

**UNAUDITED CONDENSED
CONSOLIDATED INTERIM RESULTS**

FOR THE SIX MONTHS ENDED 31 AUGUST 2023



**TRANSFORMING TODAY, BUILDING
A BETTER FUTURE**



THE MARINE BUILDING

KwaZulu-Natal (24 676m² – GLA)



Guided by a newly appointed executive team, Delta is implementing its strategy. The focus is on achieving maximum total return on capital, maintaining alignment with a diversified, risk-managed real estate investment portfolio.

In the long term, Delta is dedicated to providing an exceptional tenant experience, ensuring superior sustainable returns, fostering employee development, and optimising the portfolio.



SALIENT FEATURES



Weighted average lease expiry

15.8 months ▲

FY23: 13.2



Average rental collections

101.5% ▲

FY23: 101.0%



Weighted average debt maturity

10.9 months ▲

FY23: 6.3 months



Interest cover ratio

1.3 ▼

FY23: 1.4



SA REIT Loan-to-value

60.0% ▼

FY23: 61.4%



SA REIT Net asset value per share

R3.7 ▲

FY23: R3.6



Property operating expenses

R219.4m ▼

HY22: R239.4



SA REIT Cost to income

45.4% ▼

HY22: 47.4%

Movement indicators are orange for positive movements and blue for negative movements



COMMENTARY

INTRODUCTION

During the first half of the 2024 financial year (“the interim period”), the Group reported a notable improvement in its financial performance, notwithstanding the prevailing challenging economic landscape. This positive financial upturn can be attributed to the successful execution of our strategic initiatives, which include a deliberate focus on portfolio optimisation through the divestiture of selected properties, prudent debt management, rigorous cost control measures, lease renewal and concerted efforts to reduce property vacancies, all aimed at bolstering profitability.

Delta continues to make headway in various critical aspects of financial performance, including but not limited to the enhancement of weighted average lease expiry, prudent debt management, the reduction of Loan-to-Value (“LTV”) ratios, and the increase of Net Asset Value (“NAV”).

COMPANY PROFILE

Delta Property Fund Limited (“Delta” or the “Group”) is a South African domiciled B-BBEE Level 1 Real Estate Investment Trust (“REIT”), sovereign underpinned and a JSE-listed property fund since 2012. The Group owns a portfolio of 91 properties valued at R6.9bn with a geographic diversification across all nine South African provinces.

Delta’s primary focus is long-term investment in quality rental income generating properties situated in nodes that are attractive to tenants. The Group’s vision is to be a sovereign underpinned property fund and a top employer, offering sustainable returns to investors while being the landlord of choice to its tenants.

Delta’s portfolio of 837 956m² gross lettable area (“GLA”), offers access to government, parastatal and private sector tenants. A significant number of properties are strategically located and easy to access with street level retail offerings, allowing for sectorial diversification.

Delta’s refocused strategy is aimed at achieving maximum return on capital consistent with a diversified, risk-managed real estate investment portfolio.



SIGNIFICANT EVENTS AND TRANSACTIONS

Debt refinancing

During the interim period, Delta successfully renewed a total of R3.1bn debt that was mainly on a month-on-month basis. Facilities with Nedbank of R2.7bn and Investec of R400.0m were renewed for a period of 12 months to 7 April 2024 and 24 months to 30 June 2025 respectively. In addition, Delta concluded a revolving credit facility of R37.5m with Nedbank, which will be utilised for working capital, capital expenditure and tenant installations.

Investment in Grit Real Estate Income Group Limited (“Grit”) and release of Grit guarantee

The negotiations to release Delta from the guarantee which was provided to Investec Bank Limited (“Investec”) in respect of the debt obligations of Freedom Property Fund SARL and Grit Property Holdings Limited for the lower of EUR30m or 58% of the outstanding debt of Grit to Investec were concluded. The Group is pleased to confirm that negotiations were successfully concluded with Investec during the reporting period and the guarantee provision of R3.3m has therefore been derecognised.

The board of directors (“Board”) has taken a decision to dispose of Delta’s minority shareholding in Grit in order to reduce debt. To ensure a timeous disposal, a process is underway to move Delta’s holding in Grit Group from the Stock Exchange of Mauritius (“SEM”) to the London Stock Exchange (“LSE”) as the LSE has greater investor appetite and liquidity compared to the SEM.

Internalisation of asset and property management function

On 31 August 2023, Delta acquired all of the issued ordinary shares in Delta Property Asset Management Proprietary Limited (“DPAM”) from DPAM Employee Benefit Trust for a purchase consideration of R1 000 worth of Delta shares. In settlement of the purchase consideration, Delta allotted and issued 7 692 ordinary shares to the Trust. The acquisition has resulted in DPAM being a wholly owned subsidiary of Delta and will subsequently distribute all its assets and liabilities to the Group, in anticipation of its deregistration and liquidation.

The Asset Management Agreement (“AMA”) automatically terminated by operation of law and the asset management function provided by DPAM in terms of the AMA is being internalised within Delta. The decision to enter into the transaction follows a strategic review by Delta’s Board, which considered Delta’s ongoing financial exposure under the AMA and the necessity to eliminate duplication of efforts as the Group is restructuring. In addition, the internalisation will result in alignment of staff in terms of vision, common business processes and shared culture across the Group.



COMMENTARY

FINANCIAL PERFORMANCE

The financial performance has improved largely due to ongoing implementation of the strategy including restructuring and cost containment.

Revenue

Revenue excluding straight-line income accrual decreased by 9.2% from R631.7m to R573.8m, largely driven by a decline in contractual rental income due to:

- lost rental income from disposals of non-core properties which accounted for approximately R7m,
- increase in vacancy contributed approximately R22m,
- remeasurement of the GLA for CMH property resulted in a loss of revenue of approximately R6m, and
- rental reversions mainly relating to the rebasing of the Limpopo portfolio to market related rentals which accounted for approximately R10m in the decline.

Delta has guided over the past several reporting periods on the expected rebasing of its lease income as a result of month-on-month and other short-term leases being renewed on longer terms at prevailing market-related rates.

Recoveries accounted for a further R12.6m decrease in revenue, this decline was mainly due to decrease in operating expenses. The recovery as a percentage of utilities costs has improved from 60.0% to 64.0%.

Property operating and administrative expenses

Property operating expenses decreased by 8.4% from R239.4m to R219.4m. The decrease is as a result of the ongoing cost containment initiatives. The Group is pleased to have achieved this decrease, notwithstanding annual municipal utilities cost escalations.

Administrative expenses increased marginally by 1.8% from R49.9m to R50.8m. The Group managed to keep the increase in administrative expenses below inflation.

Dividend income and other income

The Group received dividend income of R5.8m from its investment in Grit, in the prior interim period no dividend was received. The full dividend amount was paid directly into the Investec debt facility.

Other income increased by R4.2m as a result of tenant reinstatement costs recovered.



Fair value adjustments

The fair value gain of R12.5m is mainly due to revaluation gain on the Grit investment offset by loss in the fair value of the derivatives.

In line with the accounting policy, the Group conducts an annual independent valuation of the property portfolio at year-end (February). However, during the HY22 period, due to perceived market misalignment with February 2022 valuations, the Board initiated a once off independent valuation for properties earmarked for disposal, resulting in a fair value adjustment of R374.5m in the HY22 financial results. In the current period, the Group maintains its once-a-year independent valuation approach, with no identified concerns similar to HY22, leading to no fair value adjustments for properties held for sale.

In light of the above, there is a positive movement of R380.5m compared to the previous comparative period's loss of R368.1m.

Expected Credit Losses ("ECL")

The positive movement of R32.9m, compared to August 2022 on the ECL provision is attributed to:

- R2.2m due to the derecognition of the Grit guarantee provision;
- no further provisions on the Educor loan receivable compared to R11.9m in the prior period, and
- reversal of approximately R18.8m on doubtful debts in line with R20.8m decrease in arrear balances.

Finance costs and finance income

Included in the finance costs is the interest expense of R11.3m raised on unwinding of lease liabilities in terms of IFRS 16. Finance costs remain a significant line item on the Statement of Comprehensive Income and have increased from R208.9m to R250.7m compared to August 2022. Refer to the commentary under funding for further details.

Finance income increased from R5.4m to R8.9m compared to August 2022. The increase was mainly due to interest income from the interest rate swaps.

Cash and cash equivalents

The Group generated strong cash inflows from rental income and successful collection of outstanding arrears. The cash generated for the period amounted to R355.2m consisting of cash generated from operations of R334.2m, interest income of R7.5m and net proceeds from property disposal of R13.5m. The cash was utilised to pay finance costs of R221.6m, taxation of R49.7m, net capex of R19.6m and net debt repayment of R60.4m. Consequently, cash and cash equivalent balance has improved from FY23.



COMMENTARY

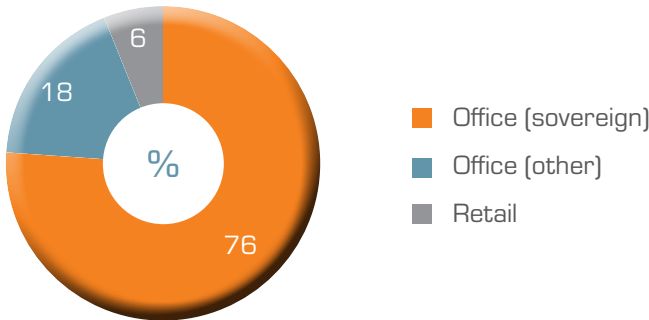
PROPERTY PORTFOLIO

At the end of the interim period, Delta's property portfolio consisted of 91 properties with a total investment value of R6.9bn (including non-current assets held for sale) and a GLA of 837 956m². In line with the Group's policy, the portfolio is independently valued on an annual basis in February.

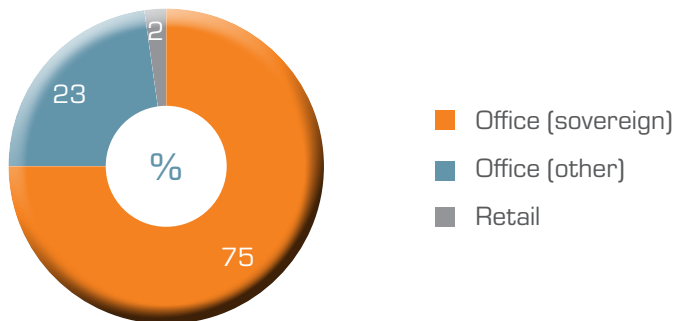
The weighted average rental across the portfolio decreased from R125.3/m² to R114.6/m² compared to prior period mainly due to rental reversions predominantly related to the Limpopo portfolio.

The segmental and geographic breakdown of the portfolio at the reporting date was as follows:

Sectoral split - Occupancy GLA (%)



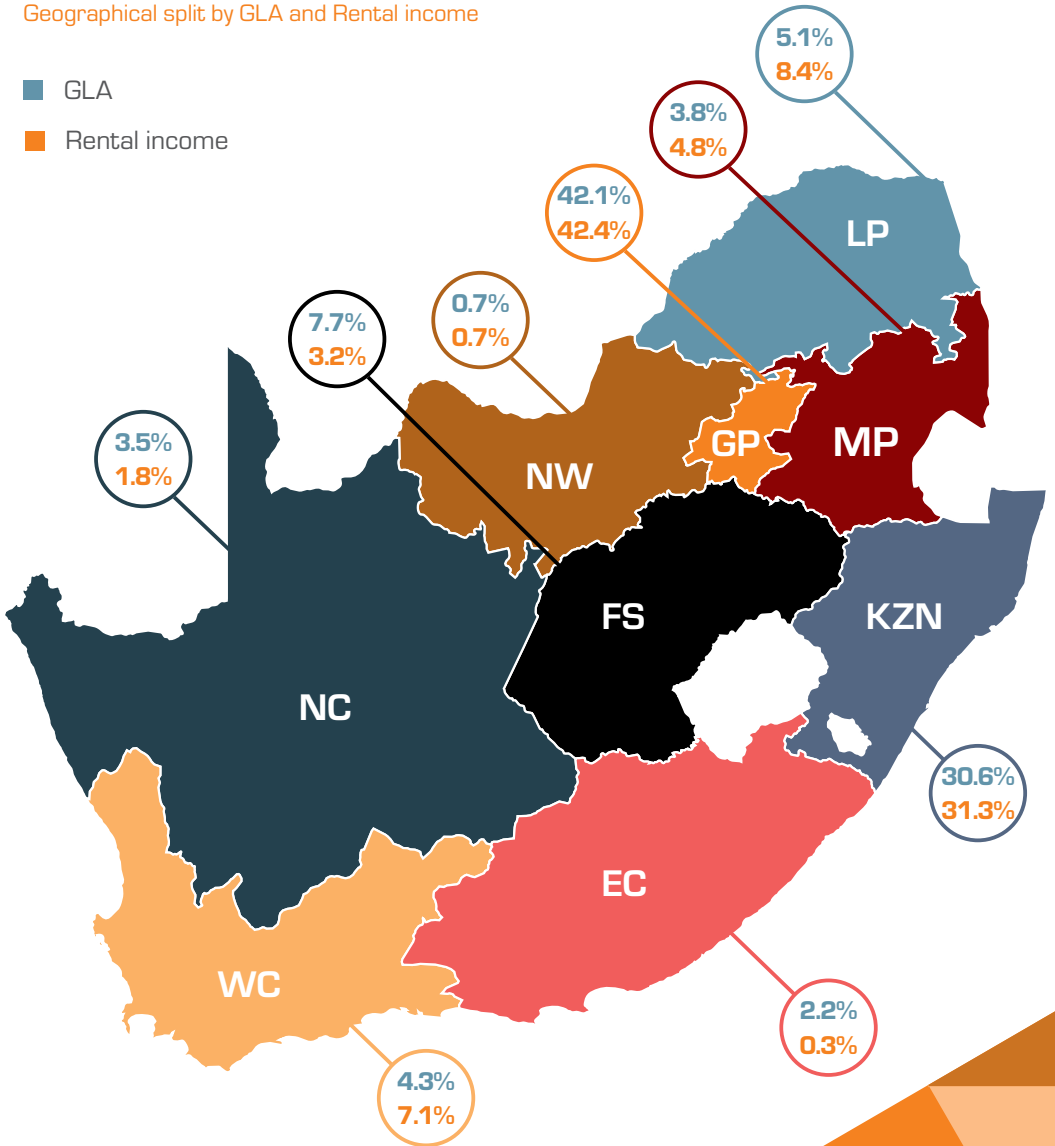
Sectoral split - Rental income (%)





Geographical split by GLA and Rental income

- GLA
- Rental income





COMMENTARY

LETTING

Delta renewed 23 leases totalling 97 045m² during the interim period. The lease renewals were for an average lease term of 3.3 years. In addition, Delta concluded new leases for a total of 5 526m² office properties and 100 parking bays, with the weighted average lease term based on GLA of 4.9 years.

Portfolio vacancies have marginally increased from 32.9% in FY23 to 34.5% in the interim period, mainly due to a 5 363m² reduction in the CMH property GLA upon remeasurement.

CMH BUILDING

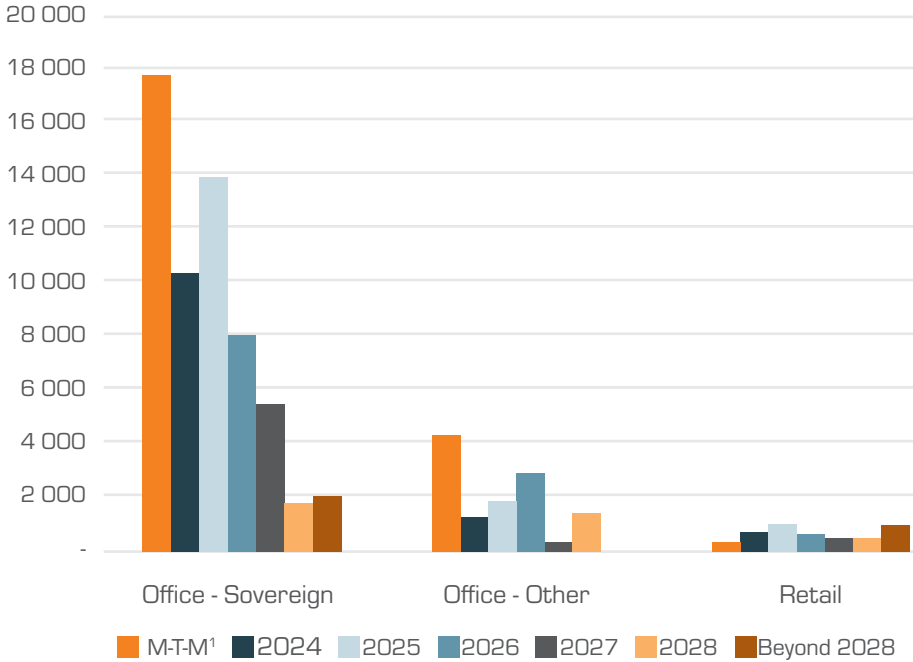
KwaZulu Natal (13 091m² – GLA)





The lease expiry profile by Gross Monthly Rental GMR (R'000) as at 31 August 2023 is as follows:

Lease expiry profile by segment



The weighted average lease expiry has increased from 13.2 months to 15.8 months due to long term new and renewed leases. This metric is expected to continue improving as part of the operational optimisation strategy through engagements with current and potential tenants.

ARREARS AND COLLECTION

The trade and other receivables amounted to R120.0m (FY23: R172.7m). Collections averaged 101.5% (FY23: 101.0%) of billings for the period. Rental collection is one of the key focus areas for the Group to enable it to meet its strategic objectives. Post the interim period, the Group collected R36.1m of the arrear debtors which were long outstanding.

¹ M-T-M refers to Month-To-Month leases

COMMENTARY

DISPOSALS

Delta's portfolio optimisation strategy, in part, includes the disposal of selected properties that are non-core and largely vacant. As part of the implementation of the turn-around strategy during the half year ended 31 August 2022, a total of 26 properties with an aggregate value of R887.8m were earmarked for disposal. During the interim period, the properties earmarked for disposal were reviewed and the number of the properties to be disposed increased to 43, with an aggregate value of R2.2bn.

The Standard Bank Greyville property with a GLA of 14 188m² was sold and transferred in March 2023 for a gross consideration of R44.0m. Post the interim period, Nedbank Building with a GLA of 2 746m² was sold for a gross consideration of R5.4m. A total of 22 properties, with a GLA of 247 559m² and value of R1.5bn were at various stages of disposal negotiations. Four of these properties amounting to R1 18.6m are expected to transfer within the next six months.

Transferred properties:

Property	Transfer date	GLA (m ²)	Fair value (Rm)	Gross selling price (Rm)
Standard Bank Greyville	Mar 2023	14 188	42.0	44.0
Nedbank Building	Sep 2023	2 746	5.0	5.4
		16 934	47.0	49.4

Contracted and conditional disposals:

Property	Expected transfer date	GLA (m ²)	Fair value (Rm)	Gross selling price (Rm)
Sediba, Fountain & VLU	Dec 2023	10 947	24.2	26.1
Enterprise Park Leeuwkop	Dec 2023	11 860	39.0	39.0
Cape Road	Mar 2024	5 135	36.6	33.0
Die Meendt Building	Dec 2023	3 705	20.0	20.5
		31 647	119.8	118.6



Disposing of these non-strategic properties is expected to reduce the Group's overall vacancy rate and improve the cost-to-income ratio on the back of reduced operational costs associated with the vacant properties, such as security and municipal charges. On successful conclusion of the sale of all the properties earmarked for disposal, the loan-to-value ("LTV") ratio is expected to improve below 50% over the medium term.

CAPITAL EXPENDITURE (CAPEX)

Capital expenditure to retain existing tenants remains a key focal point for Delta. During the interim period, capex amounted to R26.2m (HY22: R32.3m). The expenditure was funded from operating cash apart from R6.6m, which was funded by a debt facility specifically earmarked for the capital projects at Poyntons.

The capital expenditure related mainly to tenant installations, upgrading of air conditioners, lifts and fire equipment, with the majority of the spend at the following properties: 13 Elliot - R3.5m, Block G - R2.4m, Parkmore - R1.6m, Poyntons - R6.6m and R12.1m over the remainder of the properties.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Delta is committed to integrating ESG considerations into its strategy and business activities by making choices that enable long-term sustainability while ensuring transparency and accountability. While still in its infancy, the approach to integrating ESG into the Group's strategy illustrates the commitment to reporting on ESG considerations and progress made.

In the prior financial year, a peer benchmarking survey was completed, which informed Delta's fit-for-purpose ESG framework and strategy. The objective was to formulate a statement to incorporate environmental, social, and governance criteria into the operating framework, to reflect a longstanding commitment to customers, partners, shareholders, employees and the communities in which Delta operates.

Delta completed during the interim period, a phase that involved the collection of data and the implementation of some energy-efficient solutions. This included the installation of LED lights and more environmentally friendly heating and cooling systems, including HVAC.

Areas where ESG contributions and efforts are to be made by the Group have been identified and the work is ongoing.



COMMENTARY

FUNDING

The debt renewal of R3.1bn will allow the Group to focus energies on addressing its strategic objectives. The renewal of debt is also an indication that the funders remain committed to the Group. As a result of the debt renewal, the average debt facility expiry period increased to 10.9 months (FY23: 6.3 months). The Group continues to engage with its funders to improve the pricing of debt, extension of debt maturity periods and restructuring of amortisation or capital repayments.

Debt capital repayments amounted to R91.9m (HY22:R124.4m) for the interim period, of which R31.5m was funded from the proceeds on disposal of the Standard Bank Greyville property, the proceeds were paid directly into the debt facility.

The prevailing high interest rates remain a concern. The renegotiations with Nedbank resulted in a reduction of interest rates by 50 basis points ("bp"). However, the interest reduction benefit was offset as a result of interest rate increases soon thereafter as outlined below.

The increase in interest rates resulted in higher finance costs and an increase in the weighted average cost of funding to 10.1% (HY22: 8.1%). Finance costs increased substantially compared to August 2022 period on the back of approximately 275 bp increase in the 3-month JIBAR and Repo rate over the 12-month period. The finance costs payable to financial institutions increased from R207.2m to R234.4m million in the period under review despite the capital repayments referred to above. Included in finance costs is interest on unwinding the lease liabilities of R1 1.3m which has increased from R1.2m in comparative period due to lease modifications. Consequently, the interest cover ratio ("ICR") has marginally decreased to 1.3 times (FY23: 1.4 times).

LTV improved marginally from 61.4% to 60.0% and is expected to reduce below 50% on successful sale of properties earmarked for disposal as a result of repayment of debt facilities from the proceeds of these disposals.

DIVIDEND

Delta's SA REIT Funds from operations ("FFO") per share amounts to 8.1 cents for the six months ended 31 August 2023 (HY22: 9.2 cents per share). Following the solvency and liquidity test conducted in terms of Section 46 of the Companies Act, which took into consideration the working capital cash flow forecast, expected working capital requirements, capital expenditure requirements and contracted tenant installations relating to lease renewals, the Board resolved not to declare an interim dividend for the period ended 31 August 2023 (HY22: Nil).

GOING CONCERN

The Board has carried out a review of the going concern assessment of the Group, as disclosed in the going concern note in the financial statements. Having considered the solvency and liquidity, the business plans, the cash flow projections and the key assumptions utilised, the Board concluded that the Group is in a financial position to meet its cash requirements for the foreseeable future and accordingly is able to continue trading as a going concern (refer note 2 of the interim financial results).

COMMISSION HOUSE
Gauteng (6 011m² – GLA)



COMMENTARY

CHANGES IN DIRECTORS

Resignations and appointments during the interim period up to the reporting date:

- Mrs Sindiswa Victoria Zilwa – appointed 1 June 2023
- Mr Zwelifikile Mhlontlo – appointed 18 July 2023
- Mr Muzi Alexius Phakathi – appointed 16 October 2023
- Ms Patricia Stock – resigned 30 June 2023
- Ms Marelise de Lange – resigned 25 July 2023
- Mr Moshiko Caswell Ramokgadi Rampheri – resigned 30 August 2023

Directors in office at the date of this report are as follows:

- Ms Phumzile Langeni
- Ms Sibongile Masinga
- Mr Zwelifikile Mhlontlo
- Ms Davina Nodumo Motau
- Mr Muzi Alexius Phakathi
- Mr Mfundiso Johnson Ntabankulu Njeke
- Mrs Sindiswa Victoria Zilwa

PROSPECTS

The Group strategy encompasses a deliberate focus on portfolio optimisation through the divestiture of selected properties, prudent debt management, rigorous cost control measures, lease renewal efforts, and a concerted reduction in property vacancies, all aimed at bolstering profitability. The Group is implementing the strategy and is optimistic that it is on the right trajectory to achieve positive outcomes as demonstrated in these interim results.

The office sector, particularly in the B-grade segment, is anticipated to continue facing substantial challenges due to oversupply, sluggish economic growth, and fierce competition in office rental market. Despite these market pressures, Delta is strategically positioning itself to meet industry benchmarks. This involves maintaining an agile, solution-focused approach, with a primary focus on divesting non-core properties and implementing various strategic initiatives to boost occupancy in vacant properties.

The Group has successfully revived and continued to implement its stakeholder engagements nationwide. These efforts involve meetings with tenants and lenders to enhance lease expiry profiles, arrears collections, and debt maturity profiles. Notably, these engagements have led to negotiations for



both lease renewals and new leases. The Group anticipates securing new leases for currently vacant properties and continuing lease renewals, which will result in an improvement of the weighted average lease expiry and ensuring a sustained positive cash generation.

There is a measured progress in divesting non-core properties, considering prevailing market conditions. There is however, an improvement in the level of interest from potential purchasers and expect the momentum to continue, which will lead to the successful divestment of earmarked properties in the medium term.

The prospects have not been audited, reviewed, or reported on by the Group's independent external auditors.

BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 31 August 2023, and comparative information, have been prepared in accordance with and containing the information required by IAS 34 Interim Financial Reporting, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the South African Companies Act, 71 of 2008. They do not include all of the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last set of annual financial statements.

The accounting policies applied in preparing these financial statements are in terms of IFRS and are consistent with those applied in the previous annual financial statements published on 13 June 2023. These unaudited condensed consolidated interim financial statements were prepared under the supervision of the Chief Financial Officer, Mr Z Mhlontlo.

On behalf of the Board

P Langeni

Chairman

Bryanston, 24 November 2023

S Masinga

Chief Executive Officer

Bryanston, 24 November 2023



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2023

Group	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
ASSETS			
Non-current assets	5 499 765	6 657 752	6 172 162
Investment property	5 384 461	6 572 830	6 073 071
Fair value of investment property	5 307 385	6 486 803	6 006 973
Straight line rental income accrual	77 076	86 027	66 098
Property, plant and equipment	5 819	8 643	7 470
Investment in listed security	109 485	76 279	91 267
Derivative financial instruments	-	-	354
Current assets	146 180	298 931	192 500
Loans receivable	5 663	12 563	5 663
Derivative financial instruments	4 302	-	7 043
Current tax receivable	-	8 236	-
Trade and other receivables	119 896	278 132	172 774
Cash and cash equivalents	16 319	-	7 020
Non-current assets held for sale	1 508 270	887 820	838 970
Total assets	7 154 215	7 844 503	7 203 632

101 DE KORTE
Gauteng (6 610m² - GLA)



Group	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent	2 654 983	3 052 075	2 630 794
Share capital	4 868 462	4 868 461	4 868 461
Accumulated loss	(2 213 479)	(1 816 386)	(2 237 667)
Non-controlling interest	-	(9 486)	(32 237)
Total equity	2 654 983	3 042 589	2 598 557
Non-current liabilities	1 421 554	1 073 826	1 025 661
Derivative financial instruments	-	1 003	-
Interest-bearing borrowings	1 366 579	1 037 341	987 067
Lease liabilities	42 346	31 664	26 576
Deferred taxation liability	12 629	-	8 688
Other financial liabilities	-	3 818	3 330
Current liabilities	3 077 678	3 728 088	3 579 414
Interest-bearing borrowings	2 716 527	3 299 780	3 178 136
Interest accrual on interest-bearing borrowings ¹	36 011	24 148	28 794
Lease liabilities	13 120	4 339	7 558
Trade and other payables	153 641	276 011	197 885
Current tax payable	75 313	118 580	89 767
Bank overdraft	83 066	5 230	77 274
Total liabilities	4 499 232	4 801 914	4 605 075
Total equity and liabilities	7 154 215	7 844 503	7 203 632

¹ Interest accrual has been disclosed separately to reflect capital and interest impact independently.

ISIVUNYO HOUSE
Gauteng (23 694m² – GLA)



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 31 August 2023

Group	Notes	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
REVENUE				
Rental income	4	573 752	631 747	1 229 121
Straight-line rental income accrual		(3 559)	(11 958)	(12 401)
Total revenue		570 193	619 789	1 216 720
Property operating expenses ¹		(219 375)	(239 433)	(482 997)
Net operating income		350 818	380 356	733 723
Other income		4 692	470	6 717
Dividend income		5 834	-	5 109
Gain on foreign exchange		1 401	7 415	15 705
Administration expenses		(50 847)	(49 933)	(109 168)
Net operating profit		311 898	338 308	652 086
Fair value adjustments	5	12 549	(368 145)	(812 217)
Expected Credit Loss Provisions ¹		11 457	(21 469)	(65 965)
Profit/(loss) from operations		335 904	(51 306)	(226 096)
Finance costs ¹	6	(250 652)	(208 918)	(457 878)
Finance income		8 887	5 380	5 510
Profit/(loss) before taxation		94 139	(254 844)	(678 464)
Taxation		(37 714)	(50 803)	(71 215)
Profit/(loss) for the period/year		56 425	(305 647)	(749 679)
Other comprehensive income		-	-	-
Total comprehensive profit/(loss) for the period/year		56 425	(305 647)	(749 679)
Profit/(loss) for the period/year attributable to:				
Owners of the parent		67 517	(306 992)	(728 273)
Non-controlling interest		(11 092)	1 345	(21 406)
Total comprehensive profit/(loss) for the period/year		56 425	(305 647)	(749 679)
Basic and diluted earnings per share:				
Basic and diluted profit/(loss) per share (cents)	3	9.5	(43.0)	(102.0)
Headline and diluted headline earnings per share (cents)		9.6	9.5	14.8

¹ In the comparative prior period, interest on lease liability of R1.2m and ECL on debtors of R10.7m were included in the property operating expenses. These have been reallocated to finance costs and ECL provision respectively to enhance disclosures.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 August 2023

Group	Share capital R'000	Accumulated loss R'000	Non- controlling interest R'000	Total equity R'000
Balance as at 1 March 2022	4 868 461	(1 509 394)	(10 831)	3 348 236
Total comprehensive (loss)/profit for the period	-	(306 992)	1 345	(306 647)
Balance as at 31 August 2022	4 868 461	(1 816 386)	(9 486)	3 042 589
Total comprehensive loss for the period	-	(421 281)	(22 751)	(444 032)
Balance as at 1 March 2023	4 868 461	(2 237 667)	(32 237)	2 598 557
Total comprehensive profit/(loss) for the period	-	67 517	(11 092)	56 425
Issue of share capital	1	-	-	1
Acquisition of non-controlling interest	-	(43 329)	43 329	-
Balance as at 31 August 2023	4 868 462	(2 213 479)	-	2 654 983

PHAMOKO TOWERS
Limpopo (13 058m² – GLA)





CONSOLIDATED STATEMENT OF CASH FLOW

for the six months ended 31 August 2023

Group	Notes	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
Cash flows from operating activities				
Cash generated from operations	7	334 261	405 881	695 640
Finance income received		7 480	5 380	5 510
Dividend income received		-	-	5 109
Finance costs paid		(221 564)	(264 084)	(457 878)
Taxation paid		(49 767)	(53 270)	(99 272)
Net cash inflow from operating activities		70 410	93 907	149 109
Cash flows from investing activities				
Acquisition of property, plant and equipment		-	-	(469)
Capital expenditure on investment property		(19 633)	(44 321)	(79 005)
Proceeds on disposal of investment property ^{1 & 2}		13 462	72 294	208 989
Net cash (outflow)/inflow from investing activities		(6 171)	27 973	129 515
Cash flows from Financing activities				
Repayment of lease liabilities		(352)	(2 719)	(7 273)
Proceeds from interest-bearing borrowings		-	-	11 284
Repayment of interest-bearing borrowings ²		(60 380)	(124 440)	(352 938)
Net outflow from financing activities		(60 732)	(127 159)	(348 927)
Net movement in cash and cash equivalents		3 507	(5 279)	(70 303)
Cash at the beginning of the period/year		(70 254)	49	49
Total cash at the end of the period/year		(66 747)	(5 230)	(70 254)

¹ Proceeds on disposal of investment property includes proceeds on disposal of properties which were classified as non-current assets held for sale.

² The repayment of interest-bearing borrowings of R60.4m and the proceeds on disposal of investment property of R13.5m excludes R31.5m proceeds on disposal of Standard Bank Greyville property that were paid directly to the debt facility and is considered non-cash item for cash flow statement disclosure purposes. Therefore, the debt repayment and proceeds on disposal of investment property for the interim period are R91.9m and R45.0m respectively.



EMBASSY BUILDING

KwaZulu-Natal (32 723m² - GLA)



NOTES TO THE CONDENSED FINANCIAL RESULTS

for the six months ended 31 August 2023

1. EVENTS AFTER THE INTERIM PERIOD

The below non-adjusting events occurred after the end of the reporting period:

1.1 Transfer of the Nedbank Building

As part of the Group's business and portfolio optimisation strategy, it was agreed to dispose of properties which are no longer strategic to the Group. A Nedbank building property with the below details was disposed and transferred:

- Location: 36 Charlotte Maxeke Street, Bloemfontein, Free State.
- GLA: 2 746m²
- Weighted average rental as at 31 August 2023: R19.8/m²
- Net operating income as at 31 August 2023: (R743 493)
- Value of property as at 31 August 2023: R5.0m
- Disposal consideration: R5.4m
- Transfer date: 11 September 2023

1.2 Appointment of a permanent Chief Executive Officer ("CEO")

Sibongile (Bongi) Masinga who had previously held the position of interim CEO was appointed as CEO of Delta for a three-year term with effect from 4 October 2023. Ms. Masinga has extensive corporate experience and has demonstrated as interim CEO progress in driving the restructuring of the Delta portfolio making strides in improving relations with tenants and securing improved funding terms.

1.3 Fire Incident

On 5 October 2023 in the early hours of the morning shortly after load-shedding, an explosion took place in the Mezzanine floor at one of the Group's properties, 88 Field Street in Durban. The explosion caused a fire on the floor and was later extinguished. The cause of the incident was established to be an electrical fault at the eThekweni substation.

The property is currently not operational due to the damage caused by the fire to electrical cabling and equipment. The Group's costs to repair the damage and loss of income will be claimed from the insurers.

1.4 Appointment of non-executive director

Alex Phakathi was appointed as independent non-executive director and chairman of the Asset Liability and Investment Committee with effect from 16 October 2023. Mr. Phakathi is an accomplished leader in the South African property industry and has held a number of strategic executive management positions with extensive experience in growth property portfolios including mergers and acquisitions, property asset management, development management, property management and funding.



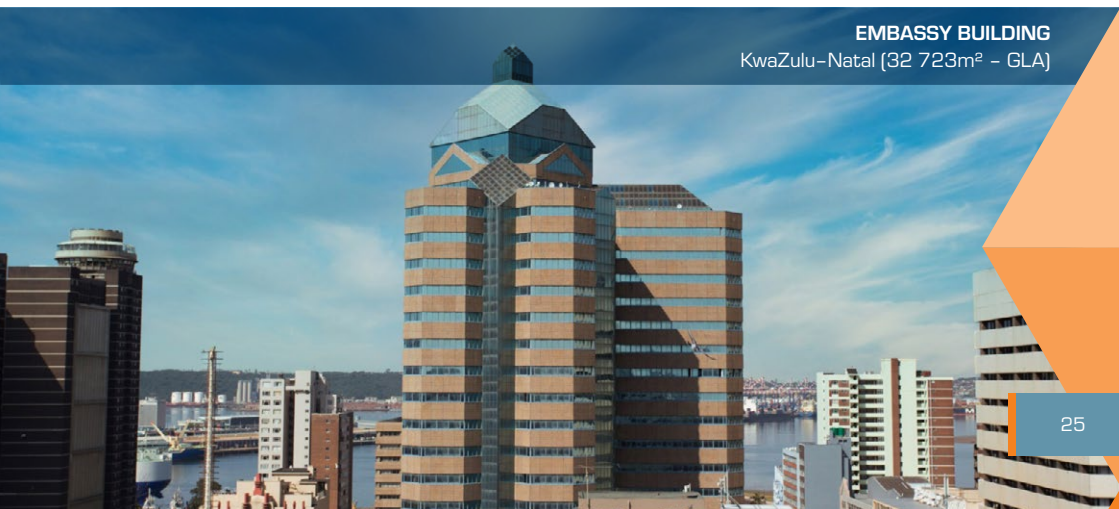
2. GOING CONCERN

The preparation of financial statements in accordance with IFRS requires, based on the Conceptual Framework of IFRS, that the financial statements be prepared on the underlying assumption that the entity ("entity" being the Group) is a going concern. This assumption presumes that an entity will continue in operation for the foreseeable future or, if that presumption is not valid, disclosure and a different basis of reporting are required. The Board believes that as of the date of this report, this presumption is still appropriate and accordingly the interim financial results have been prepared on the going concern basis. The Board has based this assumption on the considerations more fully explained throughout this note.

IAS 1 Preparation of Financial Statements requires management to assess the Group's ability to continue as a going concern. To this extent, IAS 1 states that when management is aware, in making its assessment of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, such uncertainties should be disclosed. In conducting this assessment, management has taken into consideration the following factors:

Solvency

The Group's total assets of R7.2bn exceeded its total liabilities by R2.7bn. The Group had an LTV ratio of 60.0% (FY23:61.4%) and an interest cover ratio of 1.3 times (August 2022:1.7 times); both the LTV and interest cover covenants of 50% and 2.0 times respectively as set out by the funders have been breached. The strategic objectives of the Group to sell non-core properties is expected to remedy the breaches, ICR and LTV is expected to improve to 2 times and below 50% respectively.



EMBASSY BUILDING
KwaZulu-Natal (32 723m² – GLA)



NOTES TO THE CONDENSED FINANCIAL RESULTS

for the six months ended 31 August 2023

Liquidity

In assessing the Group's liquidity, management prepared a cash flow forecast up until 30 November 2024, taking into consideration its turnaround strategy and other initiatives which, if successfully implemented, indicate that the Group will have sufficient cash resources for the foreseeable future which is defined as 12 months from the date of publishing these interim financial results.

Cash flows and liquidity are monitored daily by management with oversight from the Board. Management has considered several estimates, judgments, and assumptions in performing the liquidity assessments, the most significant of which are listed and expanded upon below:

- Continued positive engagement and support from the Group's lenders including extension of facilities beyond scheduled maturity dates;
- The reduction in debt through the sale of properties; and
- Continued performance of the property portfolio, aligning vacancy rates within market norms.

The Group's current liabilities of R3.1bn exceed its current assets (including non-current assets held-for-sale) by R1.4bn (FY23: R2.4bn). This is mainly due to the structural tenure of the Group's funding facilities.

The Board believes that the Group is a going concern. However, the Board acknowledges the material uncertainty related to the sale of non-core assets and the extension of facilities by external lenders. These uncertain events or conditions may affect the execution of the business plans of the Group which may cast significant doubt on the Group's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

BLOCK G

Gauteng (7 992m² – GLA)





Conclusion

The Board is of the view that given the positive cash generation and significant headroom in the fair value of the assets over the fair value of the liabilities, the Group remains solvent as at 31 August 2023 and at the date of this report.

The Board has no intention to cease trading, curtail operations or liquidate properties in excess of those already earmarked for sale, other than the orderly disposals that may be necessary to reduce debt. The Board remains focused on and committed to the operation of the Group, renewal of key leases and repayment of debt.

Notwithstanding the acknowledgement of the material uncertainties and having considered the validity of the principal assumptions set out above, the Board has concluded that the Group is able to discharge its liabilities in the normal course of business and that the going concern assumption is appropriate in the preparation of the interim financial results.

Despite the going concern assumption above, having considered the solvency and liquidity test as well as the impact any distribution will have on the cash position, the Board has resolved not to declare distribution at this stage. Also refer commentary on page 15 dealing with dividends.



BESTMED BUILDING
Gauteng (3 684m² – GLA)



NOTES TO THE CONDENSED FINANCIAL RESULTS

for the six months ended 31 August 2023

3. EARNINGS AND HEADLINE EARNINGS

Group	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
Profit/(loss) attributable to owners of the parent	67 517	(306 992)	(728 273)
Fair value adjustment to investment property	1 173	374 468	833 635
Headline earnings attributable to owners of the parent	68 690	67 476	105 362
Shares in issue at the beginning of the period	714 229 718	714 229 718	714 229 718
Number of shares in issue	714 237 410	714 229 718	714 229 718
Weighted average number of shares in issue	714 229 760	714 229 718	714 229 718
Basic and diluted earnings and headline earnings per share (cents)			
Basic and diluted earnings/(loss) per share	9.45	(42.98)	(101.97)
Headline and diluted headline earnings per share	9.62	9.45	14.75

4. RENTAL INCOME

Rental income comprises gross rental income and recoveries from tenants.

Group	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
Contractual rental income	422 133	469 736	919 349
Parking	45 809	45 356	93 531
Antennae	2 073	2 274	4 291
Storage	9 132	6 765	13 600
Signage	(317)	103	208
Turnover rental	-	-	(751)
Recoveries	94 922	107 513	198 893
	573 752	631 747	1 229 121



5. FAIR VALUE MEASUREMENT

Fair value hierarchy

IFRS 13 requires that an entity disclose, for each class of financial instrument and investment property measured at fair value, the level in the fair value hierarchy into which the fair value measurements are categorised in their entirety.

The fair value hierarchy reflects the significance of the inputs used in making fair value measurements. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

August 2023 (R'000)	Note	Level 1	Level 2	Level 3	Fair value
Assets					
Investment property		-	-	5 384 461	5 384 461
Listed security		109 485	-	-	109 485
Derivative financial instruments		-	4 302	-	4 302
Non-current assets held for sale		-	-	1 508 270	1 508 270
		109 485	4 302	6 892 731	7 006 518

Level 3 reconciliation	Balance at the beginning of the period	Additions/ (disposals)	Loss for the period	Transfer between IP and NCAHFS	Balance at end of the period
Investment property ("IP")	6 073 071	24 272	(819)	(712 063)	5 384 461
Non-current assets held for sale ("NCAHFS")	838 970	(39 026)	(3 737)	712 063	1 508 270
	6 912 041	(14 754)	(4 556)	-	6 892 731



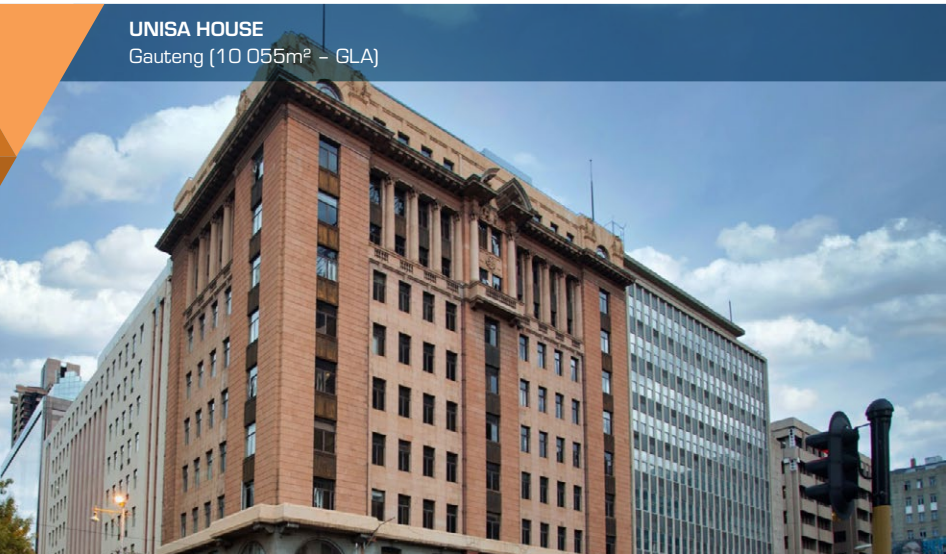
NOTES TO THE CONDENSED FINANCIAL RESULTS

for the six months ended 31 August 2023

5. FAIR VALUE MEASUREMENTS Cont.

August 2022 (R'000)	Level 1	Level 2	Level 3	Fair value
Assets				
Investment property	-	-	6 572 830	6 572 830
Listed security	76 279	-	-	76 279
Non-current assets held for sale	-	-	887 820	887 820
	76 279	-	7 460 650	7 536 929
Liabilities				
Derivative financial instruments	-	1 003	-	1 003
	-	1 003	-	1 003
Level 3 reconciliation				
	Balance at the beginning of the period	Additions/ (disposals)	Loss for the period	Balance at end of the period
Investment property	7 101 110	(510 141)	(18 139)	6 572 830
Non-current assets held for sale	787 090	457 054	(356 324)	887 820
	7 888 200	(53 088)	(374 463)	7 460 650

UNISA HOUSE
Gauteng (10 055m² - GLA)





February 2023 (R'000)	Level 1	Level 2	Level 3	Fair value
Assets				
Investment property	-	-	6 073 071	6 073 071
Listed security	91 267	-	-	91 267
Derivative financial instruments	-	7 397	-	7 397
Non-current assets held-for sale	-	-	838 970	838 970
	91 267	7 397	6 912 041	7 010 705

Level 3 reconciliation	Balance at the beginning of the period	Additions/ (disposals)	Loss for the period	Balance at end of the period
Investment property	7 101 110	(571 782)	(456 257)	6 073 071
Non-current assets held for sale	787 090	429 260	(377 380)	838 970
	7 888 200	(142 522)	(821 237)	6 912 041

There have been no transfers between level 1, level 2 and level 3 during the period.

HENSA TOWERS
Limpopo (13 675m² – GLA)



NOTES TO THE CONDENSED FINANCIAL RESULTS

for the six months ended 31 August 2023

5. FAIR VALUE MEASUREMENTS Cont.

FAIR VALUE ADJUSTMENTS

Group	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
Investment property ¹	(1 173)	(374 468)	(833 639)
Investment in listed security	16 817	(42 236)	(35 539)
Derivative financial instruments	(3 095)	48 559	56 959
	12 549	(368 145)	(812 217)

¹ Investment property includes non-current assets held for sale. In the period ended 31 August 2022, the properties identified for disposal classified as Non-current assets held for sale were revalued on the basis that management expects to recover the assets through disposal and not from holding to earn rental income. An independent valuation was performed as triggered by purchase offers received from the market. The purchase offers for the current period align with the property values therefore there has been no fair value adjustments in relation to the properties held for sale.

It is the policy of the Group to independently value investment properties on an annual basis and adjust to open market value.

The fair value hierarchy has the following levels:

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

ENTERPRISE PARK
Gauteng (11 860m² – GLA)



6. FINANCE COSTS

Group	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
Interest-bearing borrowings	231 067	181 275	390 471
Interest - swaps	-	21 840	31 419
Debt structuring fees amortised	3 371	4 068	17 450
Interest on lease liabilities ¹	11 304	1 151	3 521
Other	4 910	584	15 017
	250 652	208 918	457 878

¹ In the comparative prior period, interest on lease liability of R1.2m was included in property operating expenses this has been reallocated to finance costs to enhance disclosures.





NOTES TO THE CONDENSED FINANCIAL RESULTS

for the six months ended 31 August 2023

7. CASH GENERATED FROM OPERATIONS

Group	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
Cash generated from operations			
Profit/(loss) before taxation	94 139	(254 844)	(678 464)
Adjustments:			
Depreciation on property, plant and equipment	1 634	325	3 256
Loss on scrapping of property, plant and equipment	17	-	-
Unrealised gain on foreign exchange differences	(1 401)	(7 415)	(15 822)
Dividend income from listed investment	(5 834)	-	(5 109)
Interest income	(8 887)	(5 380)	(5 510)
Finance costs	250 652	208 918	457 878
Fair value adjustments	(12 549)	368 145	812 217
ECL allowances	(11 457)	21 469	65 965
Straight-line rental income accrual	3 559	11 958	12 401
Amortisation of letting commission	139	722	3 539
Operating profit before working capital changes	310 012	343 898	650 351
Changes in working capital	24 249	61 983	45 289
Decrease in trade and other receivables	66 546	33 301	91 567
(Decrease)/increase in trade and other payables	(42 297)	28 682	(46 279)
Cash generated from operations	334 261	405 881	695 640



8. CONDENSED SEGMENTAL ANALYSIS

The Group has five reportable segments based on the type of property, i.e. retail, office sovereign, office other, industrial and administration and corporate costs (head office). Where a property has more than one tenant the segment is classified based on the majority tenant type. For each strategic business segment, the entity's executive directors review internal management reports on a monthly basis. All operating segments are located in South Africa with a foreign investment in Grit.

The accounting policies of the segments are the same as those applied in the Group.

The following summary describes the operations in each of the entity's reportable segments:

Group	Retail R'000	Office Sovereign R'000	Office other R'000	Industrial R'000	Head Office R'000	Total R'000
Unaudited for the period ended 31 August 2023						
Rental income	11 134	432 986	129 231	401	-	573 752
Net property rental	7 082	307 416	40 625	(1 805)	(2 500)	350 818
Administrative expenses	(1)	(113)	(39)	(1)	(50 693)	(50 847)
Fair value adjustments	-	-	(1 173)	-	13 722	12 549
Other	1 645	7 550	3 458	(238)	10 968	23 383
Profit/(Loss) from operations	8 726	314 854	42 870	(2 042)	(28 504)	335 904
Net finance costs	99	(10 871)	1 146	146	(232 285)	(241 765)
Taxation	-	-	-	-	(37 714)	(37 714)
Profit/(Loss) for the period	8 825	303 983	44 016	(1 896)	(298 504)	56 425
Total assets	207 433	6 349 754	404 935	47 411	144 682	7 154 215
Total liabilities	(4 412)	(214 736)	(6 152)	(4 288)	(4 269 644)	(4 499 232)



NOTES TO THE CONDENSED FINANCIAL RESULTS

for the six months ended 31 August 2023

8. CONDENSED SEGMENTAL ANALYSIS

Group	Retail R'000	Office Sovereign R'000	Office other R'000	Industrial R'000	Head Office R'000	Total R'000
Unaudited for the period ended 31 August 2022						
Rental income	14 993	481 023	135 354	377	-	631 747
Net property rental	4 264	328 832	49 037	(1 778)	-	380 356
Administrative expenses	(10)	(131)	(123)	(9)	(49 659)	(49 933)
Fair value adjustments	(45 623)	(131 621)	(197 362)	27	6 434	(368 145)
Other	(3 101)	1 472	(8 095)	(370)	(3 490)	(13 584)
(Loss)/Profit from operations	(44 470)	198 552	(156 543)	(2 130)	(46 716)	(51 306)
Net finance costs	258	4 787	1 742	79	(210 403)	(203 537)
Taxation	-	-	-	-	(50 803)	(50 803)
(Loss)/Profit for the period	(44 212)	203 340	(154 801)	(2 052)	(307 922)	(305 646)
Total assets	243 163	5 620 000	1 800 554	61 287	119 499	7 844 503
Total liabilities	(120 714)	(1 347 921)	(1 454 130)	(25 183)	(1 853 966)	(4 801 914)
Audited for the year ended 28 February 2023						
Rental income	30 878	935 889	249 253	700	-	1 216 720
Net property rental	12 896	641 958	79 547	(3 623)	2 945	733 723
Administrative expenses	(28)	(246)	(171)	(11)	(108 712)	(109 168)
Fair value adjustments	(63 117)	(448 633)	(294 579)	(5 888)	-	(812 217)
Other	(2 033)	(28 177)	(28 179)	(1 032)	20 987	(38 434)
(Loss)/Profit from operations	(52 282)	164 902	(243 382)	(10 554)	(84 780)	(226 096)
Net finance costs	538	(3 109)	9 527	188	(459 512)	(452 368)
Taxation	-	-	-	-	(71 215)	(71 215)
Loss)/Profit for the period	(51 744)	161 793	(233 855)	(10 367)	(615 507)	(749 679)
Total assets	191 753	5 131 107	1 609 105	122 387	149 281	7 203 632
Total liabilities	(2 706)	165 374	47 480	3 497	4 391 429	4 605 074



HALLMARK BUILDING
Gauteng (26 255m² - GLA)



SUPPLEMENTARY INFORMATION

for the period ended 31 August 2023

SA REIT FUNDS FROM OPERATIONS (SA REIT FFO)

Group		31 August 2023 R'000	31 August 2022 R'000	28 February 2023 R'000
Profit/(loss) attributable to the parent per IFRS statement	A	67 517	(306 992)	(728 273)
Adjusted for: Accounting specific adjustments				
Fair value adjustment (gain)/loss to:				
– Investment property		-	374 467	833 637
– Debt and equity instrument held at fair value		(16 817)	42 120	35 539
Straight-lining operating lease adjustments		3 559	11 958	12 401
Depreciation of property, plant and equipment (net of NCI)		242	-	3 256
ECL Provision on loans and Financial guarantee		(3 330)	-	(13 150)
Deferred tax movement recognised in profit or loss		3 941	-	8 688
	B	(12 405)	428 545	880 371
Adjustment arising from investing activities				
Gains or losses on disposal of:				
Investment property and property, plant and equipment		1 173	5	-
	C	1 173	5	-
Foreign exchange and hedging activities				
Fair value adjustments on derivative financial instruments employed solely for hedging purposes		3 095	(48 559)	(56 959)
Foreign exchange gains or losses relating to capital items – realised and unrealised		(1 401)	(7 298)	(15 705)
	D	1 694	(55 857)	(72 664)
SA REIT: A+B+C+D		57 979	65 701	79 434
Number of shares in issue ('000)		714 237	714 230	714 230
SA REIT funds from operations per share (cents)		8.1	9.2	11.1



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

Group	31 August 2023 R'000	31 August 2022 R'000	28 February 2023 R'000
Reported NAV attributable to the parent	2 654 983	3 052 075	2 598 559
Adjustments:			
Fair value of derivative financial instruments	(4 302)	1 003	(7 397)
Deferred tax	12 629	-	8 688
SA REIT NAV	2 663 310	3 053 078	2 599 850
Shares outstanding:			
Number of shares in issue at period end (net of treasury shares)	714 237	714 230	714 230
Effect of dilutive instruments (options, convertibles and equity interests)	-	-	-
Dilutive number of shares in issue	714 237	714 230	714 230
SA REIT NAV per equity share (rand)	3.7	4.3	3.6

SA REIT LOAN-TO-VALUE ("SA REIT LTV")

Group	31 August 2023 R'000	31 August 2022 R'000	28 February 2023 R'000
Gross debt ¹	4 138 572	4 397 272	4 228 131
Add:			
Cash and Cash equivalents	66 747	5 230	77 274
Derivative financial instruments	-	1 003	-
Net debt	4 205 319	4 403 505	4 305 405
Total assets per statement of financial position	7 154 215	7 844 503	7 203 632
Less:			
Cash and Cash equivalents	(16 319)	-	(7 020)
Trade and other receivables	(119 896)	(278 132)	(172 774)
Derivative financial instruments	(4 302)	-	(7 397)
Carrying amount of property-related assets	7 013 698	7 566 371	7 016 441
SA REIT LTV (%)	60.0	58.2	61.4

¹ Due to the working capital nature of interest accrual, gross debt in the current period excludes the interest accrual on interest bearing borrowings.



SUPPLEMENTARY INFORMATION

for the period ended 31 August 2023

SA REIT COST-TO-INCOME RATIO

Group	31 August 2023 R'000	31 August 2022 R'000	28 February 2023 R'000
Expenses			
Operating expenses per IFRS income statement (includes municipal expenses) ¹	219 375	239 433	482 997
Bad debt expenses and ECL allowances associated with rental income ¹	(8 127)	10 692	79 115
Administrative expenses per IFRS income statement	50 847	49 933	109 168
Exclude:			
Depreciation expense in relation to property, plant & equipment	(1 634)	(325)	(3 256)
Operating costs	260 461	299 733	668 024
Rental income			
Contractual rental income per IFRS income statement (Excluding straight-lining)	478 830	524 234	1 030 228
Utility and operating recoveries per IFRS income statement	94 922	107 513	198 893
Gross rental income	573 752	631 747	1 229 121
SA REIT cost-to-income ratio (%)	45.4	47.4	54.3

¹ In the prior comparative period, the bad debt provision and ECL allowances relating to debtors, together with interest lease liability were included in property expenses, this has been separately disclosed to enhance disclosures.

SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO

Group	31 August 2023 R'000	31 August 2022 R'000	28 February 2023 R'000
Expenses			
Administrative expenses per IFRS income statement	50 847	49 933	109 168
Rental income			
Contractual rental income per IFRS income statement (Excluding straight-lining)	478 830	524 234	1 030 228
Utility and operating recoveries per IFRS income statement	94 922	107 513	198 893
Gross rental income	573 752	631 747	1 229 121
SA REIT administrative cost-to-income ratio (%)	8.9	7.9	8.9

SA REIT GLA VACANCY RATE

Group	31 August 2023 R'000	31 August 2022 R'000	28 February 2023 R'000
GLA of vacant space	289 127	303 198	282 119
GLA of total property portfolio	837 956	893 092	857 506
SA REIT GLA vacancy rate (%)	34.5	33.9	32.9

WEIGHTED AVERAGE COST OF DEBT

Group	31 August 2023 R'000	31 August 2022 R'000	28 February 2023 R'000
Variable interest rate borrowings:			
Floating reference rate plus weighted average margin	11.6	8.5	10.6
Fixed interest rate borrowings: ¹			
Weighted average fixed rate	7.0	7.0	7.0
All-in weighted average cost of debt (%)	10.1	8.1	8.8

¹ Fixed interest rate borrowings represent swaps

POYNTONS
Gauteng (73 396m² – GLA)





CORPORATE INFORMATION

Delta Property Fund Limited

(Incorporated in the Republic of South Africa) (Registration number 2002/005129/06) Share code: DLT ISIN: ZAE000194049

("Delta" or "the Fund" or "the Group") (REIT status approved)

Directors

Phumzile Langeni (Chairman)

Sibongile ("Bongi") Masinga (Chief Executive Officer)

Zwelifikile ("Fikile") Mhlontlo (Chief Financial Officer)

Davina Nodumo ("Dumo") Motau (Independent non-executive director)

Mfundiso Johnson Ntabankulu ("JJ") Njeke (Lead Independent non-executive director)

Muzi Alexius Phakathi (Independent non-executive director)

Sindiswa Victoria Zilwa (Independent non-executive director)

Registered office

Silver Stream Office Park, 10 Muswell Road, South Bryanston, Johannesburg 2021

Postal address

PostNet Suite 210

Private Bag X21

Bryanston 2021

Company Secretary

Vasta Mhlongo



Auditor

KPMG Incorporated

[Registration number: 1999/021543/21/21]

KPMG Crescent, 85 Empire Road, Parktown, 2193

Sponsor

Nedbank Corporate and Investment

Banking, a division of Nedbank Limited



Sustainable value creation through quality
sovereign property investments.



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