RESILIENT

PROVISIONAL AUDITED SUMMARISED CONSOLIDATED **FINANCIAL STATEMENTS**

for the six months ended 31 December 2021

DIRECTORS' COMMENTARY

NATURE OF THE BUSINESS

Resilient is a retail-focused 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 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 economic fundamentals, either with mineral resources or export-quality agricultural products. Resilient generally has the dominant offering in its target markets with a strong grocery and convenience offering.

DISTRIBUTABLE EARNINGS AND DIVIDEND DECLARED

The Board has declared a dividend of 226,62 cents per share for the six months ended December 2021. This represents an increase of 11,8% when compared to the dividend for the six months ended December 2020.

COMMENTARY ON RESULTS

The Group collected 97,1% of rentals and recoveries billed (before discounts) during the period. COVID-related discounts and tenant arrears are set out below:

	Dec 2021 six months			Jun 2021 six months			Dec 2020 six months		
	SA R'000	Nigeria R'000	Group R'000	SA R'000	Nigeria R'000	Group R'000	SA R'000	Nigeria R'000	Group R'000
Discounts provided to tenants	21 472	–	21 472	15 718	1 795	17 513	42 100	1 611	43 711
Tenant arrears written off	12 829	1 423	14 252	16 563	(3 519)	13 044	18 923	1 600	20 523
Net arrears at reporting date	44 115	5 862	49 977	33 050	4 603	37 653	58 229	6 939	65 168

Subsequent to the reporting date, R14,3 million of the tenant arrears were collected.

During the previous reporting period, Resilient's insurance policy included pandemic cover. Resilient has received a settlement of R12,6 million in respect of its claim, which was not previously accrued.

To date, Resilient has received a settlement of R13,7 million in respect of its insurance claims relating to the social unrest of July 2021. This claim includes R3,3 million for damages, R9,3 million for loss of rental and R1,1 million relating to additional security costs incurred. An amount of R3 million relating to damages and additional expenses remains outstanding and has not been accrued for.

The Group's year-end changed to December which resulted in an increase in administrative costs compared to the interim comparable period. Costs such as internal and external audit fees as well as valuation fees are usually accounted for over a 12-month period. However, as a result of the change in the Group's financial year, these costs were accounted for over a period of six months. In addition, staff incentivisation (STI awards) is accrued for only at the reporting period-end. These additional costs were offset by a strong performance by the South African property portfolio which recorded net property income growth of 7,8%. This excludes the COVID-related discounts, the pandemic cover settlement received and Murchison Mall which was disposed of during the period.

Administered costs, particularly rates and taxes and electricity, continue to escalate well ahead of inflation and retail sales growth and are affecting tenants' cost of occupancy.

South Africa

Resilient's portfolio achieved strong comparable sales growth of +8,5% for the six months ended December 2021 (+6,9% compared to the six months to December 2019 pre-COVID performance). Resilient continues to benefit from dominant shopping centres serving markets exposed to export commodities. These include mining and high-value agricultural products in which South Africa is internationally competitive.

Jabulani Mall and a section of Mams Mall were looted during the social unrest of July 2021. As a result, retail sales in these centres declined by 22,3% and 1,6%, respectively, compared with the same six-month period of 2020 and were excluded from the comparable sales performance.

The comparable sales growth per province is set out below.

Province	Six months ended Dec 2021 vs Dec 2020 %	Year ended Dec 2021 vs Dec 2020 %	SA properties by value %
North West	(0,5)	4,0	5,8
Northern Cape	6,7	12,4	6,3
Mpumalanga	7,0	12,5	14,0
Gauteng	8,5	12,9	24,4
Limpopo	6,0	13,5	29,1
Eastern Cape	10,4	14,7	3,5
KwaZulu-Natal	17,8	18,6	16,9
	8,5	13,5	

Brits Mall in the North West was negatively impacted by a new convenience centre which opened on the opposite side of town resulting in reduced grocery turnover. Our centres in KwaZulu-Natal benefitted from damage to other retail centres in their broader catchment areas. This performance should normalise once those centres reopen. The performance following the redevelopment of Circus Triangle in the Eastern Cape exceeded our expectations.

The Edgars stores in our portfolio recovered strongly with comparable growth of 22,1%. Resilient has made considerable progress to "right-size" these stores from a department store format to a fashion and beauty emporium. In total, nine stores were or are being "right-sized", one store has closed and a further two stores are scheduled to be closed. All the resulting space has been relet to national tenants.

Expiring leases with tenants that remained in occupation were renewed on average at +0,1% compared to the expiring rentals. Leases concluded with new tenants were on average 11,2% higher than the rentals of the outgoing tenants. In total, rentals for renewals and new leases increased on average by 2,8%.

South Africa continued

Vacancies

Resilient owns 27 retail centres with a gross lettable area ("GLA") of 1,15 million square metres. Resilient's *pro rata* share of the vacancy was 2,3% at December 2021. This is expected to decrease to below 2% which, taking into account unit sizes and locality, is effectively fully let.

Property disposals

Murchison Mall, which was sold for R392,1 million, was transferred in August 2021.

Property developments

Construction of the 9 000m^2 GLA The Village Klerksdorp development, to be anchored by Checkers, Woolworths food and Clicks, is scheduled to commence in 2H2022.

Resilient is mindful of structural changes in the retail environment and challenges in dealing with local authorities. Despite strong tenant demand in most of our target markets, material extensions are being limited to Irene Village Mall, Mahikeng Mall, Tubatse Crossing and Tzaneen Lifestyle Centre. The extension to Mahikeng Mall is on schedule for completion in April 2023.

France

Resilient acquired a 25% interest in Retail Property Investments SAS ("RPI") in partnership with Lighthouse Properties. RPI owns four shopping centres in France. The R1,3 billion investment, funded from the Group's South African banking facilities, was made at an exchange rate of R17,07 to the Euro on 30 September 2021. A facility of EUR135 million was approved by a syndicate of French and German financial institutions led by Natixis. The facility is secured by the four properties with no recourse to Resilient's South African balance sheet. Resilient's EUR33,75 million portion of the facility was drawn on 7 March 2022.

The new 6 709m^2 Primark being developed at Saint Sever is scheduled to open in 1H2023. The building was previously a theatre complex and is being incorporated into the existing mall. The addition of Primark has enhanced tenant interest in the centre. RPI is in negotiations with additional leading international fashion brands which will further strengthen the centre's offering. The property is located on a busy pedestrian commuter route and is directly linked to the metro station, municipal offices (including a library) and E.Leclerc hypermarket.

At Docks 76, the installation of Biltoki Market is progressing well. The premises was handed over in February 2022 and trading is scheduled to commence in September 2022. This is a popular market-style food and beverage concept in France and will further expand the food and beverage offering of the centre. The centre is situated in the upmarket area of Rouen, north of the Seine River. The surrounding area continues to densify with a number of new high-density residential projects completed and under development. As a result, Docks 76 is experiencing higher footfall and sales than achieved in 2019.

Since the acquisition of Docks Vauban, KFC, Timberland and Jennyfer have been introduced as tenants and planning approval for the introduction of Lidl has been obtained. Heads of terms have been concluded and this grocer is anticipated to commence trading in 4Q2022. This centre is centrally located and adjacent to the Le Havre train station and university. New developments in the node include additional student accommodation, offices and a hotel.

At Rivetoile, negotiations are underway with the local municipality for the acquisition of additional land which will enable RPI to expand the centre.

Resilient's share of the upward revaluation of the French assets amounted to EUR6,5 million during the period. The performance of the French portfolio was in line with expectations during the quarter.

Nigeria

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

During the previous reporting period, the Board resolved to dispose of Resilient's operations in Nigeria. An in-principle agreement for the disposal was reached with Shoprite, however, by mutual agreement it was terminated after the reporting date. The associated assets and liabilities remain presented as held for sale at the reporting date.

With the increase in the oil price, the trading conditions at Asaba Mall and Delta Mall improved significantly and both centres are fully let. Owerri Mall has been affected by political uncertainty in the region and does not directly benefit from the oil price increase. The vacancy at this centre was 2,2% at December 2021.

SUSTAINABILITY

Although solar photovoltaic installations of up to 1 MWp have been "regulatory light", increasing the capacity to beyond this limit has historically been time-consuming and cumbersome. Electricity is a major source of revenue for local authorities and Eskom. Increasing the capacity of solar installations by paying customers impacts negatively on their revenues.

Government's drive to increase sustainable energy generation has resulted in an improvement in these processes and procedures. Resilient has recently received five approvals for a total of 8,2 MWp of additional capacity (beyond the initial 1 MWp). Significant savings can be achieved by reducing the size of the electricity connection and/or the notified maximum demand. To achieve this, and to take full advantage of the additional solar capacity, battery installations of 500 kWh at Irene Village Mall and 1 000 kWh at the Grove Mall are being commissioned at a cost of R5,3 million and R11,0 million, respectively.

Resilient currently produces 7,5% of its electricity consumption which will increase to 14,2% by the end of 2022. Budgeted installations awaiting approval will increase own production to 18,4% by the end of 2023.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT ("B-BBEE")

There are currently 18 students sponsored by The Resilient Empowerment Trust, 17 of whom are studying medicine. All the students are due to graduate this year. In compliance with B-BBEE legislation, Resilient is seeking to appoint an independent licensed asset manager to establish and manage a company which invests in Resilient's shares. Other than providing financial support, Resilient will have no involvement in this initiative.

The Group will continue to support its various community-based initiatives including the "Learning Labs". During the year, a programme of replacing computer equipment, lighting and projectors will be undertaken.

LISTED PORTFOLIO

	Dec 2021		Jun 2021	
Counter	Number of shares	Fair value R'000	Number of shares	Fair value R'000
NEPI Rockcastle (NRP)	**15 500 000**	**1 643 000**	31 607 230	3 199 284
Lighthouse Properties (LTE)	**672 700 000**	**6 054 300**	501 639 400	4 128 492
		7 697 300		7 327 776

In line with Resilient's policy to only hold interests in companies over which it has significant influence, it has continued to reduce its interest in NEPI Rockcastle. Resilient disposed of 16 107 230 NEPI Rockcastle shares for a total consideration of R1,7 billion during the reporting period. Subsequent to the reporting date, 1 663 000 shares were sold raising a further R176 million.

To partially finance its share of the acquisition of four shopping centres in northern France, Lighthouse launched a vendor placing in August 2021. Resilient acquired 144 510 258 shares in this equity raise at a price of R8,10 per share, for an aggregate consideration of R1,2 billion. In addition to scrip dividends received, a further 2 864 590 shares were acquired during the six months to December 2021 under the previously reported mandatory offer. Resilient exercises significant influence over Lighthouse and as such the investment continues to be equity-accounted at December 2021. The carrying value of the investment was R3,1 billion at December 2021.

Lighthouse has migrated its domicile to Malta and made public its intention to list on a major European exchange. This will broaden the shareholder base and improve share liquidity for Lighthouse and facilitate its access to funding via the European bond market.

Some Resilient shareholders have indicated a preference to own Lighthouse shares directly instead of through their investment in Resilient. The Resilient Board is mindful that Lighthouse has and will continue to benefit from the support of Resilient as a significant shareholder, but is willing to enhance direct market access to Lighthouse by reducing Resilient's holding of Lighthouse shares. To effect this, the Board has resolved to distribute Lighthouse shares to Resilient shareholders at a ratio of 0,48 Lighthouse shares for each Resilient share held, subject to rounding and payment in cash for fractions. The distribution *in specie*, including cash payments for fractions, will take the form of a return of capital. Following the implementation of the distribution *in specie*, which is subject to conditions including exchange control approval, Resilient will own approximately 30,7% of the Lighthouse shares in issue. In due course, Resilient will announce the full details of the distribution *in specie*.

FINANCIAL COMMENTARY

Property valuations and yield

Jones Lang LaSalle Proprietary Limited valued the South African property portfolio at December 2021. Resilient's share of the South African portfolio was revalued upwards by 3,7% (R843 million). The average annualised property yield was 8,2% at December 2021.

Funding, facilities and interest rate derivatives

During the period, Resilient accepted facilities totalling R5,6 billion, R1,3 billion of which were effective from January 2022. Resilient also placed a four-year, unsecured note of R500 million under its DMTN programme.

The Group's policy is not to borrow against listed securities (R7,7 billion at December 2021). The Group has R2,7 billion of unbonded investment property (excluding land) and unsecured funding of R2,7 billion.

Following concerns about rising interest rates, Resilient entered into additional interest rate swaps and remains defensively positioned.

The following facilities are currently in place:

Facility expiry	Amount 'million	Average margin
South Africa		
Dec 2022	R2 571	3-month JIBAR+1,69%
Dec 2023	R1 559	3-month JIBAR+1,99%
Dec 2024	R3 153	3-month JIBAR+1,78%
Dec 2025	R2 510	3-month JIBAR+1,90%
Dec 2026	R2 367	3-month JIBAR+1,91%
	R12 160	**3-month JIBAR+1,84%**
Nigeria*#		
Mar 2024	USD45	90-day US LIBOR+6,25%
France#		
Mar 2027 (including extension option in 2025)	EUR33,75	3-month EURIBOR+3,00%

All facilities represent Resilient's proportionate share.

* *Discontinued operations.*

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

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 %
Dec 2023	500 000	7,78
Dec 2024	1 100 000	4,81
Dec 2025	800 000	4,91
Dec 2026	1 100 000	6,04
Dec 2027	500 000	6,43
Dec 2028	2 000 000	6,68
	6 000 000	**6,05**

Interest rate cap expiry	Amount R'000	Average cap rate %
Dec 2023	500 000	7,71
Dec 2024	400 000	8,37
Dec 2026	400 000	7,91
Dec 2027	1 000 000	8,03
Dec 2029	500 000	7,15
	2 800 000	**7,85**

The all-in weighted average cost of funding of Resilient was 7,11% at December 2021 and the average hedge term was 4,5 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 2022	USD11 000	2,42
Dec 2026	USD11 000	1,90
	USD22 000	**2,16**
Dec 2025	**EUR33 750**	**0,00**

Exposure to variable interest rates	South Africa '000	Nigeria* '000
Interest-bearing borrowings	R9 555 343	R438 021
Loans to co-owners	(R116 439)	
Tenant loans advanced	(R2 973)	
Cash and cash equivalents	(R74 835)	(R34 091)
Capital commitments contracted for	R208 056	
Capital commitments approved	R695 304	
	R10 264 456	R403 930
Exchange rate		15,94
Exposure	R10 264 456	USD25 341
Interest rate derivatives – swaps/caps	R8 800 000	USD22 000
Percentage hedged	**85,7% (R)**	**86,8% (USD)**

* *Discontinued operations.*

Loan-to-value ("LTV") ratio

	South Africa R'000	Nigeria* R'000	France R'000	Total R'000
Assets				
Investment property	22 722 508	597 824	1 388 833	24 709 165
Straight-lining of rental revenue adjustment	490 918	4 773		495 691
Investment property under development	381 449		115 415	496 864
Investments (funded in South Africa)	7 697 300			7 697 300
Staff incentive loans	22 622			22 622
Loans to co-owners	116 439	110 939		227 378
Loans advanced	2 973			2 973
	31 434 209	713 536	1 504 248	33 651 993
Net debt				
Cash and cash equivalents	(74 835)	(34 091)	(31 425)	(140 351)
Fair value of derivative financial instruments	(149 627)	(4 099)		(153 726)
Interest-bearing borrowings	9 555 343	438 021		9 993 364
	9 330 881	399 831	(31 425)	9 699 287
LTV ratio	**29,7% (R)**	**56,0% (USD)****	**n/a (EUR)**	**28,8% (R)**

* *Discontinued operations.*

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

Income hedging

The Group will continue to hedge 100% of foreign income to be received in the following 12 months. Until there is certainty on future earnings, Resilient will not enter into further hedges beyond a 12-month period. Expected foreign income is hedged as follows:

	EUR
1H2022	**R19,65**
2H2022	**R19,65**

Summary of financial performance

	Dec 2021	Jun 2021	Dec 2020	Jun 2020
Dividend (cents per share)	**226,62**	226,11	202,70	100,48
Shares in issue for IFRS	**360 970 213**	360 970 213	360 970 213	360 970 213
Shares held in treasury: Resilient Properties	**39 156 041**	39 156 041	39 156 041	39 156 041
Shares in issue	**400 126 254**	400 126 254	400 126 254	400 126 254
Management accounts information				
Net asset value per share	**R65,03**	R60,24	R55,63	R55,49
LTV ratio (%)*	**28,8**	28,8	33,7	35,2
Gross property expense ratio (%)	**38,1**	37,3	38,6	38,2
Percentage of direct and indirect property assets offshore (%)	**29,4**	25,4	26,3	27,8
IFRS accounting				
Net asset value per share	**R56,73**	R53,28	R52,49	R55,09

* *The LTV ratio is calculated by dividing total interest-bearing borrowings adjusted for cash on hand and the fair value of derivative financial instruments by the total of investments in property, listed securities and loans advanced. Refer to page 8.*

PROSPECTS

Resilient remains open to additional direct investment in regions with strong economic fundamentals based on internationally competitive commodities. As in the past, the Group will maintain a conservative financial structure as protection against unforeseen events.

As Resilient's shares trade at a discount to its net asset value, the Board has appointed Java Capital to explore all avenues to unlock value for shareholders. In due course, Resilient will provide details of the outcomes of this process.

In view of the current international uncertainty as well as the continued impact of COVID, the Board is not in a position to provide guidance. The distribution policy remains unchanged and Resilient will maintain its payout ratio at 100%.

By order of the Board

Des de Beer
Chief executive officer

Monica Muller
Chief financial officer

Johannesburg
17 March 2022

SUMMARISED CONSOLIDATED STATEMENT OF **FINANCIAL POSITION**

	Audited Dec 2021 R'000	Restated Jun 2021* R'000	Restated Jun 2020* R'000
ASSETS			
Non-current assets	30 893 079	28 532 573	32 597 287
Investment property	23 464 044	22 481 596	23 440 816
Straight-lining of rental revenue adjustment	507 892	496 091	633 146
Investment property under development	382 709	402 573	407 853
Investment in associates	3 224 521	1 610 022	1 116 105
Investments	1 643 000	3 199 284	6 703 371
Staff incentive loans	22 424	18 521	16 236
Loans to co-owners	102 929	103 198	87 837
Loans to associate	1 339 480	–	–
Other financial assets	149 252	157 595	114 326
Other assets	56 828	63 693	77 597
Current assets	316 305	290 151	277 642
Staff incentive loans	198	1 146	1 156
Loans to associate	11 358	–	–
Trade and other receivables	167 159	138 499	183 293
Other financial assets	41 618	77 524	5 478
Other assets	19 428	24 997	25 008
Cash and cash equivalents	76 544	47 985	62 707
Assets held for sale	1 272 115	1 518 620	–
Total assets	32 481 499	30 341 344	32 874 929

	Audited Dec 2021 R'000	Restated Jun 2021* R'000	Restated Jun 2020* R'000
EQUITY AND LIABILITIES			
Total equity attributable to equity holders	20 477 289	19 230 815	19 884 360
Stated capital	13 014 794	13 014 794	13 014 794
Treasury shares	(2 996 167)	(2 996 167)	(2 996 167)
Foreign currency translation reserve	1 085 184	857 456	706 950
Share-based payments reserve	9 406	4 616	–
Retained earnings	9 364 072	8 350 116	9 158 783
Non-controlling interests	(164 357)	(209 125)	(162 270)
Total equity	20 312 932	19 021 690	19 722 090
Total liabilities	12 168 567	11 319 654	13 152 839
Non-current liabilities	7 186 250	7 884 347	8 985 898
Interest-bearing borrowings	7 046 547	7 711 932	8 774 014
Other financial liabilities	32 479	45 675	147 209
Deferred tax	107 224	126 740	64 675
Current liabilities	3 596 104	2 162 745	4 166 941
Trade and other payables	526 038	490 304	466 292
Other financial liabilities	1 692	–	78 406
Other liabilities	21 343	19 673	54 223
Income tax payable	18 390	–	262
Amounts owing to non-controlling shareholders	519 845	525 122	1 091 081
Interest-bearing borrowings	2 508 796	1 127 646	2 476 677
Liabilities directly associated with assets classified as held for sale	1 386 213	1 272 562	–
Total equity and liabilities	32 481 499	30 341 344	32 874 929

* *Refer to note 4 for disclosure on the restatements.*

SUMMARISED CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

	Audited for the six months ended Dec 2021 R'000	Restated for the year ended Jun 2021* R'000
Contractual rental revenue and recoveries	1 461 413	2 854 498
Straight-lining of rental revenue adjustment	6 042	(115 150)
Revenue from direct property operations	1 467 455	2 739 348
Revenue from investments	72 293	125 416
Total revenue	1 539 748	2 864 764
Fair value adjustments	934 408	1 464 741
Fair value gain on investment property	881 450	509 100
Adjustment resulting from straight-lining of rental revenue	(6 042)	115 150
Fair value gain on investments	106 894	627 708
Fair value gain on forward contract: Edcon Limited shares	–	16 013
Fair value (loss)/gain on currency derivatives	(23 417)	224 649
Fair value loss on interest rate derivatives	(24 477)	(27 879)
Property operating expenses	(568 984)	(1 071 768)
Administrative expenses	(68 999)	(121 250)
Share-based payments – employee incentive scheme	(4 790)	(4 616)
Insurance proceeds	26 616	–
Foreign exchange gain/(loss)	80 237	(3)
Donations received by The Resilient Empowerment Trust	–	2 754
Reversal of impairment of staff incentive loans receivable	4 072	2 388
(Impairment)/reversal of impairment of loans receivable	(2 589)	10 360
Amortisation of interest rate cap premiums	(7 025)	(13 934)
Share of profit/(loss) of associates	269 502	(2 201 143)
Profit before net finance costs	2 202 196	932 293
Net finance costs	(240 838)	(527 915)
Finance income	16 983	12 055
Interest received on loans and cash balances	6 549	12 055
Interest received from associate	10 434	–
Finance costs	(257 821)	(539 970)
Interest on borrowings	(259 615)	(540 700)
Capitalised interest	1 794	730
Profit before income tax	1 961 358	404 378
Income tax	1 097	(62 067)
Profit from continuing operations	1 962 455	342 311
Profit/(loss) from discontinued operations	60 679	(144 489)
Profit for the period	2 023 134	197 822

	Audited for the six months ended Dec 2021 R'000	Restated for the year ended Jun 2021* R'000
Other comprehensive income/(loss) net of tax		
Items that may subsequently be reclassified to profit or loss		
Foreign currency translation differences from continuing operations	122 534	201 737
Foreign currency translation differences from discontinued operations	(15 392)	40 048
	107 142	241 785
Total comprehensive income for the period	2 130 276	439 607
Profit/(loss) for the period attributable to:		
Equity holders of the Company	1 943 338	213 271
Non-controlling interests	79 796	(15 449)
	2 023 134	197 822
Total comprehensive income for the period attributable to:		
Equity holders of the Company	2 057 873	436 229
Non-controlling interests	72 403	3 378
	2 130 276	439 607
Total comprehensive income/(loss) attributable to equity holders of the Company arising from:		
Continuing operations	2 018 412	479 327
Discontinued operations	39 461	(43 098)
	2 057 873	436 229
Earnings per share from profit from continuing operations		
Basic earnings per share (cents)	525,22	76,90
Diluted earnings per share (cents)	523,63	76,77

* *Refer to note 4 for disclosure on the restatements.*

SUMMARISED CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

Audited	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 Jun 2020 – previously reported	13 014 794	(2 996 167)	257 963	–	9 158 783	19 435 373	(162 270)	19 273 103
Restatement of foreign currency translation reserve*			448 987			448 987		448 987
Restated balance at Jun 2020	13 014 794	(2 996 167)	706 950	–	9 158 783	19 884 360	(162 270)	19 722 090
Foreign currency translation differences			222 958			222 958	18 827	241 785
Profit/(loss) for the period					213 271	213 271	(15 449)	197 822
Share-based payments – employee incentive scheme				4 616		4 616		4 616
Dividends paid					(1 094 390)	(1 094 390)	(50 233)	(1 144 623)
Transfer from foreign currency translation reserve			(72 452)		72 452	–		–
Restated balance at Jun 2021	13 014 794	(2 996 167)	857 456	4 616	8 350 116	19 230 815	(209 125)	19 021 690
Foreign currency translation differences			114 535			114 535	(7 393)	107 142
Profit for the period					1 943 338	1 943 338	79 796	2 023 134
Share-based payments – employee incentive scheme				4 790		4 790		4 790
Dividends paid					(816 189)	(816 189)	(27 635)	(843 824)
Transfer to foreign currency translation reserve			113 193		(113 193)	–		–
Balance at Dec 2021	13 014 794	(2 996 167)	1 085 184	9 406	9 364 072	20 477 289	(164 357)	20 312 932

* *Refer to note 4 for disclosure on the restatements.*

SUMMARISED CONSOLIDATED STATEMENT OF **CASH FLOWS**

	Audited for the six months ended Dec 2021 R'000	Restated for the year ended Jun 2021* R'000
Operating activities		
Cash generated from operations	988 196	1 837 180
Interest paid	(237 510)	(583 799)
Dividends paid	(843 824)	(1 144 623)
Income tax paid	(293)	(906)
Cash (outflow)/inflow from operating activities	(93 431)	107 852
Investing activities		
Development and improvement of investment property	(107 413)	(108 674)
Proceeds on disposal of investment property	392 100	–
Increase of interest in associate	(1 190 740)	(10 021)
Acquisition of interest in associate	(31 723)	–
Loans advanced to associate	(1 282 511)	–
Associate loans repaid	22 343	–
Staff incentive loans repaid	1 492	924
Co-owner loans advanced	(2 320)	(5 001)
Tenant loans repaid	260	734
Proceeds on disposal of investments	1 663 178	1 665 353
Interest received	6 174	10 757
Cash flow on currency derivatives	45 636	(8 307)
Cash flow on interest rate derivatives	(61 045)	(90 912)
Cash (outflow)/inflow from investing activities	(544 569)	1 454 853
Financing activities		
Proceeds from borrowings raised	12 056 903	8 968 592
Repayment of borrowings	(11 373 489)	(10 491 961)
Repayment of amounts owing to non-controlling shareholders	(5 277)	–
Cash inflow/(outflow) from financing activities	678 137	(1 523 369)
Increase in cash and cash equivalents	40 137	39 336
Cash and cash equivalents at the beginning of the period	102 043	62 707
Cash and cash equivalents at the end of the period	142 180	102 043
Cash and cash equivalents consist of:		
Current accounts	142 180	102 043

* *Refer to note 4 for disclosure on the restatements.*

NOTES

1. PREPARATION, ACCOUNTING POLICIES AND AUDIT OPINION

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

The JSE Listings Requirements require the audited summarised consolidated financial statements 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 and the audited consolidated annual financial statements were compiled under the supervision of Monica Muller CA(SA), the chief financial officer.

On 22 September 2021, Resilient announced that it has changed its financial year-end from 30 June to 31 December. The comparative figures presented are in respect of the year ended 30 June 2021 and as such may not be comparable to the current reporting period.

The consolidated annual financial statements have been restated in terms of IAS 8: *Accounting Policies, Changes in Accounting Estimates and Errors*. Refer to note 4 for the disclosure on these restatements.

With the exception of the assets held for sale which were subject to a directors' valuation, 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 capitalisation rate/first year forward yield which varies between 8,0% and 10,5% (Jun 2021: 8,0% and 10,5%). The weighted average yield of the property portfolio was 8,3% (Jun 2021: 8,3%) at the reporting date. This disclosure includes investment property disclosed as held for sale. Changes in the capitalisation rate/first year forward yield attributable to changes in market conditions can have a significant impact on property valuations. A 25 basis points increase in the capitalisation rate/first year forward yield will decrease the value of investment property by R739,4 million (Jun 2021: R706,0 million). A 25 basis points decrease in the capitalisation rate/first year forward yield will increase the value of investment property by R785,2 million (Jun 2021: R749,6 million). A 1% increase in the structural vacancy for a full year will decrease the value of investment property by R163,7 million (Jun 2021: R296,6 million). The effect of the COVID-19 pandemic is reflected in higher yields across much of the portfolio as investor sentiment has weakened. It is assumed that a rational landlord would top-up COVID 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 total of R165,6 million (Jun 2021: R118,3 million) of capital expenditure still to be incurred was deducted from the value of assets in determining their fair value. This includes COVID-related capital deductions of R8,8 million (Jun 2021: R8,4 million). A 1% increase in the capital expenditure will decrease the value of the investment property by R0,1 million (Jun 2021: R0,1 million) for COVID-related capital deductions and R1,7 million (Jun 2021: R2,4 million) for other capital deductions.

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

It is the Group's intention to dispose of its operations in Nigeria, owned through its interests in two subsidiaries, Resilient Africa Proprietary Limited ("Resilient Africa") and Resilient Africa Managers Proprietary Limited ("Resilient Africa Managers"). During the previous reporting period, the Board resolved to dispose of Resilient's operations in Nigeria. Following this resolution, Resilient entered into discussions to dispose of its shares in these entities to Shoprite. An in-principle agreement was reached, however, by mutual agreement it was terminated after the reporting date. Resilient and Shoprite have agreed to dispose of their respective interests and will proceed to actively market the combined interest in the Nigerian operations. Management considers it highly probable that the Nigerian operations will be disposed of after the reporting date. The associated assets and liabilities are presented as held for sale at the reporting date in accordance with IFRS 5: *Non-Current Assets Held for Sale and Discontinued Operations*.

Since March 2020, South Africa has moved between various lockdown alert levels which have imposed varying restrictions on certain categories of tenants, particularly leisure-focused tenants. Resilient has continued to provide rental concessions in the form of rental discounts for tenants that have been impacted by these restrictions. The rental discounts represent a change in the consideration of the respective leases and as such meet the requirements of a lease modification as defined in IFRS 16: *Leases*. The lease modifications are 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 leases, and are released to profit or loss on a straight-line basis over the remaining term of the leases. An amount of R86,1 million (Jun 2021: R92,8 million) is included in the straight-lining receivable relating to the lease modifications.

In the previous reporting period, Resilient was required, under Rule 33 of the Securities (Takeover) Rules of Mauritius 2010, to make an offer (the "Offer") for all the shares in Lighthouse not already owned by it for a cash consideration of R7,13 per Lighthouse share.

The Offer closed on 23 July 2021 and was accepted in respect of 4 117 086 Lighthouse shares, 2 864 590 of which were acquired in the current reporting period. In August 2021, Resilient participated in an equity raise of Lighthouse, subscribing for 144 510 258 Lighthouse shares at a price of R8,10 per share, for an aggregate consideration of R1,2 billion. These transactions, together with the scrip dividend received in September 2021, increased Resilient's interest in Lighthouse to 41,4% at the reporting date.

The auditor, PricewaterhouseCoopers Inc., has issued an unmodified audit opinion on the consolidated financial statements for the six months ended December 2021. The audit was conducted in accordance with International Standards on Auditing.

These 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 summarised report has been audited by PricewaterhouseCoopers Inc. and an unmodified audit opinion has been issued. The auditor's report does not necessarily report on all the information contained in these audited summarised consolidated financial statements. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should review the audit opinion included on page 41.

Events after the reporting date

Recent global events have resulted in the volatility of equity markets and the resulting decline of the share prices of the companies in which Resilient is invested. At the date the annual financial statements were authorised for issue, the market value of the shares held by Resilient was as follows (based on the number of shares held at the reporting date):

	Number of shares	Fair value R'000
NEPI Rockcastle (NRP)	15 500 000	1 475 135
Lighthouse Properties (LTE)	672 700 000	5 973 576
		7 448 711

Other than the distribution of Lighthouse shares to shareholders referred to on page 6, the directors are not aware of any events subsequent to December 2021, not arising in the normal course of business, which are likely to have a material effect on the financial information contained in this report.

2. SEGMENTAL ANALYSIS

	Audited for the six months ended Dec 2021 R'000	Restated for the year ended Jun 2021 R'000
Total assets		
Retail: South Africa	**24 549 094**	23 951 164
Retail: France	**1 518 144**	–
Corporate: South Africa*	**5 142 146**	5 263 660
Discontinued operations**	**1 272 115**	1 126 520
	32 481 499	30 341 344
Total liabilities		
Retail: South Africa	**420 127**	399 063
Corporate: South Africa	**10 362 227**	9 648 029
Discontinued operations**	**1 386 213**	1 272 562
	12 168 567	11 319 654
Total revenue		
Revenue from direct property operations		
Retail: South Africa	**1 467 455**	2 739 348
Discontinued operations**	**78 030**	140 473
Revenue from investments		
Corporate: South Africa*	**72 293**	125 416
	1 617 778	3 005 237
Profit/(loss) for the period		
Retail: South Africa	**1 800 495**	2 307 843
Retail: France	**220 556**	–
Corporate: South Africa*	**(58 596)**	(1 965 532)
Discontinued operations**	**60 679**	(144 489)
	2 023 134	197 822

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

** *Resilient's operations in Nigeria were classified as discontinued operations at the reporting date.*

3. RECONCILIATION OF EARNINGS/(LOSS) ATTRIBUTABLE TO EQUITY HOLDERS TO HEADLINE EARNINGS/(LOSS)

Audited	Continuing operations R'000	Discontinued operations* R'000	Total R'000
Dec 2021 (for the six months ended)			
Earnings attributable to equity holders	**1 895 878**	**47 460**	**1 943 338**
Adjusted for:	**(1 061 251)**	**(1 091)**	**(1 062 342)**
– fair value gain on investment property	**(836 899)**	**(1 091)**	**(837 990)**
– share of equity-accounted investments' separately identifiable remeasurements	**(224 352)**	**–**	**(224 352)**
Headline earnings	**834 627**	**46 369**	**880 996**
Headline earnings per share (cents)	**231,22**	**12,85**	**244,07**
Diluted headline earnings per share (cents)	**230,52**	**12,81**	**243,33**
Jun 2021 (for the year ended)			
Earnings/(loss) attributable to equity holders	277 590	(64 319)	213 271
Adjusted for:	(24 316)	11 237	(13 079)
– fair value (gain)/loss on investment property	(607 916)	11 237	(596 679)
– share of equity-accounted investments' separately identifiable remeasurements	583 600	–	583 600
Headline earnings/(loss)	253 274	(53 082)	200 192
Headline earnings/(loss) per share (cents)	70,16	(14,71)	55,45
Diluted headline earnings/(loss) per share (cents)	70,04	(14,68)	55,36

* *Resilient's operations in Nigeria were classified as discontinued operations at the reporting date.*

	Number of shares for the six months ended Dec 2021	Number of shares for the year ended Jun 2021
Reconciliation of weighted average number of shares in issue during the period		
Weighted average number of shares	**360 970 213**	360 970 213
Adjustment for dilutive potential of share grants in terms of the Conditional Share Plan	**1 091 630**	620 362
Weighted average number of shares for diluted earnings/(loss) and diluted headline earnings/(loss) per share	**362 061 843**	361 590 575

4. RESTATEMENT OF FINANCIAL STATEMENTS

Amounts owing to non-controlling shareholders

The amounts owing to non-controlling shareholders represent shareholder loans from the minority shareholders in Arbour Town and Southern Palace Investments 19. These loans do not have repayment terms, however, have previously been classified as non-current liabilities as there is no intention from the minority shareholders of either entity to demand the repayment of these loans in the foreseeable future. The classification of these loans has been reconsidered in the current reporting period and as a result of the fact that the entities do not have a legal right to defer settlement, the loans have been reclassified as current liabilities. The line items impacted by this prior period error are as follows:

	Jun 2021 R'000	Jun 2020 R'000
Amounts owing to non-controlling shareholders	(525 122)	(1 091 081)
Non-current liabilities	(525 122)	(1 091 081)
Amounts owing to non-controlling shareholders	525 122	1 091 081
Current liabilities	525 122	1 091 081

Investment in associates

The Group equity-accounts for its investment in Lighthouse. The investment in Lighthouse is acquired on the JSE and is based on a Rand share price. In prior periods, the original cost and the share of equity net asset value were not remeasured to the spot of the underlying Euro net asset value of Lighthouse at each reporting date. This was a prior period error. In the current reporting period, the previous calculations were revisited to account for the foreign currency translation differences on the cost of the investment based on the underlying Euro net asset value of Lighthouse and the spot rate at the reporting date.

The line items impacted by this prior period error are as follows:

	Restated balance Jun 2021 R'000	Previously reported Jun 2021 R'000
Investment in associates	1 610 022	1 197 777
Non-current assets	1 610 022	1 197 777
Foreign currency translation reserve	857 456	445 211
Total equity attributable to equity holders	857 456	445 211

4. RESTATEMENT OF FINANCIAL STATEMENTS continued

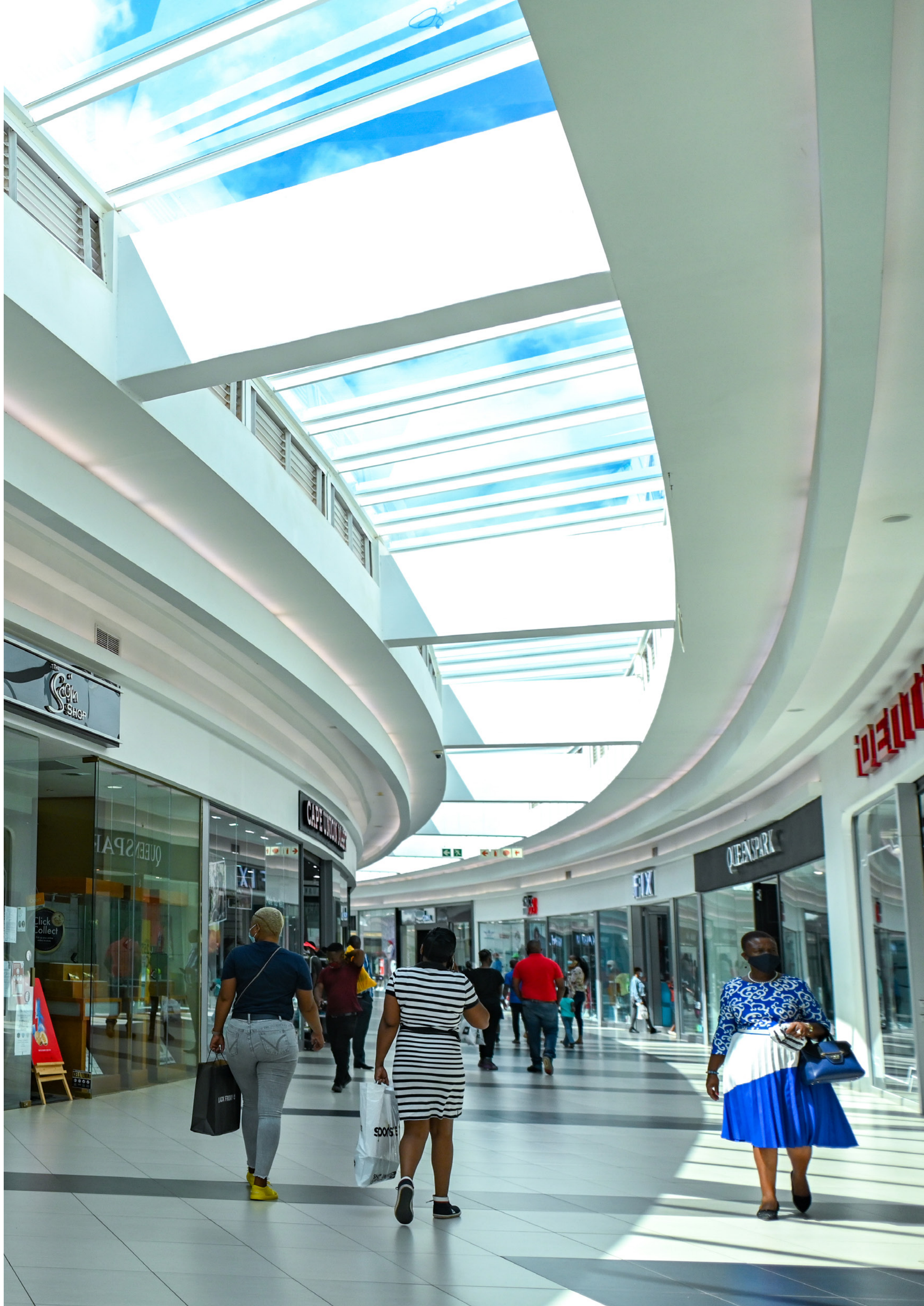
Restatement of statement of cash flows

In the prior period, the cash flow included in the statement of cash flows relating to interest-bearing borrowings were presented on a net basis. The prior period error has been corrected in the current reporting period by separately disclosing repayments and drawdowns of interest-bearing borrowings. The impact on the statement of cash flows presented for the year ended June 2021 is as follows:

	Jun 2021 R'000
Previously disclosed:	
Decrease in interest-bearing borrowings	(1 523 369)
Cash outflow from financing activities	(1 523 369)
Restated disclosure:	
Proceeds from borrowings raised	8 968 592
Repayment of borrowings	(10 491 961)
Cash outflow from financing activities	(1 523 369)

5. LEASE EXPIRY PROFILE

South Africa	Rentable area %	Contractual rental revenue %
Vacant	2,3	
Dec 2022	23,8	27,5
Dec 2023	21,8	24,1
Dec 2024	17,0	18,4
Dec 2025	8,1	7,6
Dec 2026	12,7	13,0
> Dec 2026	14,3	9,4



PRO FORMA FINANCIAL INFORMATION

(Management accounts)

BASIS OF PREPARATION

The *pro forma* summarised consolidated statement of financial position, the *pro forma* summarised consolidated statement of comprehensive income, the *pro forma* financial effects and the notes thereto ("*pro forma* financial information") of Resilient has 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;
- 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 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 information.

The *pro forma* financial information also disaggregates the fair value adjustments on derivatives, the insurance proceeds received 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 and results from operations.

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 in this announcement on page 42.

ADJUSTMENTS TO *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 insurance proceeds received during the reporting period have been expanded to present the components thereof so as to offset the line items to which they relate. The information used to prepare these adjustments has been obtained from notes 10, 19 and 26 to the audited annual financial statements.

Adjustment 2

Resilient has no entitlement to or share in the assets of The Resilient Empowerment Trust. This trust receives donations from donors other than Resilient to which the Group has no claim. The *pro forma* financial information presents the assets under management of Resilient and as such the consolidation of The Resilient Empowerment Trust is reversed.

Adjustment 3

The investment in Lighthouse is reflected at its fair value by multiplying the 672 700 000 shares held by the quoted closing price of R9,00 at 31 December 2021. All entries recorded to account for this investment using the equity method, as disclosed in note 4 to the audited annual financial statements, are reversed. 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 (the indirect investments in Arbour Crossing, Galleria Mall and Mahikeng Mall) previously consolidated. It uses the management accounts for the six-month period ended December 2021 of 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.

Adjustment 5

Resilient Africa and Resilient Africa Managers have been accounted for as discontinued operations in terms of IFRS 5. Adjustment 5 reverses all amounts related to these entities on the "assets held for sale" and "liabilities directly associated with assets classified as held for sale" lines in the statement of financial position and the "profit from discontinued operations" line in the statement of comprehensive income and proportionately consolidates Resilient Africa and Resilient Africa Managers. It uses the management accounts for the six months ended December 2021 of Resilient Africa and Resilient Africa Managers to reverse the non-controlling interests to reflect the Group's interest in the assets, liabilities and results of operations from these investments.

Adjustment 6

Resilient owns a 25% interest in RPI which owns four retail 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 6 reverses the entries recorded to account for the investment in terms of IFRS and proportionately consolidates RPI.

The financial information used in preparing adjustments 2 and 4 to 6 has been extracted from the management accounts of the respective entities. The Board is satisfied with the accuracy of these management accounts.

(Management accounts)

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	IFRS Dec 2021* R'000	Adjustment 1 Component disclosure Dec 2021 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust Dec 2021 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse Dec 2021 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries Dec 2021 R'000	Adjustment 5 Discontinued operations Dec 2021 R'000	Adjustment 6 Proportionate consolidation of French investment Dec 2021 R'000	*Pro forma* financial information (management accounts) Dec 2021 R'000
ASSETS								
Non-current assets	30 893 079	–	–	2 997 085	(746 260)	713 536	(2 538)	33 854 902
Investment property	23 464 044				(741 536)	597 824	1 388 833	24 709 165
Straight-lining of rental revenue adjustment	507 892				(16 974)	4 773		495 691
Investment property under development	382 709				(1 260)		115 415	496 864
Investment in associates	3 224 521			(3 057 215)			(167 306)	–
Investments	1 643 000			6 054 300				7 697 300
Staff incentive loans	22 424							22 424
Loans to co-owners	102 929				13 510	110 939		227 378
Loans to associate	1 339 480						(1 339 480)	–
Other financial assets	149 252	(149 252)						–
Fair value of interest rate derivatives		140 743						140 743
Fair value of currency derivatives		8 324						8 324
Loans advanced		185						185
Other assets	56 828							56 828
Current assets	316 305	–	(1 057)	–	(6 247)	42 208	116 505	467 714
Staff incentive loans	198							198
Loans to associate	11 358						(11 358)	–
Trade and other receivables	167 159		(15)		(5 580)	8 117	73 016	242 697
Other financial assets	41 618	(41 618)						–
Fair value of interest rate derivatives		76						76
Fair value of currency derivatives		38 754						38 754
Loans advanced		2 788						2 788
Other assets	19 428						23 422	42 850
Cash and cash equivalents	76 544		(1 042)		(667)	34 091	31 425	140 351
Assets held for sale	1 272 115					(1 272 115)		–
Total assets	32 481 499	–	(1 057)	2 997 085	(752 507)	(516 371)	113 967	34 322 616

* *Extracted without modification from Resilient's audited consolidated statement of financial position at December 2021.*

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

	IFRS Dec 2021* R'000	Adjustment 1 Component disclosure Dec 2021 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust Dec 2021 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse Dec 2021 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries Dec 2021 R'000	Adjustment 5 Discontinued operations Dec 2021 R'000	Adjustment 6 Proportionate consolidation of French investment Dec 2021 R'000	*Pro forma* financial information (management accounts) Dec 2021 R'000
EQUITY AND LIABILITIES								
Total equity attributable to equity holders	20 477 289	–	(958)	2 997 085	–	–	–	23 473 416
Stated capital	13 014 794							13 014 794
Treasury shares	(2 996 167)							(2 996 167)
Foreign currency translation reserve	1 085 184			(800 059)				285 125
Share-based payments reserve	9 406							9 406
Retained earnings	9 364 072		(958)	3 797 144				13 160 258
Non-controlling interests	(164 357)				(225 068)	389 425		–
Total equity	20 312 932	–	(958)	2 997 085	(225 068)	389 425	–	23 473 416
Total liabilities	12 168 567	–	(99)	–	(527 439)	(905 796)	113 967	10 849 200
Non-current liabilities	7 186 250	–	–	–	–	438 021	–	7 624 271
Interest-bearing borrowings	7 046 547					438 021		7 484 568
Other financial liabilities	32 479	(32 479)						–
Fair value of interest rate derivatives		29 091						29 091
Fair value of currency derivatives		3 388						3 388
Deferred tax	107 224							107 224
Current liabilities	3 596 104	–	(99)	–	(527 439)	42 396	113 967	3 224 929
Trade and other payables	526 038		(99)		(6 629)	31 846	97 914	649 070
Other financial liabilities	1 692	(1 692)						–
Fair value of currency derivatives		1 692						1 692
Other liabilities	21 343				(965)	10 550	16 053	46 981
Income tax payable	18 390							18 390
Amounts owing to non-controlling shareholders	519 845				(519 845)			–
Interest-bearing borrowings	2 508 796							2 508 796
Liabilities directly associated with assets classified as held for sale	1 386 213					(1 386 213)		–
Total equity and liabilities	32 481 499	–	(1 057)	2 997 085	(752 507)	(516 371)	113 967	34 322 616
Net asset value per share (R)**	56,73	–	–	8,30	–	–	–	65,03

* *Extracted without modification from Resilient's audited consolidated statement of financial position at December 2021.*

** *This also represents the net tangible asset value per share and is based on the 360 970 213 shares in issue at the reporting date.*

(Management accounts)

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	IFRS for the six months ended Dec 2021* R'000	Adjustment 1 Component disclosure for the six months ended Dec 2021 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust for the six months ended Dec 2021 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse for the six months ended Dec 2021 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries for the six months ended Dec 2021 R'000	Adjustment 5 Discontinued operations for the six months ended Dec 2021 R'000	Adjustment 6 Proportionate consolidation of French investment for the six months ended Dec 2021 R'000	*Pro forma* financial information (management accounts) for the six months ended Dec 2021 R'000
Contractual rental revenue and recoveries	1 461 413	22 065			(49 777)	40 670	51 136	1 525 507
Straight-lining of rental revenue adjustment	6 042				(438)	(1 117)		4 487
Revenue from direct property operations	1 467 455	22 065	–	–	(50 215)	39 553	51 136	1 529 994
Revenue from investments	72 293			199 023				271 316
Realised gain on forward exchange contracts		45 636						45 636
Total revenue	1 539 748	67 701	–	199 023	(50 215)	39 553	51 136	1 846 946
Fair value adjustments	934 408	15 430	–	419 208	(38 508)	1 091	114 330	1 445 959
Fair value gain on investment property	881 450				(38 946)	(26)	114 330	956 808
Adjustment resulting from straight-lining of rental revenue	(6 042)				438	1 117		(4 487)
Fair value gain on investments	106 894			419 208				526 102
Fair value loss on currency derivatives	(23 417)	23 417						–
Unrealised loss		(69 053)						(69 053)
Fair value loss on interest rate derivatives	(24 477)	24 477						–
Unrealised gain		36 568						36 568
Realised gain		21						21
Property operating expenses	(568 984)	4 551			21 443	(14 983)	(22 994)	(580 967)
Administrative expenses	(68 999)		4 198		444	(4 129)	(2 152)	(70 638)
Share-based payments – employee incentive scheme	(4 790)							(4 790)
Insurance proceeds	26 616	(26 616)						–
Foreign exchange gain	80 237					33 498		113 735
Reversal of impairment of staff incentive loans receivable	4 072							4 072
Impairment of loans receivable	(2 589)							(2 589)
Amortisation of interest rate cap premiums	(7 025)							(7 025)
Share of profit of associates	269 502			(139 616)			(129 886)	–
Profit before net finance costs	2 202 196	61 066	4 198	478 615	(66 836)	55 030	10 434	2 744 703

* *Extracted without modification from Resilient's audited consolidated statement of comprehensive income for the six months ended December 2021.*

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
continued

	IFRS for the six months ended Dec 2021* R'000	Adjustment 1 Component disclosure for the six months ended Dec 2021 R'000	Adjustment 2 Deconsolidation of The Resilient Empowerment Trust for the six months ended Dec 2021 R'000	Adjustment 3 Fair value accounting for investment in Lighthouse for the six months ended Dec 2021 R'000	Adjustment 4 Proportionate consolidation of partially-owned subsidiaries for the six months ended Dec 2021 R'000	Adjustment 5 Discontinued operations for the six months ended Dec 2021 R'000	Adjustment 6 Proportionate consolidation of French investment for the six months ended Dec 2021 R'000	*Pro forma* financial information (management accounts) for the six months ended Dec 2021 R'000
Net finance costs	(240 838)	(61 066)	(44)	–	255	(7 578)	(10 434)	(319 705)
Finance income	16 983	–	(44)	–	300	4 374	(10 434)	11 179
Interest received on loans and cash balances	6 549		(44)		300	4 374		11 179
Interest received from associate	10 434						(10 434)	–
Finance costs	(257 821)	(61 066)	–	–	(45)	(11 952)	–	(330 884)
Interest on borrowings	(259 615)					(11 952)		(271 567)
Interest paid on interest rate derivatives		(61 066)						(61 066)
Capitalised interest	1 794				(45)			1 749
Profit before income tax	1 961 358	–	4 154	478 615	(66 581)	47 452	–	2 424 998
Income tax	1 097				4	8		1 109
Profit from continuing operations	1 962 455	–	4 154	478 615	(66 577)	47 460	–	2 426 107
Profit from discontinued operations	60 679					(60 679)		–
Profit for the period	2 023 134	–	4 154	478 615	(66 577)	(13 219)	–	2 426 107
Profit for the period attributable to:								
Equity holders of the Company	1 943 338		4 154	478 615				2 426 107
Non-controlling interests	79 796				(66 577)	(13 219)		–
	2 023 134	–	4 154	478 615	(66 577)	(13 219)	–	2 426 107
Basic earnings per share (cents)**	538,37	–	1,15	132,59	–	–	–	672,11
Diluted earnings per share (cents)**	536,74	–	1,15	132,19	–	–	–	670,08
Headline earnings per share (cents)**	244,07	–	1,15	163,06	–	–	–	408,28
Diluted headline earnings per share (cents)**	243,33	–	1,15	162,57	–	–	–	407,05

* *Extracted without modification from Resilient's audited consolidated statement of comprehensive income for the six months ended December 2021.*

** *These ratios are based on the weighted average number of shares in issue as reflected on page 20.*

DIVIDEND CALCULATION

	Pro forma financial information (management accounts) for the six months ended Dec 2021 R'000	Pro forma financial information (management accounts) for the year ended Jun 2021 R'000
Contractual rental revenue and recoveries*	**1 525 507**	2 835 575
Reverse IFRS adjustment to rental revenue: Edcon Limited	**–**	(34 439)
Revenue from investments	**271 316#**	267 029
Realised gain/(loss) on forward exchange contracts	**45 636#**	(8 307)
Property operating expenses**	**(580 967)**	(1 057 744)
Administrative expenses	**(70 638)**	(125 551)
Share-based payments – employee incentive scheme	**(4 790)**	(4 616)
Amortisation of interest rate cap premiums	**(7 025)**	(13 934)
Interest received on loans and cash balances	**11 179**	20 094
Termination of interest rate derivatives	**21**	(11 416)
Interest on borrowings	**(271 567)**	(565 365)
Interest paid on interest rate derivatives	**(61 066)**	(79 496)
Capitalised interest	**1 749**	683
Dividends accrued	**(45 385)#**	322 162
Income hedging adjustment of Nigerian and French performance	**4 061**	3 202
Distributable earnings	**818 031**	1 547 877
Interim dividend		(731 687)
Final dividend	**(818 031)**	(816 190)
	–	–

* *Rental revenue for December 2021 was reduced by R21,5 million (June 2021: R61,2 million) of COVID-related discounts. This impact was offset by the R12,6 million received under the pandemic cover insurance claim. Rental revenue further includes R9,3 million of insurance proceeds relating to loss of rental due to the civil unrest.*

** *Property operating expenses include insurance proceeds of R4,4 million relating to the recovery of repair and security costs as a result of the civil unrest.*

\# *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 EUR cents*	*Forward exchange rate R*	*Amount R'000*
NEPI Rockcastle	*22 617 042*	*16,78*	*19,59*	*74 329*
Lighthouse	*625 517 258*	*1,61*	*19,59*	*197 238*
	648 134 300			***271 567***

SA REIT RATIOS

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

	for the six months ended Dec 2021 R'000	for the year ended Jun 2021 R'000
Profit for the period attributable to equity holders of the Company	**1 943 338**	213 271
Adjusted for:		
Accounting-specific adjustments	**(1 054 728)**	(781 342)
Fair value adjustments to:		
Fair value gain on investment property	**(875 408)**	(624 250)
Fair value gain on investments	**(106 894)**	(627 708)
Fair value gain on forward contract: Edcon Limited shares	**–**	(16 013)
Reversal of impairment of staff incentive loans receivable	**(4 072)**	(2 388)
Impairment/(reversal of impairment) of loans receivable	**2 589**	(10 360)
Straight-lining of rental revenue adjustment	**(6 042)**	115 150
Deferred tax	**(19 516)**	62 065
Dividends accrued	**(45 385)**	322 162
Foreign exchange and hedging items	**(43 712)**	(281 368)
Fair value gain on interest rate derivatives	**(36 589)**	(51 617)
Fair value loss/(gain) on currency derivatives	**73 114**	(229 754)
Foreign exchange (gain)/loss	**(80 237)**	3
Other adjustments	**(31 042)**	2 442 194
Tax impact of the above adjustments	**18 419**	2
Share of (profit)/loss of associates adjusted for dividends received	**(54 923)**	2 342 756
Non-distributable items included in profit/loss from discontinued operations	**(53 772)**	145 097
Non-controlling interests in respect of the above adjustments	**59 234**	(45 661)
SA REIT FFO	**813 856**	1 592 755
Shares in issue (net of treasury shares)		
– Interim		360 970 213
– Final	**360 970 213**	360 970 213
SA REIT FFO per share (cents)	**225,46**	441,24
– Interim		210,74
– Final	**225,46**	230,50
Company-specific adjustments	**4 175**	(44 878)
Edcon Limited 40,9% basic rental adjustment	**–**	(34 439)
Termination of interest rate derivatives	**21**	(11 416)
Effect of consolidating The Resilient Empowerment Trust	**4 154**	977
Distributable income	**818 031**	1 547 877
Dividend per share (cents)	**226,62**	428,81
– Interim		202,70
– Final	**226,62**	226,11

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

	Dec 2021 R'000	Jun 2021 R'000
Reported NAV attributable to the Parent (IFRS)	20 477 289	19 230 815
Adjustments:	(864 533)	(875 661)
Dividend declared	(818 031)	(816 190)
Fair value of derivative financial instruments	(153 726)	(186 211)
Deferred tax	107 224	126 740
SA REIT NAV	19 612 756	18 355 154
Shares outstanding:		
Shares in issue (net of treasury shares)	360 970 213	360 970 213
Effect of dilutive instruments	1 091 630	620 362
Dilutive number of shares in issue	362 061 843	361 590 575
SA REIT NAV per share	R54,17	R50,76

SA REIT COST-TO-INCOME RATIO

	for the six months ended Dec 2021 R'000	for the year ended Jun 2021 R'000
Operating costs	670 286	1 261 049
Operating expenses per IFRS income statement (includes municipal expenses)	568 984	1 071 768
Administrative expenses per IFRS income statement	68 999	121 250
Civil unrest insurance proceeds: repair and security costs	(4 551)	–
Operating expenses of discontinued operations	29 402	52 160
Administrative expenses of discontinued operations	7 452	15 871
Gross rental income	1 563 760	2 997 843
Contractual income per IFRS income statement (excluding straight-lining)	1 076 130	2 125 374
Utility and operating recoveries per IFRS income statement	385 283	729 124
Civil unrest insurance proceeds: loss of rental	9 282	–
Pandemic cover insurance proceeds: loss of rental	12 783	–
Gross rental income of discontinued operations	80 282	143 345
SA REIT cost-to-income ratio	42,9%	42,1%

SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO

	for the six months ended Dec 2021 R'000	for the year ended Jun 2021 R'000
Administrative expenses per IFRS income statement	68 999	121 250
Administrative expenses of discontinued operations	7 452	15 871
Total administrative expenses	76 451	137 121
Gross rental income	1 563 760	2 997 843
SA REIT administrative cost-to income ratio	4,9%	4,6%

SA REIT COST OF DEBT

	Dec 2021 %	Jun 2021 %
Cost of debt – ZAR		
Variable interest rate borrowings		
Floating reference rate plus weighted average margin	5,53	5,44
Preadjusted weighted average cost of debt	5,53	5,44
Adjustments:		
Impact of interest rate derivatives	1,45	1,11
Amortised transaction costs imputed in the effective interest rate	0,13	0,14
All-in weighted average cost of debt	7,11	6,69
Cost of debt – USD		
Variable interest rate borrowings		
Floating reference rate plus weighted average margin	6,40	6,41
Preadjusted weighted average cost of debt	6,40	6,41
Adjustments:		
Amortised transaction costs imputed in the effective interest rate	0,28	0,31
All-in weighted average cost of debt	6,68	6,72

SA REIT LTV

	Dec 2021 R'000	Jun 2021 R'000
Gross debt – continuing operations	**9 555 343**	8 839 578
Gross debt – discontinued operations	**718 760**	643 446
Total gross debt	**10 274 103**	9 483 024
Less:		
Cash and cash equivalents – continuing operations	**(76 544)**	(47 985)
Cash and cash equivalents – discontinued operations	**(65 636)**	(54 058)
Total cash and cash equivalents	**(142 180)**	(102 043)
Add:		
Derivative financial instruments	**(153 726)**	(186 211)
Net debt (IFRS)	**9 978 197**	9 194 770
Total assets per statement of financial position	**32 481 499**	30 341 344
Less:		
Cash and cash equivalents	**(142 180)**	(102 043)
Derivative financial assets	**(187 897)**	(231 886)
Trade and other receivables – continuing operations	**(167 159)**	(138 499)
Trade and other receivables – discontinued operations	**(11 192)**	(9 123)
Carrying amount of property-related assets (IFRS)	**31 973 071**	29 859 793
SA REIT LTV	**31,2%**	30,8%

SA REIT GLA VACANCY RATE (EXCLUDING ASSETS HELD FOR SALE)

	Dec 2021 m^2	Jun 2021 m^2
GLA of vacant space	**24 456**	21 333
GLA of total property portfolio	**979 790**	943 154
SA REIT GLA vacancy rate*	**2,5%**	2,3%

SA REIT GLA VACANCY RATE (INCLUDING ASSETS HELD FOR SALE)

	Dec 2021 m^2	Jun 2021 m^2
GLA of vacant space	**24 554**	22 978
GLA of total property portfolio	**994 841**	977 031
SA REIT GLA vacancy rate*	**2,5%**	2,4%

* *This ratio is based on Resilient's pro rata share.*

PAYMENT OF FINAL DIVIDEND

The Board has approved and notice is hereby given of a final dividend of 226,62000 cents per share for the six months ended 31 December 2021.

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

Last date to trade *cum* dividend	Tuesday, 5 April 2022
Shares trade *ex* dividend	Wednesday, 6 April 2022
Record date	Friday, 8 April 2022
Payment date	Monday, 11 April 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 6 April 2022 and Friday, 8 April 2022, both days inclusive.

In respect of dematerialised shareholders, the dividend will be transferred to the Central Securities Depository Participant ("CSDP") accounts/broker accounts on Monday, 11 April 2022. Certificated shareholders' dividend payments will be posted on or about Monday, 11 April 2022.

CORPORATE INFORMATION

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" or "the Group")

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; Thando Sishuba; Barry van Wyk

* *Executive director*

Appointment of company secretary

Shareholders are referred to the SENS announcement of 16 March 2022 wherein they were advised of the appointment of Ms Hluke Mthombeni as the company secretary of Resilient.

Company secretary

Hluke Mthombeni CA(SA)

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

JSE Investor Services 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, 2196

Debt sponsor

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

www.resilient.co.za

DIVIDEND **TAX TREATMENT**

In accordance with Resilient's status as a REIT, shareholders are advised that the dividend of 226,62000 cents per share for the six months ended 31 December 2021 ("the dividend") meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, 58 of 1962 ("Income Tax Act"). The dividend will be deemed to be a dividend, for South African tax purposes, in terms of section 25BB of the Income Tax Act.

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

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

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

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 181,29600 cents per share.

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

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

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

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

Resilient's income tax reference number: 9579269144

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of Resilient REIT Limited

OPINION

The summary consolidated financial statements of Resilient REIT Limited, contained in the accompanying provisional report, which comprise the summary consolidated statement of financial position as at 31 December 2021, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the six months then ended, and related notes, are derived from the audited consolidated financial statements of Resilient REIT Limited for the six-month period ended 31 December 2021.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, as set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 17 March 2022. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

OTHER INFORMATION

The auditor's report does not necessarily report on all of the information contained in this announcement/financial results. 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 the auditor's report together with the accompanying financial information from the issuer's registered office.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: JR de Villiers
Registered Auditor

Cape Town, South Africa
17 March 2022

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

INCLUDED IN THE PROVISIONAL AUDITED SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

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 and its subsidiaries (together the "Group") by the directors. The *pro forma* financial information, as set out on pages 24 to 33 of the provisional audited summarised consolidated financial statements of Resilient REIT Limited for the six months ended 31 December 2021, consists of the illustration of the effect of deconsolidation of the special purpose vehicle, fair value accounting for associates, proportionate consolidation of the entities which are not wholly owned, the reversal of discontinued operations accounting and disclosure of components of fair value instruments. The applicable criteria on the basis of which the directors have compiled the *pro forma* financial information are specified in the JSE Limited (JSE) Listings Requirements and described in the *Pro Forma* Financial Information section of the provisional audited summarised consolidated financial statements of Resilient REIT Limited for the six months ended 31 December 2021.

The *pro forma* financial information has been compiled by the directors to illustrate the effect of the deconsolidation of the special purpose vehicle, fair value accounting for associates, proportionate consolidation of the entities which are not wholly owned, the reversal of discontinued operations accounting and disclosure of components of fair value instruments. As part of this process, information about the Group's financial position and financial performance has been extracted by the directors from the Group's audited financial statements for the six months ended 31 December 2021, on which an audit opinion has been published.

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 *Pro Forma* Financial Information section of the provisional audited summarised consolidated financial statements of Resilient REIT Limited for the six months ended 31 December 2021.

OUR INDEPENDENCE AND QUALITY CONTROL

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 Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

REPORTING ACCOUNTANT'S RESPONSIBILITY

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis of the applicable criteria specified in the JSE Listings Requirements and described in the *Pro Forma* Financial Information section of the provisional summarised consolidated financial statements of Resilient REIT Limited for the six months ended 31 December 2021 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.

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 a significant event or transaction on unadjusted financial information of the company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction 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 event or transaction, 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 Company, the event or transaction 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 of the applicable criteria specified by the JSE Listings Requirements and described in the *Pro Forma* Financial Information section of the provisional audited summarised consolidated financial statements of Resilient REIT Limited for the six months ended 31 December 2021.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Partner: JR de Villiers
Registered Auditor

Cape Town
17 March 2022

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