PRELIMINARY AUDITED SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 June 2020

RESILIENT

Galleria Mall

DIRECTORS' COMMENTARY

Nature of the business

Resilient is an internally asset managed Real Estate Investment Trust ("REIT") listed on the JSE Limited. 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 the successful development of new malls and the reconfiguration of existing malls to adapt to changing market demands.

Resilient also invests in offshore property-related assets.

Distributable earnings and dividend declared

The Board has declared a final dividend of 100,48 cents per share for 2H2020. Together with the 267,96 cents per share declared for 1H2020, the dividend for FY2020 of 368,44 cents per share is 30,6% lower than that for FY2019.

In calculating the Group's dividend for FY2020, only 59,1% of the basic rental from the Edcon group was included. NEPI Rockcastle has not declared a dividend for the six months ended June 2020 and the Board has not included the capitalisation issue by NEPI Rockcastle in the amount available for distribution for 2H2020. Lighthouse Capital has advised that, following the change in its year-end to December, it will declare a distribution for the nine months to December 2020 in February 2021. Consequently, Resilient's final dividend excludes any distribution from Lighthouse in respect of the three months ended June 2020.

The final dividend was negatively impacted by the COVID-19 lockdown and the termination of the Group's cross-currency swaps. This was partially offset by lower interest rates in South Africa that benefitted the Group as R3,8 billion of interest rate hedges are in the form of interest rate caps.

Commentary on results

South Africa

The portfolio's performance for FY2020 can be divided into three separate periods. The performance for 1H2020 was sound with comparable retail sales growth of 4,2%. This period is covered in the published interim results. The 2020 calendar year started strongly with comparable sales growth for January and February of 6,5%. Trading restrictions were introduced in mid-March followed by the lockdown on 27 March and sales deteriorated sharply resulting in negative comparable sales of 3,6% for FY2020.

Performance of Resilient's retail centres for April and especially from 1 May (when lockdown restrictions were eased) varied widely depending on the underlying target market. Non-metropolitan and particularly rural centres were the best performing. We have ascribed this to increased social spending by government and buoyant conditions in the mining sector (particularly Platinum Group Metals). The agricultural sector, particularly maize farming, recovered strongly after the previous years' drought and exports benefitted from the weaker Rand.

Including the lockdown period, six retail centres (Tubatse Crossing, Arbour Crossing, Tzaneen Lifestyle Centre, Mahikeng Mall, Tzaneen Crossing and Mvusuludzo Mall) achieved positive sales growth for the year. The Grove Mall and Irene Village Mall, both situated in higher LSM urban locations and with entertainment components, were the worst performing in the portfolio.

The comparable sales growth per province is set out below. The Crossing Mokopane and Mams Mall were excluded as the previous year's sales figures are not comparable. Both retail centres are performing well.

	Comparable sales growth %			
Province	6 months to Dec 2019	8 months to Feb 2020	Year to Jun 2020	Percentage of SA properties by value
Eastern Cape	9,6	10,0	**(0,2)**	**3,0**
North West	5,7	5,8	**(0,2)**	**5,7**
Limpopo	4,9	5,4	**(2,2)**	**27,5**
Northern Cape	2,6	3,2	**(2,4)**	**6,1**
KwaZulu-Natal	4,0	4,7	**(2,5)**	**18,6**
Mpumalanga	4,5	4,8	**(5,8)**	**14,4**
Gauteng	2,5	3,0	**(6,8)**	**24,7**

Impact of COVID-19

Resilient has actively engaged with tenants, both directly and through industry initiatives. The Company's approach has been, and will continue to be, supportive of tenants, particularly SMMEs and leisure-focused tenants. Although the lockdown was relatively short, the impact on tenants has been severe and we anticipate a protracted recovery. For this reason, in excess of 95% of tenant relief provided is in the form of discounts rather than deferments. Resilient's *pro rata* share of discounts provided for FY2020 amounted to R166,3 million that was accounted for as a reduction in rental revenue. The total relief is equivalent to c. 95% of a normalised month's rental and rates billing. No relief was provided on utility charges or essential categories.

Excluding the COVID-related discounts, the operational performance of the South African portfolio was sound, recording net property income growth of 5,5% on a comparable basis.

The Group's share of net arrears was R63,5 million at June 2020 compared to R29,2 million at June 2019. Subsequent to year-end, R19,8 million of the outstanding balance was collected. Management has carefully assessed the remaining arrears and is confident of its recoverability.

The pandemic has had a far-reaching and significant impact on South African communities with job losses and salary cuts culminating in communities falling into social distress as hunger becomes prevalent. Cognisant of the extreme challenges facing many communities, the Group took a proactive role in supporting community-based initiatives. In addition to long-standing initiatives, a R1 million donation was made to The Food Security Project administered by The Bethesda Fountain of Healing Foundation. The Food Security Project enables the provision of food parcels to residents of Berea, Yeoville, Alexandra, Cosmo City and Ivory Park. In addition, a further R1 million donation was made to Soul Food, an organisation that ordinarily feeds approximately 8 000 school children, orphans, pensioners, abused women, the destitute, sick and terminally ill with the provision of approximately 200 000 meals a month. In June 2020, the Soul Food team were able to deliver 702 615 meals.

Edcon

In April 2020, Edcon announced that it had entered into voluntary business rescue. The business rescue practitioners have conditionally secured purchasers for both the Jet and Edgars businesses. Subject to the fulfilment of conditions precedent, Resilient has agreed lease terms with TFG (for the Jet business) and Retailability (for the Edgars business). Resilient has entered into new three-year leases with renewal options (based on market rentals) with TFG and the cession of the Edgars leases on amended terms with Retailability.

Prior agreements to downsize Edgars at Jabulani Mall (to introduce Dis-Chem) and to close Edgars at Circus Triangle (to accommodate OBC) and Murchison Mall (to introduce three new national tenants) have been honoured. Retailability has agreed to work with Resilient to right-size stores where appropriate. Management does not expect any significant negative financial impact from future changes.

We understand that it is TFG's intention to consolidate the Jet business into fewer locations. Resilient should benefit from this process with improved trading densities. Of the 22 Jet stores in Resilient's portfolio, only the one in Village Mall Kathu will be closed.

Vacancies

Resilient owns 28 retail centres with a GLA of 1,17 million square metres. Resilient's *pro rata* share of the vacancy increased marginally from 1,9% at December 2019 to 2,1% at June 2020. Management does not anticipate material increases in vacancies.

Property extensions and solar roll-out

The planned extensions to Irene Village Mall and The Grove Mall were initially delayed to accommodate changes in tenant requirements. Both extensions will be further delayed until economic activity recovers to pre-COVID levels.

The solar photovoltaic installations at Limpopo Mall and Mall of the North were completed and commissioned during the year. The Soshanguve Crossing installation was completed at the end of July 2020, is fully operational and is performing in line with projections. The Tzaneng Mall installation commenced in June 2020 (completion expected in August 2020) and the Arbour Crossing installation is scheduled to commence in September 2020. The Highveld Mall installation has been delayed pending receipt of the necessary approval from the local authority. Solar installations for Boardwalk Inkwazi and The Crossing Mokopane are currently under evaluation.

Electricity for Jubilee Mall, Northam Plaza and Tubatse Crossing is provided by Eskom. Although the process of obtaining Eskom approval for solar installations can be time-consuming and expensive, the Board has approved commencement of the application process.

Resilient is evaluating the integration of batteries at shopping centres. The viability of the projects is promising, particularly when coupled with larger solar installations. This will further reduce reliance on electricity supplied by the national grid and offer an alternative during load-shedding and other power interruptions.

On completion of the current Board-approved installations, a total of 7,4% of the portfolio's electricity consumption will be produced by solar. Solar contributed 4,6% to the FY2020 electricity consumption.

Nigeria

Resilient owns 60,94% of Resilient Africa in partnership with Shoprite Checkers. Resilient Africa, together with local partners, owns Asaba Mall, Delta Mall and Owerri Mall.

Vacancies in the three malls increased to 9,3% mainly as a result of the withdrawal of Mr Price from Nigeria.

Rental levels have remained relatively constant over the past year. The Nigerian economy has been negatively impacted by the decline in the oil price followed by the devaluation of the Naira. The Nigerian economy is forecast by the IMF to decline by 3,4% in 2020 but to return to positive growth of 2,4% in 2021.

As a result of COVID-19, Asaba Mall and Delta Mall were closed for the month of April 2020. Other than for essential services, Owerri Mall was closed between 1 and 19 April 2020. Entertainment, including cinemas and restaurants (other than take-aways), remains in lockdown at all three malls. Trading hours for Asaba Mall and Delta Mall have been relaxed to 09h00 – 21h00 while Owerri Mall's hours remain restricted to 08h00 – 18h00.

Shoprite Checkers has advised their intention to exit Nigeria. Management anticipates that their business will be sold to one of their Nigerian competitors.

Listed portfolio

	Jun 2020		Jun 2019	
Counter	Number of shares	Fair value R'000	Number of shares	Fair value R'000
Fortress B (FFB)		–	7 474 707	90 294
NEPI Rockcastle (NRP)	75 522 449	6 703 371	75 522 449	9 773 360
		6 703 371		9 863 654
Lighthouse (LTE)	136 242 058	1 267 051	102 618 098	763 479
		7 970 422		10 627 133

The Fortress B shares held at June 2019 were sold on-market.

During 1H2020, Resilient elected to receive 50% of its dividend from NEPI Rockcastle in the form of a scrip dividend. These additional shares were sold on-market.

Resilient followed its rights to acquire 33 623 960 shares in the Lighthouse rights issue of November 2019. Resilient also participated in the equity raise of Lighthouse in May 2020, tendering 27 861 446 shares in NEPI Rockcastle for 346 875 010 Lighthouse shares. As a related party, Resilient's participation was subject to Lighthouse shareholder approval which was obtained on 7 August 2020. Resilient maintained its significant influence over Lighthouse and as such it was treated as an associate (equity accounted) and the investment was not fair valued at both year-ends. The carrying value of the investment was R667,1 million and R731,9 million at June 2020 and June 2019 respectively.

Broad-based Black Economic Empowerment ("B-BBEE")

Resilient is in formal discussions with a B-BBEE grouping regarding investment in Resilient's South African assets. As a result of the uncertainty following COVID-19, both parties have agreed to pend discussions until greater certainty and stability return.

Resilient continues to meet bursary commitments to The Resilient Empowerment Trust as part of its CSI initiatives.

Financial commentary

Property valuations and yield

Jones Lang LaSalle Proprietary Limited ("JLL") valued the South African property portfolio at June 2020. Resilient's share of the South African portfolio was devalued by 3,5% (R813 million). Resilient's share of the devaluation of the Nigerian properties amounted to USD8 million, as valued by CBRE Excellerate. The average annualised property yield was 8,5% at June 2020.

Funding, facilities and interest rate derivatives

Treasury risk, liquidity and gearing were focus areas during the past six months. All cross-currency swaps were eliminated to reduce treasury risk. The Group is therefore fully exposed to currency movement associated with its investments in NEPI Rockcastle and Lighthouse.

Liquidity in the debt capital markets remains a concern. On maturity of a R505 million note in August 2020, Resilient placed a three-year, unsecured note of R275 million under its DMTN programme. South African banks have been supportive and continue to have appetite for secured lending against quality properties. The Group has R2,3 billion of unbonded investment property (excluding land) and unsecured funding of R1,0 billion through the capital markets.

During the past six months, Resilient renewed a R300 million facility with Standard Bank for three years. A further facility of R200 million was accepted from Standard Bank that expires in February 2021. The intention is to repay this facility from the proceeds of property sales, failing which, the extension of the facility for three years will be negotiated. A new R135 million four-year facility has been accepted from Nedbank. It is not the Group's policy to borrow against listed securities, however, approved facilities of R450 million are available on this basis.

The Group's loan-to-value ratio increased from 27,5% at December 2019 to 34,8% at June 2020 which is within the Board's target range.

Facility expiry	Amount 'million	Average margin
South Africa		
Jun 2021	R2 200	3-month JIBAR+1,88%
Jun 2022	R2 428	3-month JIBAR+1,91%
Jun 2023	R3 291	3-month JIBAR+1,74%
Jun 2024	R2 310	3-month JIBAR+1,99%
Jun 2025	R635	3-month JIBAR+1,85%
	R10 864	3-month JIBAR+1,87%
Nigeria		
Mar 2024	USD45	90-day US LIBOR+6,25%

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 %
Jun 2021	300 000	8,03
Jun 2022	300 000	8,08
Jun 2023	600 000	4,57
Jun 2024	500 000	7,78
Jun 2025	1 100 000	4,81
Jun 2026	800 000	4,91
	3 600 000	5,75

Interest rate cap expiry	Amount R'000	Average cap rate %
Jun 2021	300 000	7,92
Jun 2023	500 000	7,77
Jun 2024	1 100 000	7,98
Jun 2026	200 000	7,74
Jun 2027	700 000	8,12
Jun 2028	1 000 000	7,53
	3 800 000	7,84

The all-in weighted average cost of funding of Resilient was 6,74% at June 2020 and the average hedge term was 4,1 years.

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

Interest rate cap expiry	Amount USD'000	Average cap rate %
Jun 2023	11 000	2,42
Jun 2026	11 000	1,90
	22 000	2,16

Exposure to variable interest rates	South Africa '000	Nigeria '000
Interest-bearing borrowings	R10 468 147	R476 892
Loans to co-owners	(R96 841)	
Tenant loans advanced	(R3 967)	
Cash and cash equivalents	(R25 363)	(R16 720)
Capital commitments contracted for	R71 113	
Capital commitments approved	R27 380	
	R10 440 469	R460 172
Exchange rate		17,36
Exposure	R10 440 469	USD26 508
Interest rate derivatives – swaps/caps	R7 400 000	USD22 000
Percentage hedged	**70,9% (R)**	**83,0% (USD)**

Loan-to-value ratio

	South Africa R'000	Nigeria R'000	Total R'000
Assets			
Investment property	21 465 167	654 582	22 119 749
Straight-lining of rental revenue adjustment	598 964	8 168	607 132
Investment property under development	406 883		406 883
Investments (funded in South Africa)	7 970 422		7 970 422
Staff incentive loans	17 392		17 392
Loans to co-owners	96 841	98 059	194 900
Loans advanced	3 967		3 967
	30 559 636	760 809	31 320 445
Net debt			
Cash and cash equivalents	(25 363)	(16 720)	(42 083)
Interest-bearing borrowings	10 468 147	476 892	10 945 039
	10 442 784	460 172	10 902 956
Loan-to-value ratio	**34,2% (R)**	**60,5% (USD)***	**34,8% (R)**

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

Income hedging

The Group's policy is to hedge foreign income as follows:

- Hedge 100% of the income projected to be received in the following 12 months;
- Hedge 67% of the income projected to be received in months 13 to 24; and
- Hedge 33% of the income projected to be received in months 25 to 36.

The distributable earnings of NEPI Rockcastle and Lighthouse are in Euro. Neither company has provided firm earnings guidance and due to this uncertainty, the income hedging policy is being reviewed by the Board.

Summary of financial performance

	Jun 2020	Dec 2019	Jun 2019	Dec 2018
Dividend (cents per share)	**100,48**	267,96	267,40	263,66
Shares in issue for IFRS	**360 970 213**	363 037 227	363 061 506	368 851 371
Shares held in treasury: Resilient Properties	**39 156 041**	37 094 027	37 069 748	3 920 125
Shares held in treasury: the Siyakha Trusts				52 182 504
Shares in issue	**400 126 254***	400 131 254	400 131 254*	424 954 000
Management account information				
Net asset value per share	**R55,49**	R68,78	R69,39	R64,65**
Loan-to-value ratio (%)***	**34,8**	27,5	26,8	25,7
Net property expense ratio (%)	**17,4#**	17,3	16,1	17,4
Gross property expense ratio (%)	**38,2#**	36,9	35,6	36,1
Net total expense ratio (%)	**19,4##**	16,4	16,2	16,1
Gross total expense ratio (%)	**36,9##**	32,2	31,4	30,9
Percentage of direct and indirect property assets offshore (%)	**27,8**	32,5	32,5	30,7
IFRS accounting				
Net asset value per share	**R53,84**	R68,14	R69,32	R59,42

* *During 2H2020, Resilient repurchased 5 000 Resilient shares in the market. During 2H2019, Resilient repurchased 20 822 746 Resilient shares from The Resilient Empowerment Trust and received 4 000 000 shares as a dividend in specie from its wholly-owned subsidiary. These shares were cancelled.*

** *The Group's claims against the Siyakha Trusts exceeded the value of the shares held as collateral. Under these circumstances, for the purpose of calculating the net asset value per Resilient share, the total equity attributable to equity holders should be reduced by the loans the Group advanced to the Siyakha Trusts. The shares held by the Siyakha Trusts should then be deducted from the number of shares in issue in the calculation.*

*** *The loan-to-value ratio is calculated by dividing total interest-bearing borrowings adjusted for cash on hand by the total of investments in property, listed securities and loans advanced. Refer to page 5.*

\# *2H2020 was impacted by Resilient's pro rata share of COVID-related discounts of R166,3 million. It was furthermore impacted by the continued above inflation increases in administered prices, particularly utilities and rates.*

\#\# *2H2020 excludes distributions from NEPI Rockcastle in respect of the six months ended June 2020 and from Lighthouse in respect of the three months ended June 2020.*

Treasury shares acquired

Resilient acquired 2 086 293 shares on the open market during FY2020.

Prospects

As previously announced, Resilient is still in discussions to sell certain property assets. The purchasers have confirmed their ongoing interest in the properties, however, negotiations have been delayed due to COVID-19.

The Board anticipates that economic recovery will be gradual and uneven. Resilient is well positioned to continue benefitting from the defensive quality of its assets and strong tenant profile.

The Board will maintain the Group's conservative financial structure but will benefit from deep-value opportunities in international markets through its investment in Lighthouse.

In light of the increased uncertainty due to COVID-19, particularly relating to distributions from Resilient's listed securities, the Board is not in a position to provide guidance for FY2021. The Board intends to continue to declare and pay dividends in line with the policies applied in the past and will accordingly continue to pay out 100% of distributable earnings to shareholders. With regards to listed securities, Resilient will only distribute dividends received in or converted to cash.

By order of the Board

Des de Beer
Chief executive officer

Monica Muller
Chief financial officer

Johannesburg
26 August 2020

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited Jun 2020 R'000	Audited Jun 2019 R'000
Assets		
Non-current assets	32 148 300	36 117 470
Investment property	23 440 816	24 231 185
Straight-lining of rental revenue adjustment	633 146	456 663
Investment property under development	407 853	420 912
Investment in associate	667 118	731 889
Investments	6 703 371	9 874 760
Staff incentive loans	16 236	36 857
Loans to co-owners	87 837	89 017
Other financial assets	114 326	199 696
Other assets	77 597	76 491
Current assets	277 642	1 009 466
Staff incentive loans	1 156	1 751
Trade and other receivables	183 293	189 928
Other financial assets	5 478	118 156
Other assets	25 008	36 114
Income tax receivable	–	4 805
Cash and cash equivalents	62 707	658 712
Total assets	32 425 942	37 126 936
Equity and liabilities		
Total equity attributable to equity holders	19 435 373	25 166 059
Stated capital	13 014 794	13 014 956
Treasury shares	(2 996 167)	(2 895 596)
Foreign currency translation reserve	257 963	198 064
Retained earnings	9 158 783	14 848 635
Non-controlling interests	(162 270)	(14 941)
Total equity	19 273 103	25 151 118
Total liabilities	13 152 839	11 975 818
Non-current liabilities	10 076 979	8 784 130
Interest-bearing borrowings	8 774 014	7 563 629
Other financial liabilities	147 209	42 184
Other liabilities	–	34 279
Deferred tax	64 675	116 965
Amounts owing to non-controlling shareholders	1 091 081	1 027 073
Current liabilities	3 075 860	3 191 688
Trade and other payables	466 292	443 643
Other financial liabilities	78 406	26 484
Other liabilities	54 223	90 923
Income tax payable	262	–
Interest-bearing borrowings	2 476 677	2 630 638
Total equity and liabilities	32 425 942	37 126 936

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Audited for the year ended Jun 2020 R'000	Audited for the year ended Jun 2019 R'000
Recoveries and contractual rental revenue	2 835 936	2 841 278
Straight-lining of rental revenue adjustment	173 681	60 969
Revenue from direct property operations	3 009 617	2 902 247
Revenue from investments	730 734	903 717
Total revenue	3 740 351	3 805 964
Fair value adjustments	(5 360 941)	792 698
Fair value (loss)/gain on investment property	(1 130 165)	372 066
Adjustment resulting from straight-lining of rental revenue	(173 681)	(60 969)
Fair value (loss)/gain on investments	(3 142 457)	144 224
Fair value loss on forward contract: Edcon Limited shares	(36 686)	–
Fair value (loss)/gain on currency derivatives	(802 092)	442 924
Fair value loss on interest rate derivatives	(75 860)	(105 547)
Property operating expenses	(1 096 815)	(1 019 682)
Administrative expenses	(136 422)	(140 775)
Profit on deconsolidation of the Siyakha Trusts	–	2 436 890
Foreign exchange gain/(loss)	112 107	(42 394)
Profit on sale of Locaviseu	–	17 583
Donations received by The Resilient Empowerment Trust	3 320	10 000
Reversal of impairment of investment in associate	–	126 419
Impairment of staff incentive loans receivable	(21 238)	(20 956)
Impairment of loans receivable	(6 239)	(64 771)
Amortisation of interest rate cap premiums	(34 983)	(13 600)
Share of (loss)/profit of associate	(239 150)	52 807
(Loss)/profit before net finance costs	(3 040 010)	5 940 183
Net finance costs	(802 097)	(1 253 967)
Finance income	28 002	87 414
Interest received on loans and cash balances	28 002	87 414
Finance costs	(830 099)	(1 341 381)
Interest on borrowings	(860 392)	(1 392 862)
Capitalised interest	30 293	51 481
(Loss)/profit before income tax	(3 842 107)	4 686 216
Income tax	51 986	(103 732)
(Loss)/profit for the year	(3 790 121)	4 582 484

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME continued

	Audited for the year ended Jun 2020 R'000	Audited for the year ended Jun 2019 R'000
Other comprehensive income net of tax		
Items that may subsequently be reclassified to profit or loss		
Exchange differences realised on disposal of Locaviseu	–	(4 637)
Exchange differences on translation of foreign operations	3 382	138 362
	3 382	133 725
Total comprehensive (loss)/income for the year	(3 786 739)	4 716 209
(Loss)/profit for the year attributable to:		
Equity holders of the Company	(3 678 088)	4 589 626
Non-controlling interests	(112 033)	(7 142)
	(3 790 121)	4 582 484
Total comprehensive (loss)/income for the year attributable to:		
Equity holders of the Company	(3 686 394)	4 719 174
Non-controlling interests	(100 345)	(2 965)
	(3 786 739)	4 716 209
Basic (loss)/earnings per share (cents)	(1 014,86)	1 246,14

Resilient has no dilutionary instruments in issue.

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited for the year ended Jun 2020 R'000	Audited for the year ended Jun 2019 R'000
Operating activities		
Cash generated from operations	2 276 360	2 537 645
Interest paid	(850 258)	(1 184 442)
Dividends paid	(1 990 541)	(1 987 359)
Income tax received/(paid)	4 763	(34 895)
Cash outflow from operating activities	(559 676)	(669 051)
Investing activities		
Development and improvement of investment property	(174 096)	(539 846)
Acquisition of investment property under development	–	(77 694)
Increase of interest in associate	(260 585)	–
Return of capital by associate	68 472	2 240 200
Share purchase trust loans repaid	163	130 077
Co-owner loans advanced	(5 059)	(384 493)
Co-owner loans repaid	–	553 366
Tenant loans repaid	15 723	13 005
Acquisition of investments	(32 938)	–
Proceeds on disposal of investments	264 584	106 299
Proceeds on disposal of Locaviseu	–	1 063 238
Interest received	27 817	87 891
Cash flow on currency derivatives	(596 686)	22 517
Cash flow on interest rate derivatives	(59 056)	(52 734)
Cash (outflow)/inflow from investing activities	(751 661)	3 161 826
Financing activities		
Increase/(decrease) in interest-bearing borrowings	816 067	(1 867 612)
Acquisition of additional interest in subsidiaries	–	(10 445)
Acquisition of shares from The Resilient Empowerment Trust	–	(2 177)
Deconsolidation of the Siyakha Trusts	–	(99)
Acquisition of shares by the Company	(164)	–
Acquisition of treasury shares	(100 571)	(463 769)
Cash inflow/(outflow) from financing activities	715 332	(2 344 102)
(Decrease)/increase in cash and cash equivalents	(596 005)	148 673
Cash and cash equivalents at the beginning of the year	658 712	510 039
Cash and cash equivalents at the end of the year	62 707	658 712
Cash and cash equivalents consist of:		
Current accounts	62 707	658 712

Cash flow from investing activities includes the following items available for distribution: net interest received on interest rate derivatives and cross-currency swaps of R197 million; interest received on loans and cash balances of R28 million; realised profits on forward exchange contracts of R57 million; and dividends received from Lighthouse in the form of a return of capital of R68 million. Scrip dividends received amounted to R191 million.

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Audited	Stated capital R'000	Treasury shares R'000	Foreign currency translation 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 Jun 2018	13 822 359	(4 363 737)	115 481	13 271 795	22 845 898	52 761	22 898 659
Resilient shares repurchased from The Resilient Empowerment Trust	(677 296)	1 712 856		(1 037 737)	(2 177)		(2 177)
Shares acquired and held in treasury		(463 769)			(463 769)		(463 769)
Dividend *in specie*	(130 107)	219 054		(88 947)	–		–
Acquisition of additional interest in subsidiaries				(36)	(36)	(10 409)	(10 445)
Exchange differences realised on disposal of Locaviseu			(4 637)		(4 637)		(4 637)
Exchange differences on translation of foreign operations			134 185		134 185	4 177	138 362
Profit/(loss) for the year				4 589 626	4 589 626	(7 142)	4 582 484
Dividends paid				(1 933 031)	(1 933 031)	(54 328)	(1 987 359)
Transfer to foreign currency translation reserve			(46 965)	46 965	–		–
Balance at Jun 2019	13 014 956	(2 895 596)	198 064	14 848 635	25 166 059	(14 941)	25 151 118
Shares acquired by the Company	(162)			(2)	(164)		(164)
Shares acquired and held in treasury		(100 571)			(100 571)		(100 571)
Exchange differences on translation of foreign operations			(8 306)		(8 306)	11 688	3 382
Loss for the year				(3 678 088)	(3 678 088)	(112 033)	(3 790 121)
Dividends paid				(1 943 557)	(1 943 557)	(46 984)	(1 990 541)
Transfer to foreign currency translation reserve			68 205	(68 205)	–		–
Balance at Jun 2020	13 014 794	(2 996 167)	257 963	9 158 783	19 435 373	(162 270)	19 273 103

1. Preparation, accounting policies and audit opinion

The preliminary audited summarised consolidated financial statements have been prepared in accordance with the requirements of the JSE Listings Requirements for preliminary reports and the requirements of the Companies Act of South Africa applicable to summary financial statements.

The JSE Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34: *Interim Financial Reporting*. This report complies with the SA REIT Association Best Practice Recommendations of 2016. This report and the consolidated annual financial statements were compiled under the supervision of Monica Muller CA(SA), the chief financial officer.

The accounting policies applied in the preparation of the consolidated financial statements, from which the summarised consolidated financial statements were derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated financial statements, with the exception of the adoption of new and revised standards which became effective during the year.

The Group's investment properties were externally valued by independent valuers. In terms of IAS 40: *Investment Property* and IFRS 7: *Financial Instruments*: *Disclosures*, investment properties are measured at fair value and are categorised as level 3 investments. The revaluation of investment property requires judgement in the determination of future cash flows from leases and an appropriate first year forward yield which varies between 8,1% and 11,0% (Jun 2019: 7,0% and 10,5%).

Changes in the capitalisation rate attributable to changes in market conditions can have a significant impact on property valuations. A 25 basis points increase in the first year forward yield will decrease the value of investment property by R689,3 million (Jun 2019: R747,8 million). A 25 basis points decrease in the first year forward yield will increase the value of investment property by R730,9 million (Jun 2019: R795,5 million). A 1% increase in vacancy for a full year will decrease the value of investment property by R260,3 million (Jun 2019: R278,3 million).

JLL, who valued the majority of the property portfolio, has reflected the effect of the COVID-19 pandemic in higher yields across much of the portfolio as investor sentiment has weakened during this period. They have further assumed that a rational landlord would top-up COVID-19 rents where discounts or relief have been granted to the full contractual rent, assuming a sale at the valuation date. The sum of these assumptions has been treated as capital deductions to the full values of the assets ("top-slice"). A 1% increase in the "top-slice" will decrease the value of investment property by R0,5 million.

JLL has emphasised the valuations are based on "material valuation uncertainty" as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty should be attached to the valuation. Furthermore, in line with the current RICS Valuation – Global Standards, the valuation has been undertaken without inspection and, as such, is based on restricted information as defined in the Global Red Book (VPS1 3.2i.). It is noted that a full inspection of the property portfolio was carried out as part of the FY2019 valuation process.

In terms of IFRS 9: *Financial Instruments* and IFRS 7, the Group's currency and interest rate derivatives are measured at fair value through profit or loss and are categorised as level 2 investments. In terms of IFRS 9, investments are measured at fair value being the quoted closing price at the reporting date and are categorised as level 1 investments.

Resilient previously agreed to invest 40,9% of the basic rental received from Edgars, Edgars Beauty, Mac and Jet in Edcon Limited shares on a monthly basis between April 2019 and March 2021. The Edcon unlisted investment is categorised as a level 3 investment. Due to the uncertain financial position of Edcon, the Board resolved to fully impair this R55 million investment at June 2020 as well as the R37 million forward contract to receive Edcon shares.

There were no transfers between levels 1, 2 and 3 during the year. The valuation methods applied are consistent with those applied in preparing the previous consolidated financial statements.

As a result of COVID-19, uncommitted capital expenditure (eg Irene Village Mall and The Grove Mall) has been delayed. Consequently, no borrowing costs have been capitalised on these projects.

Rental discounts provided to tenants as a result of the national lockdown are lease modifications in terms of IFRS 16: *Leases* and have been accounted for as new leases from the effective date of the modification, taking into account any prepaid or accrued lease payments relating to the original leases as part of the lease payments for the new lease. This had the effect of increasing the straight-lining receivable by R143,1 million with a corresponding increase in the straight-lining of rental revenue adjustment in profit or loss.

As mentioned in the listed portfolio section, Resilient participated in the equity raise of Lighthouse in May 2020, but its participation remained conditional on approval by Lighthouse shareholders. On 7 August 2020, the transaction was approved resulting in Resilient's interest in Lighthouse increasing to 40,0% while its interest in NEPI Rockcastle reduced from 12,6% to 7,9%.

The directors are not aware of any other matters or circumstances arising subsequent to June 2020, not arising in the normal course of business, that require any additional disclosure or adjustment to the financial statements.

The auditor, PKF Octagon Inc., has issued an unmodified audit opinion on the consolidated financial statements for the year ended June 2020. The audit was conducted in accordance with International Standards on Auditing.

These preliminary audited summarised consolidated financial statements have been derived from the consolidated financial statements and are consistent, in all material respects, with the consolidated financial statements.

This preliminary summarised report has been audited by PKF Octagon Inc. and an unmodified audit opinion has been issued. Copies of the audit reports and the consolidated financial statements are available for inspection at Resilient's registered address.

The auditor's report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of that report together with the accompanying financial information from Resilient's registered address.

2. Lease expiry profile

Lease expiry: South Africa	Based on rentable area %	Based on contractual rental revenue %
Vacant	2,1	
Jun 2021	24,5	28,3
Jun 2022	13,3	16,6
Jun 2023	16,5	18,8
Jun 2024	16,2	16,0
Jun 2025	10,5	9,7
> Jun 2025	16,9	10,6

The lease expiry profile does not take into account the new/amended leases concluded with the purchasers of Edgars and Jet as the sale of these businesses is still conditional.

3. Segmental analysis

	Audited for the year ended Jun 2020 R'000	Audited for the year ended Jun 2019 R'000
Total assets		
Retail: South Africa	**23 394 454**	24 084 537
Retail: Nigeria	**1 324 017**	1 310 359
Corporate: South Africa*	**7 680 053**	11 716 114
Corporate: Nigeria	**27 418**	15 926
	32 425 942	37 126 936
Total liabilities		
Retail: South Africa	**384 267**	416 112
Retail: Nigeria	**47 203**	34 828
Corporate: South Africa	**11 365 106**	10 359 382
Corporate: Nigeria	**1 356 263**	1 165 496
	13 152 839	11 975 818

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

3. Segmental analysis continued

	Audited for the year ended Jun 2020 R'000	Audited for the year ended Jun 2019 R'000
Total revenue		
Revenue from direct property operations		
Retail: South Africa	**2 862 945**	2 751 256
Retail: Nigeria	**146 672**	150 991
Revenue from investments		
Retail: Portugal	**–**	7 181
Corporate: South Africa*	**730 734**	896 536
	3 740 351	3 805 964
(Loss)/profit for the year		
Retail: South Africa	**785 318**	2 175 074
Retail: Nigeria	**(213 332)**	18 588
Retail: Portugal	**–**	24 764
Corporate: South Africa*	**(4 405 976)**	2 492 792
Corporate: Nigeria	**43 869**	(128 734)
	(3 790 121)	4 582 484

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

	Audited for the year ended Jun 2020 R'000	Audited for the year ended Jun 2019 R'000
Reconciliation of (loss)/profit for the year to headline earnings		
Basic (loss)/earnings – (loss)/profit for the year attributable to equity holders	**(3 678 088)**	4 589 626
Adjusted for:	**1 316 547**	(2 862 756)
– fair value loss/(gain) on investment property	**1 303 846**	(311 097)
– profit on deconsolidation of the Siyakha Trusts	**–**	(2 436 890)
– profit on sale of Locaviseu	**–**	(17 583)
– income tax effect	**–**	30 060
– reversal of impairment of investment in associate	**–**	(126 419)
– exchange differences realised on disposal of joint venture	**–**	(4 637)
– fair value loss on investment property of associate	**12 701**	3 810
Headline (loss)/earnings	**(2 361 541)**	1 726 870
Headline (loss)/earnings per share (cents)	**(651,60)**	468,87

Basic (loss)/earnings per share and headline (loss)/earnings per share are based on the weighted average of 362 422 158 (Jun 2019: 368 306 320) shares in issue during the year.

Resilient has no dilutionary instruments in issue.

MANAGEMENT ACCOUNTS

Basis of preparation

In order to provide information of relevance to investors, these management accounts, which comprise financial information extracted from the audited annual financial statements for the year ended June 2020, have been prepared and are presented below to provide users with the position:

- had The Resilient Empowerment Trust not been consolidated as required by IFRS;
- had the Group's listed investment in Lighthouse that was accounted for using the equity method for IFRS been fair valued; and
- 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.

The *pro forma* financial information (management accounts) has been prepared in terms of the JSE Listings Requirements and the SAICA Guide on *pro forma* financial information.

Directors' responsibility statement

The preparation of the management accounts is the sole responsibility of the directors and have been prepared on the basis stated, for illustrative purposes only, to show the impact on the summarised consolidated statement of financial position and the summarised consolidated statement of comprehensive income. Due to their nature, the management accounts may not fairly present the financial position and results of the Group in terms of IFRS.

Reporting accountant's opinion

The *pro forma* financial information has been reviewed by PKF Octagon Inc. and its unmodified assurance report is available for inspection at Resilient's registered address.

Management account adjustments

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.

Adjustment 2

Resilient has no entitlement to or share in the assets of The Resilient Empowerment Trust. This trust received donations from donors other than Resilient to which the Group has no claim. The management accounts provide a true reflection of the assets under management of Resilient.

Adjustment 3

The investment in Lighthouse is reflected at its fair value by multiplying the 136 242 058 shares held by the quoted closing price at 30 June 2020. All entries recorded to account for this investment using the equity method are reversed. This more accurately reflects the Group's assets and liabilities.

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) previously consolidated. It uses the management accounts for the year ended June 2020 of Resilient Africa, Resilient Africa Managers, Arbour Town and Southern Palace Investments 19 to reverse the non-controlling interests to reflect the Group's interest in the assets, liabilities and results of operations from these investments.

Summarised consolidated statement of financial position

	IFRS Jun 2020 R'000	Adjustment 1 Component disclosure Jun 2020 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust Jun 2020 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse Jun 2020 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries Jun 2020 R'000	Management accounts Jun 2020 R'000
Assets						
Non-current assets	32 148 300	–	–	599 933	(1 240 988)	31 507 245
Investment property	23 440 816				(1 321 067)	22 119 749
Straight-lining of rental revenue adjustment	633 146				(26 014)	607 132
Investment property under development	407 853				(970)	406 883
Investment in associate	667 118			(667 118)		–
Investments	6 703 371			1 267 051		7 970 422
Staff incentive loans	16 236					16 236
Loans to co-owners	87 837				107 063	194 900
Other financial assets	114 326	(114 326)				–
Fair value of interest rate derivatives		110 471				110 471
Fair value of currency derivatives		1 578				1 578
Loans advanced		2 277				2 277
Other assets	77 597					77 597
Current assets	277 642	–	(6 109)	–	(25 538)	245 995
Staff incentive loans	1 156					1 156
Trade and other receivables	183 293		(63)		(10 960)	172 270
Other financial assets	5 478	(5 478)				–
Fair value of currency derivatives		3 788				3 788
Loans advanced		1 690				1 690
Other assets	25 008					25 008
Cash and cash equivalents	62 707		(6 046)		(14 578)	42 083
Total assets	32 425 942	–	(6 109)	599 933	(1 266 526)	31 753 240

Summarised consolidated statement of financial position continued

	IFRS Jun 2020 R'000	Adjustment 1 Component disclosure Jun 2020 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust Jun 2020 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse Jun 2020 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries Jun 2020 R'000	Management accounts Jun 2020 R'000
Equity and liabilities						
Total equity attributable to equity holders	19 435 373	–	(6 090)	599 933	–	20 029 216
Stated capital	13 014 794					13 014 794
Treasury shares	(2 996 167)					(2 996 167)
Foreign currency translation reserve	257 963					257 963
Retained earnings	9 158 783		(6 090)	599 933		9 752 626
Non-controlling interests	(162 270)				162 270	–
Total equity	19 273 103	–	(6 090)	599 933	162 270	20 029 216
Total liabilities	13 152 839	–	(19)	–	(1 428 796)	11 724 024
Non-current liabilities	10 076 979	–	–	–	(1 396 742)	8 680 237
Interest-bearing borrowings	8 774 014				(305 652)	8 468 362
Other financial liabilities	147 209	(147 209)				–
Fair value of interest rate derivatives		89 583				89 583
Fair value of currency derivatives		57 626				57 626
Deferred tax	64 675				(9)	64 666
Amounts owing to non-controlling shareholders	1 091 081				(1 091 081)	–
Current liabilities	3 075 860	–	(19)	–	(32 054)	3 043 787
Trade and other payables	466 292		(19)		(24 833)	441 440
Other financial liabilities	78 406	(78 406)				–
Fair value of interest rate derivatives		8 761				8 761
Fair value of currency derivatives		69 645				69 645
Other liabilities	54 223	(54 223)				–
Deferred income: Edcon Limited		34 563			(125)	34 438
Prepaid rentals		13 555			(6 698)	6 857
VAT payables		6 105			(252)	5 853
Income tax payable	262				(146)	116
Interest-bearing borrowings	2 476 677					2 476 677
Total equity and liabilities	32 425 942	–	(6 109)	599 933	(1 266 526)	31 753 240

Summarised consolidated statement of comprehensive income

	IFRS for the year ended Jun 2020 R'000	Adjustment 1 Component disclosure for the year ended Jun 2020 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust for the year ended Jun 2020 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse for the year ended Jun 2020 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries for the year ended Jun 2020 R'000	Management accounts for the year ended Jun 2020 R'000
Recoveries and contractual rental revenue	2 835 936				(161 332)	2 674 604
Straight-lining of rental revenue adjustment	173 681				(6 751)	166 930
Revenue from direct property operations	3 009 617	–	–	–	(168 083)	2 841 534
Revenue from investments	730 734					730 734
Realised gain on forward exchange contracts		56 721				56 721
Total revenue	3 740 351	56 721	–	–	(168 083)	3 628 989
Fair value adjustments	(5 360 941)	(254 131)	–	329 193	178 545	(5 107 334)
Fair value loss on investment property	(1 130 165)				171 462	(958 703)
Adjustment resulting from straight-lining of rental revenue	(173 681)				6 751	(166 930)
Fair value loss on investments	(3 142 457)			329 193	203	(2 813 061)
Fair value loss on forward contract: Edcon Limited shares	(36 686)				129	(36 557)
Fair value loss on currency derivatives	(802 092)	802 092				–
Unrealised loss		(205 406)				(205 406)
Realised loss on cross-currency swaps		(873 515)				(873 515)
Fair value loss on interest rate derivatives	(75 860)	75 860				–
Unrealised loss		(53 162)				(53 162)
Property operating expenses	(1 096 815)				75 487	(1 021 328)
Administrative expenses	(136 422)		2 969		8 247	(125 206)
Foreign exchange gain	112 107				(43 720)	68 387
Donations received by The Resilient Empowerment Trust	3 320		(3 320)			–
Impairment of staff incentive loans receivable	(21 238)					(21 238)
Impairment of loans receivable	(6 239)					(6 239)
Amortisation of interest rate cap premiums	(34 983)					(34 983)
Share of loss of associate	(239 150)			239 150		–
Loss before net finance costs	(3 040 010)	(197 410)	(351)	568 343	50 476	(2 618 952)

Summarised consolidated statement of comprehensive income continued

	IFRS for the year ended Jun 2020 R'000	Adjustment 1 Component disclosure for the year ended Jun 2020 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust for the year ended Jun 2020 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse for the year ended Jun 2020 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries for the year ended Jun 2020 R'000	Management accounts for the year ended Jun 2020 R'000
Net finance costs	(802 097)	197 410	(19)	–	61 481	(543 225)
Finance income	28 002	220 496	(19)	–	61 259	309 738
Interest received on loans and cash balances	28 002		(19)		61 259	89 242
Interest received on interest rate derivatives		388				388
Interest received on cross-currency swaps		220 108				220 108
Finance costs	(830 099)	(23 086)	–	–	222	(852 963)
Interest on borrowings	(860 392)				309	(860 083)
Interest paid on interest rate derivatives		(23 086)				(23 086)
Capitalised interest	30 293				(87)	30 206
Loss before income tax	(3 842 107)	–	(370)	568 343	111 957	(3 162 177)
Income tax	51 986				76	52 062
Loss for the year	(3 790 121)	–	(370)	568 343	112 033	(3 110 115)
Loss for the year attributable to:						
Equity holders of the Company	(3 678 088)		(370)	568 343		(3 110 115)
Non-controlling interests	(112 033)				112 033	–
	(3 790 121)	–	(370)	568 343	112 033	(3 110 115)

DIVIDEND CALCULATION

Based on management accounts	Management accounts for the year ended Jun 2020 R'000
Recoveries and contractual rental revenue*	2 674 604
Reverse IFRS adjustment to rental revenue: Edcon	(12 797)
Edcon 40,9% basic rental adjustment	(32 814)
Revenue from investments	730 734
Realised gain on forward exchange contracts	56 721
Property operating expenses	(1 021 328)
Administrative expenses	(125 206)
Amortisation of interest rate cap premiums	(34 983)
Interest received on loans and cash balances	89 242
Interest received on interest rate derivatives	388
Interest received on cross-currency swaps	220 108
Interest on borrowings	(860 083)
Interest paid on interest rate derivatives	(23 086)
Capitalised interest	30 206
Dividends accrued	(352 843)
Antecedent dividend	(844)
Income hedging adjustment of Nigeria performance	(2 521)
Distributable earnings	1 335 498
Interim dividend	(972 795)
Final dividend	(362 703)
	–

** Rental revenue was reduced by R166,3 million of COVID-related discounts.*

RECONCILIATION OF (LOSS)/PROFIT FOR THE YEAR TO DIVIDEND DECLARED

Reconciliation from IFRS profit or loss	Audited for the year ended Jun 2020 R'000	Audited for the year ended Jun 2019 R'000
(Loss)/profit for the year	(3 790 121)	4 582 484
Fair value loss/(gain) on investment property	1 130 165	(372 066)
Fair value loss/(gain) on investments	3 142 457	(144 224)
Fair value loss on forward contract: Edcon Limited shares	36 686	–
Fair value loss/(gain) on currency derivatives	802 092	(442 924)
Realised gain on forward exchange contracts	56 721	88 472
Interest received on cross-currency swaps	220 108	280 407
Fair value loss on interest rate derivatives	75 860	105 547
Interest received on interest rate derivatives	388	1 915
Interest paid on interest rate derivatives	(23 086)	(13 180)
Profit on deconsolidation of the Siyakha Trusts	–	(2 436 890)
Foreign exchange (gain)/loss	(112 107)	42 394
Profit on sale of Locaviseu	–	(17 583)
Reversal of impairment of investment in associate	–	(126 419)
Impairment of staff incentive loans receivable	21 238	–
Impairment of loans receivable	6 239	64 771
Non-distributable loss/(profit) from associate	239 150	(52 807)
Income tax	(51 986)	103 732
Non-controlling interests	(16 117)	(34 687)
Antecedent dividend	(844)	(12 430)
Income hedging adjustment of Nigeria performance	(2 521)	(846)
Termination of interest rate derivatives	–	2 002
Dividends accrued	(352 843)	113 665
Amount available for distribution under best practice	1 381 479	1 731 333
Edcon 40,9% basic rental adjustment	(45 611)	(11 789)
Effect of consolidating the Siyakha Trusts and The Resilient Empowerment Trust	(370)	217 255
– relating to Resilient	(370)	765
– relating to Fortress		216 490
Adjustment for revised distributable earnings relating to the Siyakha Trusts – dividend from Fortress B shares held as collateral		6 541
Dividend declared	(1 335 498)	(1 943 340)
– interim	(972 795)	(972 514)
– final	(362 703)	(970 826)
	–	–
Shares used for dividend per share calculation		
– interim	363 037 227	368 851 371
– final	360 970 213	363 061 506

PAYMENT OF FINAL DIVIDEND

The Board has approved and notice is hereby given of a final dividend of 100,48000 cents per share for the six months ended 30 June 2020.

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

Last date to trade *cum* dividend	Tuesday, 15 September 2020
Shares trade *ex* dividend	Wednesday, 16 September 2020
Record date	Friday, 18 September 2020
Payment date	Monday, 21 September 2020

Share certificates may not be dematerialised or rematerialised between Wednesday, 16 September 2020 and Friday, 18 September 2020, both days inclusive.

In respect of dematerialised shareholders, the dividend will be transferred to the CSDP accounts/broker accounts on Monday, 21 September 2020. Certificated shareholders' dividend payments will be posted on or about Monday, 21 September 2020.

Directors

Alan Olivier (chairman); Stuart Bird; David Brown; Thembi Chagonda; Des de Beer*; Des Gordon; Nick Hanekom*; Johann Kriek*; Dawn Marole; Monica Muller*; Protas Phili; Umsha Reddy; Barry van Wyk
*(*executive director)*

Changes to the Board

Andries de Lange resigned from the Board with effect from 29 February 2020. Monica Muller was appointed as a director with effect from 1 March 2020.

Company secretary

Ashleigh Egan

Registered address

4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, 2191
PO Box 2555, Rivonia, 2128
Tel: +27 (0) 11 612 6800 Fax: +27 (0) 86 758 4105

Transfer secretaries

Link Market Services South Africa Proprietary Limited
13th Floor, 19 Ameshoff Street, Braamfontein, 2001

Sponsor

Java Capital Trustees and Sponsors Proprietary Limited
6th Floor, 1 Park Lane, Wierda Valley, Sandton, 2169

www.resilient.co.za

DIVIDEND: TAX TREATMENT

In accordance with Resilient's status as a REIT, shareholders are advised that the dividend of 100,48000 cents per share for the six months ended 30 June 2020 ("the dividend") meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 ("Income Tax Act"). The dividend will be deemed to be a dividend, for South African tax purposes, in terms of section 25BB of the Income Tax Act.

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

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

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

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 80,38400 cents per share.

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

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

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

Shares in issue at the date of declaration of this dividend: 400 126 254

Resilient's income tax reference number: 9579269144

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RESILIENT

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