to receive scrip dividends in April 2023 and 50% of its dividend as a scrip dividend in October 2023. Resilient currently owns 30,8% of Lighthouse and accounts for its investment using the equity method.

FINANCIAL COMMENTARY

Property valuations

Resilient's full property portfolio was subject to an external valuation at December 2023. The South African property portfolio was valued by Quadrant Properties Proprietary Limited ("Quadrant"). Resilient's share of the positive revaluation of its South African portfolio was R1,2 billion (4,8%).

The French portfolio was valued by JLL and the Nigerian portfolio by CBRE Excellerate. Resilient's share of the negative revaluation of the French portfolio was EUR8,3 million and its share of the negative revaluation of the Nigerian portfolio was USD11,7 million.

Funding, facilities and hedging

The Group's policy is not to borrow against listed securities (R4,15 billion at December 2023). The Group has R5,7 billion of unbonded investment property (excluding land) and currently has unsecured funding of R4,8 billion. At the date of this announcement, Resilient has R1,1 billion of undrawn facilities available.

At the reporting date, Resilient had R3 billion of interest-bearing borrowings expiring during FY2024. During 1Q2024, Resilient accepted R3,5 billion of new facilities. The following facilities are currently in place:

Facility expiry	Amount 'million	Average margin
South Africa		
FY2024	R925	3-month JIBAR+1,78%
FY2025	R3 010	3-month JIBAR+1,68%
FY2026	R3 428	3-month JIBAR+1,78%
FY2027	R1 050	3-month JIBAR+1,62%
FY2028	R2 600	3-month JIBAR+1,53%
FY2029	R3 110	3-month JIBAR+1,47%
	R14 123	3-month JIBAR+1,63%
Nigeria[#]		
Mar 2024	USD27,4	3-month SOFR+6,25%
France[#]		
Mar 2027 (including extension option in 2025)	EUR49,1	3-month EURIBOR+3,00%

[#] *The funding is secured by the respective investment properties and there is no recourse to Resilient's South African balance sheet.*

All facilities represent Resilient's proportionate share.

Interest rate derivatives

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

Interest rate swap expiry	Amount R'000	Average swap rate %
Jul 2024	1 000 000	4,51
Nov 2024	100 000	7,78
FY2025	1 500 000	6,10
FY2026	1 600 000	6,65
FY2027	1 500 000	7,44
FY2028	2 750 000	7,18
	8 450 000	**6,63**

Interest rate cap expiry	Amount R'000	Average cap rate %
Mar 2024	200 000	8,74
May 2024	200 000	7,99
FY2026	400 000	7,91
FY2027	1 000 000	8,03
FY2028	1 500 000	8,38
	3 300 000	**8,22**

The all-in weighted average cost of funding of Resilient was 8,63% at December 2023 and the average hedge term was 3,1 years.

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	EUR49 095	1,00

* *Based on the Secured Overnight Financing Rate ("SOFR").*

Exposure to variable interest rates	South Africa ’000	Europe ’000	Nigeria ’000
Interest-bearing borrowings	R11 223 223	R968 227	R504 856
Currency derivatives	(R171 570)	R171 570	
Loans to co-owners	(R128 266)		
Cash and cash equivalents	(R43 366)	(R76 682)	(R9 739)
Capital commitments contracted for	R1 387 619	R963 144	
Capital commitments approved	R369 688		
	R12 637 328	R2 026 259	R495 117
Exchange rate		20,19	18,32
Exposure	R12 637 328	EUR100 360	USD27 026
Interest rate derivatives – swaps/caps	R11 750 000	EUR49 095	USD11 000
Percentage hedged	**93,0% (R)**	**48,9% (EUR)**	**40,7% (USD)**

Loan-to-value (“LTV”) ratio

Exposure to variable interest rates	South Africa R’000	Europe R’000	Nigeria R’000	Total R’000
Assets				
Investment property	25 601 064	2 847 338	532 922	28 981 324
Straight-lining of rental revenue adjustment	547 591	7 367	3 125	558 083
Investment property under development	863 927	72 720		936 647
Investments (funded in South Africa)	4 146 057			4 146 057
Loans to co-owners	128 266		135 920	264 186
	31 286 905	2 927 425	671 967	34 886 297
Net debt				
Cash and cash equivalents	(43 366)	(76 682)	(9 739)	(129 787)
Fair value of derivative financial instruments	(244 290)	(45 216)		(289 506)
Interest-bearing borrowings	11 223 223	968 227	504 856	12 696 306
	10 935 567	846 329	495 117	12 277 013
LTV ratio	**35,0% (R)**	**28,9% (EUR)***	**73,7% (USD)***	**35,2% (R)**

* *The funding is secured by the respective investment properties and there is no recourse to Resilient’s South African balance sheet.*

Cross-currency swaps

In approving the acquisition of Salera, the Board, having considered the fact that Resilient was funding the acquisition using South African facilities, approved the use of cross-currency swaps. Cross-currency swaps have the effect of reducing the South African base rate of borrowings to the base rate had in-country debt been used to fund the foreign investment. Cross-currency swaps have only been used to the extent that a neutral effect on the first year’s distribution is achieved.

In December 2023, a cross-currency swap of EUR8,6 million at an exchange rate of R19,95 was in place. Since the transfer of Salera in January 2024, cross-currency swaps now total EUR49,5 million at an exchange rate of R20,30. The cross-currency swap position will be reduced to the extent that in-country funding is obtained.

Income hedging

Foreign income expected for FY2024 is hedged as follows:

	EUR
1H2024	R20,67
2H2024	R21,70

REPURCHASE OF SHARES

Resilient acquired 5 526 450 of its shares through the open market at an average cost of R46,46 per share during 1H2023. All the shares repurchased were delisted and reverted to authorised but unissued share capital of the Company.

SUMMARY OF FINANCIAL PERFORMANCE

	Dec 2023	Jun 2023	Dec 2022	Jun 2022
Dividend per share (cents)	**203,02**	203,22	203,98	234,05
Shares in issue for IFRS	**334 334 849**	334 334 849	340 575 147	347 037 531
Shares held in treasury: Resilient Properties	**30 156 041**	30 156 041	30 156 041	30 156 041
Shares held in treasury: Deferred Share Plan (“DSP”)	**713 848**	713 848	–	–
Shares in issue	**365 204 738**	365 204 738	370 731 188	377 193 572
Management accounts information				
Net asset value per share (R)	**66,28**	62,81	62,18	58,23
LTV ratio (%)*	**35,2**	36,1	34,7	32,1
Gross property expense ratio (%)	**39,9****	38,1	38,0	35,0
Percentage of direct and indirect property assets offshore (%)	**22,0**	24,0	23,8	21,3
IFRS accounting				
Net asset value per share (R)	**65,71**	59,95	58,26	54,16

* *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. Refer to page 8.*

** *The cost ratio has been impacted by increased vacancy in the French portfolio (9,0% at 1H2023, subsequently reduced to 7,9% at December 2023) and increased repairs and maintenance, particularly air-conditioning and electrical components (2023: R78,4 million, 2022: R62,4 million).*

CHANGES TO MANAGEMENT

In December 2023, Des de Beer, one of the founders and long-serving chief executive officer of Resilient, retired. This was a profound occasion for Resilient and its staff as Des has, over his 21 years of service, made an impact on each and every staff member of the Company. On behalf of Resilient, and particularly the staff, management would like to thank Des for his contributions over the years, for his guidance and the entrepreneurial environment that the team were fortunate enough to experience. We wish him well with his retirement and his well-deserved travels.

With the appointment of Johann Kriek as chief executive officer from 1 January 2024, the position of Head of Retail has been filled by Suzan Tempel. Suzan is a well-established member of Resilient’s retail team, having joined Resilient as an asset manager in 2012. Suzan’s career in property spans across 30 years, having started as a centre manager for Sanlam Properties and later becoming a portfolio manager at Finlay & Associates in 2005, managing nine of Resilient’s properties. Suzan is widely respected in the industry and has a wealth of experience in the management and development of retail properties.

PROSPECTS

Macroeconomic factors such as low economic growth and the higher interest rates continue to impact on the Group’s performance.

In a South African context, high unemployment, continued loadshedding, infrastructure maintenance and the delivery of municipal services remain concerning. Despite these factors, Resilient’s South African portfolio has performed well. This is expected to continue in FY2024. Management’s focus will therefore remain on ensuring the portfolio is defensive against these challenges.

Resilient will continue to maintain a conservative LTV ratio and hedging profile. Distributions will be impacted as in-the-money interest rate hedges rebase. Lighthouse has guided lower dividends for FY2024 as it further grows its direct property portfolio. The currency hedges in respect of FY2024 are higher than those of FY2023, neutralising the impact of the lower euro dividends expected.

The Board forecasts that the dividend for FY2024 will be in line with that of FY2023. This assumes that interest rates remain unchanged, Lighthouse achieves its guidance, there is no further deterioration of the macroeconomic environment, no major corporate failures occur and that tenants will be able to absorb the rising utility costs and municipal rates. The Board will maintain a payout ratio of 100% of distributable earnings. This forecast and prospects have not been audited, reviewed or reported on by Resilient’s auditor.

By order of the Board

Johann Kriek
Chief executive officer

Monica Muller
Chief financial officer

Johannesburg
14 March 2024

ANNUAL FINANCIAL STATEMENTS

DIRECTORS' RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated annual financial statements and separate annual financial statements of Resilient REIT Limited ("Resilient" or the "Company"), comprising the statements of financial position at 31 December 2023, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, as well as the directors' and Audit Committee's reports, in accordance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies Act of South Africa, 71 of 2008 ("Companies Act").

The directors' responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors' responsibilities also include maintaining adequate accounting records and an effective system of risk management, as well as the preparation of the supplementary schedules included in these financial statements.

The directors have assessed the Group's and Company's ability to continue as a going concern and there is no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated annual financial statements and separate annual financial statements of the Company are fairly presented in accordance with the applicable financial reporting framework.

APPROVAL OF THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AND SEPARATE ANNUAL FINANCIAL STATEMENTS OF THE COMPANY

The consolidated annual financial statements and separate annual financial statements of the Company were approved by the board of directors ("Board") on 14 March 2024 and signed on its behalf by:

Johann Kriek
Chief executive officer

Monica Muller
Chief financial officer

CHIEF EXECUTIVE OFFICER'S AND CHIEF FINANCIAL OFFICER'S RESPONSIBILITY STATEMENT

Each of the directors, whose names are stated below, hereby confirm that:

- The annual financial statements set out on pages 26 to 97 fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the consolidated annual financial statements of the issuer;
- The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for the implementation and execution of controls;
- Where we are not satisfied, we have disclosed to the Audit Committee and the auditor any deficiencies in design and operational effectiveness of the internal financial controls and have remediated any deficiencies; and
- We are not aware of any fraud involving directors.

Johann Kriek
Chief executive officer

Monica Muller
Chief financial officer

DECLARATION BY THE COMPANY SECRETARY

In terms of section 88(e) of the Companies Act, 2008, as amended, I certify that the Company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of this Act and that all such returns are true, correct and up to date.

Hluke Mthombeni
Company secretary

14 March 2024

DIRECTORS' REPORT

NATURE OF THE BUSINESS

Resilient is a retail-focused Real Estate Investment Trust listed on the JSE. Its strategy is to invest in dominant retail centres with a minimum of three anchor tenants and let predominantly to national retailers. A core competency is its strong development skills which support new developments and the reconfiguration of existing malls to adapt to structural changes in the market. Resilient also invests directly and indirectly in offshore property assets.

The Company's focus is on regions with strong growth fundamentals. Resilient generally has the dominant offering in its target markets with strong grocery and flagship fashion offerings.

SHARE CAPITAL

Resilient's share capital is outlined in note 16 to the annual financial statements. No shares were issued during the year.

EARNINGS

The profit attributable to ordinary shareholders for the year ended 31 December 2023 amounted to R3,5 billion or 1 048,61 cents per share (2022: R3,8 billion or 1 081,99 cents per share). The headline earnings amounted to R1,3 billion or 395,10 cents per share for the reporting period (2022: R1,9 billion or 536,41 cents per share).

Resilient used distribution per share as its key performance measure for JSE trading statement purposes.

DIVIDENDS

Resilient declared an interim dividend of 203,22 cents per share for the six months ended June 2023 and declared a final dividend of 203,02 cents per share for the six months ended December 2023.

SOLVENCY AND LIQUIDITY

The directors have performed the required solvency and liquidity tests required by the Companies Act.

GOING CONCERN

The annual financial statements of the Group were prepared on a going concern basis. The Board is satisfied that the Group has adequate resources to continue trading for the foreseeable future based on a formal review of the results, forecasts and assessing available resources.

The current liabilities exceed current assets by R4,9 billion. At December 2023, the Group had R3,3 billion of interest-bearing borrowings expiring by December 2024. At the reporting date, R2,4 billion of the available facilities were undrawn. Subsequent to the reporting date, Resilient accepted R3,5 billion of new facilities from various banks. Refer to note 40 for the facility expiry profile at the date of the approval of the annual financial statements. Management is satisfied that the Group is able to meet its financial obligations.

SHAREHOLDER ANALYSIS

Shareholders with an interest of 5% or more in the issued share capital at 31 December 2023 are presented in Appendix 9.

CHANGES TO THE BOARD

Des de Beer retired as chief executive officer at the end of 2023. Des remains on the Board as a non-independent non-executive director. Johann Kriek was consequently appointed by the Board as the chief executive officer with effect from 1 January 2024.

Barry Stuhler was appointed to the Board as a non-independent non-executive director with effect from 15 August 2023. Barry is well known to the South African investment market as former chief executive officer of Property Fund Managers Limited, the asset manager of Capital Property Fund, and Pangbourne Properties Limited. Barry brings extensive property experience to the Board. The appointment was made in accordance with Resilient's Nomination Policy.

DIRECTORATE

The directorate comprises:

Independent non-executive directors	Date of appointment
Alan Keith Olivier *(chairman)*	August 2018
Stuart Ian Bird	February 2019
Desmond (Des) Kevin Gordon	August 2018
Marion Lesego Dawn Marole	May 2016
Protas Phili	December 2015
Thanduxolo (Thando) Selby Sishuba	August 2021
Barry Daniel van Wyk	November 2002
Non-independent non-executive directors	**Date of appointment**
Desmond (Des) de Beer	July 2002*
Barry Lester Stuhler	August 2023
Executive directors	**Date of appointment**
Jacobus Johann Kriek *(chief executive officer)*	June 2004
Monica Muller *(chief financial officer)*	March 2020

* *Served as chief executive officer until December 2023 and status changed to non-independent non-executive director from January 2024.*

A brief career synopsis of each director can be found on the Company's website at https://www.resilient.co.za/directors.htm.

BENEFICIAL SHAREHOLDING OF DIRECTORS AND OFFICERS

	Direct holding	Indirect holding	LTI unvested awards under DSP**	Total shares held	Percentage of issued shares %
At 31 December 2023					
Des de Beer*	–	31 952 191	191 456	32 143 647	8,8
Barry Stuhler	–	8 227 595	–	8 227 595	2,3
Johann Kriek*	1 212 390	1 779 028	153 175	3 144 593	0,9
Monica Muller	39 789	–	83 163	122 952	–
Alan Olivier	25 000	–	–	25 000	–
Protas Phili	1 730	5 609	–	7 339	–
Barry van Wyk	3 551	497	–	4 048	–
	1 282 460	41 964 920	427 794	43 675 174	12,0
At 31 December 2022					
Des de Beer*	–	31 666 813		31 666 813	8,5
Johann Kriek*	1 212 390	1 745 445		2 957 835	0,8
Alan Olivier	25 000	–		25 000	–
Protas Phili	1 730	5 609		7 339	–
Monica Muller	6 347	–		6 347	–
Barry van Wyk	3 551	497		4 048	–
	1 249 018	33 418 364		34 667 382	9,4

* *Full shareholding serves as collateral.*

** *Share awards under the Deferred Share Plan ("DSP") are acquired and held in escrow until the conclusion of the three-year vesting period. Participants hold the voting rights associated with the shares during the vesting period.*

The conditional shares awarded under the Conditional Share Plan ("CSP"), but not yet issued, to the executive directors during the year, as set out in note 32 to the annual financial statements, have not been included in the previous table.

There have been no changes to the directors' interest in the Company's shares between the reporting date and the approval of the financial statements.

INTERESTS OF DIRECTORS AND OFFICERS

During the financial year, no contracts were entered into in which directors or officers of the Group had an interest and which significantly affected the business of the Group. The directors had no interest in any third party or company responsible for managing any of the business activities of the Group except to the extent that they are shareholders in Resilient as disclosed in this report.

DIRECTORS' EMOLUMENTS

Directors' emoluments are disclosed in notes 30 and 32 to the annual financial statements.

COMPANY SECRETARY AND REGISTERED OFFICE

Hluke Mthombeni is the company secretary of Resilient. The address of the company secretary is that of the Company's registered office. The Company's registered office address is 4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, 2191.

SPECIAL RESOLUTIONS PASSED

A full list of the special resolutions passed by the Company during the year is available to shareholders on request.

PROMOTION OF ACCESS TO INFORMATION ACT

There were no requests for information lodged with the Company in terms of the Promotion of Access to Information Act, No 2 of 2000.

CORPORATE GOVERNANCE

The directors are not aware of any legal or arbitration proceedings, which have commenced, are pending or have been threatened, that have or may have a material impact on the results of the Group.

Resilient has complied with the Companies Act, particularly with reference to the incorporation provisions as set out in the Companies Act and has operated in conformity with Resilient's Memorandum of Incorporation ("MOI") during the year under review.

The Board has executed its responsibilities under the evaluation policy.

EVENTS SUBSEQUENT TO THE REPORTING DATE

Acquisition of Salera Centro Comercial ("Salera")

On 31 January 2024, the Group concluded the acquisition of Salera, a retail shopping centre in Castellón de la Plana, Spain, through Spanish Retail Investments SOCIMI, SA ("SRI"), a joint venture between Lighthouse and Resilient, each owning a 50% interest. Salera was acquired by a wholly-owned subsidiary of SRI. In total, Resilient paid EUR87,25 million (R1,765 billion) for its share of Salera.

Disposal of Resilient Africa

Resilient Africa received USD45 million of funding from the Shoprite group which was due to be repaid on 3 March 2024. The funding was secured by the three properties, with no recourse to Resilient's South African balance sheet. As the valuation of the properties exceeds the value of the funding, Resilient and Shoprite effectively agreed, subsequent to year-end, that Resilient's portion of the properties will settle its share of the debt. Consequently, Resilient will dispose of its Nigerian operations to Shoprite for a consideration of R1. From 3 March 2024, Resilient has no further financial obligations with regard to the Nigerian operations with Shoprite taking full responsibility thereof.

The directors are not aware of other events subsequent to 31 December 2023, not arising in the normal course of business, which are likely to have a material effect on the financial information contained in this report.

REPORT OF THE AUDIT COMMITTEE

EXECUTION OF THE FUNCTIONS OF THE AUDIT COMMITTEE

The Audit Committee operates in accordance with the specific statutory duties imposed by the Companies Act, the JSE Listings Requirements and the JSE Debt Listings Requirements as well as in accordance with the Audit Committee charter, which incorporates the principles contained in King IV and the duties specifically delegated by the Company's Board.

Members	
Protas Phili *(chairman)*	Independent non-executive
Stuart Bird	Independent non-executive
Des Gordon	Independent non-executive

The requirements of the Audit Committee charter as it pertains to the composition of the Audit Committee have been met in that the Audit Committee consists of at least three members who are independent non-executive directors and the Audit Committee is chaired by an independent non-executive director who is not the Chairman of the Board.

The Audit Committee is pleased to submit its report in compliance with section 94(7)(f) of the Companies Act.

FUNCTION AND COMPOSITION OF THE AUDIT COMMITTEE

The primary role of the Audit Committee is to ensure the integrity of financial reporting and the audit process. In pursuing these objectives, the Audit Committee oversees the relationship with the external auditor. The Audit Committee also assists the Board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems and internal control processes, overseeing the preparation of accurate financial reports and statements in compliance with all applicable legal requirements and accounting standards, ensuring compliance with good governance practices and the nomination of the external auditor. The role of the Audit Committee has been codified in the Audit Committee charter which has been approved by the Board. This charter has been aligned with the requirements of the King IV Report on Corporate Governance for South Africa, 2016™ ("King IV") and the Companies Act and is reviewed and updated by the Audit Committee and approved by the Board on an annual basis.

The chief executive officer, chief financial officer, company secretary and the external auditor attend the Audit Committee meetings as invitees. The internal auditor attends one Audit Committee meeting per year as an invitee. The Committee members have unlimited access to all information, documents and explanations required in the discharge of their duties, as well as to any external advisory or consulting services as they may require. The external and internal auditors have direct access to the Audit Committee, including closed sessions without management, during the year on any matter that they regard as relevant to the fulfilment of the Audit Committee's responsibilities. The Audit Committee members have regular contact with the management team to discuss relevant matters directly.

The Board, on the recommendation of the Nomination Committee, makes appointments to the Audit Committee to fill vacancies. Members of the Audit Committee are subject to re-election by shareholders at each annual general meeting ("AGM") . The Board has determined that the Audit Committee members have the skills and experience necessary to contribute meaningfully to the Audit Committee's deliberations. In addition, the chairman has the requisite experience in accounting and financial management. On an annual basis, the Audit Committee undertakes a self-evaluation exercise and is subject to a formal board assessment to assess whether it is fulfilling its responsibilities in terms of the charter.

In fulfilling its responsibility of monitoring the integrity of financial reports to shareholders, the Audit Committee has reviewed accounting principles, policies and practices adopted in the preparation of financial information and has examined documentation relating to the Integrated Report. The clarity of disclosures included in the financial statements was reviewed by the Audit Committee, as was the basis for significant estimates and judgements.

Resilient has a combined assurance model to enable its Audit Committee to express the view that it is satisfied that suitable assurance has been obtained for all material statements made in the Integrated Report. The following lines of assurance have been identified:

First line of assurance	Line functions that own and manage risk and opportunity related to their particular function.
Second line of assurance	Executive management that facilitates and oversee risk and opportunity.
Third line of assurance	Internal assurance providers that provide objective assurance.
Fourth line of assurance	External assurance providers.
Fifth line of assurance	Board committees and the Board.

It is the function of the Audit Committee to review and make recommendations to the Board regarding interim financial results, annual financial statements and the Integrated Report prior to approval by the Board. There were four Audit Committee meetings held during the year ended 31 December 2023.

INTERNAL AUDIT

The Group does not have a formalised internal audit department. This is primarily due to the fact that the majority of the property management functions are outsourced to external property managers who are subject to annual external audits. The internal audit function is therefore outsourced with the internal auditor reporting directly to the Audit Committee. The Audit Committee continually examines the appropriateness of utilising an independent internal auditor to periodically review activities of the Group and service providers.

EXTERNAL AUDITOR

The Audit Committee is satisfied that the external auditor is independent of the Group. The Audit Committee considered the balance between fees received by the external auditor for audit and non-audit work performed in the current reporting period and concluded that the nature and extent of non-audit fees does not present a threat to the external auditor's independence. Furthermore, after obtaining confirmation from the external auditor on the procedures performed to ensure that there are no conflicts of interest or threats to independence, and the related safeguards and procedures, the Audit Committee has concluded that the external auditor's independence was not impaired.

The Audit Committee approved the external auditor's terms of engagement, scope of work and the annual fee and noted the applicable levels of materiality. Based on written reports submitted and feedback received from the designated audit partner, the Audit Committee reviewed the findings of the work performed by PricewaterhouseCoopers Inc. ("PwC") and confirmed that all significant matters had been satisfactorily resolved. The Audit Committee is satisfied that the external audit was completed without any restriction on its scope. The external auditor had unrestricted access to the Audit Committee and has attended all the Audit Committee meetings by invitation since the date of their appointment. The key audit matters identified, together with the procedures performed to address them, and the conclusions reached by the external auditor, are included in the Independent Auditor's Report. The Audit Committee has considered the requirements of paragraph 3.84(g) of the JSE Listings Requirements and 7.3(e)(iii) of the JSE Debt Listings Requirements, relating to the suitability for appointment of PwC, and specifically related to Mr Liedeman, the lead audit partner. The Audit Committee is satisfied that the appointment of PwC, with Mr Liedeman as the designated audit partner, is suitable for appointment as external auditor.

The Audit Committee will table the reappointment of the external auditor at the annual general meeting to be held in June 2024.

INTERNAL CONTROLS

The Audit Committee used the combined assurance model to monitor the efficiency and effectiveness of the internal financial controls. The Audit Committee has considered management's assessment of internal controls and monitored the internal audit assessment of the design, implementation and effectiveness of the Company's system of internal controls during the reporting period. Based on the results of the assessment, as well as information and explanations given by management and discussions with the external auditor on the results of their audit, the Audit Committee is of the opinion that Resilient's system of internal financial controls is effective and forms a basis for the preparation of reliable financial statements. No findings came to the attention of the Audit Committee to indicate that any material breakdown in internal controls occurred during the period under review.

In accordance with paragraph 3.84(g)(ii) of the JSE Listings Requirements and paragraph 7.3(e)(ii) of the JSE Debt Listings Requirements, the Audit Committee further confirms that the Company has established appropriate financial reporting procedures and that those procedures are operating effectively.

ACTIVITIES OF THE COMMITTEE DURING THE PAST YEAR

Finance function review

The Audit Committee considered and satisfied itself of the overall appropriateness of the finance function's resources, experience and expertise as well as the experience and expertise of the chief financial officer, who is responsible for the finance function.

Resilient is represented on the Accounting and JSE Committee of the SA REIT Association as well as on the Regulation and Taxation Committee. The Audit Committee is therefore satisfied that Resilient is adequately versed in matters that affect the REIT sector as a whole.

The Audit Committee confirms that Resilient has established appropriate reporting procedures and that these procedures are operating effectively.

Internal audit

During the current reporting period, Resilient engaged Mazars to perform an audit over the turnover rentals, lease completion, tracking and storage processes as well as the processes and controls relating to the roll-out of Resilient's energy initiatives. In addition, Resilient performed its own internal audit review of the financial reporting controls at both Broll Property Group Proprietary Limited and JHI Retail Proprietary Limited. The report to the Audit Committee indicated that the controls tested during the year ended 31 December 2023 were generally adequate and operating as intended.

Valuation of investment property

The valuation of investment property is an area of significant judgement. The South African property portfolio was independently valued by Quadrant, while the three malls in Nigeria were valued by CBRE Excellerate. The valuations were determined using the discounted cash flow model. This method takes the projected net cash flow from each investment property and discounts it at a risk-adjusted discount rate that also takes into account comparable market transactions. Both the Audit Committee and the Investment Committee have considered the results of these valuations and are satisfied that a thorough and well-considered valuation has been performed on the property portfolio and that the resulting fair values are appropriate and justified.

JSE proactive monitoring

On an annual basis, the JSE publishes a report on the findings of its process of monitoring financial statements of selected listed companies for compliance with IFRS. As is required by the JSE, the Audit Committee has considered those findings in its review of the Group's interim and annual financial statements for the 2023 reporting period and has made appropriate amendments to its accounting treatments and disclosures where necessary.

Financial statements and accounting policies

The Audit Committee has reviewed and discussed the audited annual financial statements with the external auditor, the chief executive officer and the chief financial officer and has considered the accounting treatments and judgements as well as the accounting policies applied in the preparation of the annual financial statements.

The Audit Committee has received the external auditor's report and has considered the key audit matters included therein together with the audit procedures performed by the external auditor to address the matters. The Audit Committee is satisfied that the key audit matters have been appropriately addressed by the external auditor.

Following the review by the Audit Committee of the consolidated and separate annual financial statements of Resilient REIT Limited for the year ended 31 December 2023, the Audit Committee is of the view that, in all material respects, they comply with the relevant provisions of the Companies Act and IFRS and fairly present the financial position at that date and the results of its operations and cash flows for the year. In conjunction with the other board sub-committees, the Audit Committee has also satisfied itself as to the integrity of the remainder of the Integrated Report.

We hereby recommend the Integrated Report to the Board for approval.

On behalf of the Audit Committee

Protas Phili
Chairman of the Audit Committee

14 March 2024

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Resilient REIT Limited

Report on the audit of the consolidated and separate financial statements

OUR OPINION

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Resilient REIT Limited (the "Company") and its subsidiaries (together the "Group") as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Resilient REIT Limited's consolidated and separate financial statements set out on pages 26 to 97 comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

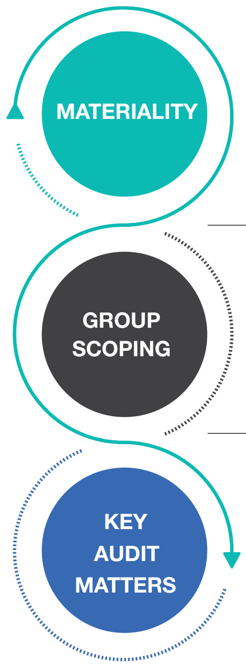
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* ("IRBA Code") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*

OUR AUDIT APPROACH

Overview



Overall group materiality

- R215 million, which represents 1% of consolidated net asset value.

Group audit scope

- Three full scope audits were performed for the individually significant components;
- Audits of balances were performed for nine components where specific balances were either individually financially significant, or significant in aggregate with other components; and
- Analytical procedures were performed over the remaining insignificant components.

Key audit matters

- Valuation of investment properties.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

MATERIALITY

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality

R215 million

How we determined it

1% of consolidated net asset value

Rationale for the materiality benchmark applied

We chose consolidated net asset value as the benchmark because, in our view, it is the key benchmark against which the performance of the Group is most commonly measured by users of the consolidated financial statements.

Although the Group is profit-orientated, its strategic focus is to deliver long- term shareholder returns through the acquisition and development of investment properties. As a Real Estate Investment Trust ("REIT"), the users are likely to be more concerned with the net assets underlying the Group, compared to profitability. In addition, the loan-to-value (value of loans compared to the value of the assets) is a key metric for the Group.

We chose 1% based on our professional judgement, and after consideration of the range of the quantitative materiality thresholds that we would typically apply when using net assets to compute materiality.

HOW WE TAILORED OUR GROUP AUDIT SCOPE

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Our scoping included three components, which were financially significant components (based on the contribution to profit before tax and/ or net assets). In addition, audits of balances were performed for nine components where specific balances were either individually significant, or significant in aggregate with other components. The remainder of the components were considered to be insignificant, individually and in aggregate. We performed analytical procedures on these components.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group engagement team and component auditors from within the PwC network. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report in respect of the separate financial statements.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties Refer to the following accounting policies and notes to the consolidated financial statement for details: • Note 1.3 – Accounting Policies: Investment property; • Note 3 – Investment property, straight-lining of rental revenue adjustment and investment property under development; and • Note 38.5 – Fair value hierarchy for financial instruments and investment property For the period ended 31 December 2023, the Group's investment property portfolio, including the investment properties under development and straight-lining of rental revenue adjustment, is valued at R28.9 billion (2022: R27.3 billion) in the consolidated statement of financial position. The fair value gain recorded for the year amounts to R837 million (2022: R1.1 billion) which excludes a straight-lining of rental revenue adjustment amounting to R41 million (2022: R111 million) The investment properties are stated at fair value, in line with the International Financial Reporting Standards ("IFRS") 13: Fair value. The fair values are based on independent external valuations. It is the policy of the Group to obtain annual external valuations for all investment properties. The fair values of investment properties at year-end were determined by the external valuers using the discounted cash flow ("DCF") method of valuation. In determining a property's valuation, property specific information is taken into account. This includes discount rate, exit capitalisation rate, vacancy rate, weighted average yields, rental growth rate and projected net cash flows from each investment property. We considered the year-end valuation of the investment properties to be a matter of most significance to our current year audit due to the following: • Inherent subjectivity of the key assumptions that underpin the valuations of the investment property; and • The magnitude of the balance of the investment properties recorded in the statement of financial position, as well as the changes to the fair value relating to the property portfolio recorded in the consolidated statement of comprehensive income.	We obtained an understanding of the approach followed by management and the independent valuers in respect of the valuation of the Group's investment property portfolio through discussions with both management and the independent external valuers, as well as the inspection of minutes of meetings. This included familiarising ourselves with the process around preparing the budgets that drive the cash flows used in the valuations. We inspected the valuation reports for a representative sample of the properties and assessed whether the valuation approach for each of the properties was in accordance with IFRS, and suitable for use in determining the fair value for the purpose of the consolidated financial statements. We found management's method to be reasonable. We evaluated the valuers' qualifications and expertise and evaluated whether there were any matters that might have affected the valuers' objectivity or may have imposed scope limitations upon the valuers' work through direct communication with the valuers, and inspection of their credentials. We did not note any aspects in this regard requiring further consideration. We made use of our valuation expertise in our assessment of the reasonableness of the valuation methodologies and assumptions applied based on our knowledge of the industry and markets in which the Group operates. Our work, as detailed in the procedures below, focused on a range of properties across the South African and Nigerian portfolio which included properties where the assumptions used and/or year-on-year capital value movement suggested a possible outlier versus market data for the relevant sector. For these properties, we obtained an understanding of and performed substantive testing, relating to the valuation of investment properties, which included the following: • we tested the underlying revenue inputs into the valuations for a sample of tenants by agreeing annual rental escalations, gross lettable area per contract and lease terms to the underlying signed contracts; and • examined that the appropriate approval of the budget was done by the Board, as well as the approval of the external valuations performed and methodology used in these valuations. For the same sample of properties, we performed the following procedures to assess the reasonableness of the inputs into the valuation: • Compared data inputs for our sample into the valuations against the appropriate market and historic information. Where differences were noted, we made use of our internal valuation expertise to determine our own estimates of these inputs in order to assess whether they were within a reasonable range. These inputs included: – discount rates; – exit capitalisation rates; – weighted average yields; – rental growth rates; and – vacancy rates.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties continued	We assessed the reasonableness of the cash flow of each property within the sample used by the valuers in the discounted cash flow models. This involved: • Reconciling the actual cash flows for the year ended 31 December 2023 to the cash flows used in the base year forecast and investigating any significant differences; and • Assessing the forecasted cash flows against the market and contractual information. Making use of our internal valuation expertise, we performed an evaluation of each property in our sample, based on the independent data inputs and net cash flows referred above. Assumptions and inputs used were compared to market assumptions in the performance of the valuations. We did not identify any material differences between the valuers' valuation and our recalculated fair values. These recalculated fair values fell within an acceptable range. Our audit procedures found management's valuation to be reasonable. For a representative sample of the straight-line rental revenue adjustments we agreed the inputs in the calculation to the underlying lease agreements and tested the accuracy of the calculation through reperformance. We did not identify any material differences. We further evaluated the appropriateness of the disclosures in the consolidated financial statements of key assumptions to which the valuations are most sensitive, and their inter-relationship between the assumptions and valuation amounts. Based on the results of our work performed and taking into account the applicable requirements of IFRS, we noted no material differences.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Resilient Annual results for the year ended 31 December 2023", which includes the Directors' Report, the Report of the Audit Committee and the Declaration by the company secretary as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Resilient REIT Limited for three years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: P Liedeman
Registered Auditor

Cape Town, South Africa
14 March 2024

The examination of controls over the maintenance and integrity of the Group's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

STATEMENTS OF FINANCIAL POSITION

at 31 December 2023

	Note	GROUP Dec 2023 R'000	GROUP Dec 2022 R'000	COMPANY Dec 2023 R'000	COMPANY Dec 2022 R'000
ASSETS					
Non-current assets		**35 412 537**	32 898 594	**19 119 945**	16 586 286
Investment property	3	**27 474 001**	26 185 959		
Straight-lining of rental revenue adjustment	3	**584 298**	542 156		
Investment property under development	3	**874 298**	613 028		
Investment in associates and joint venture	4	**4 626 286**	2 679 486	**399 388**	201 975
Investments	6	**–**	971 682		
Staff incentive loans	7	**–**	11 300	**–**	11 300
Loans to co-owners	8	**104 087**	104 819		
Loans to associate	9	**1 302 157**	1 333 073		
Loan to joint venture	10	**173 969**	–		
Other financial assets	11	**273 441**	457 091		
Interest in subsidiaries	12			**10**	10
Loans to Group companies	13			**18 720 547**	16 373 001
Current assets		**285 404**	337 773	**557**	31 481
Staff incentive loans	7	**–**	5 145	**–**	3 874
Trade and other receivables	14	**160 201**	146 745	**543**	–
Other financial assets	11	**21 636**	21 275		
Other assets	15	**39 550**	48 185		
Cash and cash equivalents		**64 017**	116 423	**14**	27 607
Total assets		**35 697 941**	33 236 367	**19 120 502**	16 617 767

	Note	GROUP Dec 2023 R'000	GROUP Dec 2022 R'000	COMPANY Dec 2023 R'000	COMPANY Dec 2022 R'000
EQUITY AND LIABILITIES					
Total equity attributable to equity holders		**21 968 199**	19 841 807	**11 003 905**	11 194 595
Stated capital	16	**10 501 794**	10 660 712	**10 501 794**	10 660 712
Treasury shares	17	**(2 229 346)**	(2 193 878)		
Foreign currency translation reserve		**1 368 103**	896 005	**210 430**	71 359
Share-based payments reserve		**29 318**	24 065		
Retained earnings		**12 298 330**	10 454 903	**291 681**	462 524
Non-controlling interests		**(332 611)**	(99 974)		
Total equity		**21 635 588**	19 741 833	**11 003 905**	11 194 595
Total liabilities		**14 062 353**	13 494 534	**8 116 597**	5 423 172
Non-current liabilities		**8 908 594**	9 686 144	**6 661 624**	4 793 762
Interest-bearing borrowings	18	**8 778 477**	9 593 490	**6 661 624**	4 793 762
Other financial liabilities	19	**27 285**	262		
Deferred tax	20	**102 832**	92 392		
Current liabilities		**5 153 759**	3 808 390	**1 454 973**	629 410
Trade and other payables	21	**603 073**	564 318	**4 196**	11 058
Other financial liabilities	19	**23 502**	1 447	**4 705**	–
Other liabilities	22	**45 633**	53 688		
Income tax payable		**2 792**	25	**1 747**	
Amounts owing to non-controlling shareholders	23	**1 205 582**	1 155 625		
Interest-bearing borrowings	18	**3 273 177**	2 033 287	**1 444 325**	618 352
Total equity and liabilities		**35 697 941**	33 236 367	**19 120 502**	16 617 767

STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 31 December 2023

	Note	GROUP for the year ended Dec 2023 R'000	GROUP for the year ended Dec 2022 R'000	COMPANY for the year ended Dec 2023 R'000	COMPANY for the year ended Dec 2022 R'000
Contractual rental revenue and recoveries		3 529 312	3 287 521		
Straight-lining of rental revenue adjustment		41 434	110 561		
Revenue from direct property operations		3 570 746	3 398 082		
Revenue from investments		4 671	104 593		
Revenue received from Group companies				1 948 715	1 980 363
Total revenue	24	3 575 417	3 502 675	1 948 715	1 980 363
Fair value adjustments		798 389	1 285 219	(4 475)	–
Fair value gain on investment property	3	836 847	1 147 835		
Adjustment resulting from straight-lining of rental revenue		(41 434)	(110 561)		
Fair value gain/(loss) on investments	6	158 015	(11 303)		
Fair value (loss)/gain on currency derivatives		(78 103)	60 053	(4 475)	–
Fair value (loss)/gain on interest rate derivatives		(76 936)	199 195		
Property operating expenses	25	(1 331 012)	(1 230 382)		
Administrative expenses		(151 989)	(144 778)	(14 299)	(11 918)
Share-based payments – employee incentive scheme		(13 484)	(14 659)		
Foreign exchange gain/(loss)		189 646	141 812	139 071	(8 877)
Profit on distribution of interest in associate to shareholders	4	–	774 928		
Impairment of investment in associate	4	(824 521)	–		
Impairment of loans to associate	9	(192 830)	–		
Staff incentive loans written off	7	(2 535)	–	(1 659)	–
Reversal of impairment of staff incentive loans receivable	7	–	166	–	145
(Impairment)/reversal of impairment of loans receivable	8, 13	(6 821)	(1 172)	17 464	370 078
Share of profit of associates and joint venture	4	2 378 369	281 158		
Profit before net finance costs		4 418 629	4 594 967	2 084 817	2 329 791
Net finance costs		(1 035 579)	(681 330)	(525 613)	(307 500)
Finance income		123 271	53 560	107 376	41 063
Interest received on loans and cash balances		17 041	14 240	1 146	1 743
Interest received from associate and joint venture		106 230	39 320		
Interest received from Group companies				106 230	39 320
Finance costs		(1 158 850)	(734 890)	(632 989)	(348 563)
Interest on borrowings		(1 184 346)	(749 794)	(632 989)	(348 563)
Capitalised interest		25 496	14 904		
Profit before income tax	26	3 383 050	3 913 637	1 559 204	2 022 291
Income tax	27	(28 657)	2 700	(1 747)	(289)
Profit for the year		3 354 393	3 916 337	1 557 457	2 022 002

	Note	GROUP for the year ended Dec 2023 R'000	GROUP for the year ended Dec 2022 R'000	COMPANY for the year ended Dec 2023 R'000	COMPANY for the year ended Dec 2022 R'000
Other comprehensive income/(loss) net of tax					
Items reclassified to profit or loss:					
Exchange differences realised on disposal of Hammerson shares		(74 084)	–		
Items that may subsequently be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		331 468	(196 076)		
		257 384	(196 076)		
Total comprehensive income for the year		3 611 777	3 720 261	1 557 457	2 022 002
Profit for the year attributable to:					
Equity holders of the Company		3 528 549	3 789 415	1 557 457	2 022 002
Non-controlling interests		(174 156)	126 922		
		3 354 393	3 916 337	1 557 457	2 022 002
Total comprehensive income for the year attributable to:					
Equity holders of the Company		3 785 427	3 596 188	1 557 457	2 022 002
Non-controlling interests		(173 650)	124 073		
		3 611 777	3 720 261	1 557 457	2 022 002
Basic earnings per share (cents)	28	1 048,61	1 081,99		
Diluted earnings per share (cents)	28	1 046,43	1 077,92		

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2023

	Note	GROUP Stated capital R'000	Treasury shares R'000	Foreign currency translation reserve R'000	Share-based payments reserve R'000	Retained earnings R'000	Equity attributable to equity holders R'000	Non-controlling interests R'000	Total equity R'000
Balance at Dec 2021		13 014 794	(2 996 167)	1 083 445	9 406	9 312 970	20 424 448	(164 357)	20 260 091
Shares acquired by the Company	16	(867 646)	654 749			(893 039)	(1 105 936)		(1 105 936)
Dividend *in specie*	4	(1 486 436)	147 540				(1 338 896)		(1 338 896)
Exchange differences realised on distribution of interest in associate to shareholders				(126 670)			(126 670)		(126 670)
Foreign currency translation differences				(193 227)			(193 227)	(2 849)	(196 076)
Profit for the year						3 789 415	3 789 415	126 922	3 916 337
Share-based payments – employee incentive scheme					14 659		14 659		14 659
Dividends paid						(1 621 986)	(1 621 986)	(59 690)	(1 681 676)
Transfer to foreign currency translation reserve				132 457		(132 457)	–		–
Balance at Dec 2022		10 660 712	(2 193 878)	896 005	24 065	10 454 903	19 841 807	(99 974)	19 741 833
Shares acquired by the Company	16	(158 918)				(97 847)	(256 765)		(256 765)
Exchange differences realised on disposal of Hammerson shares				(74 084)			(74 084)		(74 084)
Foreign currency translation differences				330 962			330 962	506	331 468
Profit for the year						3 528 549	3 528 549	(174 156)	3 354 393
Share-based payments – employee incentive scheme			(35 468)		5 253	(3 468)	(33 683)		(33 683)
Dividends paid						(1 368 587)	(1 368 587)	(58 987)	(1 427 574)
Transfer to foreign currency translation reserve				215 220		(215 220)	–		–
Balance at Dec 2023		10 501 794	(2 229 346)	1 368 103	29 318	12 298 330	21 968 199	(332 611)	21 635 588

	Note	COMPANY Stated capital R'000	Foreign currency translation reserve R'000	Retained earnings R'000	Equity attributable to equity holders R'000
Balance at Dec 2021		13 014 794	80 236	933 630	14 028 660
Shares acquired by the Company	16	(867 646)		(720 684)	(1 588 330)
Dividend *in specie*	16	(1 486 436)			(1 486 436)
Profit for the year				2 022 002	2 022 002
Dividends paid				(1 781 301)	(1 781 301)
Transfer to foreign currency translation reserve			(8 877)	8 877	–
Balance at Dec 2022		10 660 712	71 359	462 524	11 194 595
Shares acquired by the Company	16	(158 918)		(97 847)	(256 765)
Profit for the year				1 557 457	1 557 457
Dividends paid				(1 491 382)	(1 491 382)
Transfer to foreign currency translation reserve			139 071	(139 071)	–
Balance at Dec 2023		10 501 794	210 430	291 681	11 003 905

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2023

	Note	GROUP for the year ended Dec 2023 R'000	GROUP for the year ended Dec 2022 R'000	COMPANY for the year ended Dec 2023 R'000	COMPANY for the year ended Dec 2022 R'000
Operating activities					
Cash generated from/(utilised in) operations	29.1	**2 083 408**	1 913 760	**(23 412)**	(3 712)
Interest paid		**(1 027 844)**	(627 624)	**(586 647)**	(325 621)
Dividends received		**81 369**	214 819		
Dividends paid		**(1 370 587)**	(1 621 986)	**(1 491 382)**	(1 781 301)
Income tax paid	29.2	**(15 450)**	(29 257)	**–**	(17 463)
Cash outflow from operating activities		**(249 104)**	(150 288)	**(2 101 441)**	(2 128 097)
Investing activities					
Development and improvement of investment property		**(718 227)**	(565 625)		
Acquisition of interest in associate		**–**	(125 601)		
Acquisition of interest in joint venture		**(154)**	–	**(154)**	–
Loans advanced to associate		**(114 536)**	(518 986)		
Loans advanced to joint venture		**(171 598)**	–		
Associate loans repaid		**–**	521 334		521 334
Staff incentive loans repaid		**13 910**	4 553	**13 515**	998
Co-owner loans advanced		**(6 089)**	(3 062)		
Tenant loans repaid		**140**	2 833		
Acquisition of investments		**(13 751)**	(732 630)	**–**	(125 601)
Proceeds on disposal of investments		**1 201 987**	1 472 420		
Interest received		**17 041**	16 030	**1 146**	1 923
Cash flow on currency derivatives		**(27 627)**	76 671	**230**	–
Cash flow on interest rate derivatives		**104 815**	(69 612)		
Loans advanced to Group companies[(1)]				**(4 869 070)**	(1 597 895)
Group company loans repaid				**4 537 453**	3 410 678
Cash inflow/(outflow) from investing activities		**285 911**	78 325	**(316 880)**	2 211 437
Financing activities					
Proceeds from borrowings raised		**14 986 572**	15 674 830	**3 256 493**	2 000 852
Repayment of borrowings		**(14 737 145)**	(14 477 413)	**(609 000)**	(2 056 585)
Repayment of amounts owing to non-controlling shareholders		**(46 407)**	(45 275)		
Acquisition of shares by the Company		**(256 765)**	(1 105 936)	**(256 765)**	–
Acquisition of treasury shares		**(35 468)**	–		
Cash (outflow)/inflow from financing activities		**(89 213)**	46 206	**2 390 728**	(55 733)
(Decrease)/increase in cash and cash equivalents		**(52 406)**	(25 757)	**(27 593)**	27 607
Cash and cash equivalents at the beginning of the year		**116 423**	142 180	**27 607**	–
Cash and cash equivalents at the end of the year		**64 017**	116 423	**14**	27 607
Cash and cash equivalents consist of:					
Current accounts		**64 017**	116 423	**14**	27 607

(1) In the prior reporting period, loans advanced to the RPI group of R519,0 million were disclosed on the "Loans advanced to associate" line. This has been reclassified to the "Loans advanced to Group companies" line.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2023

REPORTING ENTITY

Resilient REIT Limited (the "Company") is a company domiciled in South Africa. The consolidated financial statements of the Company for the year ended 31 December 2023 comprise the Company, its subsidiaries, associates, joint venture, The Resilient Share Purchase Trust, The Tubatse Crossing Trust and The Resilient Empowerment Trust ("The Empowerment Trust") (together referred to as the "Group").

The financial statements were authorised for issue by the directors on 13 March 2024.

BASIS OF PREPARATION

Statement of compliance

The consolidated and separate financial statements ("financial statements") are prepared in accordance with the JSE Listings Requirements and JSE Debt Listings Requirements, the requirements of the Companies Act and the Company's MOI. The JSE Listings Requirements and JSE Debt Listings Requirements require annual reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards, the IFRS Interpretations Committee interpretations, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements, as issued by the Financial Reporting Standards Council.

The accounting policies and methods of computation applied in the preparation of these consolidated and separate financial statements are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except as disclosed in note 1.1.

This report was compiled under the supervision of Monica Muller CA(SA), the chief financial officer. These financial statements have been audited in compliance with all applicable requirements of the Companies Act.

Basis of measurement

The financial statements are prepared on the historical cost basis, except for investment property, derivative financial instruments and financial instruments designated as financial instruments at fair value through profit or loss, which are measured at fair value.

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in South African Rand, which is also the functional currency of the Group, rounded to its nearest thousand (R'000) unless otherwise indicated.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods. Refer to notes 4 and 38.5.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment are disclosed in the respective notes to which they relate.

1. ACCOUNTING POLICIES

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2023 and the comparative information presented in these financial statements for the year ended 31 December 2022, unless otherwise indicated.

1.1 Standards, amendments and interpretations

1.1.1 New standards effective for annual periods beginning on or after 1 January 2023

No new standards or amendments to published standards and interpretations which became effective for the year commencing 1 January 2023 had a significant impact on the Group's accounting policies.

1.1.2 New standards, amendments to existing standards and interpretations that are not yet effective and have not been early adopted

A number of new standards and amendments to issued standards and interpretations are in issue but not effective for annual periods beginning on or after 1 January 2023. The Group did not early adopt any new, revised or amended accounting standards or interpretations. These new standards, amendments to standards and interpretations are being evaluated for the impact on the Group's financial results, and they are not expected to have a significant impact on the Group's financial results. Refer to note 41.

The South African Reserve Bank ("SARB") embarked on a process to replace the Johannesburg Interbank Average Rate ("JIBAR") in response to global reforms of interbank rates. JIBAR is a core component of many instruments in the cash and derivative markets including retail and commercial loans, corporate debt, lease contracts, vanilla and complex derivatives contracts.

In November 2022, the SARB began publishing the South African Rand Overnight Index Average ("ZARONIA"). Until recently, ZARONIA was published for observation purposes only and was designated by the SARB as the preferred unsecured successor rate that will most likely replace JIBAR.

In early November 2023, the SARB designated ZARONIA as the successor rate to replace JIBAR. The observation period for ZARONIA ended on 3 November 2023 and the SARB has indicated that market participants may use the published ZARONIA as a reference rate in pricing financial contracts going forward. The SARB has indicated that the transition from JIBAR to ZARONIA is a multi-year initiative and has not yet communicated a cessation date for JIBAR. The use of an alternative reference rate is not expected to have a material impact on the Group's assessment of interest rate risks.

Management will monitor the progress of the anticipated JIBAR reform and will consider the impact on the annual financial statements in due course.

1.2 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group "controls" an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group reassesses on an annual basis whether or not it controls an investee if facts or circumstances indicate that one or more of the elements of control have changed during the year.

The consolidated financial statements incorporate the assets, liabilities, income, expenses and cash flows of the Group. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the date of acquisition or up to the date of disposal, as applicable.

Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition and adjusted in the same proportion for the profit or loss at each reporting date.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are measured at cost less accumulated impairment losses.

The Empowerment Trust

Resilient's Broad-Based Black Economic Empowerment ("B-BBEE") initiatives include The Empowerment Trust. The Group made donations to The Empowerment Trust, a B-BBEE charitable trust focused on education initiatives.

The Empowerment Trust is consolidated in the financial statements as the Group exercises control over The Empowerment Trust. Resilient has the power to remove and appoint trustees while being exposed to variable returns from its involvement with the trust and further having the ability to influence these returns.

Resilient continues to receive intangible variable benefits from its involvement with The Empowerment Trust and as such the definition of control continues to be met in this regard. The Empowerment Trust is therefore consolidated at the reporting date.

The Resilient Share Purchase Trust ("the Trust")

The Group has established a structured entity for staff incentivisation purposes. Financial assistance is provided to the Trust in order to advance loans to employees for the acquisition of Resilient shares.

Management has assessed the relationship with the Trust in terms of IFRS 10: *Consolidated Financial Statements* and has concluded the following:

- The Trust was established by the Group for the purposes of incentivising staff;
- The Trust is governed by a board of trustees who are also non-executive directors of the Group. The Group therefore has the ability to direct the relevant activities of the Trust;
- The Group is the sole financier of the Trust and the Trust has insufficient equity to finance its activities without the assistance of the Group; and
- The Group ultimately bears the credit risk associated with the loans provided to staff.

Management has determined that the Group exercises control over the Trust and as such the results of the Trust are consolidated.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The results and assets and liabilities of associates and joint ventures are incorporated into these consolidated financial statements using the equity method of accounting from the date on which the investee becomes an associate or joint venture.

Under the equity method, an investment in an associate and joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Distributions received from an associate or joint venture reduce the carrying amount of the investment.

On acquisition of the investment in an associate or joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or joint venture, or when the investment is classified as held for sale.

In the Company's separate financial statements, investments in associates and joint ventures are measured at cost less accumulated impairment losses. The net investment in an associate or joint venture is impaired and impairment losses are incurred by the Group if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated.

Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

1.3 Investment property

Investment property

Investment properties include land and buildings and undeveloped land held either to earn rental income or for capital appreciation, or both, but not for sale in the ordinary course of business or for administration purposes.

The cost of investment property comprises the purchase price and directly attributable expenditure. Subsequent expenditure relating to investment property is capitalised if the criteria for investment property are met. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

After initial recognition, investment properties are measured at fair value. Fair values are determined annually by external independent professional valuers with appropriate and recognised professional qualifications and recent experience in the location and category of property being valued. Valuations are done on the open-market value basis and the valuers use the discounted cash flow method. Gains or losses arising from changes in the fair values are included in profit or loss for the period in which they arise. Immediately prior to disposal of investment property, the investment property is revalued to the net sales proceeds and such revaluation is recognised in profit or loss during the period in which it occurs.

When investment property is acquired, the Group performs an assessment to determine whether the acquired assets and associated liabilities meet the definition of a business included in IFRS 3 Appendix B. In performing this assessment, consideration is given to determining whether an integrated set of activities and assets exists that is capable of being conducted and managed for the purpose of providing a service to customers, generating investment income or generating other income from its ordinary activities.

When identifying the existence of an integrated set of activities, the Group considers the nature of the activities and the specific knowledge or skill involved in the application of these activities. The Group does not consider the transfer of administrative-type services the existence of an integrated process. Should a process be identified, the acquisition is accounted for as a business combination in terms of IFRS 3. All other acquisitions are accounted for as asset purchases in terms of IAS 40: *Investment Property*.

Investment property is maintained, upgraded and refurbished, where necessary, in order to preserve and/or to improve the capital value. Maintenance and repairs which neither materially add value to the properties nor prolong their useful lives are recognised in profit or loss.

When the Group redevelops an existing investment property for continued future use as investment property, the property is temporarily transferred to investment property under development until completion of the project.

Investment property under development

Property that is being constructed or developed for future use as investment property is classified as investment property under development until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property. To the extent that developments can be accurately fair valued, developments are measured at fair value.

All costs directly associated with the purchase and construction of a property, and all subsequent capital expenditures for the development qualifying as acquisition costs, are capitalised.

Borrowing costs are capitalised to the extent that they are directly attributable to the construction of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalisation of borrowing costs may continue until the assets are substantially ready for their intended use. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes or, with regard to that part of the development cost financed out of general funds, the weighted average cost of borrowings. The capitalisation of borrowing costs is suspended when developments are delayed for an extended period of time.

1.4 Financial instruments

Financial instruments include cash and cash equivalents, investments, loans, trade and other receivables, derivative financial assets and liabilities, trade and other payables and interest-bearing borrowings.

Financial instruments are initially measured at fair value which, except for financial instruments measured at fair value through profit or loss, include directly attributable transaction costs.

Subsequent to initial recognition, financial instruments are measured as follows:

Investments	Measured at fair value, being the quoted closing price at the reporting date, through profit or loss.
Incentive loans	Measured at amortised cost.
Loans to co-owners	Measured at amortised cost.
Loans to associate	Measured at amortised cost.
Loan to joint venture	Measured at amortised cost.
Derivative instruments	Measured at fair value through profit or loss.
Loans advanced	Measured at amortised cost.
Trade and other receivables	Measured at amortised cost.
Cash and cash equivalents	Measured at amortised cost.
Trade and other payables	Measured at amortised cost.
Interest-bearing borrowings	Measured at amortised cost.

Directly attributable costs relating to financial instruments which are subsequently measured at fair value are recognised directly in profit or loss.

Cash and cash equivalents include cash balances, call deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Financial assets are not reclassified subsequent to initial recognition unless the Group changes its business model for managing financial assets.

Financial assets are measured at amortised cost if the following conditions are met and they are not designated as at fair value through comprehensive income:

- They are held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or at fair value through other comprehensive income are measured at fair value through profit or loss. This includes all derivative assets.

In assessing whether contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the arrangement. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets.

Financial assets measured at fair value through profit or loss

These assets are subsequently measured at fair value with net gains and losses (including interest and dividend income) recognised in profit or loss.

Financial assets measured at amortised cost

These assets are measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income and impairments are recognised in profit or loss.

Any gain or loss on derecognition is recognised in profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where the contractual rights to receive cash flows from the asset have expired or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified at fair value through profit or loss if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. These financial liabilities are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expenses are recognised in profit or loss.

1.5 Derivative financial instruments

Derivative financial instruments comprise interest rate swaps/caps and forward exchange contracts.

The Group uses derivative financial instruments to partially hedge its exposure to interest rate risks arising from financing activities and its currency risks arising from investing activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. The hedge relationships of the derivatives are not designated as hedges for accounting purposes and as such are accounted for as trading instruments.

Derivative financial instruments are recognised initially at fair value at the date the derivative contracts are entered into. Subsequent to initial recognition, derivative financial instruments are measured at fair value, and changes therein are accounted for through profit or loss. Directly attributable transaction costs are recognised in profit or loss when incurred.

The fair value of derivatives is the estimated amount that the Group would receive or pay to terminate the derivative at the reporting date, taking into account the current relevant market conditions.

1.6 Impairment

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount and is recognised in profit or loss.

The recoverable amount of an asset or a cash-generating unit is the greater of its fair value less cost to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to its present value using an appropriate pre-tax discount rate. For any asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and there is an indication that the impairment loss no longer exists.

An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost, lease receivables and trade and other receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables and lease receivables estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor; and
- An actual or expected significant adverse change in the regulatory or economic conditions of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

1.7 Stated capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds.

1.8 Treasury shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity. All costs relating to the acquisition of treasury shares as well as gains or losses on disposal or cancellation of treasury shares are recognised directly in equity.

Resilient shares held by its subsidiary, Resilient Properties Proprietary Limited, are treated as treasury shares on consolidation. These shares are deducted from the weighted average shares in issue.

Dividends received on treasury shares are eliminated on consolidation.

1.9 Foreign currency

Foreign currency transactions

Transactions in currencies other than the Group's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the exchange rate on that date. Exchange differences, if any, that arise on the translation of monetary items are recognised in profit or loss. At each reporting date, the exchange differences, net of tax, are transferred to the foreign currency translation reserve, except to the extent that the translation differences are allocated to non-controlling interests.

Foreign operations

The assets and liabilities of foreign operations are translated to the Group's presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated to the Group's presentation currency at the average exchange rates for the reporting period.

Exchange differences, if any, arising from the translation of foreign operations for the purposes of presenting these consolidated financial statements, are recognised in other comprehensive income and accumulated in equity in the foreign currency translation reserve.

1.10 Revenue

Group

Revenue comprises rental revenue and recovery of expenses, excluding value added tax ("VAT"), as well as dividend income.

Rental revenue from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. The difference between the contractual cash flows and the straight-lining revenue is recognised as an operating lease asset/liability.

The recovery of expenses represents the recovery of costs by the Group for the provision of services as stipulated in the lease agreement. Resilient manages the relationships with its suppliers and is responsible for the payment of services regardless of whether the mall is fully let or not. In the event that the expense is not recoverable from tenants, Resilient continues to have an obligation to the suppliers for the settlement of the amount due. Resilient is responsible for providing the services to tenants. The Group acts as a principal on its own account when recovering operating costs from tenants.

Dividend income is recognised in profit or loss on the date the Group's right to receive payment is established, which in the case of quoted securities is usually the *ex* dividend date.

Scrip dividends

The substance of a scrip dividend with a cash alternative is that of a dividend in cash with an immediate reinvestment in shares. As such, on the election of a scrip dividend, on the date that the Group's right to receive the dividend is established, the Group recognises the dividend at the higher of the value of the shares offered and the value of the cash alternative.

Company

Dividend income is recognised in profit or loss on the date the Company's right to receive payment is established, which in the case of quoted securities is usually the *ex* dividend date.

1.11 Expenses

Service costs and property operating expenses

Service costs for service contracts entered into and property operating expenses are expensed as incurred.

1.12 Tenant installations

Tenant installations are capitalised to investment property and written off over the period of the lease when they are assessed to be material. Tenant installations paid in respect of new developments are capitalised to the cost of the property.

1.13 Finance income and finance costs

Finance income comprises interest received on funds invested and loans advanced and is recognised in profit or loss as it accrues.

Finance costs comprise interest payable on borrowings calculated using the effective interest method.

1.14 Dividends paid

Dividends to the holders of equity instruments are recognised directly in equity on the date that the dividend is declared.

1.15 Income tax

Income tax comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, after deducting the qualifying distribution for that year of assessment, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

In accordance with the Group's status as a REIT, the dividend declared meets the requirements of a qualifying distribution for the purposes of section 25BB of the Income Tax Act No. 58 of 1962 (as amended) (the "Income Tax Act").

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which it can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. These reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

No deferred tax was recognised on the fair value adjustments to investment property and investments in REITs. These assets are realised through sale and as such do not attract capital gains tax in terms of section 25BB of the Income Tax Act.

1.16 Employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service on an undiscounted basis. The accrual for employee entitlements to salaries, bonuses and annual leave represents the amount which the Group has a present obligation to pay as a result of employees' services provided to the reporting date. The Group does not provide any retirement or post-retirement benefits.

1.17 Equity-settled share-based payments

The Group previously operated an equity-settled share-based CSP, superseded by an equity-settled DSP incorporated into a Single Incentive Plan ("SIP") in 2023, under which it receives services from employees as consideration for equity instruments of the Company. The fair value of the employee services received in exchange for the grant of shares is recognised as an expense on a straight-line basis over the vesting period with a corresponding adjustment to the share-based payments reserve.

The total amount to be expensed is determined by reference to the fair value of the shares granted excluding the impact of any non-market performance conditions. The awards made under the CSP and DSP do not contain any market performance conditions. Non-market performance vesting conditions are included in the assumptions regarding the number of shares granted that are expected to vest. At the end of the reporting period, the Group revises its estimates of the number of shares granted that are expected to vest.

It recognises the impact of the revision of original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to equity.

Share grant awards may be settled by way of a purchase of shares in the market or the use of treasury shares. Where shares are held or acquired by a subsidiary company for the CSP or DSP, they are treated as treasury shares.

Any gains or losses on the vesting of those shares are recognised directly in equity.

The effect of the share grants under the CSP is taken into account when calculating diluted earnings and diluted headline earnings per share.

Under the DSP, share awards are purchased by the Company and held in escrow. Participants are entitled to the dividends earned on the unvested shares for the duration of the vesting period. As such, the shares granted under the DSP are not dilutive in nature.

1.18 Segmental reporting

The Group determines and presents operating segments based on the information that is provided internally to the Executive Management Committee ("Exco"), the Group's operating decision-making forum. The Group has two main reportable segments namely:

- retail; and
- corporate.

The retail segment consists of an aggregation of the Group's investment properties (retail assets). The properties have similar economic characteristics and therefore meet the criteria for aggregation.

The Group further distinguishes between retail segments domiciled in South Africa, France and those that are located in Nigeria. While the investment in France is classified as an associate and equity-accounted in the annual financial statements, the Exco considers the underlying retail assets when assessing performance and making decisions. For this reason, the retail assets in France are reported as a separate segment.

At the reporting date, the Group established a structure for the acquisition of Salera, a retail shopping centre in Castellón de la Plana, Spain and a deposit was paid in respect of the transaction. As the property had not been acquired at the reporting date and the Group has no operations in Spain at the reporting date, the Spanish structure has been included in the Corporate: South Africa segment at the reporting date. Refer to note 37 for disclosure on the conclusion of the transaction subsequent to the reporting date.

The corporate segment represents "head office". Items that cannot be directly attributed to retail assets are included in the corporate segment. The corporate segment includes the Group's listed investment as well as the investment in Lighthouse which is accounted for using the equity method.

An operating segment's operating results are reviewed regularly by Exco to make decisions about resources to be allocated to the segment and to assess its performance.

1.19 Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company by the weighted average number of shares in issue during the reporting period, adjusted for treasury shares held.

Headline earnings per share is calculated by dividing headline earnings, calculated in terms of Circular 1/2023 issued by SAICA, by the weighted average number of shares in issue during the reporting period.

For the diluted earnings per share, the weighted number of shares in issue is adjusted to assume the conversion of all shares with dilutive potential. Share grants under the CSP have dilutive potential. The share grants are assumed to have been converted into ordinary shares.

2. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has delegated the responsibility for developing and monitoring the Group's risk management policies to the Risk Committee. The Committee reports to the Board on its activities. The Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a tenant or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from tenants, loans, loans to co-owners, investments and cash and cash equivalents.

Trade and other receivables

Trade and other receivables relate mainly to the Group's tenants and deposits with municipalities. In monitoring the customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, industry, size of business and existence of previous financial difficulties. The Group's exposure to credit risk is influenced mainly by the individual risk characteristics of each tenant. The Group's widespread tenant base reduces credit risk.

Management has established a credit policy under which each new tenant is analysed individually for creditworthiness before the Group's standard payment terms and conditions are offered. When available, the Group's review includes external ratings.

The majority of rental revenue is derived from retail properties situated in Gauteng, KwaZulu-Natal, Limpopo and Mpumalanga but there is an acceptable spread of credit risk within the tenant mix.

The Group determines an expected loss rate in terms of a provision matrix of ageing of the Group's trade receivables. This is performed by determining the historical credit loss experienced from observed default rates.

This is then adjusted using forward-looking information in order to establish the ECL rates.

Trade and other receivables are written off only if there is no reasonable expectation that such amounts are recoverable. Indicators that the recoverability of trade and other receivables may be in question include, among others, poor financial health of the counterparty with no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings and a failure to agree to or adhere to alternative payment arrangements. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate.

Any recoveries made are recognised in profit or loss.

Staff incentive loans

The Group's exposure to credit risk is influenced by the security provided for the loan and also the characteristics of each borrower who are employees of the Group. Credit risk is mitigated by the security that is provided to Resilient in the form of the pledge and cession of the shares by the employees of the Group.

The shares issued to employees by the Trust vest immediately and participants assume the full risks associated with the investment and the loan advanced. Loans are repayable in full at the earlier of the 10th anniversary of the loans being granted or the termination of employment. Where shares are granted to employees on loan account and the employee accepts the risks of repayment of the loan, the transaction is recognised as a financial asset and a corresponding issue of equity.

Loans to co-owners

In reducing credit risk attributable to loans to co-owners, the Group will register bonds over the properties as security for the co-owners' outstanding loans. The Group recognises a loss allowance for ECL and this allowance is reassessed at each reporting date.

Investments

The Group limits its exposure to credit risk by investing in liquid securities and only with counterparties that are listed on a recognised stock exchange, however, the arrangement detailed in note 6 has resulted in an unlisted investment in Edcon Limited ("Edcon").

This investment exposes the Group to credit risk. The Group will monitor this risk to ensure that in the event that the risk rises above the Group's level of tolerance, actions will be instituted to limit financial loss.

Cash and cash equivalents

The Group's exposure to credit risk is limited through the use of financial institutions of good standing for investment and cash handling purposes.

Sureties

The Group's policy is to provide sureties with regard to subsidiaries to the extent required in the normal course of business. Such sureties are provided to enable the subsidiaries to obtain the funding necessary to enable them to acquire investment property or investments.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations comprising interest-bearing borrowings, amounts owing to non-controlling shareholders and trade and other payables, as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group regularly reviews the maturity profile of its financial liabilities in order to avoid the concentration of maturities.

The Group receives rental on a monthly basis and uses it to reduce its borrowings. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The Group's liquidity position is monitored by management on a daily basis and is reviewed quarterly by the Board.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group enters into derivatives and also incurs financial liabilities in order to manage market risks. All such transactions are carried out within the guidelines set by the Risk Committee.

Currency risk

The Group is indirectly exposed to currency risk through its investments in Lighthouse, Resilient Africa, Resilient Africa Managers, Resilient International, RPI and SRI. The Group was further indirectly exposed to currency risk through its investment in Hammerson for a portion of the reporting period until the disposal of the investment.

The Board's policy is to hedge 100% of foreign income to be received in the following 12 months.

The Group elects not to apply hedge accounting in accordance with the requirements of IFRS 9.

Interest rate risk

The Group is exposed to interest rate risk on its loans advanced, interest-bearing borrowings and cash and cash equivalents.

Loans advanced, interest-bearing borrowings and cash and cash equivalents bear interest at rates linked to prime/JIBAR. The Group adopts a policy of ensuring that at least 70% of its exposure to interest rates on borrowings is economically hedged. This is achieved by entering into interest rate swaps and caps.

The Group's interest rate risk is monitored by management on a monthly basis and the hedging profile is presented to the Board on a quarterly basis in order to assess whether the interest rate risk policy is being appropriately applied. Factors considered by management when assessing the level of interest rate swaps and caps entered into include the refinancing of maturing facilities, alternative sources of funding and general market conditions.

Trade and other receivables and trade and other payables are interest-free and with a term of less than one year, so it is assumed that there is no interest rate risk associated with these financial assets and liabilities.

Equity price risk

The Group is exposed to equity price risk on its investments. It limits its exposure to equity price risk by mainly investing in liquid securities that are listed on a recognised stock exchange and where the directors are in agreement with the business strategy implemented by such companies.

Fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the methods below. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Investment property

The Group's investment properties are valued internally by the directors at interim reporting periods and externally by an independent valuer for year-end reporting. An external, independent valuation company values the Group's investment property portfolio every year. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property.

A yield that reflects the specific risks inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation.

Valuations reflect, when appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant space, and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the lessee; and the remaining economic life of the property.

Investments

The fair value of financial assets at fair value through profit or loss is determined by reference to their quoted closing price at the reporting date. The fair value of unlisted investments is determined with reference to the latest available financial information provided by the counterparty.

Trade and other receivables

The fair value of loans and trade and other receivables is estimated to be in line with its carrying amount as it is short-term in nature and therefore the impact of time value of money is not material.

Derivatives

The fair value of derivatives is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Capital management

The Group considers the equity attributable to equity holders as permanent capital of the Group.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board also monitors the level of distributions to shareholders. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. There were no changes to the Group's approach to capital management during the year.

The Board monitors capital on the basis of the LTV ratio. The 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.

3. INVESTMENT PROPERTY, STRAIGHT-LINING OF RENTAL REVENUE ADJUSTMENT AND INVESTMENT PROPERTY UNDER DEVELOPMENT

	GROUP	
	Dec 2023 R'000	**Dec 2022 R'000**
Investment in property comprises:		
Investment property	**27 474 001**	26 185 959
Straight-lining of rental revenue adjustment	**584 298**	542 156
	28 058 299	26 728 115
Investment property under development	**874 298**	613 028
Total investment property	**28 932 597**	27 341 143
Details of investment property are as follows:		
At cost	**18 021 169**	17 523 681
Cumulative fair value adjustments	**9 452 832**	8 662 278
Straight-lining of rental revenue adjustment	**584 298**	542 156
Investment property at fair value	**28 058 299**	26 728 115
Reconciliation of carrying amount		
Carrying amount at the beginning of the year	**26 728 115**	23 971 936
Foreign exchange differences	**35 510**	–
Fair value adjustment	**847 322**	974 110
Straight-lining of rental revenue adjustment	**41 434**	109 285
Transfer from investment property under development	**405 918**	294 582
	28 058 299	25 349 913
Transfer from investment properties held for sale	**–**	1 378 202
Carrying amount at the end of the year	**28 058 299**	26 728 115
Details of investment property under development are as follows:		
Carrying amount at the beginning of the year	**613 028**	382 709
Cost capitalised	**693 601**	541 113
Interest capitalised	**25 496**	14 904
Fair value adjustment	**(51 909)**	(31 116)
Transfer to investment property	**(405 918)**	(294 582)
Carrying amount at the end of the year	**874 298**	613 028

A register of investment property is available for inspection at the registered office of the Company (refer to pages 118 to 121).

There are no restrictions on the ability of the Group to realise its investment property.

Investment property with a market value of R23 069 million (2022: R21 777 million) is mortgaged to secure borrowing and derivative facilities (refer to note 18). This market value includes R1 384 million (2022: R1 492 million) that relates to the non-controlling shareholders' share.

Commitments in respect of property developments and extensions are set out in note 33.

Borrowing costs were capitalised at the weighted average cost of funding applicable to the Group's general borrowings, being 8,63% (2022: 8,34%) at the reporting date.

The Group's investment properties were externally valued by the following professional valuers:

Portfolio	Firm	Professional valuer
South African investment properties	Quadrant	Peter Parfitt, Dip Val MIV (SA)
Nigerian investment properties	CBRE Excellerate	Riaan Fourie, FRICS, RICS Registered Valuer and Registered Member (South African Council for the Property Valuers Profession ("SACPVP")); Chumisa Mapempeni, MSc Real Estate and Registered Member Candidate Valuer SACPVP

Fair value is determined by the discounted cash flow model. This method takes projected net cash flows from each investment property and discounts it at a risk-adjusted discount rate that also takes into account comparable market transactions. Other than subtracting R489,5 million (2022: R422,4 million) of capital expenditure to be incurred on extensions, the valuations provided by the external valuers have been recorded without adjustment.

The fair value of investment property is classified as a level 3 fair value measurement. The valuation of investment property represents a significant judgement; refer to note 38.5 for information on the valuation technique used and the unobservable inputs applied.

4. INVESTMENT IN ASSOCIATES AND JOINT VENTURE

	GROUP		COMPANY	
	Dec 2023 R'000	**Dec 2022 R'000**	**Dec 2023 R'000**	**Dec 2022 R'000**
Associates				
Lighthouse Properties p.l.c.	**4 146 057**	2 224 516		
Retail Property Investment SAS	**480 229**	454 970	**399 234**	201 975
Joint venture				
Spanish Retail Investments SOCIMI, SA	**–**		**154**	
	4 626 286	2 679 486	**399 388**	201 975

4.1 Associates

4.1.1 Lighthouse Properties p.l.c.

During the reporting period, Resilient received 40 478 758 (2022: 21 464 874) Lighthouse shares in the form of scrip dividends during the year. Following the receipt of these dividends, Resilient owned 30,8% (2022: 30,9%) of the Lighthouse shares in issue at the reporting date.

A detailed analysis of the accounting treatment of the investment in Lighthouse has been performed by management with the assistance of an IFRS adviser. The following factors were considered in this assessment:

- Lighthouse is a listed company with a separate board of directors, constituted by nine directors who are classified as follows:
  - Five independent non-executive directors;
  - One non-independent non-executive director; and
  - Three executive directors.

4. INVESTMENT IN ASSOCIATES AND JOINT VENTURE continued

4.1 Associates continued

4.1.1 Lighthouse Properties p.l.c. continued

The board of directors is responsible for determining the strategy of Lighthouse and therefore directs the relevant activities of the company. Des de Beer, Resilient's chief executive officer during the reporting period, is a member of the Lighthouse board of directors as a representative of Resilient and is classified as a non-independent non-executive director. Mr de Beer is one of nine directors on the board and management does not believe that this provides Resilient with the ability to unilaterally direct the activities of Lighthouse as a majority vote would be required by the board for any relevant decision to be made. Mr de Beer retired as the chief executive officer and executive director of Resilient with effect from 31 December 2023. Mr de Beer remains on the Resilient Board in the capacity of non-independent non-executive director.

- There are no shareholders' agreements or other contractual arrangements in place between the shareholders. The relationship between shareholders and the management of Lighthouse is governed by the company's constitution and the Companies Act of Malta. In the absence of any such contractual arrangements, Resilient does not have the contractual right to appoint directors to the Lighthouse board by virtue of its shareholding. Mr de Beer's appointment to the Lighthouse board is subject to a shareholder vote. Resilient can participate in the approval of the directors at shareholders' meetings on an annual basis. While Resilient by virtue of its shareholding may participate in this vote, the appointment of directors requires a majority vote.
- Management has considered the voting rights held by Resilient by virtue of its 30,8% (2022: 30,9%) shareholding in order to determine whether Resilient has *de facto* control over Lighthouse. Consideration was given to whether Resilient has the practical ability to direct the relevant activities without holding the majority of the voting rights, as it is the single largest shareholder. In this regard, the share register and attendance by Lighthouse shareholders at general meetings were considered. The holdings of the shareholders provide evidence that the remaining shareholdings on the Lighthouse share register are significantly dispersed. Inspection of the Stock Exchange News Service ("SENS") announcements of Lighthouse reflecting the shareholder attendance at general meetings indicates the active participation of shareholders at these meetings. Resilient did not have the majority vote at shareholders' meetings as shareholder representation at past general meetings exceeded 80%. The conclusion was therefore reached that Resilient would not be able to unilaterally direct the activities of Lighthouse at general meetings.
- Mr de Beer and his family are beneficiaries of a trust that holds an effective interest of 16,7% (2022: 15,1%) in Lighthouse. In terms of IFRS 10 Appendix B, management has considered the nature of Mr de Beer's relationship with this trust, more specifically whether Mr de Beer or the trust serve as *de facto* agents of Resilient. A party is a *de facto* agent when the investor has, or those that direct the activities of the investor have, the ability to direct that party to act on the investor's behalf. Management has concluded that neither Mr de Beer nor the trust are *de facto* agents of Resilient for the following reasons:
  - The trust has a board of trustees that is constituted by three professionals who are independent of Mr de Beer and his family. The trustees manage the trust in terms of a trust deed and do not have a restrictive mandate with regard to investments made by the trust. The decisions regarding the acquisition and disposal of investments and the manner in which associated voting rights are exercised rest with the board of trustees.
  - The trust is a discretionary trust and as such all decisions are made by the independent board of trustees with no influence from its beneficiaries.
  - The trust obtained its holding in Lighthouse independently of Resilient and with no assistance from Resilient. The trust does not transact or engage with Resilient in any manner.

Management deems the assessment of *de facto* control to be an area of significant judgement.

Based on the considerations noted above, management has concluded that Resilient does not have power over the relevant activities of Lighthouse. The Group exercises significant influence over Lighthouse and the investment in Lighthouse is therefore accounted for using the equity method at the reporting date.

The market value of Resilient's holding in Lighthouse, based on the share price of Lighthouse at the reporting date, was R4,15 billion (2022: R3,56 billion) at the reporting date.

	GROUP	
Reconciliation of equity-accounted investment	**Dec 2023 R'000**	**Dec 2022 R'000**
Balance at the beginning of the year	2 224 516	3 027 943
Share of equity-accounted profit for the year	2 604 333	150 072
Dividends received	(76 698)	(174 456)
Distribution of Lighthouse shares	–	(690 243)
Foreign currency translation	218 427	(88 800)
Impairment of investment in associate	(824 521)	–
Balance at the end of the year	4 146 057	2 224 516

Financial information of Lighthouse

Summarised statement of financial position*	**Dec 2023 R'000**	**Dec 2022 R'000**
Non-current assets	21 515 154	14 610 064
Current assets	2 879 556	714 468
Equity	15 346 999	6 504 474
Non-controlling interests	480 232	454 978
Non-current liabilities	6 112 411	7 458 605
Current liabilities	2 455 068	906 475

Summarised statement of comprehensive income*	**for the year ended Dec 2023 R'000**	**for the year ended Dec 2022 R'000**
Property rental and related revenue	1 738 092	1 350 053
Investment revenue	–	1 774
Finance income	6 567	984
Total revenue	1 744 659	1 352 811
Operating profit	7 701 761	879 981
Finance cost	(317 730)	(249 940)
Profit before income tax	7 384 031	630 041
Income tax	530 907	(55 437)
Profit for the year	7 914 938	574 604
Dividends received from Lighthouse during the year		
– Cash dividend	76 698	174 456
– Scrip dividend	259 443	133 082
	336 141	307 538

* *The information was extracted from Lighthouse's audited consolidated financial statements for the year ended 31 December 2023, being the latest available published results. The reporting currency of Lighthouse is Euro and as such the financial information has been converted to Rand by applying the spot exchange rate at 31 December 2023 to the statement of financial position and the average exchange rate to the statement of comprehensive income.*

4. INVESTMENT IN ASSOCIATES AND JOINT VENTURE continued

4.1 Associates continued

4.1.1 Lighthouse Properties p.l.c. continued

	GROUP for the year ended Dec 2023 R'000	GROUP for the year ended Dec 2022 R'000
Net assets attributable to equity holders	15 346 999	6 504 474
Group's share (%)	30,8	30,9
Proportion of the Group's ownership interest in the associate	4 729 587	2 006 989
Goodwill	240 991	217 527
Impairment of investment in associate	(824 521)	–
Carrying amount of the Group's interest in the associate	**4 146 057**	**2 224 516**

The company is domiciled in Malta and listed on the Main Board of the JSE. Lighthouse invests directly and indirectly in dominant and defensive retail malls located in large and mid-sized cities with strong economic support and growth.

4.1.2 Retail Property Investments SAS

RPI is a company incorporated in France that indirectly owns four French malls namely Docks Vauban, Docks 76, Saint Sever and Rivetoile. Resilient owns a 40% (2022: 40%) interest in RPI with Lighthouse owning the remaining 60% interest.

An analysis of the accounting treatment of the investment in RPI has been performed by management. The following factors were considered in this assessment:

- The ownership of a 40% interest in RPI results in the presumption of significant influence.
- The relationship between the shareholders and management of RPI is governed by the company's constitution and The Commercial Code of France. Resilient does not have a contractual right to appoint a director to the board of RPI and while Resilient may participate in a vote to appoint directors at annual shareholder meetings, appointments require a majority vote.
- Resilient and Lighthouse therefore enjoy rights and obligations associated with the ownership of their shares in the proportion of their shareholding, being a 40%/60% split, respectively.
- Resilient does not participate in the operations of the RPI group and the management of RPI is responsible for determining the strategy of the company as well as directing the relevant activities.
- The guidance included in IFRS 10, as it relates to *de facto* control, was further considered by management and the following was noted:
  - The management team of Lighthouse is responsible for the management of the French retail centres owned by RPI and thus has the power to direct the relevant activities. Having a presence in Europe, the Lighthouse management team is in a position to frequently visit the malls and thus perform the asset management and finance functions for the malls.
  - The Resilient management team receives periodic updates from the Lighthouse management team on the performance of the French retail centres and receives financial information in respect of the RPI group on a quarterly basis.
  - Funding is provided by Lighthouse and Resilient in proportion to their ownership interests. The determination of the required cash flows is assessed by the Lighthouse management team.
- Therefore, based on the above, Resilient does not have the unilateral ability to exercise power over the relevant activities of RPI by virtue of its shareholding and furthermore is unable to influence the day-to-day management decisions of RPI as it is not represented on the governing body of RPI.
- Resilient has provided loans to subsidiaries of RPI (refer to note 9). The provision of these loans is considered to be a material transaction between Resilient and the RPI group.
- Resilient has significant retail expertise among its staff complement, access to which will be provided to RPI for the purpose of ensuring that the four malls in France are developed to and operate at optimum levels. The access to Resilient's skills and expertise is considered to be essential for the success of the malls.

Based on the previous considerations noted, management has concluded that Resilient exercises significant influence over RPI and the investment is therefore accounted for using the equity method at the reporting date.

Reconciliation of equity-accounted investment	GROUP Dec 2023 R'000	GROUP Dec 2022 R'000
Balance at the beginning of the year	454 970	143 737
Acquisition of equity-accounted interest	–	125 601
Capitalisation of loans to investment	197 259	44 651
Share of equity-accounted (loss)/profit for the year	(225 814)	131 086
Foreign currency translation	53 814	9 895
Balance at the end of the year	**480 229**	**454 970**

Financial information of RPI

Summarised statement of financial position*	Dec 2023 R'000	Dec 2022 R'000
Non-current assets	7 431 605	6 798 294
Current assets	463 087	442 081
Equity	1 200 574	1 137 425
Non-current liabilities	6 039 058	5 517 074
Current liabilities	655 060	585 876

Summarised statement of comprehensive income*	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Property rental and related revenue	941 601	766 046
Total revenue	**941 601**	**766 046**
Property operating expenses	(602 041)	(407 641)
Fair value (loss)/gain on investment property	(415 007)	180 228
Administrative expenses	(28 208)	(80 431)
Fair value of interest rate derivatives	(104 969)	181 137
Net finance costs	(349 224)	(198 504)
(Loss)/profit before income tax	**(557 848)**	**440 835**
Income tax	(29)	–
(Loss)/profit for the year	**(557 877)**	**440 835**

* *The information was extracted from RPI's audited consolidated management accounts for the year ended 31 December 2023. The reporting currency of RPI is Euro and as such the financial information has been converted to Rand by applying the spot exchange rate at 31 December 2023 to the statement of financial position and the average exchange rate to the statement of comprehensive income.*

	Dec 2023 R'000	Dec 2022 R'000
Net assets	1 200 574	1 137 425
Group's share (%)	40,0	40,0
Group's share in Rand	**480 229**	**454 970**

4. INVESTMENT IN ASSOCIATES AND JOINT VENTURE continued

4.1 Associates continued

4.1.2 Retail Property Investments SAS continued

	COMPANY	
	Dec 2023 R'000	Dec 2022 R'000
Retail Property Investments SAS		
Historical cost	399 234	201 975

Reconciliation of investment in associate	Dec 2023 R'000	Dec 2022 R'000
Balance at the beginning of the year	201 975	31 723
Acquisition of interest in associate	–	125 601
Capitalisation of loan to RPI group	197 259	44 651
Balance at the end of the year	**399 234**	201 975

4.2 Joint venture

4.2.1 Spanish Retail Investments SOCIMI, SA

SRI is a company incorporated in Spain that was established for the purpose of acquiring retail shopping centres in Spain. Resilient has a 50% interest in SRI with Lighthouse owning the remaining interest. The cost of the investment in SRI amounts to R0,15 million which was paid during the year. Refer to note 37 for disclosure on the acquisition of Salera that was concluded after the reporting date.

As Resilient's share of the loss of SRI exceeds the carrying value of the investment, the share of the loss of the joint venture recognised during the reporting period has been limited to the carrying value. This resulted in R0,19 million of Resilient's share of the loss incurred by the SRI group not being recognised in profit or loss.

	COMPANY
	Dec 2023 R'000
Investment in SRI at historical cost	154

Reconciliation of investment in joint venture	Dec 2023 R'000
Balance at the beginning of the year	–
Acquisition of interest in joint venture	154
Balance at the end of the year	**154**

5. DORMANT JOINT VENTURES

Resilient Properties Proprietary Limited, a wholly-owned subsidiary, has a 70% (2022: 70%) interest in Great Force Investments 112 Proprietary Limited and a 60% (2022: 60%) interest in Pure Diamond Investments Proprietary Limited, both of which are dormant. No transactions occurred in these companies during the current or prior year.

6. INVESTMENTS

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Listed investment	–	971 682
Unlisted investment	–	–
	–	971 682

6.1 Listed investment

	GROUP
	Dec 2022
Hammerson plc	
Holding (%)	3,96
Price at 31 December (cents per share) – JSE	495
Price at 31 December (pence per share) – LSE	24
	R'000
Cost	748 175
Cumulative fair value adjustments	223 507
	971 682

In the prior reporting period, Resilient acquired 3,96% of the Hammerson shares in issue. The shares were acquired on the JSE (70 231 164 shares) and the London Stock Exchange ("LSE") (127 696 604 shares). In the current reporting period, the Board's priority remained focused on Resilient's energy initiatives and funding its capital commitments while retaining conservative leverage. As such, Resilient disposed of its interest in Hammerson.

	GROUP	
Reconciliation of listed investments	Dec 2023 R'000	Dec 2022 R'000
Balance at the beginning of the year	971 682	1 643 000
Proceeds on disposal of investments	(1 201 987)	(1 472 420)
Acquisition of Hammerson shares	13 751	732 630
Scrip dividends received	–	64 230
Fair value adjustment	158 015	(11 303)
Foreign currency translation	58 539	15 545
Balance at the end of the year	–	971 682

No investments were pledged as security for borrowing and derivative facilities of the Group (refer to note 18).

6. INVESTMENTS continued

6.2 Unlisted investment

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Edcon Limited		
Historical cost	**71 497**	71 497
Cumulative fair value adjustments	**(71 497)**	(71 497)
	–	–

In FY2019, Resilient agreed to invest 40,9% of the basic rental received from Edgars, Edgars Beauty, Mac and Jet stores in Edcon shares on a monthly basis between April 2019 and March 2021. The cost of this investment reflects 40,9% of these rental amounts. In April 2020, Edcon announced that it had entered into voluntary business rescue. Management actively engaged with the business rescue practitioners throughout the business rescue process, however, did not receive clarity on the fair value of the investment. In the June 2021 reporting period, management determined the fair value of the investment to be nil. Management, having received no further communication from the business rescue practitioners, has determined that the fair value of nil remains appropriate at the reporting date.

7. STAFF INCENTIVE LOANS

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
Resilient Share Purchase Trust loans				
– capital advanced	**–**	15 933	**–**	15 933
– interest accrued	**–**	18	**–**	18
– less cumulative loss allowance	**–**	(777)	**–**	(777)
	–	15 174	**–**	15 174
Other incentive loans				
– capital advanced	**–**	8 298		
– interest accrued	**–**	–		
– less cumulative loss allowance	**–**	(7 027)		
	–	1 271	**–**	–
	–	16 445	**–**	15 174
Total non-current	**–**	11 300	**–**	11 300
Total current	**–**	5 145	**–**	3 874
	–	16 445	**–**	15 174

The Trust loans bore interest at the weighted average cost of funding of the Group, being 8,63% (2022: 8,34%) at the reporting date. The Board took into consideration the credit risk associated with each participant in the Trust when assessing the appropriate interest rate charged on the loans.

In the prior reporting period, Resilient distributed Lighthouse shares to its shareholders (refer to note 4). The Lighthouse shares received by the loan participants in respect of the Resilient shares used as security for the respective loans were included in the respective security pools. In addition, in the prior reporting period, the loan participants (with the approval of the Board) disposed of the Fortress B shares held as security against the respective loans and the full proceeds received were used to make loan repayments. In the prior reporting period, the loans were secured by 265 499 shares in Resilient with a fair value of R14,3 million and 132 885 Lighthouse shares with a fair value of R0,9 million.

The loans are repayable as follows:

	GROUP AND COMPANY Capital repayment Dec 2022 R'000
Mar 2023	2 096
Nov 2023	1 778
May 2025	3 568
Sep 2026	8 491
	15 933

In 2017, shareholders approved a new incentive plan which was amended in 2019 resulting in the phasing out of The Resilient Share Purchase Trust as outstanding loans are settled. During 2023, the Board approved that participants dispose of all shares held as security for the loans resulting in the participants paying R14,5 million to the Trust in settlement of the loans. The remaining balance was written off with R1,7 million recognised in profit or loss in the current period.

Other incentive loans refer to loans advanced to staff in order to facilitate the separation from Fortress Real Estate Investments Limited as some staff were shared resources. The loans bore interest at the government gazetted rate which was 9,25% at the reporting date (2022: 8,00%) and were repayable by 22 June 2023. In the prior reporting period, the loans were secured by 22 228 Resilient shares and 11 123 Lighthouse shares with fair values of R1,2 million and R0,08 million, respectively. In the current reporting period, the participants disposed of this security pool and the proceeds were used to settle the loans. Repayments totalling R1,0 million were received from the participants and the remaining balance was written off with R0,8 million recognised in profit or loss in the current period.

	GROUP		COMPANY	
Reconciliation of staff incentive loans	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
Balance at the beginning of the year	**16 445**	22 622	**15 174**	16 207
Capital repayments	**(13 910)**	(4 553)	**(13 515)**	(998)
Accrued interest	**1 623**	2 047	**969**	1 246
Interest paid	**(1 623)**	(3 837)	**(969)**	(1 426)
ECL utilised	**–**	166	**–**	145
Write-off of staff incentive loans	**(2 535)**	–	**(1 659)**	–
Balance at the end of the year	**–**	16 445	**–**	15 174

8. LOANS TO CO-OWNERS

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Loans to co-owners	**224 500**	218 411
Less: cumulative loss allowance	**(120 413)**	(113 592)
	104 087	104 819

These loans represent loans advanced to third parties who own a portion of certain investment property through undivided shares alongside Resilient. The loans bear interest at rates of between prime less 1,5% and prime (2022: prime less 1,5% and prime). The amounts owing by co-owners are secured by mortgage bonds over investment property. The loans have been impaired to the fair value of the investment property held as security for the loans advanced and an ECL of R6,8 million (2022: R1,2 million) was recognised in profit or loss during the year.

9. LOANS TO ASSOCIATE

	GROUP Non-current assets R'000	GROUP Total R'000
Dec 2023		
Loans to the Retail Property Investments SAS group	1 494 987	1 494 987
Cumulative ECL allowance	(192 830)	(192 830)
	1 302 157	1 302 157
Dec 2022		
Loans to the Retail Property Investments SAS group	1 333 073	1 333 073

The loans provided to the RPI group bear interest at three-month Euro Interbank Offered Rate ("EURIBOR") plus 3,75% and are repayable on 30 September 2026. Management has performed an ECL assessment on the loans considering the underlying net asset value of the respective RPI subsidiaries which includes investment property at fair value. Where there is insufficient value within the underlying subsidiaries to support the loans provided, an ECL allowance is recognised. An ECL allowance of R192,8 million (2022: nil) was recognised in profit or loss during the reporting period in respect of the loans provided to the RPI group.

Reconciliation of loans to the RPI group	GROUP Dec 2023 R'000	GROUP Dec 2022 R'000
Balance at the beginning of the year	1 333 073	1 350 838
Loans advanced	114 536	64 855
Increase of loans due to acquisition of additional equity-accounted interest	–	454 131
Capitalisation of loans to investment	(197 259)	(44 651)
Accrued interest	105 896	39 320
Proceeds from loans repaid	–	(521 334)
Foreign currency movements	138 741	(10 086)
ECL allowance recognised in profit or loss	(192 830)	–
Balance at the end of the year	1 302 157	1 333 073

Reconciliation of ECL allowance	Dec 2023 R'000	Dec 2022 R'000
Balance at the beginning of the year	–	–
ECL recognised in profit or loss	(192 830)	–
Balance at the end of the year	(192 830)	–

The loans on which ECL allowances have been raised are considered to be credit-impaired and therefore lifetime ECL has been recognised.

10. LOAN TO JOINT VENTURE

	GROUP Non-current assets R'000	GROUP Total R'000
Dec 2023		
Spanish Retail Investments SOCIMI, SA	173 969	173 969

Reconciliation of loan to SRI	GROUP Dec 2023 R'000
Balance at the beginning of the year	–
Loans advanced	171 598
Accrued interest	334
Foreign currency movements	2 037
Balance at the end of the year	173 969

In December 2023, Resilient advanced funds to SRI to enable it, through its wholly-owned subsidiary, to pay a deposit towards the acquisition of Salera. The loan to SRI bears interest at three-month EURIBOR plus 2,5% and is repayable on 30 June 2029. Refer to note 37 for disclosure on the conclusion of the transaction subsequent to the reporting date. Management has considered the recoverability of the loan. As the loan relates to the payment of a deposit pursuant to the completion of the transaction and the terms of the acquisition agreement provide that the deposit is refundable in the event that the seller defaults on the terms of the contract, no ECL has been recognised.

11. OTHER FINANCIAL ASSETS

	GROUP Non-current assets R'000	GROUP Current assets R'000	GROUP Total R'000
Dec 2023			
Derivatives measured at fair value through profit or loss			
Fair value of interest rate derivatives	273 441	21 635	295 076
Fair value of currency derivatives	–	1	1
	273 441	21 636	295 077
Dec 2022			
Derivatives measured at fair value through profit or loss			
Fair value of interest rate derivatives	450 695	1 031	451 726
Fair value of currency derivatives	6 396	20 104	26 500
Loans measured at amortised cost			
Loans advanced	–	140	140
	457 091	21 275	478 366

Loans were advanced to facilitate the introduction of various entertainment initiatives at Resilient's shopping centres. In the prior reporting period, the loans bore interest at rates between prime and prime plus 1%. The loans were repaid in the current reporting period.

12. INTEREST IN SUBSIDIARIES

	COMPANY			
	Effective interest		Investment	
	Dec 2023 %	Dec 2022 %	Dec 2023 R'000	Dec 2022 R'000
Subsidiaries				
Arbour Town Proprietary Limited#	75	75		
Irene Mall Proprietary Limited	100	100	10	10
Resilient 1 Proprietary Limited#	100	100		
Resilient 2 Proprietary Limited	100	100	*	*
Resilient 3 Proprietary Limited	100	100	*	*
Resilient 4 Proprietary Limited	100	100	*	*
Resilient 5 Proprietary Limited#	100	100		
Resilient 6 Proprietary Limited	100	100	*	*
Resilient Africa Proprietary Limited#	60,94	60,94		
Resilient Africa Managers Proprietary Limited#	60,94	60,94		
Resilient International Proprietary Limited#	100	100		
Resilient Properties Proprietary Limited	100	100	*	*
Southern Palace Investments 19 Proprietary Limited#	90	90		
			10	10

Share capital held through Resilient Properties Proprietary Limited, a wholly-owned subsidiary.
* *Less than R1 000.*

In addition to the subsidiaries listed above, The Tubatse Crossing Trust and The Empowerment Trust are controlled by the Group. All subsidiaries are incorporated in South Africa and have December year-ends. The principal business activity of all subsidiaries is the investment in direct or indirect real estate.

Financial information of Arbour Town Proprietary Limited

Summarised statement of financial position	Dec 2023 R'000	Dec 2022 R'000
Non-current assets	3 115 060	3 000 433
Current assets	33 462	25 410
Equity	982 120	909 460
Non-current liabilities	2 122 467	2 085 683
Current liabilities	43 935	30 700

Summarised statement of comprehensive income	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Contractual rental revenue and recoveries	432 782	400 291
Straight-lining of rental revenue adjustment	(7 359)	64 099
Property operating expenses	(208 581)	(172 024)
Net rental and related revenue	216 842	292 366
Fair value gain on investment property	72 658	138 677
Adjustment resulting from straight-lining of rental revenue	7 359	(64 099)
Administrative expenses	(3 137)	(3 383)
Profit before net finance income	293 722	363 561
Net finance income	685	411
Profit before income tax	294 407	363 972
Income tax	–	–
Profit for the year	294 407	363 972
Dividend declared for the year	221 749	225 295

Arbour Town owns Galleria Mall and Arbour Crossing. It declares annual dividends based on its performance. Arbour Town paid dividends of R55,4 million (2022: R56,3 million) to its non-controlling shareholder during the reporting period. The non-controlling shareholder's share of equity amounted to R245,5 million (2022: R227,4 million) at the reporting date and its share of profit for the reporting period amounted to R73,6 million (2022: R91,0 million).

Summarised statement of cash flows	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Operating activities	231 392	230 119
Investing activities	(46 398)	(58 433)
Financing activities	(184 965)	(171 613)
Net increase in cash and cash equivalents	29	73

Financial information of Resilient Africa Proprietary Limited

Summarised statement of financial position#	Dec 2023 R'000	Dec 2022 R'000
Non-current assets	1 063 034	1 378 203
Current assets	29 518	71 694
Equity	(1 352 072)	(900 170)
Non-controlling interests^	(92 344)	(8 421)
Non-current liabilities	2 457 214	2 291 492
Current liabilities	79 754	66 996

The information was extracted from Resilient Africa's consolidated management accounts for December 2023 as the annual financial statements had not yet been finalised. The Board is satisfied with the accuracy of the management account information.
^ *This represents the non-controlling interests in Nigeria.*

Summarised statement of comprehensive income#	for the year ended Dec 2023 R'000	for the six months ended Dec 2022 R'000
Contractual rental revenue and recoveries	199 134	99 195
Property operating expenses	(89 832)	(48 044)
Net rental and related revenue	109 302	51 151
Fair value (loss)/gain on investment property	(431 139)	25 771
Foreign exchange (loss)/gain	(7 434)	21 797
Administrative expenses (inclusive of ECL adjustments)	(11 266)	(8 281)
(Loss)/profit before net finance costs	(340 537)	90 438
Net finance costs	(183 239)	(78 864)
(Loss)/profit before income tax	(523 776)	11 574
Income tax	(15 694)	(5 167)
(Loss)/profit for the period	(539 470)	6 407
(Loss)/profit for the period attributable to:		
Equity holders of the company	(455 160)	4 356
Non-controlling interests^	(84 310)	2 051
	(539 470)	6 407

The information was extracted from Resilient Africa's consolidated management accounts for December 2023 as the annual financial statements had not yet been finalised. The Board is satisfied with the accuracy of the management account information.
^ *This represents the non-controlling interests in Nigeria.*

Resilient Africa owns and develops retail centres in Nigeria. The non-controlling shareholders' share of the negative equity amounted to R620 million (2022: R360 million) at the reporting date and their share of the loss for the reporting period amounted to R262,1 million (2022: profit of R3,8 million).

At the reporting date, Resilient's net exposure to Nigeria was R965,4 million (2022: R903,1 million) in the form of loans advanced. As a result of the negative equity, these loans have been subordinated in favour of senior debt providers. Resilient's share of the negative equity in Nigeria is R849,8 million (2022: R572,6 million).

12. INTEREST IN SUBSIDIARIES continued

Financial information of Southern Palace Investments 19 Proprietary Limited

Summarised statement of financial position	Dec 2023 R'000	Dec 2022 R'000
Non-current assets	782 161	607 992
Current assets	8 578	2 780
Equity	426 619	329 845
Non-current liabilities	357 396	273 903
Current liabilities	6 724	7 024

Summarised statement of comprehensive income	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Contractual rental revenue and recoveries	73 553	69 518
Straight-lining of rental revenue adjustment	(3 005)	(2 009)
Property operating expenses	(24 692)	(26 399)
Net rental and related revenue	45 856	41 110
Fair value gain on investment property	96 773	6 128
Adjustment resulting from straight-lining of rental revenue	3 005	2 009
Administrative expenses	(502)	(1 125)
Profit before net finance costs	145 132	48 122
Net finance costs	(12 870)	(8 331)
Profit before income tax	132 262	39 791
Income tax	–	–
Profit for the year	132 262	39 791
Dividend declared for the year	35 488	33 662

Southern Palace Investments 19 owns Mahikeng Mall. It declares annual dividends based on its performance. Southern Palace Investments 19 paid dividends of R3,5 million (2022: R3,4 million) to the non-controlling shareholders during the reporting period. The non-controlling shareholders' share of equity amounted to R42,7 million (2022: R33,0 million) at the reporting date and their share of profit for the year amounted to R13,2 million (2022: R4,0 million).

Summarised statement of cash flows	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Operating activities	25 798	38 253
Investing activities	(75 816)	(22 372)
Financing activities	50 018	(15 881)
Net increase in cash and cash equivalents	–	–

13. LOANS TO GROUP COMPANIES

	COMPANY	
	Non-current assets R'000	Total R'000
Dec 2023		
Resilient 2 Proprietary Limited	1 308 281	1 308 281
Resilient 3 Proprietary Limited	686 230	686 230
Resilient 6 Proprietary Limited	3 354	3 354
Resilient Properties Proprietary Limited	17 236 307	17 236 307
Retail Property Investments SAS group	1 494 987	1 494 987
Spanish Retail Investments SOCIMI, SA	173 969	173 969
	20 903 128	20 903 128
Cumulative ECL allowance	(2 182 581)	(2 182 581)
Total amount owing by Group companies	18 720 547	18 720 547
Dec 2022		
Resilient 2 Proprietary Limited	2 506 796	2 506 796
Resilient 3 Proprietary Limited	691 213	691 213
Resilient 6 Proprietary Limited	3 324	3 324
Resilient Properties Proprietary Limited	14 038 640	14 038 640
Retail Property Investments SAS group	1 333 073	1 333 073
	18 573 046	18 573 046
Cumulative ECL allowance	(2 200 045)	(2 200 045)
Total amount owing by Group companies	16 373 001	16 373 001

The loans provided to the RPI group bear interest at three-month EURIBOR plus 3,75% and are repayable on 30 September 2026. Management has performed an ECL assessment on the loans considering the underlying net asset value of the respective RPI subsidiaries which includes investment property at fair value. Where there is insufficient value within the underlying subsidiaries to support the loans provided, an ECL allowance is recognised. An ECL allowance of R192,8 million (2022: nil) was recognised in profit or loss during the reporting period in respect of the loans provided to the RPI group.

In December 2023, Resilient advanced funds to SRI to enable it, through its wholly-owned subsidiary, to pay a deposit towards the acquisition of Salera. The loan to SRI bears interest at three-month EURIBOR plus 2,5% and is repayable on 30 June 2029. Refer to note 37 for disclosure on the conclusion of the transaction subsequent to the reporting date. Management has considered the recoverability of the loan. As the loan relates to the payment of a deposit pursuant to the completion of the transaction and the terms of the acquisition agreement provide that the deposit is refundable in the event that the seller defaults on the terms of the contract, no ECL has been recognised.

The other amounts owing by Group companies are unsecured, bear interest at rates agreed by the parties from time to time and the terms of repayment have not been determined.

13. LOANS TO GROUP COMPANIES continued

Reconciliation of ECL allowance	COMPANY 12-month ECL R'000	COMPANY Lifetime ECL – credit-impaired R'000	COMPANY Total R'000
Dec 2023			
Balance at the beginning of the year	(93 203)	(2 106 842)	(2 200 045)
ECL recognised in profit or loss	(39 382)	(192 830)	(232 212)
ECL utilised	–	249 676	249 676
Balance at the end of the year	(132 585)	(2 049 996)	(2 182 581)
Dec 2022			
Balance at the beginning of the year	(79 467)	(2 490 656)	(2 570 123)
ECL recognised in profit or loss	(13 736)	(23 249)	(36 985)
ECL utilised	–	407 063	407 063
Balance at the end of the year	(93 203)	(2 106 842)	(2 200 045)

14. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
Trade and other receivables include the following:				
Tenant arrears	14 064	20 405		
Municipal recovery receivables	103 170	95 790		
Other receivables	42 967	30 550	543	–
	160 201	146 745	543	–

As tenants are required to pay in advance, all tenant arrears are classified as past due. A comprehensive assessment of tenant arrears has been performed on an individual basis to determine what portion of the tenant arrears should be written off. This assessment considered collections after the reporting date, tenant trading performance throughout the current and prior reporting periods and judgement regarding the expected longevity of the tenant's business plan.

Trade and other receivables are written off only if there is no reasonable expectation that such amounts are recoverable. Indicators that the recoverability of trade and other receivables may be in question include, among others, poor financial health of the counterparty and a failure to agree to or adhere to alternative payment arrangements.

Tenant arrears of R15,0 million (2022: R8,0 million) were written off as irrecoverable during the reporting period. As receivables are written off timeously, historical debtor payment and write-off profiles indicate immaterial credit losses incurred. As such, the formulated expectation of ECL in respect of trade and other receivables is immaterial. Refer to note 38.1.

15. OTHER ASSETS

	Current assets R'000	Total R'000
Dec 2023		
Prepayments	39 550	39 550
Dec 2022		
Prepayments	48 185	48 185

16. STATED CAPITAL

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
Stated capital	10 501 794	10 660 712	10 501 794	10 660 712

	Dec 2023 Shares	Dec 2022 Shares	Dec 2023 Shares	Dec 2022 Shares
Share capital				
– authorised: ordinary shares of no par value	1 000 000 000	1 000 000 000	1 000 000 000	1 000 000 000
– issued: ordinary shares of no par value	334 334 849	340 575 147	365 204 738	370 731 188
Reconciliation of movement in issued shares				
Shares at the beginning of the year	340 575 147	360 970 213	370 731 188	400 126 254
Repurchased by the Company*	(5 526 450)	(20 395 066)	(5 526 450)	(20 395 066)
Shares granted under the Deferred Share Plan held in treasury	(713 848)	–		
Acquired by the Company from Resilient Properties Proprietary Limited*			–	(9 000 000)
Shares at the end of the year	334 334 849	340 575 147	365 204 738	370 731 188

* *Resilient acquired 5 526 450 of its shares through the open market at an average cost of R46,46 per share during 1H2023. All the shares repurchased were delisted and reverted to authorised but unissued share capital of the Company.*

17. TREASURY SHARES

Treasury shares comprise Resilient shares held by Resilient Properties Proprietary Limited, a wholly-owned subsidiary of Resilient.

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
The Group holds the following treasury shares:		
30 869 889 (2022: 30 156 041) shares	**2 229 346**	2 193 878

	Dec 2023 Shares	Dec 2022 Shares
Reconciliation of movement in treasury shares		
Shares at the beginning of the year	**30 156 041**	39 156 041
Acquired by the Company from Resilient Properties Proprietary Limited*	**–**	(9 000 000)
Shares granted under the Deferred Share Plan	**713 848**	–
Shares at the end of the year	**30 869 889**	30 156 041

* *All shares acquired by the Company in the previous reporting period were cancelled.*

18. INTEREST-BEARING BORROWINGS

The Group has entered into the following loan agreements which, together with stated capital, are used to fund its investment activities.

The Memorandum of Incorporation of the Company allows the Group to have borrowings of up to 60% of total consolidated assets.

Interest-bearing loans and borrowings are measured at amortised cost. The Group's exposure to interest rate and liquidity risk is discussed in note 38.

			GROUP			
			Dec 2023		Dec 2022	
	Nominal interest rate	Date of maturity	Fair value R'000	Carrying amount R'000	Fair value R'000	Carrying amount R'000
Nedbank(6)	3-month JIBAR plus 1,10%	Mar 2023			501 145	501 145
DMTN programme(4)	3-month JIBAR plus 2,35%	Aug 2023			278 949	278 949
Rand Merchant Bank(2), (4)	Prime less 1,45%	Oct 2023			403 620	403 620
DMTN programme(4)	3-month JIBAR plus 2,10%	Oct 2023			339 403	339 403
Rand Merchant Bank(3)	Prime less 1,60%	Dec 2023			445 884	445 884
Standard Bank(3)	Prime less 1,65%	Dec 2023			64 286	64 286
Standard Bank(1)	3-month JIBAR plus 1,80%	Mar 2024	**550 461**	**550 461**	550 273	550 273
Nigerian funding*	3-month SOFR plus 6,25%	Mar 2024	**828 431**	**828 431**	767 627	767 627
Nedbank(6)**	3-month JIBAR plus 1,55%	Apr 2024			127 471	127 471
DMTN programme(4)	3-month JIBAR plus 1,80%	May 2024	**624 414**	**624 414**	622 738	622 738
Nedbank(6)	3-month JIBAR plus 1,77%	Jul 2024			503 809	503 809
Rand Merchant Bank(2), (4)	3-month JIBAR plus 1,65%	Oct 2024	**819 911**	**819 911**	816 012	816 012
LibFin(5)	3-month JIBAR plus 1,75%	Nov 2024	**162 703**	**162 703**	162 211	162 211
Standard Bank(3)	Prime less 1,65%	Dec 2024	**54 091**	**54 091**		
Rand Merchant Bank(3)	Prime less 1,60%	Dec 2024	**233 166**	**233 166**		
Nedbank(6)***	3-month JIBAR plus 1,55%	Apr 2025			150 109	150 109
Nedbank(6)	3-month JIBAR plus 2,05%	Apr 2025			306 300	306 300
DMTN programme(4)	3-month JIBAR plus 1,92%	Sep 2025	**501 696**	**501 696**	501 509	501 509
Rand Merchant Bank(2), (4)	3-month JIBAR plus 1,60%	Sep 2025	**569 783**	**569 783**	569 223	569 223
Rand Merchant Bank(2), (4)	3-month JIBAR plus 1,80%	Oct 2025	**611 618**	**611 618**	610 479	610 479
LibFin(5)	3-month JIBAR plus 1,80%	Nov 2025	**254 244**	**254 244**	253 475	253 475
LibFin(5)	3-month JIBAR plus 1,95%	Nov 2025	**508 614**	**508 614**	507 075	507 075
DMTN programme(4)	3-month JIBAR plus 1,40%	Dec 2025	**246 706**	**246 706**	176 072	176 072
Standard Bank(1)	Prime less 1,40%	Jan 2026			303 197	303 197
Standard Bank(1)	3-month JIBAR plus 1,88%	Jan 2026	**615 123**	**615 123**	612 349	612 349
DMTN programme(4)	3-month JIBAR plus 1,45%	Sep 2026	**260 982**	**260 982**		
Rand Merchant Bank(2), (4)	3-month JIBAR plus 1,90%	Oct 2026	**842 509**	**842 509**	840 269	840 269
DMTN programme(4)	3-month JIBAR plus 1,30%	Oct 2026	**203 698**	**203 698**		
Standard Bank(1)	3-month JIBAR plus 1,60%	Nov 2026	**484 194**	**484 194**	302 315	302 315
Standard Bank(1)	Prime less 1,75%	Nov 2026	**392**	**392**		
LibFin(5)	3-month JIBAR plus 1,90%	Nov 2026	**254 286**	**254 286**	253 517	253 517
DMTN programme(4)	3-month JIBAR plus 1,65%	Oct 2027	**490 512**	**490 512**	356 220	356 220
DMTN programme(4)	3-month JIBAR plus 1,65%	Dec 2027	**301 156**	**301 156**	301 240	301 240
DMTN programme(4)	3-month JIBAR plus 1,65%	Feb 2028	**506 718**	**506 718**		
Nedbank(6)	3-month JIBAR plus 1,60%	Aug 2028	**762 072**	**762 072**		
DMTN programme(4)	3-month JIBAR plus 1,40%	Oct 2028	**560 276**	**560 276**		
Nedbank(4), (6)	3-month JIBAR plus 1,48%	Dec 2028	**502 436**	**502 436**		
Nedbank(4), (6)	3-month JIBAR plus 1,48%	Dec 2028	**301 462**	**301 462**		
			12 051 654	**12 051 654**	11 626 777	11 626 777
Non-current			**8 778 477**	**8 778 477**	9 593 490	9 593 490
Current			**3 273 177**	**3 273 177**	2 033 287	2 033 287
			12 051 654	**12 051 654**	11 626 777	11 626 777

* *This amount includes the non-controlling shareholders' interest of R323,6 million at December 2023 (2022: R299,84 million).*

** *This amount includes the non-controlling shareholders' interest of R12,7 million at December 2022.*

*** *This amount includes the non-controlling shareholders' interest of R15,0 million at December 2022.*

18. INTEREST-BEARING BORROWINGS continued

Interest-bearing borrowings are secured by the following:

	GROUP
	Investment property R'000
Dec 2023	
LibFin[5]	**1 434 650**
Nedbank[4], [6]	**3 770 370**
Nigerian funding	**1 063 034**
Rand Merchant Bank[2], [4]	**9 462 975**
Standard Bank[1], [3]	**7 338 372**
	23 069 401
Dec 2022	
LibFin[5]	1 278 540
Nedbank[6]	3 309 723
Nigerian funding	1 378 203
Rand Merchant Bank[2], [4]	8 849 972
Standard Bank[1], [3]	6 960 188
	21 776 626

The non-controlling shareholders' interest in the investment property that serves as security for interest-bearing borrowings amounts to R1 384 million (2022: R1 492 million).

The assets have been pledged under the following terms:

(1) – *The total overall consolidated debt may not exceed 50% of total consolidated assets.*
– *Earnings before interest, tax, depreciation, amortisation, revaluation of assets or impairments of assets excluding share of profit or loss of associate and including any distribution and/or dividend received from a listed investment whether received in the form of cash, scrip or return of capital ("EBITDA") to net interest charged in respect of all debt on a consolidated basis may not be less than 2 times.*
– *The property LTV ratio determined as the total loan divided by the value of the properties as set out in the most recent valuation may not exceed 65%.*
– *EBITDA from the properties serving as security for the loan, to net interest charged in respect of the loan facility, may not be less than 1,7 times.*
– *The Group's net asset value, calculated by deducting total liabilities determined in accordance with IFRS (including all financial indebtedness) from the total assets as determined in accordance with IFRS (with the exception that all listed shareholdings are valued at market value), shall not be less than R10 billion.*

(2) – *The interest-bearing debt-to-asset ratio may not exceed 55%.*
– *The obligor outstandings mortgaged asset value ratio may not exceed 55%.*
– *The total interest cover ratio, calculated as EBITDA plus interest receivable and distribution income received (in the form of interest, principal, dividend, fee, royalty, return of capital or other distribution) divided by total interest charged, may not be less than 2 times.*
– *The facility interest cover ratio may not be less than 1,75 times.*
– *The Group's net asset value shall not be less than R10 billion.*
– *The obligor outstandings mortgaged asset value ratio including hedging liabilities may not exceed 60%.*

(3) – *General banking facility.*

(4) – *The sum of secured and unsecured debt and sureties and guarantees divided by the sum of the market value of the property portfolio and listed stock portfolio may not exceed 50%.*

(5) – *The secured property LTV ratio shall not be more than 60%.*
– *The EBITDA of the secured property divided by the interest incurred on the aggregate amount outstanding under the facility (including that portion of the net payments under all interest rate hedges attributable to the facility), shall not be less than 1,7 times.*
– *The total indebtedness of the Group (including financial liabilities arising from derivative trades concluded and contingent liabilities, but excluding all subordinated debt), divided by the most recent valuation of the Group's direct investment in property holdings per the most recent financial statements, loans advanced in respect of property developments and acquisitions and the fair value of equity investments shall not be more than 50%.*
– *The EBITDA of the Group divided by the interest costs incurred on all indebtedness (including net payments under interest rate hedges, interest received on loans advanced in respect of property developments and acquisitions but excluding any interest on subordinated debt and any non-cash items) shall not be less than 2 times.*
– *The aggregate EBITDA and assets of the obligors, calculated on an unconsolidated basis and excluding all intragroup items and investments in subsidiaries, must at all times represent not less than 85% of the EBITDA and 85% of the consolidated assets of the Group as published in the Group's latest audited financial statements, adjusted to reflect equity investments at fair value.*
– *EBITDA means the consolidated operating earnings (including dividends received from investments whether in the form of cash, a scrip dividend or a return of capital) before interest, taxation, depreciation and amortisation and the share of profit or loss from associates determined using the equity accounting method in terms of IFRS, excluding (without double counting and to the extent included in EBITDA) any accounting fair value adjustments of financial instruments or impairments.*
– *The net asset value, calculated as the fair value of the assets of the Group less the aggregate fair value of the liabilities of the Group, shall not be less than R10 billion.*
– *The unencumbered asset ratio, calculated as the aggregate fair value of all unencumbered assets of the Group expressed as a percentage of the aggregate fair value of the total assets of the Group, may not be less than 27%.*

(6) – *The Group interest cover ratio, measured as EBITDA (including income from investments that may be received in the form of cash, scrip or a return of capital) divided by the gross interest paid less interest earned on cash and interest earned on cross-currency and interest rate shall remain at a level of at least 2 times cover at all times.*
– *The Group LTV ratio, measured as all interest-bearing debt of the Group (excluding shareholders, linked debentures, tenant deposits, tax payable, trade creditors and other payables, but including bank loans, bonds, commercial paper contingent liabilities and all financial liabilities arising from derivative contracts concluded by the Group), expressed as a percentage of total assets (determined as the sum of the Group's total direct property; listed property investments and financial assets arising from derivative contracts, as valued in accordance with the JSE rules applicable to REITs and accounting for all listed investments at market value), shall not exceed 50%.*
– *The aggregate of the secured indebtedness of the Group to Nedbank, reduced by R500 million, as a percentage of the aggregate value of the properties that are held as security, shall not exceed 65%.*
– *The ratio expressed as the net operating income of the secured assets divided by the interest incurred on the secured debt (including net payments under all interest rate hedges concluded in respect of the secured debt), shall not be less than 1,5 times.*

There were no breaches of any covenants during the current or prior reporting period. The loan covenants were as follows:

Covenant	Limit	Dec 2023 Measurement	Dec 2022 Measurement
Rand Merchant Bank			
Net asset value of the Group (R'000)	>10 000 000	**22 270 941**	20 461 395
Interest-bearing debt-to-asset ratio	<55%	**39,3%**	38,6%
Obligor outstandings mortgaged asset value ratio	<55%	**32,8%**	33,8%
Total interest cover ratio	>2	**2,2**	3,5
Facility interest cover ratio	>1,75	**2,9**	4,6
Obligor outstandings mortgaged asset value ratio including hedging liabilities	<60%	**32,8%**	33,8%
Standard Bank			
Total debt-to-total assets ratio	<50%	**33,9%**	33,6%
Total interest cover ratio	>2	**2,2**	3,8
Property loan-to-value ratio	<65%	**47,7%**	43,6%
Facility interest cover ratio	>1,7	**3,1**	4,3
Net asset value (R'000)	>10 000 000	**21 516 611**	21 077 870
Nedbank			
Group loan-to-value ratio	<50%	**36,3%**	32,8%
Group interest cover ratio	>2	**2,5**	4,3
Transactional loan-to-value ratio	<65%	**28,2%**	35,9%
Transactional interest cover ratio	>1,5	**8,0**	3,1
LibFin			
Corporate loan-to-value ratio	<50%	**38,0%**	37,6%
Corporate interest cover ratio	>2	**2,4**	2,8
Secured property loan-to-value ratio	<60%	**46,0%**	50,4%
Secured property interest cover ratio	>1,7	**1,8**	2,1
Guarantor coverage ratio – EBITDA	>85%	**99,8%**	95,0%
Guarantor coverage ratio – total assets	>85%	**92,4%**	96,6%
Net asset value (R'000)	>10 000 000	**21 516 611**	21 077 870
Unencumbered asset ratio	>27%	**28,3%**	29,5%
DMTN programme			
Loan-to-value ratio	<50%	**36,4%**	36,5%

18. INTEREST-BEARING BORROWINGS continued

Interest-bearing borrowings are repayable as follows:

	GROUP Repayment Dec 2023 R'000	GROUP Repayment Dec 2022 R'000
2023		(2 033 287)
2024	(3 273 177)	(3 550 141)
2025	(2 692 661)	(3 074 242)
2026	(2 661 184)	(2 311 647)
2027	(791 668)	(657 460)
2028	(2 632 964)	–
	(12 051 654)	(11 626 777)

The Group has a total of R9 132 million (2022: R9 472 million) in secured property finance facilities, R500 million (2022: R500 million) in unsecured finance facilities, as well as R3 650 million (2022: R2 549 million) issued under its DMTN programme available. This disclosure excludes the non-controlling shareholders' R354 million (2022: R327 million) of secured property finance facilities.

At December 2023, the Group had R3,3 billion of interest-bearing borrowings expiring by December 2024. At the reporting date, R2,4 billion of the available facilities were undrawn. Subsequent to the reporting date, Resilient accepted R3,5 billion of new facilities from various banks. Refer to note 40 for the facility expiry profile at the date of the approval of the annual financial statements.

	Nominal interest rate	Date of maturity	COMPANY Dec 2023 Fair value R'000	COMPANY Dec 2023 Carrying amount R'000	COMPANY Dec 2022 Fair value R'000	COMPANY Dec 2022 Carrying amount R'000
DMTN programme[4]	3-month JIBAR plus 2,35%	Aug 2023			278 949	278 949
DMTN programme[4]	3-month JIBAR plus 2,10%	Oct 2023			339 403	339 403
DMTN programme[4]	3-month JIBAR plus 1,80%	May 2024	624 414	624 414	622 738	622 738
Rand Merchant Bank[2, 4]	3-month JIBAR plus 1,65%	Oct 2024	819 911	819 911	816 012	816 012
DMTN programme[4]	3-month JIBAR plus 1,92%	Sep 2025	501 696	501 696	501 509	501 509
Rand Merchant Bank[2, 4]	3-month JIBAR plus 1,60%	Sep 2025	569 783	569 783	569 223	569 223
Rand Merchant Bank[2, 4]	3-month JIBAR plus 1,80%	Oct 2025	611 618	611 618	610 479	610 479
DMTN programme[4]	3-month JIBAR plus 1,40%	Dec 2025	246 706	246 706	176 072	176 072
DMTN programme[4]	3-month JIBAR plus 1,45%	Sep 2026	260 982	260 982		
DMTN programme[4]	3-month JIBAR plus 1,30%	Oct 2026	203 698	203 698		
Rand Merchant Bank[2, 4]	3-month JIBAR plus 1,90%	Oct 2026	842 509	842 509	840 269	840 269
DMTN programme[4]	3-month JIBAR plus 1,65%	Oct 2027	490 512	490 512	356 220	356 220
DMTN programme[4]	3-month JIBAR plus 1,65%	Dec 2027	301 156	301 156	301 240	301 240
DMTN programme[4]	3-month JIBAR plus 1,65%	Feb 2028	506 718	506 718		
Nedbank[4, 6]	3-month JIBAR plus 1,60%	Aug 2028	762 072	762 072		
DMTN programme[4]	3-month JIBAR plus 1,40%	Oct 2028	560 276	560 276		
Nedbank[4, 6]	3-month JIBAR plus 1,48%	Dec 2028	502 436	502 436		
Nedbank[4, 6]	3-month JIBAR plus 1,48%	Dec 2028	301 462	301 462		
			8 105 949	8 105 949	5 412 114	5 412 114
Current portion included in current liabilities			(1 444 325)	(1 444 325)	(618 352)	(618 352)
			6 661 624	6 661 624	4 793 762	4 793 762

Loans under the DMTN programme are unsecured while the Nedbank and Rand Merchant Bank loans are secured by the assets disclosed above.

Interest-bearing borrowings are repayable as follows:

	COMPANY Repayment Dec 2023 R'000	COMPANY Repayment Dec 2022 R'000
2023		(618 352)
2024	(1 444 325)	(1 438 750)
2025	(1 929 803)	(1 857 283)
2026	(1 307 189)	(840 269)
2027	(791 668)	(657 460)
2028	(2 632 964)	–
	(8 105 949)	(5 412 114)

Reconciliation of interest-bearing borrowings	GROUP Dec 2023 R'000	GROUP Dec 2022 R'000	COMPANY Dec 2023 R'000	COMPANY Dec 2022 R'000
Balance at the beginning of the year	11 626 777	9 555 343	5 412 114	5 444 905
Proceeds from borrowings raised	14 986 572	15 674 830	3 256 493	2 000 852
Repayment of borrowings	(14 737 145)	(14 477 413)	(609 000)	(2 056 585)
Accrued interest	1 144 969	660 837	632 989	348 563
Interest paid	(1 027 844)	(554 447)	(586 647)	(325 621)
Foreign exchange differences	58 325	–		
Transfer from liabilities directly associated with assets classified as held for sale	–	767 627		
Balance at the end of the year	12 051 654	11 626 777	8 105 949	5 412 114

19. OTHER FINANCIAL LIABILITIES

	GROUP Non-current liabilities R'000	GROUP Current liabilities R'000	GROUP Total R'000
Dec 2023			
Derivatives measured at fair value through profit or loss			
Fair value of interest rate derivatives	25 690	–	25 690
Fair value of currency derivatives	1 595	23 502	25 097
	27 285	23 502	50 787
Dec 2022			
Derivatives measured at fair value through profit or loss			
Fair value of interest rate derivatives	31	558	589
Fair value of currency derivatives	231	889	1 120
	262	1 447	1 709

19. OTHER FINANCIAL LIABILITIES continued

	COMPANY	
	Current liabilities R'000	Total R'000
Dec 2023		
Derivatives measured at fair value through profit or loss		
Fair value of currency derivatives	4 705	4 705

Refer to note 38.3.1 for information on currency risk, note 38.3.2 for details on the interest rate derivatives and to note 38.5 for information on fair value.

20. DEFERRED TAX

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Deferred tax comprises the following:		
– Recoupment of investment property-related allowances	181 469	102 349
– Assessed loss	(122 864)	(122 865)
– Revaluation of investments	(14 881)	(14 881)
– Revaluation of interest rate derivatives	72 733	121 807
– Revaluation of currency derivatives	(5 506)	6 853
– Provisions	(8 119)	(871)
	102 832	92 392
Carrying amount at the beginning of the year	92 392	107 224
Recognised in profit or loss	10 440	(14 832)
Carrying amount at the end of the year	102 832	92 392

As a result of Resilient's REIT status, the Group is not liable for capital gains tax on the disposal of investment property. Deferred tax is, however, provided on the recoupment of capital allowances claimed on investment property. The Group provides deferred tax on all temporary differences between the carrying value and tax base on investments, measuring the estimated tax consequences based on the manner in which the entity expects to recover the carrying value of its investments as at the reporting date. The carrying value of the equity-accounted investment in Lighthouse is mainly recovered through non-taxable dividends and as such deferred tax on temporary differences is raised at nil percent.

The Empowerment Trust, which has been consolidated at the reporting date, is a registered public benefit organisation.

Deferred tax is calculated at 27% (2022: 27%) on investment property and at 27% (2022: 27%) on interest rate and currency derivatives.

Deferred tax assets for assessed losses

The deferred tax assets resulting from historical assessed losses incurred by the Company have not been recognised. The Company's REIT status results in the position whereby it is unlikely that there will be future taxable income against which to utilise the deferred tax asset as the qualifying distribution is deductible.

The tax position of each subsidiary within the Group has been assessed to determine whether it is appropriate to recognise deferred tax assets arising from assessed losses. With respect to entities that own investment property where no deductions in terms of section 13 of the Income Tax Act were previously claimed (prior to the Group's status as a REIT), thereby not giving rise to a deferred tax liability for recoupments in the future, the deferred tax asset was not raised as the disposal of investment property is exempt from capital gains tax in terms of section 25BB of the Income Tax Act. In instances where a subsidiary has a liability for the future recoupment of allowances previously claimed, it was considered that there will be taxable income in the future against which to utilise the assessed losses and thus the deferred tax asset was recognised.

The Group has R1,1 billion (2022: R1,2 billion) of unrecognised deferred tax assets including R1,1 billion (2022: R1,1 billion) which relates to assessed losses.

21. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
Trade and other payables include the following:				
Accrued expenses	534 895	498 951	4 196	11 058
Tenant deposits	68 178	65 367		
	603 073	564 318	4 196	11 058

22. OTHER LIABILITIES

	GROUP	
	Current liabilities R'000	Total R'000
Dec 2023		
Prepaid rentals	34 261	34 261
VAT payable	11 372	11 372
	45 633	45 633
Dec 2022		
Prepaid rentals	35 045	35 045
VAT payable	18 643	18 643
	53 688	53 688

23. AMOUNTS OWING TO NON-CONTROLLING SHAREHOLDERS

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Non-controlling shareholders in Resilient Africa	663 346	620 768
Non-controlling shareholder in Arbour Town Proprietary Limited	530 616	521 420
Non-controlling shareholders in Southern Palace Investments 19 Proprietary Limited	11 620	13 437
	1 205 582	1 155 625

Loans totalling R45,2 million (2022: R42,0 million) included under the loans from non-controlling shareholders in Resilient Africa bear no interest as this relates to the contribution by partners in Nigeria with the remainder of the loans bearing interest at 6,6% (2022: 6,6%). As a result of the negative equity in Resilient Africa, R618,2 million (2022: R578,5 million) of the loans from non-controlling shareholders have been subordinated in favour of senior debt providers.

The Arbour Town loan and the loans from non-controlling shareholders in Southern Palace Investments 19 bear no interest. The loans are unsecured and have no terms of repayment.

24. TOTAL REVENUE

	GROUP		COMPANY	
	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Rental revenue	**2 607 122**	2 428 723		
Tenant recoveries	**922 190**	858 798		
Straight-lining of rental revenue adjustment	**41 434**	110 561		
Contractual rental revenue and recoveries	**3 570 746**	3 398 082		
Dividend income on listed investments	**4 671**	104 593		
Dividend income received from Group companies			**1 948 715**	1 980 363
Total revenue	**3 575 417**	3 502 675	**1 948 715**	1 980 363

25. PROPERTY OPERATING EXPENSES

	GROUP	
	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Property operating expenses mainly includes the following:		
Assessment rates	**(274 803)**	(262 620)
Bad debts written off	**(15 037)**	(8 041)
Cleaning	**(58 143)**	(54 985)
Insurance	**(25 182)**	(19 947)
Property management fees	**(42 783)**	(40 420)
Repairs and maintenance	**(85 047)**	(64 825)
Salaries	**(47 436)**	(43 520)
Security	**(79 310)**	(70 376)
Tenant installation	**(24 626)**	(20 011)
Utility charges	**(542 137)**	(456 480)

26. PROFIT BEFORE INCOME TAX

	GROUP		COMPANY	
	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Profit before income tax is stated after recognising:				
Auditor's remuneration*				
– audit fee	**(6 542)**	(5 703)	**(474)**	(188)
– other services	**(207)**	(116)	**(155)**	(69)
Directors' remuneration**				
– non-executive director fees	**(7 003)**	(7 071)	**(7 003)**	(7 071)
– executive director remuneration	**(36 014)**	(45 611)		
Employee cost (excluding executive directors)	**(47 244)**	(41 350)		
Scrip dividends received – included in:				
– revenue from investments	**–**	64 230		
– share of profit of associates	**259 443**	133 082		
Fair value (loss)/gain on currency derivatives	**(78 103)**	60 053		
– unrealised loss	**(50 476)**	(16 618)		
– realised (loss)/gain on forward exchange contracts	**(27 857)**	76 671		
– realised: cross-currency swaps interest received	**230**	–		
Fair value (loss)/gain on interest rate derivatives	**(76 936)**	199 195		
– unrealised (loss)/gain	**(204 351)**	268 807		
– realised: interest received	**134 735**	12 653		
– realised: interest paid	**(7 320)**	(82 265)		

* *Auditors' remuneration levied by PwC.*
** *Details of directors' remuneration are disclosed in note 30.*

27. INCOME TAX

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
South African normal tax				
– current tax: current year	(16 470)	(12 132)	–	(289)
– deferred tax: current year	(10 440)	14 832		
French normal tax				
– current tax: current year	(1 747)		(1 747)	
	(28 657)	2 700	(1 747)	(289)

Reconciliation of tax rate

	GROUP		COMPANY	
	Dec 2023 %	Dec 2022 %	Dec 2023 %	Dec 2022 %
Standard tax rate	27,00	28,00	27,00	28,00
REIT qualifying distribution	(7,99)	(8,35)	(24,45)	(28,00)
Tax exempt items				
– fair value adjustments not taxable due to REIT status	(6,69)	(8,36)		
– dividend from foreign listed company	(0,65)	(1,54)		
– deferred tax assets not recognised	2,23	0,23	0,08	–
Tax rate difference – provided at capital gains effective tax rate[1]	(0,73)	(2,06)		
Non-deductible expenses[2]	4,17	0,42	0,04	–
Tax allowances claimed	(0,16)	(1,01)		
Non-taxable income	(1,68)	–	(2,68)	–
Share of profit of equity-accounted investment	(16,30)	(6,12)		
Impairment of equity-accounted associate	6,58	–		
The Empowerment Trust – PBO status	–	0,01		
Scrip dividends received from listed investments	(2,07)	(1,41)		
Branch tax – France	0,05	0,01	0,12	(0,07)
Assessed losses utilised	(2,91)	–		
Effect of change in tax rate[3]	–	0,11		
Effective tax rate	0,85	(0,07)	0,11	(0,07)

[1] *In the prior reporting period, this amount was incorrectly disaggregated between two lines in the tax rate reconciliation and as such this has been corrected.*
[2] *This item relates mainly to expenses incurred by subsidiaries of the Group that earn exempt income. Expenses are only claimed as a deduction to the extent that the Company has taxable income. This item also includes the impairment on the loans to RPI.*
[3] *The tax rate changed to 27% for companies with years of assessment ending on any date on or after 31 March 2023. Deferred tax was therefore recognised at 27% in the prior reporting period.*

28. EARNINGS AND HEADLINE EARNINGS PER SHARE

	GROUP	
	for the year ended Dec 2023 cents	for the year ended Dec 2022 cents
Earnings attributable to equity holders		
Basic earnings per share	1 048,61	1 081,99
Diluted earnings per share	1 046,43	1 077,92
Headline earnings per share	395,10	536,41
Diluted headline earnings per share	394,27	534,39

28.1 Reconciliation of earnings attributable to equity holders to headline earnings

	Dec 2023 R'000	Dec 2022 R'000
Earnings attributable to equity holders	3 528 549	3 789 415
Adjusted for:	(2 199 055)	(1 910 781)
– fair value gain on investment property	(978 552)	(971 774)
– exchange differences realised on distribution of interest in associate to shareholders	–	(126 670)
– profit on distribution of interest in associate to shareholders	–	(774 928)
– impairment of investment in associate	824 521	–
– foreign exchange differences realised on disposal of Hammerson	(74 084)	–
– share of equity-accounted investments' separate identifiable remeasurements[1]	(1 970 940)	(37 409)
Headline earnings	1 329 494	1 878 634

[1] *The adjustment of R2,0 billion in the current reporting period relates to Resilient's share of the fair value loss on investment property recognised by Lighthouse (R46,7 million), the realised gain on the disposal of Lighthouse's investment in associate (R2,2 billion) and Resilient's share of the fair value loss recognised on the French portfolio held through RPI (R166 million).*

	GROUP	
	for the year ended Dec 2023 Number of shares	for the year ended Dec 2022 Number of shares
Reconciliation of weighted average number of shares in issue during the year		
Weighted average number of shares	336 496 298	350 225 541
Adjustment for dilutive potential of shares granted in terms of the Conditional Share Plan	703 430	1 323 307
Weighted average number of shares for diluted earnings and diluted headline earnings per share	337 199 728	351 548 848

29. NOTES TO THE STATEMENTS OF CASH FLOWS

29.1 Cash generated from/(utilised in) operations

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
Profit before income tax	3 383 050	3 913 637	1 559 204	2 022 291
Adjusted for:				
Revenue received from Group companies			(1 948 715)	(1 980 363)
Revenue from investments	(4 671)	(104 593)		
Fair value gain on investment property	(836 847)	(1 147 835)		
Fair value (gain)/loss on investments	(158 015)	11 303	–	–
Fair value loss/(gain) on currency derivatives	78 103	(60 053)	4 475	
Fair value loss/(gain) on interest rate derivatives	76 936	(199 195)		
Share-based payments – employee incentive scheme	13 484	14 659		
Share-based payments – acquisition of vested shares on-market	(11 699)			
Profit on distribution of interest in associate to shareholders	–	(774 928)		
Impairment of investment in associate	824 521	–		
Impairment of loans to associate	192 830			
Foreign exchange (gain)/loss	(189 646)	(141 812)	(139 071)	8 877
Reversal of impairment of staff incentive loans receivable	–	(166)	–	(145)
Staff incentive loans written off	2 535		1 659	
Impairment/(reversal of impairment) of loans receivable	6 821	1 172	(17 464)	(370 078)
Share of profit of associates	(2 378 369)	(281 158)		
Interest received on loans and cash balances	(17 041)	(14 240)	(1 146)	(1 743)
Interest received from associate	(106 230)	(39 320)		
Interest received from Group companies			(106 230)	(39 320)
Interest on borrowings	1 184 346	749 794	632 989	348 563
Capitalised interest	(25 496)	(14 904)		
Amortisation of tenant installation	24 626	20 011		
	2 059 238	1 932 372	(14 299)	(11 918)
Changes in working capital				
Decrease/(increase) in other assets	8 635	(37 775)		
(Decrease)/increase in other liabilities	(8 055)	11 531		
(Increase)/decrease in trade and other receivables	(13 456)	31 606	(543)	143
Increase/(decrease) in trade and other payables	37 046	(23 974)	(8 570)	8 063
	2 083 408	1 913 760	(23 412)	(3 712)

29.2 Income tax paid

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
Income tax payable at the beginning of the year	(25)	(18 390)	–	(18 390)
Recognised in profit or loss during the year	(18 217)	(12 132)	(1 747)	(289)
Foreign currency movements	–	1 240	–	1 216
Income tax payable at the end of the year	2 792	25	1 747	–
	(15 450)	(29 257)	–	(17 463)

30. DIRECTORS' REMUNERATION

The following remuneration was paid to directors:

	GROUP			
	Salary R'000	Bonus R'000	Accrued leave paid out* R'000	Total R'000
Executive directors				
Dec 2023				
Des de Beer	7 919	9 288	487**	17 694
Johann Kriek	6 336	7 431	97	13 864
Monica Muller	3 440	4 034	40	7 514
	17 695	20 753	624	39 072
Dec 2022				
Des de Beer	7 367	4 373	–	11 740
Nick Hanekom	5 894	3 498	771#	10 163
Johann Kriek	5 894	3 498	68	9 460
Monica Muller	3 200	1 825	62	5 087
	22 355	13 194	901	36 450

* *The Group's leave policy provides that accrued leave in excess of 30 days be paid out at the end of each calendar year.*

** *Des de Beer retired as chief executive officer and executive director with effect from 31 December 2023 resulting in the payment of outstanding leave balances.*

Nick Hanekom resigned as chief operating officer and from the board of directors as a result of his emigration from South Africa. His resignation took effect on 29 December 2022 resulting in the payment of outstanding leave balances. Mr Hanekom received a bonus of R7,4 million during 2023 which was earned in respect of FY2022 performance when he was the chief operating officer and executive director. The award was settled in the current reporting period.

	GROUP AND COMPANY	
	For services as a director of the Company	
	Dec 2023 R'000	Dec 2022 R'000
Non-executive directors		
Alan Olivier	1 523*	1 441*
Stuart Bird[1]	1 288*	1 183*
David Brown[2]	–	576
Thembi Chagonda[3]	–	273
Des Gordon[4]	955	808
Dawn Marole	693*	657*
Protas Phili[5]	1 096*	988*
Thando Sishuba	505	479
Barry Stuhler[6]	205	–
Barry van Wyk[7]	738	666
	7 003	7 071

* *Amount inclusive of VAT.*

[1] *Stuart Bird was appointed as a member of the Nomination Committee on 22 June 2022.*

[2] *David Brown passed away on 19 June 2022. He was the chairman of the Audit Committee and served as a member of the Remuneration Committee and Investment Committee.*

[3] *Thembi Chagonda retired from the Board and all relevant committees on 22 June 2022.*

[4] *Des Gordon was appointed as chairman of the Social and Ethics Committee and member of the Remuneration Committee on 22 June 2022.*

[5] *Protas Phili was appointed as chairman of the Audit Committee on 22 June 2022.*

[6] *Barry Stuhler was appointed to the Board with effect from 15 August 2023. He was appointed as a member of the Investment Committee on 23 November 2023.*

[7] *Barry van Wyk was appointed as a member of the Social and Ethics Committee on 22 June 2023.*

The remuneration of executive directors was paid by subsidiaries in the Group. Non-executive remuneration was paid by the Company.

31. THE RESILIENT SHARE PURCHASE TRUST

Shareholders adopted The Resilient Share Purchase Trust deed at a special meeting on 2 June 2004. In terms of the rules of the Trust, the maximum number of shares which may be granted to the participants shall be limited to 35 000 000 (2022: 35 000 000) shares.

	Dec 2023		Dec 2022	
	% of issued shares of the Company	Number of shares	% of issued shares of the Company	Number of shares
Maximum shares available to the Trust in terms of the Trust deed	9,6	35 000 000	9,4	35 000 000
Issued to the Trust through loan account – previously	0,1	(264 000)	0,1	(264 000)
Previously issued to the Trust, repaid and not available for reissue	9,2	(33 725 300)	9,1	(33 725 300)
Shares available but unissued		**1 010 700**		1 010 700

The loans provided to participants were full recourse loans and therefore the participants carried the risk associated with the shares issued to them. At the AGM of 2 November 2017, shareholders approved a new incentive plan. This incentive plan was replaced by the CSP approved by shareholders at the AGM of 6 November 2019. The Resilient Share Purchase Trust was therefore phased out over time as outstanding loans are settled. Refer to note 7 for disclosure on the settlement of the outstanding loans in the current reporting period.

Refer to note 32 for disclosure on the employee incentive schemes.

32. EMPLOYEE INCENTIVE SCHEME

32.1 Conditional Share Plan

In November 2019, shareholders approved the implementation of a new long-term incentive ("LTI") structure in the form of a CSP. The CSP was drafted in accordance with best market practice and corporate governance requirements.

In terms of the plan, eligible employees receive annual performance awards which provide them with the conditional right to receive shares for no consideration, at a future date, provided that the employee is still in the employ of the Group and that the performance measures, if any, have been satisfied. The Remuneration Committee maintains discretion to determine who is eligible to receive awards in terms of the CSP. Conditional shares with no dividend equivalent rights are awarded to participants annually and vest after three years from the date of the award.

Share awards under the CSP are limited to 5% of the issued share capital of the Company. The maximum number of shares that may be settled under the CSP to any one participant will not exceed 1% of the issued share capital of the Company.

The first award under the new LTI scheme was granted in September 2020 and the second award was granted in September 2021. The share awards were based on the total base remuneration for the financial period, the on-target achievement of performance measures over a three-year period and using the *ex* dividend volume-weighted average trading price per share for the 30 trading days immediately preceding the award date of R55,87 in April 2022 (Sep 2021 award: R53,66; Sep 2020 award: R39,77). On this basis, 237 572 shares were awarded to employees in April 2022, vesting in April 2025 (Sep 2021 award: 471 268 shares vesting in September 2024; Sep 2020 award: 620 362 shares vesting in September 2023).

A share-based payment charge of R7,8 million (2022: R14,7 million) was recognised in profit or loss during the reporting period in respect of the CSP.

	GROUP	
	Dec 2023 Number of shares	Dec 2022 Number of shares
Reconciliation of shares		
Unvested shares at the beginning of the year	**1 323 307**	1 091 630
Shares awarded during the year	**–**	237 572
Adjustment to share awards on vested tranche based on measured performance*	**(290 943)**	–
Shares vested during the year	**(290 945)**	–
Share awards forfeited during the year	**(37 989)**	(5 895)
Unvested shares at the end of the year	**703 430**	1 323 307

* *Share awards are based on the on-target achievement of performance measures over the vesting period. At the end of the vesting period, the number of shares that vest is determined based on the performance of the Company against predetermined performance measures. The on-target award is adjusted accordingly based on the achieved performance.*

Shares issued under the CSP are equity-settled share-based payments. The award shares have been valued using a Geometric Brownian option pricing model at the grant date, with the value of each tranche of shares being expensed over the vesting period. It is anticipated that all unvested shares will vest during the vesting period. The fair value of the equity-settled shares is based on the market value of the Resilient shares on the grant date. The market value is adjusted for the present value of forfeited dividends as no dividends will be paid until the shares vest. No awards were made under the CSP during the reporting period.

In the current reporting period, the LTI award granted in September 2020 vested in September 2023. On the measurement of the predetermined performance measures, a business score of 0,5 was achieved resulting in 290 945 shares vesting during the reporting period. The shares were acquired on-market at an average price of R40,21 per share and a total cost of R11,7 million.

Directors' participation in the CSP

The following shares were awarded to directors under the CSP:

	Opening balance unvested shares* Number of shares	Adjustment of on-target award for achievement of KPIs* Number of shares	Vested during the year Number of shares	Closing balance unvested shares Number of shares	Vesting date	Share price at vesting date R
Des de Beer						
– Apr 2022 award	64 318		–	64 318	6 Apr 2025	
– Sep 2021 award	127 562		–	127 562	15 Sep 2024	
– Sep 2020 award	167 916	(83 958)	(83 958)	–	16 Sep 2023	40,21
Nick Hanekom**						
– Apr 2022 award	51 458		–	51 458	6 Apr 2025	
– Sep 2021 award	102 049		–	102 049	15 Sep 2024	
– Sep 2020 award	134 332	(67 166)	(67 166)	–	16 Sep 2023	40,21
Johann Kriek						
– Apr 2022 award	51 458		–	51 458	6 Apr 2025	
– Sep 2021 award	102 049		–	102 049	15 Sep 2024	
– Sep 2020 award	134 332	(67 166)	(67 166)	–	16 Sep 2023	40,21
Monica Muller						
– Apr 2022 award	26 848		–	26 848	6 Apr 2025	
– Sep 2021 award	50 810		–	50 810	15 Sep 2024	
– Sep 2020 award	66 885	(33 443)	(33 442)	–	16 Sep 2023	40,21

* *Share awards are based on the on-target achievement of performance measures over the vesting period. At the end of the vesting period, the number of shares that vest is determined based on the performance of the Company against predetermined performance measures. The on-target award is adjusted accordingly based on the achieved performance.*

** *Nick Hanekom was classified as a "good leaver" in terms of the CSP by the Remuneration Committee and as such his historical share awards are not forfeited and will accordingly vest on the respective vesting dates.*

32. EMPLOYEE INCENTIVE SCHEME continued

32.2 Single Incentive Plan

In June 2022, shareholders approved the implementation of a new incentive structure in the form of a Single Incentive Plan by way of a non-binding advisory vote. The SIP was drafted, with the assistance of external remuneration specialists, in accordance with best market practice and corporate governance requirements and replaced all previous employee share schemes.

The SIP will continue to reward the delivery of financial and non-financial objectives consistent with the strategy of the Company with performance measured against a single combined scorecard at the end of each reporting period. The SIP will pay out a combination of cash and deferred shares, with the deferred shares vesting over a period of three years. The SIP was designed to ensure the same mechanics and reward limits as the current CSP with the main differentiating factor being the single scorecard with performance measured at the end of the respective reporting period to which the reward relates.

The SIP comprises a single incentive (both short-term and long-term) which is determined annually, following the end of the financial year, based on performance against sufficiently stretching performance conditions set annually in advance, as a percentage of the annual guaranteed package. A portion of the Single Incentive is settled in cash (the short-term component), with the balance being deferred through an award of deferred shares which have a vesting period of three years (the long-term component). The Single Incentive is governed by a Single Incentive Policy and a DSP (the "Plan").

The Plan provides for annual awards of deferred shares which are used to implement the deferred portion of the Single Incentive. The deferred shares vest if the participant remains employed by the Group for a period of three years. A participant accordingly has the conditional right to delivery of the deferred shares, which are held in escrow on the participant's behalf from the settlement date to the vesting date. The deferred shares may be forfeited prior to the vesting date. Participants enjoy all shareholder rights, including voting rights, from the award date. Participants are entitled to all ordinary dividends declared and paid in the ordinary course of business during the vesting period and are also entitled to all special dividends declared and paid, but these may only be used to purchase additional deferred shares that will be held in escrow until the vesting date. These additional deferred shares are subject to the same conditions applicable to the underlying award. Awards of deferred shares under the Plan may only be settled by purchasing shares in the market.

The Remuneration Committee maintains discretion to determine who is eligible to receive awards in terms of the Plan.

The first deferred share award under the SIP was granted in March 2023 in respect of the performance relating to FY2022. The share awards were based on the total base remuneration for the financial period, the achievement of the predetermined performance measures as set out in the Single Incentive scorecard and using the volume-weighted average trading price per share for the five trading days immediately preceding the award date of R48,51. On this basis, 713 848 shares were awarded to employees in March 2023, vesting in March 2026. The shares were acquired on-market at a total cost of R35,5 million and will be held in escrow until the vesting date. The shares are therefore recognised as treasury shares at the reporting date.

A share-based payment charge of R5,7 million was recognised in profit or loss during the reporting period in respect of the Plan.

	GROUP
	Dec 2023 Number of shares
Reconciliation of shares	
Unvested shares at the beginning of the year	–
Shares awarded during the year	713 848
Unvested shares at the end of the year	**713 848**

Shares issued under the Plan are equity-settled share-based payments with the value of each tranche of shares being expensed over the vesting period. It is anticipated that all unvested shares will vest during the vesting period. The fair value of the equity-settled shares is based on the market value of the Resilient shares on the grant date. As participants are entitled to the dividends earned on the restricted shares during the vesting period, there are no forfeited dividends and the market value of shares at grant date is not adjusted.

	GROUP
	Apr 2023 Award
Valuation inputs at grant date	
Share price at grant date	R48,07

Directors' participation in the Plan

The following shares were awarded to directors under the CSP:

	Awarded during the year Number of shares	Closing balance unvested shares Number of shares	Vesting date
Des de Beer			
– Apr 2023 award	191 456	191 456	23 Mar 2026
Johann Kriek			
– Apr 2023 award	153 175	153 175	23 Mar 2026
Monica Muller			
– Apr 2023 award	83 163	83 163	23 Mar 2026

33. CAPITAL COMMITMENTS

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Approved and contracted for	2 246 087	457 157
Approved and not contracted for	369 688	958 129

The expenditure relates to property developments and extensions to properties and will be funded by borrowings. Capital commitments approved and contracted for include the outstanding purchase price in respect of Salera of R1,6 billion.

34. CONTINGENT LIABILITIES

There are no contingent liabilities.

35. OPERATING LEASE RENTALS

Contractual rental revenue from tenants can be analysed as follows:

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Within one year	1 911 969	1 964 505
Within two years	1 601 144	1 489 353
Within three years	1 271 050	1 123 927
Within four years	890 046	809 814
Within five years	472 099	468 129
More than five years	1 350 725	1 414 244
	7 497 033	7 269 972

36. SEGMENTAL REPORTING

Segmental statement of financial position at December 2023

	GROUP					
	Corporate South Africa R'000	Corporate Nigeria R'000	Retail South Africa R'000	Retail France R'000	Retail Nigeria R'000	Total R'000
Investment property and investment property under development			27 869 563	–	1 063 034	28 932 597
Investment in associates and joint venture*	4 146 057			480 229		4 626 286
Loans to co-owners	104 087					104 087
Loans to associate	–			1 302 157		1 302 157
Loan to joint venture*	173 969					173 969
Other financial assets	295 077					295 077
Other assets	–		29 590		9 960	39 550
Trade and other receivables	25 701	–	128 214		6 286	160 201
Cash and cash equivalents	1 427	9 516	44 602		8 472	64 017
Total assets	4 746 318	9 516	28 071 969	1 782 386	1 087 752	35 697 941
Interest-bearing borrowings	11 223 223	828 431				12 051 654
Other financial liabilities	50 787					50 787
Other liabilities	10 598	774	9 324		24 937	45 633
Deferred tax	102 832					102 832
Amounts owing to non-controlling shareholders	542 236	663 346				1 205 582
Trade and other payables	62 500	5 118	489 333		46 122	603 073
Income tax payable	2 792					2 792
Total liabilities	11 994 968	1 497 669	498 657	–	71 059	14 062 353

* *The investment in the joint venture, SRI, has been included in the Corporate: South Africa segment at the reporting date as the acquisition of Salera was only completed subsequent to the reporting date. Refer to note 37.*

Segmental profit for the year ended December 2023

	GROUP					
	Corporate South Africa R'000	Corporate Nigeria R'000	Retail South Africa R'000	Retail France R'000	Retail Nigeria R'000	Total R'000
Contractual rental revenue and recoveries			3 330 178		199 134	3 529 312
Straight-lining of rental revenue adjustment			44 656		(3 222)	41 434
Revenue from direct property operations	–	–	3 374 834		195 912	3 570 746
Revenue from investments*	4 671	–	–	–	–	4 671
Total revenue	4 671	–	3 374 834	–	195 912	3 575 417
Fair value gain on investment property net of adjustment resulting from straight-lining of rental revenue			1 223 341		(427 928)	795 413
Fair value gain on investments	158 015					158 015
Fair value loss on currency derivatives	(78 103)					(78 103)
Fair value loss on interest rate derivatives	(76 936)					(76 936)
Property operating expenses			(1 241 180)		(89 832)	(1 331 012)
Administrative expenses	(142 696)	(9 293)				(151 989)
Share-based payments – employee incentive scheme	(13 484)					(13 484)
Foreign exchange gain	197 262	(7 616)		–		189 646
Impairment of investment in associate	(824 521)					(824 521)
Impairment of loans to associate	–			(192 830)		(192 830)
Staff incentive loans written off	(2 535)					(2 535)
Impairment of loans receivable	(6 821)					(6 821)
Share of profit of associate**	2 604 183			(225 814)		2 378 369
Interest received	17 041			106 230		123 271
Interest on borrowings	(1 062 545)	(121 801)				(1 184 346)
Capitalised interest	25 496					25 496
Income tax	(14 010)		–		(14 647)	(28 657)
Profit/(loss) for the year	785 017	(138 710)	3 356 995	(312 414)	(336 495)	3 354 393

* *Listed offshore investments are included in the Corporate: South Africa segment.*

** *The investment in the joint venture, SRI, has been included in the Corporate: South Africa segment at the reporting date as the acquisition of Salera was only completed subsequent to the reporting date. Refer to note 37.*

	GROUP					
	Corporate South Africa R'000	Corporate Nigeria R'000	Retail South Africa R'000	Retail France R'000	Retail Nigeria R'000	Total R'000
Segmental capital expenditure			715 397	–	2 830	718 227

36. SEGMENTAL REPORTING continued

Segmental statement of financial position at December 2022

	GROUP					
	Corporate South Africa R'000	Corporate Nigeria R'000	Retail South Africa R'000	Retail France R'000	Retail Nigeria R'000	Total R'000
Investment property and investment property under development			25 962 941	–	1 378 202	27 341 143
Investment in associate*	2 224 516			454 970		2 679 486
Investments*	971 682					971 682
Staff incentive loans	16 445					16 445
Loans to co-owners	104 819					104 819
Loans to associate	–			1 333 073		1 333 073
Other financial assets	478 366					478 366
Other assets	–		43 914		4 271	48 185
Trade and other receivables	14 294	1 801	116 989		13 661	146 745
Cash and cash equivalents	25 460	40 287	39 297		11 379	116 423
Total assets	3 835 582	42 088	26 163 141	1 788 043	1 407 513	33 236 367
Interest-bearing borrowings	10 859 150	767 627				11 626 777
Other financial liabilities	1 709					1 709
Other liabilities	17 844	799	16 575		18 470	53 688
Deferred tax	92 392					92 392
Amounts owing to non-controlling shareholders	534 857	620 768				1 155 625
Trade and other payables	42 066	22 770	456 379		43 103	564 318
Income tax payable	25					25
Total liabilities	11 548 043	1 411 964	472 954	–	61 573	13 494 534

* *Listed offshore investments are included in the Corporate: South Africa segment.*

Segmental profit for the year ended December 2022

	GROUP					
	Corporate South Africa R'000	Corporate Nigeria R'000	Retail South Africa R'000	Retail France R'000	Retail Nigeria R'000	Total R'000
Contractual rental revenue and recoveries			3 102 813		184 708	3 287 521
Straight-lining of rental revenue adjustment			111 837		(1 276)	110 561
Revenue from direct property operations	–	–	3 214 650		183 432	3 398 082
Revenue from investments*	104 593	–	–	–	–	104 593
Total revenue	104 593	–	3 214 650	–	183 432	3 502 675
Fair value gain on investment property net of adjustment resulting from straight-lining of rental revenue			940 442		96 832	1 037 274
Fair value loss on investments	(11 303)					(11 303)
Fair value gain on currency derivatives	60 053					60 053
Fair value gain on interest rate derivatives	199 195					199 195
Property operating expenses			(1 148 054)		(82 328)	(1 230 382)
Administrative expenses	(134 261)	(10 517)				(144 778)
Share-based payments – employee incentive scheme	(14 659)					(14 659)
Foreign exchange gain	117 861	23 951		–	–	141 812
Profit on distribution of interest in associate to shareholders	774 928					774 928
Reversal of impairment of staff incentive loans receivable	166					166
Impairment of loans receivable	(1 172)					(1 172)
Share of profit of associate*	150 072			131 086		281 158
Interest received	14 240			39 320		53 560
Interest on borrowings	(662 042)	(87 752)			–	(749 794)
Capitalised interest	14 904					14 904
Income tax	7 760			–	(5 060)	2 700
Profit/(loss) for the year	620 335	(74 318)	3 007 038	170 406	192 876	3 916 337

* *Listed offshore investments are included in the Corporate: South Africa segment.*

	GROUP					
	Corporate South Africa R'000	Corporate Nigeria R'000	Retail South Africa R'000	Retail France R'000	Retail Nigeria R'000	Total R'000
Segmental capital expenditure			541 113	–	4 501	545 614

The information disclosed includes R1 038,0 million (2022: R969,7 million) of contractual rental revenue and recoveries of properties that the Group owns through undivided shares.

37. EVENTS AFTER THE REPORTING DATE

Acquisition of Salera

On 31 January 2024, the Group concluded the acquisition of a 50% interest in Salera, through SRI. Salera was acquired by Salera Properties SAU, a wholly-owned subsidiary of SRI. In total, Resilient paid EUR87,25 million (R1,765 billion) for its share in Salera. As Resilient does not exercise control over SRI and this is a property acquisition and not a purchase of a company, it does not fall within the scope of IFRS 3: *Business Combinations*.

Disposal of Resilient Africa

Resilient Africa received USD45 million of funding from the Shoprite group which was due to be repaid on 3 March 2024. The funding was secured by the three properties, with no recourse to Resilient's South African balance sheet. As the valuation of the properties exceeds the value of the funding, Resilient and Shoprite effectively agreed, subsequent to year-end, that Resilient's portion of the properties will settle its share of the debt. Consequently, Resilient will dispose of its Nigerian operations to Shoprite for a consideration of R1. From 3 March 2024, Resilient has no further financial obligations with regard to the Nigerian operations with Shoprite taking full responsibility thereof.

The directors are not aware of any other events subsequent to December 2023, not arising in the normal course of business, which are likely to have a material effect on the financial information contained in this report.

38. FINANCIAL INSTRUMENTS

38.1 Credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	**Dec 2023 R'000**	Dec 2022 R'000
Investments	**–**	971 682		
Staff incentive loans	**–**	16 445	**–**	15 174
Loans to co-owners	**104 087**	104 819		
Loans to associate	**1 302 157**	1 333 073		
Loan to joint venture	**173 969**	–		
Loans to Group companies			**18 720 547**	16 373 001
Other financial assets	**295 077**	478 366		
Trade and other receivables	**160 201**	146 745	**543**	–
Cash and cash equivalents	**64 017**	116 423	**14**	27 607
	2 099 508	3 167 553	**18 721 104**	16 415 782
The maximum exposure to credit risk from loans at the reporting date was:				
Staff incentive loans	**–**	16 445	**–**	15 174
Shares pledged as security	**–**	(22 622)	**–**	(15 174)
Net exposure	**–**	–	**–**	–
Loans to co-owners	**104 087**	104 819		
Value of security pledged by co-owners	**(104 087)**	(102 929)	**–**	–
Loans to co-owners net exposure	**–**	1 890		
Loans to associate	**1 302 157**	1 333 073		
Loan to joint venture	**173 969**	–		
Net exposure total loans	**1 476 126**	1 334 963	**–**	–

None of the borrowers to whom loans were granted were in breach of their obligations.

An ECL was recognised on the staff incentive loans and loans to co-owners; refer to notes 7 and 8, respectively.

The maximum exposure to credit risk for trade and other receivables at the reporting date by segment was:

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	**Dec 2023 R'000**	Dec 2022 R'000
Corporate: South Africa	**25 701**	29 756	**543**	–
Corporate: Nigeria	**–**	–		
Retail: South Africa	**128 214**	116 989		
Retail: Nigeria	**6 286**	–		
Trade receivables	**160 201**	146 745	**543**	–
Tenant deposits (limited to tenant arrears)	**(74 464)**	(65 367)	**–**	–
	85 737	81 378	**543**	–

ECL in respect of trade and other receivables carried at amortised cost has been determined and is immaterial at the reporting date. No allowance for ECL has therefore been recognised as those receivables with no reasonable expectation of recovery are written off timeously throughout the reporting period. Refer to note 14 for further details on trade and other receivables.

There are no significant concentrations of credit risk.

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	**Dec 2023 R'000**	Dec 2022 R'000
Gross receivables:				
Not past due	**146 137**	126 340	**543**	–
Past due not impaired	**14 064**	20 405	**–**	–
	160 201	146 745	**543**	–
The ageing of tenant arrears at the reporting date was as follows:				
Current	**5 396**	16 449		
31 to 60 days	**2 124**	–		
61 to 90 days	**3 987**	2 310		
91 to 120 days	**1 371**	299		
>120 days	**1 186**	1 347		
	14 064	20 405		

Expected credit loss

The ECL provision on tenant arrears was determined as follows:

	GROUP			
	Dec 2023		Dec 2022	
	ECL rate %	**ECL provision R'000**	ECL rate %	ECL provision R'000
Current	**0,3**	**16**	0,1	11
31 to 60 days	**0,3**	**7**	0,5	–
61 to 90 days	**0,4**	**17**	0,7	16
91 to 120 days	**0,8**	**10**	0,9	3
>120 days	**24,3**	**288**	32,8	442
		338		472

An ECL rate is calculated for each category of trade receivable, as indicated in the ECL provision table above. The ECL rate is based on historical payment profiles of tenants and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of tenants to settle the receivable. Forward-looking information includes the current economic conditions and future prospects. During the current reporting period, there has been a decrease in the average historical write-offs, resulting in decreased ECL rates.

38. FINANCIAL INSTRUMENTS continued

38.2 Liquidity risk

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

	GROUP				
	Carrying value R'000	Contractual outflows R'000	1 – 12 months R'000	2 – 5 years R'000	More than 5 years R'000
Dec 2023					
Interest-bearing borrowings	**12 051 654**	**14 911 107**	**1 016 269**	**11 261 874**	**2 632 964**
Amounts owing to non-controlling shareholders	**1 205 582**	**1 205 582**	**1 205 582**	**–**	**–**
Trade and other payables	**603 073**	**603 073**	**534 895**	**–**	**68 178**
	13 860 309	**16 719 762**	**2 756 746**	**11 261 874**	**2 701 142**
Dec 2022					
Interest-bearing borrowings	11 626 777	13 951 968	2 950 128	11 001 840	–
Amounts owing to non-controlling shareholders	1 155 625	1 155 625	1 155 625	–	–
Trade and other payables	564 318	564 318	498 951	–	65 367
	13 346 720	15 671 911	4 604 704	11 001 840	65 367

	COMPANY				
	Carrying value R'000	Contractual outflows R'000	1 – 12 months R'000	2 – 5 years R'000	More than 5 years R'000
Dec 2023					
Non-derivative financial liabilities					
Interest-bearing borrowings	**8 105 949**	**10 422 640**	**752 360**	**7 037 316**	**2 632 964**
Trade and other payables	**4 196**	**4 196**	**4 196**	**–**	**–**
	8 110 145	**10 426 836**	**756 556**	**7 037 316**	**2 632 964**
Dec 2022					
Non-derivative financial liabilities					
Interest-bearing borrowings	5 412 114	6 687 260	1 090 534	5 596 726	–
Trade and other payables	11 058	11 058	11 058	–	–
	5 423 172	6 698 318	1 101 592	5 596 726	–

The Company has guaranteed various interest-bearing borrowings of R3,1 billion (2022: R5,3 billion) in favour of its subsidiaries. The maximum potential exposure to credit risk under financial guarantee contracts amounts to R3,1 billion (2022: R5,3 billion).

Cash flows are monitored on a regular basis to ensure that cash resources are adequate to meet funding requirements. To the extent that the Group continues to require funding, facilities approaching maturity will be refinanced.

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Permitted borrowings for the Group:		
Total assets disclosed	**35 697 941**	33 236 367
Total assets of The Empowerment Trust	**(12)**	(12)
Total assets of Resilient	**35 697 929**	33 236 355
60% of total assets (limited per the MOI)	**21 418 757**	19 941 813
Total borrowings	**(12 051 654)**	(11 626 777)
Unutilised borrowing capacity	**9 367 103**	8 315 036

38.3 Market risk

38.3.1 Currency risk

At the reporting date, Resilient's share of the fair value of the investment property and loans to co-owners in respect of the Nigerian operations was USD36,7 million (2022: USD48 million). A total of USD27 million (2022: USD26 million) was borrowed in US Dollars, the same currency as the underlying assets, thereby limiting the currency risk to the Group.

The Group provided loans of R1,5 billion (2022: R1,3 billion) to the subsidiaries of RPI. These subsidiaries are domiciled in France and the loans provided are denominated in Euro and amount to EUR74,0 million (2022: EUR73,1 million). The Group further provided a loan of R0,2 billion (2022: nil) to SRI, a joint venture domiciled in Spain. This loan is denominated in Euro and amounts to EUR8,6 million (2022: nil). Resilient is exposed to currency risk on these Euro-denominated loans.

The foreign exchange contracts were R25,1 million (2022: R25,4 million in-the-money) out-the-money at the reporting date.

A 1% change in the respective exchange rates would have increased/(decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant.

The analysis was performed on the same basis for the previous reporting period.

	GROUP	
	Profit or loss and equity	
	1% increase R'000	1% decrease R'000
Dec 2023		
Exposure to Resilient Africa	**1 768**	**(1 768)**
Loans to associate	**14 950**	**(14 950)**
Loan to joint venture	**1 740**	**(1 740)**
Foreign exchange contracts	**(251)**	**251**
	18 207	**(18 207)**
Dec 2022		
Exposure to Resilient Africa	3 783	(3 783)
Loans to associate	13 331	(13 331)
Loan to joint venture	–	–
Foreign exchange contracts	254	(254)
	17 368	(17 368)

38. FINANCIAL INSTRUMENTS continued

38.3 Market risk continued

38.3.1 Currency risk continued

	COMPANY	
	Profit or loss and equity	
	1% increase R'000	1% decrease R'000
Dec 2023		
Loans to Group companies*	**16 690**	**(16 690)**
Dec 2022		
Loans to Group companies*	13 331	(13 331)

* *Loans to Group companies denominated in Euro relating to Group companies incorporated in France and Spain (2022: France).*

38.3.2 Interest rate risk

	GROUP		COMPANY	
	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	Dec 2022 R'000
Interest-bearing instruments comprise:				
Variable rate instruments				
Staff incentive loans	**–**	24 249	**–**	15 951
Loans to co-owners	**224 500**	218 411		
Loans to associate	**1 302 157**	1 333 073		
Loan to joint venture	**173 969**	–		
Other financial assets – loans advanced	**–**	140		
Loans to Group companies			**1 668 956**	1 333 073
Cash and cash equivalents	**64 017**	116 423		
Interest-bearing borrowings	**(12 051 654)**	(11 626 777)	**(8 105 949)**	(5 412 114)
Amounts owing to non-controlling shareholders	**(618 167)**	(578 791)		
	(10 905 178)	(10 513 272)	**(6 436 993)**	(4 063 090)

The Group adopts a policy of ensuring that at least 70% of its exposure to interest rates is economically hedged.

Details of interest rate derivatives at the reporting date are:

	GROUP			
	Swap maturity	Nominal amount R'000	Average swap rate %	Fair value R'000
Dec 2023	**Dec 2024**	**1 100 000**	**4,81**	**21 363**
	Dec 2025	**1 500 000**	**6,10**	**38 844**
	Dec 2026	**1 600 000**	**6,65**	**44 580**
	Dec 2027	**1 500 000**	**7,44**	**15 319**
	Dec 2028	**2 750 000**	**7,18**	**79 412**
		8 450 000	**6,63**	**199 518**

	GROUP			
	Cap maturity	Nominal amount R'000	Average cap rate %	Fair value R'000
Dec 2023	**Dec 2024**	**400 000**	**8,37**	**271**
	Dec 2026	**400 000**	**7,91**	**3 951**
	Dec 2027	**1 000 000**	**8,03**	**16 123**
	Dec 2028	**1 500 000**	**8,38**	**37 760**
		3 300 000	**8,22**	**58 105**

	GROUP			
	Cap maturity	Nominal amount USD'000	Average cap rate %	Fair value R'000
Dec 2023	**Dec 2026**	**11 000**	**1,90**	**11 763**
		11 000	**1,90**	**11 763**
Total fair value				**269 386**

	GROUP			
	Swap maturity	Nominal amount R'000	Average swap rate %	Fair value R'000
Dec 2022	Dec 2023	500 000	7,78	(558)
	Dec 2024	1 100 000	4,81	47 809
	Dec 2025	800 000	4,91	53 706
	Dec 2026	1 600 000	6,65	73 477
	Dec 2027	1 500 000	7,44	40 684
	Dec 2028	2 000 000	6,68	150 944
		7 500 000	6,44	366 062

	GROUP			
	Cap maturity	Nominal amount R'000	Average cap rate %	Fair value R'000
Dec 2022	Dec 2023	500 000	7,71	1 031
	Dec 2024	400 000	8,37	1 233
	Dec 2026	400 000	7,91	8 171
	Dec 2027	1 000 000	8,03	31 267
	Dec 2028	500 000	7,15	28 467
		2 800 000	7,85	70 169

38. FINANCIAL INSTRUMENTS continued

38.3 Market risk continued

38.3.2 Interest rate risk continued

	GROUP			
	Cap maturity	Nominal amount USD'000	Average cap rate %	Fair value R'000
Dec 2022	Dec 2026	11 000	1,90	14 907
		11 000	1,90	14 907
Total fair value				451 138

Effective interest rates and repricing

The effective interest rates at the reporting date and the periods in which the borrowings reprice are reflected in note 18.

Cash flow sensitivity analysis for variable rate instruments

Interest

A 1% change in interest rates at the reporting date would have increased/(decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant.

The analysis was performed on the same basis for the previous reporting period.

	GROUP	
	Profit or loss and equity	
	1% increase R'000	1% decrease R'000
Dec 2023		
Loans to co-owners	2 245	(2 245)
Loans to associate	13 022	(13 022)
Loan to joint venture	1 740	(1 740)
Cash and cash equivalents	640	(640)
Interest-bearing borrowings	(120 517)	120 517
Amounts owing to non-controlling shareholders	(6 182)	6 182
Interest rate derivatives (South African)	117 500	(117 500)
Cash flow sensitivity (net)	8 448	(8 448)
Dec 2022		
Staff incentive loans	242	(242)
Loans to co-owners	2 184	(2 184)
Loans to associate	13 331	(13 331)
Other financial assets – loans advanced	1	(1)
Cash and cash equivalents	1 164	(1 164)
Interest-bearing borrowings	(116 268)	116 268
Amounts owing to non-controlling shareholders	(5 788)	5 788
Interest rate derivatives (South African)	103 000	(103 000)
Cash flow sensitivity (net)	(2 134)	2 134

	COMPANY	
	Profit or loss and equity	
	1% increase R'000	1% decrease R'000
Dec 2023		
Loans to Group companies	16 690	(16 690)
Interest-bearing borrowings	(81 059)	81 059
	(64 369)	64 369
Dec 2022		
Staff incentive loans	160	(160)
Loans to Group companies	13 331	(13 331)
Interest-bearing borrowings	(54 121)	54 121
	(40 630)	40 630

38.3.3 Equity price risk

The carrying amount of financial assets represents the maximum equity price risk exposure. The maximum exposure to equity price risk at the reporting date was:

	GROUP	
	Dec 2023 R'000	Dec 2022 R'000
Investments	–	971 682

A 10% change in the market value of investments would have increased/(decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis was performed on the same basis for the previous reporting period.

	GROUP	
	Profit or loss and equity	
	10% increase R'000	10% decrease R'000
Dec 2022		
Investments	97 168	(97 168)

The Company is not exposed to equity price risk.

38. FINANCIAL INSTRUMENTS continued

38.4 Fair values

The fair values of all financial instruments are substantially the same as the carrying amounts included in the statement of financial position as they are either short-term in nature or are linked to market-related interest rates.

	GROUP			
	Financial assets at amortised cost R'000	Financial liabilities at amortised cost R'000	Total carrying amount R'000	Fair value R'000
Dec 2023				
Loans to co-owners	104 087		104 087	104 087
Loans to associate	1 302 157		1 302 157	1 302 157
Loan to joint venture	173 969		173 969	173 969
Trade and other receivables	160 201		160 201	160 201
Cash and cash equivalents	64 017		64 017	64 017
Interest-bearing borrowings		(12 051 654)	(12 051 654)	(12 051 654)
Trade and other payables		(603 073)	(603 073)	(603 073)
	1 804 431	(12 654 727)	(10 850 296)	(10 850 296)
Dec 2022				
Staff incentive loans	16 445		16 445	16 445
Loans to co-owners	104 819		104 819	104 819
Loans to associate	1 333 073		1 333 073	1 333 073
Other financial assets – loans advanced	140		140	140
Trade and other receivables	146 745		146 745	146 745
Cash and cash equivalents	116 423		116 423	116 423
Interest-bearing borrowings		(11 626 777)	(11 626 777)	(11 626 777)
Trade and other payables		(564 318)	(564 318)	(564 318)
	1 717 645	(12 191 095)	(10 473 450)	(10 473 450)

	COMPANY			
	Financial assets at amortised cost R'000	Financial liabilities at amortised cost R'000	Total carrying amount R'000	Fair value R'000
Dec 2023				
Loans to Group companies	18 720 547		18 720 547	18 720 547
Trade and other receivables	543		543	543
Cash and cash equivalents	14		14	14
Interest-bearing borrowings		(8 105 949)	(8 105 949)	(8 105 949)
Trade and other payables		(4 196)	(4 196)	(4 196)
	18 721 104	(8 110 145)	10 610 959	10 610 959
Dec 2022				
Staff incentive loans	15 174		15 174	15 174
Loans to Group companies	16 373 001		16 373 001	16 373 001
Cash and cash equivalents	27 607		27 607	27 607
Interest-bearing borrowings		(5 412 114)	(5 412 114)	(5 412 114)
Trade and other payables		(11 058)	(11 058)	(11 058)
	16 415 782	(5 423 172)	10 992 610	10 992 610

38.5 Fair value hierarchy for financial instruments and investment property

The following table analyses financial instruments, investment property and investment property under development measured at fair value, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

38. FINANCIAL INSTRUMENTS continued

38.5 Fair value hierarchy for financial instruments and investment property continued

	GROUP		
	Level 1 R'000	Level 2 R'000	Level 3 R'000
Dec 2023			
Assets			
Investment property			28 058 299
Investment property under development			874 298
Investments	–		
Derivative financial assets		295 077	
	–	295 077	28 932 597
Liabilities			
Derivative financial liabilities		50 787	
Dec 2022			
Assets			
Investment property			26 728 115
Investment property under development			613 028
Investments	971 682		
Derivative financial assets		478 226	
	971 682	478 226	27 341 143
Liabilities			
Derivative financial liabilities	–	1 709	–

	COMPANY		
	Level 1 R'000	Level 2 R'000	Level 3 R'000
Dec 2023			
Liabilities			
Derivative financial liabilities	–	4 705	–

The following table shows the valuation techniques used in measuring level 2 and 3 fair values, as well as the significant unobservable inputs used:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment property and investment property under development	Fair value is determined by the discounted cash flow method. This method takes projected net cash flows from each investment property and discounts it at a risk-adjusted discount rate that also takes into account comparable market transactions.	• Discount rates • Exit capitalisation rates • Vacancy rates • Rental growth rates	The estimated fair value would increase if: • discounts rates declined; • the exit capitalisation rates declined; • vacancy rates declined; and • rental growth rates increased.
Derivative assets and liabilities: interest rate swaps and caps	Valued by discounting future cash flows using the applicable swap curve at the dates when the cash flows will take place.*	Not applicable	Not applicable
Derivative assets and liabilities: cross-currency swaps	Valued by discounting future cash flows using the applicable swap curve at the dates when the cash flows will take place.*	Not applicable	Not applicable
Derivative assets and liabilities: forward exchange contracts	Valued by discounting the forward rates applied at the reporting date to the open hedged positions.*	Not applicable	Not applicable

* *The valuations performed on the interest rate and currency derivatives have been performed externally by independent experts.*

There were no transfers between levels 1, 2 and 3 during the reporting period. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. The determination of the fair value of investment property is deemed to be a significant judgement.

Refer to note 3 for the reconciliation of the carrying amount of investment property.

Quadrant valued the South African investment property portfolio and CBRE Excellerate performed the valuation of the Nigerian investment properties. Refer to note 3 for further disclosure on the professional valuers of the Resilient portfolio.

At the reporting date, the key assumptions and unobservable inputs used in determining the fair value of investment property were in the following ranges:

Description	Discount rate range %	Exit capitalisation rate range %	Weighted average exit capitalisation rate %	Vacancy rate range %	Rental growth rate range %
Dec 2023					
South African investment properties	**13,5 – 14,25**	**8,5 – 9,25**	**8,71**	**0,10 – 8,00**	**4,26 – 11,47**
Nigerian investment properties	**14,5 – 14,75**	**10,5 – 11,25**	**10,69**	**–**	**4,5**
Dec 2022					
South African investment properties	13,5 – 14,25	8,50 – 9,25	8,71	0,10 – 5,00	4,69 – 7,21
Nigerian investment properties	14,00	10,00 – 10,50	10,12	–	4,5

38. FINANCIAL INSTRUMENTS continued

38.5 Fair value hierarchy for financial instruments and investment property continued

		Change in discount rate		Change in exit capitalisation rate		Change in vacancy rate		Change in rental growth rate	
	Valuation	Decrease of 50bps R'000	Increase of 50bps R'000	Decrease of 50bps R'000	Increase of 50bps R'000	Decrease of 100bps R'000	Increase of 100bps R'000	Decrease of 25bps R'000	Increase of 25bps R'000
Dec 2023									
SA portfolio	26 995 265	535 914	(521 857)	1 156 434	(1 030 799)	415 829	(471 270)	(310 208)	313 211
Nigerian portfolio	1 063 034	17 247	(16 842)	26 925	(24 516)	–	(2 087)	(2 462)	2 470
Dec 2022									
SA portfolio	25 349 913	272 277	(700 434)	2 180 424	(2 094 145)	286 312	(723 844)	(563 783)	127 131
Nigerian portfolio	1 378 202	24 126	(23 547)	44 285	(40 097)	–	(2 929)	(8 479)	8 530

39. RELATED PARTY TRANSACTIONS

Related parties in the case of the Group include any shareholder who is able to exert significant influence on the operating policies of the Group. Directors, their close family members and any employee who is able to exert significant influence on the operating policies of the Group are also considered to be related parties. In the case of the Company, related parties also include subsidiaries, associates, joint ventures and the Trust.

The subsidiaries of the Company are identified in note 12 and the associate and joint ventures in note 4. The directors are set out on page 15.

Material related party transactions

- Loans to the Group's associate are disclosed in note 9.
- The loan to the Group's joint venture is disclosed in note 10.
- Loans to/from subsidiaries are set out in note 13.
- Revenue received from subsidiaries is included in the profit or loss of the Company.
- Remuneration paid to directors is set out in notes 30 and 32.
- Staff incentive loans are disclosed in note 7.

40. GOING CONCERN

The annual financial statements of the Group were prepared on a going concern basis. The Board is satisfied that the Group has adequate resources to continue trading for the foreseeable future based on a formal review of the results, forecasts and assessing available resources.

The current liabilities exceed current assets by R4,9 billion. At December 2023, the Group had R3,3 billion of interest-bearing borrowings expiring by December 2024. At the reporting date, R2,4 billion of the available facilities were undrawn. Subsequent to the reporting date, Resilient accepted R3,5 billion of new facilities from various banks.

At the date of the approval of the annual financial statements, the following facilities were in place:

Facility expiry	Amount 'million	Average margin
South Africa		
FY2024	R925	3-month JIBAR+1,78%
FY2025	R3 010	3-month JIBAR+1,68%
FY2026	R3 428	3-month JIBAR+1,78%
FY2027	R1 080	3-month JIBAR+1,62%
FY2028	R2 600	3-month JIBAR+1,53%
FY2029	R3 110	3-month JIBAR+1,47%
	R14 153	**3-month JIBAR+1,63%**
Nigeria		
Mar 2024	USD45	3-month SOFR+6,25%

41. STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The Group applies all applicable IFRS as issued by the International Accounting Standards Board in preparation of the financial statements. Consequently, all IFRS standards that were effective at the date of issuing these financial statements and are relevant to the Group's operations have been applied. Refer to accounting policy note 1.1.2.

At the date of authorisation of these financial statements, the following applicable standards were in issue but not yet effective:

IFRS		Effective date
IFRS 10	IFRS 10: *Consolidated Financial Statements* Amendments on sale or contribution of assets between an investor and its associate or joint venture	Deferred indefinitely
IFRS 16	IFRS 16: *Leases* Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	Annual periods beginning on or after 1 January 2024
IFRS S1	General requirements for disclosure of sustainability-related financial information	Annual periods beginning on or after 1 January 2024
IFRS S2	Climate-related disclosures	Annual periods beginning on or after 1 January 2024

International Accounting Standards ("IAS")		Effective date
IAS 1	IAS 1: *Presentation of Financial Statements* Amendments regarding the classification of liabilities	Annual periods beginning on or after 1 January 2024
IAS 1	IAS 1: *Presentation of Financial Statements* Amendments to defer the effective date of the January 2020 amendments	Annual periods beginning on or after 1 January 2024
IAS 1	IAS 1: *Presentation of Financial Statements* Amendments regarding the classification of debt with covenants	Annual periods beginning on or after 1 January 2024
IAS 28	IAS 28: *Investments in Associates and Joint Ventures* Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	Deferred indefinitely

None of these standards are expected to have a material impact on the consolidated and separate financial statements.

SUPPLEMENTARY INFORMATION

APPENDIX 1

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION INCLUDED IN ANNEXURE 2 OF THE AUDITED RESILIENT ANNUAL RESULTS

for the year ended 31 December 2023

(Management accounts)

To the Directors of Resilient REIT Limited

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of Resilient REIT Limited (the "Company") and its subsidiaries (together "the Group") by the directors. The *pro forma* financial information, as set out in Appendix 2 of the Resilient Annual Results for the year ending 31 December 2023 (the "Annual Results") consists of the *pro forma* consolidated statement of financial position as at 31 December 2023, the *pro forma* consolidated statement of comprehensive income for the year ended 31 December 2023 and related notes. The applicable criteria on the basis of which the directors have compiled the *pro forma* financial information are specified in the Listings Requirements of the JSE Limited ("the JSE Listings Requirements") and described in the Basis of Preparation section in Appendix 2 to the Annual Results.

The *pro forma* financial information has been compiled by the directors to illustrate the impacts of the following events as set out in the Basis of Preparation section in Appendix 2 to the Annual Results:

- the Group not consolidating Resilient Empowerment Trust;
- the Group accounting for its listed investment in Lighthouse at fair value;
- accounting for the Group's share of the assets, liabilities and results of partially-owned subsidiaries (Resilient Africa and the indirect investments in Arbour Crossing, Galleria Mall and Mahikeng Mall) on a proportionately consolidated basis instead of consolidating it; and
- accounting for the Group's share of the underlying assets, liabilities and results of Retail Property Investments and Spanish Retail Investment on a proportionately consolidated basis instead of accounting for its investment using the equity method.

As part of this process, information about the Group's consolidated financial position and financial performance has been extracted by the directors from the Annual results for the year ended 31 December 2023, on which an audit opinion was issued on 14 March 2024.

DIRECTORS' RESPONSIBILITY

The directors of the Company are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in the Basis of Preparation section in Appendix 2 to the Annual results.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors,* issued by the Independent Regulatory Board for Auditors' ("IRBA Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*

The firm applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements,* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion, as required by the JSE Listings Requirements, about whether the *pro forma* financial information has been compiled, in all material respects, by the directors, on the basis specified in the JSE Listings Requirements and described in the Basis of Preparation section in Appendix 2 to the Annual results, based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3420, *Assurance Engagements to Report on the Compilation of* Pro Forma *Financial Information Included in a Prospectus* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements and described in the Basis of Preparation section in Appendix 2 to the Annual results.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

The purpose of *pro forma* financial information is solely to illustrate the impact of the events referred to in the Basis of Preparation section in Appendix 2 to the Annual results, on the unadjusted financial information of the Group, as if the events had occurred for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the *pro forma* financial information provide a reasonable basis for presenting the significant effects directly attributable to the events, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements and described in the Basis of Preparation section in Appendix 2 to the Annual results.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: Paul Liedeman

Registered Auditor

Cape Town, South Africa
14 March 2024

APPENDIX 2
PRO FORMA FINANCIAL INFORMATION

(Management accounts)

BASIS OF PREPARATION

The *pro forma* consolidated statement of financial position, the *pro forma* consolidated statement of comprehensive income, the *pro forma* financial effects and the notes thereto ("*pro forma* financial information") of Resilient have been prepared and are presented as follows to provide users with the position:

- had The Resilient Empowerment Trust not been consolidated as required by IFRS;
- had the Group's listed investment in Lighthouse that was accounted for using the equity method for IFRS been fair valued;
- had the Group accounted for its share of the assets, liabilities and results of partially-owned subsidiaries (Resilient Africa and the indirect investments in Arbour Crossing, Galleria Mall and Mahikeng Mall) on a proportionately consolidated basis instead of consolidating it; and
- had the Group accounted for its share of the underlying assets, liabilities and results of RPI and SRI on a proportionately consolidated basis instead of accounting for its investment using the equity method in terms of IFRS.

The *pro forma* financial information presents a statement of financial position and statement of comprehensive income in the manner in which management considers the business. Ratios calculated by management for the purpose of assessing the performance of the Group are done based on this *pro forma* information.

The *pro forma* financial information also disaggregates the fair value adjustments on derivatives as well as the other financial assets/liabilities into their component parts.

The *pro forma* financial information has been prepared in terms of the JSE Listings Requirements and the SAICA Guide on *Pro Forma* Financial Information.

The preparation of the *pro forma* financial information is the sole responsibility of the directors and has been prepared on the basis stated, for illustrative purposes only, and due to its nature may not fairly present the Group's financial position, changes in equity, results from operations or cash flows after the adjustments.

An assurance report (in terms of ISAE 3420: *Assurance Engagement to Report on the Compilation of* Pro Forma *Financial Information*) has been issued by PricewaterhouseCoopers Inc. in respect of the *pro forma* financial information and is included on pages 100 and 101 and should be read in conjunction with the *pro forma* financial information set out on pages 104 to 111.

ADJUSTMENTS TO THE *PRO FORMA* FINANCIAL INFORMATION

Adjustment 1

In order to enhance disclosure, the fair value loss on currency derivatives, the fair value loss on interest rate derivatives as well as other financial assets/liabilities have been expanded to present the components thereof.

In addition, the amortisation of interest rate cap premiums paid is separately disclosed as an adjustment against the fair value of interest rate derivatives in the statement of comprehensive income. For distribution purposes, interest rate cap premiums are amortised over the term of the respective interest rate caps.

Adjustment 2

Resilient has no entitlement to or share in the assets of The Resilient Empowerment Trust. The *pro forma* financial information presents the assets under management of Resilient and as such the consolidation of The Resilient Empowerment Trust is reversed.

Adjustment 3

All entries recorded to account for the investment in Lighthouse using the equity method are reversed. The investment is reflected at its fair value by multiplying the 564 089 431 shares held by the quoted closing price of R7,35 at 31 December 2023. This reflects the Group's assets and liabilities on a fair value basis.

Adjustment 4

This adjustment proportionately consolidates the indirect investments in partially-owned subsidiaries (Resilient Africa and the indirect investments in Arbour Crossing, Galleria Mall and Mahikeng Mall) which were previously consolidated. It uses the management accounts for the year ended December 2023 of Resilient Africa, Resilient Africa Managers, Arbour Town and Southern Palace Investments 19 to reverse the non-controlling interests to reflect the Group's proportionate interest in the assets, liabilities and results of operations from these investments.

Adjustment 5

Resilient owns a 40% interest in RPI which owns four malls in France. This investment represents an investment in an associate in terms of IAS 28: *Investment in Associates and Joint Ventures* and is consequently accounted for using the equity method. Adjustment 5 reverses the entries recorded to account for the investment in terms of IFRS and proportionately consolidates RPI to reflect the Group's proportionate interest in the assets, liabilities and results of operations from this investment.

Adjustment 6

Resilient owns a 50% interest in SRI, which has been established for the acquisition of retail property assets in Spain. The investment in SRI represents an investment in a joint venture in terms of IAS 28 and is consequently accounted for using the equity method. Adjustment 6 reverses the entries recorded to account for the investment in terms of IFRS and proportionately consolidates SRI to reflect the Group's proportionate interest in the assets, liabilities and results of operations from this investment.

The financial information used in preparing adjustments 2, 4, 5 and 6 has been extracted from the management accounts of the respective entities that have been used in the preparation of Resilient's audited consolidated financial statements for the year ended December 2023. The Board is satisfied with the accuracy of these management accounts.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	IFRS Dec 2023* R'000	Adjustment 1 Component disclosure Dec 2023 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust Dec 2023 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse Dec 2023 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries Dec 2023 R'000	Adjustment 5 Proportionate consolidation of French investment Dec 2023 R'000	Adjustment 6 Proportionate consolidation of Spanish investment Dec 2023 R'000	*Pro forma* financial information (management accounts) Dec 2023 R'000
ASSETS								
Non-current assets	35 412 537	–	–	–	(1 223 869)	1 190 255	(173 969)	35 204 954
Investment property	27 474 001				(1 340 015)	2 847 338		28 981 324
Straight-lining of rental revenue adjustment	584 298				(33 582)	7 367		558 083
Investment property under development	874 298				(10 371)	72 720		936 647
Investment in associates and joint venture	4 626 286			(4 146 057)		(480 229)		–
Investments	–			4 146 057				4 146 057
Loans to co-owners	104 087				160 099			264 186
Loans to associate	1 302 157					(1 302 157)		–
Loan to joint venture	173 969						(173 969)	–
Other financial assets	273 441	(273 441)						–
Fair value of interest rate derivatives		273 441				45 216		318 657
Current assets	285 404	–	(63)	–	(25 947)	185 235	173 783	618 412
Trade and other receivables	160 201		(62)		(9 446)	67 304		217 997
Other financial assets	21 636	(21 636)						–
Fair value of interest rate derivatives		21 635						21 635
Fair value of currency derivatives		1						1
Other assets	39 550				(5 590)	42 410	172 622	248 992
Cash and cash equivalents	64 017		(1)		(10 911)	75 521	1 161	129 787
Total assets	35 697 941	–	(63)	–	(1 249 816)	1 375 490	(186)	35 823 366

* *Extracted without modification from Resilient's consolidated statement of financial position at December 2023.*

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

	IFRS Dec 2023* R'000	Adjustment 1 Component disclosure Dec 2023 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust Dec 2023 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse Dec 2023 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries Dec 2023 R'000	Adjustment 5 Proportionate consolidation of French investment Dec 2023 R'000	Adjustment 6 Proportionate consolidation of Spanish investment Dec 2023 R'000	*Pro forma* financial information (management accounts) Dec 2023 R'000
EQUITY AND LIABILITIES								
Total equity attributable to equity holders	21 968 199	–	(8)	–	–	192 830	(186)	22 160 835
Stated capital	10 501 794							10 501 794
Treasury shares	(2 229 346)							(2 229 346)
Foreign currency translation reserve	1 368 103			(675 237)			(2)	692 864
Share-based payments reserve	29 318							29 318
Retained earnings	12 298 330		(8)	675 237		192 830	(184)	13 166 205
Non-controlling interests	(332 611)				332 611			–
Total equity	21 635 588	–	(8)	–	332 611	192 830	(186)	22 160 835
Total liabilities	14 062 353	–	(55)	–	(1 582 427)	1 182 660	–	13 662 531
Non-current liabilities	8 908 594	–	–	–	–	920 635	–	9 829 229
Interest-bearing borrowings	8 778 477					920 635		9 699 112
Other financial liabilities	27 285	(27 285)						–
Fair value of interest rate derivatives		25 690						25 690
Fair value of currency derivatives		1 595						1 595
Deferred tax	102 832							102 832
Current liabilities	5 153 759	–	(55)	–	(1 582 427)	262 025	–	3 833 302
Trade and other payables	603 073		(55)		(40 335)	168 447		731 130
Other financial liabilities	23 502	(23 502)						–
Fair value of currency derivatives		23 502						23 502
Other liabilities	45 633				(12 935)	45 986		78 684
Income tax payable	2 792							2 792
Amounts owing to non-controlling shareholders	1 205 582				(1 205 582)			–
Interest-bearing borrowings	3 273 177				(323 575)	47 592		2 997 194
Total equity and liabilities	35 697 941	–	(63)	–	(1 249 816)	1 375 490	(186)	35 823 366
Net asset value per share (R)#	65,71							66,28
Diluted net asset value per share (R)##	65,43							66,00

* *Extracted without modification from Resilient's consolidated statement of financial position at December 2023.*

\# *This also represents the net tangible asset value per share and is based on 334 334 849 shares in issue at the reporting date.*

\## *This also represents the diluted net tangible asset value per share and is based on 335 752 127 shares in issue after taking into account the dilutive potential of 703 430 shares granted under the CSP and the 713 848 shares granted under the DSP.*

PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	IFRS for the year ended Dec 2023* R'000	Adjustment 1 Component disclosure for the year ended Dec 2023 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust for the year ended Dec 2023 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse for the year ended Dec 2023 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries for the year ended Dec 2023 R'000	Adjustment 5 Proportionate consolidation of French investment for the year ended Dec 2023 R'000	Adjustment 6 Proportionate consolidation of Spanish investment for the year ended Dec 2023 R'000	*Pro forma* financial information (management accounts) for the year ended Dec 2023 R'000
Contractual rental revenue and recoveries	3 529 312				(213 802)	376 949		3 692 459
Straight-lining of rental revenue adjustment	41 434				3 655			45 089
Revenue from direct property operations	3 570 746	–	–	–	(210 147)	376 949	–	3 737 548
Revenue from investments	4 671			336 141				340 812
Realised loss on forward exchange contracts		(27 857)						(27 857)
Total revenue	3 575 417	(27 857)	–	336 141	(210 147)	376 949	–	4 050 503
Fair value adjustments	798 389	(85 159)	–	326 061	179 871	(199 316)	–	1 019 846
Fair value gain on investment property	836 847				183 526	(168 189)		852 184
Adjustment resulting from straight-lining of rental revenue	(41 434)				(3 655)			(45 089)
Fair value gain on investments	158 015			326 061				484 076
Fair value loss on currency derivatives	(78 103)	78 103						–
Unrealised loss		(50 476)						(50 476)
Fair value loss on interest rate derivatives	(76 936)	76 936						–
Unrealised loss		(189 722)				(31 127)		(220 849)
Property operating expenses	(1 331 012)				98 459	(241 036)		(1 473 589)
Administrative expenses	(151 989)		6		5 277	(11 301)		(158 007)
Share-based payments – employee incentive scheme	(13 484)							(13 484)
Foreign exchange gain	189 646				8 561			198 207
Impairment of investment in associate	(824 521)			824 521				–
Impairment of loans to associate	(192 830)					192 830		–
Staff incentive loans written off	(2 535)							(2 535)
Impairment of loans receivable	(6 821)							(6 821)
Amortisation of interest rate cap premiums		(14 629)				(5 629)		(20 258)
Share of profit of associates	2 378 369			(2 604 333)		225 814	150	–
Profit before net finance costs	4 418 629	(127 645)	6	(1 117 610)	82 021	338 311	150	3 593 862

* *Extracted without modification from Resilient's consolidated statement of comprehensive income for the year ended December 2023.*

APPENDIX 2: PRO FORMA FINANCIAL INFORMATION continued

(Management accounts)

PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME continued

	IFRS for the year ended Dec 2023* R'000	Adjustment 1 Component disclosure for the year ended Dec 2023 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust for the year ended Dec 2023 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse for the year ended Dec 2023 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries for the year ended Dec 2023 R'000	Adjustment 5 Proportionate consolidation of French investment for the year ended Dec 2023 R'000	Adjustment 6 Proportionate consolidation of Spanish investment for the year ended Dec 2023 R'000	*Pro forma* financial information (management accounts) for the year ended Dec 2023 R'000
Net finance costs	(1 035 579)	127 645	–	–	86 143	(145 469)	(334)	(967 594)
Finance income	123 271	134 965	–	–	12 466	(105 896)	(334)	164 472
Interest received on loans and cash balances	17 041				12 466			29 507
Interest received on interest rate derivatives		134 735						134 735
Interest received on cross-currency swaps		230						230
Interest received from associate and joint venture	106 230					(105 896)	(334)	–
Finance costs	(1 158 850)	(7 320)	–	–	73 677	(39 573)	–	(1 132 066)
Interest on borrowings	(1 184 346)				73 886	(39 573)		(1 150 033)
Interest paid on interest rate derivatives		(7 320)						(7 320)
Capitalised interest	25 496				(209)			25 287
Profit before income tax	3 383 050	–	6	(1 117 610)	168 164	192 842	(184)	2 626 268
Income tax	(28 657)				5 992	(12)		(22 677)
Profit for the year	3 354 393	–	6	(1 117 610)	174 156	192 830	(184)	2 603 591
Profit for the year attributable to:								
Equity holders of the Company	3 528 549	–	6	(1 117 610)		192 830	(184)	2 603 591
Non-controlling interests	(174 156)				174 156			–
	3 354 393	–	6	(1 117 610)	174 156	192 830	(184)	2 603 591
Basic earnings per share (cents)**	1 048,61							773,74
Diluted earnings per share (cents)**	1 046,43							772,12
Headline earnings per share (cents)**	395,10							511,87
Diluted headline earnings per share (cents)**	394,27							510,80

* *Extracted without modification from Resilient's consolidated statement of comprehensive income for the year ended December 2023.*

** *These ratios are based on the weighted average number of shares in issue as reflected on page 73.*

APPENDIX 3
DIVIDEND CALCULATION

	Pro forma financial information (management accounts) for the year ended Dec 2023 R'000	*Pro forma* financial information (management accounts) for the year ended Dec 2022 R'000
Contractual rental revenue and recoveries	3 692 459	3 306 063
Revenue from investments	340 812#	412 131
Realised (loss)/gain on forward exchange contracts	(27 857)#	76 671
Property operating expenses	(1 473 589)	(1 256 931)
Administrative expenses	(158 007)	(142 532)
Share-based payments – employee incentive scheme	(13 484)	(14 659)
Staff incentive loans written off	(2 535)	–
Amortisation of interest rate cap premiums	(20 258)	(16 690)
Interest received on loans and cash balances	29 507	23 988
Interest received on interest rate derivatives	134 735	12 653
Interest received on cross-currency derivatives	230	–
Interest on borrowings	(1 150 033)	(712 516)
Interest paid on interest rate derivatives	(7 320)	(82 265)
Capitalised interest	25 287	14 733
Income tax – investment in RPI	(1 759)	–
Antecedent dividend	(6 123)	(37 676)
Dividends accrued	2 000#	(94 886)
Income hedging adjustment of Nigerian and French performance	(2 963)	10 716
Distributable earnings	1 361 102	1 498 800
Interim dividend*	(680 886)	(804 095)
Final dividend*	(680 216)	(694 705)
	–	–

* *Shares in issue eligible for dividend (inclusive of DSP shares): 335 048 697.*

\# *The total of the numbers denoted with # represents dividends from investee companies included in distributable earnings and was calculated as follows:*

	Weighted number of shares held during the period	*Company dividend declared*	*Forward exchange rate R*	*Amount R'000*
1H2023				
Hammerson	*196 047 856*	*0,612 GBP pence*	*21,02*	*25 220*
Lighthouse	*533 970 236*	*1,35 EUR cents*	*19,05*	*137 324*
2H2023				
Hammerson	*26 943 374*	*0,78 GBP pence*	*21,34*	*4 485*
Lighthouse	*556 217 642*	*1,35 EUR cents*	*19,70*	*147 926*
				314 955

APPENDIX 4
SA REIT RATIOS

SA REIT FUNDS FROM OPERATIONS ("SA REIT FFO") PER SHARE

	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Profit for the year attributable to equity holders of the Company	3 528 549	3 789 415
Adjusted for:		
Accounting-specific adjustments	44 285	(1 245 244)
Fair value gain on investment property	(795 413)	(1 037 274)
Fair value (gain)/loss on investments	(158 015)	11 303
Impairment of investment in associate	824 521	–
Impairment of loans to associate	192 830	–
Staff incentive loans written off	2 535	–
Reversal of impairment of staff incentive loans receivable	–	(166)
Impairment of loans receivable	6 821	1 172
Straight-lining of rental revenue adjustment	(41 434)	(110 561)
Deferred tax	10 440	(14 832)
Dividends accrued	2 000	(94 886)
Foreign exchange and hedging items	47 589	(397 059)
Fair value loss/(gain) on interest rate derivatives	189 722	(282 581)
Fair value loss on currency derivatives	47 513	27 334
Foreign exchange gain	(189 646)	(141 812)
Other adjustments	(2 250 485)	163 336
Tax impact of the above adjustments	16 470	12 132
Share of loss of associate adjusted for dividends received	(2 068 876)	62 737
Non-controlling interests in respect of the above adjustments	(198 079)	88 467
SA REIT FFO	1 369 938	2 310 448
Shares in issue (net of treasury shares and inclusive of Deferred Share Plan shares)		
– Interim	335 048 697	347 037 531
– Final	335 048 697	340 575 147
SA REIT FFO per share (cents)	408,88	669,58
– Interim	205,02	464,42
– Final	203,86	205,16
Company-specific adjustments	(8 836)	(811 648)
Staff incentive loans written off	(2 535)	–
Antecedent dividend	(6 123)	(37 676)
Profit of distribution of interest in associate to shareholders	–	(774 928)
Share of loss of joint venture not recognised in profit or loss	(184)	–
Effect of consolidating The Resilient Empowerment Trust	6	956
Distributable income	1 361 102	1 498 800
Dividend per share (cents)	406,24	438,03
– Interim	203,22	234,05
– Final	203,02	203,98

SA REIT NET ASSET VALUE ("SA REIT NAV")

	Dec 2023 R'000	Dec 2022 R'000
Reported NAV attributable to the Parent (IFRS)	21 968 199	19 841 807
Adjustments:	(821 674)	(1 078 830)
Dividend declared	(680 216)	(694 705)
Fair value of derivative financial instruments	(244 290)	(476 517)
Deferred tax	102 832	92 392
SA REIT NAV	21 146 525	18 762 977
Shares outstanding:		
Shares in issue (net of treasury shares)	334 334 849	340 575 147
Effect of dilutive instruments	1 417 278	1 323 307
– Shares granted under the Conditional Share Plan	703 430	1 323 307
– Shares granted under the Deferred Share Plan	713 848	–
Dilutive number of shares in issue	335 752 127	341 898 454
SA REIT NAV per share	R62,98	R54,88

SA REIT COST-TO-INCOME RATIO

	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Operating costs	1 483 001	1 375 160
Operating expenses per IFRS income statement (includes municipal expenses)	1 331 012	1 230 382
Administrative expenses per IFRS income statement	151 989	144 778
Gross rental income	3 529 312	3 287 521
Contractual income per IFRS income statement (excluding straight-lining)	2 607 122	2 428 723
Utility and operating recoveries per IFRS income statement	922 190	858 798
SA REIT cost-to-income ratio	42,0%	41,8%

SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO

	for the year ended Dec 2023 R'000	for the year ended Dec 2022 R'000
Administrative expenses per IFRS income statement	151 989	144 778
Gross rental income	3 529 312	3 287 521
SA REIT administrative cost-to-income ratio	4,3%	4,4%

SA REIT COST OF DEBT

	Dec 2023 %	Dec 2022 %
Cost of debt – ZAR		
Variable interest rate borrowings		
Floating reference rate plus weighted average margin	9,89	8,45
Preadjusted weighted average cost of debt	9,89	8,45
Adjustments:		
Impact of interest rate derivatives	(1,41)	(0,23)
Amortised transaction costs imputed in the effective interest rate	0,15	0,12
All-in weighted average cost of debt	8,63	8,34
Cost of debt – USD		
Variable interest rate borrowings		
Floating reference rate plus weighted average margin	11,60	10,89
Preadjusted weighted average cost of debt	11,60	10,89
Adjustments:		
Amortised transaction costs imputed in the effective interest rate	0,17	0,17
All-in weighted average cost of debt	11,77	11,06

SA REIT LTV

	Dec 2023 R'000	Dec 2022 R'000
Total gross debt	12 051 654	11 626 777
Less:		
Cash and cash equivalents	(64 017)	(116 423)
Add:		
Derivative financial instruments	(244 290)	(476 517)
Net debt (IFRS)	11 743 347	11 033 837
Total assets per statement of financial position	35 697 941	33 236 367
Less:		
Cash and cash equivalents	(64 017)	(116 423)
Derivative financial assets	(295 077)	(478 226)
Trade and other receivables	(160 201)	(146 745)
Carrying amount of property-related assets (IFRS)	35 178 646	32 494 973
SA REIT LTV	33,4%	34,0%

SA REIT GLA VACANCY RATE

	Dec 2023 m^2	Dec 2022 m^2
GLA of vacant space	19 875	20 707
GLA of total property portfolio	1 025 075	1 020 261
SA REIT GLA vacancy rate*	1,9%	2,0%

* *This ratio is based on Resilient's* pro rata *share of the properties held in South Africa, France and Nigeria.*

APPENDIX 5
PORTFOLIO STATISTICS

TOTAL PORTFOLIO

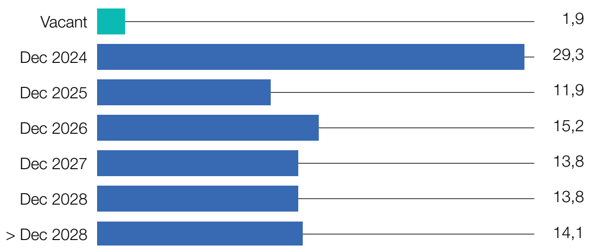
TOTAL WEIGHTED AVERAGE RENTAL ESCALATION BY RENTABLE AREA IS **6,2%** FOR FY2024

THE AVERAGE ANNUALISED PROPERTY YIELD IS **8,3%** AT 31 DECEMBER 2023

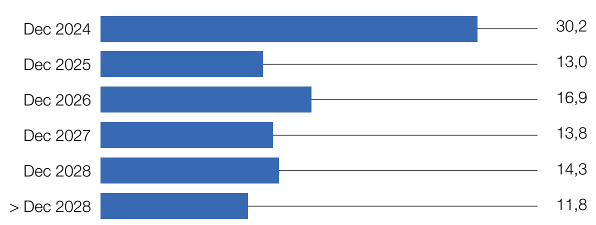
The total portfolio consists of retail assets.

LEASE EXPIRY PROFILE

Rentable area (%)

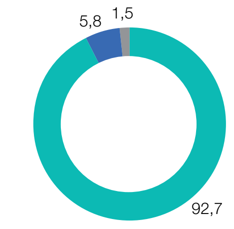


Contractual rental revenue (%)

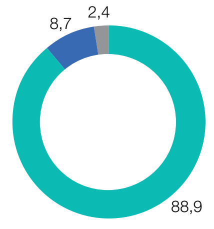


GEOGRAPHICAL PROFILE

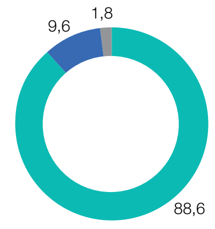
Rentable area (%)



Contractual rental revenue (%)



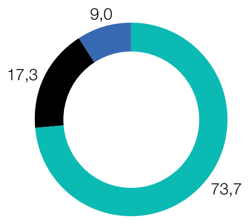
Property value (%)



South Africa France Nigeria

TENANT PROFILE

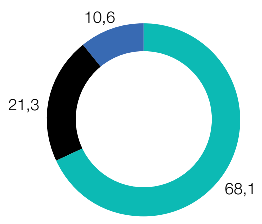
Rentable area (%)



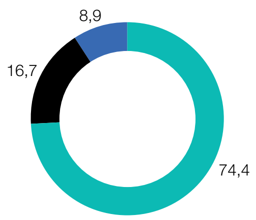
Total portfolio

- A Large national tenants, large listed tenants and government. These include, *inter alia*, Massmart, Mr Price Group, Pick n Pay, Shoprite Checkers, TFG, Pepkor Holdings, Truworths and Woolworths.
- B National tenants, listed tenants, franchisees and medium to large professional firms. These include, *inter alia*, Famous Brands, KFC, Nando's, Retailability Group, Spur Corporation, Spec Savers, The Cross Trainer and Toys R Us.
- C Other (this comprises 812 tenants).

Contractual rental revenue (%)



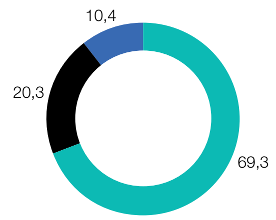
Rentable area (%)



South African portfolio

- A Large national tenants, large listed tenants and government. These include, *inter alia*, Massmart, Mr Price Group, Pick n Pay, Shoprite Checkers, TFG, Pepkor Holdings, Truworths and Woolworths.
- B National tenants, listed tenants, franchisees and medium to large professional firms. These include, *inter alia*, Famous Brands, KFC, Nando's, Retailability Group, Spur Corporation, Spec Savers, The Cross Trainer and Toys R Us.
- C Other (this comprises 686 tenants).

Contractual rental revenue (%)



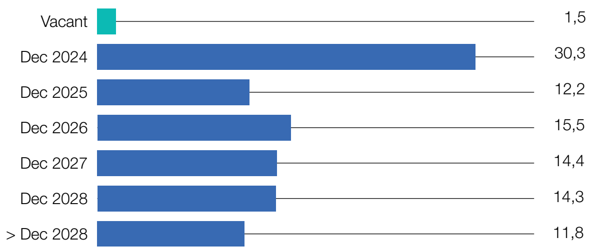
SOUTH AFRICAN PORTFOLIO

TOTAL WEIGHTED AVERAGE RENTAL ESCALATION BY RENTABLE AREA IS **6,2%** FOR FY2024

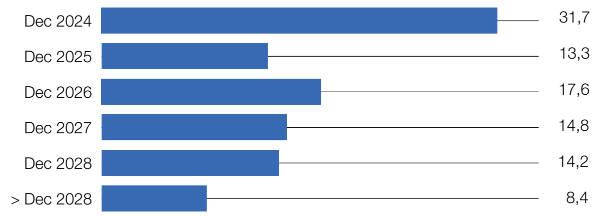
THE AVERAGE ANNUALISED PROPERTY YIELD IS **8,4%** AT 31 DECEMBER 2023

LEASE EXPIRY PROFILE

Rentable area (%)

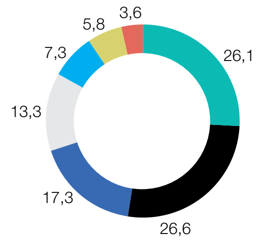


Contractual rental revenue (%)

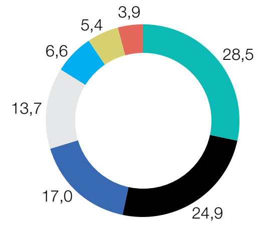


GEOGRAPHICAL PROFILE

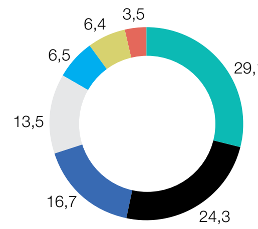
Rentable area (%)



Contractual rental revenue (%)



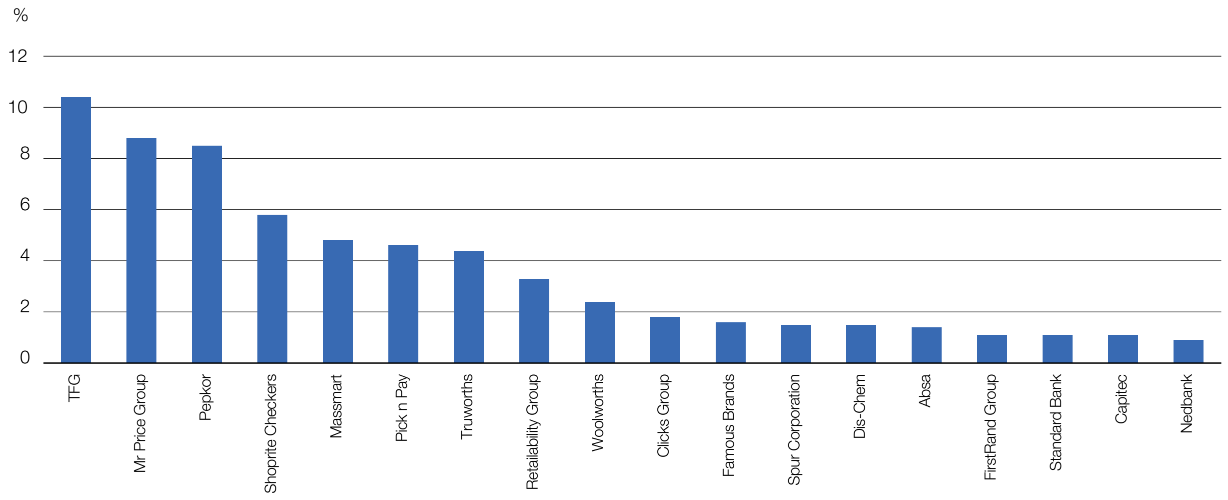
Property value (%)



Limpopo Gauteng KwaZulu-Natal Mpumalanga Northern Cape North West Eastern Cape

NATIONAL TENANT GROUPS AS A PERCENTAGE OF CONTRACTUAL RENTAL REVENUE (%)

as at 31 December 2023



APPENDIX 6
SCHEDULE OF PROPERTIES

No.	Property name	Resilient's *pro rata* interest %	Sector/ primary use	Geographical location	Gross lettable area m²	Vacancy %	Weighted average rate per m²	Initial acquisition date	Purchase price/cost R'000	Valuation R'000	Address
South Africa											
1	Boardwalk Inkwazi	100	Retail	KwaZulu-Natal	69 627	3,1	R207,54	1 Dec 2011	1 440 572	2 169 380	Krugerrand Road Richards Bay
2	Galleria Mall	75	Retail	KwaZulu-Natal	86 990	0,9	R215,82	30 Nov 2004	1 747 284[1]	1 788 893[1]	Cnr N2 Highway and Chamberlain Road Umbogintwini
3	Mall of the North	60	Retail	Limpopo	76 253	0,2	R243,37	20 Apr 2007	731 054[1]	1 645 908[1]	Cnr N1 (Ringroad) and R81 Modjadjis Kloof Road Bendor Polokwane
4	I'langa Mall	90	Retail	Mpumalanga	67 392	0,8	R185,51	6 Sep 2007	1 259 419[1]	1 615 684[1]	Cnr N4 and Graniet Street Mbombela
5	Jubilee Mall	100	Retail	Gauteng	52 020	1,4	R203,40	1 Sep 2014	1 045 730	1 547 440	Cnr Harry Gwala and Jubilee Roads Hammanskraal
6	The Grove Mall	100	Retail	Gauteng	59 611	0,1	R181,93	20 Sep 2006	1 224 754	1 434 650	Cnr Simon Vermooten and Lynnwood Roads Equestria
7	Highveld Mall	64	Retail	Mpumalanga	66 955	0,4	R235,65	26 Apr 2007	638 227[1]	1 415 354[1]	Cnr President Avenue and N4 Highway Emalahleni
8	Tubatse Crossing	100	Retail	Limpopo	45 181	0,6	R196,65	17 Jul 2007	543 461	1 244 130	Intersection Polokwane and Steelpoort Roads Burgersfort
9	Tzaneng Mall	100	Retail	Limpopo	39 678	1,1	R217,19	23 Dec 2003	304 771	1 211 800	24 – 26 Danie Joubert Street (cnr Danie Joubert and Agatha Roads) Tzaneen
10	Limpopo Mall	100	Retail	Limpopo	26 822	–	R277,77	1 Dec 2002	242 881	1 096 780	Rissik Market Church Devenish and President Kruger Streets Polokwane
11	Diamond Pavilion	100	Retail	Northern Cape	38 657	0,1	R195,64	21 Jul 2005	579 460	1 048 200	Cnr Oliver Road and MacDougall Street Monument Heights Kimberley
12	Brits Mall	95	Retail	North West	36 720	1,1	R183,16	22 Jan 2008	429 138[1]	992 570[1]	Cnr Hendrik Verwoerd Avenue (R511) and Marthinus Ras Street Brits
13	Circus Triangle	100	Retail	Eastern Cape	33 785	–	R221,64	1 Dec 2010	580 065	938 440	Cnr Chatham Elliot and Sutherland Streets Mthatha
14	Mams Mall	50	Retail	Gauteng	74 919	1,8	R173,60	13 Mar 2017	754 103[1]	907 415[1]	Cnr of Tsamaya Road and K54 Mahube Valley Mamelodi
15	Jabulani Mall	55	Retail	Gauteng	48 169	2,2	R212,69	1 Nov 2006	270 145[1]	763 945[1]	2189 Bolani Road Jabulani Soweto
16	Northam Plaza	100	Retail	Limpopo	28 102	3,5	R181,65	20 Oct 2005	221 224	723 330	Cnr Provincial Road P16 – 2 and Provincial Road P1235 Northam
17	Kathu Village Mall	100	Retail	Northern Cape	30 366	1,9	R166,55	26 Nov 2008	415 885	717 440	Cnr De Ben and Hendrik van Eck Streets Kathu
18	Mahikeng Mall	90	Retail	North West	22 911	–	R186,74	31 Jul 2007	315 577[1]	700 120[1]	Cnr Carney and Carrington Streets Mahikeng
19	Mvusuludzo Mall	100	Retail	Limpopo	20 925	0,8	R236,04	2 Dec 2004	200 410	669 130	Tshanduko Street Thohoyandou
20	Irene Village Mall	100	Retail	Gauteng	29 792	4,4	R178,38	1 Dec 2014	771 838	650 140	Cnr Nellmapius Drive and Van Ryneveld Avenue Irene
21	Secunda Mall	40	Retail	Mpumalanga	57 304	0,9	R192,26	7 Mar 2012	340 700[1]	624 000[1]	Cnr PDP Kruger and OR Tambo Streets Secunda
22	The Crossing Mokopane	100	Retail	Limpopo	21 530	6,6	R195,86	24 Oct 2003	235 903	616 200	56 Thabo Mbeki Drive Mokopane
23	Soshanguve Crossing	60	Retail	Gauteng	37 475	0,2	R195,80	7 Jan 2008	291 204[1]	594 390[1]	Ruth First Street (K–4) Soshanguve
24	Arbour Crossing	75	Retail	KwaZulu-Natal	39 027	0,5	R145,39	30 Nov 2004	390 493[1]	547 403[1]	Cnr N2 Highway and Chamberlain Road Umbogintwini
25	Rivonia Village	100	Retail	Gauteng	25 773	8,8	R182,79	30 Jun 2008	311 807	525 820	Cnr Rivonia Boulevard and Mutual Road Rivonia
26	Tzaneen Crossing	100	Retail	Limpopo	15 662	5,8	R209,83	1 Dec 2002	100 032	441 120	12 Lydenburg Road Tzaneen
27	Tzaneen Lifestyle Centre	45	Retail	Limpopo	9 262	–	R204,67	5 Sep 2008	69 306[1]	130 500[1]	Cnr Voortrekker and the P43–3 Road Tzaneen
	Total direct property investment				**1 160 908**	**1,5[1]**	**R201,49[1]**		**15 455 443[1]**	**26 760 182[1]**	
28	Irene Village Mall land	100	Vacant land	Gauteng	n/a	n/a	n/a	1 Dec 2014	267 179[2]	100 000	Cnr Nellmapius Drive and Van Ryneveld Avenue Irene
29	Polokwane Value Centre land	60	Vacant land	Limpopo	n/a	n/a	n/a	15 Mar 2007	68 049[1,2]	27 480[1]	R81 Modjadjis Kloof Road Bendor Polokwane
30	The Grove Mall additional land	100	Vacant land	Gauteng	n/a	n/a	n/a	6 Jul 2010	61 265[2]	25 000	Cnr Simon Vermooten and Lynnwood Roads Equestria
31	Tubatse Crossing additional land	100	Vacant land	Limpopo	n/a	n/a	n/a	17 Jul 2007	22 891[2]	24 130	Intersection Polokwane and Steelpoort Roads Burgersfort
32	Burgersfort land	100	Vacant land	Limpopo	n/a	n/a	n/a	16 Jul 2007	96 490[2]	22 680	Lydenburg Road Burgersfort
33	Mams Mall additional land	50	Vacant land	Gauteng	n/a	n/a	n/a	13 Mar 2017	16 037[1,2]	17 130[1]	Cnr of Tsamaya Road and K54 Mahube Valley Mamelodi
34	Tzaneen Lifestyle Centre land	45	Vacant land	Limpopo	n/a	n/a	n/a	5 Sep 2008	61 342[1,2]	13 200[1]	Cnr Voortrekker and the P43–3 Road Tzaneen
35	Brits Mall land	100	Vacant land	North West	n/a	n/a	n/a	10 Aug 2011	21 004[2]	12 700	Cnr Hendrik Verwoerd Avenue (R511) and Marthinus Ras Street Brits
36	The Village Klerksdorp land	50	Vacant land	North West	n/a	n/a	n/a	10 Nov 2006	28 861[1,2]	6 255[1]	Buffelsdoorn Avenue Klerksdorp
37	Mahikeng Mall additional land	90	Vacant land	North West	n/a	n/a	n/a	31 Jul 2007	3 825[1,2]	3 825[1]	Cnr Carney and Carrington Streets Mahikeng
	Total vacant land								**646 943[1,2]**	**252 400[1]**	

APPENDIX 6: SCHEDULE OF PROPERTIES continued

No.	Property name	Resilient's *pro rata* interest %	Sector/ primary use	Geographical location	Gross lettable area m²	Vacancy %	Weighted average rate per m²	Initial acquisition date	Purchase price/cost R'000	Valuation R'000	Address
France											
1	Saint Sever	40	Retail	Rouen	35 816	10,2	EUR18,48	30 Sep 2021	974 577[1,2]	873 568[1]	Avenue de Bretagne 76100 Rouen France
2	Rivetoile	40	Retail	Strasbourg	28 246	9,3	EUR23,03	30 Sep 2021	713 522[1,2]	757 275[1]	3 Place Dauphiné 67100 Strasbourg France
3	Docks 76	40	Retail	Rouen	36 768	10,3	EUR18,22	30 Sep 2021	661 008[1,2]	690 568[1]	Boulevard Ferdinand de Lesseps 76047 Rouen France
4	Docks Vauban	40	Retail	Le Havre	48 261	3,4	EUR11,15	30 Sep 2021	489 781[1,2]	606 014[1]	70 Quai Frissard 76600 Le Havre France
	Total direct property investment				**149 091**	**7,9[1,3]**	**EUR16,81[1]**		**2 838 888[1,2]**	**2 927 425[1]**	
Nigeria											
1	Delta Mall	49,49	Retail	Warri (Delta State)	13 069	0,4	USD20,57	1 Mar 2013	535 255[1,2]	278 898[1]	Cnr Effurun Sapele Road and DSC expressway highway Uvwie Local Government Area Delta State Nigeria
2	Owerri Mall	50,88	Retail	Owerri (Imo State)	8 777	2,7	USD15,98	21 Nov 2013	373 573[1,2]	138 837[1]	3 Egbu Road Owerri Imo State Nigeria
3	Asaba Mall	52,21	Retail	Asaba (Delta State)	8 002	8,2	USD22,25	2 Oct 2014	313 601[1,2]	118 312[1]	Cnr Government House and Okpanam Roads Asaba Delta State Nigeria
	Total direct property investment				**29 848**	**3,2[1]**	**USD19,65[1]**		**1 222 429[1,2]**	**536 047[1]**	
	Total portfolio					**1,9[1]**	**R211,30[4]**		**20 163 703[1,2]**	**30 476 054[1]**	

[1] *Based on Resilient's* pro rata *interests.*
[2] *Purchase price includes capitalised costs to date.*
[3] *If leases are concluded for the 3 877m² of currently vacant space where terms have been agreed, the vacancy will reduce to 5,2%.*
[4] *Weighted-average rate per m² with France and Nigeria converted at spot on 31 December 2023.*

Information shown on a proportionate consolidation basis.

APPENDIX 7
PAYMENT OF FINAL DIVIDEND

The Board has approved and notice is hereby given of a final dividend of 203,02000 cents per share for the six months ended 31 December 2023.

The dividend is payable to Resilient shareholders in accordance with the timetable set out below:

Last date to trade *cum* dividend	Tuesday, 9 April 2024
Shares trade *ex* dividend	Wednesday, 10 April 2024
Record date	Friday, 12 April 2024
Payment date	Monday, 15 April 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 10 April 2024 and Friday, 12 April 2024, both days inclusive.

In respect of dematerialised shareholders, the dividend will be transferred to the Central Securities Depository Participant ("CSDP") accounts/broker accounts on Monday, 15 April 2024. Certificated shareholders' dividend payments will be posted on or about Monday, 15 April 2024.

APPENDIX 8
DIVIDEND TAX TREATMENT

In accordance with Resilient's status as a REIT, shareholders are advised that the dividend of 203,02000 cents per share for the six months ended 31 December 2023 ("the dividend") meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, 58 of 1962 ("Income Tax Act"). The dividend will be deemed to be a dividend, for South African tax purposes, in terms of section 25BB of the Income Tax Act.

The dividend received by or accrued to South African tax residents must be included in the gross income of such shareholders and will not be exempt from income tax (in terms of the exclusion to the general dividend exemption, contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because it is a dividend distributed by a REIT. This dividend is, however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that the South African resident shareholders provide the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

a) a declaration that the dividend is exempt from dividends tax; and
b) a written undertaking to inform the CSDP, broker or the Company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner ceases to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Shareholders are advised to contact their CSDP, broker or the Company, as the case may be, to arrange for the above-mentioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 162,41600 cents per share.

A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

a) a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
b) a written undertaking to inform their CSDP, broker or the Company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner ceases to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Non-resident shareholders are advised to contact their CSDP, broker or the Company, as the case may be, to arrange for the above-mentioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted, if applicable.

Shares in issue at the date of declaration of this dividend: 365 204 738.

Resilient's income tax reference number: 9579269144.

APPENDIX 9
SHAREHOLDER ANALYSIS

SHAREHOLDER SPREAD AT 31 DECEMBER 2023 AS DEFINED IN TERMS OF THE JSE LISTINGS REQUIREMENTS

	Number of shareholders	% of shareholders	Number of shares held	% of issued shares
Public	5 799	99,69	299 361 714	81,97
Held in treasury (non-public)	1	0,02	30 156 041	8,26
Directors and employees	17	0,29	35 686 983	9,77
	5 817	**100,00**	**365 204 738**	**100,00**

Size of holding	Number of shareholders	% of shareholders	Number of shares held	% of issued shares
1 to 2 500 shares	4 355	74,87	2 206 226	0,60
2 501 to 10 000 shares	625	10,74	3 132 118	0,86
10 001 to 100 000 shares	524	9,01	18 014 519	4,93
100 001 to 1 000 000 shares	249	4,28	80 170 991	21,95
1 000 001 to 3 500 000 shares	47	0,81	82 521 442	22,60
More than 3 500 000 shares	17	0,29	179 159 442	49,06
	5 817	**100,00**	**365 204 738**	**100,00**

Registered shareholders owning 5% or more of issued shares	Number of shares held	% of issued shares
Government Employees Pension Fund	51 819 113	14,19
Delsa Investments Proprietary Limited	32 143 647	8,80
Resilient Properties Proprietary Limited*	30 156 041	8,26
	114 118 801	**31,25**

Control of more than 5% of issued shares	Number of shares controlled	% of issued shares
Public Investment Corporation SOC Limited	57 376 568	15,71
Delsa Investments Proprietary Limited	32 143 647	8,80
Resilient Properties Proprietary Limited*	30 156 041	8,26
	119 676 256	**32,77**

* *Shares held in treasury. The 713 848 Resilient shares granted under the DSP which are held in treasury are excluded from the shareholder analysis as the voting rights on these unvested shares are held by the respective employees to whom the awards were made.*

ADMINISTRATIVE INFORMATION

COMPANY DETAILS
Resilient REIT Limited
(Registration number: 2002/016851/06)
JSE share code: RES
ISIN: ZAE000209557
Bond company code: BIRPIF
4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, 2191
(PO Box 2555, Rivonia, 2128)

COMMERCIAL BANKERS
Rand Merchant Bank
(a division of FirstRand Bank Limited)
1 Merchant Place, corner of Fredman Drive and Rivonia Road
Sandton, 2196

TRANSFER SECRETARIES
JSE Investor Services Proprietary Limited
(Registration number: 2000/007239/07)
5th Floor, One Exchange Square
Gwen Lane, Sandown, 2196
(PO Box 4844, Johannesburg, 2000)

COMPANY SECRETARY AND REGISTERED ADDRESS
Hluke Mthombeni CA(SA)
4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, 2191
(PO Box 2555, Rivonia, 2128)

EXTERNAL AUDITOR AND REPORTING ACCOUNTANTS
PricewaterhouseCoopers Inc.
(Registration number: 1998/012055/21)
5 Silo Square, V&A Waterfront, Cape Town, 8002
(PO Box 2799, Cape Town, 8000)

SPONSOR
Java Capital Trustees and Sponsors Proprietary Limited
6th Floor, 1 Park Lane, Wierda Valley, Sandton, 2196
(PO Box 522606, Saxonwold, 2132)

DEBT SPONSOR
Rand Merchant Bank
(a division of FirstRand Bank Limited)
1 Merchant Place, corner of Fredman Drive and Rivonia Road
Sandton, 2196

SHAREHOLDERS' DIARY

Financial year-end	Sunday	31 December 2023
Publication of audited results: SENS	Thursday	14 March 2024
Press	Friday	15 March 2024
Last day to trade shares inclusive of dividend (*cum* dividend)	Tuesday	9 April 2024
Shares trade *ex* dividend from	Wednesday	10 April 2024
Last day to update share register for dividend (record date)	Friday	12 April 2024
Dividend payment	Monday	15 April 2024
Financial report and notice of annual general meeting posted on	Tuesday	30 April 2024
Annual general meeting (14h00)	Thursday	20 June 2024

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RESILIENT

4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, 2191
PO Box 2555, Rivonia, 2128 | Tel: +27 (0) 11 612 6800
Fax: +27 (0) 86 758 4105 | **www.resilient.co.za**