RESILIENT
REIT

INTEGRATED REPORT

for the year ended
31 December 2023

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SCOPE OF THIS INTEGRATED REPORT

Resilient REIT Limited ("Resilient" or the "Company") is pleased to present its Integrated Report for the year ended 31 December 2023 to stakeholders.

SCOPE AND BOUNDARY

This report covers all the social, economic and governance aspects that are material to Resilient's ability to create value for all our stakeholders over the short, medium and long term. We believe that a matter is material if it could substantively affect our ability to create value. All material matters have been included and the Resilient board of directors ("the Board") is not aware of any information that was unavailable or any legal prohibitions to the publication of any information. We aim to produce a report that presents a balanced and informative overview of Resilient for all our stakeholders.

REPORTING FRAMEWORK

The report is informed by the following:

- Companies Act of South Africa, 71 of 2008 ("Companies Act");
- Integrated Reporting Framework issued by the International Integrated Reporting Council;
- International Financial Reporting Standards ("IFRS");
- JSE Limited ("JSE") Listings Requirements and Debt Listings Requirements; and
- King IV Report on Corporate Governance for South Africa 2016™ ("King IV").

Our Integrated Report is the primary mechanism for communicating with stakeholders and includes the audited annual financial statements. The information in this Integrated Report has been prepared using methods consistent with prior years and contains comparable information. This Integrated Report covers the financial and non-financial performance of operating subsidiaries, associates and joint ventures over whose operating policies and practices Resilient exercises control, significant influence or joint control, as indicated in notes 4, 5 and 12, respectively, to the annual financial statements.

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 period under review.

DETERMINING MATERIALITY

We have applied the principle of materiality in preparing this report. The concept of materiality represents any item that could substantively affect the Group's* ability to create and sustain value over the short, medium or long term as well as items that may influence the decisions of stakeholders. All items identified as being material by the Board have been disclosed in this report.

ASSURANCE AND APPROVAL

Resilient has a combined assurance model to enable its Audit Committee to express the view that it is satisfied that an appropriate level of assurance has been obtained for all material statements made in the Integrated Report. Executive management provides an oversight role by reviewing the Integrated Report for completeness and accuracy, and the external auditor reviews the Integrated Report to ensure consistency with the audited annual financial statements, however, an opinion is not issued thereon.

The information provided in the annual financial statements was prepared in line with IFRS and audited by our external auditor, PricewaterhouseCoopers Inc. ("PwC"). Financial information included elsewhere in this report was extracted from the Group's *pro forma* financial information (management accounts) which proportionately accounts for the Group's share of the assets, liabilities and results of partially-owned subsidiaries Resilient Africa Proprietary Limited ("Resilient Africa") and Resilient Africa Managers Proprietary Limited ("Resilient Africa Managers") and property investments that are not held in undivided shares (Arbour Crossing, Galleria Mall and Mahikeng Mall). The *pro forma* financial information further recognises the Group's listed investment in Lighthouse Properties p.l.c. ("Lighthouse") at the fair value of the shares held and accounts for the Group's share of the assets and liabilities of Retail Property Investments SAS ("RPI") and Spanish Retail Investments SOCIMI, SA ("SRI") instead of accounting for these investments using the equity method. The *pro forma* financial information and the reconciliation thereof to the annual financial statements are included on pages 50 to 59.

APPROVAL OF THE INTEGRATED REPORT

The Board acknowledges that it is ultimately responsible for overseeing the integrity of this report. With the assistance of the Board's sub-committees, it has considered the preparation and presentation of the December 2023 Integrated Report and annual financial statements. It is of the opinion that this report addresses all material issues and fairly presents the Group's integrated performance, outlook, strategy and perspective on future value creation in accordance with the Integrated Reporting Framework. The Integrated Report was approved by the Board on 14 March 2024.

FORWARD-LOOKING STATEMENTS

We make certain statements that are not based on historical facts but rather forecast future results which are not yet determinable. Forward-looking statements involve inherent risks and, if one or more of these risks materialise, or should the underlying assumptions prove incorrect, actual results may differ from those anticipated.

Forward-looking statements apply only on the date made and we do not undertake to update or revise any of them, whether as a result of new information, future events or otherwise.

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* *Group refers to the Company, its subsidiaries, associates, The Resilient Share Purchase Trust, The Tubatse Crossing Trust and The Resilient Empowerment Trust.*

ABOUT RESILIENT

Resilient has been listed on the JSE since 6 December 2002 and is a retail-focused Real Estate Investment Trust ("REIT"). 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 shopping centres 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.

Resilient's South African property portfolio consists of 27 retail centres covering a combined gross lettable area ("GLA") of 1 160 908m^2 and some land holdings. The Nigerian portfolio, with a total GLA of 29 848m^2, includes three retail centres and the French portfolio, with a GLA of 149 091m^2, consists of four retail centres.

The Group's property portfolio has been externally valued at R30,5 billion.

OUR PURPOSE

Resilient's purpose is to develop or acquire and maintain high-quality retail properties that dominate the areas in which they are located. This is achieved through direct or indirect investments.

OUR MISSION

Resilient is committed to providing its shareholders with positive returns, both in terms of income as well as capital growth, and therefore undertakes to manage its assets in a responsible manner. At the same time, Resilient aims to ensure a stable employment environment and the ongoing sustainability of the Company.

STRATEGIC PILLARS

To achieve this commitment, the Group is focused on the following strategic pillars:

1. Maintaining and growing a quality portfolio of assets
2. Growth in distribution
3. Tenant relationships and retention
4. Optimising our funding

OUR VALUES

Integrity

To be accountable for our actions and transparent and honest in the manner in which we do business.

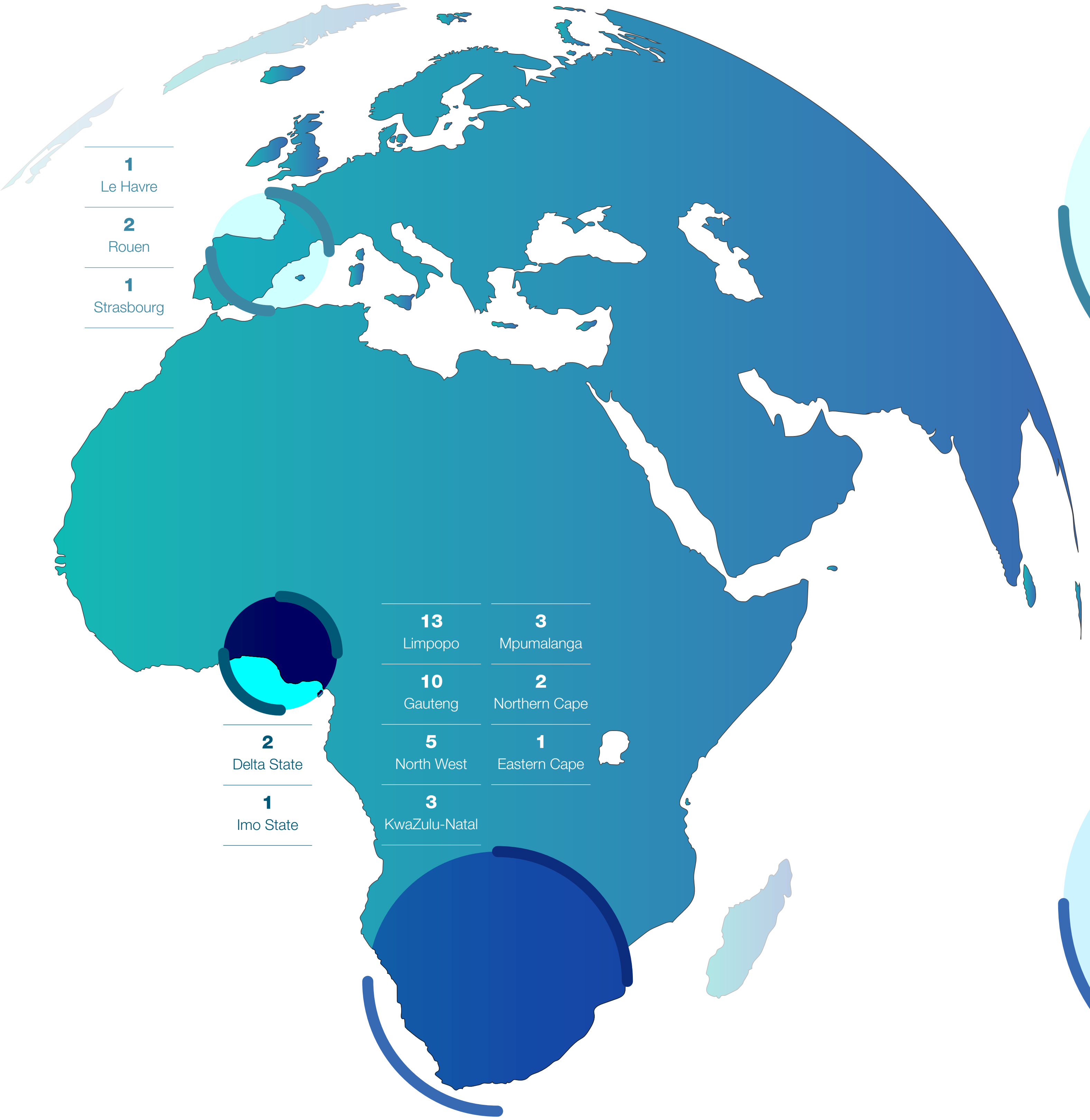
Trust

To be trustworthy in our interactions and dealings with all our stakeholders.

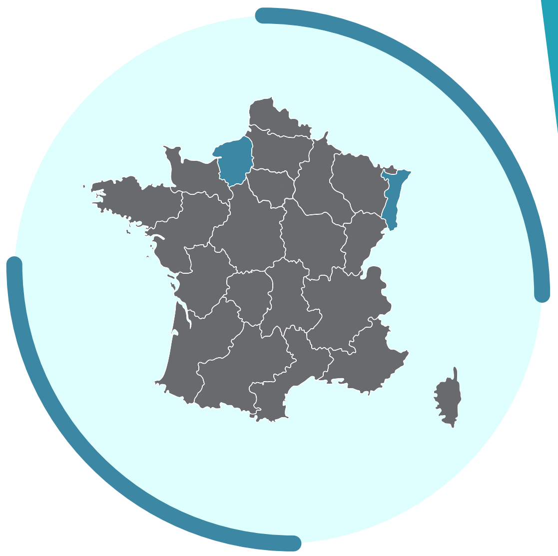
Respect

To be respectful of the needs of our stakeholders as well as the environments in which we operate.

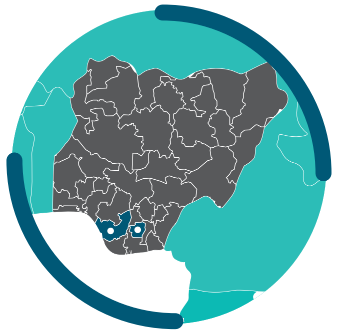
WHERE WE INVEST AND DEVELOP



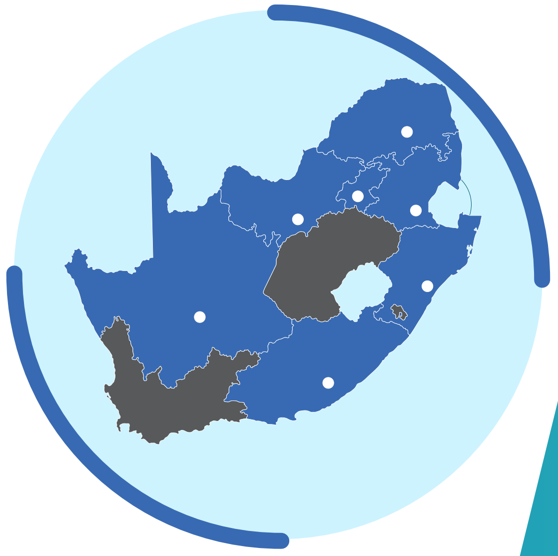
The intention is to invest in markets with high-growth expectations, whether in South Africa or abroad. At the reporting date, Resilient held direct property investments in South Africa, France and Nigeria.



4
properties valued at
R2 927 million
in France



3
properties valued at
R536 million
in Nigeria



37
properties (including land) valued at
R27 013 million
in South Africa

BUSINESS MODEL

FINANCIAL CAPITAL

Funding our business

Resilient's ability to access funding is intrinsic to its operations and thus its ability to create value. Resilient maintains a diversity of funding sources by using different banks as well as the debt capital markets through its Domestic Medium Term Note programme.

The diversity of funding sources and the hedging of the Group's exposure to interest rate risk are the tools used in managing borrowing costs.

Resilient ensures a phased debt maturity profile and maintains strong relationships with its debt funders. Resilient has maintained its conservative gearing.

Outcomes

- Share capital: R10 502 million (2022: R13 661 million).
- Borrowings: R12 696 million (2022: R12 238 million) and R2,4 billion of undrawn, available facilities at December 2023.
- R5,7 billion of unbonded property at December 2023.
- R76,7 million dividend received from Lighthouse in the current reporting period.
- R4,7 million dividend received from Hammerson plc ("Hammerson") in the current reporting period.
- The all-in weighted average cost of South African funding was 8,63% at December 2023 (2022: 8,34%).
- Percentage of hedged exposure to interest rates:
  - South Africa – 93,0%
  - Europe – 48,9%
  - Nigeria – 40,7%
- The average hedge term was 3,1 years at December 2023.
- Loan-to-value ("LTV") ratio of 35,2% (2022: 34,7%).
- A dividend of 406,24 cents per share was declared for the year ended December 2023 (2022: 438,03 cents per share).

MANUFACTURED CAPITAL

Our shopping centres

The day-to-day management of Resilient's shopping centres has been outsourced to external property managers, Broll Property Group Proprietary Limited and JHI Retail Proprietary Limited. Resilient has a team of experienced and dedicated in-house asset managers who are responsible for managing the properties, the performance of the properties and retaining strong tenant relationships. These asset managers report directly to the Executive Committee.

Resilient is constantly assessing opportunities for the upgrade, refurbishment, extension and redevelopment of its properties.

A stringent approval process is in place for properties to be acquired or developed with minimum letting and anchor tenant requirements.

Our investments

The management team is constantly investigating potential investments that will provide sustainable, long-term growth that exceeds industry norms. The existing portfolio is regularly assessed to identify investments that no longer fit Resilient's strategy.

In the current environment, investments include energy solutions to enable the continuous trading of Resilient's tenants.

Outcomes

- Listed securities: R4 146 million (2022: R4 532 million).
- To focus on the implementation of the Group's energy initiatives while maintaining a conservative LTV ratio, the Group disposed of its interest in Hammerson for a consideration of R1,2 billion. The Group does not hold any Hammerson shares at year-end.
- R259,4 million scrip dividend received from Lighthouse.
- Direct property: R30 476 million (2022: R28 494 million). This includes Resilient's interests in Asaba Mall, Delta Mall and Owerri Mall located in Nigeria and collectively valued at R536 million, as well as the Group's interests in Saint Sever, Rivetoile, Docks 76 and Docks Vauban in France valued at R2 927 million.

Resilient's investments are shown on pages 39 and 155 to 162.

Resilient's direct property portfolio is shown on pages 10 to 13.

SOCIAL AND RELATIONSHIP CAPITAL

Our tenants

Resilient's management team fosters long-term relationships with all its tenants, recognising that there is an important symbiotic relationship between their success and ours.

We have long-standing relationships with all the major national retailers which we leverage off when undertaking new developments or redevelopments. These relationships allow for constant interaction and feedback enabling us to adapt to our tenants' needs and strategies timeously. This further ensures a sound understanding of the tenants' businesses and the impact of the economic environment on their operating performance.

We assess the tenant mix in our properties on an ongoing basis and relocate tenants where we feel that the tenant's trading and the property's performance can be improved.

Our stakeholders

Resilient actively engages with its stakeholders to understand expectations and to build relationships that are mutually beneficial and result in stakeholder confidence. Resilient strives to provide shareholders with positive returns, both in income and capital growth.

Our business partners

We enter into developments with reputable partners with whom we share similar values and goals. These relationships allow us to leverage off the specific skills and experience of our partners, all of whom have proven track records in the property industry.

Outcomes

- Vacancy – South Africa: 1,5% (2022: 1,7%).
- R11,0 million was spent on various educational initiatives (2022: R10,3 million) as part of Resilient's corporate social investment ("CSI").
- R0,3 million donation to The Topsy Foundation, a non-governmental organisation providing care to communities in some of the most underserviced rural areas of Mpumalanga.
- R0,3 million donation to Girls and Boys Town, a national non-profit organisation ("NPO") that facilitates programmes to support vulnerable youth.
- R0,4 million donation to the Anchor Internship Programme which aims to provide employment equity candidates with the opportunity to gain exposure to both the asset management and property industry through a 12-month internship at Anchor.

Resilient's tenant profile and the lease expiry profile can be found on pages 46 and 47.

The Report from the Social and Ethics Committee is included on page 98.

BUSINESS MODEL continued

HUMAN AND INTELLECTUAL CAPITAL

Our employees

Our employees are as intrinsic to our business as our properties. We strive to create a productive working environment and our success in doing so is evidenced by our low staff turnover.

We aim to attract and retain motivated high-calibre executives and employees whose interests are aligned with the interests of shareholders.

Our employees are encouraged to attend job and industry-related training. Our strategy is to promote existing staff before hiring externally.

We have a highly regarded and experienced management team with property-specific knowledge.

Our well-established procedures and systems enhance efficiency and value creation.

Our Board

At the reporting date, the Board included eight non-executive directors from a variety of different industries that together give the Group access to a wealth of diverse skills and experience that contribute to value creation. Following the retirement of Des de Beer as the chief executive officer of Resilient, his status changed from an executive director to a non-executive director from 1 January 2024.

Technology

Information technology ("IT") solutions employed by Resilient are cloud-based. This enables staff to access information from any location and from any device. This increases efficiency while reducing reliance on physical infrastructure. Resilient continuously monitors IT security risks to ensure that adequate security is in place to protect Resilient's IT.

Outcomes

- Number of employees: 30 (2022: 30).
- Highly engaged workforce with extensive property-related experience.
- Continued development of employees through education and training.
- Resilient's three Learning Labs collectively employ 22 (2022: 23) employees from the areas surrounding the shopping centres. The Learning Labs foster a culture of learning among the employees as well as its patrons. Where possible, the philosophy of the Learning Labs is to train existing employees to be able to perform multiple roles within the Learning Labs. This allows for vacancies to be filled from within the ranks of the existing staff complement thereby offering growth to the Learning Labs employees.
- Development of a new Learning Lab in Tzaneng Mall approved in 2023 which is scheduled to open in 2024.

NATURAL CAPITAL

Sustainability

We aim to improve the sustainability of our properties by investing in new technologies and options to reduce energy and water consumption.

The design philosophy applied to new and existing developments is to implement processes that reduce the impact of the buildings on the environment.

We have implemented several sustainability initiatives including energy-efficient lighting and solar photovoltaic ("PV") installations. Resilient aims to reduce the amount of waste produced through the daily operation of its buildings.

Resilient undergoes an annual carbon emissions audit for the purpose of reporting to the Department of Forestry, Fisheries and the Environment ("DFFE"). Resilient aims to manage its carbon emissions through this process as it provides a form of measurement of the sustainability initiatives implemented by the Group.

Capital trade-offs

In deciding how to apply the capitals for value creation, we must make trade-offs.

One of the most significant trade-offs is between preserving our financial capital and applying it in order to gain long-term benefits from green energy.

Outcomes

- Continued roll-out of solar installations.
- Exceeded the Board's target by increasing its generation capacity to 59,9MWp by December 2023.
- At December 2023, Resilient produced 27,7% (2022: 14,6%) of its electricity consumption (based on *pro rata* ownership).
- 3 847 tonnes (2022: 3 849 tonnes) of waste recycled in the reporting period across the property portfolio, with the sorting of waste into recyclable categories taking place on-site.

Further details on sustainability are set out on pages 100 to 109.

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)**	

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.

TOP 10 PROPERTIES

Our top 10 South African properties at year-end, ranked by the valuation of Resilient's interest in the shopping centre, are as follows (all statistics are provided as at 31 December 2023).

1 BOARDWALK INKWAZI

Location	Richards Bay, KwaZulu-Natal
Valuation	R2 169 million
Ownership	100%
Gross lettable area	69 627m^2
Occupancy	96,9%
Average rental	R207,54 per m^2
Acquired	2011
Anchor tenants	Checkers, Edgars, Game, Shoprite and Woolworths
Major tenants	Absa, Ackermans, Capitec, Clicks, Dis-Chem, FNB, Food Lover's Market, Foschini, H&M, Jet, Mr Price, Mr Price Home, Mr Price Sport, Pep, Standard Bank, Spur and Truworths

Boardwalk Inkwazi is the largest mall in northern KwaZulu-Natal with a lettable area of over 69 000m^2.

The shopping centre has in excess of 150 stores, 85% of which are national brands. Boardwalk Inkwazi boasts a strong mix of grocers, value retailers, services, entertainment as well as a deep variety of fashion retailers. The shopping centre offers ample parking with 2 262 free, open parking bays and 505 paid covered parking bays for customers.

The shopping centre is well located in central Richards Bay and is highly accessible to motorised customers and in close proximity to the commuter node. This enables it to capture both the motorised and public transport-related trade.

Boardwalk Inkwazi houses Resilient's largest solar PV installation of 6,8MWp, currently the largest rooftop solar installation in South Africa.

2 GALLERIA MALL

Location	Amanzimtoti, KwaZulu-Natal
Valuation	R1 789 million
Ownership	75%
Gross lettable area	86 990m^2
Occupancy	99,1%
Average rental	R215,82 per m^2
Acquired	2004: 10% 2013: 65%
Anchor tenants	Checkers Hyper, Edgars, Game, Pick n Pay and Woolworths
Major tenants	Absa, Ackermans, Baby City, Bluff Meat Supply, Capitec, Clicks, Clicks Baby, Coricraft, Cotton On, Dis-Chem, Foschini, FNB, Fun Co, Jet, Mr Price, Mr Price Home, Mr Price Sport, Nedbank, Nu Metro, Pep, Pick n Pay Clothing, PNA, Standard Bank, The Hub, Toys R Us and Truworths

Galleria Mall is anchored by Checkers Hyper as well as Game, Pick n Pay, Woolworths and Edgars and includes a comprehensive fashion and one of the largest entertainment offerings in KwaZulu-Natal. The shopping centre is highly visible from the N2 freeway and benefits from excellent access points. It is easy for shoppers to navigate and boasts more than 180 stores and 5 700 secure parking bays. Galleria Mall is situated in the growing Arbour Town node.

Other developments in this node include:

- Arbour Crossing retail centre;
- The largest Makro in KwaZulu-Natal;
- Vehicle dealerships;
- A filling station;
- A drive-through McDonald's, KFC, Chicken Licken; and
- Nando's.

TOP 10 PROPERTIES continued

3 MALL OF THE NORTH

Location	Polokwane, Limpopo
Valuation	R1 646 million
Ownership	60%
Gross lettable area	76 253m^2
Occupancy	99,8%
Average rental	R243,37 per m^2
Acquired	2010
Anchor tenants	Checkers, Edgars, Game, Pick n Pay and Woolworths
Major tenants	Absa, Ackermans, Baby City, Capitec, Clicks, Cotton On, Dis-Chem, FNB, Foschini, Fun Co, H&M, Hi-Fi Corp, Jet, Mr Price, Mr Price Home, Mr Price Sport, Nedbank, Pep, Pick n Pay Clothing, PNA, Sportscene, Standard Bank, Ster-Kinekor, Toys R Us and Truworths

Mall of the North is the largest shopping centre in the Limpopo province and offers a very deep range of flagship stores, international brands, a diverse restaurant and entertainment mix as well as a cinema complex and a family entertainment centre.

Mall of the North is situated in a fast-growing residential and commercial node and offers excellent visibility, accessibility and convenience due to its location on the corner of the N1 and the R81.

4 I'LANGA MALL

Location	Mbombela, Mpumalanga
Valuation	R1 616 million
Ownership	90%
Gross lettable area	67 392m^2
Occupancy	99,2%
Average rental	R185,51 per m^2
Acquired	2010
Anchor tenants	Edgars, Game, Pick n Pay and Woolworths
Major tenants	Absa, Ackermans, @homelivingspace, Capitec, Clicks, Cotton On, Dis-Chem, FNB, Foschini, Fun Co, H&M, Jet, Mopani Pharmacy, Mr Price, Mr Price Home, Mr Price Sport, Pick n Pay Clothing, Ster-Kinekor, The Ice Rink and Truworths

I'langa Mall is well located and is accessible to local and regional shoppers. Customers enjoy access to top brands as well as unique boutique retailers. The shopping centre showcases the best the region has to offer. It is set over two levels, with three levels of parking. Multiple access and exit points allow customers to navigate the shopping centre with ease. Strong emphasis has been placed on the addition of extensive entertainment concepts ranging from an ice rink to a family entertainment centre that includes a bowling alley, inflatable park, electronic rides and games as well as a Ster-Kinekor cinema complex and a waterplay area.

I'langa Mall is deeply invested in the local community and supports many local sporting and educational events. The local music festival, Innibos, is a highlight for the region and the shopping centre plays a prominent role during this five-day annual festival.

TOP 10 PROPERTIES continued

5 JUBILEE MALL

Location	Hammanskraal, Gauteng
Valuation	R1 547 million
Ownership	100%
Gross lettable area	52 020m^2
Occupancy	98,6%
Average rental	R203,40 per m^2
Acquired	2014
Anchor tenants	Game, Pick n Pay, Spar and Woolworths
Major tenants	Absa, Ackermans, Capitec, Cashbuild, Clicks, Dis-Chem, FNB, Foschini, Jet, Just Gym by Planet Fitness, McDonald's, Mr Price, Nando's, Nedbank, Pep, Sportscene, Spur, Standard Bank and Truworths

Jubilee Mall is centrally situated and is the premier shopping destination in the larger Hammanskraal area.

It has 1 418 parking bays. The taxi and bus facilities at the centre form the main commuter hub in Hammanskraal.

Jubilee Mall has over 100 shops including a busy food court offering different restaurants and fast-food outlets. The shopping centre has a play area situated at the food court, accessed free of charge, where kids can enjoy themselves while parents dine in close attendance.

6 THE GROVE MALL

Location	Pretoria East, Gauteng
Valuation	R1 435 million
Ownership	100%
Gross lettable area	59 611m^2
Occupancy	99,9%
Average rental	R181,93 per m^2
Acquired	2006
Anchor tenants	Checkers, Edgars, Pick n Pay and Woolworths
Major tenants	Absa, @homelivingspace, Ackermans, Capitec, Clicks, Cotton On, FNB, Foschini, Fun Co, Jet, Mr Price, Mr Price Home, Mr Price Sport, Nedbank, Pep, Pick n Pay Clothing, Standard Bank, Ster-Kinekor, The Ice Rink and Truworths

The Grove Mall is situated in the rapidly growing eastern suburbs of Tshwane. It is one of the premier entertainment destinations in Tshwane and provides entertainment for all ages. The shopping centre offers an environmentally friendly ice rink, eight state-of-the-art cinema theatres which include two Cinema Prestige theatres and one IMAX theatre, ten-pin bowling, a 4D simulator, bumper cars and a toddler waterplay park.

The shopping centre features a unique open-air restaurant area aptly named the "Grove", providing a pleasant atmosphere among olive trees which are adorned with fairy lights creating the ideal eating, socialising and meeting spot.

TOP 10 PROPERTIES continued

7 HIGHVELD MALL

Location	Emalahleni, Mpumalanga
Valuation	R1 415 million
Ownership	64%
Gross lettable area	66 955m^2
Occupancy	99,6%
Average rental	R235,65 per m^2
Acquired	2007
Anchor tenants	Edgars, Game, Pick n Pay and Woolworths
Major tenants	Absa, Ackermans, Capitec, Clicks, Dis-Chem, FNB, Foschini, H&M, House & Home, Jet, Mr Price, Mr Price Home, Mr Price Sport, Nedbank, Outdoor Warehouse, Sportscene, Sportsmans Warehouse, Standard Bank and Truworths

Located just off the N4 highway, Highveld Mall offers a comprehensive shopping destination catering to the needs of shoppers from as far afield as Middleburg, Belfast, Ogies, Kriel and Eswatini. The shopping centre consists of 165 stores including a full complement of national retailers, line stores, entertainment, services and a modern commuter facility.

The shopping centre links directly into The Ridge Casino and Entertainment Resort next door, offering gambling, cinemas, bowling, games and conference facilities. The result is a comprehensive shopping and entertainment destination.

8 TUBATSE CROSSING

Location	Burgersfort, Limpopo
Valuation	R1 244 million
Ownership	100%
Gross lettable area	45 181m^2
Occupancy	99,4%
Average rental	R196,65 per m^2
Acquired	2013
Anchor tenants	Edgars, Game, Pick n Pay, Shoprite and Woolworths
Major tenants	Adidas, Dis-Chem, FNB, Foschini, Jet, Markham, Mr Price, Mr Price Home, Nedbank, Pep, Sportscene, Standard Bank, Totalsports and Truworths

Tubatse Crossing is a regional shopping centre conveniently located on the Polokwane and Steelpoort intersection in Burgersfort. It is highly accessible to the motorised and public transport-related markets and boasts a taxi rank on its premises. The centre opened in 2013 and is supported by the surrounding mining activities. It has continued to expand its market share which resulted in a notable redevelopment of the shopping centre in 2022 to facilitate the rightsizing of several retailers and the introduction of exclusive clothing brands.

The shopping centre is modern and well-finished with an abundance of natural light. It offers over 100 stores with all major retailers including grocers, fashion, furniture, home and décor stores as well as healthcare, footwear, restaurants and all the major banks. It offers 1 500 parking bays which are free and easily accessible, allowing convenient access to the whole centre.

TOP 10 PROPERTIES continued

9 TZANENG MALL

Location	Tzaneen, Limpopo
Valuation	R1 212 million
Ownership	100%
Gross lettable area	39 678m^2
Occupancy	98,9%
Average rental	R217,19 per m^2
Acquired	2003
Anchor tenants	Edgars, Game, Pick n Pay and Woolworths
Major tenants	Ackermans, Capitec, Clicks, Foschini, Identity, Jet, Markham, Mr Price, Mr Price Home, Mr Price Sport, Nedbank, Pep, Pick n Pay Clothing, Sportscene and Truworths

Tzaneng Mall is adjacent to the main taxi and bus ranks in Tzaneen. The 915 parking bays, of which 90% are covered, also make the centre attractive to the motorised trade.

The centre offers a large retail component of 106 shops and includes an office component that houses the Department of Home Affairs. The inclusion of several small stores in the taxi and bus ranks has facilitated the transformation of informal traders to formal traders.

Tzaneng Mall is undergoing a redevelopment that includes the rightsizing of 11 major tenants in the shopping centre.

10 LIMPOPO MALL

Location	Polokwane, Limpopo
Valuation	R1 097 million
Ownership	100%
Gross lettable area	26 822m^2
Occupancy	100%
Average rental	R277,77 per m^2
Acquired	2002
Anchor tenants	Pick n Pay
Major tenants	Absa, Ackermans, Capitec, Clicks, FNB, Foschini, Jet, Markham, Mr Price, Nedbank, Pep, Sportscene, Studio 88, Totalsports and Truworths

Limpopo Mall, situated in the heart of the Polokwane CBD, was developed in 1987 to serve both the motorised and commuter markets.

The Polokwane Taxi Rank, the busiest rank north of Gauteng, was developed adjacent to Limpopo Mall and forms an integral part of the shopping centre's appeal. An average of 67 000 commuters use the rank on a daily basis. The shopping centre has been trading successfully for 36 years and has undergone two revamps and one major redevelopment since Resilient acquired it in 2002.

STAKEHOLDER ENGAGEMENT

Resilient is committed to ensuring timeous, effective and transparent communication with its stakeholders.

Strategic pillars

1	Maintaining and growing a quality portfolio of assets
2	Growth in distribution
3	Tenant relationships and retention
4	Optimising our funding

Investors

How we engage

Resilient is committed to providing shareholders with timely access to applicable information.

Communication with its shareholders is open, honest and transparent. Resilient engages with shareholders in the following ways:

- Integrated reports
- Results presentations
- Roadshows
- Investor conferences
- Site visits
- One-on-one meetings
- JSE Stock Exchange News Service ("SENS") announcements
- Media announcements
- Website

Strategic pillars 1 2

Providers of finance

How we engage

Resilient meets with its financiers on a regular basis to discuss its requirements and theirs.

Information is provided through:

- Integrated reports
- Results presentations
- Roadshows
- One-on-one meetings
- JSE SENS announcements
- Media announcements
- Website

Strategic pillar 4

Tenants

How we engage

Resilient strives to form mutually beneficial business relationships with its tenants. Resilient's asset managers and property managers meet with the tenants on a regular basis and conduct regular site visits to Resilient's properties.

Strategic pillar 3

Suppliers

How we engage

Resilient maintains professional working relationships with all its suppliers ensuring that performance standards and requirements are understood and maintained. Service level agreements or terms of reference are utilised, where possible, to regulate relationships with suppliers and these include the Group's performance expectations. Resilient's engagement with suppliers occurs primarily through tenders for proposals.

Strategic pillar 1

Business partners and co-owners

How we engage

Resilient maintains professional working relationships with its business partners and encourages a culture of teamwork. Resilient ensures that performance standards and requirements are communicated to all its business partners. Resilient's business partners include the property managers. Resilient's asset managers and senior management meet with the property managers on a regular basis.

Strategic pillar 1

Employees

How we engage

Resilient maintains open channels of communication with its employees. The retail executive holds weekly meetings with the asset management team and the Executive Committee hosts monthly meetings with the full staff complement. Employees have access to Resilient's policies and procedures via the intranet. Individual engagement occurs through one-on-one meetings as well as electronic communication.

Strategic pillars 1 2

Government and local authorities

How we engage

Resilient endeavours to have mutually beneficial relationships with government, its departments and parastatals.

Resilient engages with local authorities, both directly and via its property managers and external consultants, regarding utility issues, rates clearances, zoning, etc.

Other methods of engagement include:

- Broad-Based Black Economic Empowerment ("B-BBEE") scorecard
- Employment equity reports
- Workplace skills development plan

Strategic pillar 2

Industry associations

How we engage

Resilient's employees belong to various industry bodies including:

- South African Property Owners Association ("SAPOA")
- South African Council of Shopping Centres
- SA REIT Association
- South African Institute of Chartered Accountants
- SA Council for the Quantity Surveying Profession

Strategic pillar 1

Communities and the environment

How we engage

Resilient is committed to being a good corporate citizen and frequently evaluates the impact of its projects and developments on society and the environment.

Several developments undertaken included local groups as shareholders, some of which have since sold their interests to Resilient.

Strong emphasis is placed on supporting local business as well as ensuring very high local employment through the various service providers.

The shopping centre management maintains strong relationships with local authorities, the South African Police Service and emergency services.

Community-based projects also feature highly as part of management's ongoing strategy.

Resilient supports The Resilient Empowerment Trust ("The Empowerment Trust") which provides bursaries to young students who require financial support.

Strategic pillar 1

RISK MANAGEMENT AND KEY RISK FACTORS

Risk management is essential for improved performance, growth and sustainable value creation. The process for identifying and managing risks has been set by the Board.

The Board has overall responsibility for risk management but has delegated the responsibility for monitoring risk management processes and activities to Resilient's Risk Committee. The day-to-day responsibility for risk management, including maintaining an appropriate internal control framework, remains the responsibility of Resilient's executive management.

Risks are monitored via the risk management framework in terms of which management identifies risks, documents these in the risk matrix and assesses the probability of their occurrence as well as the potential impact of the risk on the organisation.

Each identified risk is then managed and, where possible, mitigated to the extent possible with the understanding that in some instances there may continue to be a residual risk over which management and the Board have no control.

Due to the dynamic nature of the economic environment in which Resilient operates, risks, and the impact thereof, change constantly. Accordingly, risk management is a dynamic and ongoing discipline which is continuously adapted to its environment.

1 SOUTH AFRICAN POLITICAL AND ECONOMIC RISK

Key risk

The current political and economic environment creates challenges for potential growth and funding opportunities in addition to currency volatility, rising interest rates, social unrest, increased administered costs and inflationary effects on consumers.

Business impact	Mitigation of the risk	Stakeholders impacted
The economic conditions could result in the reduction in demand for space, an increased cost of doing business and the potential of tenant defaults. This would have a negative impact on the vacancy ratio of the shopping centres and ultimately affect the valuation of the shopping centres. Furthermore, increased unemployment and negative economic growth will negatively impact consumer spending. These factors could result in the reduction of distributable income. Social unrest and protests could result in security concerns at Resilient's properties as well as damage to property.	Review of the security requirements of Resilient's properties on a regular basis. Conservative balance sheet management with the diversification of funding sources. Monitoring the performance of tenants and the collection of rentals by property managers. Actively engaging with tenants to understand the impact of the economic environment on their performance and financial stability. Ensuring adequate insurance is in place in the event of damage to property.	• Tenants • Shareholders **Strategic pillars impacted** 1 2 3 4

Strategic pillars

1	Maintaining and growing a quality portfolio of assets
2	Growth in distribution
3	Tenant relationships and retention
4	Optimising our funding

2 FUNDING

Key risk

Deterioration in the Group's credit profile, a decline in debt market conditions or a general rise in interest rates could impact the cost and availability of funding.

Business impact	Mitigation of the risk	Stakeholders impacted
The cost of financing increases substantially reducing distributable income.	The Group monitors its key financial ratios and seeks to maintain a strong investment-grade credit rating. Interest rate risk is mitigated using interest rate swaps and caps. Resilient has R2,4 billion in cash and available facilities at the reporting date and R5,7 billion of unbonded property (excluding land) which can be used to obtain secured property financing.	• Financiers • Shareholders **Strategic pillars impacted** 2 4

3 CREDIT RISK

Key risk

Recoverability of financial assets.

Business impact	Mitigation of the risk	Stakeholder impacted
The risk of financial loss to the Group if a tenant or counterparty to a financial instrument fails to meet its contractual obligations. This arises predominantly from the Group's receivables from tenants, co-owners and investment securities.	Financial instruments are entered into with reputable financial institutions. Management has established a credit policy in terms of which tenants are analysed individually for creditworthiness prior to entering into a lease. The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that are listed on a recognised stock exchange. Resilient holds tenant deposits or bank guarantees to limit the risk of financial loss in respect of tenants. Loans to co-owners are secured against their interests in the property being developed. The recoverability of financial assets is assessed at each reporting date.	• Shareholders **Strategic pillar impacted** 2

RISK MANAGEMENT AND KEY RISK FACTORS continued

Strategic pillars

1	Maintaining and growing a quality portfolio of assets
2	Growth in distribution
3	Tenant relationships and retention
4	Optimising our funding

4 OPERATIONAL RISK

Key risk

Retention of key staff.

Business impact	Mitigation of the risk	Stakeholders impacted
Skilled and experienced staff may not be retained.	Key staff are remunerated through the Single Incentive Plan ("SIP") as well as bonuses.	• Employees • Shareholders **Strategic pillars impacted** 2 3

Key risk

Impact of loadshedding on operational performance.

Business impact	Mitigation of the risk	Stakeholders impacted
Loadshedding may result in the following: • Additional operational costs, such as diesel costs, for the operation of generators and additional maintenance costs as a result of the failure of electrical equipment. • Limiting the positive impact of solar installations which do not have sufficient battery or generator support.	Accelerated roll-out of solar installations and the approval of two large-scale battery installations. Small-scale battery backup systems have been installed in stores where tenants have opted in for the backup power solution.	• Shareholders • Tenants **Strategic pillars impacted** 1 2 3

Key risk

Local authorities' service delivery is deteriorating and many local authorities are not billing correctly. Several local authorities no longer read electricity or water meters timeously.

Business impact	Mitigation of the risk	Stakeholders impacted
Resilient is not being billed the correct utility amounts on a monthly basis.	Resilient has installed its own meters and employed third-party meter readers. Recoveries from tenants are based on this information rather than the billings received from local authorities.	• Tenants • Property managers • Shareholders **Strategic pillars impacted** 2 3

Key risk

Destruction of assets.

Business impact	Mitigation of the risk	Stakeholders impacted
Buildings destroyed due to *force majeure*, fire, etc. and, as a result, income cannot be generated from tenants.	Insurance cover is carefully monitored to ensure that it is sufficient. The insurable amount is based on replacement valuations. Resilient uses reputable underwriters with sufficient financial backing to sustain the cover paid for.	• Tenants • Property managers • Shareholders • Employees • Co-owners **Strategic pillars impacted** 1 2 3

5 DEVELOPMENT RISK

Key risk

Development projects fail to deliver expected returns due to increased costs or delays.

Business impact	Mitigation of the risk	Stakeholders impacted
Resilient may suffer reputational damage as well as financial loss if developments are not completed timeously and within budget.	Resilient has an in-house development team that closely monitors the progress and costs of each of its developments. Contracts are entered into with reputable construction companies.	• Financiers • Shareholders • Employees **Strategic pillars impacted** 1 2

6 NON-COMPLIANCE WITH LAWS AND REGULATIONS

Key risk

Non-compliance with laws and regulations in South Africa as well as the other jurisdictions within which Resilient operates.

Business impact	Mitigation of the risk	Stakeholders impacted
Non-compliance may result in reputational damage and financial penalties.	Resilient engages legal advisers both in South Africa and in the other jurisdictions in which it operates and monitors compliance. Resilient is a member of various industry organisations. The Group's employees regularly attend conferences and training specific to their area of responsibility within the Group which assists in the identification of new and relevant legislation.	• Financiers • Shareholders • Employees • Co-owners **Strategic pillar impacted** 2

RISK MANAGEMENT AND KEY RISK FACTORS continued

Strategic pillars

①	Maintaining and growing a quality portfolio of assets
②	Growth in distribution
③	Tenant relationships and retention
④	Optimising our funding

7 CURRENCY RISK

Key risk

Resilient's net asset value as well as the returns on offshore investments may fluctuate as a result of currency movements.

Business impact	Mitigation of the risk	Stakeholder impacted
As a result of Resilient's offshore investments, the appreciation/depreciation of the Rand will result in a reduction/increase in the Group's net asset value. In addition, the appreciation/depreciation of the Rand will result in less/more income being earned on offshore investments which will affect the Group's ability to accurately forecast the returns on offshore investments. This may further result in Resilient not meeting its distribution guidance.	Resilient's exposure to foreign currency risk on its investment in Lighthouse is unhedged. The Board has resolved to accept this risk and will consider the use of cross-currency swaps on an investment-by-investment basis. In approving the acquisition of Salera Centro Comercial ("Salera"), a retail shopping centre in Spain, 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. The Group's policy is to hedge 100% of foreign income to be received in the following 12 months. At the reporting date, forward exchange contracts were in place in respect of foreign income expected from Lighthouse for FY2024. The income receivable in FY2024 from Resilient's property investments in France, held through RPI, and Spain, held through SRI, are hedged.	• Shareholders **Strategic pillar impacted** ②

8 REPUTATIONAL RISK

Key risk

Negative publicity.

Business impact	Mitigation of the risk	Stakeholders impacted
Reputational damage may impact Resilient's ability to attract funding. In addition, investor confidence may be impacted.	Resilient actively engages with various stakeholders to understand concerns. Where possible, actions are taken to address these concerns.	• Tenants • Property managers • Shareholders • Employees • Co-owners **Strategic pillars impacted** ① ② ③ ④

Key risk

Regulatory scrutiny.

Business impact	Mitigation of the risk	Stakeholders impacted
Reputational damage may impact Resilient's ability to attract funding. In addition, investor confidence may be impacted.	Resilient obtains professional advice where there is uncertainty with regard to dealings with regulators. The Group engages with regulators through industry bodies.	• Tenants • Property managers • Shareholders • Employees • Co-owners **Strategic pillars impacted** ① ② ③ ④

Galleria Mall

PERFORMANCE AND OUTLOOK

MESSAGE FROM THE CHAIRMAN

Alan Olivier

> With the energy strategy well underway, focus will be given to water-related initiatives to ensure that Resilient can continue to provide tenants with an optimal environment in which to trade.

FINANCIAL RESULTS

Resilient's total dividend for the 2023 financial year of 406,24 cents per share was in line with the guidance provided of approximately 400,00 cents per share. The Group saw the positive impact of fewer power supply interruptions to its buildings in the second half of the year which further strengthened the Board's resolve to proceed with Resilient's energy strategy, particularly the roll-out of large-scale batteries, to support the shopping centres during loadshedding and to more efficiently utilise the energy produced by solar installations. At December 2023, Resilient's generation capacity from solar installations constituted 27,7% of the Group's total energy consumption.

Resilient's South African portfolio continues to perform, achieving net property income ("NOI") growth of 7,1%. Vacancies reduced to 1,5% and the portfolio was subject to a positive revaluation of 4,8%. The continuous investment in and redevelopment of these assets to accommodate tenant demand and changing retail trends are key focus areas for management and ensure that the portfolio remains dominant. In the current year, the Board approved the installation of the micro-grid at The Grove Mall. The installation is expected to be completed by June 2024 and is an exciting step towards limiting the effects of loadshedding and managing the rise in electricity costs.

The French portfolio has not performed in line with expectations. The economic environment remains challenging and has resulted in several tenant failures. There have been some significant successes achieved in the letting of vacant space and the Board is confident that the performance of the portfolio will improve once the reconfiguration of the shopping centres has been completed.

Nigeria has remained a challenging environment in which to operate and the economic pressures that have arisen since the conclusion of the elections have negatively impacted the portfolio. Following the Board's strategic decision to exit Nigeria and with the funding provided by the Shoprite group to Resilient Africa maturing in March 2024, the Board approved an offer by Shoprite Holdings Limited ("Shoprite") after year-end for Resilient to effectively settle its share of the debt with its portion of the Nigerian properties. Resilient will therefore dispose of the Nigerian operations to Shoprite for R1.

OFFSHORE INVESTMENTS

As mentioned previously, the focus on the Group's energy strategy has become a key driver of performance for the South African portfolio. However, the Board remains mindful that Resilient's loan-to-value ratio should remain below 40% and with these considerations in mind, the Board approved the disposal of Resilient's full interest in Hammerson.

In December 2023, Resilient took advantage of an opportunity to acquire a 50% interest in Salera, a retail shopping centre in Spain. This shopping centre aligns with Resilient's strategy to invest in dominant retail assets and was an exciting opportunity to increase Resilient's direct exposure to offshore markets. The transaction was concluded in January 2024.

The Board is pleased to see the rotation by Lighthouse from listed investments to direct property and believes that this strategy should provide more consistent and predictable distributable income going forward.

IMPLEMENTATION OF THE SUCCESSION PLAN

Des de Beer retired as chief executive officer of Resilient in December 2023. Des' passion for this business cannot be questioned and over the years his entrepreneurial spirit has seen the Group take advantage of many opportunities. Des leaves behind a strong business with flagship assets in South Africa and has built a team of dedicated and motivated people who will no doubt continue to look after his legacy. The Board is grateful that Des has agreed to remain on the Board as a non-executive director as this will afford the Group continued access to his extensive property experience. On behalf of the Board, I would like to thank Des for his 21 years of unyielding dedication to Resilient and its people and to congratulate him for his achievements during his outstanding career. We wish him well with his next chapter of retirement.

With Des' retirement, the Board has implemented Resilient's succession plan with the appointment of Johann Kriek, the previous head of retail, as chief executive officer from 1 January 2024. Johann has been an executive director on the Board since 2004 and has 38 years of experience in property. This was a natural progression in leadership and the Board is confident that Johann will continue to deliver the performance that shareholders have become accustomed to.

Suzan Tempel has replaced Johann as head of retail. Suzan has been an asset manager at Resilient for 11 years, working closely with Johann throughout her tenure. She was previously responsible for the Limpopo region focusing on redevelopment and upgrades in developing markets. Widely respected in the market and having a deep network of tenant relationships, the Board is pleased that Suzan is a natural fit for her new role.

CHANGES TO THE BOARD

With effect from 15 August 2023, Barry Stuhler was appointed to the Board as a non-independent non-executive director. 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 and we look forward to his contributions to the Board and its sub-committees.

Barry was appointed as a member of the Audit Committee with effect from 13 March 2024. The Board is of the view that his sound financial acumen will result in valuable contributions to the Audit Committee.

THE YEAR AHEAD

In the coming year, Resilient will complete its first micro-grid which will be an exciting development in the implementation of its long-term energy strategy. With the energy strategy well underway, focus will be on water-related initiatives to ensure that Resilient can continue to provide tenants with an optimal environment in which to trade.

Several property developments will be completed in the coming year, most notably the extension to Mahikeng Mall. The addition of Salera to the portfolio will provide the team with an opportunity to learn and engage in a new market offshore.

I would like to extend my thanks to management, the staff, as well as my fellow directors for their continued hard work and dedication.

Alan Olivier
Independent non-executive chairman

14 March 2024

REPORT OF THE CHIEF EXECUTIVE OFFICER

Johann Kriek

NATURE OF THE BUSINESS

Resilient is a retail-focused REIT 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 shopping centres 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 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 shopping centres, the remaining portfolio achieved comparable sales growth of 6,9%. Strong trading performances were achieved in the Northern Cape, Mpumalanga and Limpopo provinces.

DIVIDEND FOR THE YEAR ENDED DECEMBER 2023

406,24 cents

per share

SOUTH AFRICAN PROPERTY PORTFOLIO REVALUED UPWARDS BY

4,8%

LTV RATIO WITHIN THE BOARD'S TARGET AT

35,2%

SOUTH AFRICAN VACANCY RATE AT

1,5%

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 000m^2 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 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.

REPORT OF THE CHIEF EXECUTIVE OFFICER continued

France

Resilient owns a 40% interest in RPI, the owner of four regional shopping centres in France, in partnership with 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 877m^2 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 709m^2 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 250m^2 store to a new 450m^2 flagship concept on the upper level of the shopping centre. 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 shopping centre. 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 shopping centre. The extensive road infrastructure upgrade in the immediate vicinity of the shopping centre was completed during November 2023, which has improved access and egress to the shopping centre.

Action opened a 1 247m^2 store on the first floor of Docks 76 during December 2023. A lease has been concluded with Snipes for a 426m^2 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, 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 752m^2, including a 13 693m^2 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.

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

	Dec 2023		Dec 2022	
Counter	**Number of shares**	**Fair value R'000**	**Number of shares**	**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 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").*

Secunda Mall

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)**

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.

REPORT OF THE CHIEF EXECUTIVE OFFICER continued

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 41.*

** *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

FIVE-YEAR OVERVIEW

SUMMARISED STATEMENT OF FINANCIAL POSITION

as at

	Dec 2023 R'000	Dec 2022 R'000	Dec 2021 R'000	Jun 2021 R'000	Jun 2020 R'000
ASSETS					
Investment property	**29 539 407**	27 731 745	25 181 288	22 797 084	22 726 881
Investment property under development	**936 647**	762 722	496 864	401 310	406 883
Investments	**4 146 057**	4 532 235	7 697 300	7 327 776	7 970 422
Staff incentive loans	**–**	16 445	22 622	19 667	17 392
Loans to co-owners	**264 186**	213 069	227 378	206 499	194 900
Other financial assets	**340 293**	552 375	190 870	235 119	119 804
Other assets	**248 992**	83 925	99 678	88 690	102 605
Current assets	**217 997**	204 332	242 697	138 357	172 270
Assets held for sale	**–**	–	–	392 100	–
Total assets	**35 693 579**	34 096 848	34 158 697	31 606 602	31 711 157
EQUITY AND LIABILITIES					
Total equity attributable to equity holders	**22 160 835**	21 177 842	23 449 847	21 744 173	20 029 216
Interest-bearing borrowings net of cash on hand	**12 566 519**	12 079 271	9 853 013	9 163 239	10 902 956
Other financial liabilities	**50 787**	1 709	34 171	45 675	225 615
Other liabilities	**78 684**	69 523	46 981	31 065	47 148
Deferred tax	**102 832**	92 392	107 224	126 744	64 666
Current liabilities	**733 922**	676 111	667 461	495 706	441 556
Total equity and liabilities	**35 693 579**	34 096 848	34 158 697	31 606 602	31 711 157
Net asset value per share (Rand)	**66,28**	62,18	64,96	60,24	55,49
Loan-to-value ratio (%)*	**35,2**	34,7	28,8	28,8	35,2
SA average cost of funding at year-end (%)	**8,63**	8,34	7,11	6,69	6,74

* *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.*

FIVE-YEAR OVERVIEW continued

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended Dec 2023 R'000	For the year ended Dec 2022 R'000	For the six months ended Dec 2021 R'000	For the year ended Jun 2021 R'000	For the year ended Jun 2020 R'000
Contractual rental revenue and recoveries	**3 692 459**	3 306 063	1 525 507	2 835 575	2 674 604
Property operating expenses	**(1 473 589)**	(1 256 931)	(580 967)	(1 057 744)	(1 021 328)
Distributable income from investments	**312 955**	488 802	316 952	258 722	787 455
Fair value gain/(loss) on investment property	**852 184**	1 120 391	933 870	481 632	(958 703)
Fair value gain/(loss) on investments	**484 076**	(957 491)	527 210	615 791	(2 813 061)
Fair value gain/(loss) on forward contract: Edcon Limited shares	**–**	–	–	15 956	(36 557)
Fair value (loss)/gain on currency derivatives	**(50 476)**	(16 618)	(69 053)	232 956	(1 078 921)
Fair value (loss)/gain on interest rate derivatives	**(220 849)**	321 953	36 589	51 617	(53 162)
Administrative expenses	**(158 007)**	(142 532)	(70 638)	(125 551)	(125 206)
Share-based payments – employee incentive scheme	**(13 484)**	(14 659)	(4 790)	(4 616)	–
Amortisation of interest rate cap premium	**(20 258)**	(16 690)	(7 025)	(13 934)	(34 983)
Foreign exchange gain/(loss)	**198 207**	7 612	113 735	(71 605)	68 387
Staff incentive loans written off	**(2 535)**	–	–	–	–
(Impairment)/reversal of impairment of loans receivable	**(6 821)**	(1 006)	1 483	12 748	(27 477)
Profit/(loss) before net finance costs	**3 593 862**	2 838 894	2 722 873	3 231 547	(2 618 952)
Net finance costs	**(967 594)**	(743 407)	(319 705)	(624 084)	(543 225)
Profit/(loss) before income tax	**2 626 268**	2 095 487	2 403 168	2 607 463	(3 162 177)
Income tax	**(22 677)**	4 564	1 109	(62 433)	52 062
Profit/(loss) for the year attributable to equity holders	**2 603 591**	2 100 051	2 404 277	2 545 030	(3 110 115)
Property expenses as a % of revenue (gross) (%)	**39,9**	38,0	38,1[#]	37,3[#]	38,2[#]

[#] *The December 2021, June 2021 and June 2020 reporting periods were impacted by Resilient's* pro rata *share of COVID-related discounts of R21,5 million, R61,2 million and R172,9 million, respectively. The periods were further impacted by the continued above-inflation increases in administered prices, particularly utilities and rates.*

	For the year ended Dec 2023 R'000	For the year ended Dec 2022 R'000	For the six months ended Dec 2021 R'000	For the year ended Jun 2021 R'000	For the year ended Jun 2020 R'000
SHARE STATISTICS					
Shares in issue	**365 204 738**	370 731 188	400 126 254	400 126 254	400 126 254
Treasury shares held – Resilient Properties	**30 156 041**	30 156 041	39 156 041	39 156 041	39 156 041
Treasury shares held – DSP	**713 848**	–	–	–	–
Dividend/distribution per share (cents)[##]	**406,24**	438,03[###]	226,62	428,81	368,44
Distribution growth (%)[##]	**(7,3)**	93,3	(47,2)	16,4	(30,6)
Closing price per Resilient share (cents)	**4 429**	5 375	5 975	5 215	4 332
Total return on shares (%)[##]	**(10,0)**	(2,7)	18,9	30,3	(24,1)
PROPERTY STATISTICS					
South Africa*					
Total number of properties (income producing)	**27**	27	27	28	28
Total GLA	**1 160 908**	1 158 584	1 153 267	1 172 177	1 172 860
Vacancy (%)	**1,5**	1,7	2,3	2,3	2,1
Average valuation per GLA (R/m^2)	**28 159**	26 243	24 710	23 616	22 972
Nigeria**					
Total number of properties (income producing)	**3**	3	3	3	3
Total GLA	**29 848**	29 814	29 726	30 045	30 015
Vacancy (%)	**3,2**	–	0,7	4,6	9,3
France***					
Total number of properties (income producing)	**4**	4	4	–	–
Total GLA	**149 091**	143 018	147 383	–	–
Vacancy (%)	**7,9**	7,2	7,5	–	–

[##] *In 2021, Resilient's year-end changed from June to December and as such the information presented for the six months ended 31 December 2021 may not be comparable to the comparative figures presented as well as the figures presented for the year ended December 2023, which represent periods of 12 months.*

[###] *Resilient distributed 170 554 201 Lighthouse shares to its shareholders in May 2022. As such, no dividends from these shares were included in distributable earnings for 2022. Had Resilient retained these shares, the dividend would have been 3,8% higher.*

* *The information relating to June 2021 includes Murchison Mall which was classified as held for sale at the reporting date.*

** *Resilient's operations in Nigeria were classified as discontinued operations at December 2021 and June 2021 and the properties were recognised as assets held for sale. The Nigerian operations are no longer classified as discontinued operations from December 2022.*

*** *In the December 2021 reporting period, Resilient acquired a 25% interest in RPI, the holding company that indirectly owns four shopping centres in France. Resilient acquired an additional 15% interest in RPI in FY2022, increasing its holding to 40% at December 2022.*

The information in the five-year overview has been prepared on the same basis as the *pro forma* financial information on pages 50 to 59.

PORTFOLIO STATISTICS

The total portfolio consists of retail assets.

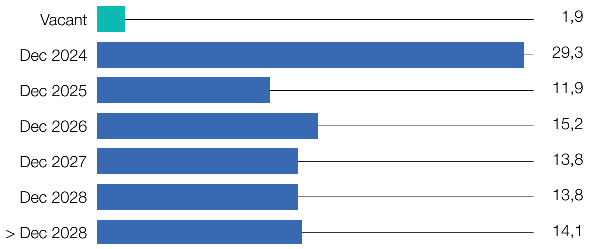
TOTAL PORTFOLIO

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

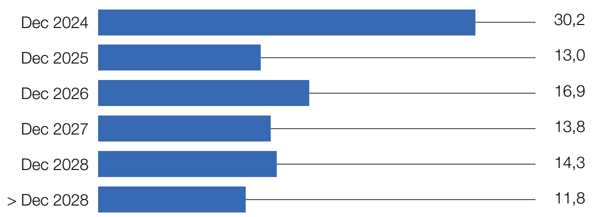
THE AVERAGE ANNUALISED PROPERTY YIELD IS
8,3%
AT 31 DECEMBER 2023

LEASE EXPIRY PROFILE

Rentable area (%)

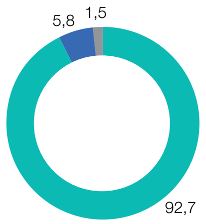


Contractual rental revenue (%)

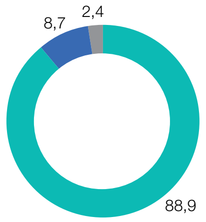


GEOGRAPHICAL PROFILE

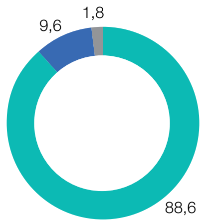
Rentable area (%)



Contractual rental revenue (%)



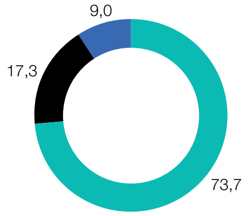
Property value (%)



🟩 South Africa 🟦 France ⬜ Nigeria

TENANT PROFILE

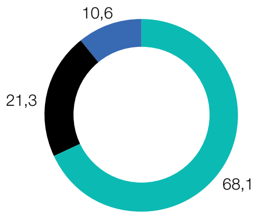
Rentable area (%)



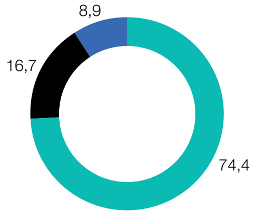
Total portfolio

- 🟩 **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 (%)



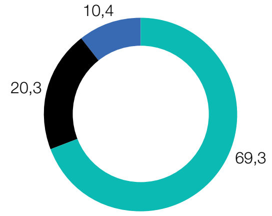
Rentable area (%)



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 (%)



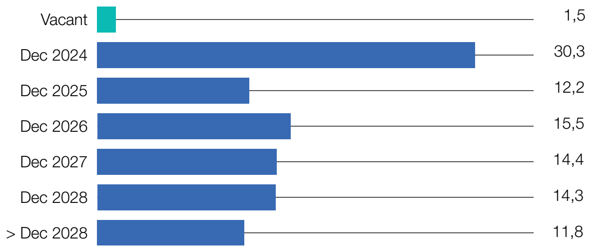
SOUTH AFRICAN PORTFOLIO

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

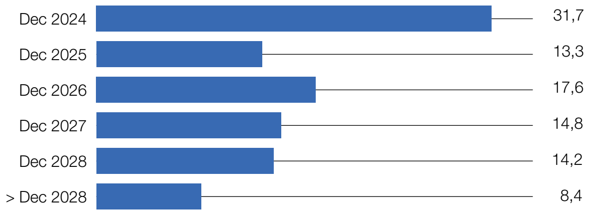
THE AVERAGE ANNUALISED PROPERTY YIELD IS
8,4%
AT 31 DECEMBER 2023

LEASE EXPIRY PROFILE

Rentable area (%)

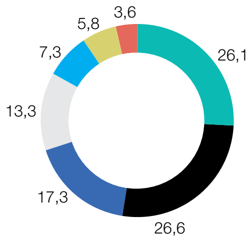


Contractual rental revenue (%)

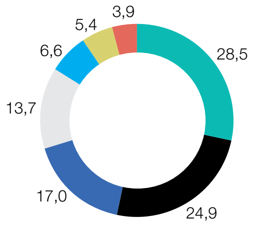


GEOGRAPHICAL PROFILE

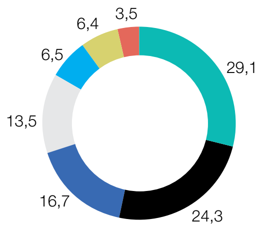
Rentable area (%)



Contractual rental revenue (%)



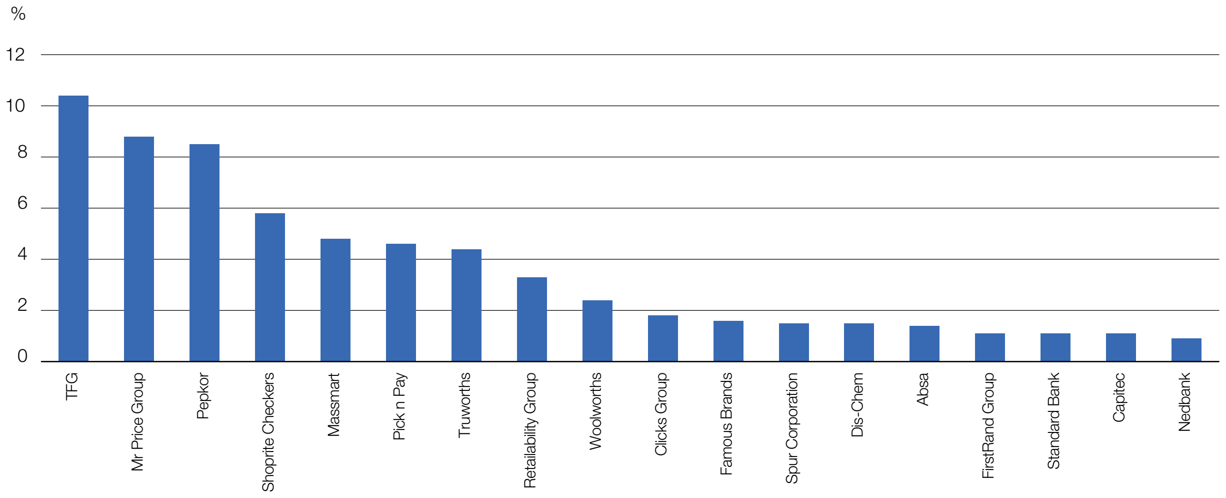
Property value (%)



🟩 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



REPORT ON THE ASSURANCE ENGAGEMENT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION INCLUDED IN THE INTEGRATED REPORT

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 on pages 50 to 59 of the Resilient Integrated Report for the year ended 31 December 2023 (the "Integrated Report") 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 on pages 50 to 51 to the Integrated Report.

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 on pages 50 to 51 to the Integrated Report:

- 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 Resilient's 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 on pages 50 to 51 to the Integrated Report.

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 on pages 50 to 51 to the Integrated Report, 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 on pages 50 to 51 to the Integrated Report.

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 on pages 50 to 51 to the Integrated Report, 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 on pages 50 to 51 the Integrated Report.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: Paul Liedeman

Registered Auditor

Cape Town, South Africa
14 March 2024

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 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 48 and 49 and should be read in conjunction with the *pro forma* financial information set out on pages 52 to 59.

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 Empowerment Trust. The *pro forma* financial information presents the assets under management of Resilient and as such the consolidation of The 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 shopping centres 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 FINANCIAL INFORMATION continued

(Management accounts)

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2023

	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 FINANCIAL INFORMATION continued

(Management accounts)

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

at 31 December 2023

	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 FINANCIAL INFORMATION continued

(Management accounts)

PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2023

	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.*

PRO FORMA FINANCIAL INFORMATION continued

(Management accounts)

***PRO FORMA* CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME** continued

for the year ended 31 December 2023

	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 183.*

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

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 RATIOS continued

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.*

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CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT

KING IV

The Board endorses the code of corporate practices and conduct as set out in King IV and confirms that the Group is compliant with the principles thereof.

King IV advocates an outcomes-based approach and defines corporate governance as the exercise of ethical and effective leadership towards the achievement of four governance outcomes. The desired governance outcomes are listed below, together with the practices implemented and progress made towards achieving the 17 principles in meeting those outcomes. It is done on an "apply and explain" basis, as recommended by King IV.

GOVERNANCE OUTCOME ONE: ETHICAL CULTURE

PRINCIPLE 1 LEADERSHIP

The Board leads ethically and effectively

Resilient's Board is its governing body. The Board leads with integrity, competence, responsibility and accountability, in line with principle 1 of King IV. The directors hold one another accountable for decision-making and ethical behaviour.

The chairman is tasked with monitoring this as part of his duties. Resilient has a documented code of conduct which is reviewed on an annual basis by the Social and Ethics Committee and recommended to the Board for approval.

The Board is responsible for ensuring that the Group's ethics policies are appropriate and that they are enforced. This responsibility is discharged through the Social and Ethics Committee.

The Board evaluates its own performance as well as that of its sub-committees, its chairman, its individual members and the company secretary through a formal process that is led by the Nomination Committee. The purpose of the evaluations is to ensure continued improvement in the performance and effectiveness of the Board.

PRINCIPLE 2 ORGANISATIONAL VALUES AND ETHICS

The Board governs the ethics of Resilient in a way that supports the establishment of an ethical culture

The Board has a fiduciary duty to act in good faith, with due care and diligence and in the best interests of the Group and its stakeholders. It is the primary body responsible for the corporate governance values of the Group. While control is delegated to management in the day-to-day management of the Group, the Board retains full and effective control over the Group. A formal board charter, as recommended by King IV, has been adopted.

The Board forms the core of the values and ethics subscribed to by the Group. The code of conduct is applicable to each director as well as the employees of Resilient and requires all employees to adhere to ethical business practices in their relationships with each other, suppliers, investors and all other stakeholders. It stipulates, among other things, that all stakeholders are expected to act in good faith, that bribery in any form is not tolerated, all conflicts of interest need to be declared in compliance with the Company's Conflict of Interest Policy and that compliance with all legislation is of utmost importance. The code of conduct and the Conflict of Interest Policy are provided to each employee on employment and are available on the Company's intranet. As at the reporting date, there were no conflicts of interest.

The Group has a "no tolerance" policy towards fraud within the Group or with any of the counterparties the Group chooses to engage with. Resilient has implemented a whistle-blower hotline where any instances of fraud or other breaches of ethical behaviour may be reported. The whistle-blower hotline is externally managed to ensure the anonymity of whistle-blowers and reports directly to the chairman of the Board and the chairman of the Audit Committee. The whistle-blower hotline is accessible by means of a dedicated email address as well as a dedicated toll-free telephone number, the details of which are published on Resilient's website. All incidents are investigated appropriately. There were no matters reported to the whistle-blower hotline in the current reporting period.

The Board is not aware of any transgressions of the code of ethics during the financial period. No issues of non-compliance, fines or prosecutions have been levied against Resilient.

GOVERNANCE OUTCOME TWO: PERFORMANCE AND VALUE CREATION

PRINCIPLE 3 RESPONSIBLE CORPORATE CITIZENSHIP

The Board ensures that Resilient is and is seen to be a responsible corporate citizen

The Board has delegated to the Social and Ethics Committee the responsibility for monitoring and reporting of social, ethical, transformational and sustainability practices that are consistent with good corporate governance.

Refer to the Report of the Social and Ethics Committee on page 98 for an overview of the key areas of focus of this Committee in the December 2023 reporting period and the planned areas of focus in the coming year.

PRINCIPLE 4 STRATEGY, IMPLEMENTATION AND PERFORMANCE

The Board appreciates that Resilient's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process

The Board acknowledges that it is responsible for ensuring the following functions as set out in the board charter:

- Good corporate governance and implementation of the code of corporate practices and conduct as set out in King IV;
- That the Group performs at an acceptable level and that its affairs are conducted in a responsible and professional manner; and
- The Board recognises its responsibilities to all stakeholders.

The Board's responsibility is to ensure that Resilient creates value for its shareholders. In so doing, it considers the legitimate interests and expectations of stakeholders, which include the present and potential future investors in Resilient.

The Board approves and monitors the implementation of the strategy and business plans. Assisted by the Risk Committee, the Board reviews key risks and opportunities impacting the achievement of its strategic objectives.

This Integrated Report demonstrates how performance is achieved through the strategic initiatives. Resilient sets and achieves its strategic initiatives with reference to risks and opportunities. The Board assesses both the positive and negative outcomes resulting from its business model continuously.

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL

PRINCIPLE 5 REPORTS AND DISCLOSURE

The Board ensures that reports issued by Resilient enable stakeholders to make informed assessments of Resilient's performance and its short-, medium- and long-term prospects

The Board is responsible for formulating the Group's communication policy and ensuring that spokespeople of the Group adhere to it. This responsibility includes clear, transparent, balanced and truthful communication to stakeholders.

The Board is assisted by the Audit Committee in reviewing and approving the Integrated Report. The report is prepared in line with IFRS, the International Integrated Reporting Council's Integrated Reporting Framework, the reporting principles contained in King IV, the JSE Listings Requirements and Debt Listings Requirements.

In its interim and annual reports to stakeholders, Resilient details both its historical performance and future outlook. This, together with further information in those and other communications, enables stakeholders to make informed assessments of Resilient's prospects.

CORPORATE GOVERNANCE REPORT continued

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL continued

PRINCIPLE 6 ROLE OF THE BOARD

The Board serves as the focal point and custodian of corporate governance in Resilient

Ultimate control of the Group rests with the Board while executive management is responsible for the operational management of the Group. To achieve this, the Board is responsible for establishing the objectives of the Group and setting a philosophy for investments, performance and ethical standards.

Although quarterly board meetings are scheduled every year, additional meetings are called should circumstances require it. During the current reporting period, five board meetings were held.

While certain responsibilities are delegated to committees or management executives, the Board acknowledges that it is not discharged from its obligations regarding these matters.

The Board acknowledges its responsibilities as set out in the board charter in the following areas:

- Ensuring that it acts in the best interests of the Group;
- The adoption of strategic plans and ensuring that these plans are carried out by management;
- Monitoring of the operational performance of the business against predetermined budgets;
- Monitoring the performance of management at both operational and executive levels;
- Endeavouring to ensure that the Audit Committee and the internal audit function remain effective and independent;
- Annually assessing the independence of every non-executive director including those with tenures exceeding nine years;
- Ensuring that the Group complies with all laws, regulations and codes of business practice;
- Ensuring that the remuneration of directors is disclosed fully and individually;
- Obtaining approval from shareholders at each annual general meeting ("AGM") for non-executive directors' fees in respect of the ensuing financial year;
- Seeking approval from shareholders at the AGM, by way of a non-binding advisory vote, of Resilient's Remuneration Policy and Remuneration Implementation Report; and
- Ensuring a clear division of responsibilities at board level to ensure a balance of power and authority in terms of Group policies.

The Board's role and responsibilities and the way that it executes its duties and decision-making are documented and are set out in the board charter which is reviewed on an annual basis.

Before each board meeting, an information pack, which provides background information on the performance of the Group for the year to date and any other matters for discussion at the meeting, is distributed to each board member. At meetings, the Board considers both financial and non-financial, or qualitative, information that might have an impact on stakeholders.

The Board is satisfied that it has fulfilled its responsibilities in accordance with its charter for the year ended 31 December 2023.

Details of the board meetings held during the reporting period, as well as the attendance at the board meetings by individual directors, are disclosed on page 79.

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL continued

PRINCIPLE 7 COMPOSITION OF THE BOARD

The Board comprises the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively

Resilient has a unitary board with an independent non-executive director as chairman. The Board comprised three executive directors, seven independent non-executive directors and one non-independent non-executive director during the reporting period. All directors serve for a maximum period of three years and are subject to retirement by rotation and re-election by shareholders in a general meeting. Non-executive directors who have served on the Board for a tenure exceeding nine years are required to stand for re-election on an annual basis. Board appointments are made in terms of the policy on nominations and appointments as applied by the Nomination Committee. Such appointments are subject to final approval by the Board and shareholders.

The Board, with the assistance of the Nomination Committee, considers, on an annual basis, its composition in terms of balance of skills, experience, diversity, independence and knowledge and whether this enables it to effectively discharge its role and responsibilities.

Barry van Wyk has served on the Board for more than nine years. The Nomination Committee and the Board have assessed his independence and are satisfied that he is independent and able to exercise objective judgement free from undue influence. Refer to page 82 for the Report of the Nomination Committee for further information in this regard.

The Board is satisfied that its composition has the necessary balance of skills, experience, diversity, independence and knowledge needed to discharge its role and responsibilities.

The Board's independence from the executive management team is ensured by the following:

- Separation of the roles of chairman and chief executive officer, with the chairman being independent;
- The Board comprising a majority of independent non-executive directors;
- All sub-committees having a majority of independent directors;
- Non-executive directors not holding service contracts;
- All directors having access to the advice and services of the company secretary; and
- With prior agreement from the chairman, all directors are entitled to seek independent professional advice concerning the affairs of the Company at the Company's expense.

No director has an automatic right to a position on the Board. All directors are required to be elected by shareholders at an AGM. In a general meeting, the shareholders may appoint any person to be a director, subject to the provisions of the MOI.

The roles of chairman and chief executive officer are separate and the composition of the Board ensures a balance of authority, precluding any one director from exercising unfettered powers of decision-making.

For details of directors' full names, ages, their dates of appointment and a brief career synopsis, refer to pages 76 to 78.

The Board is committed to actively managing diversity as a means of enhancing the Company's performance by utilising the contribution of the diverse skills and talents of its directors. The Board has an approved policy on broad diversity at board level which requires the Nomination Committee to consider a broad and diverse pool of talent when considering board appointments. The need for diversity must be balanced with the need to appoint individuals with the necessary skills and experience to serve on the Board.

The Board has not established diversity targets for appointments to the Board. The policy is reviewed on an annual basis to ensure that it continues to facilitate the principles of broad diversity at board level.

CORPORATE GOVERNANCE REPORT continued

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL continued

PRINCIPLE 8 COMMITTEES OF THE BOARD

The Board ensures that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and the effective discharge of its duties

The Board has established six sub-committees to assist the directors in fulfilling their duties and responsibilities.

Each committee has a formal charter and reports to the Board at regular intervals. The charters, which set out the objectives, authority, composition and responsibilities of each committee, have been approved by the Board. All the committees are free to take independent outside professional advice, as and when required, at the expense of the Company.

Membership of the committees is as recommended in King IV. The composition of the committees of the Board and the distribution of authority between the chairperson and other directors is balanced and does not lead to instances where individuals dominate decision-making within governance structures or where undue dependency is caused.

The Board maintains the following sub-committees:
- Audit Committee;
- Investment Committee;
- Nomination Committee;
- Remuneration Committee;
- Risk Committee; and
- Social and Ethics Committee.

King IV recommends practices which promote effective collaboration among committees with minimal overlap and division of duties.

In the current reporting period, the Nomination Committee reassessed the composition of each sub-committee to ensure that each sub-committee has the appropriate level of skills and experience to be able to effectively execute its function. Refer to page 96 for the changes made to the composition of the board sub-committees.

Non-executive directors chair the various sub-committees of the Board. The reports of the various sub-committees are included on the following pages:
- Investment Committee – page 80;
- Nomination Committee – page 82;
- Remuneration Committee – page 83;
- Risk Committee – page 97; and
- Social and Ethics Committee – page 98.

Details of the number of sub-committee meetings held during the year as well as the attendance at these meetings by individual directors are disclosed on page 79.

Directors' interests

A full list of directors' interests is maintained and directors certify that the list is correct at each board meeting. Directors recuse themselves from any discussion and decision on matters in which they have a material financial interest. Directors' interests in the shares of the Company are disclosed on page 125.

Dealing in securities by the directors

Dealing in the Company's securities by directors and Company officials is regulated and monitored as required by the JSE Listings Requirements and Debt Listings Requirements. In addition, Resilient maintains a closed period from the end of a financial period to the date of publication of the financial results and during any period when the Company's shares are trading under a cautionary announcement.

Internal financial and operating controls

A framework of financial reporting, internal and operating controls has been established by the Board to ensure reasonable assurance as to accurate and timeous reporting of business information, safeguarding of Group assets, compliance with laws and regulations, financial information and general operation.

The Board reviewed and was satisfied with the effectiveness of the internal financial and operating controls, the process of risk management and the monitoring of legal governance compliance within the Group.

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL continued

PRINCIPLE 9 EVALUATION OF THE PERFORMANCE OF THE BOARD

The Board ensures that the evaluation of its own performance and that of its sub-committees, its chair and its individual members support continued improvement in its performance and effectiveness

The Board evaluates its own performance as well as that of its sub-committees, its chairman, its individual members and the company secretary through a formal process that is led by the Nomination Committee. The purpose of the evaluations is to ensure continued improvement in the performance and effectiveness of the Board.

The results of the Board evaluation indicated that the Board is confident that the governance of the Board and its sub-committees is adequate and the sub-committees are functioning appropriately. Moreover, the directors believe that the Board is performing according to its agreed standards and expectations.

The Board is satisfied that the evaluation process undertaken is improving its performance and effectiveness. The Board confirms that it has executed its responsibilities under the Board Evaluation Policy.

PRINCIPLE 10 APPOINTMENT AND DELEGATION OF MANAGEMENT

The Board ensures that the appointment of, and delegation to, management contributes to role clarity and the effective exercise of authority and responsibilities

In terms of its formal charter, the Board's responsibilities include the appointment of the chief executive officer and the approval of corporate strategy, risk management and corporate governance. The Board reviews and approves the business plans and monitors the financial performance of the Group and the implementation of its strategies.

The Board recognises that management is an integral part of the risk management and governance structure and to this end, the Board relies on regular management reports and updates. The Board recognises that delegating authority does not reduce its statutory and common-law fiduciary duties.

Board members have full and unrestricted access to management and all Group information and property. They are entitled, at the cost of the Group, to seek independent professional advice in the fulfilment of their duties. Directors may meet separately with management, without the attendance of executive directors.

The chief executive officer has an employment contract that can, subject to fair labour practices, be terminated upon three months' notice. With the approval of the Board, Des de Beer, the chief executive officer, served on the board of directors of Lighthouse as a representative of Resilient during the reporting period. Other than this board appointment, the chief executive officer did not have any work commitments outside of Resilient and its related companies.

Des de Beer retired as chief executive officer with effect from 31 December 2023 and Resilient's succession plan was implemented, resulting in the appointment of Johann Kriek as chief executive officer from 1 January 2024. Johann Kriek does not have any work commitments outside of Resilient and its related companies.

Having implemented the Group's succession plan at the end of 2023, the Board, through the Nomination Committee, is evaluating the establishment of a new succession plan for the chief executive officer.

The Board is satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority and responsibilities.

Company secretary

The company secretary is appointed on a full-time basis with the requisite knowledge, experience and stature. All directors have unlimited access to her services and she is responsible to the Board for ensuring that proper corporate governance principles are adhered to. This includes signing off on the disclosure of membership of board structures, the number of meetings of the Board and each sub-committee and attendance at each meeting as well as the overall content of the committee information and reporting in the public domain.

The company secretary is not a director of Resilient and has an arm's length relationship with the Board.

On 27 March 2024, Resilient informed shareholders and noteholders via SENS announcement of the resignation of the company secretary which is effective from 26 April 2024. The Board has commenced a process to appoint a new company secretary.

CORPORATE GOVERNANCE REPORT continued

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL continued

PRINCIPLE 11 RISK GOVERNANCE

The Board governs risk in a way that supports Resilient in setting and achieving its strategic objectives

The Risk Committee assists the Board with the governance of risk. The Board is aware of the importance of risk management as it is linked to the strategy, performance and sustainability of Resilient. The role of the Risk Committee is to ensure that the Company has implemented an effective policy and plan for risk management which enhances the Company's ability to achieve its strategic objectives.

The Risk Committee implements a process whereby risks to the sustainability of the Group's business are identified and managed within acceptable parameters. The Risk Committee delegates to management the responsibility to continuously identify, assess, mitigate and manage risks within the existing and ever-changing risk profile of Resilient's operating environment. Mitigating controls are formulated to address the risks and the Board is kept up to date on progress on the risk management plan.

Des Gordon is a common member of the Audit Committee and the Risk Committee ensuring that there is co-ordination in respect of the evaluation and reporting of risks.

Refer to pages 26 to 31 for an overview of Resilient's risks to value creation. Refer to the Report of the Risk Committee on page 97 for the key areas of focus during the reporting period.

PRINCIPLE 12 TECHNOLOGY AND INFORMATION GOVERNANCE

The Board governs technology and information in a way that supports Resilient in setting and achieving its strategic objectives

The Risk Committee assists the Board with the governance of technology and information. The Board is aware of the importance of technology and information as it is inter-related to the strategy, performance and sustainability of Resilient.

The Risk Committee is responsible for information and technology governance in accordance with King IV. The Committee oversees the implementation of IT governance mechanisms and standards to ensure the effectiveness and efficiency of the Group's information systems. Resilient's IT function is outsourced to a third-party service provider and is governed by a service level agreement. Compliance with the service level agreement is monitored by management. The external IT specialists assist in governing technology and information and their terms are reviewed on a regular basis.

PRINCIPLE 13 COMPLIANCE GOVERNANCE

The Board governs compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports Resilient being ethical and a good corporate citizen

The Board is responsible for the Group's compliance with applicable laws and recognises that compliance is an ethical imperative. The Board has delegated the responsibility for implementing compliance to management. The Board is assisted by the Risk Committee in monitoring compliance.

There were no material regulatory penalties, sanctions or fines for contraventions of, or non-compliance with, statutory obligations.

The Board is not aware of any material contraventions of laws and regulations by either the Company or any of its directors as at the date of this Integrated Report.

PRINCIPLE 14 REMUNERATION GOVERNANCE

The Board ensures that Resilient remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term

Resilient remunerates fairly, responsibly and transparently so as to promote the creation of value in a sustainable manner. The objective of the Group's remuneration strategy is to attract and retain key talent and to motivate and reward employees appropriately to ensure they achieve key organisational objectives.

Resilient has implemented an employment equity plan and supports the promotion of equal opportunities. Resilient's focus is on developing its employees such that there are suitable internal candidates to lead the Group in the future. The Group encourages its employees to attend job-related training such as industry-specific conferences and courses. The Training and Employment Equity Committee meets on a quarterly basis and approves the employment equity plan, the workplace skills plan and annual training report. The Committee is chaired by a member of senior management.

The Report of the Remuneration Committee included on pages 83 and 84 explains the key areas of focus during the reporting period and those of the coming year.

Refer to pages 85 to 91 for the Remuneration Policy and pages 92 to 96 for the Remuneration Implementation Report.

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL continued

PRINCIPLE 15 ASSURANCE

The Board ensures that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of Resilient's external reports

Resilient implements a combined assurance model that is overseen by the Audit Committee.

The Board has delegated to the Audit Committee oversight of, *inter alia*, the effectiveness of the Group's assurance services with a focus on combined assurance including external audit, internal audit and the finance function as well as the integrity of the Integrated Report and the annual financial statements. The Board is satisfied that assurance results in an adequate and effectively controlled environment and integrity of reports for better decision-making.

External audit

A key factor that may impair the auditor's independence is a lack of control over non-audit services provided by the external auditor. The external auditor's independence is deemed to be impaired if the auditor provides a service which:

- results in auditing of own work by the auditor;
- results in the auditor acting as a manager or employee of the Group;
- puts the auditor in the role of advocate for the Group; or
- creates a mutuality of interest between the auditor and the Group.

The Company addresses this issue through three primary measures, namely:

- disclosure of the extent and nature of non-audit services;
- the prohibition of selected services; and
- prior approval by the Audit Committee of non-audit services.

Other safeguards encapsulated in the policy include:

- the external auditor is required to assess periodically, in their professional judgement, whether they are independent of the Group;
- the Audit Committee ensures that the scope of the auditor's work is sufficient and that the auditor is fairly remunerated; and
- the Audit Committee has primary responsibility for making recommendations to the Board on the appointment, reappointment and removal of the external auditor.

The Audit Committee reviews audit plans for external audits and the outcome of the work performed in executing these plans. It further ensures that items identified for action are followed up. The external auditor reports annually to the Audit Committee to confirm that they are and have remained independent from the Group during the reporting period.

Refer to pages 127 to 129 for the Report of the Audit Committee.

CORPORATE GOVERNANCE REPORT continued

GOVERNANCE OUTCOME FOUR: TRUST, GOOD REPUTATION AND LEGITIMACY

PRINCIPLE 16 STAKEHOLDERS

In the execution of its governance role and responsibilities, the Board adopts a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of Resilient over time

Establishing and maintaining effective stakeholder relationships are not only essential to sustain the growth of the Company but also an essential component of sound governance. Resilient has identified its stakeholder groups and actively balances their legitimate and reasonable needs, interests and expectations.

The Board understands that tenants play an important role in the success of Resilient's shopping centres. The retail team has long-standing relationships with all the major national retailers which are leveraged when undertaking new developments or redevelopments. These relationships allow for constant interaction and feedback enabling the Group to adapt to the tenants' needs and strategies timeously. This further ensures a sound understanding of the tenants' businesses and the impact of the economic environment on their operating performance.

Refer to pages 24 and 25 for information on stakeholder relationships and engagements.

PRINCIPLE 17 RESPONSIBLE INVESTMENT

The Board ensures that responsible investment is practised by Resilient to promote good governance and the creation of value by the companies in which it invests

Resilient ensures, through active participation and representation, that it exercises its rights and obligations with regard to its investee companies.

Highveld Mall

BOARD OF DIRECTORS

The Board has a fiduciary duty to act in good faith, with due care and diligence and in the best interests of the Group and its stakeholders. It is the primary body responsible for the corporate governance values of the Group.

AC Audit Committee
RC Risk Committee
IC Investment Committee
NC Nomination Committee
RNC Remuneration Committee
SEC Social and Ethics Committee

INDEPENDENT NON-EXECUTIVE DIRECTORS

IC NC RNC

ALAN KEITH OLIVIER (64)
Chairman
BCom, BCompt (Hons), CA(SA)
Date of appointment
August 2018

Having been employed by Grindrod Limited Group ("Grindrod") in 1986, prior to its listing on the JSE, Alan has over 30 years of experience in the shipping industry. He was appointed as an executive director of Grindrod in 1999 and remained in this position until 2017. Grindrod has twice been voted the top listed shipping company in the world by Marine Money. Positions held within Grindrod include treasury, financial director, shipping chief executive and group chief executive of the listed entity. Alan has served on a number of boards in both executive and non-executive capacities including being chairman of Grindrod Bank and the Maputo Port Development Company. He joined the board of directors of the UK P&I Club, one of the world's largest public indemnity shipping insurance mutuals, in 2000 and was appointed chairman in 2013. With the chairman being appointed for a tenure of five years, he retired as chairman of the UK P&I Club board in 2018. Alan was appointed to the Resilient Board as a non-executive director and chairman in August 2018.

AC IC NC RNC

STUART IAN BIRD (64)
BCom, CA(SA)
Date of appointment
February 2019

Stuart held various auditing and accounting-focused positions in his early career and was appointed as the financial director of Hub Trading Company, previously a division of Mr Price Group Limited, in 1993, whereafter he was promoted to managing director in 1999. In 2001, he joined Mr Price Apparel (a division of Mr Price Group Limited) as the deputy managing director and took over as managing director in 2002. He was appointed as deputy chief executive officer of Mr Price Group Limited in 2010 and was promoted to chief executive officer in 2011, in which position he remained until his retirement in 2018.

AC RC RNC SEC

DESMOND (DES) KEVIN GORDON (63)
BCom, BCompt (Hons), CA(SA)
Date of appointment
August 2018

Des currently consults in a business development role and acts for companies in developed economies with African growth ambitions. He served as group financial manager of Group Five Limited between January 1991 and August 1996. Des spent the greater part of his career at Enviroserv Waste Management, first as chief financial officer for four years and then as chief executive officer for 16 years. In 2008, the company was bought out by Absa Private Equity and delisted from the JSE.

RC NC

MARION LESEGO DAWN MAROLE (63)
BCom (Acc), TED, MBA
Date of appointment
May 2016

Dawn's career has predominantly been in the financial services sector. She presently serves on the boards of listed and unlisted companies such as Santam Limited, Shoprite Holdings Limited and Richards Bay Minerals Proprietary Limited. In addition, Dawn formed part of the Presidential Review Committee for State-owned Enterprises and is currently the executive chairperson of Executive Magic.

AC IC SEC

PROTAS PHILI (49)
BCom (Acc), CTA, MCom (Tax), CA(SA)
Date of appointment
December 2015

Protas is currently the managing director of Khwezela Investment Group Proprietary Limited, a non-executive director of Rand Water and the National Nuclear Regulator, a trustee of Rand Water Medical Scheme and a member of the audit and risk committee of the Financial Intelligence Centre. Protas was previously the chief financial officer of Sentech Limited, deputy director general and chief financial officer in the Department of Rural Development and Land Reform, non-executive director of Rand Merchant Bank, WesBank, Capital Property Fund Limited and National Housing Finance Corporation Limited. Protas was also previously a member of the national taxation committee of SAICA and a member of the South African Reserve Bank Governor's Economic Roundtable Forum. Protas was appointed as a non-executive director of the Independent Regulatory Board for Auditors in June 2021.

RC

THANDUXOLO (THANDO) SELBY SISHUBA (52)
AMDP, Harvard Alumni, Master of Science, Bachelor of Science Honours
Date of appointment
August 2021

Thando is the head of Sanlam Direct Property (SA). He previously served as the managing director of Ubunono Properties from September 2006 to May 2008 and again from September 2015 to October 2019. Thando was also previously the head of Imperial Properties and Shanduka Properties Proprietary Limited.

Thando is currently a director and member of the audit and risk committee of Newpark REIT Limited and is a director of SAPOA. He has previously served on the boards of Texton Property Fund Limited, Pivotal Property Fund Limited, Catalyst Fund Managers South Africa Proprietary Limited, Kia Motors Proprietary Limited, Pangbourne Properties Limited and Capital Property Fund Limited.

Thando is a shareholder of Catalyst Fund Managers SA Proprietary Limited.

IC SEC

BARRY DANIEL VAN WYK (58)
BCom, BAcc, CA(SA)
Date of appointment
November 2002

Barry heads up Renlia Developments Proprietary Limited, a property investment and development company primarily focused on office, industrial and residential opportunities. He is a director of Newpark REIT Limited and was previously an executive director of Group Five Limited and managing director of Group Five Developments.

BOARD OF DIRECTORS continued

AC Audit Committee
RC Risk Committee
IC Investment Committee
NC Nomination Committee
RNC Remuneration Committee
SEC Social and Ethics Committee

NON-INDEPENDENT NON-EXECUTIVE DIRECTORS

DESMOND (DES) DE BEER (63)
BProc MAP
Date of appointment
July 2002 (non-executive from 1 January 2024)

Des spent the first part of his career in the banking industry, first with Barclays Bank in South Africa and later with Syfrets which was merged into Nedcor Investment Bank. He was appointed General Manager Corporate Equity and served on the bank's executive committee. Des has served on the boards of several listed property companies including the board of directors of NEPI Rockcastle from which he retired in May 2020 and Hammerson from which he retired in October 2022. Des served on the Board of Resilient as an executive director and chief executive officer from 2002 until his retirement from this role in December 2023 when his status then changed to non-independent non-executive director serving on Resilient's Investment Committee. He is a non-executive director of Lighthouse, serving on its remuneration and investment committees.

BARRY LESTER STUHLER (66)
BCom, BAcc, CA(SA)
Date of appointment
August 2023

Barry is a chartered accountant who completed his articles with Arthur Young. Barry's experience includes management of the Part Bond Scheme and Gilt Fund for Hill Samuel Merchant Bank. He was financial director of Integrated Property Resources and managing director of Intaprop Management Services, the property management company for the Intaprop Group. In 1994, Barry co-founded Inline Properties, a property management and corporate property advisory company.

Barry was a founding director of Resilient. In 2004, he became managing director of Property Fund Managers Limited ("PFM"), the asset manager of Capital Property Fund ("Capital"). He joined the Pangbourne Properties Limited ("Pangbourne") board as executive director in 2007 and served as managing director of the company from 2008 to 2015. After Capital's merger with Pangbourne, Barry was reappointed as managing director of PFM. Subsequent to the merger between Capital and Fortress, Barry retired as an executive director. Barry served on the board of Lighthouse from 2017 to 2023 and was a member of the audit, investment, nomination, remuneration and social and ethics committees during his tenure at Lighthouse.

EXECUTIVE DIRECTORS

JACOBUS JOHANN KRIEK (57)
Chief executive officer
Stanford Executive Programme
Date of appointment
June 2004

For the past 38 years, Johann has been involved in retail property management, letting, retail acquisitions and development with an emphasis on the development and redevelopment of underperforming shopping centres.

Johan was appointed chief executive officer with effect from 1 January 2024.

MONICA MULLER (39)
Chief financial officer
BCom (Hons), CA(SA)
Date of appointment
March 2020

Monica completed her articles at Deloitte in 2009 whereafter she qualified as a chartered accountant. She was appointed as a manager of Deloitte in the audit division in 2010 and was promoted to senior manager in 2012. She joined Resilient as financial manager in October 2013 and was appointed as company secretary in August 2014. She was appointed chief financial officer with effect from 1 March 2020.

ATTENDANCE AT BOARD AND SUB-COMMITTEE MEETINGS

	Board	Investment Committee	Audit Committee	Risk Committee	Nomination Committee	Remuneration Committee	Social and Ethics Committee
Independent non-executive directors							
Alan Olivier *(chairman)*	4/5*	8/9			4/4*	2/2*	
Stuart Bird	5/5	9/9	3/4		4/4	2/2	
Des Gordon	5/5		4/4	2/2		2/2	2/2*
Dawn Marole	5/5			2/2*	4/4		
Protas Phili	5/5	9/9	4/4*				2/2
Thando Sishuba	4/5			2/2			
Barry van Wyk	5/5	9/9*					1/1
Non-independent non-executive directors							
Barry Stuhler*	2/2	1/1					
Executive directors							
Des de Beer *(chief executive officer)***	5/5	9/9		2/2			2/2
Johann Kriek**	5/5						
Monica Muller *(chief financial officer)*	5/5						

* *Chair of the sub-committee.*

** *Des de Beer was chief executive officer until his retirement in December 2023 when his status changed to non-independent non-executive director. Johann Kriek was appointed chief executive officer from 1 January 2024.*

REPORT OF THE INVESTMENT COMMITTEE

ROLE, FUNCTION AND COMPOSITION OF THE INVESTMENT COMMITTEE

All acquisitions, disposals and capital expenditure are reviewed by the Investment Committee. Investments comprise fixed property, refurbishments, expansions and listed equity investments. When assessing investments, the Committee considers each asset's potential to provide long-term growth exceeding industry norms in both income distribution and capital appreciation. The Investment Committee approves acquisitions, disposals and capital expenditure up to pre-set limits and recommends to the Board initiatives outside of its mandate.

The Investment Committee is constituted as follows:

Barry van Wyk *(chairman)*	Independent non-executive director
Stuart Bird	Independent non-executive director
Des de Beer*	Executive director
Alan Olivier	Independent non-executive director
Protas Phili	Independent non-executive director
Barry Stuhler	Non-independent non-executive director

* *Des retired as chief executive officer in December 2023. He remains on the Investment Committee as a non-independent non-executive director with effect from 1 January 2024. Johann Kriek, the incumbent chief executive officer, was appointed to the Investment Committee from 1 January 2024.*

The Investment Committee's responsibilities and duties are governed by a mandate that is reviewed by the Board annually. The Investment Committee held nine meetings during the current reporting period.

ACTIVITIES OF THE COMMITTEE DURING THE YEAR

- The Committee continued to monitor the impact of loadshedding on the operations of Resilient as well as the implementation of the Group's energy strategy. Solar PV installations, such as Jubilee Mall phase II for the installation of an additional 3,77MWp and Highveld Mall phase II for the installation of a 6,68MWp solar PV system and a 3MWh battery energy storage system ("BESS"), were approved by the Committee. In addition to the installation of solar solutions, the Committee approved the reconfiguration and repurposing of existing generators across the portfolio to ensure that all generators are used as efficiently as possible.
- Management's proposal for the installation of micro-grids at The Grove Mall and Irene Village Mall was reviewed and considered by the Committee. These micro-grids include the installation of large-scale batteries which will support the use of solar power during loadshedding and will also facilitate energy arbitrage enabling Resilient to contain, to some extent, the rising cost of electricity. The micro-grid installation at The Grove Mall was approved by the Committee. The installation at Irene Village Mall was recommended to the Board for approval and was ultimately approved.
- The proposals for additions, alterations and upgrades to Resilient's existing portfolio were evaluated and approved or, where appropriate, recommended to the Board for approval. The extension to Irene Village Mall to accommodate Checkers was approved by the Committee. In addition, in light of the significant rise in interest rates from January 2022, the Committee reviewed the full development pipeline, including projects previously approved, to ensure that the proposed projects remained feasible in the current environment.
- The Committee assessed the opportunity to enter into a joint venture with Lighthouse for the acquisition of Salera, a retail centre in Spain. After detailed consideration, including the impact of the acquisition on the Group's loan-to-value ratio, the Committee recommended the acquisition to the Board for approval. The Board approved the acquisition of a 50% interest in Salera for EUR87,25 million (inclusive of transaction costs) at an annualised net initial yield of 7,7% based on the forecast 2024 net operating income.
- As part of the investment decision to acquire Salera, the Committee considered the appropriate use of cross-currency swaps to reduce the South African base rate of borrowings to the base rate had in-country debt been used to fund the offshore investment. The use of cross-currency swaps was approved by the Committee to the extent that a neutral effect on the first year's distribution is achieved.
- The Committee monitored the performance of Resilient's investment in Hammerson throughout the reporting period. It considered Resilient's position in respect of each resolution proposed by the Hammerson board of directors for approval by its shareholders in the AGM held in May 2023. While the Committee was pleased with Hammerson's results in 1H2023, the need to ensure that Resilient's South African portfolio can continue to provide an optimum trading environment for tenants in an environment where electricity supply is uncertain and unpredictable became a priority. It was for this reason and giving consideration to the need to maintain a conservative LTV ratio, that the Committee recommended to the Board the disposal of Resilient's interest in Hammerson. The interest was disposed of for total proceeds of R1,2 billion against the original purchase price of R746,4 million.
- In the prior reporting period, the Board approved the acquisition of an additional 30% interest in Secunda Mall for R459 million at a forecast yield of 8,5%. The progress of this transaction was monitored by the Committee and it ultimately did not proceed as the parties could not agree on the terms.
- The Committee reviewed and considered the external, independent property valuations performed by the independent valuers together with management's considerations with regard to each of the shopping centres.
- Substantial economic changes were introduced in Nigeria following the election of its new President. These changes had a significant impact on the Nigerian economy and resulted in the material devaluation of the Naira against the US Dollar. The economic environment has been closely monitored by the Committee, together with its impact on the Nigerian portfolio and the operation of the tenants. Updated external valuations were performed by CBRE Excellerate at June 2023 and again at December 2023 to ensure that the valuations recognised are relevant given the circumstances in Nigeria.

FOCUS FOR THE YEAR AHEAD

During the coming year, the Committee will focus on:

- assessing both listed and direct property investments on an ongoing basis;
- monitoring the installation and performance of the micro-grids at The Grove Mall and Irene Village Mall;
- developing a strategy to mitigate the impact of interruptions in water supply; and
- overseeing the disposal of Resilient Africa to Shoprite following the receipt, after year-end, of an offer from Shoprite to acquire the Nigerian portfolio for R1.

Barry van Wyk
Chairman of the Investment Committee

14 March 2024

Highveld Mall

REPORT OF THE NOMINATION COMMITTEE

ROLE, FUNCTION AND COMPOSITION OF THE NOMINATION COMMITTEE

The Nomination Committee comprises three independent non-executive directors and is mandated by the Board to identify suitable candidates for appointment to the Board in order to fill vacancies, ensure there is a succession plan in place for key management, assess the independence of non-executive directors, assess the composition of the board sub-committees and evaluate the performance of the Board and its sub-committees.

The members of the Nomination Committee are:

Alan Olivier *(chairman)*	Independent non-executive director
Stuart Bird	Independent non-executive director
Dawn Marole	Independent non-executive director

The Nomination Committee's responsibilities and duties are governed by a charter that is reviewed by the Board annually.

ACTIVITIES OF THE NOMINATION COMMITTEE DURING THE PERIOD

Changes to the Board

Des de Beer retired as the chief executive officer with effect from 31 December 2023. This resulted in the implementation of Resilient's succession plan with Johann Kriek appointed as chief executive officer with effect from 1 January 2024.

The vacancy in the position of head of retail, previously held by Johann, was filled by the promotion of Suzan Tempel, an asset manager in Resilient's employ for 11 years, who has worked very closely with Johann. Suzan commenced her property management career as the centre manager for Sanlam Properties in 1987. She joined Finlay & Associates as a portfolio manager in 2005, managing nine of Resilient's shopping centres. She joined Resilient as an asset manager in 2012 where she was responsible for the retail assets in the Limpopo region. The Board is confident that Suzan will enjoy success in her new role as head of retail.

Barry Stuhler was appointed to the Board in August 2023. As one of the founding directors of Resilient, Barry brings with him extensive experience in the property industry and also an intimate knowledge of Resilient. The Board welcomes Barry's appointment and looks forward to his contributions and insights.

Composition of the Board and board sub-committees

King IV recommends that the Board should comprise mostly non-executive members and that a majority should be independent. The Board, currently with seven independent non-executive directors, two non-independent non-executive directors and two executive directors (following the change in status of Des de Beer to non-independent non-executive director on 1 January 2024), therefore satisfies the recommendations of King IV.

The Nomination Committee considered the composition of the Board and its sub-committees. The intention of this review was to ensure that each sub-committee is constituted with members who contain the requisite skill and experience to contribute meaningfully to the success of each sub-committee. In the current financial year, Barry van Wyk was appointed as a member of the Social and Ethics Committee and Barry Stuhler was appointed to the Investment Committee. Johann's appointment as chief executive officer has resulted in him replacing Des on the Risk Committee and Social and Ethics Committee with effect from 1 January 2024. Des will continue to serve on the Investment Committee where his extensive property-related experience will be of great value.

The Nomination Committee also performed evaluations of the independence of the board members, and the performance of the Board, its sub-committees, the chairman and the company secretary. The results of these evaluations were satisfactory and feedback was provided to the Board.

The tenure of Barry van Wyk, a long-standing member of the Board, has been considered by the Board and his independence is considered in detail by the Nomination Committee on an annual basis. The Nomination Committee is satisfied that Barry has maintained his independence during the financial year and he continues to provide extensive property-related insights to the Board. The Board considers this input to be invaluable to Resilient and ultimately for the benefit of the shareholders. The Board is satisfied that Barry's independence is beyond reproach and as such has unanimously agreed that he should continue to serve as a member of the Board.

FOCUS FOR THE YEAR AHEAD

The implementation of Resilient's succession plan with respect to the position of chief executive officer has resulted in the need for the Nomination Committee to develop a new succession plan. The Nomination Committee continues to focus on the diversity of the Board and will apply the principles of its gender and diversity policy in the consideration of any future appointments.

The Nomination Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

Alan Olivier
Chairman of the Nomination Committee

14 March 2024

REMUNERATION REPORT

PART ONE: BACKGROUND STATEMENT

LETTER FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE

Performance

Significant strides have been made in the implementation of Resilient's energy strategy which has supported the NOI growth achieved by the South African portfolio in the current year. With the approval of two micro-grid installations, management's research and extensive investigations will be tested as the next phase of the energy strategy is implemented at The Grove Mall and Irene Village Mall. Delays in the delivery of the large-scale batteries have meant that the installations were not concluded in FY2023, however, this remains an exciting development for 1H2024. The South African property portfolio has continued to deliver strong performance with the team continuing to redevelop the portfolio to respond to the ever-changing retail trends and tenant demands.

In the last month of the financial year, Resilient had the opportunity to enter into a joint venture with Lighthouse, on a 50/50 basis, to acquire Salera in Spain. The Resilient and Lighthouse teams worked incredibly hard in the lead-up to Christmas to complete the required work and to sign the agreement for the acquisition on 21 December 2023. The joint venture successfully closed the transaction and took transfer of Salera on 31 January 2024.

While the French portfolio continued to underperform in FY2023, significant progress has been made in the redevelopment of the shopping centres which is expected to stimulate further tenant demand. As mentioned in the report of the chief executive officer, there have been successes in securing leases with key tenants that are also expected to optimise the trading environment.

The substantial rise in interest rates from January 2022, as well as lower distributions earned from investee companies, have negatively impacted on distributable earnings.

Executive director remuneration

The retirement of Des de Beer as chief executive officer resulted in the implementation of the Group's succession plan. Johann Kriek, the previous head of retail, was appointed by the Board as Des' successor effective from 1 January 2024.

In addition to Johann's promotion, the Remuneration Committee gave cognisance to the fact that the executive directors have reduced in number from four in 2022 to two in 2024. This reduction in executive directors has naturally caused a change in roles and responsibilities with the remaining two executive directors taking up additional responsibilities. This resulted in a review of the remuneration of the executive directors.

To assist the Committee in its review of remuneration, Bowman Gilfillan, an independent external consultant, was approached to perform a benchmarking exercise on the executive director remuneration. This provided the Remuneration Committee with the market-related information it required to make a considered decision regarding executive remuneration.

In December 2022, Nick Hanekom, the previous chief operating officer, resigned from the Board because of his emigration from South Africa. Nick was a loyal employee of Resilient having joined the Company in 2005 and serving as an executive director from 2011. The Remuneration Committee, considering Nick's many years of service and his contributions to Resilient over this time, classified him as a "good leaver" and as such he did not forfeit the long-term incentive awards granted to him during his tenure at Resilient.

KEY FOCUS AREAS OF THE REMUNERATION COMMITTEE COVERED IN THIS REPORT

The Remuneration Committee's activities are set out below:

Remuneration element	Key activity
Remuneration Policy	Monitored remuneration practices and adherence to the Remuneration Policy. The SIP received approval by shareholders via a non-binding advisory vote at the AGM held in June 2022. The first award under the SIP was made in April 2023.
Single incentive scorecard	The performance measures and respective weightings in respect of the Single Incentive scorecard to be applied in FY2024 were considered and approved.
Long-term incentives ("LTI")	Implemented the LTI scheme in line with the previously approved Conditional Share Plan ("CSP"). In September 2023, the first award made under the CSP in September 2020 vested. The Remuneration Committee approved the calculation of performance against the predetermined key performance measures and approved the vesting of the shares based on the result.
Fair and responsible remuneration	Ensured that the principles of fair and reasonable remuneration are appropriately applied across the organisation.
Executive director remuneration benchmarking	With the retirement of Des de Beer as chief executive officer in December 2023, the Committee considered the promotion of Johann Kriek to the position of chief executive officer and further considered the change in responsibilities of the two executive directors given the reduction in the size of the executive over the past two years. An independent benchmarking exercise of executive director remuneration was initiated with an independent external consultant.
Remuneration governance	Reviewed the implementation of the Remuneration Policy and strategy. Reviewed and approved the December 2023 Remuneration Report.

AREAS OF FOCUS

In FY2024, the Remuneration Committee will:

Remuneration element	Key activity
Remuneration Policy	Monitor the implementation of the Remuneration Policy.
Engagement with shareholders	Continue to engage proactively with shareholders on an ongoing basis to ensure that we deliver sustainable value.
Performance targets	Consideration will be given to the Board's strategic direction for the Company to ensure that the performance targets approved in respect of the Single Incentive scorecard continue to be appropriately stretching and are aimed at driving positive outcomes across the capitals which Resilient uses or affects.
Benchmarking of non-executive director fees	In the coming year, the Committee will engage independent external remuneration consultants to perform a benchmarking exercise on the fees earned by non-executive directors.

The Remuneration Committee is satisfied that the Remuneration Policy achieved its stated objectives for the period. Resilient will continue to monitor the Remuneration Policy and practices to ensure compliance with best practice corporate governance and the creation of sustainable stakeholder value. We welcome ongoing feedback from our shareholders on our report or any concerns regarding the Remuneration Policy or the implementation thereof.

Stuart Bird
Chairman of the Remuneration Committee

14 March 2024

PART TWO: RESILIENT'S REMUNERATION PHILOSOPHY AND POLICY

REMUNERATION GOVERNANCE OVERVIEW

The Remuneration Committee, which consists of three independent non-executive directors, is mandated by the Board to provide oversight and make recommendations on remuneration-related matters for consideration and final approval by the Board.

The Remuneration Committee is governed by its charter which is reviewed and approved by the Board annually.

In summary, the Remuneration Committee's main roles and responsibilities are to:

- oversee the development and annual review of the Remuneration Policy for recommendation to the Board for approval;
- monitor the implementation and administration of the Remuneration Policy;
- authorise remuneration for executive directors and employees in accordance with the Remuneration Policy;
- authorise employee and executive incentives taking into account individual and Company performance;
- ensure that the remuneration policies are aligned with the Company's strategy and create value for the Company over the long term;
- approve annual increases for all employees;
- propose directors' fees payable to non-executive directors and members of board sub-committees to the Board for recommendation to shareholders for approval;
- regularly review incentive schemes to ensure their continued alignment with stakeholder interests;
- ensure that remuneration levels reflect the contribution of senior executives and executive directors to Company performance;
- ensure that the remuneration of executive management is fair and reasonable in the context of overall employee remuneration;
- ensure that all benefits are justified and correctly valued; and
- engage with dissenting shareholders where the Remuneration Report and/or the Remuneration Implementation Report are voted against by at least 25% of shareholders at the Company's AGM.

The Remuneration Committee consists of the following independent non-executive directors:

- Stuart Bird (chairman);
- Des Gordon; and
- Alan Olivier.

Remuneration philosophy

Resilient's remuneration approach aims to create a sustainable, organisation-wide remuneration structure with alignment to shareholder views and interests, underpinned by the Group's strategic objectives and values taking into account different stakeholder interests.

Resilient's organisation-wide remuneration framework aims to attract, motivate and retain a skilled workforce which fits the Group's entrepreneurial and dynamic culture through fair, responsible, transparent and competitive remuneration. As such, our philosophy is to position Total Remuneration ("TR") above the median of the market, with Total Base Remuneration ("TBR") being positioned at the upper quartile of the market to ensure that we are able to attract and retain executives and key talent in a competitive job market.

Remuneration Policy

The Remuneration Policy is based on the following guiding principles:

- Remuneration must support key business strategies;
- Remuneration must create a strong, performance-oriented environment that is consistent with the Group's long-term objective of value creation for stakeholders;
- Remuneration must be structured to attract, motivate and retain talented employees;
- The Remuneration Policy should ensure an appropriate balance between risk management and the achievement of shareholder returns for key decision-makers;
- Remuneration should be structured in a manner that allows for the recognition and encouragement of exceptional performance, both at an individual and Group level;
- The Remuneration Policy should be transparent and easy to understand; and
- Remuneration should be equitable both from an internal perspective, taking into account employees, their roles and qualifications, and from an external perspective, ensuring that remuneration is in line with the market.

Overview: Remuneration structure

Remuneration packages are structured depending on the required skill, qualification and experience of individuals at each level as well as the employee's level of influence on strategy and the complexity of each role. The Remuneration Committee monitors executive remuneration on an ongoing basis to ensure that it remains market-related and drives sustainable value creation for all stakeholders.

During the current reporting period, an external TR benchmarking exercise on executive director remuneration was conducted against a comparator group of other JSE-listed companies considering factors such as size and industry to ensure that TR was fair and in line with the market. The comparator group consisted of the following companies:

- Attacq Limited;
- Coronation Fund Managers Limited;
- Fortress Real Estate Investments Limited;
- Growthpoint Properties Limited;
- Hyprop Investments Limited;
- JSE Limited;
- Redefine Properties Limited;
- SA Corporate Real Estate Limited; and
- Vukile Property Fund Limited.

Element of remuneration	Detail
Total Base Remuneration	TBR comprises an annual salary. The Group does not offer any medical aid or retirement benefits and these are for the account of the employee. TBR is reviewed annually in November with increases considered in order to account for inflation, changes in roles and responsibilities or in order to ensure that employees with similar roles receive similar pay. Increases are effective from 1 January each year. An independent benchmarking review of executive director salaries was performed in the current period. An independent review of non-executive director fees will be performed in FY2024.
Single Incentive Plan	Participation in the SIP is limited to eligible employees. The Single Incentive forms the basis of the Group's variable pay offering for eligible employees and comprises an annual cash payment and award of deferred shares. Employees that are not eligible to participate in the SIP will be eligible for a short-term incentive ("STI") in the form of a cash bonus based on performance. Cash payments are payable by April and deferred shares are awarded by no later than April each year in respect of the previous financial year.
Total Remuneration	In line with Resilient's pay philosophy, TR is benchmarked above the median of the market.

TOTAL BASE REMUNERATION

TBR increases are considered in November. Increases are effective from 1 January of each year. In determining the TBR increases for executive directors, the Remuneration Committee refers to market conditions, as well as data drawn from the companies in the TR comparator group used for purposes of TR benchmarking. In light hereof, all increases will be disclosed in the Implementation Report accordingly.

VARIABLE PAY

Element of remuneration	Detail
Description of the Single Incentive Plan	The SIP is based on performance against the Single Incentive scorecard applicable to the eligible employee. The criteria are aligned with the strategic objectives of the Group and the SIP aims to ensure that the Group attracts, retains and motivates high-quality and capable, eligible employees to achieve these objectives. The objectives of introducing the SIP are: • ensuring transparent remuneration of all participants through a simple, documented and measurable incentive; • entrenching a remuneration philosophy of pay for performance which motivates participants towards the achievement of stretch performance targets resulting in increased variable pay; • driving and rewarding superior individual and team performance which, in turn, helps the Group achieve its long-term strategy and performance targets, ensuring line of sight between business and personal performance and incentives paid; • aligning the objectives of shareholders, stakeholders and management; and • the retention of senior executives.
Eligibility	The Remuneration Committee will maintain the discretion to determine who is eligible to receive awards in terms of the SIP. Employees below executive level will be eligible to participate in the SIP on nomination by the chief executive officer of Resilient and approval by the Remuneration Committee. Participants must have been employed by Resilient for a minimum of six months in order to participate in the SIP.
Calculation of the Single Incentive	**Executive directors** **Formula:** TBR x On-target Percentage x Business Score **On-target Percentage:** A percentage of TBR which is determined based on the level of responsibility attributed to an employee by virtue of his or her job role in the Group. **Business Score**: A score between 0% – 150% which is determined based on the achievement of a combination of financial, strategic and operational performance conditions. **Participants below executive level** Executive management will recommend the SIP award for employees below executive level to the Remuneration Committee for approval. **Formula:** TBR x On-target Percentage x Performance Multiplier **Performance Multiplier:** A score between 0% – 150% which is determined based on a weighted combination of the Business Score and the individual's performance. **All participants including executive directors** **On-target Percentage:**

	% of TBR settled in cash	% of TBR settled in deferred shares
Executive directors	100	100
Senior management	30	30
Junior management	10	10

Employees are eligible for deferred shares, based on the performance achieved in terms of a Single Incentive scorecard measured at year-end. The deferred shares are subject to a vesting period of three years after the award date.

A participant will be entitled to all ordinary dividends declared and paid in the ordinary course of business during the vesting period in respect of the deferred shares awarded in accordance with the provisions of the DSP. A participant will also be entitled to all special dividends declared and paid, but these may only be used by the broker to purchase additional deferred shares that will be held by the escrow agent until the applicable vesting date(s). These additional deferred shares will be subject to the same conditions applicable to the underlying award.

REMUNERATION REPORT continued

Element of remuneration	Detail
Vesting period	Awards will be made annually and will vest after three years from the date of the award.
Performance conditions and weightings	All awards will be subject to performance conditions. The Remuneration Committee designs the relevant performance measures and targets to align closely to the Group's business strategy and priorities for the coming year. The Single Incentive scorecard aims to consolidate the performance measures included in the previous STI scorecard with those included in the previous LTI scorecard. In arriving at the Single Incentive scorecard, the Remuneration Committee performed a critical analysis of the performance measures, considering the performance measures of Resilient's peers in the industry. The intention of this review was to ensure that the performance measures are fit for purpose and serve to promote the achievement of Resilient's objectives. FY2024 awards made under the SIP will be subject to the following performance conditions:

Performance measure	Weight %
Financial performance	**29**
Growing distributions (cents per share)	9
Growth in like-for-like net property income	10
LTV ratio	10
Operational performance	**21**
Limiting vacancies as % of GLA (proportionately measured between different jurisdictions)	7
Maintaining tenant arrears written off as % of revenue (proportionately measured between different jurisdictions)	7
Gross property expenses to revenue ratio	7
Qualitative factors	**20**
Additional solar installations	5
Battery installations	5
B-BBEE scorecard	5
Succession planning	5
Strategy	**10**
Deliver on the Board approved strategy regarding offshore investments	5
Implement the Board approved strategy to exit Nigeria	5
Shareholder performance	**20**
Total shareholder return over three years relative to the constituents of the J253 index, excluding offshore companies ("Peer Group")	20

Business weighting

Performance measure	%
Senior management	60
Junior management	30

Personal performance score

Individual performance assessment	Rating	Performance score %
Below expectation	1	–
Threshold (meets expectation)	2	100
Target (exceeds expectation)	3	125
Stretch (outstanding performance)	4	150

Personal performance weighting

Performance measure	%
Senior management	40
Junior management	70

Element of remuneration	Detail
Risk management and malus and clawback	All awards are subject to malus and clawback provisions. All awards are subject to a bonus cap of 150% of the on-target bonus.
Company and individual limits	The annual Single Incentive is subject to the discretion of the Remuneration Committee, which will be applied to reduce the overall quantum of the Single Incentive, unless there are exceptional circumstances, where: • the aggregate value of the Single Incentive for the year (including the cash and deferred portion) is more than 5% of distributable earnings; and • the total number of Deferred Share Awards is more than 1% of the number of shares in issue.

TERMINATION POLICY

Members of the executive management team have open-ended contracts (except where prescribed retirement ages apply) with termination periods defined in their contracts. The SIP and DSP rules specify termination provisions by termination category. In the event of a termination, the Company has the discretion to allow the executive to either work out their notice period or to pay the base remuneration for the stipulated notice period *in lieu* of notice.

	Fault termination	No fault termination
STI	No STI will be received.	Proration of cash payment portion of Single Incentive.
LTI	Full forfeiture of awards, unless the Remuneration Committee exercises its discretion to allow the participant to retain the award or a portion thereof (in which case, the award will vest on the original vesting date notwithstanding that the participant has ceased to be employed).	The participant's award will not be forfeited and will continue in force in terms of the DSP and will vest on the original vesting date(s), notwithstanding that the participant has ceased to be employed. If a participant ceases to be employed prior to the vesting date because of his/her death, the award will vest in full on the date of termination of employment.

EXECUTIVE DIRECTOR SERVICE CONTRACTS

All employees, including executive directors, are required to sign standard employment contracts with the Group. These contracts set out the working hours, salary, leave entitlement, notice and probation periods and other relevant information. Employment contracts are open-ended, subject to the normal retirement age of the Group.

Executive contracts do not contain restraint of trade clauses and do not provide for "garden leave" or payments for the loss of office. Executive directors have a 90-day notice period. Management and employees can request assistance in structuring their remuneration packages. The primary allowance that will be allowed is a travel allowance.

EXTERNAL APPOINTMENTS

Executive directors may not serve as non-executive directors in other companies without the express approval of the Board.

SIGN-ON AWARDS

Resilient may make *ad hoc* sign-on awards to new executives and employees with the key skills required to execute the strategy of the business. It is acknowledged that it is sometimes necessary to compensate such employees for the loss of unvested awards which they may have suffered due to leaving their previous employment. The awards will be made subject to a predetermined vesting period. The award will also be subject to forfeiture should the employee leave the Group during the vesting period. Resilient has also introduced clawback over the award (i.e. if the executive resigns before the end of the predetermined vesting period, he/she will be compelled to return any restricted shares which have vested in him/her to the Company).

FAIR AND RESPONSIBLE REMUNERATION

Internal pay parity

Resilient regularly reviews internal pay levels to ensure that they are aligned to the principle of equal pay for work of equal value and, if not, to identify and address any unjustifiable remuneration disparities. In determining remuneration and increases, the Remuneration Committee measures executive remuneration and increases against remuneration and increases for employees across the Group.

REMUNERATION REPORT continued

Clawback

The Remuneration Committee may apply clawback to recover vested awards under the SIP on a post-tax basis following the occurrence of a trigger event. The clawback period will run for a period of three years following the vesting of awards ("Clawback Period"). The Remuneration Committee retains the right to pursue any remedies as available under the laws of South Africa.

The Remuneration Committee may extend the Clawback Period if, upon the expiry of the Clawback Period, there is an ongoing investigation or other procedure being undertaken to determine whether the clawback provisions apply in respect of a participant, or the Remuneration Committee decides that further investigation is warranted. In such event, the Clawback Period will be extended until the investigation or procedure has been completed and the Remuneration Committee has made a final determination.

The provisions of clawback will be applied in the event of:

- misbehaviour, dishonesty, fraud or gross misconduct;
- a material misstatement of the financial results for the performance or employment period of the award, resulting in an adjustment in the audited consolidated accounts of Resilient (or an employer company);
- the discovery of the events that occurred prior to award or vesting that have led to the censure of Resilient, or any member of the Group, by a regulatory authority or which have had a significant detrimental impact on the reputation of the Group; or
- the discovery that any information or the assessment of any performance condition(s) used to determine an award was based on erroneous, or inaccurate or misleading information, and leads to a material error in the calculation of any award.

The above list is not exhaustive and ultimately the provisions will be applied at the discretion of the Remuneration Committee.

MINIMUM SHAREHOLDING REQUIREMENT ("MSR")

In line with Resilient's philosophy of long-term value creation for shareholders, the Remuneration Committee decided to introduce MSRs for executive directors. The rationale for this is to ensure that the interests of executive directors are aligned with those of the Group's shareholders. This requirement further entrenches the executives' commitment to driving long-term growth in shareholder returns.

The terms of the MSR are as follows:

- All executives are required to hold shares equal in value to at least 100% of their TBR throughout his or her tenure with Resilient;
- The shareholding must be accumulated over five years from the introduction of the MSR policy or the appointment of the executive, whichever is the later;
- Only shares in Resilient which are held outright by the executive will count towards the MSR. Unvested DSP awards will not count towards this requirement;
- Executives may satisfy the MSR by purchasing shares in Resilient, using their after-tax bonuses or by retaining shares that have already vested in terms of the DSP; and
- Executives will not be entitled to larger-than-normal (market benchmark) SIP awards in any year to assist them in meeting their MSR.

NON-EXECUTIVE DIRECTORS' REMUNERATION POLICY

In the prior reporting period, Resilient conducted an external benchmarking exercise with the assistance of an external consultant. It was determined that Resilient's existing practice with regard to setting non-executive director fees was in line with prevailing market practice. Non-executive directors do not qualify for participation in the SIP.

The information in the table following illustrates the current shareholder-approved and proposed fee increases, incorporating chairperson fees, in respect of non-executive directors. The proposed fees will be tabled for approval by shareholders at the AGM to be held on 20 June 2024.

	Proposed fees – for the period ended 31 March 2025**		Proposed fees – for the period ended 31 March 2024**	
	Chair R	Member R	Chair R	Member R
Board*	949 800	474 600	**896 000**	**447 700**
Audit Committee	294 000	196 000	**277 400**	**184 900**
Investment Committee	283 800	189 200	**267 700**	**178 500**
Remuneration Committee	277 500	184 000	**261 800**	**173 600**
Nomination Committee	105 300	70 600	**99 300**	**66 600**
Risk Committee	105 300	70 600	**99 300**	**66 600**
Social and Ethics Committee	105 300	70 600	**99 300**	**66 600**

* *The chairperson's fee reflected above relates to the fee payable for the role of chairperson and is not an all-inclusive fee. The chairperson will receive fees similar to all other non-executive directors for serving on board sub-committees.*

** *All fees reflected in the table above are exclusive of value added tax ("VAT"), where applicable.*

SHAREHOLDER ENGAGEMENT AND VOTING

In line with the principles of King IV, Resilient's Remuneration Policy and Implementation Report as detailed in this Remuneration Report will be tabled for separate non-binding advisory votes by shareholders at the upcoming AGM.

In the event that either the Remuneration Policy or the Implementation Report, or both, are voted against by 25% or more of the voting rights entitled to be exercised by shareholders at the AGM, the Remuneration Committee will engage with dissenting shareholders to ascertain the reasons for the dissenting votes and will address legitimate and reasonable objections and concerns raised which may include amending the Remuneration Policy or clarifying or adjusting remuneration governance and/or processes. At the AGM held on 22 June 2023, the Remuneration Policy and Remuneration Implementation Report were endorsed by 88,60% and 81,51% of shareholders, respectively.

The Remuneration Committee may engage with shareholders using a variety of methods, as may be best suited to the shareholder. These methods may include written correspondence, one-on-one meetings with large shareholders, telephone calls and other methods of communication to the relevant contact persons at the shareholders, after the AGM concerned (and throughout the financial year).

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PART THREE: REMUNERATION IMPLEMENTATION REPORT

This part of the report provides insight into the implementation of the Remuneration Policy for the year ended 31 December 2023. It details the remuneration paid to both executive directors and non-executive directors, in particular:

- the TBR increases approved in line with Resilient's Remuneration Policy, with an average increase for all employees, including executive directors, of 7,5% applied from 1 January 2023;
- Single Incentive performance versus the targets set;
- Deferred Share Awards for the year ended December 2023;
- a single remuneration figure for the value of actual TBR paid and STIs payable for the reporting period; and
- the non-executive director fees paid to individuals for their services as Board and sub-committee members as approved by shareholders.

The Remuneration Committee continuously monitored the implementation of the Remuneration Policy during the reporting period.

TBR DISCLOSURE

Overall, TBR for all employees, including executive directors, increased by 7,5% from 1 January 2023.

The table below sets out the approved increases in executive director TBR effective from 1 January 2023. Note that the actual TBR figures paid are included in the single-figure income table (on page 95).

Executive directors	**Annual TBR at December 2023 R'000**	**Annual TBR at December 2022 R'000**	**% increase**
Des de Beer	**7 920**	7 367	7,5
Johann Kriek	**6 336**	5 894	7,5
Monica Muller	**3 440**	3 200	7,5

In determining the TBR increases for executive directors, the Remuneration Committee refers to market conditions, inflation and any changes in the roles and responsibilities of employees. In January 2024, an increase adjustment of 6,0% of TBR was implemented across all employees. This adjustment was in line with inflation at the time. With respect to executive director remuneration, consideration was given to the following:

- the retirement of Des de Beer as chief executive officer and the promotion of Johann Kriek to the position of chief executive officer; and
- the reduction of the executive management team from four directors in 2022 to two directors in 2024 resulting in increased responsibilities and portfolio of work for each of the remaining executive directors.

Independent, external remuneration specialists were engaged to perform a benchmarking exercise on executive director remuneration to assist the Remuneration Committee in ensuring that the remuneration of executive directors remains market-related while considering the change in responsibilities and experience of each executive director. Following this review, the Remuneration Committee resolved to increase the TBR of Johann Kriek to R7,55 million and that of Monica Muller to R4,24 million.

The next review will take place in November 2024 for the 2025 financial year.

SINGLE INCENTIVE OUTCOMES

The table below shows the Single Incentive outcomes for the year ended December 2023 against each element of the Single Incentive scorecard.

Performance measure	**Target**			**Weight %**	**Result**		
Financial performance				**29,0**			
	Threshold 50%	**Stretch 150%**	**Threshold 50%**		**Achievement**	**Award**	**Business score**
Loan-to-value ratio	33%	35% – 38%	40%	10,0	35,2%	150,0	15,00
	Threshold 50%	**Target 100%**	**Stretch 150%**				
Growing distributions (cents per share)	2%	3%	5%	9,0	(7,3%)	–	–
Growth in like-for-like net property income	2,5%	3,0%	4,5%	10,0	SA: 7,1% France: (15,3%) Nigeria: (8,1%)	140,3	14,03
Operational performance				**21,0**			
Limiting vacancies as % of GLA (proportionately measured between different jurisdictions)	3,5%	3,0%	2,5%	7,0	SA: 1,5% France: 7,9% Nigeria: 3,2% Total: 1,9%	150,0	10,5
Maintaining tenant arrears written off as % of revenue (proportionately measured between different jurisdictions)	2,5%	2,0%	1,5%	7,0	SA: 0,1% France: 9,4% Nigeria: 5,6% Total: 1,2%	150,0	10,50
Gross property expenses to revenue ratio	42%	40%	37%	7,0	39,9%	101,7	7,12
Qualitative factors				**20,0**			
Additional solar PV installations	10MWp	15MWp	20MWp	5,0	27,7MWp	150,0	7,50
Battery installations	2MW	3MW	4MW	5,0	–	–	–
B-BBEE rating	Level 8	Level 7	Level 6	5,0	Level 6	150,0	7,50
Succession planning				5,0	Achieved	100,0	5,00
Strategy				**10,0**			
	Threshold 0%	**Target 50%**	**Stretch 100%**				
Deliver on the Board's strategy regarding offshore investments	Not achieved	Partially achieved	Achieved	10,0	Achieved	100,0	10,00
Shareholder performance				**20,0**			
	Threshold 50%	**Target 100%**	**Stretch 150%**				
Total shareholder return over three years relative to the constituents of the J253 index, excluding offshore companies ("Peer Group")	50%	75%	100%	20,0	46,2%	–	–
				100,0			**87,15**

REMUNERATION REPORT continued

The following awards were granted to executive directors under the SIP based on the TBR for the year ended December 2023. The deferred shares will vest in April 2027, three years after the award date.

Executive director	Single Incentive December 2023 performance score	TBR R'000	Single Incentive settled in cash R'000	Number of deferred shares based on VWAP over five days before award date of R42,62
Des de Beer*	87,15	7 920	6 902	–
Johann Kriek	87,15	6 336	5 522	129 561
Monica Muller	87,15	3 440	2 998	70 341

** As Des was not an employee on the award date he was precluded from participating in the DSP in respect of the December 2023 reporting period.*

The deferred share award was made on 10 April 2024.

Vesting of CSP awards

The first award under the previously implemented CSP was made in September 2020 and it vested in September 2023. On the measurement of the predetermined performance measures, a business score of 50% 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.

FY2020 CSP award outcomes

The outcomes of the performance against the FY2020 LTI scorecard are reflected in the table below.

	At median %	Higher band %	Weight %	Achievement %	Result %
Growth in distribution per share over three years relative to the constituents of the J253 (SA Listed Property) Index, excluding Resilient ("Peer Group")	75	125	50	100	50,00
Total shareholder return over three years relative to the Peer Group	75	125	50	–	–
Business score					**50,00**

The following shares were awarded to directors in respect of the FY2020 LTI:

	Indicative award* Number of shares	Adjustment of on-target award for performance of KPIs* Number of shares	Vested during the year Number of shares
Des de Beer	167 916	(83 958)	83 958
Johann Kriek	134 332	(67 166)	67 166
Monica Muller	66 885	(33 443)	33 442

** Share awards were based on the on-target achievement of performance measures over the vesting period.*

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

The following shares vested to Nick in respect of the September 2020 CSP award:

	Indicative award* Number of shares	Adjustment of on-target award for performance of KPIs* Number of shares	Vested during the year Number of shares
Nick Hanekom	134 332	(67 166)	67 166

** Share awards were based on the on-target achievement of performance measures over the vesting period.*

Single figure of remuneration

	TBR R'000	Bonus* R'000	Accrued leave paid out** R'000	Total single figure of remuneration R'000
December 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**
Total	**17 695**	**20 753**	**624**	**39 072**
December 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
Total	22 355	13 194	901	36 450

** Represents the STI award in respect of the December 2022 financial year.*

*** 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 his status changed to non-independent non-executive director with effect from 31 December 2023. This resulted in the payment of outstanding leave balances.*

[#] Nick Hanekom's resignation resulted in the payment of outstanding leave balances.

Nick Hanekom resigned as chief operating officer and from the Board as a result of his emigration from South Africa. His resignation took effect on 29 December 2022. Nick received a bonus of R7,4 million during FY2023 which was earned in respect of the performance during FY2022 when he was the chief operating officer and executive director. The award was settled in the current reporting period.

TERMINATION OF OFFICE PAYMENTS

In line with Resilient's Remuneration Policy, no termination of office payments were made to any executive directors during the reporting period.

NON-EXECUTIVE DIRECTOR FEES

Non-executive directors' remuneration for the period consisted of fees for services rendered. The Remuneration Committee recommends directors' fees payable to non-executive directors to the Board who proposes the fees for shareholder-approval at the AGM. Non-executive directors do not have contracts of employment. They are appointed in terms of the Company's MOI and their appointments are confirmed by shareholders at the first AGM after their appointment as well as on three-yearly intervals thereafter when they must retire by rotation and can offer themselves for re-election.

Attendance of directors at the various Board and sub-committee meetings is disclosed on page 79.

Non-executive directors do not participate in the SIP, nor is there any other remuneration paid to non-executive directors, including remuneration linked to the performance of the Group. The table below shows the fees paid to non-executive directors 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.*

In the previous reporting period, the Remuneration Committee conducted a benchmarking exercise, with the assistance of an external remuneration consultant, as part of reviewing the non-executive director fees. The Remuneration Committee is satisfied that the non-executive director fees are in line with prevailing market practices. A benchmarking exercise will again be performed on non-executive director remuneration in FY2024.

VOTING STATEMENT (NON-BINDING ADVISORY VOTE ON THE REMUNERATION IMPLEMENTATION REPORT)

This report is subject to a non-binding advisory vote by shareholders at the AGM to be held on 20 June 2024.

Shareholders are requested to cast a non-binding advisory vote on the Remuneration Implementation Report as contained in Part Three of this report.

APPROVAL OF THE REMUNERATION REPORT BY THE BOARD

This Remuneration Report was approved by the Board of Resilient on 14 March 2024.

REPORT OF THE RISK COMMITTEE

ROLE, FUNCTION AND COMPOSITION OF THE RISK COMMITTEE

The Risk Committee is mandated by the Board to ensure that a sound risk management system is maintained, to assist the Board in discharging its duties relating to the safeguarding of assets and to ensure that the Company has implemented an effective plan for risk management that will enhance the Company's ability to achieve its strategic objectives.

King IV introduces the term "risk and opportunity governance". The Board should not take excessive risks that may lead to organisational failure and should consider both negative and positive potential governance outcomes in its risk management. The Board sets the risk tolerance levels relevant to the strategy and objectives.

King IV further recommends that organisations proactively engage with regulators, legislators and industry associations to understand the compliance and regulatory universe as well as to build relationships of trust.

King IV recommends a combined assurance model that incorporates all assurance providers to enable an effective control environment that strengthens decision-making. Horizontal assurance includes internal audit, risk and compliance. Vertical assurance includes line managers, frameworks, policies, procedures and system controls. Internal audit remains a pivotal part of governance relating to assurance and King IV therefore expects the Board to apply its mind to the assurance standards expected from the internal auditor.

The risk management policy, which is in line with industry practice and specifically prohibits the Company from entering into any derivative transactions that are not in the normal course of business, is reviewed annually and the risk matrix is reviewed by the Committee at each meeting. The Risk Committee is satisfied that the Company has complied, in all material respects, with its risk management policy.

The Risk Committee members are as follows:

Dawn Marole *(chairperson)*	Independent non-executive director
Des de Beer*	Executive director
Des Gordon	Independent non-executive director
Thando Sishuba	Independent non-executive director

* *Des retired as chief executive officer in December 2023 and his status changed from executive director to non-independent non-executive director on 1 January 2024. As such, he retired as a member of the Risk Committee and Johann Kriek, the incumbent chief executive officer, was appointed to the Risk Committee from 1 January 2024.*

The Risk Committee's responsibilities and duties are governed by a charter that is reviewed by the Board annually.

ACTIVITIES OF THE COMMITTEE DURING THE YEAR

- The economy remains under pressure with significant socio-economic risks at play. As South Africa moves towards an election year, the risk of social and political tensions is high and the possibility of social unrest, similar to that experienced in July 2021, cannot be ignored. In this environment, securing adequate insurance cover that included unrest and riot cover in addition to the limits covered by SASRIA was an imperative. The Committee provided oversight in respect of the insurance renewal process and was satisfied that the insurance cover secured by management is sufficient and appropriate in the current environment. The Committee noted that insurance premiums, particularly in respect of additional unrest and riot cover, have risen steeply and are well above inflation.
- Resilient's approach to technology and information management was reviewed to ensure that IT risks are appropriately mitigated to ensure continuity of operations and the safety of intellectual property. The staff complement attended cybersecurity awareness training to mitigate the risk of a breach in Resilient's cybersecurity.
- The occurrence and severity of loadshedding continues to impact the business and that of Resilient's tenants. The Risk Committee continues to monitor the implementation of the Group's energy strategy to ensure that the impact of loadshedding is reduced to the greatest extent possible and that an appropriate trading environment can be provided to Resilient's tenants. The Committee is satisfied that a measured approach has been taken that will, over time, mitigate the risks to an appropriate level.

FOCUS FOR THE YEAR AHEAD

South Africa continues to experience challenges with its infrastructure as a result of significant maintenance deficits that will take time to rectify. Management has, over several years, developed and implemented a successful energy strategy that is set to position Resilient well with the risks relating to the cost and supply of electricity. While this strategy continues in its implementation, the Committee will turn its focus to water-related initiatives to ensure that the Group's portfolio can weather failures in water infrastructure that may occur in future.

The Risk Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

Dawn Marole
Chairperson of the Risk Committee

14 March 2024

REPORT OF THE SOCIAL AND ETHICS COMMITTEE

ROLE, FUNCTION AND COMPOSITION OF THE SOCIAL AND ETHICS COMMITTEE

The Social and Ethics Committee is a statutory committee whose focus is to monitor compliance with labour legislation as well as corporate social responsibilities and corporate citizenship.

King IV makes recommendations regarding which directors should serve on which committees. For instance, it recommends that the Social and Ethics Committee should include executive and non-executive members, with most members being non-executive members of the Board. It recommends that the Social and Ethics Committee uphold, monitor and report on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder inclusivity beyond mere compliance and towards actual value creation.

The Committee is constituted by the following members:

Des Gordon *(chairman)*	Independent non-executive director
Des de Beer*	Executive director
Protas Phili	Independent non-executive director
Barry van Wyk	Independent non-executive director

* *Des retired as chief executive officer in December 2023 and his status changed from executive director to non-independent non-executive director on 1 January 2024. As such, he retired as a member of the Social and Ethics Committee and Johann Kriek, the incumbent chief executive officer, was appointed to the Committee from 1 January 2024.*

The Committee's responsibilities and duties are governed by a charter that is reviewed by the Board annually. In addition to this, the Committee has complied with the functions set out in regulation 43(5) of the Companies Act.

ACTIVITIES OF THE COMMITTEE DURING THE YEAR

Anchor Internship Programme

In 2022, the Social and Ethics Committee was introduced to the Anchor Internship Programme. The programme was launched in 2019 and aims to provide employment equity candidates with the opportunity to gain exposure to both the asset management and property industry through a 12-month internship at Anchor.

The programme has a strong focus on skills development (specifically report writing, financial analysis and real estate economics) and provides the interns with opportunities to gain transferrable skills and industry knowledge. A further and equally important aspect of the programme is to provide the interns with access to industry experts and veterans to help the interns build a strong and sustainable network.

The Committee approved a donation of R400 000 to the Anchor Internship Programme in the current year in order to support the work done by the programme to develop skills in the industry.

CSI initiatives

Continuing the theme of supporting education in South Africa, Resilient, through The Empowerment Trust, continued its meaningful work in assisting those, who would not have otherwise had the means, access to tertiary education. R3,3 million was donated to The Empowerment Trust for the implementation of its bursary scheme in the current year. It is with great pride that this Committee can report that in 2023, The Empowerment Trust saw 13 students graduate with a Bachelor of Medicine and Bachelor of Surgery (MBChB) and one student graduate with a degree in Veterinary Sciences. We congratulate these students on the conclusion of their degrees and wish them success in their chosen fields.

There is a critical need for education in South Africa and as such, the Committee continued to support the organisations that have at their core the values that Resilient supports in its social responsibility initiative. Donations were made to:

- The Topsy Foundation, an organisation serving the rural communities in Mpumalanga. This organisation provides educational support and stimulation for early learning as well as primary level healthcare and nutritional support for children under the age of six; and
- Girls and Boys Town, an organisation that takes in and supports boys and girls from abusive and troubled backgrounds and provides residence and educational support to these young girls and boys.

Mzansi Youth Choir

The Mzansi Youth Choir was founded in 2003. They have as their purpose the dream to use the power of music to bring hope, love and happiness to the nation. Having started from humble beginnings in Soweto, they are now recognised internationally and have become brand ambassadors for South Africa. When the choir was founded in 2003, Resilient was fortunate enough to contribute to their journey by donating their first set of headsets. In the current reporting period, the choir informed management that their headsets had reached the end of life. This provided Resilient with another opportunity to contribute to the success of the choir and Resilient had the pleasure of delivering to this organisation the equipment required to continue to let their voices be heard.

Broad-based Black Economic Empowerment

The Committee remains focused on delivering B-BBEE in a meaningful manner that is beneficial to all of its stakeholders. Management has, over the past few years, worked on investigating ways to deliver on this mandate. Significant strides were made in the previous financial year and the efforts have continued in the current year. The Committee has reviewed several proposals for the achievement of supplier and enterprise development and intends to conclude on its strategy in achieving this element in the coming year.

Having received approval from shareholders for the provision of a guarantee for the acquisition of Resilient shares by Masakane Womens Empowerment Holdings Proprietary Limited, the Committee will assess all avenues presented to it with the view to making a well-considered decision on the Group's strategy for the achievement of B-BBEE.

Learning Labs

The Learning Labs have as their mission making a positive social and economic difference to communities by providing a platform for supporting educational processes. Resilient has three Learning Labs located at Galleria Mall, Jubilee Mall and Tubatse Crossing. The work done by these Learning Labs is commendable and the waiting lists for the free learning courses offered by the Learning Labs are testament to the need of these communities to access educational resources. Resilient will open a fourth Learning Lab at Tzaneng Mall in the coming year. This Learning Lab will employ staff from the surrounding community and will provide the surrounding community access to a wealth of educational resources as well as computer and other equipment. The Committee looks forward to seeing the success of this Learning Lab.

FOCUS FOR THE YEAR AHEAD

The Committee will continue its focus on the B-BBEE status of the Group and aims to implement its strategy in the coming year. The Committee will also oversee the opening of the new Learning Lab in Tzaneng Mall.

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

Des Gordon
Chairman of the Social and Ethics Committee

14 March 2024

Highveld Mall

SUSTAINABILITY REPORT

SUSTAINABILITY HIGHLIGHTS 2023

- In FY2023, solar installations across the Group contributed to a total reduction of 51 233 tonnes (Resilient's share: 42 886 tonnes) of carbon dioxide equivalents ("tCO_2e").
- A total of 26 solar plants with a combined capacity of 59,9MWp, (Resilient's share: 51,2MWp) are operational, and expected to produce approximately 83 916MWh in FY2024 (Resilient's share: 71 379MWh).
- Total capital expenditure on energy projects amounted to R240,8 million (Resilient's share: R228,1 million) during the reporting period.

59,9MWp

OF COMMISSIONED AND PRODUCING SOLAR PLANTS (RESILIENT'S SHARE: 51,1MWp)

16,6MWp

OF NEW SOLAR PV PROJECTS UNDER CONSTRUCTION (RESILIENT'S SHARE: 13,3MWp)

50 576MWh

PRODUCED BY RENEWABLE ENERGY IN FY2023 (RESILIENT'S SHARE: 42 336MWh)

COMMITMENT STATEMENT

Resilient remains committed to promoting sustainable business practices across its portfolio. While the compelling business case for incorporating sustainability into Resilient's business is undeniable, the Group's commitment extends beyond mere financial considerations. Resilient believes that pursuing sustainable development is a moral imperative contributing positively to society and the environment. Resilient remains steadfast in its pledge to actively contribute to South Africa's Sustainable Development Goals ("SDGs"). We are committed to leveraging our resources in the most effective manner possible, aligning our actions with a vision of responsible and impactful business practices.

ENVIRONMENTAL OVERVIEW

As the legislative and consumer landscape around sustainability is developing rapidly, so too is our environmental approach and sustainability strategy. Resilient has made significant investments in resource monitoring and evaluation practices, serving as the foundation of our sustainability initiatives. Empowered by an acute knowledge of how each of our properties uses resources, we actively manage our strategies and sustainability practices with a continued focus on resource efficiency.

FOCUS AREA OVERVIEW

Resilient further breaks down this overarching strategy into four focus areas. These areas are not only where the Group evaluates its largest risks to be, but also where it can capitalise on emerging opportunities. These areas are:

Energy

The retail environment is highly dependent on energy. In order to ensure that tenants can operate their stores and restaurants effectively going forward, Resilient is investing extensively in its power infrastructure. The approach involves a shift from traditional brown energy sources like Eskom and diesel generated power to a more sustainable model through an accelerated solar roadmap. Concurrently, Resilient is actively exploring and implementing various energy efficiency measures to reduce its overall energy demand. This not only benefits tenants through cost savings but also contributes to societal well-being by minimising the Group's environmental footprint.

Water

Water scarcity in South Africa continues to raise various challenges for the country, and particularly the retail sector. Water and sanitation are vital to operations, as they are used for the provision of drinking water, ablutions, cleaning and fire suppression. Resilient therefore acknowledges that water consumption in its shopping centres must be sustainable and in line with best practice.

Waste

Efficient waste management stands as a paramount element in the comprehensive management of Resilient's shopping centres. Given the substantial foot traffic and high occupancy rates, the meticulous waste management initiatives undertaken play a vital role in averting pollution and upholding a clean, hygienic environment within each shopping centre. In pursuit of this objective, Resilient collaborates with multiple recycling companies to conduct on-site waste sorting and ensure the safe removal and disposal of waste.

Emissions

Resilient acknowledges its role in the ongoing global initiative to restrict global warming to 1,5°C. With the South African government reiterating its commitment to emission reduction in alignment with our Nationally Determined Contribution, the management of carbon emissions is emerging as a significant focus for companies in the country. As we diligently monitor and control emissions throughout our portfolio, Resilient remains forward-looking, anticipating forthcoming legislation and market mechanisms that will propel South Africa towards achieving a low-emission economy.

SUSTAINABILITY PRINCIPLES

While consistently refining its sustainability strategy, Resilient's guiding principles remain steadfast:

- Embed a culture of best-in-class sustainability standards throughout all facets of the portfolio operations, with board-level responsibility for monitoring and transparently disclosing sustainability performance;
- Ensure that decisions actively contribute to enhancing environmental sustainability at both local and urban levels. The Group fosters collaboration with tenants, local municipalities and other stakeholders to achieve its sustainability targets;
- Demonstrate an unwavering commitment to the continuous improvement of environmental performance in development activities, property operations and asset management policies; and
- Continuously monitor and assess the environmental performance of assets and operations to gauge the Group's resilience footprint. This includes evaluating exposure to risks arising from natural climate change events, environmental regulations and the economic impacts associated with climate change.

Alignment with the SDGs

Resilient recognises the increasingly ambitious precedent being set by the United Nations, where each year parties to the Paris Agreement strengthen their commitment to sustainable development, through renewed commitment to the established SDGs. While endorsing all 17 SDGs, Resilient focusses its efforts in aligning with the following:

SDG	Description	Resilient's contribution
6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all	Water conservation and water efficiency.
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all	Roll-out of renewable energy solutions across the Group.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns	Reducing reliance on fossil fuels, effectively processing and recycling waste.
13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy	Roll-out of renewable energy solutions, monitoring and mitigating greenhouse gas emissions.

Resilient's continued pursuit of its accelerated energy roadmap has led to the rapid expansion of the renewable energy generation capacity year-on-year. In FY2023, the Group's renewable energy generation capacity grew by 86% and at year-end, Resilient had a total of 59,9MWp (Resilient's share: 51,1MWp) of solar generation installed across 26 shopping centres, complemented by 2,1MWh of storage from battery installations at Irene Village Mall and The Grove Mall.

SUSTAINABILITY REPORT continued

Site	Status		DC size (MWp)	Expected generation per annum (MWh)
The Grove Mall	Operational		1,12	1 577,16
Secunda Mall	Operational		1,16	1 601,01
Diamond Pavilion	Operational		1,31	1 949,53
Brits Mall	Operational		1,44	2 007,93
I'langa Mall	Operational		1,37	1 692,69
Village Mall Kathu	Operational		1,35	1 901,68
Galleria Mall	Operational		1,45	1 654,74
Limpopo Mall	Operational		0,74	983,28
Mall of the North	Operational		1,33	2 031,86
Mams Mall	Operational		1,29	1 946,15
Soshanguve Crossing	Operational		1,22	1 930,04
Tzaneng Mall	Operational		1,21	1 711,05
Arbour Crossing	Operational		1,43	1 663,71
Tzaneen Lifestyle Centre	Operational		0,99	1 224,37
Tubatse Crossing	Operational		1,32	2 002,41
Jubilee Mall	Operational		1,38	2 243,16
Irene Village Mall	Operational		1,20	1 586,67
Northam Plaza	Operational		1,50	2 378,66
The Crossing Mokopane	Operational		2,17	3 000,00
Mams Mall phase 2	Operational		2,59	3 668,50
Mvusuludzo Mall	Operational		0,65	925,17
Mahikeng Mall	Operational		1,39	2 193,83
Rivonia Village	Operational		0,95	1 425,35
Tzaneng Mall phase 2	Operational		1,44	1 649,80
Highveld Mall	Operational		1,21	1 910,26
Boardwalk Inkwazi	Operational		6,81	8 412,41
Mall of the North phase 2	Operational		3,90	5 958,08
Tzaneen Crossing	Operational		1,12	1 398,08
Irene Village Mall phase 2	Operational		0,84	1 109,35
Taxi Centre Polokwane (Limpopo Mall)	Operational		0,62	926,17
Kathu Village Mall phase 2	Operational		1,30	2 016,68
Tubatse Crossing phase 2	Operational		3,12	4 645,88
Brits Mall phase 2	Operational		2,50	3 916,88
Soshanguve Crossing phase 2	Operational		1,56	2 458,49
I'langa Mall phase 2	Operational		3,00	4 080,86
Galleria Mall phase 2 (43%)	Operational		1,96	2 134,02
Jabulani Mall phase 1	Under construction	Board-approved	1,34	1 820,00
Arbour Crossing phase 2	Under construction	Board-approved	1,55	2 051,00
Secunda Mall phase 2	Under construction	Board-approved	2,70	3 780,00
The Grove Mall phase 2	Under construction	Board-approved	3,00	4 200,00
Diamond Pavilion phase 2	Under construction	Board-approved	2,70	4 021,91
Galleria Mall phase 2 (57%)	Under construction	Board-approved	2,57	2 723,83
Jubilee Mall phase 2	Eskom application	Awaiting approval	2,70	3 795,25
Highveld Mall phase 2	Planning phase	Awaiting approval	6,68	7 896,00
Mahikeng Mall phase 2	Planning phase	Awaiting approval	1,11	1 390,00
Northam Plaza phase 2	Planning phase	Awaiting approval	1,04	1 456,00
Total			**85,33**	**117 049,87**

During FY2023, the 6,81MWp installation at Boardwalk Inkwazi (being the largest rooftop solar installation in South Africa), the 1,12MWp installation at Tzaneen Crossing and the 0,62MWp installation at Taxi Centre Polokwane were completed.

In addition to these large-scale projects, Resilient has expanded its solar capacity at various locations, including Mall of the North, The Crossing Mokopane, Irene Village Mall, Kathu Village Mall, Brits Mall, Galleria Mall, I'langa Mall, Diamond Pavilion, Soshanguve Crossing and Tubatse Crossing.

HIGH-LEVEL OVERVIEW OF SOLAR DEVELOPMENTS IN THE GROUP

Resilient is on track to achieve its goal of generating 50% of its total energy consumption by the end of FY2027. In FY2023, total renewable energy generation across the Group was 50 576MWh (Resilient's share: 42 336MWh), increasing from 25 125MWh (Resilient's share: 20 101MWh) in FY2022. In achieving these results, Resilient incurred capital expenditure of R240,8 million (Resilient's share: R228,1 million) on energy projects. Resilient increased its generation capacity by 27,7MWp (Resilient's share: 24,6MWp) in FY2023, exceeding its target for the year of 25,0MWp (Resilient's share: 21,5MWp).

These results reflect Resilient's dedication to SDG 7: *Affordable and Clean Energy*, which encapsulates the two characteristics of the energy mix the Group is working towards. Beyond the estimated cost saving of R75,6 million (Resilient's share: R63,8 million), the solar installations have also led to a carbon emission avoidance of 51 233tCO_2e. The Group anticipates generation capacity to reach 76,5MWp (Resilient's share: 64,4MWp) with battery storage capacity of 12,1MWh by the end of FY2024.

ENERGY EFFICIENCY

As the South African government and the private sector make ongoing investments to enhance the nation's electricity generation capacity, it is imperative to emphasise the efficiency of power utilisation. Recognising that a reduction in energy demand by 1MW is equivalent to an increase in renewable energy generation by 1MW, Resilient regards energy efficiency as a pivotal element in our energy strategy.

A fundamental metric for assessing performance is the energy usage per square metre, reflecting the Group's commitment to efficiency at both operational and property value levels. Operationally, where electricity costs constitute a significant portion of expenditure, prioritising energy efficiency not only leads to financial savings but also fosters positive environmental impacts.

Resilient remains dedicated to advancing energy efficiency by consistently incorporating energy-efficient technologies into lighting and heating, ventilation and air-conditioning ("HVAC") systems during replacements and upgrades. Its focus extends beyond electricity, to include other energy carriers such as liquid petroleum gas ("LPG") and diesel, recognising their influence on overall energy efficiency.

This comprehensive approach aligns with recent legislative developments, specifically the requirement for energy performance certificates to be prominently displayed for various building types by December 2025. By adopting a holistic perspective on energy efficiency, Resilient positions itself favourably to meet and exceed these evolving regulatory standards.

The table below details the Group's South African portfolio electricity consumption:

Electricity consumption – South Africa	2023	% change	2022	2021
Total consumption MWh	**277 039**	**(6,00)**	294 712	295 881
Grid electricity as % of total consumption (%)	**81,74**	**(10,64)**	91,47	96,36
Renewable energy as % of total consumption (%)	**18,26**	**114,07**	8,53	3,64
Renewable energy				
Installed capacity (MWp)	**59,9**	**86,02**	32,2	17,4
Renewable energy generated (MWh)	**50 576**	**101,30**	25 125	10 759
Emissions savings (tCO_2e)	**51 233**	**92,37**	26 632	10 418

WATER

Resilient embraces a comprehensive, multistakeholder perspective on water usage throughout its portfolio. Tenants rely on water for their operational needs and shoppers depend on it for a pleasant and hygienic shopping experience. At a broader level, Resilient acknowledges water as a shared resource, affirming its commitment to responsibly manage water usage for the benefit of the communities surrounding the shopping centres.

In line with this commitment, Resilient places a high priority on water stewardship, emphasising key aspects of water management such as recycling, efficiency, quality, alternative sources and robust monitoring. The approach is aligned with SDG 6: *Clean Water and Sanitation*.

While the Group considers water recycling, efficiency, quality and alternative sources crucial, the focus lies on the monitoring of water usage. Serving as the cornerstone of its water management strategy, Resilient has implemented data systems across the Group, integrating multiple meters and sub-meters within each shopping centre. This strategic investment allows the Group to track and aggregate water usage data effectively.

This data-driven approach empowers shopping centre management to promptly identify and address any issues related to water consumption. Moreover, it facilitates the evaluation of the efficacy of various water efficiency measures, such as the use of aerated taps and water-wise gardens. Through this commitment to robust water monitoring, Resilient strives to continuously enhance its sustainable water management practices.

The table below details the water consumption of the South African portfolio:

Water consumption – South Africa	2023	% change	2022	2021
Total consumption (kℓ)	**1 332 723**	**14,64**	1 162 522	1 222 545
Water intensity (kℓ/m²/annum)	**1,15**	**13,86**	1,01	1,06

WASTE

Resilient places a strong focus on the handling of waste given the substantial volume flowing through the shopping centres. Management is acutely aware of the potential environmental impact if waste is not managed responsibly. Recognising waste management as a national priority, Resilient actively supports recent legislative advancements in this area.

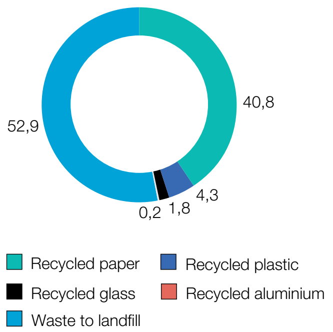
Aligned with the evolving circular economy in South Africa, Resilient consistently refers to the National Waste Management Strategy 2020 ("NWMS2020") to guide its waste management practices. In FY2023, the total tonnes of waste passing through Resilient's shopping centres decreased slightly. Notably, 3 847 tonnes of waste were recycled, reflecting a 47% recycling rate, contributing to the Group's commitment to sustainable waste management practices.

The tables following summarises the Group's recycling statistics for the South African portfolio:

Waste generated	2023	% change	2022	2021
Generated (tonnes)	**8 165**	**(2,86)**	8 405	5 508
Recycled (tonnes)	**3 847**	**(0,16)**	3 853	1 799
Recycled (%)	**47,12**	**2,79**	45,84	32,66

Waste composition	2023		2022		2021	
	tonnes	%	tonnes	%	tonnes	%
General waste	**4 318**	**52,88**	4 553	54,16	3 709	67,34
Paper	**3 331**	**40,80**	3 082	36,66	1 510	27,41
Plastic	**350**	**4,29**	598	7,11	188	3,41
Glass	**151**	**1,85**	143	1,70	90	1,63
Scrap metal	**15**	**0,18**	30	0,36	11	0,20

Resilient's waste profile (%)



EMISSIONS

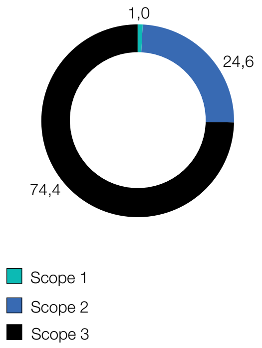
Resilient consistently evaluates carbon emissions through annual carbon audits, aligning with the Greenhouse Gas ("GHG") Protocol and employing the Operational Control approach mandated by the National Greenhouse Gas Emissions Reporting Regulations. The Group's commitment to compliance is evident in the reporting of its emissions through relevant government programmes.

To ensure a comprehensive understanding of the Group's environmental impact amid business growth, Resilient not only scrutinises its absolute emissions but also gauges emission intensity per square metre of gross lettable area under its control.

In FY2023, the carbon assessment yielded the following results:

Carbon footprint comparison	2023 tCO_2e	% change	2022 tCO_2e	2021 tCO_2e
Total Scope 1	**8 926**	**(14,21)**	10 405	5 207
Diesel generation	**3 345**	**93,24**	1 731	382
Aircon regassing (fugitive emissions)	**4 799**	**(40,33)**	8 042	4 503
LPG	**770**	**25,82**	612	239
Service equipment	**5**	**(16,67)**	6	4
Fleet vehicles	**4**	**(33,33)**	6	30
Business travel	**3**	**(62,50)**	8	49
Total Scope 2	**229 407**	**(19,71)**	285 728	360 383
Electricity	**229 407**	**(19,71)**	285 728	360 383
Total Scope 1 and 2	**238 333**	**(19,52)**	296 133	365 590
Total Scope 3	**693 855**	**13,95**	608 917	697 776
Water (embedded emissions)	**691 670**	**13,98**	606 836	694 953
Toilet paper (embedded emissions)	**618**	**5,28**	587	660
Employee commuting	**1 070**	**6,26**	1 007	1 099
Recycling	**33**	**(8,33)**	36	–
Waste to landfill	**464**	**2,88**	451	1 064
Total GHG emissions	**932 188**	**3,00**	905 050	1 063 366

Resilient total emission by scope 2023 (tCO_2e) (%)



This translates to a total emission intensity of $0{,}80tCO_2e/m^2$.

Carbon intensity	2023 tCO_2e/m^2	% change	2022 tCO_2e/m^2	2021 tCO_2e/m^2
Scope 1	**0,0077**	**(14,44)**	0,0090	0,0044
Scope 2	**0,1976**	**(20,23)**	0,2477	0,3073
Scope 3	**0,5977**	**13,22**	0,5279	0,5949
Total carbon footprint	**0,8030**	**2,35**	0,7846	0,9066

Through this and preceding assessments, Resilient has identified refrigerants as a significant emission source for the Group. This is primarily attributed to the heating and cooling requirements in each shopping centre, necessitating multiple HVAC systems reliant on refrigerants.

Despite the relatively low actual emissions, these refrigerants possess a high global warming potential, with some classified as ozone-depleting substances, exerting a considerable impact on the atmosphere. In response, Resilient has undertaken extensive upgrades to HVAC systems, commencing with Diamond Pavilion, where R14 million investment was spent on HVAC system upgrades. This initiative stemmed from a refrigerant audit commissioned by the Group in FY2022, in line with Resilient's strategy to phase out the use of R22 gas in all HVAC systems.

LEGISLATION

In formulating its environmental strategy and approach, Resilient's principal consideration is to align with the evolving landscape of environmental legislation. Resilient goes beyond merely adhering to existing regulations, actively monitoring and assessing incumbent legislation as it progresses through the legislative process and anticipating potential future compliance requirements. In FY2023, significant advancements were observed, particularly with the approval of the new Climate Change Bill by the National Assembly in October. This ongoing process reflects the Group's dedication to remaining ahead of regulatory changes and positioning Resilient responsibly in the realm of environmental stewardship.

NATIONAL ATMOSPHERIC EMISSIONS INVENTORY SYSTEM ("NAEIS")

In alignment with the National Environment Management: Air Quality Act, 39 of 2004, Resilient consistently submits the necessary emissions data via the South African Greenhouse Gas Emissions Reporting System, a module within NAEIS. This obligation arises from Resilient's installed generation capacity surpassing the mandated threshold for reporting.

SUSTAINABILITY REPORT continued

CARBON TAX ACT

Despite industry opposition, government has remained firm in the implementation of the Carbon Tax Act in South Africa, which is in line with its continued affirmation of South Africa's commitment to the country's Nationally Determined Contribution. Although the commencement of phase 2 has been postponed, the planned increase in the tax rate has been upheld. In 2023, the rate rose from R144 to R159 per tonne of tCO_2e.

NEW CLIMATE CHANGE BILL AND CARBON BUDGETS

As the carbon tax rate undergoes incremental escalation, the government is poised to implement an additional mechanism for carbon pricing, being carbon budgets. The integration of carbon budgets hinges on the formal adoption of South Africa's new Climate Change Bill, which has received approval from the National Assembly and is presently under review by the National Council of Provinces.

Upon enactment, this Bill will mandate government to disclose a comprehensive inventory of greenhouse gases and specific activities with the potential to intensify climate change. Subsequently, carbon budgets will be assigned to companies engaged in these identified activities. These companies will be required to develop and submit mitigation plans to the Minister for approval and subsequent implementation.

CARBON-INTENSIVE ENERGY

Risks

Energy supply (loadshedding)

Ongoing grid failures and inadequate power generation by Eskom persist, leading to ongoing challenges with loadshedding in the country. Despite private generation and the contribution of large-scale power plants increasing annually, the recently updated draft of the Integrated Resource Plan for South Africa indicates that loadshedding is anticipated to persist until at least 2027. This poses a significant risk, as loadshedding disrupts the operations of Resilient's shopping centres and can impact the trading hours of its tenants.

Energy costs

Due to the persistent inadequacy of the total electricity supply in South Africa to meet demand, there is an ongoing escalation in electricity tariffs. The National Energy Regulator South Africa ("NERSA") has granted approval for a tariff hike exceeding 10% for the fiscal years 2023/24 and 2024/25. Consequently, this results in heightened operational costs throughout the portfolio.

Reliance on fossil fuel generation

While Resilient undergoes the transition to green power, fossil fuel generation remains a necessary measure to mitigate interruptions in shopping centre operations caused by loadshedding. To ensure continuous power for critical activities, Resilient and its tenants currently utilise diesel generated power. However, it is important to note that this approach comes with inherent physical risks as the combustion of fossil fuels contributes to GHG emissions. Additionally, there are transition risks associated with government policies aimed at shifting South Africa to a low-emissions economy.

In recognition of these challenges, Resilient is actively committed to reducing its dependence on fossil fuel generation through the use of BESS, aligning with its efforts to contribute to a sustainable and environmentally responsible future.

Escalation in fuel prices

The expenses associated with diesel usage are on an upward trajectory, and with the increasing global emphasis on reducing fossil fuel consumption, this is likely to continue. This is anticipated to cause a rise in operational costs during periods of loadshedding.

LPG usage

Electricity and diesel are two out of three energy carriers which are typically utilised at Resilient's properties. The third is LPG which Resilient supplies to various tenants who then use it for cooking purposes. This is a harder energy carrier to replace when compared to electricity, as it is required for cooking on gas stoves. While Resilient supplies gas to its tenants, it is unable to control how it is used, or how the tenants might seek greener alternatives.

Opportunities

Solar and BESS installations

In South Africa, there is a notable surge in private power generation, particularly driven by the widespread adoption of rooftop solar installations. The compelling business case for solar energy is evident, supported by its proven feasibility, consistent positive outcomes, and the evolving affordability and technological advancements in each generation of solar panels.

Resilient is actively expanding its solar generation capacity, delivering numerous advantages to diverse stakeholders. These advantages encompass a decrease in operational costs, enhanced reliability of its power supply and a diminished dependence on fossil fuels. Opting for green energy as an alternative to Eskom's carbon-intensive power further aligns with the Group's commitment to minimising environmental impact.

Global commitment to phase out fossil fuel

Historically, fossil fuels have played a significant role in numerous business operations. However, recognising the evolving global landscape and the imperative to address environmental concerns, businesses that proactively navigate the transition away from fossil fuels can realise substantial advantages. Among these benefits are diminished operational costs over the long term, effective risk mitigation and the establishment of resilience for the future. Resilient perceives the phase-out of fossil fuels as an avenue for innovation, actively pursuing this opportunity through its accelerated energy roadmap.

WASTE

Risks

Pollution

Inadequate waste management practices can lead to physical pollution, which compromises the environment as it poses a threat to wildlife in the area, natural ecosystems as well as local communities.

Health and safety

If waste is not handled and disposed of properly it can present a health risk to shoppers and local communities as this increases the risk of disease.

Regulation and compliance

Non-compliance with South African waste management laws may result in damage to reputation and significant financial penalties.

Capacity

Given the substantial foot traffic within the portfolio, Resilient is committed to ensuring that each shopping centre possesses the necessary waste processing capacity. This commitment is aimed at optimising operational efficiency and maintaining a clean and hygienic environment.

Opportunities

Recycling and recycling capacity

Resilient consistently conducts thorough assessments of its waste composition, analysing the efficacy of its recycling initiatives. This proactive approach ensures that the benefits of recycling, including opportunities for recycling rebates and the generation of meaningful employment opportunities within local communities, are maximised.

Circular economy

The concept of a circular economy signifies a fresh perspective on resource utilisation, offering numerous possibilities to devise innovative approaches for waste reduction and the reutilisation of generated waste.

Closing the wet waste loop

Resilient has conducted an evaluation of wet waste (waste-to-landfill) and identified it as the predominant waste type within our waste composition. This type of waste primarily consists of organic matter, making it non-recyclable.

Resilient is actively exploring waste-to-energy solutions that leverage the organic content of wet waste to generate biogas. Through these initiatives, Resilient is dedicated to minimising its environmental impact and promoting a circular approach to waste management.

WATER USAGE

Risks

Water scarcity

In regions prone to drought where the shopping centres are situated, water scarcity poses a significant risk of critical shortages. This directly hampers the effective operation of the shopping centres as water plays a vital role in numerous activities conducted on the premises. These activities encompass restroom facilities, cleaning operations, provision of public drinking water and the upkeep of the gardens surrounding our shopping centres.

Water infrastructure

The degradation of municipal water infrastructure represents a potential factor contributing to water shortages. In numerous municipalities, this degradation results in disruptions to water supply and imposes additional stress on our shopping centres' water systems infrastructure.

Operational disruptions

Insufficient water supply and interruptions in water availability have the potential to cause operational disruptions at different levels. Brief outages may result in postponed cleaning schedules, causing inconvenience for both shoppers and retail staff, and further restricts the operational capabilities of restaurants. In more severe and prolonged instances, water shortages may escalate to the point of necessitating the closure of shopping centres.

Opportunities

Water efficiency

Resilient acknowledges the various advantages associated with water efficiency and is actively investigating opportunities for ongoing improvement in this area. Key benefits encompass not only the reduction of operational costs but also the enhancement of adaptive capacity, thereby bolstering our resilience to drought conditions.

Drought preparedness

To proactively address water-related challenges, Resilient is consistently enhancing its drought preparedness initiatives. These efforts focus on minimising the potential impact of droughts on operations by implementing strategies such as increased water storage capacity and developing contingency plans to manage prolonged water shortages at its sites.

SUSTAINABILITY REPORT continued

Water capture and recycling

Similar to energy considerations, enhancing water security involves implementing efficiency measures and diversifying water sources. In this context, Resilient not only assesses opportunities to improve water efficiency but also explores alternative water sources, with a focus on rainwater catchment and water recycling. The resulting grey water generated through these initiatives can effectively replace potable water in non-essential areas, mitigating water usage in activities with high water demand, such as ablutions and landscaping within the shopping centres.

STRATEGY AND DECISION-MAKING

Accelerated energy roadmap

Derisking energy costs

As Eskom consistently increases electricity prices, Resilient is proactively managing its financial risk by expanding its solar generation capacity. Resilient's solar initiative serves as a strategic measure to mitigate the impact of electricity cost volatility in South Africa. Solar installations, being fuel-free, contribute to a more predictable and stable operating cost environment. Moreover, the extended lifespan of these installations translates into enduring cost savings, as reduced operational expenditure is realised through decreased electricity consumption from the grid over the long term.

Control of supply

Ensuring a secure energy supply stands out as a major challenge for businesses in South Africa, particularly with the ongoing issue of loadshedding causing disruptions to operations. Within the retail sector, loadshedding proves highly disruptive, as the mere loss of lighting can render stores unable to conduct business. To maintain a consistently exceptional shopping environment, it is imperative for Resilient to enhance control over its energy supply. This strategic approach aims to diminish the Group's vulnerability to power outages and minimise operational disruptions.

Reduced reliance on diesel

To mitigate operational disruptions caused by loadshedding, Resilient has traditionally utilised diesel generated power. This approach has been essential to ensure uninterrupted power supply in its retail settings, where electricity plays a vital role in sustaining shopping centre operations. Recognising the necessity of this intervention, Resilient is actively decreasing its dependence on diesel generated power through the implementation of renewable energy solutions. The commitment to sustainability is evident in the roll-out of BESS, a key component in the Group's efforts to transition away from fossil fuels. This strategic shift not only aligns with environmental goals but also positions Resilient for long-term benefits, anticipating the eventual phase-out of fossil fuels, which may lead to increased costs and decreased viability.

Energy efficiency

As Resilient advances towards its objective of attaining carbon neutrality in energy consumption, it is assessing both the sourcing of its energy and its utilisation. Efforts are directed towards enhancing the energy efficiency of the shopping centres, thereby diminishing the overall generation capacity necessary to fulfill operational requirements.

WATER

Water monitoring and maintenance

Resilient consistently oversees the water consumption across its sites. This proactive approach allows it to assess interventions promoting water efficiency and promptly identify and address any potential water leaks. Given the emphasis on minimising water wastage, swift detection and repair of water leaks are important components of this strategy. Additionally, Resilient underscores the significance of maintaining meticulous oversight of the water infrastructure at each site, ensuring that every drop within our control is utilised for its intended purpose.

WASTE

Ensuring recycling capacity

Securing the necessary recycling capacity for each shopping centre is imperative for waste management practices. Every shopping centre is equipped with the essential infrastructure for waste processing, and Resilient collaborates with local and national waste companies to handle the sorting and processing tasks. This approach not only aligns with Resilient's commitment to environmental responsibility and legal compliance but also results in cost reduction.

Wet waste challenge

In contrast to typical recyclables, wet waste predominantly comprises organic matter that undergoes degradation in landfills, contributing to methane emissions. Resilient is actively exploring avenues to contribute to the establishment of a circular economy, with a specific emphasis on embracing the "Waste as a Resource" principle outlined in the NWMS2020. Recognising the substantial volume of wet waste processed within the shopping centres and the significant organic content it contains, the Group acknowledges the importance of addressing this environmental challenge.

Monitoring and reporting

In assessing the risks and opportunities associated with its waste management practices, Resilient employs a systematic waste tracking system. Waste reports received from diverse service providers and municipal collections are scrutinised to provide management with a comprehensive overview of the waste generated across the operations. This approach not only guarantees legal compliance for Resilient but also reinforces its commitment to consistent recycling efforts, ensuring that recycling initiatives are maximised.

QUANTIFICATION AND MEASUREMENT

Importance of tracking

Due to the extensive scope of Resilient's operations, comprehensive data tracking plays a pivotal role in the management processes. Empowering the management team with high-level data ensures efficient oversight of each site, enabling the observation of long-term trends and providing detailed information that can thoroughly be examined when identifying potential issues or opportunities for improvement.

Watchdogs

Resilient has implemented comprehensive tracking systems encompassing all four focus areas, with a heightened emphasis on monitoring energy, water and LPG consumption – particularly noteworthy when expenses are recovered from tenants. To ensure transparency and accountability, Resilient conducts monthly assessments through commissioned reports known as "Watchdogs." These reports are meticulously crafted, incorporating data from IoT meters and physical readings from electricity, water and gas meters at each shopping centre within the portfolio. The collected information is then synthesised into diverse reports, offering insights into resource utilisation per square metre, per tenant and per facility.

Key performance indicators ("KPIs") and data-centric decision-making

Resilient leverages data tracking to provide valuable insights to management at different levels. At the operational level, managers can utilise predictive data analysis to proactively manage busy or slow periods in their respective shopping centres. This approach significantly enhances efficiency by empowering managers to make informed decisions when procuring essential consumables for each shopping centre.

At the senior management level, there is the added advantage of anticipating fluctuations in overall Group activity. Furthermore, senior management can identify and adopt specific data points as KPIs. These KPIs serve as indispensable decision-making tools, establishing key priorities for the organisation. Employing the right KPIs, such as KWh/m^2, streamlines decision-making processes while still maintaining attention to context-specific nuances.

ENVIRONMENTAL VISION, MISSION, AIMS AND OBJECTIVES

Resilient consistently assesses the environmental ramifications of its business operations, actively working to diminish its footprint and address unavoidable impacts with optimal solutions. This dedication is driven by both a sense of responsibility and the imperative nature of effective risk management, a key factor in facilitating enduring growth and resilience. In the dynamic real estate sector, particularly as shopping centre owners, Resilient recognises the importance of considering the diverse interests of multiple stakeholders in every decision-making process.

SOCIAL

Resilient's CSI initiatives are centred mainly around education as the Group believes that one of the fundamentals required to achieve change is education. Through its CSI initiatives, Resilient attempts to empower the people by providing access to education and education-related resources.

The Resilient Empowerment Trust bursary scheme

Resilient supports The Empowerment Trust, an organisation that facilitates bursary programmes to students who have demonstrated a passion for learning but are inhibited by their financial position. The trust provides full bursaries that cover tuition, registration, accommodation in residence (or private accommodation if residences are full), a monthly allowance, meals and study material. The Empowerment Trust spent R3,3 million on these bursary-related costs in FY2023.

Established in 2017, the bursary scheme aims to provide previously disadvantaged South Africans with access to tertiary education.

The students attended the following universities:

- University of Cape Town;
- University of Free State;
- University of KwaZulu-Natal;
- University of Pretoria;
- University of Stellenbosch; and
- University of the Witwatersrand.

In 2023, the Empowerment Trust saw 13 students graduate with a Bachelor of Medicine and Bachelor of Surgery (MBChB) and one student graduate with a degree in Veterinary Sciences. One student will be continuing with her medical degree in 2024. With the conclusion of the bursary scheme that at one point was supporting 136 bursars, the trustees of The Empowerment Trust will be reassessing the initiatives of The Empowerment Trust in the coming year to consider how best to serve their purpose of contributing to the educational needs of South Africa.

Learning Labs

In addition to The Empowerment Trust, Resilient continues to fund the Learning Labs at Tubatse Crossing in Burgersfort and Jubilee Mall in Hammanskraal through a wholly-owned subsidiary, Resilient Properties Proprietary Limited, and the Learning Lab at Galleria Mall in Amanzimtoti through Arbour Town Proprietary Limited, in which Resilient has a 75% interest. The administration of all three Learning Labs is maintained by the Group which provides staff resources to oversee their successful operation.

The Learning Labs have become educational havens where people of all demographics come to study, advance themselves by attending courses, undergo training, use the internet and access educational supplements at no charge.

SUSTAINABILITY REPORT continued

The Learning Labs stock the latest academic material and textbooks for students to utilise while studying and courses are refreshed to ensure that they remain relevant to the needs of the communities to whom the Learning Labs cater.

The Learning Labs all have locally sourced, trained staff members. The basic staff complement generally comprises four front desk assistants who are responsible for the registration of individuals who come to use the Learning Labs as well as for the recordkeeping that follows. Two floor managers assist users with computer-related queries and manage the IT maintenance at the Learning Labs. The trainer is responsible for the presentation of the training material to course attendees as well as maintaining an appropriate record of the progress of the courses and the users that attend them. There is one quality service co-ordinator who monitors the quality profile of the trainers' work and the training material they present. The size of the Learning Lab at Jubilee Mall necessitates an additional trainer and two additional floor managers. The trainers and the quality service co-ordinator are qualified in the fields of facilitation and moderation.

Each Learning Lab has a manager who is responsible for the overall functionality of the Learning Lab. In line with Resilient's approach, the internal development of staff is an important principle at the Learning Labs and plays an important role in the performance and retention of employees. Where appropriate, vacancies are first filled internally which ensures continuous career development for the members of the Learning Lab team. The Buddy System is a skills transfer training programme that is executed at the Learning Labs whereby employees exchange roles in order to develop new skills and to gain an appreciation for each role within the Learning Labs. Ultimately, each staff member can carry out any function at the Learning Lab. Employee development is based on the principle of mentorship through coaching, knowledge sharing and skills enhancement.

The mission of the Learning Labs is to make a positive social and economic difference to communities by providing a performance-based platform supporting educational processes. Resilient is aware of the key social challenges such as academic underdevelopment and limited economic participation of communities. The focus is therefore to offer specific, hands-on support and sustained contributions to upliftment projects within our local communities.

The Learning Labs cater for the various needs of the users. New users are registered using their thumbprint and they are offered free access to the equipment inside the Learning Lab and free Wi-Fi throughout the Learning Lab. There is a common area where the user will find the Computer Hives. These computer areas provide the facilities for users to conduct research, study or write assignments. The Study Bar provides users with a space where they can use their own devices such as laptops, tablets and cell phones for their various study and research requirements. Quick-Fix pillars are equipped with three computers per pillar and are designed to offer the user a quick solution to internet access. Free, facilitated learning courses are provided in the Think Tanks. Each Think Tank can accommodate 100 learners per day. There is also a curriculum support library where users can access study guides for Grades 8 to 12 in all subjects.

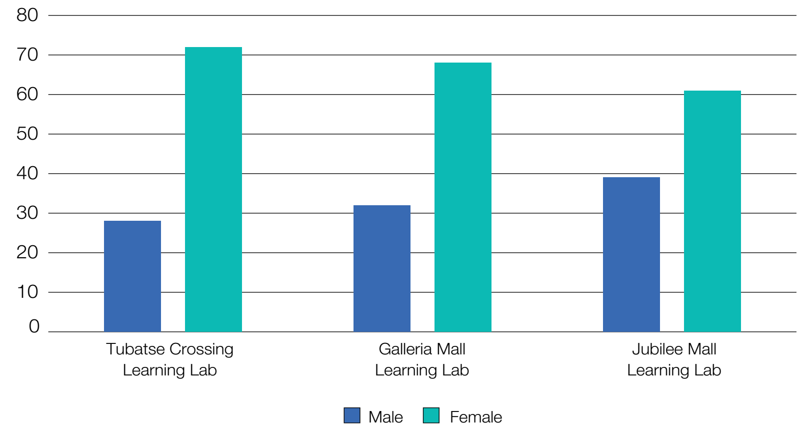
Stellenbosch University Bachelor of Medicine and Bachelor of Surgery graduates.

Each of the computers is pre-loaded with a Perls Reading Program and curriculum support software called Mathemagics. These two programs are self-help systems that allow each user to advance at their own pace. The Learning Lab staff have been trained on the usage of the systems to assist users where needed.

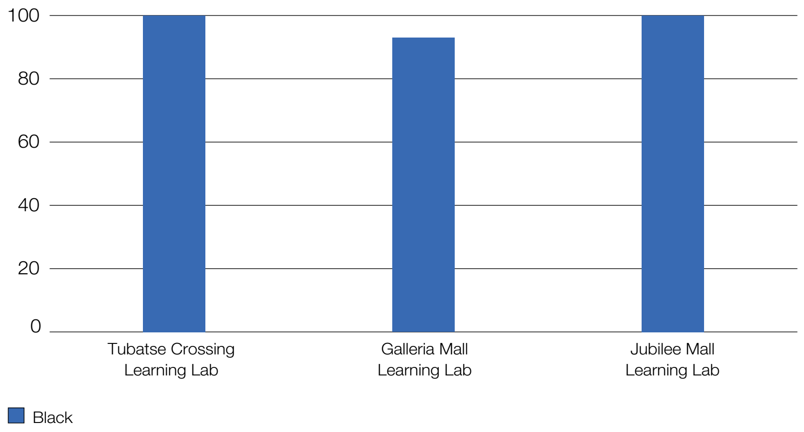
Each Learning Lab has a complement of Platinum (CAPS) study guides. For added convenience and to cater for the growing demand for their use, electronic study guides were installed on the computers in the common area at each Learning Lab. The study guides available at the Learning Labs cater for the major subjects for Grades 7 to 9 as well as Grade 12 and can be downloaded by users onto an external device. The electronic study guides have proved to be a popular addition to the Learning Labs' service offering. All Learning Lab employees are able to assist users to access and navigate the study guides.

During the current reporting period, the Learning Labs attracted a combined 7 561 new registered users indicating that this initiative is doing well to service the needs of the respective communities. The Learning Labs have over 55 000 registered users in total. The statistics of the new registered users are represented in the graphs alongside.

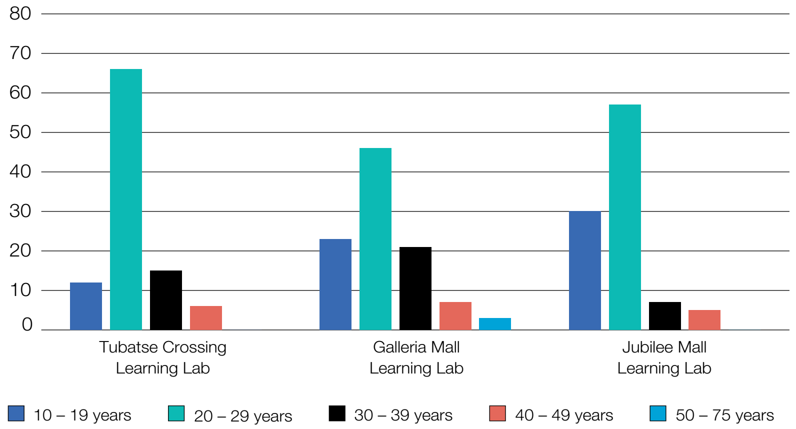
Gender of new registered users (%)



Demographics of new registered users (%)



Age of new registered users (%)



SUSTAINABILITY REPORT continued

The Learning Labs offered several courses during the reporting period with 3 678 learners successfully completing the courses as follows:

	Tubatse Crossing Learning Lab	Galleria Mall Learning Lab	Jubilee Mall Learning Lab
Number of training courses provided	29	24	17
	Number of learners who completed courses		
Basic Office Administration	178	318	92
Customer Services	153	64	69
Introduction to Business Management	151	163	46
Introduction to Marketing	105	46	92
Introduction to Microsoft Excel	216	195	112
Introduction to Microsoft Outlook and the Internet	109	72	68
Introduction to Microsoft PowerPoint	164	100	69
Introduction to Microsoft Word	257	190	69
Introduction to Working in Retail	86	134	112
Time Management	99	38	46
Women in Business	–	31	34
Total learners who completed courses	**1 518**	**1 351**	**809**

Anchor Internship Programme

Resilient provided a R400 000 donation to the Anchor Internship Programme in the current reporting period. The programme was launched in 2019 and aims to provide employment equity candidates with the opportunity to gain exposure to both the asset management and property industry through a 12-month internship at Anchor.

The programme has a strong focus on skills development (specifically report writing, financial analysis and real estate economics) and provides the interns with opportunities to gain transferrable skills and industry knowledge. A further and equally important aspect of the programme is to provide the interns with access to industry experts and veterans and to help the interns build a strong and sustainable network.

The Topsy Foundation, a registered non-profit and public benefit organisation, has been serving the rural communities of the sub-district of Dipaleseng situated in Gert Sibande in the most southern part of Mpumulanga for 20 years. While services provided have shifted over the years in response to community needs, they have always had at their core the focus of the well-being of the community, particularly vulnerable women and children. Since 2015, after consultation with the community, services focus on young children under six years of age as research indicates that investment during these early, formative years brings the most return in terms of a more educated and prosperous adult population in later years. The intervention has five child-centred components which together provide the basic support and tools that need to be in place so that vulnerable children can be raised in as optimal an environment as possible.

The Topsy Foundation's Early Childhood Development Programme supplies:

- educational support and stimulation for early learning through close work with Early Childhood Development Centres within the community and their Play and Learn Centre situated in Grootvlei;
- primary level child health through medical support comprising health development screenings, provision of treatment, the dispensation of basic medicines and referral for specialised attention;
- nutritional support through the establishment of food gardens and food donations;
- support for primary caregivers through home visits, counselling and parental skills training; and
- social and income support through assistance with birth registration, accessing of child support grants and child protection.

In the current reporting period, Resilient made a donation of R300 000 to support the work of The Topsy Foundation.

Girls and Boys Town ("GBTSA") was established in 1958 to heal the broken hearts of children harmed by the trauma of the world's physical and emotional abuse. Over the year, they have helped to salvage the lives of over half a million young people from all walks of life; saving our vulnerable young, their families and their communities.

The primary services of GBTSA include:

- residential services, annually providing therapeutic residential care for at least 200 boys and girls who are accommodated in youth development centres and family homes;
- learning support centres. GBTSA has four centres that provide specialised educational assistance to young people in its care who are struggling to cope in mainstream education. In some instances, learning centres temporarily replace mainstream schooling and in other instances they supplement teaching offered through community schools;
- family services. Wherever possible, GBTSA works with the families of children and youth in care to improve relationships within the family and enable the family to function healthily; and
- national hotline service. This service provides short-term telephone counselling and advice to young people and their family members who call from across the country and are then referred to appropriate services where more extensive help is needed.

In the current reporting period, Resilient provided GBTSA with a donation of R300 000 to facilitate the provision of their services to youth in need.

SOCIAL RESPONSIBILITY AT RESILIENT'S SHOPPING CENTRES

Resilient's shopping centres are an integral part of the communities in which they are located and, accordingly, Resilient believes in supporting these communities. Each year, the shopping centres implement community-based initiatives in support of various causes. Several of the initiatives that took place in FY2023 are detailed below.

Donation to Scholar Amoris in Umzinto

Scholar Amoris is a public intellectual disability school located in Umzinto and, in partnership with Pick n Pay Hypermarket, Arbour Crossing made a donation of toys to spread festive cheer to the children.

The shopping centre staff were treated to a nativity play with song and dance in thanks for the donation.

Random acts of kindness in the centre

In order to celebrate the festive season and to thank its loyal shoppers, Arbour Crossing surprised shoppers in the month of December by handing out vouchers and gift cards on a random basis.

National Cupcake Day

National Cupcake Day is an annual fundraiser that Boardwalk Inkwazi supports. The team from Cupcakes for Kids With Cancer, a non-profit organisation, set up a fundraising stand within the shopping centre. The initiative raises funds for children with cancer and in October 2023 raised over R12 000 for their cause.

Small Enterprise Development Agency ("SEDA") Exhibition

SEDA is an agency of the Department of Small Business Development. They requested for Boardwalk Inkwazi to host 20 small businesses to allow them to promote their offerings to shoppers.

The 20 small businesses that SEDA selected, all originating from the rural areas surrounding Richards Bay, exhibited at the shopping centre over three days. The initiative not only allowed these businesses to create awareness among shoppers but in some instances also offered the platform to engage with the shopping centre's tenants for collaborative opportunities.

SUSTAINABILITY REPORT continued

The House of Shalom – Ikhayalethu child and youth care centre

Amusements For Africa CC ("The Fun Fair") visits the shopping centre annually offering an NPO the opportunity to enjoy rides at no cost. This year, the shopping centre selected House of Shalom, a child and youth care centre, the opportunity to bring a total of 36 children and four staff to enjoy a fun fair experience. To add to the experience, Angelberry sponsored donuts and Spur sponsored a full meal at the restaurant with activities for the children as well as a toy for each child.

The children were from various backgrounds, however, none of them had experienced a fun fair before. The shopping centre was privileged to provide them with this special experience.

Nelson Mandela Day

This year, for Nelson Mandela Day, the shopping centre selected the House Of Grace NPO as its beneficiary. Precious, the founder of House of Grace, fosters 16 children and operates a day care facility to supplement her income to support the foster children in her care. The Department of Social Development places abandoned and abused children in the care of House of Grace.

Boardwalk Inkwazi arranged grocery hampers from various tenants. Woolworths, The Bluff Meat Supply and Shoprite donated the grocery items. Spur, Panarottis and Rocomamas donated meals, juices and a toy for each child including crayons with activity sheets. The centre management staff spent the day at House of Grace playing games, face painting and spending time with the children.

Groenpunt Primary School

Diamond Pavilion donated a 50 litre Jo-Jo tank to the value of R5 000 to the Groenpunt Primary School which had been struggling with water supply.

Stationery donation

Tshiamo Primary School is a public primary school, located in the heart of Galeshewe. The school is a non-paying school and the parents are unable to afford the basic education needs for the children.

Diamond Pavilion donated 170 packs of stationery which consisted of a pair of scissors, ruler, eraser, colouring pencils and a colouring book.

Diamond Pavilion Half Marathon

Diamond Pavilion held its first Half Marathon Race in May 2023. The event was incredibly well supported and had a total of 366 entries for the 4,5km, 10km and 21,1km categories.

The shopping centre's intention was to create a race that would inspire the community to get fit and raise money for charity. The race was open to runners of all abilities and participants came from all surrounding areas of Kimberley. Prize money, in the form of Diamond Pavilion gift cards, was awarded to the winners.

Sponsors of the event included African Bank, Bargain Books, Biltong Fabriek, Cherengani, Clicks, Fidelity, Food Lover's Market, Human Auto, MTN, Outdoors, Specsavers, Steel Bricks, Suzuki, Telkom, Torga Optical, Totalsports and Vodacom.

The Diamond Pavilion Half Marathon marked a significant milestone in the shopping centre's commitment to providing exceptional experiences for Kimberley and its surrounding communities.

Blessing Children's Ministry

Highveld Mall assisted Blessing Children's Ministry with maintenance to the school. The school is built from timber and is surrounded by veld and as such is exposed to significant fire risk. Highveld Mall donated six fire extinguishers to the school. In addition, new water lines were installed to the school's toilets and taps, locks were placed on the bathroom doors and swings were repainted with the tyre seats being replaced.

Items such as shelves, dustbins and notebooks that were no longer in use at the shopping centre were also donated to the school.

SUSTAINABILITY REPORT continued

Hop, Skip and Jump to giving back

In an exciting in-mall activation, a unique initiative that blended giving back to the community with providing enjoyable experiences for shoppers was introduced. I'langa Mall offered an opportunity for people to receive free entertainment and dining vouchers in exchange for a stationery sponsorship for the less fortunate. As visitors engaged with the activation, they were rewarded with exclusive vouchers to enjoy meals or entertainment within the shopping centre.

The initiative received over 300 donations and enabled the shopping centre to sponsor stationery hampers to 45 children at Relebogile Orphanage in Kabokweni as well as 40 stationery packs to Clivia Primary School in Ngodwana. In addition, I'langa Mall sponsored school shoes to Relebogile Orphanage. The value of the sponsorship was R10 000. 45 children received new school shoes, chocolates and stationery packs.

Operation Smile

Operation Smile is an NPO that provides free surgery for children and adults who require reconstructive surgery. Over the weekend of 19 to 21 May 2023, Operation Smile was at Rob Ferreira Hospital doing free cleft lip and cleft palate surgery for 35 patients identified within the I'langa Mall community by social workers and hospital staff. During the surgical mission, Operation Smile took a full medical team consisting of specialist plastic surgeons, paediatric anaesthetists, paediatricians, paediatric intensivists, nurses, dentists, speech therapists, psychosocial therapists, medical records personnel and volunteer co-ordinators to the hospital to perform these life-changing operations.

I'langa Mall contributed to this initiative by providing 50 meals a day to the dedicated volunteers and hardworking medical staff involved in the initiative.

Penreach Toy Libraries

Penreach Toy Libraries operate much like traditional libraries, but instead of books, they offer a treasure trove of toys. These centres are strategically placed within underprivileged communities, ensuring that children have access to a wide array of toys for play and exploration. Moreover, these libraries create a special space where parents can actively engage with their children. For parents facing financial constraints, this initiative is a source of immense relief, as it provides their children with access to toys that might otherwise be out of reach.

In celebration of International Youth Day in August 2023, I'langa Mall sponsored a variety of craft materials, educational toys and kiddies' sports equipment to the Penreach Toy Library initiative.

Othandweni Children's Home

Jabulani Mall visited the Othandweni Children's Home in October 2023 providing 60 sets of bedding for the five cottages which accommodate children aged between three and 18 years. After spending the day at the home and identifying additional needs, the shopping centre donated curtains and curtain rails for all the rooms in the cottages as well as baby formula which was an urgent need.

Pensioners day

Jabulani Mall provides essentials to the elderly on SASSA Days. This takes place once every month for a period of two days. The shopping centre provides a tea and coffee station with sandwiches or soup and a bun that is available free of charge to pensioners. The shopping centre also provides a secure seating area where the elderly can sit comfortably and wait to be escorted by the shopping centre's security to the queue once there is space.

The shopping centre encourages tenants to participate in the initiative which has seen donations of sandwiches from Shoprite, donations of drinks, tea and coffee from Game and regular contributions of soup and rolls from Spur.

Hammanskraal Full Gospel Church donation

The collaborative campaign between Jubilee Mall and tenant, Easy Build, was a resounding success, resulting in numerous impactful donations and support for the Hammanskraal Full Gospel Church. They received the following donations:

- A library ceiling;
- Material cloth for the church's sewing project;
- Sanitiser for the library; and
- A donation of crutches for the elderly.

CSI water drive

In June 2023, a remarkable campaign was conducted by Jubilee Mall tenants, the centre management team, and a group of motor bikers, resulting in the donation of over 1,5 million litres of water across Hammanskraal to address the urgent water crisis. The campaign successfully reached out to several beneficiaries, including local pensioners, Omphile Lethabo Old Age Home, Itekeng Bagodi Pensioners Club and Odirile Centre for persons with mental and physical disabilities. The water donation provided much-needed relief and support to these vulnerable groups, ensuring access to clean and safe drinking water during this critical time. The collaborative efforts of the Jubilee Mall community and motor bikers demonstrated a strong commitment to the well-being of the Hammanskraal community and showcased the power of collective action in making a tangible difference in people's lives.

Youth soccer tournament

Jubilee Mall, in collaboration with its tenant, Spur, successfully sponsored the Hammanskraal Local Football Association Youth Month soccer tournament. The campaign involved the donation of soccer gear, trophies, medals and water. The event aimed to celebrate Youth Month and promote sports engagement among young athletes in Hammanskraal. The sponsorship provided essential resources and incentives for the participants, fostering a competitive and supportive environment.

Tsoga-o-Kganye Day Care Centre

Tubatse Crossing assisted with the refurbishment of Tsoga-o-Kganye Day Care Centre, repairing the water supply to the day care centre and donating educational toys, tables, chairs, beds as well as study materials for the children.

On the day that the premises was handed over, Nando's sponsored 40 children's meal packages to the day care centre.

Civic Society Community Youth Centre

The shopping centre refurbished the study area at the youth centre which was in need of urgent maintenance. The roof was strengthened, water-proofed and painted and a new ceiling was installed.

#YouthExpo

Tubatse Crossing invited local youth that have businesses in the area to exhibit their businesses at the shopping centre at no cost. The expo was used as a networking session allowing these youth to network with other businesses and potential customers. Representatives of Liberty and Old Mutual were members of the adjudicating team providing much needed financial advice.

Two local businesses, Nathi Creatives and Twy Original, were the Youth Expo winners each winning R10 000.

Tubatse Crossing

Secunda Mall

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 IFRS and in the manner required by the 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 136 to 207 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 shopping centres 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 on page 210.

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 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.*

\# *First award under the DSP made during FY2023.*

DIRECTORS' REPORT continued

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 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

On 31 January 2024, the Group concluded the acquisition of Salera, a retail shopping centre in Castellón de la Plana, Spain, through 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 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.

REPORT OF THE AUDIT COMMITTEE continued

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 AGM 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 shopping centres 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 136 to 207 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.

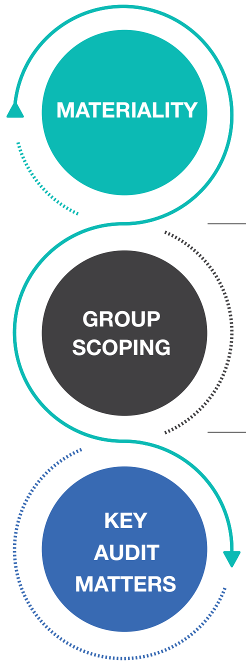
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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.

INDEPENDENT AUDITOR'S REPORT continued

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.

INDEPENDENT AUDITOR'S REPORT continued

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

		GROUP		COMPANY	
	Note	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	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

		GROUP		COMPANY	
	Note	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	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		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
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		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
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

		GROUP							
	Note	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

		COMPANY			
	Note	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		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**
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

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[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.

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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 providing the 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").

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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 10 to 13).

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.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 December 2023

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	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.

	GROUP	
Reconciliation of equity-accounted investment	Dec 2023 R'000	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).

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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.

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9. LOANS TO ASSOCIATE

	GROUP	
	Non-current assets R'000	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.

	GROUP	
Reconciliation of loans to the RPI group	Dec 2023 R'000	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	Total R'000
Dec 2023		
Spanish Retail Investments SOCIMI, SA	173 969	173 969

	GROUP
Reconciliation of loan to SRI	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	Current assets R'000	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).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 December 2023

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

	COMPANY		
Reconciliation of ECL allowance	**12-month ECL R'000**	**Lifetime ECL – credit-impaired R'000**	**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%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

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18. INTEREST-BEARING BORROWINGS continued

Interest-bearing borrowings are repayable as follows:

	GROUP	
	Repayment Dec 2023 R'000	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.

			COMPANY			
			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
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	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)

	GROUP		COMPANY	
Reconciliation of interest-bearing borrowings	Dec 2023 R'000	Dec 2022 R'000	Dec 2023 R'000	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	Current liabilities R'000	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

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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.

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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.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 December 2023

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.

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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

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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

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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)

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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 125.

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.

Galleria Mall

SHAREHOLDER INFORMATION

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.*

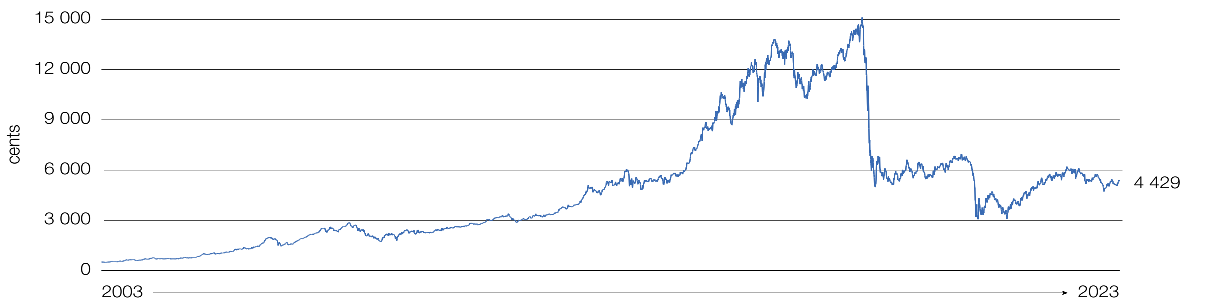
SHARE PRICE PERFORMANCE

The Board is committed to creating sustainable stakeholder value by managing the portfolio and by maximising returns on the core assets.

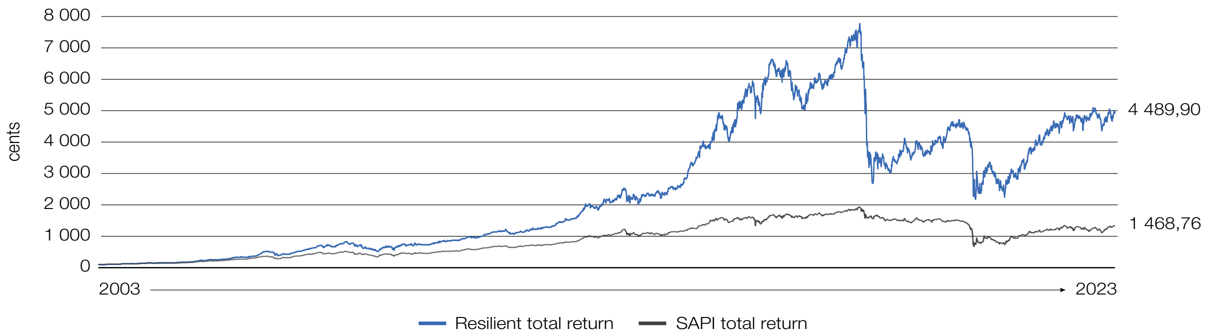
The graphs below indicate the share price performance of Resilient as well as the performance of Resilient shares compared to the JSE South African Listed Property Index ("SAPI") on a total return basis. The performance of the Resilient shares is indexed using a base of 100 on 1 January 2003. The total return of Resilient takes the following into account:

- The 169 981 569 Fortress B shares that were distributed to shareholders as a return of capital in the ratio of 0,4 Fortress B shares for every Resilient share held. The value of this distribution per Resilient share amounted to 631,20 cents on 7 May 2018.
- The 170 554 201 Lighthouse shares that were distributed to shareholders as a return of capital in the ratio of 0,48 Lighthouse shares for every Resilient share held. The value of this distribution per Resilient share amounted to 376,80 cents on 23 May 2022.

Closing price



Relative performance



Closing price (cents)	
Dec 2023	**4 429**
Dec 2022	5 375
Dec 2021	5 975
Jun 2021	5 215
Jun 2020	4 332
Jun 2019	6 196
Jun 2018	5 625
Jun 2017	12 174
Jun 2016	13 180
Jun 2015	9 645
Jun 2014	6 005
Jun 2013	5 374
Dec 2012	5 175
Dec 2011	3 475
Dec 2010	3 245
Dec 2009	2 600
Dec 2008	2 400
Dec 2007	2 700
Dec 2006	1 940
Dec 2005	1 400
Dec 2004	985

Value traded (R'million)	
Dec 2023	**9 097,2**
Dec 2022	10 533,1
Dec 2021 (6 months)	4 784,5
Jun 2021	10 172,7
Jun 2020	12 475,8
Jun 2019	16 488,8
Jun 2018	33 157,8
Jun 2017	14 163,7
Jun 2016	18 048,4
Jun 2015	16 650,1
Jun 2014	3 131,7
Jun 2013 (6 months)	2 426,5
Dec 2012	2 995,2
Dec 2011	2 486,8
Dec 2010	1 991,0
Dec 2009	1 837,5
Dec 2008	1 583,6
Dec 2007	1 440,1
Dec 2006	1 018,8
Dec 2005	666,4
Dec 2004	391,0

Volume traded (million)	
Dec 2023	**209,0**
Dec 2022	193,5
Dec 2021 (6 months)	86,0
Jun 2021	240,0
Jun 2020	245,9
Jun 2019	285,6
Jun 2018	364,6
Jun 2017	120,3
Jun 2016	153,0
Jun 2015	190,7
Jun 2014	57,9
Jun 2013 (6 months)	44,9
Dec 2012	69,1
Dec 2011	79,0
Dec 2010	68,3
Dec 2009	76,9
Dec 2008	74,8
Dec 2007	59,4
Dec 2006	59,8
Dec 2005	59,4
Dec 2004	51,1

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Resilient REIT Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2002/016851/06)
JSE share code: RES
ISIN: ZAE000209557
Bond company code: BIRPIF
LEI: 378900F37FF47D486C58
(Approved as a REIT by the JSE)
("Resilient" or "the Company")

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take arising from the following resolutions, please consult your stockbroker, banker, attorney, accountant or other professional adviser immediately. Notice is given of the annual general meeting ("AGM") of shareholders of Resilient to be held at the Company's registered office, 4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, 2191, on Thursday, 20 June 2024 at 14h00 for the purpose of presenting the audited Company and Group financial statements for the year ended 31 December 2023 together with the reports of the directors, the Audit Committee, the Social and Ethics Committee and the auditor and transacting the following business:

1. CONSIDER AS ORDINARY RESOLUTION NUMBER 1: APPROVING THE APPOINTMENT OF THE FOLLOWING DIRECTOR, IN TERMS OF CLAUSE 24.3 OF THE COMPANY'S MEMORANDUM OF INCORPORATION:

Barry Lester Stuhler (66)

Non-independent non-executive director
BCom, BAcc, CA(SA)
Date of appointment: August 2023

Barry is a chartered accountant who completed his articles with Arthur Young. Barry's experience includes management of the Part Bond Scheme and Gilt Fund for Hill Samuel Merchant Bank. He was financial director of Integrated Property Resources and managing director of Intaprop Management Services, the property management company for the Intaprop Group. In 1994, Barry co-founded Inline Properties, a property management and corporate property advisory company.

Barry was a founding director of Resilient. In 2004, he became managing director of Property Fund Managers Limited ("PFM"), the asset manager of Capital Property Fund ("Capital"). He joined the Pangbourne Properties Limited ("Pangbourne") board as executive director in 2007 and served as managing director of the company from 2008 to 2015. After Capital's merger with Pangbourne, Barry was reappointed as managing director of PFM. Subsequent to the merger between Capital and Fortress, Barry retired as an executive director. Barry served on the board of Lighthouse from 2017 to 2023 and was a member of the audit, investment, nomination, remuneration and social and ethics committees during his tenure at Lighthouse.

2. CONSIDER ASX ORDINARY RESOLUTION NUMBER 2: RE-ELECTING THE FOLLOWING DIRECTORS, WHO RETIRE IN TERMS OF CLAUSE 24.12 OF THE COMPANY'S MEMORANDUM OF INCORPORATION AND WHO OFFER THEMSELVES FOR RE-ELECTION:

2.1 Alan Keith Olivier (64)

Chairman
BCom, BCompt (Hons), CA(SA)
Date of appointment: August 2018

Having been employed by Grindrod Limited Group ("Grindrod") in 1986, prior to its listing on the JSE, Alan has over 30 years of experience in the shipping industry. He was appointed as an executive director of Grindrod in 1999 and remained in this position until 2017. Grindrod has twice been voted the top listed shipping company in the world by Marine Money. Positions held within Grindrod include treasury, financial director, shipping chief executive and group chief executive of the listed entity. Alan has served on a number of boards in both executive and non-executive capacities including being chairman of Grindrod Bank and the Maputo Port Development Company. He joined the board of directors of the UK P&I Club, one of the world's largest public indemnity shipping insurance mutuals, in 2000 and was appointed chairman in 2013. With the chairman being appointed for a tenure of five years, he retired as chairman of the UK P&I Club board in 2018. Alan was appointed to the Resilient Board as an independent non-executive director and chairman in August 2018.

2.2 Stuart Ian Bird (64)

Independent non-executive director
BCom, CA(SA)
Date of appointment: February 2019

Stuart held various auditing and accounting-focused positions in his early career and was appointed as the financial director of Hub Trading Company, previously a division of Mr Price Group Limited, in 1993, whereafter he was promoted to managing director in 1999. In 2001, he joined Mr Price Apparel (a division of Mr Price Group Limited) as the deputy managing director and took over as managing director in 2002. He was appointed as deputy chief executive officer of Mr Price Group Limited in 2010 and was promoted to chief executive officer in 2011, in which position he remained until his retirement in 2018.

2.3 Thanduxolo (Thando) Selby Sishuba (52)

Independent non-executive director
AMDP, Harvard Alumni, Masters of Science, Bachelor of Science Honours
Date of appointment: August 2021

Thando is the head of Sanlam Direct Property (SA). He previously served as the managing director of Ubunono Properties from September 2006 to May 2008 and again from September 2015 to October 2019. Thando was also previously the head of Imperial Properties and Shanduka Properties Proprietary Limited.

Thando is currently a director and member of the audit and risk committee of Newpark REIT Limited and is a director of SAPOA. He has previously served on the boards of Texton Property Fund Limited, Pivotal Property Fund Limited, Catalyst Fund Managers South Africa Proprietary Limited, Kia Motors Proprietary Limited, Pangbourne Properties Limited and Capital Property Fund Limited.

3. CONSIDER AS ORDINARY RESOLUTION NUMBER 3: RE-ELECTING THE FOLLOWING DIRECTOR WHO HAS SERVED ON THE BOARD FOR MORE THAN NINE YEARS AND WHO RETIRES IN TERMS OF CLAUSE 24.12.2.3 OF THE COMPANY'S MEMORANDUM OF INCORPORATION AND OFFERS HIMSELF FOR RE-ELECTION:

Barry Daniel van Wyk (58)

Independent non-executive director
BCom, BAcc, CA(SA)
Date of appointment: November 2002

Barry heads up Renlia Developments Proprietary Limited, a property investment and development company primarily focused on office, industrial and residential opportunities. He is a director of Newpark REIT Limited and was previously an executive director of Group Five Limited and managing director of Group Five Developments.

4. CONSIDER AS ORDINARY RESOLUTION NUMBER 4: ELECTING/RE-ELECTING THE FOLLOWING MEMBERS OF THE AUDIT COMMITTEE WHO OFFER THEMSELVES FOR ELECTION/RE-ELECTION, IN TERMS OF SECTION 94(2) OF THE COMPANIES ACT, NAMELY:

4.1 Protas Phili

4.2 Stuart Ian Bird (subject to the approval of ordinary resolution 2.2 above)

4.3 Desmond Kevin Gordon

4.4 Barry Stuhler (subject to the approval of ordinary resolution 1 above)

The *curriculum vitae* of each of Mr Bird and Mr Stuhler are included above.

Protas Phili (49)

Independent non-executive director
BCom (Acc), CTA, MCom (Tax), CA(SA)
Date of appointment: December 2015

Protas is currently the managing director of Khwezela Investment Group Proprietary Limited, a non-executive director of Rand Water and the National Nuclear Regulator, a trustee of Rand Water Medical Scheme and a member of the audit and risk committee of the Financial Intelligence Centre. Protas was previously the chief financial officer of Sentech Limited, deputy director general and chief financial officer in the Department of Rural Development and Land Reform, non-executive director of Rand Merchant Bank, WesBank, Capital Property Fund Limited and National Housing Finance Corporation Limited. Protas was also previously a member of the national taxation committee of SAICA and a member of the South African Reserve Bank Governor's Economic Roundtable Forum. Protas was appointed as a non-executive director of the Independent Regulatory Board for Auditors in June 2021.

Des Gordon (63)

Independent non-executive director
BCom, BCompt (Hons), CA(SA)
Date of appointment: August 2018

Des currently consults in a business development role and acts for companies in developed economies with African growth

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS continued

ambitions. He served as group financial manager of Group Five Limited between January 1991 and August 1996. Des spent the greater part of his career at Enviroserv Waste Management, first as chief financial officer for four years and then as chief executive officer for 16 years. In 2008, the company was bought out by Absa Private Equity and delisted from the JSE.

The Nomination Committee has considered the past performance and contribution of each of the directors standing for re-election and recommends that they be re-elected.

5. CONSIDER AS ORDINARY RESOLUTION NUMBER 5: APPOINTING PRICEWATERHOUSECOOPERS INC. (“PWC”) AS AUDITOR OF THE GROUP WITH MR PAUL LIEDEMAN BEING THE DESIGNATED AUDIT PARTNER

The Audit Committee has confirmed the independence of both PwC and Mr Liedeman and nominated PwC as independent auditor of the Company pursuant to section 90(2)(c) of the Companies Act.

In accordance with paragraph 3.84(g)(iii) of the JSE Listings Requirements and paragraph 7.3(e)(iii) of the Debt Listings Requirements, the Audit Committee has assessed and confirmed the suitability of PwC and Mr Liedeman for appointment.

As special business to consider and, if deemed fit, pass with or without modification, which modification is capable of being substantive in nature, the following resolutions:

6. CONSIDER AS ORDINARY RESOLUTION NUMBER 6: GENERAL AUTHORITY TO ISSUE SHARES FOR CASH

“RESOLVED THAT, the directors of the Company be and are hereby authorised by way of a general authority to issue shares in the capital of the Company for cash, as and when they in their discretion deem fit, subject to the Companies Act, the Memorandum of Incorporation of the Company, the JSE Listings Requirements, when applicable, and the following limitations, namely that:

- the shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue will be made to “public shareholders” and not “related parties”, all as defined in the JSE Listings Requirements, provided that if the Company undertakes an equity raise via a bookbuild process, shares may be allotted and issued to “related parties” on the basis that such “related parties” may only be able to participate in the equity raise at the maximum bid price at which they are prepared to take-up shares or at the book close price in accordance with the provisions contained in paragraph 5.52(f) of the JSE Listings Requirements;
- the total aggregate number of shares which may be issued for cash in terms of this authority may not exceed 18 260 237 shares, being 5% (five percent) of the Company’s issued shares as at the date of notice of this AGM. Accordingly, any shares issued under this authority prior to this authority lapsing shall be deducted from the 18 260 237 shares the Company is authorised to issue in terms of this authority for the purpose of determining the remaining number of shares that may be issued in terms of this authority;
- in the event of a sub-division or consolidation of shares prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio;
- this authority shall be valid until the Company’s next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date that this authority is given;
- in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 5% (five percent) of the weighted average traded price on the JSE of those shares over the 30 (thirty) business days prior to the date that the price of the issue is determined or agreed to by the directors of the Company; and
- an announcement giving full details, including the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 (thirty) days prior to the date the issue is agreed in writing and an explanation, including supporting information (if any), of the intended use of the funds, will be published at the time of any issue representing, on a cumulative basis within 1 (one) financial year, 5% (five percent) of the number of shares in issue prior to the issue.”

In terms of the JSE Listings Requirements, in order for ordinary resolution number 6 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

7. CONSIDER AS NON-BINDING ADVISORY VOTE 1: ENDORSEMENT OF THE REMUNERATION POLICY OF THE COMPANY

“RESOLVED THAT, in accordance with the principles of the King IV Report on Corporate Governance for South Africa, 2016™ (“King IV”), and through a non-binding advisory vote, the Company’s Remuneration Policy be and is hereby endorsed.”

Reason for and effect of the non-binding advisory vote on the Remuneration Policy

In terms of principle 14 of King IV, the Company’s Remuneration Policy should be tabled at the AGM for a non-binding advisory vote. Accordingly, shareholders are requested to endorse the Company’s Remuneration Policy by way of a non-binding advisory vote. The essence of this vote is to enable shareholders to express their views on the Remuneration Policy.

The Remuneration Policy is disclosed in detail in the Remuneration Report included on pages 85 to 91 of the December 2023 Integrated Report.

8. CONSIDER AS NON-BINDING ADVISORY VOTE 2: ENDORSEMENT OF THE REMUNERATION IMPLEMENTATION REPORT OF THE COMPANY

“RESOLVED THAT, in accordance with the principles of King IV, and through a non-binding advisory vote, the Company’s Remuneration Implementation Report be and is hereby endorsed.”

Reason for and effect of the non-binding advisory vote on the Remuneration Implementation Report

In terms of principle 14 of King IV, the Company’s Remuneration Implementation Report should be tabled at the AGM for a non-binding advisory vote. Accordingly, the shareholders are requested to endorse the Company’s Remuneration Implementation Report by way of a non-binding advisory vote. The essence of this vote is to enable shareholders to express their views on the Remuneration Implementation Report.

The Remuneration Implementation Report is disclosed in detail in the Remuneration Report included on pages 92 to 96 of the December 2023 Integrated Report.

In the event that either the Remuneration Policy or the Remuneration Implementation Report or both are voted against by 25% or more of the voting rights exercised by shareholders, the Board is committed to actively engaging with shareholders in this regard in order to address all legitimate and reasonable objections and concerns.

9. CONSIDER AS SPECIAL RESOLUTION NUMBER 1: APPROVAL OF FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANIES

“RESOLVED THAT, to the extent required by the Companies Act, the board of directors of the Company may, subject to compliance with the requirements of the Company’s Memorandum of Incorporation, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance in terms of section 45 of the Companies Act by way of loans, guarantees, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter-related (as defined in the Companies Act) to the Company for any purpose or in connection with any matter, such authority to endure for a period of two years after adoption or until its renewal, whichever is earlier.”

The reason for and effect of special resolution number 1

The Company provides loans to and/or guarantees loans or other obligations of companies in the Group. The Company believes it necessary that it continues to have the ability to provide financial assistance to, *inter alia,* ensure that the Company’s subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial backing from the Company (as opposed to banks) and is accordingly proposing special resolution number 1.

Therefore, the reason for, and effect of, special resolution number 1 is to permit the Company to provide direct or indirect financial assistance (within the meaning attributed to that term in section 45 of the Companies Act) to the entities referred to in special resolution number 1.

In terms of section 45 of the Companies Act, if the resolution is adopted, the board of directors will only be entitled to authorise such financial assistance if it is satisfied that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company and, immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test contemplated in the Companies Act.

10. CONSIDER AS SPECIAL RESOLUTION NUMBER 2: APPROVAL OF THE REPURCHASE OF SHARES

“RESOLVED THAT, subject to the Companies Act, the Memorandum of Incorporation of the Company, the JSE Listings Requirements and the restrictions set out below, the repurchase of shares of the Company, either by the Company or by any subsidiary of the Company, is hereby authorised, on the basis that:

- this authority will only be valid until the Company’s next AGM or for 15 months from the date of this resolution, whichever period is shorter;
- the number of shares which may be acquired pursuant to this authority may not in the aggregate exceed 20% (twenty percent) in any financial year. Within this authority, the board of directors of a subsidiary of the Company may resolve to acquire Company shares, provided that not more than 10%, in aggregate, of the shares in issue are then held by subsidiaries of the Company;
- the repurchase of shares must be effected through the order book operated by the JSE trading system and done without any prior arrangement between the Company and the counterparty;
- the repurchase of shares may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the shares for the five business days immediately preceding the date on which the transaction is effected;
- at any point in time, the Company may only appoint one agent to effect repurchases on its behalf;

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS continued

- the Company or its subsidiary may not repurchase shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless there is a repurchase programme in place and the dates and quantities of shares to be repurchased during the prohibited period have been submitted to the JSE in writing prior to the commencement of the prohibited period; and
- a resolution by the board of directors is passed that the board of directors of the Company authorises the repurchase, that the Company and the relevant subsidiaries have passed the solvency and liquidity test as set out in section 4 of the Companies Act and that, since the test was performed, there have been no material changes to the financial position of the Group."

In accordance with the JSE Listings Requirements, the directors record that although there is no immediate intention to effect a repurchase of shares of the Company, the directors would utilise the general authority to repurchase shares when suitable opportunities present themselves, which opportunities may require expeditious and immediate action.

The directors, after considering the effect of maximum repurchase, are of the opinion that for a period of 12 months after the date of the notice of AGM:

- the Company and the Group will be able, in the ordinary course of business, to pay its debts;
- the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group;
- the stated capital and reserves of the Company and the Group will be adequate for ordinary business purposes; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes.

After the Company or its subsidiaries have cumulatively repurchased 3% (three percent) of the initial number of shares (the number of shares in issue at the time that the general authority from shareholders is granted) and for each 3% (three percent) in aggregate of the initial number of that class acquired hereafter, an announcement will be made in terms of the JSE Listings Requirements.

Reason for and effect of special resolution number 2

The reason for special resolution number 2 is to afford the Company or a subsidiary of the Company a general authority to effect a repurchase of the Company's shares on the JSE. The effect of the resolution will be that the directors will have the authority, subject to the JSE Listings Requirements and the Companies Act, to effect repurchases of the Company's shares on the JSE, either through the Company or through any subsidiary of the Company.

The following additional information, which appears elsewhere in the 2023 Integrated Report, is provided in terms of paragraph 11.26 of the JSE Listings Requirements for purposes of special resolution number 2:

- Major shareholders – page 210
- Stated capital of the Company – page 171.

Material changes

Other than the facts and developments reported on in the 2023 Integrated Report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries between the date of signature of the audit report for the year ended 31 December 2023 and the date of this notice of AGM.

Directors' responsibility statement

The directors, whose names appear on pages 76 to 78 of the December 2023 Integrated Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required in terms of the JSE Listings Requirements.

11. CONSIDER AS SPECIAL RESOLUTION NUMBER 3: APPROVAL OF DIRECTORS' REMUNERATION FOR THEIR SERVICES AS DIRECTORS

3.1 "RESOLVED THAT, in accordance with section 66(9) of the Companies Act, fees to be paid by the Company to the non-executive directors for their services as directors be and are hereby approved, as follows:

For the year ended 31 March 2025	Chair R	Member R
Board	949 800	474 600
Audit Committee	294 000	196 000
Investment Committee	283 800	189 200
Remuneration Committee	277 500	184 000
Nomination Committee	105 300	70 600
Risk Committee	105 300	70 600
Social and Ethics Committee	105 300	70 600

The above remuneration is exclusive of VAT."

3.2 "RESOLVED THAT, in accordance with section 66(9) of the Companies Act and in the event that the Company is required to form a special committee, fees to be paid by the Company to the non-executive directors constituting such committee be and are hereby approved, as follows:

For the year ended 31 March 2025	Per meeting R
Special Committee member (including chair)	5 600

The above remuneration is exclusive of VAT."

The reason for and effect of special resolution number 3

To obtain shareholder approval by way of a special resolution in accordance with section 66(9) of the Companies Act for the payment by the Company of remuneration to each of the non-executive directors of the Company for services as non-executive directors for the period up to 31 March 2025 in the amounts set out under special resolution number 3.

12. CONSIDER AS ORDINARY RESOLUTION NUMBER 7: AUTHORITY FOR DIRECTORS OR THE COMPANY SECRETARY TO IMPLEMENT RESOLUTIONS

"RESOLVED THAT, any director of the Company or the company secretary be and is hereby authorised to do all such things and sign all such documents as may be required to give effect to ordinary resolutions numbers 1 to 6 and special resolutions numbers 1 to 3."

Unless otherwise stated, in order for ordinary resolutions to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required and in order for special resolutions to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass such resolutions.

Important dates to note	
Record date for receipt of notice purposes	Friday, 19 April 2024
Last day to trade in order to be eligible to vote	Tuesday, 11 June 2024
Record date for voting purposes ("voting record date")	Friday, 14 June 2024

Statement in terms of section 62(3)(e) of the Companies Act

Shareholders holding certificated shares and shareholders holding shares in dematerialised form in "own name":

- may attend and vote at the AGM; alternatively; and
- may appoint an individual as a proxy (who need not also be a shareholder of the Company) to attend, participate in and speak and vote in your place at the AGM by completing the attached form of proxy.

Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the AGM should the shareholder subsequently decide to do so.

For administrative purposes, forms of proxy should be submitted to the registered office of Resilient or to the office of the transfer secretaries, by 14h00 on Tuesday, 18 June 2024. Alternatively, the form of proxy may be handed to the chairperson of the AGM or the transfer secretaries at the AGM or at any time prior to the commencement of the AGM or prior to voting on any resolution proposed at the AGM.

Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Please also note that the attached form of proxy must be delivered to the registered office of Resilient or to the transfer secretaries or handed to the chairperson of the AGM or the transfer secretaries, before your proxy may exercise any of your rights as a shareholder of the Company at the AGM.

Please note that any shareholder of the Company that is a company may authorise any person to act as its representative at the AGM.

Please also note that section 63(1) of the Companies Act requires that persons wishing to participate in the AGM (including the aforementioned representative) must provide satisfactory identification before they may so participate.

Notice to owners of dematerialised shares

Please note that if you are the owner of dematerialised shares held through a Central Securities Depository Participant ("CSDP") or broker (or their nominee) and are not registered as an "own name" dematerialised shareholder, then you are not a registered shareholder of the Company, but your CSDP or broker (or their nominee) would be.

Accordingly, in these circumstances, subject to the mandate between yourself and your CSDP or broker as the case may be:

- should you wish to attend the AGM you must contact your CSDP or broker, and obtain the relevant letter of representation from it; alternatively
- if you are unable to attend the AGM but wish to be represented at the AGM, you must contact your CSDP or broker and furnish them with your voting instructions in respect of the AGM and/or request them to appoint a proxy. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, within the time period required by your CSDP or broker.

CSDPs, brokers or their nominees, as the case may be, recorded in the Company's sub-register as holders of dematerialised shares should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the AGM or by completing the attached form of proxy in accordance with the instructions thereon. For administrative purposes, forms of proxy should be submitted to the registered office of the Company or to the office of the transfer secretaries, by 14h00 on Tuesday, 18 June 2024. Alternatively, the form of proxy may be handed to the chairperson of the AGM or the transfer secretaries at the AGM at any time prior to the commencement of the AGM or prior to voting on a resolution.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS continued

QUORUM

The quorum requirements for a shareholders meeting to begin or for a matter to be considered are as set out in sections 64(1) and 64(3) of the Companies Act and accordingly:

- at least three shareholders entitled to attend and vote and who are present in person or able to participate in the meeting by electronic communication, or represented by a proxy who is present in person or able to participate in the meeting by electronic communication, must be present;
- a shareholders meeting may not begin until sufficient persons are present at the meeting to exercise, in aggregate, at least 25% (twenty-five percent) of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting; and
- a matter to be decided at a shareholders meeting may not begin to be considered unless sufficient persons are present at the meeting to exercise, in aggregate, at least 25% (twenty-five percent) of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, JSE Investor Services Proprietary Limited (5th Floor, One Exchange Square, Gwen Lane, Sandown, 2196) for the purposes of being entitled to attend, participate in and vote at the AGM is Friday, 14 June 2024.

VOTING AT THE ANNUAL GENERAL MEETING

In order to more effectively record the votes and give effect to the intentions of shareholders, voting on all resolutions will be conducted by way of a poll.

ELECTRONIC PARTICIPATION

Shareholders or their proxies may participate in the AGM by way of a telephone conference call. Shareholders or their proxies who wish to participate in the AGM via the teleconference facility will be required to advise the Company thereof by no later than 14h00 on Tuesday, 18 June 2024 by submitting, by email, to the company secretary at cosec@resilient.co.za, relevant contact details including an email address, cellular number and landline, as well as full details of the shareholder's title to the shares issued by the Company and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shareholders), and (in the case of dematerialised shareholders) written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised shares. Upon receipt of the required information, the shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the AGM.

Shareholders who wish to participate in the AGM by way of a telephone conference call must note that they will not be able to vote during the AGM. Such shareholders, should they wish to have their vote counted at the AGM, must, to the extent applicable, (i) complete the form of proxy; or (ii) contact their CSDP or broker, in both instances, as set out above.

Shareholders who intend to participate via electronic means are requested to submit their completed forms of proxy by 14:00 on Tuesday, 18 June 2024. Should any forms of proxy be submitted thereafter, the transfer secretaries shall reasonably endeavour to validate such requests prior to the commencement of the AGM.

Shareholders will be liable for their own network and data charges. Resilient will not be held accountable in the case of the loss of network connectivity or network failure due to insufficient airtime/internet connectivity/power outages/ electronic participation channel malfunction which could prevent a shareholder from participating in the electronic AGM.

Shareholders are encouraged to submit any questions concerning the resolutions proposed as set out in this notice of AGM in advance of the AGM by emailing their questions to the company secretary at cosec@resilient.co.za, by no later than 14h00 on Tuesday, 18 June 2024. These questions will be addressed via the electronic participation channel at the AGM. The submission of questions in advance will, however, not preclude a shareholder from asking a question at the electronic AGM.

Resilient does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised shareholder to notify such shareholder of the AGM of shareholders or any business to be conducted thereat.

By order of the Board

Johannesburg
30 April 2024

Address of registered office
4th Floor, Rivonia Village
Rivonia Boulevard, Rivonia, 2191

Address of transfer secretaries
JSE Investor Services Proprietary Limited
5th Floor, One Exchange Square, Gwen Lane, Sandown, 2196
(PO Box 4844, Johannesburg, 2000)

FORM OF PROXY

RESILIENT REIT

Resilient REIT Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2002/016851/06)
JSE share code: RES
ISIN: ZAE000209557
Bond company code: BIRPIF
LEI: 378900F37FF47D486C58
(Approved as a REIT by the JSE)
("Resilient" or "the Company")

For use by the holders of the Company's certificated shares ("certificated shareholders") and/or dematerialised shares held through a Central Securities Depository Participant ("CSDP") or brokers who have selected "own name" registration ("own name dematerialised shareholders"), at the annual general meeting ("AGM") of shareholders of the Company to be held at the Company's registered office, 4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, 2191 on Thursday, 20 June 2024 at 14h00, or at any adjournment thereof if required. Additional forms of proxy are available from the Company's registered office.

Not for use by dematerialised shareholders who have not selected "own name" registration. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the AGM and request that they be issued with the necessary letter of representation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the AGM in order for the CSDP or broker to vote in accordance with their instructions at the AGM.

I/We (name/s in block letters) ____________________

of ____________________

being the holders ____________ of shares in the capital of the Company do hereby appoint:

1 ____________________ or failing him/her,

2 ____________________ or failing him/her,

3 the chairperson of the AGM,

as my/our proxy to act for me/us on my/our behalf at the AGM or any adjournment thereof, which will be held for the purposes of considering and, if deemed fit, passing, with or without modification, the non-binding votes, ordinary and special resolutions to be proposed thereat as detailed in the notice of AGM; and to vote for and/or against such resolutions and/or to abstain from voting for and/or against the resolutions in respect of the shares registered in my/our name in accordance with the following instructions:

	For	Against	Abstain
Ordinary resolution number 1 (appointment of Barry Stuhler as a director)			
Ordinary resolution number 2.1 (re-election of Alan Olivier as director)			
Ordinary resolution number 2.2 (re-election of Stuart Bird as director)			
Ordinary resolution number 2.3 (re-election of Thando Sishuba as director)			
Ordinary resolution number 3 (re-election of Barry van Wyk as director)			
Ordinary resolution number 4.1 (re-election of Protas Phili as a member of the Audit Committee)			

FORM OF PROXY continued

	For	Against	Abstain
Ordinary resolution number 4.2 (re-election of Stuart Bird as a member of the Audit Committee)			
Ordinary resolution number 4.3 (re-election of Des Gordon as a member of the Audit Committee)			
Ordinary resolution number 4.4 (election of Barry Stuhler as a member of the Audit Committee)			
Ordinary resolution number 5 (appointment of auditors)			
Ordinary resolution number 6 (general authority to issue shares for cash)			
Non-binding advisory vote 1 (endorsement of Remuneration Policy)			
Non-binding advisory vote 2 (endorsement of Remuneration Implementation Report)			
Special resolution number 1 (approval of financial assistance to related or inter-related companies)			
Special resolution number 2 (approval of the repurchase of shares)			
Special resolution number 3.1 (authorising non-executive directors' fees)			
Special resolution number 3.2 (authorising non-executive directors' fees for Special Committee meetings)			
Ordinary resolution number 7 (authority for directors or company secretary to implement resolutions)			

Signed at on 2024

Signature

Assisted by (where applicable)

(Indicate instructions to proxy in the spaces provided above.) Unless otherwise instructed, my proxy may vote as he/she thinks fit.

Please read the notes on the reverse side hereof.

NOTES TO THE FORM OF PROXY

1. Only shareholders who are registered in the register of the Company under their "own name" on the record date for voting purposes, being Friday, 14 June 2024, may complete a form of proxy or attend the AGM. This includes certificated shareholders or "own name" dematerialised shareholders. A proxy need not be a shareholder of the Company.

2. Certificated shareholders wishing to attend the AGM have to ensure beforehand with the transfer secretaries, JSE Investor Services Proprietary Limited, that their shares are registered in their "own name".

3. Beneficial shareholders whose shares are not registered in their "own name", but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and vote at the AGM.

4. Dematerialised shareholders who have not elected "own name" registration in the register of the Company through a CSDP and who wish to attend the AGM, must instruct the CSDP or broker to provide them with the necessary letter of representation to attend.

5. Dematerialised shareholders who have not elected "own name" registration in the register of the Company through a CSDP and who are unable to attend, but wish to vote at the AGM, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.

6. A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the chairperson of the AGM". The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.

7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the aforegoing, a shareholder may revoke the proxy appointment by:
   - 7.1. cancelling it in writing, or making a later inconsistent appointment of a proxy; and
   - 7.2. delivering a copy of the revocation instrument to the proxy, and to the Company.

8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date:
   - 8.1. stated in the revocation instrument, if any; or
   - 8.2. upon which the revocation instrument is delivered to the proxy and the Company as required in section 58(4)(c)(ii) of the Companies Act.

9. Should the instrument appointing a proxy or proxies have been delivered to the transfer secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Memorandum of Incorporation of the Company to be delivered by the Company to the shareholder must be delivered to:
   - 9.1. the shareholder; or
   - 9.2. the proxy or proxies if the shareholder has in writing directed the Company to do so and has paid any reasonable fee charged by the Company for doing so.

10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation or the instrument appointing the proxy provides otherwise.

11. If the Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of instrument appointing a proxy:
    - 11.1. such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
    - 11.2. the Company must not require that the proxy appointment be made irrevocable; and
    - 11.3. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.

13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries or waived by the chairperson of the AGM.

NOTES TO THE FORM OF PROXY continued

14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the Company that wishes to attend and participate at the AGM should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the transfer secretaries prior to the AGM.
16. Where there are joint holders of shares, any one of such persons may vote at any meeting in respect of such shares as if he/she were solely entitled thereto, but if more than one of such joint holders wishes to be present or represented at the AGM, that one of the said persons whose name appears first in the register or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. The chairperson of the AGM may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the manner in which a shareholder wishes to vote.
18. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.
19. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the AGM, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the AGM or other proxy to vote or to abstain from voting at the AGM as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all of the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
20. Forms of proxy are requested to be delivered to the transfer secretaries, JSE Investor Services Proprietary Limited at 5th Floor, One Exchange Square, Gwen Lane, Sandown, 2196, or posted to PO Box 4844, Johannesburg, 2000, or emailed to meetfax@jseinvestorservices.co.za, so as to arrive no later than 14h00 on Tuesday, 18 June 2024. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the AGM immediately before the commencement of the AGM or prior to voting on a resolution. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the AGM should the shareholder decide to do so.
21. This form of proxy may be used at any adjournment or postponement of the AGM, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
22. The aforegoing notes include a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.

Forms of proxy must be lodged at, posted or emailed to the transfer secretaries, JSE Investor Services Proprietary Limited:

Hand deliveries to
JSE Investor Services Proprietary Limited
5th Floor, One Exchange Square,
Gwen Lane, Sandown, 2196
Postal deliveries to
JSE Investor Services Proprietary Limited
PO Box 4844
Johannesburg, 2000

Email
meetfax@jseinvestorservices.co.za

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

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

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

RESILIENT
REIT

4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, 2191
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Fax: +27 (0) 86 758 4105 | **www.resilient.co.za**