23

GROUP SUMMARISED AUDITED ANNUAL RESULTS

FOR THE YEAR ENDED 30 JUNE

GROWTHPOINT PROPERTIES

GROUP SALIENT FEATURES

DIPS

157.6cps

1.3% increase from FY22

DPS

130.1cps

1.3% increase from FY22

TOTAL PROPERTY ASSETS

R179.8bn

5.3% increase from R170.8bn* at FY22

OFFSHORE ASSETS

45.8%

Increase from 44.2%* at FY22

OFFSHORE DIPS

29.1%

Increase from 27.5%# for FY22

ASSETS UNDER MANAGEMENT (GROWTHPOINT INVESTMENT PARTNERS)

17.9bn

14.7% increase from R15.6bn at FY22

SA REIT NAV

2 151cps

0.3% decrease from FY22

GROUP SA REIT LTV

40.1%

Increase from 37.9% at FY22

INTEREST COVER RATIO (ICR)

2.9 times

Decrease from 3.1 times for FY22

** Lango and GWI were previously not included in the calculation.*

 # Previously offshore EBIT was disclosed.

FITCH/MOODY'S RATINGS

Global scale: **BB+/Ba2**

National scale: **AAA/Aa1.za**

SUSTAINABILITY RATINGS AND INDICES

FTSE/JSE Responsible Investment Index, FTSE4Good Emerging Index, CDP, GRESB, ISS, MSCI ESG, Sustainalytics

Investment proposition

- Attractive dividend yield
- Largest South African Primary listed REIT
- Diversified across South Africa, international geographies, sectors and income streams
- Quality of earnings, underpinned by high-quality property assets
- Uninterrupted track record of paying dividends
- Dynamic and proven management track record
- Best practice corporate governance
- Transparent reporting
- Level 1 B-BBEE contributor
- Attractive ESG investment
- Investment grade SA domestic debt rating

Participant of:

COMMENTARY

Growthpoint is an international property company that provides space to thrive with innovative and sustainable property solutions.

Introduction

Growthpoint is the largest South African primary JSE-listed REIT with a quality portfolio of 535 (FY22: 555) properties across three major business areas, South Africa (SA), Growthpoint Investment Partners (GIP) (our funds management business), and our offshore portfolio.

The South African business is diversified across the retail, office, industrial, and trading and development (T&D) sectors, as well as a mixed-use portfolio at the V&A Waterfront in Cape Town (V&A). The T&D division develops commercial property for its own balance sheet, for GIP and for third parties.

Growthpoint Healthcare Property Holdings (RF) Limited (GHPH), Growthpoint Student Accommodation Holdings (RF) Limited (GSAH) and Lango Real Estate Limited (Lango) are part of GIP, our alternative real estate co-investment business. GIP has gross assets under management of R17.9bn (FY22: R15.6bn).

The offshore portfolio consists of:

- ASX-listed business Growthpoint Properties Australia Limited (GOZ), diversified across the industrial and office sectors and a funds management business, Fortius Funds Management (Pty) Ltd (Fortius)
- LSE and JSE-listed Capital & Regional (C&R), which owns needs-based community shopping centres in the United Kingdom
- LSE AIM-listed Globalworth Real Estate Investments Limited (GWI) which owns office and industrial properties in Poland and Romania.

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The following table provides an overview of our investments in these businesses as well as the properties held by each at 30 June 2023 (FY23) and 30 June 2022 (FY22).

	Percentage held %		Number of properties		Carrying value of Growthpoint's investment Rbn		Value of properties Rbn	
	FY23	FY22	**FY23**	FY22	**FY23**	FY22	**FY23**	FY22
South Africa (SA)								
Retail	**100**	100	**39**	42			**25.2**	24.6
Office	**100**	100	**155**	158			**25.9**	26.0
Industrial	**100**	100	**168**	187			**12.6**	12.1
Trading and development	**100**	100	**7**	5			**0.4**	0.4
V&A Waterfront	**50**	50	**1**	1	**6.5**	5.8	**10.1**	9.0
Total SA			**370**	393	**6.5**	5.8	**74.2**	72.1
Growthpoint Investment Partners*								
Healthcare*	**39.1**	55.9	**8**	7	**0.8**	0.8	**3.7**	3.4
Student accommodation*	**14.3**	16.6	**11**	9	**0.2**	0.2	**2.7**	2.2
Lango*	**18.4**	16.3	**11**	11	**1.4**	0.9	**11.5**	10.0
Total GIP			**30**	27	**2.4**	1.9	**17.9**	15.6
Offshore investments								
Australia#	**63.7**	62.2	**58**	58	**9.6**	9.6	**61.8**	58.8
Capital & Regional@	**62.4**	60.8	**5**	6	**3.6**	3.5	**8.5**	8.5
Globalworth^	**29.5**	29.4	**72**	71	**9.9**	8.8	**17.4**	15.8
Total offshore			**135**	135	**23.1**	21.9	**87.7**	83.1
Total portfolio			**535**	555			**179.8**	170.8

* *The value of the properties is disclosed at 100% as these are assets under the management of Growthpoint.*
\# *The market value of the GOZ listed investment is R16.8bn (FY22: R18.4bn).*
@ *The market value of the C&R listed investment is R1.5bn (FY22: R1.1bn).*
^ *The market value of the GWI listed investment is R4.3bn (FY22: R6.0bn).*

Growthpoint is included in the FTSE/JSE Top 40 Index (J200) with a market capitalisation of R40.0bn at FY23 (FY22: R42.4bn). On average, 216.6m shares (FY22: 219.8m) with a value of R2.8bn (FY22: R3.1bn) were traded monthly during the year. This makes Growthpoint a liquid and tradable way to own commercial property. Growthpoint's property portfolio comprises South African assets (inclusive of the V&A) (54.2%) and international (45.8%) assets. Most of the portfolio is in economic nodes within major metropolitan areas.

For FY23, the SA REIT net asset value per share (SA REIT NAV) of the Group decreased by 0.3% to 2 151 (FY22: 2 158) cents per share.

Strategy and its implementation

In line with Growthpoint's vision "to be a leading international property company providing space to thrive", the company's strategy incorporates:

- The streamlining and optimisation of the SA portfolio:
  - 29 properties sold for R1.5bn, with a profit on book value of R107.8m
  - One property of R18.0m held for sale at FY23
  - 142 properties sold for R11.2bn since 1 July 2016.

- Growing revenue streams from GIP:
  - R2.3bn increase in assets under management (AUM) from R15.6bn at FY22 to R17.9bn at FY23
  - 45.8% increase in management fees to R98.0m in FY23
  - R146.0m dividends received in FY23
  - R30.0bn AUM target by FY27.

- International expansion:
  - GBP4.3m (R96.6m) of the dividends received were re-invested in C&R
  - EUR9.8m (R195.0m) of the dividends received were re-invested in GWI
  - USD30.0m (R513.8m) incremental investment in Lango
  - 45.8% of Growthpoint's property assets by book value are located offshore
  - 29.1% of Growthpoint's DIPS is earned offshore
  - 7.6% increase in foreign currency dividend income, via cash and script alternative, of R1.6bn in FY23 versus R1.5bn FY22.

We remain focused on liquidity and balance sheet strength to enable us to pursue our strategic initiatives:

- 40.1% Group LTV
- R6.6bn unutilised, committed facilities for SA
- R1.7bn cash on our SA balance sheet
- The ICR remained strong at 2.9 times from 3.1 times for FY22
- Refinanced a USD425m Eurobond in a challenging market.

The Board is satisfied with the progress made in managing liquidity and the capital structure in FY23 through various initiatives, including R1.5bn of asset sales in SA (FY22: R2.1bn), R500.0m sale of convertible loan in GHPH resulting in a profit of R26.0m, and R938.5m (before income tax) (FY22: R935m) cash retained as a result of maintaining the company's conservative dividend payout ratio at 82.5% (FY22: 82.5%).

SA REIT funds from operations (FFO) and distributable income per share (DIPS)

Group SA REIT FFO decreased by R273.0m (5.2%) from R5 298m for FY22 to R5 025m for FY23. On a per share basis it decreased 4.4% from 155.5 cents per share (cps) to 148.6cps. Group distributable income increased by R56.0m (1.1%) from R5 307m to R5 363m. DIPS increased by 1.3% from 155.6cps to 157.6cps.

Basis of preparation

The summarised consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. 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.

The summarised consolidated financial statements are extracted from the audited information but are not themselves audited. The annual financial statements were audited by Ernst & Young Inc., who expressed an unmodified opinion thereon. The auditor does not report on all the information contained in these summarised consolidated financial statements. Shareholders are therefore advised that, 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 audited consolidated financial statements, both of which are available for inspection at the company's registered office or on the company's website.

The Directors of Growthpoint Properties Limited take full responsibility for the preparation of this report and confirm that the selected financial information has been correctly extracted from the underlying consolidated financial statements.

Mr G Völkel (CA(SA)), Growthpoint's Group Financial Director, was responsible for supervising the preparation of these summarised consolidated financial statements.

GOZ

The investment in GOZ was accounted for in terms of IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The statement of financial position includes 100% of the assets and liabilities of GOZ, converted at the closing exchange rate at FY23 of R12.55:AUD1 (FY22: R11.24:AUD1).

A deferred tax liability of R5.0bn (FY22: R5.1bn) is included in the statement of financial position. This relates to capital gains tax payable at a rate of 30% in Australia if Growthpoint were to sell its investment in GOZ.

The statement of profit or loss and other comprehensive income includes 100% of the revenue and expenses of GOZ, which were translated at an average exchange rate of R11.95:AUD1 for FY23 (FY22: R11.04:AUD1). The resulting foreign currency translation difference is recognised in other comprehensive income. A non-controlling interest was raised for the 36.3% (FY22: 37.8%) not owned by Growthpoint.

Included in the FY23 distributable income is a R1 047m (AUD21.4cps) distribution accrued from GOZ, excluding a foreign exchange profit of R9.0m on AUD income hedges, compared to R1 058m (AUD20.8cps) excluding a foreign exchange profit of R7.0m on AUD income hedges, for FY22.

Included in normal tax in the statement of profit or loss and other comprehensive income is R193.2m (FY22: R113.9m) which relates to 12.8% (FY22: 9.9%) withholding tax paid on the distributions from GOZ.

C&R

The investment in C&R was accounted for in terms of IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The statement of financial position includes 100% of the assets and liabilities of C&R, converted at the closing exchange rate at FY23 of R23.95:GBP1 (FY22: R19.83:GBP1).

The statement of profit or loss and other comprehensive income includes 100% of the revenue and expenses of C&R, which were translated at an average exchange rate of R21.42:GBP1 for FY23 (FY22: R20.24:GBP1). The resulting foreign currency translation difference is recognised in other comprehensive income.

A non-controlling interest was raised for the 37.6% (FY22: 39.2%) not owned by Growthpoint.

Included in the FY23 distributable income is a R103.6m (GBP5.5p per share) dividend declared by C&R, compared to R49.8m (GBP2.5p per share) for FY22.

Included in normal tax in the statement of profit or loss and other comprehensive income is R15.5m (FY22: R7.5m) which relates to 15% (FY22: 15%) withholding tax paid on the distributions from C&R.

C&R offered a scrip dividend alternative following the dividend declared which resulted in an additional investment by Growthpoint of R96.6m (GBP4.3m) and increased our shareholding from 60.8% to 62.4%.

V&A, GWI and other equity-accounted investments

The investments in the V&A, GWI, Ferguson Place (RF) (Pty) Ltd and Lango Real Estate Management Limited, were accounted for in terms of IFRS 11 *Joint Arrangements* and IAS 28 *Investments in Associates*. The equity-accounting method was used in terms of which the Group's share of the profit or loss and other comprehensive income of these investments were accounted for.

The V&A has rebounded strongly with a stellar performance in FY23 on the back of the recovery in both domestic and international tourism with a 21.5% increase in distributable income received for FY23 of R688.4m from the V&A (FY22: R566.7m). Included in distributable income is R395.4m dividend income from GWI (FY22: R317.9m).

Revenue and cost-to-income ratio

Revenue increased by 5.3% for FY23 compared to FY22. SA revenue increased by 2.2% due to improved letting conditions across our three domestic sectors. GOZ revenue increased by 16.2% predominantly due to the acquisition of GSO Dandenong, acquisitions made during FY22, a one-off early surrender payment received at 5 Murray Rose Avenue, a bank guarantee drawn at 100 Skyring Terrace and asset management fee income from Fortius Funds Management (Pty) Ltd, offset by the sale of 333 Ann Street. C&R revenue decreased by 3.6% compared to FY22 mainly due to the disposal of The Mall, Blackburn and the deconsolidation of Luton in May 2022, offset by improved occupancy and rent collection on the remaining portfolio.

The SA REIT cost-to-income ratio for the Group increased to 42.4% for FY23 from 41.4% for FY22 mainly due to lower growth in revenue for SA compared to an increase in property and operating expenses. For SA the ratio increased to 46.0% from 44.5% for FY22 and GOZ increased to 27.9% from 25.0% for FY22. For C&R the ratio increased to 59.4% from 59.1% for FY22.

Fair value adjustments

The revaluation of properties in SA, GOZ and C&R resulted in an overall decrease of R4.1bn (2.9%) (FY22: increase of R2.0bn or 1.5%) to R137.1bn (FY22: R135.6bn) for investment property (including investment properties classified as held for sale).

The revaluation of properties resulted in an increase in values in SA of R839.5m (1.2%) (FY22: decrease of R1.2bn or 1.7%), a decrease of R4.5bn (7.1%) (FY22: increase of R3.4bn or 6.1%) for GOZ and a decrease of R365.8m (4.4%) (FY22: decrease of R175.1m or 2.0%) for C&R.

The SA valuations were positively impacted by reduced vacancies in the industrial portfolio, coupled with the repositioning of the portfolio to higher quality assets by way of disposals, developments and acquisitions, together with generally improved key performance indicators for the sector. Retail valuations reflected the improvement in trading conditions for the majority of the year. Office reflected varied valuation outcomes which were positive in KwaZulu-Natal and the Western Cape with reductions in Gauteng. Property assets held for trading and development are reflected at the lower of cost or net realisable value. For FY23, no impairment loss was recognised on property assets held for trading and development (FY22: Rnil).

Interest-bearing borrowings and derivatives were fair valued using the SA or foreign-denominated swap curves at FY23, decreasing the overall liability by R82.0m (FY22: decrease of R4.2bn). These fair value adjustments and other non-distributable items, such as capital items, non-cash charges, deferred taxation and the net effect of the non-controlling interests' portion of the non-distributable items were transferred to the non-distributable reserve.

Finance costs

Finance costs, including finance costs and income received on interest rate swaps, increased by 18.6% to R3 782m (FY22: R3 190m). This is mainly due to an increase in finance costs in South Africa to R2 593m from R2 329m in FY22 (11.3%) due to a higher weighted average cost of debt in FY23 of 9.1% (FY22: 8.1%) and an increase in finance costs in GOZ to R986.1m from R546.0m in FY22 (80.6%), driven by higher weighted average cost of debt in FY23 of 4.6% (FY22: 2.9%) and higher drawn debt to acquire GSO Dandenong, Fortius and the securities buy-back programme. This is offset by a decrease in finance costs in C&R to R202.5m from R315.0m in FY22 (35.7%), primarily due the restructuring and reduction of the GBP60.0m facility for The Mall.

The interest cover ratio remained strong at 2.9 times for FY23 (FY22: 3.1 times). The weighted average interest rate for SA borrowings was 6.8% including foreign-denominated loans and cross-currency interest rate swaps (CCIRS) (FY22: 6.1%). The weighted average debt maturity for SA borrowings increased to 3.5 years (FY22: 2.9 years), due to the refinancing of the USD425.0m USD-denominated Eurobond which matured in May 2023 with longer tenure EUR debt facilities. 79.6% of the Group long-term borrowings were fixed at FY23, (FY22: 77.9%).

Finance income

Finance and other investment income increased to R309.0m (FY22: R167.0m). This is mainly due to an increase in interest received from money market funds.

Acquisitions and commitments

Growthpoint acquired an industrial property, Maldapak, Hammarsdale, KwaZulu-Natal, for R135.7m, an industrial plot of land for R68.6m, two plots of land for the development of a purpose-built student accommodation property for GSAH, Twickenham Road, Auckland Park, Johannesburg, for R33.0m and Howard College, KwaZulu-Natal for R14.0m, seven telecommunications assets in SA for R15.4m as well as a T&D property, Cornubia, KwaZulu-Natal for R32.1m.

The development and capital expenditure for SA of R1.9bn (FY22: R1.2bn) was for various projects, the largest being the development at two purpose-built student accommodation properties, Peak Studios (R165.4m) and Apex Studios (R164.7m) and developments at Paarl Mall, Paarl (R102.9m).

Growthpoint has commitments outstanding for SA developments totalling R1.8bn at FY23 (FY22: R654.0m) of which Bayside Mall (R352.0m), Longkloof Studios, Gardens, Cape Town (R292.9m), Blackheath, Bellville (R206.6m), Samrand Erf 4/5894, Midrand (R151.2m), Twickenham, Auckland Park (R143.1m), Monteer, Isando (R118.2m) and Hillcrest Private Hospital, Hillcrest, Durban (R142.0m) are the largest.

GOZ acquired one office property for R2.0bn (AUD176.0m) during the year and incurred development and capital expenditure totalling R336.0m (AUD27.9m), its largest project being the refurbishment of 75 Dorcas Street, South Melbourne, for R82.1m (AUD6.8m) and capital expenditure at CB1, 22 Cordelia Street, South Brisbane for R48.3m (AUD4.0m). GOZ has commitments outstanding totalling R517.2m (AUD41.2m) at FY23 (FY22: R2.2bn (AUD195.8m)). These commitments relate to the tenant installation obligation at 1 Charles Street, Parramatta.

C&R incurred capital expenditure of R270.0m (GBP12.9m) in FY23 (FY22: R190.0m (GBP9.8m)) and has outstanding commitments of R186.1m (GBP7.8m) at FY23 (FY22: R236.8m (GBP12.0m)) relating to various capital projects at the retail centres.

Growthpoint Investment Partners

One important component of Growthpoint's strategy is to build a co-investment, co-management business with diversified alternative real estate assets. To this end we have achieved our initial goal of R15.0bn assets under management (AUM) by establishing three separately identifiable investment funds with total AUM of R17.9bn (FY22: R15.6bn).

- **Lango Real Estate Limited.** ***Growthpoint's stake is 18.4% (FY22: 16.3%)***
  Lango invests in prime commercial real estate assets in key gateway cities across the African continent. It owns eight quality office and retail assets and three plots of land valued at USD611.2m (FY22: USD613.0m) and has a NAV of USD333.8m at FY23 (FY22: USD323.7m). Growthpoint invested a further R513.8m (USD30.0m) into Lango and received a R3.2m (USD0.2m) dividend during the year (FY22: R22.3m (USD1.4m)).
  - *Lango Real Estate Management Limited (Lango Manco). Growthpoint's stake is 37.5% (FY22: 37.5%)*
    Growthpoint received management fees of R21.0m (USD1.2m) (FY22: R11.5m (USD0.7m)) during the year.

- **Growthpoint Healthcare Property Holdings (RF) Limited.** ***Growthpoint's stake is 39.1% (FY22: 55.9%)***
  GHPH invests exclusively in healthcare property assets in SA with a mandate to acquire and develop acute, day and specialist hospitals, as well as laboratories and biotechnology manufacturing and warehousing facilities. During the year, the Namibian Government Institutions Pension Fund (GIPF) invested R500.0m in GHPH, the proceeds of which were used to settle a portion of convertible loan in GHPH owned by Growthpoint, resulting in a profit on the sale of shares of R26.3m. GHPH has to date attracted approximately R2.0bn in investments from third-party investors. There is a significant pipeline of both acquisitions and greenfield developments.

  At FY23, Growthpoint's interest in GHPH consists of R384.7m equity (FY22: R358.4m) and a convertible loan of R381.1m (FY22: R848.3m). Growthpoint received a R121.1m (FY22: R142.5m) dividend from GHPH during the year.

  – *Growthpoint Healthcare Management en commandite Partnership (GHPH Manco). Growthpoint's stake is 85% (FY22: 100%)*
    Growthpoint Healthcare Property Management Company (Pty) Ltd was contracted to provide all the asset and property management services to GHPH until 31 January 2023, after which the asset and property management services agreement was taken over by GHPH Manco, effective from 1 February 2023.

    Growthpoint sold 15% of its stake in GHPH Manco to Kagiso Capital for R41.6m in February 2023. Growthpoint received management fees of R44.4m (FY22: R41.2m) from GHPH Manco during the year.

- **Growthpoint Student Accommodation Holdings (RF) Limited.** ***Growthpoint's stake is 14.3% (FY22: 16.6%)***
  GSAH has to date attracted R1.5bn in capital from third-party investors. In addition, Growthpoint invested R240.0m into the fund. During the year, the GIPF invested R250.0m in GSAH, the proceeds of which were utilised for developments. Growthpoint received a R21.8m (FY22: R16.7m) dividend from GSAH during the year.

  – *Growthpoint Student Residential Accommodation Management en commandite Partnership (GSAH Manco). Growthpoint's stake is 100% (FY22: 100%)*
    Growthpoint received asset management fees of R33.0m (FY22: R14.5m) from GSAH Manco during the year.

Trading and development (T&D)

At FY23, seven properties (FY22: five) valued at R442.0m were classified as T&D (FY22: R453.0m).

Disposals and held-for-sale assets

Growthpoint SA disposed of 29 properties during the year (FY22: 37) for R1.5bn (FY22: R2.1bn), including East Rand Value Mall, Boksburg (R206.3m), 50% of Woodlands Building 33, Woodmead (R137.3m) and a T&D property for R340.0m. GOZ disposed of one property during the year, 333 Ann Street, Brisbane for R1.5bn (AUD130.4m) which included a tenant installation portion of R63.8m (AUD5.5m).

C&R disposed of The Mall, Blackburn for GBP40.0m (R809.0m) and completed the sale of land for residential development at its 17&Central community shopping centre in Walthamstow to Long Harbour for R439.1m (GBP21.7m). The first phase of the development is now underway which will see the creation of 495 build to rent apartments in two residential towers and providing a new captive audience of shoppers for the centre. C&R also completed the sale of its interest in The Mall, Luton shopping centre on 16 March 2023. The disposal followed a sale process undertaken with the consent of the secured lender to the property. The Group had previously deconsolidated its interest in The Mall, Luton meaning that the transaction did not result in any profit or loss on disposal.

At FY23, one SA property (FY22: five) valued at R18.0m (FY22: R72.5m) was held for sale. No Australian or United Kingdom properties were held for sale at FY23 compared to one held for sale in the United Kingdom at FY22 at R793.0m (GBP40.0m).

Arrears

Total SA arrears at FY23 were R165.4m (FY22: R195.3m) with a loss allowance of R86.3m (FY22: R114.1m). Total net SA bad debt write-offs, recoveries and provisions were R17.3m (FY22: R24.4m).

Total GOZ arrears at FY23 were R33.0m (FY22: R17.5m) with a loss allowance of R2.1m (FY22: R2.6m). Total C&R arrears at FY23 were R149.1m (FY22: R196.8m) with a loss allowance of R82.5m (FY22: R81.8m).

Vacancy levels

	GLA		Vacancy	
	FY23 m²	FY22 m²	**FY23 %**	FY22 %
South Africa (SA)				
Retail	**1 225 637**	1 283 498	**6.3**	5.5
Office	**1 650 192**	1 672 345	**19.2**	20.7
Industrial	**1 940 293**	2 093 262	**3.7**	5.7
T&D	**9 014**	37 512	**–**	–
V&A	**228 781**	232 041	**0.4**	1.6
Total SA	**5 053 917**	5 318 658	**9.2**	10.1
Growthpoint Investment Partners*				
Healthcare	**118 790**	107 562	**0.1**	0.1
Lango#	**153 844**	155 077	**21.6**	19.7
Total GIP	**272 634**	262 639	**12.2**	11.7
Offshore				
Australia	**1 066 660**	1 061 454	**3.4**	1.6
Capital & Regional	**185 806**	239 690	**6.9**	7.4
Globalworth#	**1 401 793**	1 340 832	**14.5**	11.9
Total offshore	**2 654 259**	2 641 976	**9.5**	7.3
Total portfolio	**7 980 810**	8 223 273	**9.4**	9.3

* *GSAH is valued per bed and not on GLA. GSAH had 6 443 beds with an average 6.0% vacancy for FY23 (FY22: 4 979 beds with 2.1% average vacancy).*
# *Not previously included. The FY22 figures have therefore been re-presented to include Lango and GWI.*

Vacancies increased in the SA retail sector which are being addressed through redevelopments and disposals. Vacancies decreased in the industrial and office sectors. Tenant retention remains a priority and we are addressing it in SA through various initiatives including UNdeposit, SmartMove, SmartStay, SmartFlex, SmartRefer, WorkAgility, #Bringusaname and Growthpoint's resource-efficient, sustainable Thrive portfolio. Vacancies at GOZ and GWI increased, whereas vacancies decreased at C&R and the V&A.

Borrowings and net working capital

The Group SA REIT LTV ratio was 40.1% for FY23 (FY22: 37.9%). The South African SA REIT LTV increased to 32.9% (FY22: 32.0%), the GOZ SA REIT LTV increased to 36.1% (FY22: 30.6%) and the C&R SA REIT LTV decreased to 37.0% (FY22: 45.3%).

Growthpoint has consistently applied its policy for measuring the fair value of interest-bearing borrowings and derivatives. Of our total interest-bearing borrowings of R68.2bn at FY23 (FY22: R62.9bn), R20.0bn (FY22: R21.4bn) are unsecured. All other interest-bearing borrowings across the Group are secured.

Changes in directorate

Andile Sangqu was appointed as the Lead Independent Director on 1 July 2022.

Mpume Nkabinde and Patrick Mngconkola retired at the AGM on 29 November 2022 after serving 13 and 10 years on the Board, respectively.

We thank Mpume and Patrick for their contributions and dedicated service to Growthpoint.

Going concern

The Directors have assessed the Group's ability to continue as a going concern. At FY23, Growthpoint has unused committed bank facilities of R6.6bn (FY22: R10.3bn) in SA and separately R3.8bn (AUD300.0m) (FY22: R4.0bn or AUD353.5m) in GOZ. There were no unused committed bank facilities at C&R for FY23 (FY22: R79.0m (GBP4.0m)).

Growthpoint also has cash of R1.7bn (FY22: R1.5bn) in SA, R620.3m (AUD49.4m) (FY22: R553.1m or AUD49.2m) in GOZ and R1.2bn (GBP49.2m) (FY22: R791.0m or GBP39.9m) in C&R at FY23. The bank facilities and cash balances assure Growthpoint's ability to meet its short-term commitments.

The following uncertainties were considered as part of the going-concern assessment:

Funding covenants

The current Group SA REIT LTV of 40.1% (FY22: 37.9%) is well below the maximum loan-to-value covenants the Group is exposed to of 55.0%. Loan-to-value and interest cover ratio covenants may come under pressure due to decreasing property valuations, decreasing rental income and increasing interest rates due to the expected economic downturn.

Conclusion

After due consideration, the Directors have concluded that the Group has adequate resources and debt facilities to continue operating for the foreseeable future and that it is appropriate to adopt the going-concern basis in preparing the financial statements.

Events after the reporting period

Declaration of dividend after reporting period

In line with IAS10 *Events after the Reporting Period*, the declaration of the dividend occurred after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

Acquisition of The Gyle Shopping Centre in Edinburgh

On 9 August 2023 C&R entered into an agreement to acquire The Gyle Shopping Centre in Edinburgh for a total acquisition consideration of GBP40.0m, excluding acquisition costs. The consideration will be financed through existing funds held by C&R, a new debt facility of GBP16.0m arranged by Morgan Stanley, and GBP25.0m through an equity raise that Growthpoint has underwritten, with us contributing GBP22.0m, thereby increasing our investment in C&R to 67.6%.

Leadership and prospects

The Board is pleased to advise that Norbert Sasse has agreed that he will continue in his capacity as Group CEO until 31 December 2026, thereby providing continuity in progressing the company's various strategic initiatives.

We expect FY24 to be another challenging year, given the higher interest rates for the full year impacting our domestic business and our offshore investments. We do, however, have a resilient business with the strength of skilled people, diversification and astute financial management that benefits from a track record of delivering value to our stakeholders.

Our performance in South Africa in FY24 will be linked to the country's economic health. Our business approach will reflect our priorities of protecting balance sheet strength and delivering on our environmental, social and governance (ESG) targets. We shall continue to optimise our South African portfolio, specifically focusing on capital rotation, tenant retention, strategic repositioning, green building, solar energy, growth regions and cost management.

With the South African consumer under increased financial pressure and retailers feeling the impact of this, together with the associated costs of loadshedding, we anticipate modest growth from the retail sector. The industrial sector, which has enjoyed the most balanced supply and demand dynamics, is expected to perform the best of the three domestic sectors. The office sector remains oversupplied and until the South African economy enters a growth phase, conditions will remain challenging for businesses and consequently the office sector. In-force and renewal escalations are expected to remain under pressure across all sectors. We expect KwaZulu-Natal and the Western Cape to continue to outperform Gauteng.

The V&A has rebounded strongly with a stellar performance in FY23 on the back of the recovery in both domestic and international tourism. It is expected to continue to perform well albeit off a much higher base, with high single-digit income growth expected for the year ahead.

The growth of assets under the capital light funds management strategy will continue to receive our attention locally and internationally. In South Africa and continental Africa, this focus will be executed by GIP, which has good growth potential.

International expansion, while a strategic priority, will be constrained by our high cost of capital particularly as we are committed to balance sheet strength. Consequently we shall continue to focus on optimising our existing investments.

GOZ has guided for a decrease in FFO for FY24 given the effect of high interest rates on the business. It has a robust balance sheet and liquidity position, and a high-quality portfolio with strong tenancies, and is well positioned to rebound when interest rates start to come down.

C&R has achieved balance sheet stability, has proven its operational resilience and its focus on needs-based community shopping centres positions it well. It has successfully concluded its Open Offer for the acquisition of The Gyle Shopping Centre in Edinburgh. This, together with other yield enhancing capital projects should contribute to an improved contribution next year.

GWI continues to maintain a prudent financial position with moderate leverage and high levels of liquidity. Warsaw in Poland is expected to perform better than the regional cities which are oversupplied and Bucharest will benefit from the moratorium on new office developments.

We are committed to retaining our REIT status and intend to continue to pay dividends twice a year, of at least 75% of distributable income.

Our diversified portfolio, strong balance sheet and stable offshore dividend income streams position us defensively for FY24. However, given the impact of high interest rates for the full year, coupled with the high level of uncertainty in the local and global macro-economic environment, we expect DIPS to decline 10% to 15% for FY24. We endeavour to maintain a payout ratio of 82.5%.

Final dividend

Notice is hereby given of the declaration of the final dividend number 75 of 65.8 cents per share for the year ended 30 June 2023.

Other information

- Issued shares at 30 June 2023: 3 430 787 066 ordinary shares of no par value
- Income tax reference number of Growthpoint: 9375077717.

Shareholders are advised that the dividend meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No 58 of 1962 (Income Tax Act). The dividends on the shares will be taxable dividends for South African tax purposes in terms of section 25BB of the Income Tax Act.

Tax implications for South African resident shareholders

Dividends 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 section 10(1)(k)(i)(aa) of the Income Tax Act because they are dividends distributed by a REIT. These dividends are, however, exempt from dividend withholding tax (dividend tax) in the hands of South African resident shareholders provided that the South African resident shareholders have provided to the Central Securities Depository Participant (CSDP) or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares, a DTD(EX) (dividend tax: declaration and undertaking to be made by the beneficial owner of a share) form to prove their status as South African residents. If resident shareholders have not submitted the above mentioned documentation to confirm their status as South African residents, they are advised to contact their CSDP or broker, as the case may be, to arrange for the documents to be submitted before the dividend payment.

Tax implications for non-resident shareholders

Dividends received by non-resident shareholders from a REIT will not be taxable as income and instead will be treated as ordinary dividends which are exempt from income tax in terms of the general dividend exemption section 10(1)(k) of the Income Tax Act. Any dividend received by a non-resident from a REIT is subject to dividend tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (DTA) between SA and the country of residence of the non-resident shareholder. Assuming dividend tax will be withheld at a rate of 20%, the net amount due to non-resident shareholders is 52.64cps. A reduced dividend withholding tax 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 declaration that the dividend is subject to a reduced rate as a result of the application of the DTA
- A written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner of the South African Revenue Service. If applicable, non-resident shareholders are advised to contact the CSDP, broker or the company to arrange for the above mentioned documents to be submitted before dividend payment, if such documents have not already been submitted.

Salient dates and times

	2023
Last day to trade (LDT) cum dividend	**Tuesday, 17 October**
Shares to trade ex dividend	**Wednesday, 18 October**
Record date	**Friday, 20 October**
Payment date	**Monday, 23 October**

Notes

1. *Shares may not be dematerialised or rematerialised between the commencement of trade on Wednesday, 18 October 2023 and the close of trade on Friday, 20 October 2023, both days inclusive.*
2. *The above dates and times are subject to change. Any changes will be released on SENS.*

By order of the Board

Growthpoint Properties Limited

12 September 2023

Directors

R Gasant (Chairman), FM Berkeley, NO Chauke* (Human Resource Director), EK de Klerk* (Chief Executive Officer South Africa), M Hamman, KP Lebina, CD Raphiri, AH Sangqu (Lead Independent Director), LN Sasse* (Group Chief Executive Officer), JA van Wyk#, G Völkel* (Group Financial Director), EA Wilton

** Executive* *# British*

Growthpoint Properties Limited

(Incorporated in the Republic of South Africa)
(Registration number 1987/004988/06)
A Real Estate Investment Trust, listed on the JSE Share code: GRT ISIN: ZAE000179420

Registered office

The Place, 1 Sandton Drive Sandown, Sandton, 2196
PO Box 78949, Sandton, 2146

Company Secretary

WJH de Koker

Transfer Secretary

JSE Investor Services (Pty) Ltd
13th Floor, One Exchange Square,
2 Gwen Lane, Sandown, Sandton, 2196,
PO Box 4844, Johannesburg, 2000

Sponsor

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive, Sandown, Sandton, 2196
PO Box 785700, Sandown, Sandton, 2146

REIT RATIOS (GROUP)

For the year ended 30 June 2023

The second edition of the SA REIT Association's best practice recommendations was issued in November 2019, outlining the need to provide consistent presentation and disclosure of relevant ratios in the SA REIT sector. This ensures information and definitions are clearly presented, enhancing comparability and consistency across the sector.

	2023 Rm	2022 Rm
SA REIT funds from operations (SA REIT FFO)		
Profit attributable to the owners of the company	**2 356**	7 937
Adjusted for:		
Accounting/specific adjustments	**3 090**	(2 499)
Fair value adjustments to:		
Investment property	**4 028**	(1 857)
Debt and equity instruments held at fair value through profit or loss	**(1 054)**	(1 109)
Depreciation and amortisation of intangible assets	**27**	103
Impairment of goodwill on the recognition of a bargain purchase gain	**111**	–
Asset impairments (excluding goodwill) and reversals of impairment	**5**	–
Gains on the modification of financial instruments*	**–**	(590)
Deferred tax movement recognised in profit or loss	**(172)**	1 030
Straight-lining operating lease adjustment	**44**	(164)
Transaction costs expensed in accounting for a business combination	**58**	76
Adjustments to dividends from equity interests held	**43**	12
Adjustments arising from investing activities:	**(122)**	(196)
Gains on disposal of equipment*	**(15)**	(150)
Development fees and profit earned	**(107)**	(46)
Foreign exchange and hedging items:	**1 249**	(2 806)
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	**1 216**	(2 787)
Foreign exchange losses/(gains) relating to capital items – realised and unrealised	**33**	(19)
Other adjustments:	**(1 548)**	2 862
Adjustments made for equity-accounted entities	**13**	479
Non-controlling interests in respect of the above adjustments	**(1 052)**	(810)
Non-controlling interests in respect of the above adjustments – plus not distributable	**(529)**	3 193
Antecedent earnings adjustment	**20**	–
SA REIT FFO (Rm)	**5 025**	5 298
Number of shares outstanding at end of year (net of treasury shares)	**3 380 482 632**	3 407 663 028
SA REIT FFO per share (cents)	**148.6**	155.5
Interim SA REIT FFO per share (cents)	**79.0**	77.4
Final SA REIT FFO per share (cents)	**69.6**	78.1

** The comparative figures have been re-presented for comparability and had no impact on the total current or comparative SA REIT FFO.*

	2023 Rm	2022 Rm
SA REIT FFO (continued)	**5 025**	5 298
Company-specific adjustments to SA REIT FFO (Rm)	**338**	9
Decrease/(increase) in staff incentive scheme cost	**15**	(23)
Trading profit and development fees earned	**96**	90
Profit on the sale of GHPH shares to GIPF	**26**	–
Profit on the sale of GHPH Manco	**42**	–
Profit on the sale of OneCart (Pty) Ltd	**–**	46
Amortisation of tenant incentive add-back (GOZ FFO)	**470**	364
Distributable income from GOZ (retained) (including NCI portion)	**(406)**	(446)
Distributable income from C&R (retained) (including NCI portion)	**(69)**	(150)
Distributable income from GHPH (retained)/overdistribution (including NCI portion)	**(29)**	2
Distributable income from GSAH (retained) (including NCI portion)	**(31)**	(48)
Pre-acquisition profit GSAH	**–**	3
Tax on distributable income retained	**224**	171
Distributable income (Rm)	**5 363**	5 307
Distributable income per share (DIPS) (cents)	**157.6**	155.6
Interim DIPS (cents)	**77.9**	76.9
Final DIPS (cents)	**79.7**	78.7

	2023 Rm	2022 Rm
SA REIT net asset value (SA REIT NAV)		
Reported NAV attributable to the parent	**71 911**	71 212
Adjustments:	**1 194**	2 597
Dividend to be declared	**(2 224)**	(2 280)
Fair value of certain derivative financial instruments	**(857)**	(25)
Goodwill and intangible assets	**(977)**	(496)
Net deferred tax	**5 252**	5 398
SA REIT NAV	**73 105**	73 809

	2023 Number of shares	2022 Number of shares
Shares outstanding		
Number of shares in issue at year end (net of treasury shares)	**3 380 482 632**	3 407 663 028
Diluted effect of share options granted to employees	**18 171 636**	13 216 959
Dilutive number of shares in issue	**3 398 654 268**	3 420 879 987
SA REIT NAV per share (R)	**21.51**	21.58

REIT RATIOS (GROUP) (CONTINUED)

For the year ended 30 June 2023

	2023 Rm	2022 Rm
SA REIT cost-to-income ratio		
Expenses		
Operating expenses per IFRS income statement (includes municipal expenses)	**5 650**	5 197
Administrative expenses per IFRS income statement	**931**	832
Excluding: Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets		
Operating costs	**6 581**	6 029
Rental income		
Contractual rental income per IFRS income statement (excluding straight-lining)	**13 784**	12 884
Utility and operating recoveries per IFRS income statement	**1 724**	1 681
Gross rental income	**15 508**	14 565
SA REIT cost-to-income ratio	**42.4%**	41.4%
SA REIT administrative cost-to-income ratio		
Expenses		
Administrative expenses as per IFRS income statement	**931**	832
Administrative costs	**931**	832
Rental income		
Contractual rental income per IFRS income statement (excluding straight-lining)	**13 784**	12 884
Utility and operating recoveries per IFRS income statement	**1 724**	1 681
Gross rental income	**15 508**	14 565
SA REIT administrative cost-to-income ratio	**6.0%**	5.7%

	2023 GLA m^2	2022 GLA m^2
SA REIT GLA vacancy rate*		
Gross lettable area of vacant space	**752 598**	763 751
Gross lettable area of total property portfolio	**7 980 810**	8 223 473
SA REIT GLA vacancy rate	**9.4%**	9.3%

* *The vacancy rates for GWI and Lango were not included in the prior year. The comparative figures have been re-presented for comparability.*

Cost of debt

Cost of debt	ZAR %	AUD %	EUR %	USD %
2023				
Variable interest rate borrowings				
Floating reference rate plus weighted average margin	**8.7**	**–**	**5.7**	**6.6**
Fixed interest rate borrowings				
Weighted average fixed rate	**9.9**	**–**	**–**	**–**
Pre-adjusted weighted average cost of debt	**8.8**	**–**	**5.7**	**6.6**
Adjustments:				
Impact of interest rate derivatives	**0.2**	**–**	**(1.0)**	**–**
Impact of cross-currency interest rate swaps	**0.1**	**3.8**	**–**	**0.1**
Amortised transaction costs imputed in the effective interest rate	**–**	**–**	**0.1**	**0.1**
All-in weighted average cost of debt	**9.1**	**3.8**	**4.8**	**6.8**
2022				
Variable interest rate borrowings				
Floating reference rate plus weighted average margin	6.3	–	–	3.3
Fixed interest rate borrowings				
Weighted average fixed rate	9.9	–	–	5.9
Pre-adjusted weighted average cost of debt	6.4	–	–	5.5
Adjustments:				
Impact of interest rate derivatives	1.4	–	0.7	–
Impact of cross-currency interest rate swaps	0.3	3.5	3.1	(0.5)
Amortised transaction costs imputed in the effective interest rate	–	–	–	0.2
All-in weighted average cost of debt	8.1	3.5	3.8	5.2

SA REIT loan to value

	2023 Rm	2022 Rm
Gross debt	**69 814**	63 802
Less:		
Cash and cash equivalents	**(3 519)**	(2 841)
Derivative financial instruments	**(521)**	(1 675)
Net debt	**65 774**	59 286
Total assets per statement of financial position	**171 976**	164 729
Less:		
Cash and cash equivalents	**(3 519)**	(2 841)
Derivative financial assets	**(1 971)**	(2 492)
Goodwill and intangible assets	**(977)**	(496)
Trade and other receivables	**(1 581)**	(2 321)
Carrying amount of property-related assets	**163 928**	156 579
SA REIT loan to value (SA REIT LTV)	**40.1%**	37.9%

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company Restated 2022 Rm
Revenue, excluding straight-line lease income adjustment	**13 784**	12 884	**4 123**	3 985
Straight-line lease income adjustment	**(44)**	164	**11**	(3)
Total revenue	**13 740**	13 048	**4 134**	3 982
Property-related expenses	**(3 968)**	(3 603)	**(1 288)**	(1 214)
Expected credit losses on trade receivables	**42**	87	**18**	28
Net property income	**9 814**	9 532	**2 864**	2 796
Other administrative and operating overheads	**(931)**	(832)	**(211)**	(218)
Operating profit	**8 883**	8 700	**2 653**	2 578
Equity-accounted investment profit – net of tax	**1 048**	409		
Non-distributable (loss)/income	**(13)**	(479)		
Dividends/interest received from equity-accounted investments	**1 061**	888		
Fair value adjustments, capital items and other charges	**(3 817)**	6 262	**(1 624)**	(3 448)
Expected credit losses on inter-company assets	**–**	–	**78**	(2 102)
Finance and other investment income	**309**	167	**4 553**	4 485
Finance expense	**(4 356)**	(3 115)	**(2 672)**	(1 865)
Profit before taxation	**2 067**	12 423	**2 988**	(352)
Taxation	**(240)**	(1 293)	**563**	618
Profit for the year	**1 827**	11 130	**3 551**	266
Other comprehensive income – net of tax				
Items that may subsequently be reclassified to profit or loss				
Translation of foreign operations	**5 052**	1 724		
Total comprehensive profit for the year	**6 879**	12 854	**3 551**	266
Profit attributable to:	**1 827**	11 130		
Owners of the company	**2 356**	7 937		
Non-controlling interests	**(529)**	3 193		
Total comprehensive profit attributable to:	**6 879**	12 854		
Owners of the company	**5 456**	8 997		
Non-controlling interests	**1 423**	3 857		

		Cents	Cents
Basic earnings per share	3.1	**69.24**	233.04
Diluted earnings per share	3.1	**68.87**	232.14

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2023

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
ASSETS				
Cash and cash equivalents	**3 519**	2 841	**1 327**	1 294
Trade and other receivables	**1 581**	2 321	**859**	896
Taxation receivable	**163**	153	**147**	139
Investment property classified as held for sale	**18**	866	**–**	–
Property held for trading and development	**442**	453	**442**	453
Derivative assets	**1 971**	2 492	**592**	719
Listed investments	**1 576**	1 489	**–**	–
Fair value of property assets	**140 322**	134 712	**33 731**	31 706
Fair value of investment property for accounting purposes	**133 444**	128 126	**32 120**	30 135
Straight-line lease income adjustment	**3 660**	3 565	**1 334**	1 323
Tenant incentives	**1 486**	1 470	**256**	225
Right-of-use assets	**1 732**	1 551	**21**	23
Long-term loans granted	**3 235**	3 313	**3 235**	3 306
Investments in joint ventures and associates	**16 471**	14 585	**7 307**	6 554
Investment in subsidiaries			**39 608**	41 236
Unlisted investments	**1 561**	921	**1 511**	920
Equipment	**111**	49	**–**	1
Intangible assets	**977**	496	**–**	–
Inter-company assets			**14 221**	14 897
Deferred tax assets	**29**	38	**–**	–
Total assets	**171 976**	164 729	**102 980**	102 121
LIABILITIES AND EQUITY				
Liabilities				
Trade and other payables	**3 623**	3 541	**1 819**	1 503
Derivative liabilities	**1 450**	817	**1 437**	814
Taxation payable	**89**	67	**–**	–
Liabilities associated with assets classified as held for sale	**–**	39	**–**	–
Interest-bearing borrowings	**68 180**	62 857	**32 462**	30 917
Lease liability	**2 101**	1 826	**21**	23
Deferred tax liability	**5 281**	5 436	**2 741**	3 414
TOTAL LIABILITIES	**80 724**	74 583	**38 480**	36 671
Equity				
Shareholders' interests	**71 911**	71 212	**64 500**	65 450
Share capital	**52 861**	53 195	**53 550**	53 543
Retained income	**5 393**	4 712	**5 393**	5 567
Other reserves	**13 657**	13 305	**5 557**	6 340
Non-controlling interest	**19 341**	18 934		
Total liabilities and equity	**171 976**	164 729	**102 980**	102 121

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2023

GROUP

		Attributable to owners of the company				
		Non-distributable reserve (NDR)				
	Share capital net of treasury shares Rm	Foreign currency translation reserve (FCTR) Rm	Amortisation of intangible assets Rm	Bargain purchase Rm	Fair value adjustment on investment property Rm	Other fair value adjustments and non-distributable items Rm
Balance at 30 June 2021	53 117	4 127	474	892	11 116	(7 651)
Total comprehensive income						
Profit after taxation	–	–	–	–	–	–
Other comprehensive income	–	1 060	–	–	–	–
Transactions with owners recognised directly in equity						
Contributions by and distributions to owners						
Transfer non-distributable items to NDR	–	–	(74)	–	1 170	2 090
Share-based payment transactions	78	–	–	–	–	–
Dividends declared	–	–	–	–	–	–
Changes in ownership interest						
Share issued to NCI – C&R	–	–	–	–	–	(117)
Share issued to NCI – GHPH	–	–	–	–	–	6
Acquisition of subsidiary with NCI	–	–	–	–	–	–
Share buy-back – GOZ	–	–	–	–	–	–
Change of ownership – Healthcare	–	–	–	–	–	2
Rights issue and acquisitions – GOZ	–	–	–	–	–	–
Balance at 30 June 2022	53 195	5 187	400	892	12 286	(5 670)
Total comprehensive income						
Profit/(loss) after taxation	**–**	**–**	**–**	**–**	**–**	**–**
Other comprehensive income	**–**	**3 100**	**–**	**–**	**–**	**–**
Transactions with owners recognised directly in equity						
Contributions by and distributions to owners						
Transfer non-distributable items to NDR	**–**	**–**	**(20)**	**–**	**(4 072)**	**1 421**
Share buy-back – South Africa	**(401)**	**–**	**–**	**–**	**–**	**–**
Share-based payment transactions	**67**	**–**	**–**	**–**	**–**	**–**
Dividends declared	**–**	**–**	**–**	**–**	**–**	**–**
Changes in ownership interest						
Shares issued to NCI – C&R	**–**	**–**	**–**	**–**	**–**	**–**
Share buy-back – GOZ	**–**	**–**	**–**	**–**	**–**	**–**
Change of ownership – GHPH	**–**	**–**	**–**	**–**	**–**	**–**
Change of ownership – GSAH	**–**	**–**	**–**	**–**	**–**	**–**
Balance at 30 June 2023	**52 861**	**8 287**	**380**	**892**	**8 214**	**(4 249)**

	2023 Cents	2022 Cents
Dividend per share	**130.1**	128.4

Attributable to owners of the company							
Non-distributable reserve (NDR)							
Share-based payments reserve Rm	Reserves with NCI Rm	Fair value adjustment on listed investments Rm	Total other reserves Rm	Retained earnings Rm	Shareholders' interest Rm	Non-controlling interest (NCI) Rm	Total equity Rm
152	(12)	456	9 554	3 739	66 410	14 192	80 602
–	–	–	–	7 937	7 937	3 193	11 130
–	–	–	1 060	–	1 060	664	1 724
(24)	–	(361)	2 801	(2 801)	–	–	–
(1)	–	–	(1)	–	77	–	77
–	–	–	–	(4 163)	(4 163)	(810)	(4 973)
–	–	–	–	–	–	12	12
–	–	–	(117)	–	(117)	203	86
–	–	–	6	–	6	284	290
–	–	–	–	–	–	1 190	1 190
–	–	–	–	–	–	(12)	(12)
–	–	–	2	–	2	(2)	–
–	–	–	–	–	–	20	20
127	(12)	95	13 305	4 712	71 212	18 934	90 146
–	**–**	**–**	**–**	**2 356**	**2 356**	**(529)**	**1 827**
–	**–**	**–**	**3 100**	**–**	**3 100**	**1 952**	**5 052**
(5)	**–**	**(87)**	**(2 763)**	**2 763**	**–**	**–**	**–**
–	**–**	**–**	**–**	**–**	**(401)**	**–**	**(401)**
15	**–**	**–**	**15**	**–**	**82**	**–**	**82**
–	**–**	**–**	**–**	**(4 458)**	**(4 458)**	**(1 052)**	**(5 510)**
–	**–**	**–**	**–**	**–**	**–**	**5**	**5**
–	**–**	**–**	**–**	**–**	**–**	**(699)**	**(699)**
–	**–**	**–**	**–**	**13**	**13**	**487**	**500**
–	**–**	**–**	**–**	**7**	**7**	**243**	**250**
137	**(12)**	**8**	**13 657**	**5 393**	**71 911**	**19 341**	**91 252**

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

For the year ended 30 June 2023

COMPANY

	Attributable to owners of the company			
		Non-distributable reserve (NDR)		
	Share capital net of treasury shares Rm	Amortisation of intangible assets Rm	Fair value adjustment on investment property Rm	Other fair value adjustments and non-distributable items Rm
Balance at 30 June 2021	53 541	1 536	6 902	(7 628)
Total comprehensive income				
Profit after taxation	–	–	–	–
Other comprehensive income	–	–	–	–
Transactions with owners recognised directly in equity				
Contributions by and distributions to owners				
Transfer non-distributable items to NDR	–	–	(566)	(185)
Share-based payment transactions	2	–	–	–
Dividends declared	–	–	–	–
Balance at 30 June 2022	53 543	1 536	6 336	(7 813)
Total comprehensive income				
Profit after taxation	**–**	**–**	**–**	**–**
Other comprehensive income	**–**	**–**	**–**	**–**
Transactions with owners recognised directly in equity				
Contributions by and distributions to owners				
Transfer non-distributable items to NDR	**7**	**–**	**228**	**617**
Dividends declared	**–**	**–**	**–**	**–**
Balance at 30 June 2023	**53 550**	**1 536**	**6 564**	**(7 196)**

Attributable to owners of the company					
Non-distributable reserve (NDR)					
Share-based payments reserve Rm	Reserves with NCI Rm	Fair value adjustment on investment in subsidiaries Rm	Total other reserves Rm	Retained earnings Rm	Shareholders' interest Rm
(29)	–	10 266	11 047	4 777	69 365
–	–	–	–	266	266
–	–	–	–	–	–
44	–	(3 985)	(4 692)	4 692	–
(15)	–	–	(15)	–	(13)
–	–	–	–	(4 168)	(4 168)
–	–	6 281	6 340	5 567	65 450
–	**–**	**–**	**–**	**3 551**	**3 551**
–	**–**	**–**	**–**	**–**	**–**
–	**–**	**(1 628)**	**(783)**	**776**	**–**
–	**–**	**–**	**–**	**(4 501)**	**(4 501)**
–	**–**	**4 653**	**5 557**	**5 393**	**64 500**

STATEMENTS OF CASH FLOWS

For the year ended 30 June 2023

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Cash flows from operating activities				
Cash received from tenants	15 190	13 341	4 316	4 017
Cash paid to suppliers and employees	(4 471)	(4 472)	(1 212)	(1 088)
Cash generated from operating activities	10 719	8 869	3 104	2 929
Interest paid	(4 174)	(3 181)	(2 074)	(2 042)
Interest received	656	47	703	204
Dividends received	282	441	3 592	3 637
Taxation paid	(391)	(529)	(110)	(254)
Investment in property held for trading and development	(174)	(188)	(174)	(198)
Disposal of property held for trading and development	340	339	340	855
Distributions paid to shareholders	(5 510)	(4 973)	(4 501)	(4 168)
Net cash generated from operating activities	1 748	825	880	963
Cash flows from investing activities				
Investments in:	(6 263)	(5 622)	(1 716)	(1 143)
Investment property	(5 034)	(4 908)	(1 170)	(384)
Business combination (Fortius) – net of cash acquired	(585)	–	–	–
Intangible assets	–	(2)	–	–
Equipment	(48)	(34)	–	–
Listed investment	–	(664)	–	–
Unlisted investment	(514)	(11)	(514)	(12)
Long-term loans	(32)	(3)	(32)	(2)
Subsidiaries	–	–	–	(745)
Loans advanced to Group companies	–	–	(3 200)	–
Loan repayments by Group companies	–	–	2 360	821
Proceeds from:	3 939	2 025	314	705
Disposal of equity-accounted investments	1	–	–	–
Disposal of investment property	3 048	1 773	309	635
Disposal of investment property held for sale	881	182	–	–
Disposal of unlisted investments	2	63	2	63
Repayment of long-term loans granted	7	7	3	7
Net cash (utilised by)/generated from investing activities	(2 324)	(3 597)	(2 242)	383
Cash flows from financing activities				
Proceeds from:	13 821	8 841	3 550	1 262
Borrowings raised	13 066	8 453	3 550	1 262
Shares issued to NCI – GOZ	–	12	–	–
Shares issued to NCI – C&R	5	86	–	–
Shares issued to NCI – GHPH	500	290	–	–
Shares issued to NCI – GSAH	250	–	–	–
Repayments of borrowings	(12 011)	(5 807)	(2 152)	(1 987)
Share buy back – SA	(401)	–	–	–
Share buy back – GOZ	(699)	(12)	–	–
Settlement of derivatives	–	(43)	–	–
Repayment of lease liability	(28)	(34)	(3)	(2)
Net cash generated from/(utilised by) financing activities	682	2 945	1 395	(727)
Effect of exchange rate changes on cash and cash equivalents	572	46	–	–
Increase in cash and cash equivalents	678	219	33	619
Cash and cash equivalents at beginning of year	2 841	2 622	1 294	675
Cash and cash equivalents at end of year	3 519	2 841	1 327	1 294

SEGMENTAL ANALYSIS
For the year ended 30 June 2023

The Group determines and presents operating segments based on the information that is provided internally to the Executive Management Committee (Exco), the Group's operating decision-making forum. The Group comprises 11 segments, namely Retail, Office, Industrial, Trading and Development, V&A Waterfront, Healthcare (GHPH), Student Accommodation (GSAH), Lango, GWI, GOZ and C&R. All operating segments' operating results are reviewed regularly by Exco to make decisions about resources to be allocated to the segment and assess its performance, for which discrete financial information is available.

In addition to the main reportable segments, the Group also includes a geographical analysis of investment property and net property income, excluding straight-line lease income adjustment for South Africa, excluding the V&A Waterfront, Australia and the United Kingdom. The Group also includes a geographical analysis of dividends and interest received from equity-accounted investments (V&A Waterfront and Central and Eastern Europe) and unlisted investments (Lango).

The presentation of the Group segmental report has been represented, including the previous year, as the new format more appropriately presents three main focuses of the Group, ie the South African business, Growthpoint Investment Partners (GIP) our funds management business as well as our offshore portfolio.

Segments	Geographical segment	Brief description of segment
South African 100%-owned properties		
Retail	South Africa	The Growthpoint retail portfolio consists of 39 properties in South Africa, comprising shopping centres and standalone single-tenanted properties. It includes regional, community, neighbourhood, retail warehouses and speciality centres.
Office	South Africa	The Growthpoint office portfolio consists of 155 properties in South Africa, which includes high-rise and low-rise offices, office parks, office warehouses, vacant land as well as mixed-use properties comprising both office and retail.
Industrial	South Africa	The Growthpoint industrial portfolio consists of 168 properties in South Africa which includes warehousing, industrial parks, motor-related outlets, low and high-grade industrial, high-tech industrial, telecommunication assets, land zoned for development, vacant land as well as mini, midi and maxi units.
Trading and Development	South Africa	The Growthpoint trading and development portfolio consists of seven properties.
V&A Waterfront	South Africa	The V&A Waterfront is a 123 hectare mixed-use property development situated in and around the historic Victoria and Alfred Basin, which formed Cape Town's original harbour. Its properties include retail, office, fishing and industrial, hotel and residential as well as undeveloped bulk.
Growthpoint Investment Partners (GIP)		
GHPH	South Africa	The Growthpoint healthcare portfolio consists of six hospitals, a pharmaceutical warehouse facility and one medical chambers building.
GSAH	South Africa	The Growthpoint student accommodation portfolio consists of 11 purpose-built student accommodation properties situated in Johannesburg, Pretoria and Cape Town.
Lango	Rest of Africa	The Lango portfolio consists of eight commercial properties and three plots of land across selected cities on the African continent.
Offshore		
GOZ	Australia	The GOZ portfolio consists of 58 properties which includes both industrial and office properties, all situated in Australia.
C&R	United Kingdom	The C&R portfolio consists of five properties that are community-based shopping centres, all situated in the United Kingdom.
GWI	Central and Eastern Europe	The GWI portfolio consists of 72 standing properties in Poland and Romania, mostly modern A-grade office properties, industrial properties as well as a residential property complex.

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2023						
	South Africa						
	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	Trading and Development segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	Total SA reported Rm
Material profit or loss disclosures							
Revenue excluding straight-line lease adjustment	3 210	3 119	1 558	137	–	–	8 024
Funds management revenue	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	(1 026)	(1 070)	(391)	(9)	–	–	(2 496)
Net property income	2 184	2 049	1 167	128	–	–	5 528
Other administrative and operating overheads	–	–	–	(37)	(348)	–	(385)
Asset management fee expense	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable profit	–	(1)	–	–	–	744	743
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	688	688
Fair value adjustment on investment property	563	(228)	356	–	–	–	691
Fair value adjustments (other than investment property)	–	–	–	–	19	–	19
Capital items and non-cash charges	–	–	–	–	(29)	–	(29)
Finance and other investment income	–	–	–	–	187	–	187
Finance expense	–	–	–	–	(3 015)	–	(3 015)
Consolidated profit before taxation	2 747	1 820	1 523	91	(3 186)	1 432	4 427

30 June 2023

South Africa

	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	Trading and Development segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	Total SA reported Rm
Assets							
Cash and cash equivalents	–	–	–	–	1 518	–	1 518
Trade and other receivables	–	–	–	–	927	–	927
Taxation receivable	–	–	–	–	163	–	163
Investment property classified as held for sale	–	–	18	–	–	–	18
Investment property held for trading and development	–	–	–	442	–	–	442
Derivative assets	–	–	–	–	1 200	–	1 200
Listed investments	–	–	–	–	–	–	–
Fair value of property assets	25 180	25 841	12 584	–	27	–	63 632
Fair value of investment property	25 062	25 494	12 556	–	–	–	63 112
Tenant incentives	81	347	28	–	27	–	483
Right-of-use assets	37	–	–	–	–	–	37
Long-term loans granted	–	–	–	–	3 235	–	3 235
Equity-accounted investments	–	–	–	–	35	6 524	6 559
Unlisted investments	–	–	–	–	62	–	62
Equipment	–	–	–	–	7	–	7
Intangible assets	–	–	–	–	490	–	490
Deferred tax assets	–	–	–	–	–	–	–
Total assets	25 180	25 841	12 602	442	7 664	6 524	78 253
Total property assets	25 180	25 841	12 602	442	27	10 064	74 156
Liabilities							
Trade and other payables	–	–	–	–	1 929	–	1 929
Derivative liabilities	–	–	–	–	1 450	–	1 450
Tax payable	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	40 357	–	40 357
Lease liability	–	–	–	–	37	–	37
Deferred tax liability	–	–	–	–	5 127	–	5 127
Total liabilities	–	–	–	–	48 900	–	48 900
Other disclosures							
Transfers between segments	–	(76)	(144)	76	–	–	(144)
Acquisitions	–	–	218	32	–	–	250
Development and capital expenditure	398	379	603	142	–	–	1 522

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2023								
	Growthpoint Investment Partners (GIP)								
	Dividends received GHPH 39.1% Rm	Dividends received GSAH 14.3% Rm	Dividends received Lango segment 18.4% Rm	GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Conso-lidation Rm	Total GIP reported Rm
Material profit or loss disclosures									
Revenue excluding straight-line lease adjustment	–	–	–	–	–	451	379	–	830
Asset management fee income	–	–	–	98	98	–	–	(98)	–
Property-related expenses (including expected credit losses)	–	–	–		–	(78)	(141)	–	(219)
Net property income	–	–	–	98	98	373	238	(98)	611
Other administrative and operating overheads	–	–	–	(24)	(24)	(7)	(7)	–	(38)
Asset management fee expense	–	–	–	–	–	(44)	(33)	77	–
Equity-accounted investment profit – non-distributable profit	–	–	–	–	–	–	–	–	–
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	–	–	21	21
Fair value adjustment on investment property	–	–	–	–	–	97	44	–	141
Fair value adjustments (other than investment property)	–	–	–	–	–	–	3	–	3
Capital items and non-cash charges	–	–	–	–	–	–	–	–	–
Finance and other investment income	121	22	3	–	146	6	8	(143)	17
Finance expense	–	–	–	–	–	(94)	(58)	–	(152)
Consolidated profit before taxation	121	22	3	74	220	331	195	(143)	603

30 June 2023

Growthpoint Investment Partners (GIP)

	Investment GHPH 39.1% Rm	Investment GSAH 14.3% Rm	Investment Lango segment 18.4% Rm	GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Conso-lidation Rm	Total GIP reported Rm
Assets									
Cash and cash equivalents	–	–	–	–	–	79	125	–	204
Trade and other receivables	–	–	–	–	–	46	81	–	127
Taxation receivable	–	–	–	–	–	–	–	–	–
Investment property classified as held for sale	–	–	–	–	–	–	–	–	–
Investment property held for trading and development	–	–	–	–	–	–	–	–	–
Derivative assets	–	–	–	–	–	–	10	–	10
Listed investments	–	–	–	–	–	–	–	–	–
Fair value of property assets	–	–	–	–	–	3 668	2 717	–	6 385
Fair value of investment property	–	–	–	–	–	3 633	2 717	–	6 350
Tenant incentives	–	–	–	–	–	35	–	–	35
Right-of-use assets	–	–	–	–	–	–	–	–	–
Long-term loans granted	–	–	–	–	–	–	–	–	–
Equity-accounted investments	–	–	–	9	9	–	–	–	9
Unlisted investments	–	–	1 449	–	1 449	–	–	–	1 449
Equipment	–	–	–	–	–	–	3	–	3
Investment in subsidiaries	766	240	–	–	1 006	–	–	(1 006)	–
Intangible assets	–	–	–	–	–	–	–	–	–
Deferred tax assets	–	–	–	–	–	–	–	–	–
Total assets	766	240	1 449	9	2 464	3 793	2 936	(1 006)	8 187
Total property assets	–	–	11 520*	–	11 520	3 668	2 717	–	17 905
Liabilities									
Trade and other payables	–	–	–	–	–	29	132	–	161
Derivative liabilities	–	–	–	–	–	–	–	–	–
Tax payable	–	–	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	–	935	927	(935)	927
Lease liability	–	–	–	–	–	–	1	–	1
Deferred tax liability	–	–	–	–	–	–	117	–	117
Total liabilities	–	–	–	–	–	964	1 177	(935)	1 206
Other disclosures									
Transfers between segments	–	–	–	–	–	144	–	–	144
Acquisitions	–	–	–	–	–	–	49	–	49
Development and capital expenditure	–	–	–	–	–	7	392	–	399

* *100% of Lango's properties are included because Growthpoint co-manages these assets through its holding in Lango Real Estate Management Limited.*

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2023 Offshore								
	Distribution received Australia 100% Rm	Dividends received United Kingdom 100% Rm	Central and Eastern Europe segment 29.5% Rm	Total Offshore Rm	Australia segment Rm	United Kingdom segment Rm	Consolidation Rm	Total Offshore reported Rm	Total Group as reported Rm
Material profit or loss disclosures									
Revenue excluding straight-line lease adjustment	–	–	–	–	3 745	1 090	–	4 835	13 689
Asset management fee income	–	–	–	–	95	–	–	95	95
Property-related expenses (including expected credit losses)	–	–	–	–	(661)	(550)	–	(1 211)	(3 926)
Net property income	–	–	–	–	3 179	540	–	3 719	9 858
Other administrative and operating overheads	–	–	–	–	(410)	(98)	–	(508)	(931)
Asset management fee expense	–	–	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable profit	–	–	(756)	(756)	–	–	–	(756)	(13)
Equity-accounted investment profit – dividends/interest received	–	–	352	352	–	–	–	352	1 061
Fair value adjustment on investment property	–	–	–	–	(4 538)	(366)	–	(4 904)	(4 072)
Fair value adjustments (other than investment property)	–	–	–	–	339	51	–	390	412
Capital items and non-cash charges	–	–	–	–	(140)	(32)	–	(172)	(201)
Finance and other investment income	1 047	104	–	1 151	101	4	(1 151)	105	309
Finance expense	–	–	–	–	(986)	(203)	–	(1 189)	(4 356)
Consolidated profit before taxation	1 047	104	(404)	747	(2 455)	(104)	(1 151)	(2 963)	2 067

30 June 2023

Offshore

	Investment Australia 100% Rm	Investment United Kingdom 100% Rm	Central and Eastern Europe segment 29.5% Rm	Total Offshore Rm	Australia segment Rm	United Kingdom segment Rm	Conso-lidation Rm	Total Offshore reported Rm	Total Group as reported Rm
Assets									
Cash and cash equivalents	–	–	–	–	620	1 177	–	1 797	3 519
Trade and other receivables	–	–	–	–	205	322	–	527	1 581
Taxation receivable	–	–	–	–	–	–	–	–	163
Investment property classified as held for sale	–	–	–	–	–	–	–	–	18
Investment property held for trading and development	–	–	–	–	–	–	–	–	442
Derivative assets	–	–	–	–	724	37	–	761	1 971
Listed investments	–	–	–	–	1 576	–	–	1 576	1 576
Fair value of property assets	–	–	–	–	61 760	8 545	–	70 305	140 322
Fair value of investment property	–	–	–	–	59 676	7 966	–	67 642	137 104
Tenant incentives	–	–	–	–	904	64	–	968	1 486
Right-of-use assets	–	–	–	–	1 180	515	–	1 695	1 732
Long-term loans granted	–	–	–	–	–	–	–	–	3 235
Equity-accounted investments	–	–	9 903	9 903	–	–	–	9 903	16 471
Unlisted investments	–	–	–	–	50	–	–	50	1 561
Equipment	–	–	–	–	35	66	–	101	111
Investment in subsidiaries	9 594	3 563	–	13 157	–	–	(13 157)	–	–
Intangible assets	–	–	–	–	487	–	–	487	977
Deferred tax assets	–	–	–	–	–	29	–	29	29
Total assets	9 594	3 563	9 903	23 060	65 457	10 176	(13 157)	85 536	171 976
Total property assets	–	–	17 432	17 432	61 760	8 545	–	87 737	179 798
Liabilities									
Trade and other payables	–	–	–	–	863	670	–	1 533	3 623
Derivative liabilities	–	–	–	–	–	–	–	–	1 450
Tax payable	–	–	–	–	89	–	–	89	89
Interest-bearing borrowings	–	–	–	–	23 293	3 603	–	26 896	68 180
Lease liability	–	–	–	–	1 343	720	–	2 063	2 101
Deferred tax liability	–	–	–	–	37	–	–	37	5 281
Total liabilities	–	–	–	–	25 625	4 993	–	30 618	80 724
Other disclosures									
Transfers between segments	–	–	–	–	–	–	–	–	–
Acquisitions	–	–	–	–	2 033	–	–	2 033	2 332
Development and capital expenditure	–	–	–	–	336	270	–	606	2 527

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2022						
	South Africa						
	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	Trading and Development segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	Total SA reported Rm
Material profit or loss disclosures							
Revenue excluding straight-line lease adjustment	3 165	3 063	1 591	107	–	–	7 926
Asset management fee income	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	(926)	(986)	(378)	(3)	–	–	(2 293)
Net property income	2 239	2 077	1 213	104	–	–	5 633
Other administrative and operating overheads	–	–	–	–	(414)	–	(414)
Asset management fee expense	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable loss	–	(4)	–	–	–	(557)	(561)
Equity-accounted investment profit – dividends/interest received	–	4	–	–	–	567	571
Fair value adjustment on investment property	28	(1 470)	208	–	–	–	(1 234)
Fair value adjustments (other than investment property)	–	–	–	–	1 859	–	1 859
Capital items and non-cash charges	–	–	–	–	(98)	–	(98)
Finance and other investment income	–	–	–	–	58	–	58
Finance expense	–	–	–	–	(2 230)	–	(2 230)
Consolidated profit before taxation	2 267	607	1 421	104	(825)	10	3 584

	30 June 2022 South Africa						
	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	Trading and Development segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	Total SA reported Rm
Assets							
Cash and cash equivalents	–	–	–	–	1 334	–	1 334
Trade and other receivables	–	–	–	–	1 526	–	1 526
Taxation receivable	–	–	–	–	153	–	153
Investment property classified as held for sale	–	35	38	–	–	–	73
Investment property held for trading and development	–	–	–	453	–	–	453
Derivative assets	–	–	–	–	1 805	–	1 805
Listed investments	–	–	–	–	–	–	–
Fair value of property assets	24 573	25 964	12 054	–	–	–	62 591
Fair value of investment property	24 450	25 653	12 033	–	–	–	62 136
Tenant incentives	86	311	21	–	–	–	418
Right-of-use assets	37	–	–	–	–	–	37
Long-term loans granted	–	–	–	–	3 313	–	3 313
Equity-accounted investments	–	–	–	–	37	5 780	5 817
Unlisted investments	–	–	–	–	62	–	62
Equipment	–	–	–	–	4	–	4
Investment in subsidiaries	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	496	–	496
Deferred tax assets	–	–	–	–	–	–	–
Total assets	24 573	25 999	12 092	453	8 730	5 780	77 627
Total property assets	24 573	25 999	12 092	453	–	9 001	72 118
Liabilities							
Trade and other payables	–	–	–	–	2 085	–	2 085
Derivative liabilities	–	–	–	–	813	–	813
Tax payable	–	–	–	–	–	–	–
Liabilities associated with assets classified as held for sale	–	–	–	–	–	–	–
Inter-company liabilities	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	38 949	–	38 949
Lease liability	–	–	–	–	38	–	38
Deferred tax liability	–	–	–	–	5 319	–	5 319
Total liabilities	–	–	–	–	47 204	–	47 204
Other disclosures							
Transfers between segments	–	–	(17)	17	–	–	–
Acquisitions	–	–	6	–	–	–	6
Development and capital expenditure	232	303	220	188	–	–	943

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2022								
	Growthpoint Investment Partners (GIP)								
	Dividends received GHPH 55.9% Rm	Dividends received GSAH 16.6% Rm	Dividends received Lango 16.3% Rm	GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Conso-lidation Rm	Total GIP reported Rm
Material profit or loss disclosures									
Revenue excluding straight-line lease adjustment	–	–	–	–	–	378	174	–	552
Asset management fee income	–	–	–	67	67	–	–	(67)	–
Property-related expenses (including expected credit losses)	–	–	–		–	(56)	(48)	–	(104)
Net property income	–	–	–	67	67	322	126	(67)	448
Other administrative and operating overheads	–	–	–	(15)	(15)	(8)	(6)	–	(29)
Asset management fee expense	–	–	–	–	–	(41)	(15)	56	–
Equity-accounted investment profit – non-distributable loss	–	–	–	–	–	–	–	–	–
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	–	–	11	11
Fair value adjustment on investment property	–	–	–	–	–	86	(31)	–	55
Fair value adjustments (other than investment property)	–	–	–	–	–	–	–	–	–
Capital items and non-cash charges	–	–	–	–	–	–	(13)	–	(13)
Finance and other investment income	143	17	22	–	182	–	1	(160)	23
Finance expense	–	–	–	–	–	–	(24)	–	(24)
Consolidated profit before taxation	143	17	22	52	234	359	38	(160)	471

	30 June 2022								
	Growthpoint Investment Partners (GIP)								
	Investment GHPH 55.9% Rm	Investment GSAH 16.6% Rm	Investment Lango 16.3% Rm	GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Conso-lidation Rm	Total GIP reported Rm
Assets									
Cash and cash equivalents	–	–	–	–	–	98	65	–	163
Trade and other receivables	–	–	–	–	–	30	54	–	84
Taxation receivable	–	–	–	–	–	–	–	–	–
Investment property classified as held for sale	–	–	–	–	–	–	–	–	–
Investment property held for trading and development	–	–	–	–	–	–	–	–	–
Derivative assets	–	–	–	–	–	–	–	–	–
Listed investments	–	–	–	–	–	–	–	–	–
Fair value of property assets	–	–	–	–	–	3 406	2 233	–	5 639
Fair value of investment property	–	–	–	–	–	3 385	2 233	–	5 618
Tenant incentives	–	–	–	–	–	21	–	–	21
Right-of-use assets	–	–	–	–	–	–	–	–	–
Long-term loans granted	–	–	–	–	–	–	–	–	–
Equity-accounted investments	–	–		10	10	–	–	–	10
Unlisted investments	–	–	858	–	858	–	–	–	858
Equipment	–	–	–	–	–	–	–	–	–
Investment in subsidiaries	1 206	240	–	–	1 446	–	–	(1 446)	–
Intangible assets	–	–	–	–	–	–	–	–	–
Deferred tax assets	–	–	–	–	–	–	–	–	–
Total assets	1 206	240	858	10	2 314	3 534	2 352	(1 446)	6 754
Total property assets	–	–	9 979*	–	9 979	3 406	2 233	–	15 618
Liabilities									
Trade and other payables	–	–	–	–	–	23	68	–	91
Derivative liabilities	–	–	–	–	–	–	–	–	–
Tax payable	–	–	–	–	–	–	–	–	–
Liabilities associated with assets classified as held for sale	–	–	–	–	–	–	–	–	–
Inter-company liabilities	–	–	–	–	–	1 295	66	(1 361)	–
Interest-bearing borrowings	–	–	–	–	–	–	666	–	666
Lease liability	–	–	–	–	–	–	1	–	1
Deferred tax liability	–	–	–	–	–	–	117	–	117
Total liabilities	–	–	–	–	–	1 318	918	(1 361)	875
Other disclosures									
Transfers between segments	–	–	–	–	–	–	–	–	–
Acquisitions	–	–	–	–	–	–	2 060	–	2 060
Development and capital expenditure	–	–	–	–	–	4	204	–	208

* *100% of Lango's properties are included because Growthpoint co-manages these assets through its holding in Lango Real Estate Management Limited.*

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2022								
	Offshore								
	Distribution received Australia 100% Rm	Dividends received United Kingdom 100% Rm	Central and Eastern Europe 29.4% Rm	Total Offshore Rm	Australia segment Rm	United Kingdom segment Rm	Conso-lidation Rm	Total Offshore reported Rm	Total Group as reported Rm
Material profit or loss disclosures									
Revenue excluding straight-line lease adjustment	–	–	–	–	3 218	1 188	–	4 406	12 884
Asset management fee income	–	–	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	–	–	–	–	(558)	(561)	–	(1 119)	(3 516)
Net property income	–	–	–	–	2 660	627	–	3 287	9 368
Other administrative and operating overheads	–	–	–	–	(248)	(141)	–	(389)	(832)
Asset management fee expense	–	–	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable loss	–	–	82	82	–	–	–	82	(479)
Equity-accounted investment profit – dividends/interest received	–	–	306	306	–	–	–	306	888
Fair value adjustment on investment property	–	–	–	–	3 375	(175)	–	3 200	2 021
Fair value adjustments (other than investment property)	–	–	–	–	1 402	1 150	–	2 552	4 411
Capital items and non-cash charges	–	–	–	–	1	104	–	105	(6)
Finance and other investment income	1 065	–	–	1 065	86	–	(1 065)	86	167
Finance expense	–	–	–	–	(546)	(315)	–	(861)	(3 115)
Consolidated profit before taxation	1 065	–	388	1 453	6 730	1 250	(1 065)	8 368	12 423

	30 June 2022								
	Offshore								
	Investment Australia 100% Rm	Investment United Kingdom 100% Rm	Central and Eastern Europe 29.4% Rm	Total Offshore Rm	Australia segment Rm	United Kingdom segment Rm	Conso-lidation Rm	Total Offshore reported Rm	Total Group as reported Rm
Assets									
Cash and cash equivalents	–	–	–	–	553	791	–	1 344	2 841
Trade and other receivables	–	–	–	–	346	365	–	711	2 321
Taxation receivable	–	–	–	–	–	–	–	–	153
Investment property classified as held for sale	–	–	–	–	–	793	–	793	866
Investment property held for trading and development	–	–	–	–	–	–	–	–	453
Derivative assets	–	–	–	–	665	22	–	687	2 492
Listed investments	–	–	–	–	1 489	–	–	1 489	1 489
Fair value of property assets	–	–	–	–	58 820	7 662	–	66 482	134 712
Fair value of investment property	–	–	–	–	56 780	7 157	–	63 937	131 691
Tenant incentives	–	–	–	–	974	57	–	1 031	1 470
Right-of-use assets	–	–	–	–	1 066	448	–	1 514	1 551
Long-term loans granted	–	–	–	–	–	–	–	–	3 313
Equity-accounted investments	–	–	8 758	8 758	–	–	–	8 758	14 585
Unlisted investments	–	–	–	–	–	1	–	1	921
Equipment	–	–	–	–	7	38	–	45	49
Investment in subsidiaries	9 594	3 467	–	13 061	–	–	(13 061)	–	–
Intangible assets	–	–	–	–	–	–	–	–	496
Deferred tax assets	–	–	–	–	18	20	–	38	38
Total assets	9 594	3 467	8 758	21 819	61 898	9 692	(13 061)	80 348	164 729
Total property assets	–	–	15 755	15 755	58 820	8 455	–	83 030	170 766
Liabilities									
Trade and other payables	–	–	–	–	808	557	–	1 365	3 541
Derivative liabilities	–	–	–	–	4	–	–	4	817
Tax payable	–	–	–	–	61	6	–	67	67
Liabilities associated with assets classified as held for sale	–	–	–	–	–	39	–	39	39
Inter-company liabilities	–	–	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	19 344	3 898	–	23 242	62 857
Lease liability	–	–	–	–	1 176	611	–	1 787	1 826
Deferred tax liability	–	–	–	–	–	–	–	–	5 436
Total liabilities	–	–	–	–	21 393	5 111	–	26 504	74 583
Other disclosures									
Transfers between segments	–	–	–	–	–	–	–	–	–
Acquisitions	–	–	–	–	3 025	–	–	3 025	5 091
Development and capital expenditure	–	–	–	–	484	190	–	674	1 825

1. Business combination

On 15 September 2022, through GOZ, the Group acquired 100% of the shares in Fortius Funds Management (Pty) Ltd (Fortius). The acquisition involved a R530.2m (AUD45.0m) initial purchase price and subsequent R94.5m (AUD8.1m) net assets adjustment, paid in cash and funded from the GOZ's existing debt facilities.

Fortius is one of Australia's leading privately owned real estate funds management businesses with an established track record of investing in Australian real estate markets and generating strong returns for its investors. Establishment of a funds management business segment had been a key priority for GOZ and this acquisition added R22.0bn (AUD1.9bn) of funds under management (FUM) to GOZ's business.

As part of the purchase agreement, GOZ agreed to pay the selling shareholders any performance fees earned from existing funds during their current terms, net of any income tax expense. This earn-out component has been classified as variable consideration and forms part of the total purchase consideration. The acquisition-date fair value of these fees was estimated at R47.0m (AUD4.1m).

As part of the purchase agreement, GOZ agreed to pay the selling shareholders an additional earn-out component of up to R116.0m (AUD10.0m), payable based on agreed milestones relating to FUM and funds management revenue growth targets being met over the period to 30 June 2024. This earn-out component has been classified as compensation for post-combination services and does not form part of the total purchase consideration.

Fortius contributed revenue of R90.9m (AUD7.6m) and a net loss of R120.7m (AUD10.1m) to the Group, which includes goodwill impairment of R111.0m (AUD8.8m) and amortisation of management rights of R20.3m (AUD1.7m), for the period 15 September 2022 to 30 June 2023. If the acquisition had occurred on 1 July 2022, total revenue for the Group, combining Growthpoint and Fortius, would have been R21.5m (AUD1.8m) more and the net loss would have been R9.6m (AUD0.8m) more.

GOZ incurred acquisition-related costs of R34.8m (AUD3.0m) relating to external legal fees and due diligence costs. R23.2m (AUD2.0m) of these costs have been incurred in the first half of the year and is included in "Other administrative and operating overheads" in the statement of profit or loss and other comprehensive income. The remaining R11.6m (AUD1.0m) was incurred in FY22.

1.1 Goodwill

The following table summarises the acquisition-date provisional fair value of each component of purchase consideration as well as the provisional fair value of net assets acquired at the date of acquisition, the net of which represents the goodwill arising.

	15 September 2022 AUDm	15 September 2022 Rm
Identifiable assets acquired and liabilities assumed	(16)	(188)
Cash and cash equivalents	(3)	(40)
Investment in securities	(3)	(37)
Receivables and other assets	(3)	(31)
Intangible assets (management rights)	(10)	(120)
Right-of-use assets	(1)	(5)
Plant and equipment	–	(1)
Current tax receivable	–	(4)
Lease liabilities	1	10
Deferred tax liabilities	2	23
Trade and other liabilities	1	17
Total purchase consideration	57	671
Cash – initial purchase price	45	530
Cash – net asset adjustment	8	95
Variable consideration – performance fee earn-out	4	46
Goodwill	41	483

* *The net cash acquired in the business combination of R584.6m (AUD49.7m) is the sum of the initial purchase price of R530.2m (AUD45.0m) and the net asset adjustment of R94.5m (AUD8.1m), less the cash and cash equivalents acquired of R40.1m (AUD3.4m).*

1. Business combination (continued)

1.1 Goodwill (continued)

A critical judgement was the classification of future variable components included in the purchase agreement as either variable purchase consideration or compensation for post-combination services. Components that are contingent upon ongoing employee service conditions being fulfilled have been classified as compensation for post-combination services and do not form part of the total purchase consideration. Components that are not contingent upon ongoing employee service conditions being fulfilled have been classified as variable consideration and are included as part of the total purchase consideration.

The following critical judgements and estimates were made by the Group in assessing the fair value of the variable consideration:

Business combination variable consideration

Performance fee earn-out liabilities under the purchase agreement is classified as variable consideration in the Fortius business combination. It has been designated on initial recognition to be treated at fair value through profit or loss. Movements in fair value during the period have been recognised in the statement of profit or loss and other comprehensive income. Fair value is based on market values, being the estimated amount for which the instrument could be exchanged on the date of the valuation between a willing buyer and willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.

2. Intangible assets

GROUP

	Goodwill Rm	Rights to manage property Rm	Software Rm	Total Rm
Cost	**3 909**	**1 634**	**62**	**5 605**
Opening balance	**3 426**	**1 513**	**62**	**5 001**
Acquisition of Fortius Funds Management (Pty) Ltd	**483**	**121**	**–**	**604**
Accumulated amortisation and impairment losses	**(3 056)**	**(1 552)**	**(20)**	**(4 628)**
Opening balance	**(2 978)**	**(1 513)**	**(14)**	**(4 505)**
Impairment of goodwill	**(111)**	**–**	**–**	**(111)**
Remeasurement of performance fee liability	**–**	**(33)**	**–**	**(33)**
Amortisation for the year	**–**	**(21)**	**(6)**	**(27)**
Foreign currency translation	**33**	**15**	**–**	**48**
Closing balance at 30 June 2023	**853**	**82**	**42**	**977**
Cost	3 426	1 513	62	5 001
Opening balance	3 426	1 513	60	4 999
Additions during the year – software development	–	–	2	2
Accumulated amortisation and impairment losses	(2 978)	(1 513)	(14)	(4 505)
Opening balance	(2 978)	(1 415)	(9)	(4 402)
Amortisation for the year	–	(98)	(5)	(103)
Closing balance at 30 June 2022	448	–	48	496

Carrying amount of goodwill allocated to the different cash-generating units are as follows:

	Initial goodwill Rm	Foreign currency translation Rm	Accumulated impairment loss recognised Rm	Goodwill 2023 Rm
Growthpoint Management Services (Pty) Ltd (note 2.1)	**3 426**	**–**	**(2 978)**	**448**
Growthpoint Australia Limited – Fortius (note 2.2)	**483**	**33**	**(111)**	**405**
Carrying value at 30 June 2023	**3 909**	**33**	**(3 089)**	**853**

2. Intangible assets (continued)

2.1 Goodwill – Growthpoint Management Services (Pty) Ltd

For the purpose of impairment testing, goodwill is allocated to the Group's historical management services entity. This represents the property administration and management business within the Group where goodwill allocated is monitored for internal management purposes.

The recoverable amount of the cash-generating unit (CGU) was based on its value in use. It was determined that the recoverable amount was higher than the carrying amount and therefore no impairment loss was recognised. The recoverable amount was calculated by discounting the future cash flows generated from the continuing use of the unit and was based on past experience and the following key assumptions:

(a) The management contract will continue on similar terms to the agreement that was in place before the acquisition transaction, which had the following terms:
- Asset management fee was calculated at 0.50% of the enterprise value.
- Enterprise value was measured by taking the sum of the market value of external debt plus market capitalisation.

(b) Letting commission on new deals was calculated at 100% of recommended South African Property Owners Association (SAPOA) tariffs while letting commission on renewals was calculated at 50% of recommended SAPOA tariffs.

(c) Collection fees range from 1% to 4% of cash collected on a property-by-property basis.

(d) Salaries are in respect of functions that relate to property management.

(e) Operating expenditure was based on discussions with the previous property managers and after consideration of historic costs, which included rental of premises, IT systems and support, marketing and other expenses necessary for operating a listed company.

(f) A discount rate of 9.2% (FY22: 8.1%) was applied in determining the recoverable amount of the unit. The discount rate was estimated based on the Group's weighted average cost of debt.

There are no expected significant changes to the assumptions.

The discounted cash flow was performed over the weighted average lease period of 3.6 years (FY22: 3.2 years).

The amortisation is recognised as a non-cash item and is excluded from the shareholders' distribution calculation. The remaining amortisation period of the rights to manage the property is seven years.

The difference between the recoverable amount and carrying amount including allocated goodwill is as follows:

	2023 Rm	2022 Rm
Growthpoint Management Services (Pty) Ltd	**1 031**	853

2. Intangible assets (continued)

2.2 Goodwill – GOZ Funds Management (Fortius)

Goodwill was attributed to the GOZ's funds management business as a single CGU. The goodwill carrying amount was tested for impairment as at 30 June 2023.

The carrying amount of assets attributable to the funds management CGU comprised goodwill of R514.6m (AUD41.0m), management rights – base fees of R33.9m (AUD2.7m)) and other net working capital of R33.0m (AUD3.1m), totalling R587.5m (AUD46.8m).

The recoverable value of the funds management CGU was a value-in-use assessment of the five-year forecast of cash flows expected to be generated from the CGU and a Gordon Growth Model perpetuity growth rate, discounted to net present value (NPV).

The recoverable amount assessed of R477.0m (AUD38.0m) was lower than the carrying amount of R587.5m (AUD46.8m), therefore an impairment of R110.5m (AUD8.8m) was recognised at 30 June 2023. This impairment primarily resulted from an increase in the risk-free rate within the discount rate and changed economic conditions affecting the funds management sector since acquisition.

Components of impairment recognised

	2023 Rm	2022 Rm
Impairment from goodwill	**111**	–
Impairment management rights – performance fee intangibles	**33**	–
Corresponding reduction to business combination variable consideration – performance fees and associated deferred tax liabilities	**(33)**	–
Net impairment	**111**	–

Key valuation assumptions

The key assumptions used by management in the estimation of the recoverable amount are set out below:

		Input value		**Impact on value in use**	
Key valuation assumption	**Description**	**2023 Rm**	2022 Rm	Increase in the input	Decrease in the input
Discount rate	The rate of return used to discount forecast cash flows into present value. The rate is determined with regard to market evidence, comprising the prevailing risk-free rate and a typical risk premium for a funds management business	**12.5%**	–	Decrease	Increase
Perpetuity growth rate	The perpetuity growth rate is incorporated into the Gordon Growth Model formula to estimate the terminal value. The rate is based on the Reserve Bank of Australia's long-term target inflation range	**2.5%**	–	Increase	Decrease

3. Basic and headline earnings per share

GROUP

3.1 Summary of earnings per share (EPS), headline earnings per share (HEPS) and distributable income per share (DIPS)

		Earnings attributable		Weighted average number of shares		Cents per share	
		2023 Rm	2022 Rm	2023	2022	2023	2022
Total operations							
EPS	Basic	2 356	7 937	3 402 743 839	3 405 871 086	69.24	233.04
EPS	Diluted	2 356	7 937	3 420 915 475	3 419 088 046	68.87	232.14
HEPS	Basic	5 091	7 191	3 402 743 839	3 405 871 086	149.61	211.14
HEPS	Diluted	5 091	7 191	3 420 915 475	3 419 088 046	148.82	210.32

	Earnings attributable		Actual number of shares		Cents per share	
	2023 Rm	2022 Rm	2023	2022	2023	2022
DIPS	5 363	5 307	3 380 482 632	3 407 663 028	157.60	155.60

3.2 Reconciliation between basic earnings, diluted earnings and headline earnings

	SOCI#		Total gross and net	
	2023 Rm	2022 Rm	2023 Rm	2022 Rm
Profit for the year			2 356	7 937
Adjustments:				
Impairment of goodwill	(3 817)*	6 262*	111	–
Fair value adjustments on investment property			2 624	(746)
Net investment property revaluation	(3 817)*	6 262*	4 028	(1 857)
Fair value adjustments: equity-accounted investments	(13)*	(479)*	316	(13)
NCI portion of fair value adjustments	(3 817)*	6 262*	(1 720)	1 124
Headline basic and diluted earnings			5 091	7 191

* *The impairment of goodwill, fair value adjustment on investment property and NCI portions are included in the "fair value adjustment, capital items and other charges" line item on the face of the statement of profit or loss and other comprehensive income, which total (R3 817m) (FY22: (R6 262m)). The fair value adjustment for equity-accounted investments is included in the "Non-distributable income" line on the face of the statement of profit or loss and other comprehensive income, which total (R13m) (FY22: (R479m)).*

Statement of profit or loss and comprehensive income.

3.3 Reconciliation of weighted average number of shares

	Weighted number of shares	
	2023	2022
Weighted average number of shares	3 402 743 839	3 405 871 086
Number of shares as at 1 July	3 430 787 066	3 430 787 066
Shares issued during the year	–	–
Effect of treasury shares held	(28 043 227)	(24 915 980)
Diluted effect of share options granted to employees	18 171 636	13 216 960
Diluted average number of shares	3 420 915 475	3 419 088 046

4. Classification of financial assets and liabilities

GROUP

4.1 Assets

	Designated at fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
2023					
Cash and cash equivalents	**–**	**1 036**	**2 483**	**–**	**3 519**
Trade and other receivables	**–**	**–**	**1 314**	**267**	**1 581**
Derivative assets	**–**	**1 971**	**–**	**–**	**1 971**
Listed investments	**–**	**1 576**	**–**	**–**	**1 576**
Unlisted investments	**–**	**1 561**	**–**	**–**	**1 561**
Long-term loans granted	**3 235**	**–**	**–**	**–**	**3 235**
2022					
Cash and cash equivalents*	–	1 283	1 558	–	2 841
Trade and other receivables	–	–	2 114	207	2 321
Derivative assets	–	2 492	–	–	2 492
Listed investments	–	1 489	–	–	1 489
Unlisted investments	–	921	–	–	921
Long-term loans granted	3 313	–	–	–	3 313

* *The comparative figures have been restated. Money market funds are classified at fair value through profit or loss, whereas they were previously classified at amortised cost.*

4.2 Liabilities

	Designated at fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
2023					
Trade payables	**–**	**–**	**3 407**	**216**	**3 623**
Derivative liabilities	**–**	**1 450**	**–**	**–**	**1 450**
Interest-bearing borrowings	**68 180**	**–**	**–**	**–**	**68 180**
Lease liability	**–**	**–**	**2 101**	**–**	**2 101**
2022					
Trade payables	–	–	3 277	264	3 541
Derivative liabilities	–	817	–	–	817
Liabilities associated with assets classified as held for sale	–	–	39	–	39
Interest-bearing borrowings	62 857	–	–	–	62 857
Lease liability	–	–	1 826	–	1 826

4. Classification of financial assets and liabilities (continued)

COMPANY

4.3 Assets

	Designated at fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
2023					
Cash and cash equivalents	**–**	**900**	**427**	**–**	**1 327**
Trade and other receivables	**–**	**–**	**806**	**53**	**859**
Derivative assets	**–**	**592**	**–**	**–**	**592**
Long-term loans granted	**3 235**	**–**	**–**	**–**	**3 235**
Inter-company assets	**–**	**–**	**14 221**	**–**	**14 221**
Unlisted investments	**–**	**1 511**	**–**	**–**	**1 511**
2022					
Cash and cash equivalents*	–	1 210	84	–	1 294
Trade and other receivables	–	–	852	44	896
Derivative assets	–	719	–	–	719
Long-term loans granted	3 306	–	–	–	3 306
Inter-company assets	–	–	14 897	–	14 897
Unlisted investments	–	920	–	–	920

** The comparative figures have been restated. Money market funds are classified at fair value through profit or loss, whereas they were previously classified at amortised cost.*

4.4 Liabilities

	Designated at fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
2023					
Trade payables	**–**	**–**	**1 819**	**–**	**1 819**
Derivative liabilities	**–**	**1 437**	**–**	**–**	**1 437**
Interest-bearing borrowings	**32 462**	**–**	**–**	**–**	**32 462**
Lease liability	**–**	**–**	**21**	**–**	**21**
2022					
Trade payables	–	–	1 481	22	1 503
Derivative liabilities	–	814	–	–	814
Interest-bearing borrowings	30 917	–	–	–	30 917
Lease liability	–	–	23	–	23

5. Fair value estimation
GROUP

5.1 Fair value measurement of assets and liabilities

The below table includes only those assets and liabilities that are measured at fair value including non-recurring items measured at fair value:

	2023				2022			
	Fair value Rm	**Level 1 Rm**	**Level 2 Rm**	**Level 3 Rm**	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
ASSETS								
Recurring fair value measurement								
Fair value of property assets	**140 322**	**–**	**–**	**140 322**	134 712	–	–	134 712
Listed investments	**1 576**	**1 576**	**–**	**–**	1 489	1 489	–	–
Unlisted investments	**1 561**	**–**	**–**	**1 561**	921	–	–	921
Long-term loans granted	**3 235**	**–**	**–**	**3 235**	3 313	–	–	3 313
Derivative assets	**1 971**	**–**	**1 971**	**–**	2 492	–	2 492	–
Cash and cash equivalents*	**1 036**	**–**	**1 036**	**–**	1 283	–	1 283	–
Non-recurring fair value measurement								
Non-current assets held for sale	**18**	**–**	**–**	**18**	866	–	–	866
Total assets measured at fair value	**149 719**	**1 576**	**3 007**	**145 136**	145 076	1 489	3 775	139 812
LIABILITIES								
Recurring fair value measurement								
Interest-bearing borrowings	**68 180**	**–**	**68 180**	**–**	62 857	7 038	55 819	–
Derivative liabilities	**1 450**	**–**	**1 450**	**–**	817	–	817	–
Total liabilities measured at fair value	**69 630**	**–**	**69 630**	**–**	63 674	7 038	56 636	–

* *Refer to the footnote in note 4.1.*

The carrying amount of assets and liabilities that are not measured at fair value reasonably approximate their fair value due to their short-term nature. These include trade and other receivables, cash and cash equivalents (excluding money market funds) and trade and other payables.

5.2 Movement in level 3 instruments

	2023			2022		
	Property assets Rm	**Unlisted invest-ments Rm**	**Long-term loans granted Rm**	Property assets Rm	Unlisted invest-ments Rm	Long-term loans granted Rm
Opening balance	**135 578**	**921**	**3 313**	128 242	808	2 534
Gain from fair value adjustments and translation of foreign operations	**4 179**	**89**	**(236)**	4 650	77	587
Depreciation and amortisation	**(673)**	**–**	**–**	(387)	–	–
Accrued interest	**–**	**–**	**355**	–	–	238
Acquisitions	**5 301**	**553**	**–**	4 993	11	–
GSAH acquisitions	**–**	**–**	**–**	2 060	–	–
Reclassified from long-term loans granted to unlisted investments	**–**	**–**	**–**	–	42	(42)
Right-of-use assets	**(2)**	**–**	**–**	(26)	–	–
Disposals	**(3 967)**	**(2)**	**–**	(1 955)	(17)	–
Deconsolidation of C&R Luton	**–**	**–**	**–**	(1 981)	–	–
Transferred to investment property held for trading and development	**(76)**	**–**	**–**	(18)	–	–
Advanced during the year	**–**	**–**	**32**	–	–	3
Write-off of loans	**–**	**–**	**(15)**	–	–	–
Repaid during the year	**–**	**–**	**(214)**	–	–	(7)
Closing balance	**140 340**	**1 561**	**3 235**	135 578	921	3 313

5. Fair value estimation (continued)

5.3 Valuation process

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to the Group Financial Director.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2:** inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices)
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There were no transfers between levels during the year.

5.4 Valuation techniques and significant unobservable inputs

Level 2 instruments

Cash and cash equivalents

Description	Valuation technique and inputs used	Significant unobservable inputs
Cash and cash equivalents	Money market funds are valued by discounting future cash flows. Valuations are based on interest rate markets.	Not applicable

The estimated fair value would increase/(decrease) if the credit margin were lower/(higher).

Interest-bearing borrowings

Description	Valuation technique and inputs used	Significant unobservable inputs
Interest-bearing borrowings	Valued by discounting future cash flows using the applicable swap curve plus an appropriate credit margin of between 1.0% and 5.95% at the dates when the cash flow will take place (FY22: 1.0% and 2.0%).	Not applicable

The estimated fair value would increase/(decrease) if the credit margin were lower/(higher).

5. Fair value estimation (continued)

5.4 Valuation techniques and significant unobservable inputs (continued)

Derivative instruments

Description	Valuation technique and inputs used	Significant unobservable inputs
Forward exchange contracts	Valued by discounting the forward rates applied at year end to the open hedged positions using the swap curve of the respective currencies.	Not applicable
Interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable
Cross-currency interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable

Level 3 instruments

In terms of the Group's policy, at least 75% of the fair value of investment properties should be determined by an external, independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

94.9% (FY22: 94.3%) of the South African portfolio was externally valued at FY23. The balance of the South African portfolio was valued by Growthpoint's qualified internal valuers.

The majority of the South African properties were valued at FY23 using the discounted cash flow of future income streams method by the following valuers who are all registered valuers in terms of section 19 of the Property Valuers Professional Act, No 47 of 2000:

Valuer company	Valuer	Qualification of the valuer
Broll Valuation and Advisory Services (Pty) Limited	R Long	BSc, MBA, MRICS, Professional Valuer
Eris Property Group (Pty) Limited	C Everatt	BSc (Hons) Estate Management, MRICS, MIV (SA), Professional Valuer
Knight Frank (Gauteng) (Pty) Limited	A Arbee	NDip (Real Estate in Prop Val), Professional Associated Valuer
Mills Fitchet Cape (Pty) Limited	S Wolffs	NDip (Prop Val), Professional Associated Valuer
Mills Fitchet KZN (Pty) Limited	T Bate	MSc, BSc Land Econ (UK), MRICS, MIV (SA), Professional Valuer
Premium Valuation and Advisory Services (Pty) Limited	Y Vahed	NDip (Real Estate in Prop Val), MIV (SA), Professional Valuer
Real Insight (Pty) Limited	TLJ Behrens	NDip (Real Estate in Prop Val), Professional Associated Valuer
Rode & Associates (Pty) Limited	M Tighy	BSc, Pi Sci Nat, MBL, MRICS, Professional Valuer
Spectrum Valuations & Asset Solutions (Pty) Limited	PL O'Connell	NDip (Prop Val), MRICS, Professional Valuer
Sterling Valuation Specialists CC	AS Greybe-Smith	BSc (Hons), MIV (SA), Professional Associated Valuer

69% of the Australian properties were valued externally at FY23 using the discounted cash flow of future income streams method by CBRE, Colliers, Cushman & Wakefield, JLL, Knight Frank, m3property, Savills and Urbis that are all members of the Australian Property Institute and certified practising valuers.

The United Kingdom properties were valued at FY23 using the income capitalisation approach method by CBRE and Knight Frank that are both members of the Royal Institution of Chartered Surveyors (RICS).

5. Fair value estimation (continued)

5.4 Valuation techniques and significant unobservable inputs (continued)

Level 3 instruments (continued)

At the reporting date, the key assumptions and unobservable inputs used by the Group in determining fair value were in the following ranges for the Group's portfolio of properties:

Description	Valuation technique	Fair value Rm	Significant unobservable inputs and range of estimates used: Discount rate %	Capitalisation rate %	Exit capitalisation rate %	Rental growth rate %
Retail sector	Discounted cash flow model	**24 075**	**12.90**	**8.03**	**8.40**	**5.15**
		20 700	12.25 – 13.25	7.50 – 9.00	7.25 – 8.75	4.50 – 5.25
		3 375	13.50 – 14.00	8.75 – 10.00	8.25 – 9.75	3.95 – 5.00
Office sector		**24 631**	**13.36**	**8.80**	**9.30**	**4.50**
		12 033	12.50 – 13.25	8.25 – 10.50	8.00 – 10.00	4.50 – 4.50
		9 719	13.50 – 14.00	8.75 – 11.00	8.50 – 10.50	3.59 – 4.50
		2 879	14.25 – 14.50	9.75 – 10.50	9.25 – 10.00	4.50 – 5.00
Industrial sector		**11 558**	**13.87**	**9.39**	**9.86**	**4.48**
		4 079	12.50 – 13.50	8.75 – 10.50	8.50 – 9.75	4.00 – 5.00
		6 826	13.75 – 14.75	9.25 – 11.75	8.00 – 11.00	3.50 – 5.00
		653	15.00 – 16.00	10.50 – 13.00	9.75 – 12.00	3.50 – 5.00
GHPH sector		**3 633**	**13.50**	**9.24**	**9.60**	**3.83**
		2 852	12.50 – 13.50	8.50 – 10.00	8.50 – 9.50	4.00 – 4.00
		781	14.25 – 15.00	10.00 – 11.50	9.50 – 11.00	1.00 – 4.00
GSAH sector		**2 625**	**15.07**	**9.93**	**10.23**	**5.15**
GOZ office sector		**39 200**	**6.37**	**5.66**	**5.99**	**3.10**
		17 121	5.75 – 6.25	4.25 – 6.25	4.8 – 6.25	2.50 – 3.70
		17 833	6.38 – 6.75	5.25 – 6.63	5.75 – 7.13	2.50 – 3.70
		4 246	6.88 – 7.25	6.00 – 6.75	6.25 – 7.00	2.50 – 3.70
GOZ industrial sector		**21 380**	**6.44**	**5.39**	**5.93**	**3.35**
		9 424	6.00 – 6.25	4.50 – 7.25	4.75 – 10.25	2.80 – 3.90
		9 434	6.50 – 6.75	4.75 – 7.50	5.00 – 10.50	2.80 – 3.90
		2 522	7.00 – 7.25	4.75 – 6.57	5.13 – 6.86	2.80 – 3.90
Total		**127 102**				

5. Fair value estimation (continued)

5.4 Valuation techniques and significant unobservable inputs (continued)

Level 3 instruments (continued)

Description	Valuation technique	Fair value Rm	Significant unobservable inputs and range of estimates used: Value/m² range R
Retail sector	**Market-comparable approach**	**987**	**9 241**
		465	6 367 – 9 392
		522	11 604 – 12 406
Office sector		**863**	**3 515**
		508	2 049 – 3 876
		355	7 627 – 11 633
Industrial sector		**1 016**	**1 374**
		515	467 – 2 482
		379	3 371 – 7 983
		122	15 917 – 51 096
GSAH sector		**92**	**5 438**
		92	3 591 – 6 060
		2 958	

Description	Valuation technique	Fair value Rm	Significant unobservable inputs and range of estimates used: Income capitalisation rate %	Exit capitalisation rate %
C&R retail sector	**Income capitalisation approach**		**7.4**	**8.6**
		7 036	5.09 – 7.59	7.00 – 7.94
		755	11.44	11.68
		239	14.25	17.45
		8 030		

Further assumptions are used in the valuation of investment property. The estimated fair value would increase/(decrease) if the expected market rental growth was higher/(lower), expected expense growth was lower/(higher), the vacant periods were shorter/(longer), the occupancy rate was higher/(lower), the rent-free periods were shorter/(longer), the discount rate was lower/(higher) and/or the reversionary capitalisation rate was lower/(higher).

5. Fair value estimation (continued)

5.4 Valuation techniques and significant unobservable inputs (continued)

Level 3 instruments (continued)

The property portfolio on pages 114 to 135 of the Group and company annual financial statements provides further detail on each of the Group's investment properties.

Long-term loans granted

Description	Valuation technique	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
V&A Waterfront	Valued by discounting future cash flows using the South African swap curve plus an appropriate credit margin at the dates when the cash flows will take place.	Counterparty credit risk impacting the discount rate	Discount rate at prime + 2%	A change in the discount rate by 50bps would increase/(decrease) the fair value by R40.3m/(R40.3m).

Unlisted investments

Description	Valuation technique	Significant unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Lango	Valued by calculating the company's percentage of investment in the Fund by the net asset value.	Discount rate (%)	13.25% – 16.75% (14.16% average)	A change in the discount rate by 50bps would increase/(decrease) the fair value by R210.8m/(R202.7m).
		Exit capitalisation rate (%)	8.75% – 12.0% (8.86% average)	A change in the exit capitalisation rate by 50 bps would increase/(decrease) the fair value by R213.2m/(R201.2m).

COMPANY

5.5 Fair value measurement of assets and liabilities

The below table includes only those assets and liabilities that are measured at fair value including non-recurring items measured at fair value:

	2023				2022			
	Fair value Rm	**Level 1 Rm**	**Level 2 Rm**	**Level 3 Rm**	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
ASSETS								
Recurring fair value measurement								
Fair value of property assets	**33 731**	**–**	**–**	**33 731**	31 706	–	–	31 706
Unlisted investments	**1 511**	**–**	**–**	**1 511**	920	–	–	920
Investment in subsidiaries*	**39 608**	**18 289**	**–**	**21 319**	41 236	19 518	–	21 718
Long-term loans granted	**3 235**	**–**	**–**	**3 235**	3 306	–	–	3 306
Investment in joint ventures and associates	**7 307**	**–**	**–**	**7 307**	6 554	–	–	6 554
Derivative assets	**592**	**–**	**592**	**–**	719	–	719	–
Cash and cash equivalents#	**900**	**–**	**900**	**–**	1 210	–	1 210	–
Non-recurring fair value measurement								
Non-current assets held for sale	**–**	**–**	**–**	**–**	–	–	–	–
Total assets measured at fair value	**86 884**	**18 289**	**1 492**	**67 103**	85 651	19 518	1 929	64 204
LIABILITIES								
Recurring fair value measurement								
Interest-bearing borrowings	**32 462**	**–**	**32 462**	**–**	30 917	–	30 917	–
Derivative liabilities	**1 437**	**–**	**1 437**	**–**	814	–	814	–
Total liabilities measured at fair value	**33 899**	**–**	**33 899**	**–**	31 731	–	31 731	–

* *The comparative figures have been represented for comparability.*
\# *Refer to the footnote in note 4.3.*

5. Fair value estimation (continued)

5.6 Movement in level 3 instruments

The carrying amount of assets and liabilities that are not measured at fair value reasonably approximate their fair value due to their short-term nature. These include trade and other receivables, cash and cash equivalents and trade and other payables.

	2023					2022				
	Property assets Rm	**Unlisted investments Rm**	**Investment in subsidiaries* Rm**	**Long-term loans granted Rm**	**Investment in joint ventures and associates Rm**	Property assets Rm	Unlisted investments Rm	Investment in subsidiaries* Rm	Long-term loans granted Rm	Investment in joint ventures and associates Rm
Opening balance	**31 706**	**920**	**21 718**	**3 306**	**6 554**	32 412	794	19 216	2 519	7 112
Gains from fair value adjustments	**228**	**79**	**(399)**	**(247)**	**744**	(565)	86	1 757	588	(558)
Accrued interest	**–**	**–**	**–**	**354**	**9**	–	–	–	239	–
Acquisitions	**2 257**	**514**	**–**	**–**	**–**	420	15	745	–	–
Amortisation	**(75)**	**–**	**–**	**–**	**–**	(1)	–	–	–	–
Disposals	**(309)**	**(2)**	**–**	**–**	**–**	(542)	(17)	–	–	–
Transferred to investment property held for trading and development	**(76)**	**–**	**–**	**–**	**–**	–	–	–	–	–
Reclassified to unlisted investments	**–**	**–**	**–**	**–**	**–**	–	42	–	(42)	–
Reclassified to inter-company assets	**–**	**–**	**–**	**–**	**–**	–	–	–	6	–
Advanced during the year	**–**	**–**	**–**	**32**	**–**	–	–	–	2	–
Repaid during the year	**–**	**–**	**–**	**(210)**	**–**	(18)	–	–	(6)	–
Closing balance	**33 731**	**1 511**	**21 319**	**3 235**	**7 307**	31 706	920	21 718	3 306	6 554

* *The comparative figures have been represented for comparability.*

5.7 Valuation process

A number of the company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to the Group Financial Director.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There were no transfers between levels during the year.

5. Fair value estimation (continued)

5.8 Valuation techniques and significant unobservable inputs

Cash and cash equivalents

Description	Valuation technique and inputs used	Significant unobservable inputs
Cash and cash equivalents	Money market funds are valued by discounting future cash flows. Valuations are based on interest rate markets.	Not applicable

The estimated fair value would increase/(decrease) if the credit margin were lower/(higher).

Level 2 instruments

Interest-bearing borrowings

Description	Valuation technique and inputs used	Significant unobservable inputs
Interest-bearing borrowings	Valued by discounting future cash flows using the applicable swap curve plus an appropriate credit margin of between 1.0% and 2.0% at the dates when the cash flow will take place (FY22: 1.0% and 2.0%).	Not applicable

The estimated fair value would increase/(decrease) if the credit margin were lower/(higher).

Derivative instruments

Description	Valuation technique and inputs used	Significant unobservable inputs
Forward exchange contracts	Valued by discounting the forward rates applied at year end to the open hedged positions using the swap curve of the respective currencies.	Not applicable
Interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable
Cross-currency interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable

5.9 Valuation technique and unobservable inputs

Level 3 instruments

Investment property

At the reporting date, the key assumptions and unobservable inputs used by the company in determining fair value of investment property were in the following ranges for the company's portfolio of properties:

Significant unobservable inputs and range of estimates used

		Fair value Rm	Discount rate %	Capitalisation rate %	Exit capitalisation rate %	Rental growth rate %
Retail sector	**Discounted cash flow model**	**14 667**	**12.97**	**7.99**	**8.37**	**4.77**
		12 160	12.50 – 13.25	7.75 – 9.00	7.25 – 8.75	4.50 – 5.17
		2 507	13.50 – 14.00	8.75 – 10.00	8.25 – 9.75	3.95 – 5.00
Office sector		**12 664**	**13.28**	**8.67**	**9.19**	**4.50**
		6 709	12.50 – 13.25	8.25 – 10.00	8.00 – 9.50	4.50 – 4.50
		3 770	13.50 – 14.00	9.00 – 10.25	8.50 – 10.00	4.50 – 4.50
		2 185	14.25 – 14.50	9.75 – 10.50	9.25 – 10.00	4.50 – 4.50
Industrial sector		**4 693**	**13.80**	**9.72**	**9.29**	**4.89**
		1 662	12.75 – 13.50	9.00 – 10.00	8.75 – 9.50	4.00 – 5.00
		3 031	13.75 – 14.75	9.25 – 10.75	8.75 – 10.25	3.50 – 5.00
Total		**32 024**				

5. Fair value estimation (continued)

5.9 Valuation technique and unobservable inputs (continued)

Level 3 instruments (continued)

Investment property (continued)

Description	Valuation technique	Fair value Rm	Significant unobservable inputs and range of estimates used: Value/m² range R
Retail sector	Market-comparable approach	**266**	**6 367**
		266	6 367 – 6 367
Office sector		**509**	**2 390**
		415	2 049 – 2 607
		94	3 400 – 3 876
Industrial sector		**656**	**980**
		392	467 – 1 558
		156	3 770 – 6 523
		108	7 983 – 15 917
		1 431	

Description	Valuation technique	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
V&A Waterfront	**Valued by discounting future cash flows using the South African swap curve plus an appropriate credit margin at the dates when the cash flows will take place.**	Counterparty credit risk impacting the discount rate	Discount rate at prime + 2%	A change in the discount rate by 50bps would increase/(decrease) the fair value by R40.3m/(R40.3m).

Investment in subsidiaries

Description	Valuation technique	Significant unobservable inputs %	Range of inputs (%) (weighted average)	A change in the discount rate by 25bps would increase/(decrease) the fair value by:
Total subsidiaries	**Discounted cash flow model of the underlying properties in the subsidiaries**	Discount rate	12.25 – 16.00 (13.49)	R495.6m/(R506.9m)
		Exit capitalisation rate	7.50 – 13.00 (9.34)	R377.7m/(R399.6m)
Retail subsidiaries		Discount rate	12.25 – 14.00 (12.79)	R147.0 /(R150.1m)
		Exit capitalisation rate	7.50 – 10.00 (8.46)	R129.8/(R137.9m)
Office subsidiaries		Discount rate	12.75 – 14.50 (13.46)	R168.2m/(R171.8m)
		Exit capitalisation rate	8.50 – 11.00 (9.41)	R125.1m/(R132.1m)
Industrial subsidiaries		Discount rate	12.50 – 16.00 (13.92)	R94.2m/(R97.3m)
		Exit capitalisation rate	8.75 – 13.00 (9.95)	R65.0m/(R69.1m)
GHPH subsidiaries		Discount rate	12.50 – 15.00 (13.50)	R19.4m/(R19.6m)
		Exit capitalisation rate	8.50 – 11.50 (9.60)	R12.1m/(R12.7m)
GSAH subsidiaries		Discount rate	14.75 – 15.50 (15.07)	R5.2m/(R5.4m)
		Exit capitalisation rate	10.00 – 10.50 (10.23)	R3.8m/(R4.0m)

5. Fair value estimation (continued)

5.9 Valuation technique and unobservable inputs (continued)

Description	Valuation technique	Fair value Rm	Discount rate %	Exit capitalisation rate %	Capitalisation rate %	Rental growth rate %
			Significant unobservable inputs and range of estimates used			
Retail sector	Discounted cash flow model	**9 409**	**12.79**	**8.46**	**8.09**	**4.86**
		869	13.50 – 14.00	9.50 – 10.00	9.00 – 9.25	4.50 – 5.00
		8 540	12.25 – 13.25	7.50 – 9.00	7.25 – 8.75	4.50 – 5.25
Office sector		**11 969**	**13.46**	**9.41**	**8.94**	**4.49**
		5 323	12.75 – 13.25	8.50 – 10.50	8.00 – 10.00	3.50 – 5.00
		5 950	13.50 – 14.00	8.75 – 11.00	8.50 – 10.50	3.59 – 5.00
		696	14.25 – 14.50	9.75 – 10.25	9.25 – 9.75	3.49 – 5.00
Industrial sector		**6 865**	**13.92**	**9.95**	**9.46**	**4.48**
		2 417	12.50 – 13.50	8.75 – 10.50	8.50 – 9.75	4.00 – 5.00
		3 795	13.75 – 14.75	9.25 – 11.75	8.00 – 11.00	3.50 – 5.00
		653	15.00 – 16.00	10.50 – 13.00	9.75 – 12.00	3.50 – 5.00
GHPH sector		**3 633**	**13.50**	**9.60**	**9.24**	**3.83**
		2 852	12.50 – 13.50	8.50 – 10.00	8.50 – 9.50	4.00 – 4.00
		781	14.25 – 15.00	10.00 – 11.50	9.50 – 11.00	1.00 – 4.00
GSAH sector		**2 625**	**15.07**	**10.23**	**9.93**	**5.15**
		2625	14.75 – 15.50	10.00 – 10.50	9.75 – 10.00	5.00 – 5.50
Total		**34 501**				

Description	Valuation technique	Fair value Rm	Significant unobservable inputs and range of estimates used Value/m^2 range R
Retail sector	Market-comparable approach	**721**	**11 007**
		202	9 392 – 9 392
		519	11 604 – 12 406
Office sector		**355**	**10 769**
		355	7 627 – 11 611
Industrial sector		**361**	**4 387**
		120	851 – 2 482
		162	3 371 – 6 540
		79	51 096 – 51 096
GSAH sector		**92**	**5 438**
		92	3 591 – 6 060
		1 529	

5. Fair value estimation (continued)

5.9 Valuation technique and unobservable inputs (continued)

Unlisted investments

Description	Valuation technique	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Lango	Valued by calculating the company's percentage of investment in the Fund by the net asset value.	Discount rate (%)	13.25% – 16.75% (14.16% average)	A change in the discount rate by 50bps would increase/(decrease) the fair value by R210.8m/(R202.7m).
		Exit capitalisation rate (%)	8.75% – 12.0% (8.86% average)	A change in the exit capitalisation rate by 50bps would increase/(decrease) the fair value by R213.2m/(R201.2m).

6. Prior period presentation error

Expected credit losses on inter-company assets

The expected credit losses on the inter-company assets of R2.1bn were incorrectly included in the Fair value adjustments, capital items and other charges line item (where it was separately disclosed in note 4.2 of the annual financial statements) and not on the face of the Statement of profit or loss and other comprehensive income, as required by IAS 1 *Presentation of Financial Statements*. There was no impact on total comprehensive income for the year or other primary statements. This has been corrected by restating the prior year numbers in the company financial statements.

The table below provides a summary of the numbers restated:

COMPANY	Previously reported 2022 Rm	Restatement 2022 Rm	Restated 2022 Rm
Statement of profit or loss and other comprehensive income			
Fair value adjustments, capital items and other charges	(5 550)	2 102	(3 448)
Expected credit losses on inter-company assets	–	(2 102)	(2 102)

23 GROUP AND COMPANY ANNUAL FINANCIAL STATEMENTS

GROWTHPOINT PROPERTIES

CONTENTS

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AT A GLANCE

535
High quality physical property assets

R179.8bn
Group property asset value

REIT
Largest South African primary listed on the JSE

7 980 810
Square metres of space

Diversified

Sectors
Retail, office, industrial, healthcare, student accommodation, trading and development

Geographies
South Africa, the rest of Africa, Australia, Poland, Romania and United Kingdom

Income streams
Property income, funds management, equity returns and trading and development

Send us your feedback

To ensure that we report on issues that matter to our stakeholders, please provide any feedback and questions to: info@growthpoint.co.za

Scan the QR code to gain quick access to our website.

www.growthpoint.co.za

ABOUT THESE REPORTS

In preparing these reports we have endeavoured to present a holistic and integrated representation of the organisation's performance and its long-term sustainability. This report aims to inform our stakeholders about the objectives and strategies, as well as our performance with regard to financial, human and environmental elements.

Growthpoint's investor reporting consists of the following:

Integrated annual report (IAR)

The IAR incorporates an overview of our organisation and its key strategic matters, performance and governance. The IAR should be read in conjunction with the AFS, which together provide a comprehensive overview of our organisation.

Audited Group and company annual financial statements (AFS)

The statutory AFS prepared in accordance with International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Council, the Johannesburg Stock Exchange (JSE) Listings Requirements and the requirements of the Companies Act 2008, as amended.

Annual general meeting (AGM) notice

The booklet containing the AGM notice also includes the summarised audited AFS for FY23, relevant extracts from the IAR supporting the notice and the report to shareholders by the Social, Ethics and Transformation Committee.

Environmental, social and governance (ESG) report

The ESG report contains additional information relating to environmental, social and governance elements.

PREPARATION OF GROUP AND COMPANY ANNUAL FINANCIAL STATEMENTS

The preparation of the Group and company annual financial statements has been supervised by Gerald Völkel CA(SA), Growthpoint's Financial Director and has been audited by Ernst & Young Inc. in compliance with section 30 of the Companies Act 2008, as amended. These Group and company annual financial statements are published on 12 September 2023.

The complete audited annual financial statements of the Group and company for the financial year ended 30 June 2023 may be obtained:

- From the transfer secretaries, JSE Investor Services (Pty) Limited, 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2000 or
- From the company's website at: www.growthpoint.co.za or
- By request from the company.

G Völkel CA(SA)
Group Financial Director

12 September 2023
Sandton

CERTIFICATE BY COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act 2008, as amended (the Act), I hereby certify that the Group has filed the required returns and notices in terms of the Act in respect of the financial year ended 30 June 2023 and that, to the best of my knowledge and belief, all such returns and notices are true, correct and up to date.

WJH de Koker
Company Secretary

12 September 2023
Sandton

REPORT OF THE AUDIT COMMITTEE

The activities of the Audit Committee (the committee) are determined by its terms of reference. The committee considers that it has adequately performed its functions in terms of its mandate, the King IV Report on Corporate Governance™* for South Africa 2016, and the Companies Act, No 71 of 2008, as amended.

The committee carried out its duties by reviewing the following:
- Internal audit reports
- Financial management reports
- Dashboard reflecting key financial, property and operational information/indicators
- Financial management reports from subsidiaries and associate companies
- Annual returns and tax status reports
- External audit reports
- Risk Management Committee minutes
- Tax governance report
- Off-balance sheet items
- Legal report (for noting)
- IT risk related to financial reporting.

Key focus areas considered by the committee in the current financial year included:
- Items to consider for reporting as a result of the JSE proactive monitoring report
- The appropriateness of expertise and resources of financial management
- The appropriateness of the terms of reference of the committee.

Nothing has come to the committee's attention indicating that the Group and company's system of internal financial controls is not effective and does not provide reasonable assurance that the financial records may be relied upon for the preparation of the Group and company annual financial statements.

Furthermore, the committee is satisfied:
- With the independence of the external auditor, including the provision of non-audit services and compliance with the Group and company policy in this regard. The external auditor attended all meetings of the committee
- With the terms, nature, scope, quality and proposed fee of the external auditor for the financial year ended 30 June 2023
- With the Group and company annual financial statements and the accounting policies utilised, as well as the significant matters considered in the preparation thereof and have recommended the Group and company annual financial statements for approval to the Board
- With the Group and company's continuing viability as a going concern, which it has reported to the Board for its deliberation
- That it has considered the findings of the JSE's report on proactive monitoring of financial statements
- That the Group and company's Financial Director was appropriately qualified and had the necessary expertise and experience to carry out his duties
- With the independence and effectiveness of the Head of Internal Audit and the arrangements for internal audit
- With the effectiveness of collaboration between the external auditor and internal audit
- That it has afforded both external and internal audit access to the committee without other invitees being present
- With the integrity of the integrated annual report and that it addresses all material matters and presents fairly the integrated performance of the organisation.

No concerns or complaints were received from within or outside the Group and company relating to accounting practices and internal financial controls, and the content or auditing of the Group's and company's annual financial statements.

The committee assesses its performance on an annual basis to determine whether it had delivered on its mandate and continuously enhanced its contribution to the Board. The assessment takes the form of a questionnaire, which is independently completed by each member of the committee. The composition of the self-assessment questionnaire was the responsibility of the Company Secretary. The Head of Internal Audit of the company will retire on 30 September 2023. A successor was appointed.

M Hamman
Audit Committee Chairman

12 September 2023
Sandton

DIRECTORS' REPORT

The directors are pleased to present their 35th annual report that forms part of the Group and company annual financial statements (AFS) for the year ended 30 June 2023.

MAIN BUSINESS AND OPERATIONS

Growthpoint is a Real Estate Investment Trust (REIT) and is the largest South African listed property company which owns a property portfolio of 369 directly owned properties in South Africa valued at R64.1bn, 58 properties valued at R61.8bn through its 63.7% investment in Growthpoint Properties Australia Limited (GOZ), five properties valued at R8.5bn through a 62.4% investment in Capital & Regional Plc (C&R), a 50% interest in the properties of the V&A Waterfront, valued at R10.1bn, a 29.5% interest in the properties of Globalworth Real Estate Investment Limited (GWI), valued at R17.4bn, a 39.1% interest in the properties of Growthpoint Healthcare Property Holdings (RF) Limited (GHPH) valued at R3.7bn, a 14.3% interest in the properties of Growthpoint Student Accommodation Holdings (RF) Limited (GSAH) valued at R2.7bn and a 18.4% interest in the properties of Lango Real Estate Limited (Lango) valued at R2.1bn.

COMBINING GROUP AND COMPANY ANNUAL FINANCIAL STATEMENTS

Previously the Group and company annual financial statements were separate standalone documents available on the Group's website for inspection. During the current year, the Group and company annual financial statements were combined into one document.

BOARD COMPOSITION

As at the date of issue of this report, Growthpoint had a unitary Board comprising 12 directors in total, four Executive Directors and 8 Non-executive Directors, all of whom are regarded by the Board as independent.

Andile Sangqu was appointed as the Lead Independent Director on 1 July 2022.

Mpume Nkabinde and Patrick Mngconkola retired at the AGM on 29 November 2022 after serving 13 and 10 years on the Board, respectively. We thank Mpume and Patrick for their contributions and dedicated service to Growthpoint.

The Board has carried out a formal skills profiling and assessment of the Non-executive and Executive Directors on the Board and considers its current composition to be suited to the business.

The Board has a Board-level gender diversification policy with a voluntary 30% target for female representation. Currently, the three female directors represent 25% of the total number of directors.

The Board Charter includes a policy statement on racial diversification, in terms of which the Board strives to meet legislated and/or regulated employment equity targets applicable from time to time at Board level.

FINANCIAL RESULTS

	2023	2022	Year-on-year movement	% change year on year
GROUP				
Net property income (excluding straight-line lease income adjustment) (Rm)	**9 858**	9 368	490	5.2
Dividends per share (cents)	**130.1**	128.4	1.7	1.3
Interim dividend (six months ended 31 December) (cents)	**64.3**	61.5	2.8	4.6
Final dividend (six months ended 30 June) (cents)	**65.8**	66.9	(1.1)	(1.6)
Investment property at fair value (Rm)	**140 340**	135 578	4 762	3.5
Investment property held for trading and development (Rm)	**442**	453	(11)	(2.4)
COMPANY				
Net property income (excluding straight-line lease income adjustment) (Rm)	**2 853**	2 799	54	1.9
Dividends per share (cents)	**130.1**	128.4	1.7	1.3
Interim dividend (six months ended 31 December) (cents)	**64.3**	61.5	2.8	4.6
Final dividend (six months ended 30 June) (cents)	**65.8**	66.9	(1.1)	(1.6)
Investment property at fair value (Rm)	**33 731**	31 706	2 025	6.4
Investment property held for trading and development (Rm)	**442**	453	(11)	(2.4)

The interim dividend has been declared from distributable earnings. In line with IAS 10 *Events after the reporting period*, the declaration of the final dividend will occur after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the annual financial statements. The dividends meet the requirements of a REIT "qualifying distribution" for purposes of section 25BB of the Income Tax Act, No 58 of 1962, as amended.

DIRECTORS AND SECRETARY

Brief *curricula vitae* of directors have been included in the FY23 integrated annual report.

Growthpoint's Group Financial Director was assessed by the Audit Committee (as is done annually) to be appropriately qualified and experienced for the position.

The Board recommends M Hamman, FM Berkeley, KP Lebina, CD Raphiri and AH Sangqu as members of the Audit Committee on the basis that they are the Board members who possess the requisite qualifications and appropriate expertise for this committee.

The directors appointed by the Board, who are to retire at the AGM to be held on 28 November 2023, but hold themselves available for election as directors, as designated, are:

- R Gasant
- KP Lebina
- AH Sangqu

GOING CONCERN

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

Refer to note 29 for further information.

APPROVAL OF GROUP AND COMPANY ANNUAL FINANCIAL STATEMENTS

The Group and company annual financial statements of Growthpoint Properties Limited, as described in the first paragraph of this statement, were approved by the Board of Directors on 12 September 2023 and are signed by:

LN Sasse
Group Chief Executive Officer

Authorised Director
12 September 2023
Sandton

R Gasant
Chairman

Authorised Director
12 September 2023
Sandton

CEO AND CFO RESPONSIBILITY STATEMENT

For the year ended 30 June 2023

CEO and FD responsibility statement pursuant to paragraph 3.84(k) of the JSE Listings Requirements

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

(a) The Group and company annual financial statements set out on pages 14 to 137 fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS

(b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the Group and company annual financial statements false or misleading

(c) Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer

(d) The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as Executive Directors with primary responsibility for implementation and execution of controls

(e) Where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have remediated the deficiencies

(f) We are not aware of any fraud involving directors.

LN Sasse
Group Chief Executive Officer
Executive Director

12 September 2023
Sandton

G Völkel CA(SA)
Group Financial Director
Executive Director

12 September 2023
Sandton

REIT RATIOS (GROUP)

For the year ended 30 June 2023

The second edition of the SA REIT Association's best practice recommendations was issued in November 2019, outlining the need to provide consistent presentation and disclosure of relevant ratios in the SA REIT sector. This ensures information and definitions are clearly presented, enhancing comparability and consistency across the sector.

	Notes	2023 Rm	2022 Rm
SA REIT Funds from Operations (SA REIT FFO)			
Profit attributable to the owners of the company	SOCI	**2 356**	7 937
Adjusted for:			
Accounting/specific adjustments		**3 090**	(2 499)
Fair value adjustments to:			
Investment property	4.1	**4 028**	(1 857)
Debt and equity instruments held at fair value through profit or loss	4.1	**(1 054)**	(1 109)
Depreciation and amortisation of intangible assets	4.3	**27**	103
Impairment of goodwill or the recognition of a bargain purchase gain	4.2	**111**	–
Asset impairments (excluding goodwill) and reversals of impairment	4.2	**5**	–
Gains on the modification of financial instruments*	4.1	**–**	(590)
Deferred tax movement recognised in profit or loss	23.1.1	**(172)**	1 030
Straight-lining operating lease adjustment	7.2	**44**	(164)
Transaction costs expensed in accounting for a business combination	4.2	**58**	76
Adjustments to dividends from equity interests held		**43**	12
Adjustments arising from investing activities:		**(122)**	(196)
Gains on disposal of equipment*	4.2	**(15)**	(150)
Development fees and profit earned	1	**(107)**	(46)
Foreign exchange and hedging items:		**1 249**	(2 806)
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	4.1	**1 216**	(2 787)
Foreign exchange losses/(gains) relating to capital items – realised and unrealised		**33**	(19)
Other adjustments:		**(1 548)**	2 862
Adjustments made for equity-accounted entities	8.2	**13**	479
Non-controlling interests in respect of the above adjustments	SOCE	**(1 052)**	(810)
Non-controlling interests in respect of the above adjustments – plus not distributable	SOCI	**(529)**	3 193
Antecedent earnings adjustment	SOCE	**20**	–
SA REIT FFO (Rm)		**5 025**	5 298
Number of shares outstanding at end of year (net of treasury shares)		**3 380 482 632**	3 407 663 028
SA REIT FFO per share (cents)		**148.6**	155.5
Interim SA REIT FFO per share (cents)		**79.0**	77.4
Final SA REIT FFO per share (cents)		**69.6**	78.1

* *The comparative figures have been re-presented for comparability and had no impact on the total current or comparative SA REIT FFO.*

REIT RATIOS (GROUP) (CONTINUED)

For the year ended 30 June 2023

	Notes	2023 Rm	2022 Rm
SA REIT FFO (continued)		**5 025**	5 298
Company-specific adjustments to SA REIT FFO (Rm)		**338**	9
Decrease/(increase) in staff incentive scheme cost	4.3	**15**	(23)
Trading profit and development fees earned		**96**	90
Profit on the sale of GHPH shares to GIPF		**26**	–
Profit on the sale of GHPH Manco		**42**	–
Profit on the sale of OneCart (Pty) Limited		**–**	46
Amortisation of tenant incentive add-back (GOZ FFO)	7.3	**470**	364
Distributable income from GOZ retained (including NCI portion)		**(406)**	(446)
Distributable income from C&R retained (including NCI portion)		**(69)**	(150)
Distributable income from GHPH (retained)/over distribution (including NCI portion)		**(29)**	2
Distributable income from GSAH retained (including NCI portion)		**(31)**	(48)
Pre-acquisition profit GSAH		**–**	3
Tax on distributable income retained	23.1.1	**224**	171
Distributable income (Rm)		**5 363**	5 307
Distributable income per share (DIPS) (cents)		**157.6**	155.6
Interim DIPS (cents)		**77.9**	76.9
Final DIPS (cents)		**79.7**	78.7

	Notes	2023 Rm	2022 Rm
SA REIT net asset value (SA REIT NAV)			
Reported NAV attributable to the parent		**71 911**	71 212
Adjustments:		**1 194**	2 597
Dividend to be declared		**(2 224)**	(2 280)
Fair value of certain derivative financial instruments		**(857)**	(25)
Goodwill and intangible assets	13	**(977)**	(496)
Net deferred tax	23.2.3	**5 252**	5 398
SA REIT NAV		**73 105**	73 809

	Notes	2023 Number of shares	2022 Number of shares
Shares outstanding			
Number of shares in issue at year end (net of treasury shares)	6.1	**3 380 482 632**	3 407 663 028
Diluted effect of share options granted to employees	6.3	**18 171 636**	13 216 959
Dilutive number of shares in issue		**3 398 654 268**	3 420 879 987
SA REIT NAV per share (R)		**21.51**	21.58

	Notes	2023 Rm	2022 Rm
SA REIT cost-to-income ratio			
Expenses			
Operating expenses per IFRS income statement (includes municipal expenses)		**5 650**	5 197
Administrative expenses per IFRS income statement	3	**931**	832
Excluding: Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets			
Operating costs		**6 581**	6 029
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)	1	**13 784**	12 884
Utility and operating recoveries per IFRS income statement	2	**1 724**	1 681
Gross rental income		**15 508**	14 565
SA REIT cost-to-income ratio		**42.4%**	41.4%
SA REIT administrative cost-to-income ratio			
Expenses			
Administrative expenses as per IFRS income statement	3	**931**	832
Administrative costs		**931**	832
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)	1	**13 784**	12 884
Utility and operating recoveries per IFRS income statement	2	**1 724**	1 681
Gross rental income		**15 508**	14 565
SA REIT administrative cost-to-income ratio		**6.0%**	5.7%

	2023 GLA m^2	2022 GLA m^2
SA REIT GLA vacancy rate*		
Gross lettable area of vacant space	**752 598**	763 751
Gross lettable area of total property portfolio	**7 980 810**	8 223 473
SA REIT GLA vacancy rate	**9.4%**	9.3%

* *The vacancy rates for GWI and Lango were not included in the prior year. The comparative figures have been re-presented for comparability.*

REIT RATIOS (GROUP) (CONTINUED)

For the year ended 30 June 2023

Cost of debt	ZAR %	AUD %	EUR %	USD %
2023				
Variable interest rate borrowings				
Floating reference rate plus weighted average margin	8.7	–	5.7	6.6
Fixed interest rate borrowings				
Weighted average fixed rate	9.9	–	–	–
Pre-adjusted weighted average cost of debt	8.8	–	5.7	6.6
Adjustments:				
Impact of interest rate derivatives	0.2	–	(1.0)	–
Impact of cross-currency interest rate swaps	0.1	3.8	–	0.1
Amortised transaction costs imputed in the effective interest rate	–	–	0.1	0.1
All-in weighted average cost of debt	9.1	3.8	4.8	6.8
2022				
Variable interest rate borrowings				
Floating reference rate plus weighted average margin	6.3	–	–	3.3
Fixed interest rate borrowings				
Weighted average fixed rate	9.9	–	–	5.9
Pre-adjusted weighted average cost of debt	6.4	–	–	5.5
Adjustments:				
Impact of interest rate derivatives	1.4	–	0.7	–
Impact of cross-currency interest rate swaps	0.3	3.5	3.1	(0.5)
Amortised transaction costs imputed in the effective interest rate	–	–	–	0.2
All-in weighted average cost of debt	8.1	3.5	3.8	5.2

	Notes	2023 Rm	2022 Rm
SA REIT loan to value			
Gross debt		69 814	63 802
Less:			
Cash and cash equivalents	15	(3 519)	(2 841)
Derivative financial instruments	20.2	(521)	(1 675)
Net debt		65 774	59 286
Total assets per statement of financial position		171 976	164 729
Less:			
Cash and cash equivalents	15	(3 519)	(2 841)
Derivative financial assets	20.2	(1 971)	(2 492)
Goodwill and intangible assets	13	(977)	(496)
Trade and other receivables	16	(1 581)	(2 321)
Carrying amount of property-related assets		163 928	156 579
SA REIT loan to value (SA REIT LTV)		40.1%	37.9%

INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2023

TO THE SHAREHOLDERS OF GROWTHPOINT PROPERTIES LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Growthpoint Properties Limited, and its subsidiaries ('the Group') and company set out on pages 14 to 137, which comprise of the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and the property portfolio.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and company as at 30 June 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements of the Group and company and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and company and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matter applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Valuation of investment properties Investment property (including investment property classified as held for sale) are measured at fair value in accordance with IAS 40, Investment Property, and IFRS 13, Fair Value Measurement, and the disclosure associated with the valuation of investment properties is set out in the Consolidated and Separate Annual Financial Statements in Note 4 – Fair value adjustments, capital items and other charges, Note 7 – Property assets, Note 27.4 – Valuation techniques and significant unobservable inputs and the property portfolio. The investment property portfolio contributes approximately 82% (R140bn) to the total assets. The portfolio consists of retail, office, industrial, healthcare and student accommodation properties.	Our audit procedures included, amongst others, the following: We engaged with management to obtain a detailed understanding of their property valuation systems and processes. We evaluated the competence, independence, and experience of management's external independent appraisers with reference to their qualifications and industry experience. We evaluated the competence and experience of management's internal independent appraisers with reference to their qualifications and industry experience. We assessed that the valuation techniques and methodologies applied by management and their external and internal appraisers are consistent with generally accepted property valuation techniques in the real estate market.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

For the year ended 30 June 2023

Key Audit Matter	How the matter was addressed in the audit
The valuation of investment property remains a key audit matter due to the considerable number of investment properties for which the assumptions of the valuation methods are inherently judgmental. In the current year, the inputs into the valuations are more susceptible to change as a result of the current economic market conditions such as loadshedding, increased inflation, a higher interest rate environment and increased vacancies in the office sector adds a level of uncertainty. As such the judgements require significant auditor attention. Evaluating the application of judgement of the valuation methodologies and assumptions applied by management with reference to the numerous investment properties required significant audit effort and the support of our EY valuation specialists given the number of properties of different category, location and grade with different lease agreements which we needed to consider. The specific areas of judgement requiring auditor attention and support from our EY valuation specialists included the following market related assumptions: • the capitalisation rates and discount rates which are derived from widely available market related data and which require management to exercise judgement in the selection of these factors based on the category, location and grade of a property; • vacancy rates and estimated rental value (ERV) which are judgemental and determined by management based on unique property specific information including forecast cashflows as well as market related assumptions. – The ERV and the impact of rental reversions required significant attention with increased focus on the most recent outcomes from new leases entered into/renewed, discussions with management and use of our valuation specialists to assess the reasonableness of the ERV in the cashflow forecast. – Vacancy rates required attention in respect of the possible changes in the assumptions related to the time elapsed before new leases are signed.	For a sample of investment properties, with the support of our EY valuation specialists, we assessed the methodologies and assumptions applied in determining the fair value of investment properties by management and the external and internal appraisers. This included: • Assessed the category, location and grade of a property by comparing the data to corroborating evidence, with the support of our valuation specialists. These inform the selection of the appropriate capitalisation rates and discount rates to apply from the latest Rode and/or South African Property Owners Association ("SAPOA") reports, against the outcome of current valuations; • Agreed the capitalisation rates, discount rates and the vacancy rates applied by management in the valuations to the latest Rode and/or SAPOA reports; • Evaluated the assumptions used in arriving at the budget that forms the basis of the forecasted ERV per property against market related rental data. For vacancy rates, we considered the reasonability of management's estimate in relation to market vacancy data. We also considered market information from lease renewals, the extent of rental reversions observed, and time elapsed before new or renewed leases come into effect. • Assessed the reasonability of the fair value of investment properties at year end by performing independent recalculations, using independent data, and comparing the outcome to the values determined by management. We assessed the disclosure of the investment property and the fair value thereof against the requirements of IAS 40, Investment Property and IFRS 13, Fair Value Measurement.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 150-page document titled "Growthpoint Group and Company Annual Financial Statements 2023", which includes the Certificate by Company Secretary, Report of the Audit Committee and the Directors' report, as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. has been the auditor of Growthpoint Properties Limited for 4 years.

Ernst & Young Inc.

Ernst & Young Inc.
Director: Jane Fitton CA(SA)

Registered Auditor
12 September 2023
102 Rivonia Road
Sandton

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

	Notes	**Group 2023 Rm**	Group 2022 Rm	**Company 2023 Rm**	Company Restated 2022 Rm
Revenue, excluding straight-line lease income adjustment	1	**13 784**	12 884	**4 123**	3 985
Straight-line lease income adjustment	7.2	**(44)**	164	**11**	(3)
Total revenue		**13 740**	13 048	**4 134**	3 982
Property-related expenses	2	**(3 968)**	(3 603)	**(1 288)**	(1 214)
Expected credit losses on trade receivables	16.1	**42**	87	**18**	28
Net property income		**9 814**	9 532	**2 864**	2 796
Other administrative and operating overheads	3	**(931)**	(832)	**(211)**	(218)
Operating profit		**8 883**	8 700	**2 653**	2 578
Equity-accounted investment profit – net of tax		**1 048**	409		
Non-distributable (loss)/income	8.2	**(13)**	(479)		
Dividends/interest received from equity-accounted investments	8.2	**1 061**	888		
Fair value adjustments, capital items and other charges	4, 31	**(3 817)**	6 262	**(1 624)**	(3 448)
Expected credit losses on inter-company assets	11, 31		–	**78**	(2 102)
Finance and other investment income	5	**309**	167	**4 553**	4 485
Finance expense	5.3	**(4 356)**	(3 115)	**(2 672)**	(1 865)
Profit before taxation		**2 067**	12 423	**2 988**	(352)
Taxation	23.1	**(240)**	(1 293)	**563**	618
Profit for the year		**1 827**	11 130	**3 551**	266
Other comprehensive income – net of tax					
Items that may subsequently be reclassified to profit or loss					
Translation of foreign operations		**5 052**	1 724		
Total comprehensive profit for the year		**6 879**	12 854	**3 551**	266
Profit attributable to:		**1 827**	11 130		
Owners of the company		**2 356**	7 937		
Non-controlling interests		**(529)**	3 193		
Total comprehensive profit attributable to:		**6 879**	12 854		
Owners of the company		**5 456**	8 997		
Non-controlling interests		**1 423**	3 857		

		Cents	Cents
Basic earnings per share	6.1	**69.24**	233.04
Diluted earnings per share	6.1	**68.87**	232.14

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2023

	Notes	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
ASSETS					
Cash and cash equivalents	15	**3 519**	2 841	**1 327**	1 294
Trade and other receivables	16	**1 581**	2 321	**859**	896
Taxation receivable		**163**	153	**147**	139
Investment property classified as held for sale	7.5	**18**	866	**–**	–
Property held for trading and development	7.6	**442**	453	**442**	453
Derivative assets	20.2	**1 971**	2 492	**592**	719
Listed investments	9	**1 576**	1 489	**–**	–
Fair value of property assets		**140 322**	134 712	**33 731**	31 706
Fair value of investment property for accounting purposes	7.1	**133 444**	128 126	**32 120**	30 135
Straight-line lease income adjustment	7.2	**3 660**	3 565	**1 334**	1 323
Tenant incentives	7.3	**1 486**	1 470	**256**	225
Right-of-use assets	7.4	**1 732**	1 551	**21**	23
Long-term loans granted	14	**3 235**	3 313	**3 235**	3 306
Investments in joint ventures and associates	8	**16 471**	14 585	**7 307**	6 554
Investment in subsidiaries	11.1	**–**	–	**39 608**	41 236
Unlisted investments	10	**1 561**	921	**1 511**	920
Equipment		**111**	49	**–**	1
Intangible assets	13	**977**	496	**–**	–
Inter-company assets	11.2	**–**	–	**14 221**	14 897
Deferred tax assets	23.2	**29**	38	**–**	–
Total assets		**171 976**	164 729	**102 980**	102 121
LIABILITIES AND EQUITY					
Liabilities					
Trade and other payables	24	**3 623**	3 541	**1 819**	1 503
Derivative liabilities	20.2	**1 450**	817	**1 437**	814
Taxation payable		**89**	67	**–**	–
Liabilities associated with assets classified as held for sale		**–**	39	**–**	–
Interest-bearing borrowings	20	**68 180**	62 857	**32 462**	30 917
Lease liability	21	**2 101**	1 826	**21**	23
Deferred tax liability	23.2	**5 281**	5 436	**2 741**	3 414
TOTAL LIABILITIES		**80 724**	74 583	**38 480**	36 671
Equity					
Shareholders' interests		**71 911**	71 212	**64 500**	65 450
Share capital	17, 18	**52 861**	53 195	**53 550**	53 543
Retained income		**5 393**	4 712	**5 393**	5 567
Other reserves		**13 657**	13 305	**5 557**	6 340
Non-controlling interest	19	**19 341**	18 934	**–**	–
Total liabilities and equity		**171 976**	164 729	**102 980**	102 121

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2023

GROUP

	Attributable to owners of the company					
		Non-distributable reserve (NDR)				
	Share capital net of treasury shares Rm	Foreign currency translation reserve (FCTR) Rm	Amortisation of intangible assets Rm	Bargain purchase Rm	Fair value adjustment on investment property Rm	Other fair value adjustments and non-distributable items Rm
Balance at 30 June 2021	53 117	4 127	474	892	11 116	(7 651)
Total comprehensive income						
Profit after taxation	–	–	–	–	–	–
Other comprehensive income	–	1 060	–	–	–	–
Transactions with owners recognised directly in equity						
Contributions by and distributions to owners						
Transfer non-distributable items to NDR	–	–	(74)	–	1 170	2 090
Share-based payment transactions	78	–	–	–	–	–
Dividends declared	–	–	–	–	–	–
Changes in ownership interest						
Shares issued to NCI – C&R	–	–	–	–	–	(117)
Shares issued to NCI – GHPH	–	–	–	–	–	6
Acquisition of subsidiary with NCI	–	–	–	–	–	–
Share buy back – GOZ	–	–	–	–	–	–
Change of ownership – Healthcare	–	–	–	–	–	2
Rights issue and acquisitions – GOZ	–	–	–	–	–	–
Balance at 30 June 2022	53 195	5 187	400	892	12 286	(5 670)
Total comprehensive income						
Profit/(loss) after taxation	–	–	–	–	–	–
Other comprehensive income	–	**3 100**	–	–	–	–
Transactions with owners recognised directly in equity						
Contributions by and distributions to owners						
Transfer non-distributable items to NDR	–	–	**(20)**	–	**(4 072)**	**1 421**
Share buy back – South Africa	**(401)**	–	–	–	–	–
Share-based payment transactions	**67**	–	–	–	–	–
Dividends declared	–	–	–	–	–	–
Changes in ownership interest						
Shares issued to NCI – C&R	–	–	–	–	–	–
Share buy back – GOZ	–	–	–	–	–	–
Change of ownership – GHPH	–	–	–	–	–	–
Change of ownership – GSAH	–	–	–	–	–	–
Balance at 30 June 2023	**52 861**	**8 287**	**380**	**892**	**8 214**	**(4 249)**

	2023 Cents	2022 Cents
Dividend per share	**130.1**	128.4

Attributable to owners of the company							
Non-distributable reserve (NDR)							
Share-based payments reserve Rm	Reserves with NCI Rm	Fair value adjustment on listed investments Rm	Total other reserves Rm	Retained earnings Rm	Shareholders' interest Rm	Non-controlling interest (NCI) Rm	Total equity Rm
152	(12)	456	9 554	3 739	66 410	14 192	80 602
–	–	–	–	7 937	7 937	3 193	11 130
–	–	–	1 060	–	1 060	664	1 724
(24)	–	(361)	2 801	(2 801)	–	–	–
(1)	–	–	(1)	–	77	–	77
–	–	–	–	(4 163)	(4 163)	(810)	(4 973)
			–			12	12
–	–	–	(117)		(117)	203	86
–	–	–	6		6	284	290
–	–	–	–	–	–	1 190	1 190
–	–	–	–	–	–	(12)	(12)
–	–	–	2	–	2	(2)	–
–	–	–	–	–	–	20	20
127	(12)	95	13 305	4 712	71 212	18 934	90 146
–	**–**	**–**	**–**	**2 356**	**2 356**	**(529)**	**1 827**
–	**–**	**–**	**3 100**	**–**	**3 100**	**1 952**	**5 052**
(5)	**–**	**(87)**	**(2 763)**	**2 763**	**–**	**–**	**–**
–	**–**	**–**	**–**	**–**	**(401)**	**–**	**(401)**
15	**–**	**–**	**15**	**–**	**82**	**–**	**82**
–	**–**	**–**	**–**	**(4 458)**	**(4 458)**	**(1 052)**	**(5 510)**
–	**–**	**–**	**–**	**–**	**–**	**5**	**5**
–	**–**	**–**	**–**	**–**	**–**	**(699)**	**(699)**
–	**–**	**–**	**–**	**13**	**13**	**487**	**500**
–	**–**	**–**	**–**	**7**	**7**	**243**	**250**
137	**(12)**	**8**	**13 657**	**5 393**	**71 911**	**19 341**	**91 252**

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

For the year ended 30 June 2023

COMPANY

	Attributable to owners of the company			
		Non-distributable reserve (NDR)		
	Share capital net of treasury shares Rm	Amortisation of intangible assets Rm	Fair value adjustment on investment property Rm	Other fair value adjustments and non-distributable items Rm
Balance at 30 June 2021	53 541	1 536	6 902	(7 628)
Total comprehensive income				
Profit after taxation	–	–	–	–
Other comprehensive income	–	–	–	–
Transactions with owners recognised directly in equity				
Contributions by and distributions to owners				
Transfer non-distributable items to NDR	–	–	(566)	(185)
Share-based payment transactions	2	–	–	–
Dividends declared	–	–	–	–
Balance at 30 June 2022	53 543	1 536	6 336	(7 813)
Total comprehensive income				
Profit after taxation	–	–	–	–
Other comprehensive income	–	–	–	–
Transactions with owners recognised directly in equity				
Contributions by and distributions to owners				
Transfer non-distributable items to NDR	7	–	228	617
Dividends declared	–	–	–	–
Balance at 30 June 2023	**53 550**	**1 536**	**6 564**	**(7 196)**

Attributable to owners of the company					
Non-distributable reserve (NDR)					
Share-based payments reserve Rm	Reserves with NCI Rm	Fair value adjustment on investment in subsidiaries Rm	Total other reserves Rm	Retained earnings Rm	Shareholders' interest Rm
(29)	–	10 266	11 047	4 777	69 365
–	–	–	–	266	266
–	–	–	–	–	–
44	–	(3 985)	(4 692)	4 692	–
(15)	–	–	(15)	–	(13)
–	–	–	–	(4 168)	(4 168)
–	–	6 281	6 340	5 567	65 450
–	**–**	**–**	**–**	**3 551**	**3 551**
–	**–**	**–**	**–**	**–**	**–**
–	**–**	**(1 628)**	**(783)**	**776**	**–**
–	**–**	**–**	**–**	**(4 501)**	**(4 501)**
–	**–**	**4 653**	**5 557**	**5 393**	**64 500**

STATEMENTS OF CASH FLOWS

For the year ended 30 June 2023

	Notes	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Cash flows from operating activities					
Cash received from tenants		**15 190**	13 341	**4 316**	4 017
Cash paid to suppliers and employees		**(4 471)**	(4 472)	**(1 212)**	(1 088)
Cash generated from operating activities		**10 719**	8 869	**3 104**	2 929
Interest paid	5.4	**(4 174)**	(3 181)	**(2 074)**	(2 042)
Interest received		**656**	47	**703**	204
Dividends received		**282**	441	**3 592**	3 637
Taxation paid		**(391)**	(529)	**(110)**	(254)
Investment in property held for trading and development		**(174)**	(188)	**(174)**	(198)
Disposal of property held for trading and development	7.6	**340**	339	**340**	855
Distributions paid to shareholders		**(5 510)**	(4 973)	**(4 501)**	(4 168)
Net cash generated from operating activities		**1 748**	825	**880**	963
Cash flows from investing activities					
Investments in:		**(6 263)**	(5 622)	**(1 716)**	(1 143)
Investment property		**(5 084)**	(4 908)	**(1 170)**	(384)
Business combination (Fortius) – net of cash acquired	12.1	**(585)**	–	**–**	–
Intangible assets	13	**–**	(2)	**–**	–
Equipment		**(48)**	(34)	**–**	–
Listed investment	9	**–**	(664)	**–**	–
Unlisted investment		**(514)**	(11)	**(514)**	(12)
Long-term loans	14	**(32)**	(3)	**(32)**	(2)
Subsidiaries		**–**	–	**–**	(745)
Loans advanced to group companies	11.2	**–**	–	**(3 200)**	–
Loan repayments by group companies	11.2	**–**	–	**2 360**	821
Proceeds from:		**3 939**	2 025	**314**	705
Disposal of equity-accounted investments	8.2	**1**	–	**–**	–
Disposal of investment property		**3 048**	1 773	**309**	635
Disposal of investment property held for sale	7.5	**881**	182	**–**	–
Disposal of unlisted investments		**2**	63	**2**	63
Repayment of long term loans granted		**7**	7	**3**	7
Net cash (utilised by)/generated from investing activities		**(2 324)**	(3 597)	**(2 242)**	383
Cash flows from financing activities					
Proceeds from:		**13 821**	8 841	**3 550**	1 262
Borrowings raised	20.1	**13 066**	8 453	**3 550**	1 262
Shares issued to NCI – GOZ		**–**	12	**–**	–
Shares issued to NCI – C&R		**5**	86	**–**	–
Shares issued to NCI – GHPH		**500**	290	**–**	–
Shares issued to NCI – GSAH		**250**	–	**–**	–
Repayments of borrowings	20.1	**(12 011)**	(5 807)	**(2 152)**	(1 987)
Share buy back – SA		**(401)**	–	**–**	–
Share buy back – GOZ		**(699)**	(12)	**–**	–
Settlement of derivatives		**–**	(43)	**–**	–
Repayment of lease liability		**(28)**	(34)	**(3)**	(2)
Net cash generated from/(utilised by) financing activities		**682**	2 945	**1 395**	(727)
Effect of exchange rate changes on cash and cash equivalents		**572**	46	**–**	–
Increase in cash and cash equivalents		**678**	219	**33**	619
Cash and cash equivalents at beginning of year		**2 841**	2 622	**1 294**	675
Cash and cash equivalents at end of year		**3 519**	2 841	**1 327**	1 294

SEGMENTAL ANALYSIS

For the year ended 30 June 2023

The Group determines and presents operating segments based on the information that is provided internally to the Executive Management Committee (Exco), the Group's operating decision-making forum. The Group comprises 11 segments, namely Retail, Office, Industrial, Trading and Development, V&A Waterfront, Healthcare (GHPH), Student Accommodation (GSAH), Lango, GWI, GOZ and C&R. All operating segments' operating results are reviewed regularly by Exco to make decisions about resources to be allocated to the segment and assess its performance, for which discrete financial information is available.

In addition to the main reportable segments, the Group also includes a geographical analysis of investment property and net property income, excluding straight-line lease income adjustment for South Africa, excluding the V&A Waterfront, Australia and the United Kingdom. The Group also includes a geographical analysis of dividends and interest received from equity-accounted investments (V&A Waterfront and Central and Eastern Europe) and unlisted investments (Lango).

The presentation of the Group segmental report has been re-presented, including the previous year, as the new format more appropriately presents three main focuses of the Group, ie, the South African business, Growthpoint Investment Partners (GIP) our funds management business as well as our offshore portfolio.

Segments	Geographical segment	Brief description of segment
South African 100% owned properties		
Retail	South Africa	The Growthpoint retail portfolio consists of 39 properties in South Africa, comprising shopping centres and standalone single-tenanted properties. It includes regional, community, neighbourhood, retail warehouses and speciality centres.
Office	South Africa	The Growthpoint office portfolio consists of 155 properties in South Africa, which includes high rise and low rise offices, office parks, office warehouses, vacant land as well as mixed-use properties comprising both office and retail.
Industrial	South Africa	The Growthpoint industrial portfolio consists of 168 properties in South Africa which includes warehousing, industrial parks, motor-related outlets, low and high-grade industrial, high-tech industrial, telecommunication assets, land zoned for development, vacant land as well as mini, midi and maxi units.
Trading and Development	South Africa	The Growthpoint trading and development portfolio consists of seven properties.
V&A Waterfront	South Africa	The V&A Waterfront is a 123 hectare mixed-use property development situated in and around the historic Victoria and Alfred Basin, which formed Cape Town's original harbour. Its properties include retail, office, fishing and industrial, hotel and residential as well as undeveloped bulk.
Growthpoint Investment Partners (GIP)		
GHPH	South Africa	The Growthpoint healthcare portfolio consists of six hospitals, a pharmaceutical warehouse facility, and one medical chambers building.
GSAH	South Africa	The Growthpoint student accommodation portfolio consists of 11 purpose-built student accommodation properties situated in Johannesburg, Pretoria and Cape Town.
Lango	Rest of Africa	The Lango portfolio consists of eight commercial properties and three plots of land across selected cities on the African continent.
Offshore		
GOZ	Australia	The GOZ portfolio consists of 58 properties which includes both industrial and office properties, all situated in Australia.
C&R	United Kingdom	The C&R portfolio consists of five properties that are community-based shopping centres, all situated in the United Kingdom.
GWI	Central and Eastern Europe	The GWI portfolio consists of 72 standing properties in Poland and Romania, mostly modern A-grade office properties, industrial properties as well as a residential property complex.

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2023 South Africa						
	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	Trading and Development segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	Total SA reported Rm
Material profit or loss disclosures							
Revenue excluding straight-line lease adjustment	3 210	3 119	1 558	137	–	–	8 024
Funds management revenue	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	(1 026)	(1 070)	(391)	(9)	–	–	(2 496)
Net property income	2 184	2 049	1 167	128	–	–	5 528
Other administrative and operating overheads	–	–	–	(37)	(348)	–	(385)
Asset management fee expense	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable profit	–	(1)	–	–	–	744	743
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	688	688
Fair value adjustment on investment property	563	(228)	356	–	–	–	691
Fair value adjustments (other than investment property)	–	–	–	–	19	–	19
Capital items and non-cash charges	–	–	–	–	(29)	–	(29)
Finance and other investment income	–	–	–	–	187	–	187
Finance expense	–	–	–	–	(3 015)	–	(3 015)
Consolidated profit before taxation	2 747	1 820	1 523	91	(3 186)	1 432	4 427

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South Africa

	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	Trading and Development segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	Total SA Reported Rm
Assets							
Cash and cash equivalents	–	–	–	–	1 518	–	1 518
Trade and other receivables	–	–	–	–	927	–	927
Taxation receivable	–	–	–	–	163	–	163
Investment property classified as held for sale	–	–	18	–	–	–	18
Investment property held for trading and development	–	–	–	442	–	–	442
Derivative assets	–	–	–	–	1 200	–	1 200
Listed investments	–	–	–	–	–	–	–
Fair value of property assets	25 180	25 841	12 584	–	27	–	63 632
Fair value of investment property	25 062	25 494	12 556	–	–	–	63 112
Tenant incentives	81	347	28	–	27	–	483
Right-of-use assets	37	–	–	–	–	–	37
Long-term loans granted	–	–	–	–	3 235	–	3 235
Equity-accounted investments	–	–	–	–	35	6 524	6 559
Unlisted investments	–	–	–	–	62	–	62
Equipment	–	–	–	–	7	–	7
Intangible assets	–	–	–	–	490	–	490
Deferred tax assets	–	–	–	–	–	–	–
Total assets	25 180	25 841	12 602	442	7 664	6 524	78 253
Total property assets	25 180	25 841	12 602	442	27	10 064	74 156
Liabilities							
Trade and other payables	–	–	–	–	1 929	–	1 929
Derivative liabilities	–	–	–	–	1 450	–	1 450
Tax payable	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	40 357	–	40 357
Lease liability	–	–	–	–	37	–	37
Deferred tax liability	–	–	–	–	5 127	–	5 127
Total liabilities	–	–	–	–	48 900	–	48 900
Other disclosures							
Transfers between segments	–	(76)	(144)	76	–	–	(144)
Acquisitions	–	–	218	32	–	–	250
Development and capital expenditure	398	379	603	142	–	–	1 522

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

30 June 2023

Growthpoint Investment Partners (GIP)

	Dividends received GHPH 39.1% Rm	Dividends received GSAH 14.3% Rm	Dividends received Lango segment 18.4% Rm	GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Conso-lidation Rm	Total GIP reported Rm
Material profit or loss disclosures									
Revenue excluding straight-line lease adjustment	–	–	–	–	–	451	379	–	830
Asset management fee income	–	–	–	98	98	–	–	(98)	–
Property-related expenses (including expected credit losses)	–	–	–		–	(78)	(141)	–	(219)
Net property income	–	–	–	98	98	373	238	(98)	611
Other administrative and operating overheads	–	–	–	(24)	(24)	(7)	(7)	–	(38)
Asset management fee expense	–	–	–	–	–	(44)	(33)	77	–
Equity-accounted investment profit – non-distributable profit	–	–	–	–	–	–	–	–	–
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	–	–	21	21
Fair value adjustment on investment property	–	–	–	–	–	97	44	–	141
Fair value adjustments (other than investment property)	–	–	–	–	–	–	3	–	3
Capital items and non-cash charges	–	–	–	–	–	–	–	–	–
Finance and other investment income	121	22	3	–	146	6	8	(143)	17
Finance expense	–	–	–	–	–	(94)	(58)	–	(152)
Consolidated profit before taxation	121	22	3	74	220	331	195	(143)	603

30 June 2023

	Investment GHPH 39.1% Rm	Investment GSAH 14.3% Rm	Investment Lango segment 18.4% Rm	GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Conso-lidation Rm	Total GIP reported Rm
	Growthpoint Investment Partners (GIP)								
Assets									
Cash and cash equivalents	–	–	–	–	–	79	125	–	204
Trade and other receivables	–	–	–	–	–	46	81	–	127
Taxation receivable	–	–	–	–	–	–	–	–	–
Investment property classified as held for sale	–	–	–	–	–	–	–	–	–
Investment property held for trading and development	–	–	–	–	–	–	–	–	–
Derivative assets	–	–	–	–	–	–	10	–	10
Listed investments	–	–	–	–	–	–	–	–	–
Fair value of property assets	–	–	–	–	–	3 668	2 717	–	6 385
Fair value of investment property	–	–	–	–	–	3 633	2 717	–	6 350
Tenant incentives	–	–	–	–	–	35	–	–	35
Right-of-use assets	–	–	–	–	–	–	–	–	–
Long-term loans granted	–	–	–	–	–	–	–	–	–
Equity-accounted investments	–	–	–	9	9	–	–	–	9
Unlisted investments	–	–	1 449	–	1 449	–	–	–	1 449
Equipment	–	–	–	–	–	–	3	–	3
Investment in subsidiaries	766	240	–	–	1 006	–	–	(1 006)	–
Intangible assets	–	–	–	–	–	–	–	–	–
Deferred tax assets	–	–	–	–	–	–	–	–	–
Total assets	766	240	1 449	9	2 464	3 793	2 936	(1 006)	8 187
Total property assets	–	–	11 520*	–	11 520	3 668	2 717	–	17 905
Liabilities									
Trade and other payables	–	–	–	–	–	29	132	–	161
Derivative liabilities	–	–	–	–	–	–	–	–	–
Tax payable	–	–	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	–	935	927	(935)	927
Lease liability	–	–	–	–	–	–	1	–	1
Deferred tax liability	–	–	–	–	–	–	117	–	117
Total liabilities	–	–	–	–	–	964	1 177	(935)	1 206
Other disclosures									
Transfers between segments	–	–	–	–	–	144	–	–	144
Acquisitions	–	–	–	–	–	–	49	–	49
Development and capital expenditure	–	–	–	–	–	7	392	–	399

* *100% of Lango's properties are included because Growthpoint co-manages these assets through its holding in Lango Real Estate Management Limited.*

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

30 June 2023

	Offshore								
	Distri-bution received Australia 100% Rm	Dividends received United Kingdom 100% Rm	Central and Eastern Europe segment 29.5% Rm	Total Offshore Rm	Australia segment Rm	United Kingdom segment Rm	Conso-lidation Rm	Total Offshore reported Rm	Total Group as reported Rm
Material profit or loss disclosures									
Revenue excluding straight-line lease adjustment	–	–	–	–	3 745	1 090	–	4 835	13 689
Asset management fee income	–	–	–	–	95	–	–	95	95
Property-related expenses (including expected credit losses)	–	–	–	–	(661)	(550)	–	(1 211)	(3 926)
Net property income	–	–	–	–	3 179	540	–	3 719	9 858
Other administrative and operating overheads	–	–	–	–	(410)	(98)	–	(508)	(931)
Asset management fee expense	–	–	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable profit	–	–	(756)	(756)	–	–	–	(756)	(13)
Equity-accounted investment profit – dividends/interest received	–	–	352	352	–	–	–	352	1 061
Fair value adjustment on investment property	–	–	–	–	(4 538)	(366)	–	(4 904)	(4 072)
Fair value adjustments (other than investment property)	–	–	–	–	339	51	–	390	412
Capital items and non-cash charges	–	–	–	–	(140)	(32)	–	(172)	(201)
Finance and other investment income	1 047	104	–	1 151	101	4	(1 151)	105	309
Finance expense	–	–	–	–	(986)	(203)	–	(1 189)	(4 356)
Consolidated profit before taxation	1 047	104	(404)	747	(2 455)	(104)	(1 151)	(2 963)	2 067

30 June 2023

Offshore

	Investment Australia 100% Rm	Investment United Kingdom 100% Rm	Central and Eastern Europe segment 29.5% Rm	Total Offshore Rm	Australia segment Rm	United Kingdom segment Rm	Conso-lidation Rm	Total Offshore reported Rm	Total Group as reported Rm
Assets									
Cash and cash equivalents	–	–	–	–	620	1 177	–	1 797	3 519
Trade and other receivables	–	–	–	–	205	322	–	527	1 581
Taxation receivable	–	–	–	–	–	–	–	–	163
Investment property classified as held for sale	–	–	–	–	–	–	–	–	18
Investment property held for trading and development	–	–	–	–	–	–	–	–	442
Derivative assets	–	–	–	–	724	37	–	761	1 971
Listed investments	–	–	–	–	1 576	–	–	1 576	1 576
Fair value of property assets	–	–	–	–	61 760	8 545	–	70 305	140 322
Fair value of investment property	–	–	–	–	59 676	7 966	–	67 642	137 104
Tenant incentives	–	–	–	–	904	64	–	968	1 486
Right-of-use assets	–	–	–	–	1 180	515	–	1 695	1 732
Long-term loans granted	–	–	–	–	–	–	–	–	3 235
Equity-accounted investments	–	–	9 903	9 903	–	–	–	9 903	16 471
Unlisted investments	–	–	–	–	50	–	–	50	1 561
Equipment	–	–	–	–	35	66	–	101	111
Investment in subsidiaries	9 594	3 563	–	13 157	–	–	(13 157)	–	–
Intangible assets	–	–	–	–	487	–	–	487	977
Deferred tax assets	–	–	–	–	–	29	–	29	29
Total assets	9 594	3 563	9 903	23 060	65 457	10 176	(13 157)	85 536	171 976
Total property assets	–	–	17 432	17 432	61 760	8 545	–	87 737	179 798
Liabilities									
Trade and other payables	–	–	–	–	863	670	–	1 533	3 623
Derivative liabilities	–	–	–	–	–	–	–	–	1 450
Tax payable	–	–	–	–	89	–	–	89	89
Interest-bearing borrowings	–	–	–	–	23 293	3 603	–	26 896	68 180
Lease liability	–	–	–	–	1 343	720	–	2 063	2 101
Deferred tax liability	–	–	–	–	37	–	–	37	5 281
Total liabilities	–	–	–	–	25 625	4 993	–	30 618	80 724
Other disclosures									
Transfers between segments	–	–	–	–	–	–	–	–	–
Acquisitions	–	–	–	–	2 033	–	–	2 033	2 332
Development and capital expenditure	–	–	–	–	336	270	–	606	2 527

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2022						
	South Africa						
	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	Trading and Development segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	Total SA reported Rm
Material profit or loss disclosures							
Revenue excluding straight-line lease adjustment	3 165	3 063	1 591	107	–	–	7 926
Asset management fee income	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	(926)	(986)	(378)	(3)	–	–	(2 293)
Net property income	2 239	2 077	1 213	104	–	–	5 633
Other administrative and operating overheads	–	–	–	–	(414)	–	(414)
Asset management fee expense	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable loss	–	(4)	–	–	–	(557)	(561)
Equity-accounted investment profit – dividends/interest received	–	4	–	–	–	567	571
Fair value adjustment on investment property	28	(1 470)	208	–	–	–	(1 234)
Fair value adjustments (other than investment property)	–	–	–	–	1 859	–	1 859
Capital items and non-cash charges	–	–	–	–	(98)	–	(98)
Finance and other investment income	–	–	–	–	58	–	58
Finance expense	–	–	–	–	(2 230)	–	(2 230)
Consolidated profit before taxation	2 267	607	1 421	104	(825)	10	3 584

30 June 2022

South Africa

	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	Trading and Development segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	Total SA reported Rm
Assets							
Cash and cash equivalents	–	–	–	–	1 334	–	1 334
Trade and other receivables	–	–	–	–	1 526	–	1 526
Taxation receivable	–	–	–	–	153	–	153
Investment property classified as held for sale	–	35	38	–	–	–	73
Investment property held for trading and development	–	–	–	453	–	–	453
Derivative assets	–	–	–	–	1 805	–	1 805
Listed investments	–	–	–	–	–	–	–
Fair value of property assets	24 573	25 964	12 054	–	–	–	62 591
Fair value of investment property	24 450	25 653	12 033	–	–	–	62 136
Tenant incentives	86	311	21	–	–	–	418
Right-of-use assets	37	–	–	–	–	–	37
Long-term loans granted	–	–	–	–	3 313	–	3 313
Equity-accounted investments	–	–	–	–	37	5 780	5 817
Unlisted investments	–	–	–	–	62	–	62
Equipment	–	–	–	–	4	–	4
Investment in subsidiaries	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	496	–	496
Deferred tax assets	–	–	–	–	–	–	–
Total assets	24 573	25 999	12 092	453	8 730	5 780	77 627
Total property assets	24 573	25 999	12 092	453	–	9 001	72 118
Liabilities							
Trade and other payables	–	–	–	–	2 085	–	2 085
Derivative liabilities	–	–	–	–	813	–	813
Tax payable	–	–	–	–	–	–	–
Liabilities associated with assets classified as held for sale	–	–	–	–	–	–	–
Inter-company liabilities	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	38 949	–	38 949
Lease liability	–	–	–	–	38	–	38
Deferred tax liability	–	–	–	–	5 319	–	5 319
Total liabilities	–	–	–	–	47 204	–	47 204
Other disclosures							
Transfers between segments	–	–	(17)	17	–	–	–
Acquisitions	–	–	6	–	–	–	6
Development and capital expenditure	232	303	220	188	–	–	943

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2022								
	Growthpoint Investment Partners (GIP)								
	Dividends received GHPH 55.9% Rm	Dividends received GSAH 16.6% Rm	Dividends received Lango 16.3% Rm	GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Conso-lidation Rm	Total GIPs reported Rm
Material profit or loss disclosures									
Revenue excluding straight-line lease adjustment	–	–	–	–	–	378	174	–	552
Asset management fee income	–	–	–	67	67	–	–	(67)	–
Property-related expenses (including expected credit losses)	–	–	–		–	(56)	(48)	–	(104)
Net property income	–	–	–	67	67	322	126	(67)	448
Other administrative and operating overheads	–	–	–	(15)	(15)	(8)	(6)	–	(29)
Asset management fee expense	–	–	–	–	–	(41)	(15)	56	–
Equity-accounted investment profit – non-distributable loss	–	–	–	–	–	–	–	–	–
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	–	–	11	11
Fair value adjustment on investment property	–	–	–	–	–	86	(31)	–	55
Fair value adjustments (other than investment property)	–	–	–	–	–	–	–	–	–
Capital items and non-cash charges	–	–	–	–	–	–	(13)	–	(13)
Finance and other investment income	143	17	22	–	182	–	1	(160)	23
Finance expense	–	–	–	–	–	–	(24)	–	(24)
Consolidated profit before taxation	143	17	22	52	234	359	38	(160)	471

30 June 2022

Growthpoint Investment Partners (GIP)

	Investment GHPH 55.9% Rm	Investment GSAH 16.6% Rm	Investment Lango 16.3% Rm	GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	**Conso-lidation Rm**	**Total GIP reported Rm**
Assets									
Cash and cash equivalents	–	–	–	–	–	98	65	–	163
Trade and other receivables	–	–	–	–	–	30	54	–	84
Taxation receivable	–	–	–	–	–	–	–	–	–
Investment property classified as held for sale	–	–	–	–	–	–	–	–	–
Investment property held for trading and development	–	–	–	–	–	–	–	–	–
Derivative assets	–	–	–	–	–	–	–	–	–
Listed investments	–	–	–	–	–	–	–	–	–
Fair value of property assets	–	–	–	–	–	3 406	2 233	–	5 639
Fair value of investment property	–	–	–	–	–	3 385	2 233	–	5 618
Tenant incentives	–	–	–	–	–	21	–	–	21
Right-of-use assets	–	–	–	–	–	–	–	–	–
Long-term loans granted	–	–	–	–	–	–	–	–	–
Equity-accounted investments	–	–		10	10	–	–	–	10
Unlisted investments	–	–	858	–	858	–	–	–	858
Equipment	–	–	–	–	–	–	–	–	–
Investment in subsidiaries	1 206	240	–	–	1 446	–	–	(1 446)	–
Intangible assets	–	–	–	–	–	–	–	–	–
Deferred tax assets	–	–	–	–	–	–	–	–	–
Total assets	1 206	240	858	10	2 314	3 534	2 352	(1 446)	6 754
Total property assets	–	–	9 979*	–	9 979	3 406	2 233	–	15 618
Liabilities									
Trade and other payables	–	–	–	–	–	23	68	–	91
Derivative liabilities	–	–	–	–	–	–	–	–	–
Tax payable	–	–	–	–	–	–	–	–	–
Liabilities associated with assets classified as held for sale	–	–	–	–	–	–	–	–	–
Inter-company liabilities	–	–	–	–	–	1 295	66	(1 361)	–
Interest-bearing borrowings	–	–	–	–	–	–	666	–	666
Lease liability	–	–	–	–	–	–	1	–	1
Deferred tax liability	–	–	–	–	–	–	117	–	117
Total liabilities	–	–	–	–	–	1 318	918	(1 361)	875
Other disclosures									
Transfers between segments	–	–	–	–	–	–	–	–	–
Acquisitions	–	–	–	–	–	–	2 060	–	2 060
Development and capital expenditure	–	–	–	–	–	4	204	–	208

* *100% of Lango's properties are included because Growthpoint co-manages these assets through its holding in Lango Real Estate Management Limited.*

SEGMENTAL ANALYSIS (CONTINUED)

For the year ended 30 June 2023

	30 June 2022								
	Offshore								
	Distribution received Australia 100% Rm	Dividends received United Kingdom 100% Rm	Central and Eastern Europe 29.4% Rm	Total Offshore Rm	Australia segment Rm	United Kingdom segment Rm	Conso-lidation Rm	Total Offshore reported Rm	Total Group as reported Rm
Material profit or loss disclosures									
Revenue excluding straight-line lease adjustment	–	–	–	–	3 218	1 188	–	4 406	12 884
Asset management fee income	–	–	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	–	–	–	–	(558)	(561)	–	(1 119)	(3 516)
Net property income	–	–	–	–	2 660	627	–	3 287	9 368
Other administrative and operating overheads	–	–	–	–	(248)	(141)	–	(389)	(832)
Asset management fee expense	–	–	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable loss	–	–	82	82	–	–	–	82	(479)
Equity-accounted investment profit – dividends/interest received	–	–	306	306	–	–	–	306	888
Fair value adjustment on investment property	–	–	–	–	3 375	(175)	–	3 200	2 021
Fair value adjustments (other than investment property)	–	–	–	–	1 402	1 150	–	2 552	4 411
Capital items and non-cash charges	–	–	–	–	1	104	–	105	(6)
Finance and other investment income	1 065	–	–	1 065	86	–	(1 065)	86	167
Finance expense	–	–	–	–	(546)	(315)	–	(861)	(3 115)
Consolidated profit before taxation	1 065	–	388	1 453	6 730	1 250	(1 065)	8 368	12 423

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Offshore

	Investment Australia 100% Rm	Investment United Kingdom 100% Rm	Central and Eastern Europe 29.4% Rm	Total Offshore Rm	Australia segment Rm	United Kingdom segment Rm	Conso-lidation Rm	Total Offshore reported Rm	Total Group as reported Rm
Assets									
Cash and cash equivalents	–	–	–	–	553	791	–	1 344	2 841
Trade and other receivables	–	–	–	–	346	365	–	711	2 321
Taxation receivable	–	–	–	–	–	–	–	–	153
Investment property classified as held for sale	–	–	–	–	–	793	–	793	866
Investment property held for trading and development	–	–	–	–	–	–	–	–	453
Derivative assets	–	–	–	–	665	22	–	687	2 492
Listed investments	–	–	–	–	1 489	–	–	1 489	1 489
Fair value of property assets	–	–	–	–	58 820	7 662	–	66 482	134 712
Fair value of investment property	–	–	–	–	56 780	7 157	–	63 937	131 691
Tenant incentives	–	–	–	–	974	57	–	1 031	1 470
Right-of-use assets	–	–	–	–	1 066	448	–	1 514	1 551
Long-term loans granted	–	–	–	–	–	–	–	–	3 313
Equity-accounted investments	–	–	8 758	8 758	–	–	–	8 758	14 585
Unlisted investments	–	–	–	–	–	1	–	1	921
Equipment	–	–	–	–	7	38	–	45	49
Investment in subsidiaries	9 594	3 467	–	13 061	–	–	(13 061)	–	–
Intangible assets	–	–	–	–	–	–	–	–	496
Deferred tax assets	–	–	–	–	18	20	–	38	38
Total assets	9 594	3 467	8 758	21 819	61 898	9 692	(13 061)	80 348	164 729
Total property assets	–	–	15 755	15 755	58 820	8 455	–	83 030	170 766
Liabilities									
Trade and other payables	–	–	–	–	808	557	–	1 365	3 541
Derivative liabilities	–	–	–	–	4	–	–	4	817
Tax payable	–	–	–	–	61	6	–	67	67
Liabilities associated with assets classified as held for sale	–	–	–	–	–	39	–	39	39
Inter-company liabilities	–	–	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	19 344	3 898	–	23 242	62 857
Lease liability	–	–	–	–	1 176	611	–	1 787	1 826
Deferred tax liability	–	–	–	–	–	–	–	–	5 436
Total liabilities	–	–	–	–	21 393	5 111	–	26 504	74 583
Other disclosures									
Transfers between segments	–	–	–	–	–	–	–	–	–
Acquisitions	–	–	–	–	3 025	–	–	3 025	5 091
Development and capital expenditure	–	–	–	–	484	190	–	674	1 825

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2023

1. Revenue

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Revenue from contracts with tenants				
Total contracted rental income	**10 871**	10 596	**3 225**	3 159
Assessment rates recovered	**858**	783	**417**	392
Contracted operating cost recoveries	**1 008**	939	**271**	263
Solar electricity	**17**	–	**8**	–
Turnover rental	**74**	52	**29**	24
Non-contractual revenue				
Funds management revenue	**95**	–	**–**	–
Casual parking	**176**	185	**20**	19
Development fees earned	**107**	46	**96**	82
Other income*	**510**	212	**57**	46
Property management income	**68**	71	**–**	–
	13 784	12 884	**4 123**	3 985

* *Other income includes court space rentals, insurance income, interest received from tenants in arrears and lease surrender fees.*

2. Property-related expenses

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Electricity, water and other recoverable charges	**285**	172	**6**	(29)
Cost	**2 009**	1 853	**844**	763
Recovery	**(1 724)**	(1 681)	**(838)**	(792)
Assessment rates	**1 306**	1 222	**574**	541
Bad debts written off	**63**	101	**23**	45
Cleaning	**207**	180	**75**	68
Consulting fees	**6**	–	**54**	45
Insurance	**71**	70	**30**	27
Letting commissions	**58**	56	**69**	67
Other property expenses*	**734**	645	**74**	79
Property management expenses	**165**	133	**148**	141
Repairs and maintenance	**327**	296	**95**	98
Salaries, bonuses and other employee-related costs	**439**	440	**–**	–
Security	**307**	288	**140**	132
	3 968	3 603	**1 288**	1 214

* *Other property expenses include gardening expenses, general expenses, levies, parking management fees and professional fees.*

3. Other administrative and operating overheads

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Administration costs	**281**	275	**40**	55
Management fee	**–**	–	**132**	121
Auditor's remuneration	**33**	27	**19**	13
Audit and assurance services	**31**	22	**17**	13
Non-audit assurance services	**2**	5	**2**	–
Directors' fees	**13**	14	**16**	15
Legal fees	**5**	7	**2**	3
Other fund expenses	**8**	24	**2**	11
Salaries, bonuses and other employee-related costs	**591**	485	**–**	–
	931	832	**211**	218

4. Fair value adjustments, capital items and other charges

		Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
4.1	**Fair value adjustments**				
	Net investment property revaluation	**(4 028)**	1 857	**217**	(565)
	Fair value adjustment on gross investment property	**(4 065)**	2 027	**230**	(566)
	Fair value adjustment on the right-of-use assets	**(7)**	(6)	**(2)**	(2)
	Straight-line lease income adjustment	**44**	(164)	**(11)**	3
	Investment in subsidiaries	**–**	–	**(1 628)**	(3 514)
	Investments in joint ventures and associates	**–**	–	**744**	(558)
	Other gains or losses	**412**	4 411	**(963)**	1 179
	Unrealised gains/(losses) on interest-bearing borrowings	**800**	767	**10**	(215)
	Realised gains on interest-bearing borrowings	**–**	633	**–**	–
	Foreign exchange gains/(losses) on non-derivative items	**498**	39	**(18)**	(64)
	Realised and unrealised (losses)/gains on derivatives	**(1 216)**	2 787	**(1 184)**	963
	Realised losses on derivatives early settled	**–**	(43)	**–**	–
	Interest on derivatives	**574**	(75)	**397**	(179)
	Fair value adjustments on listed investments*	**(87)**	(361)	**–**	–
	Fair value adjustments on unlisted investments*	**79**	77	**79**	86
	Fair value adjustments of long-term loans granted	**(236)**	587	**(247)**	588
		(3 616)	6 268	**(1 630)**	(3 458)
4.2	**Capital items**				
	Impairment of non-financial assets	**(5)**	–	**–**	–
	Impairment of goodwill	**(111)**	–	**–**	–
	Profit on the sale of capital assets	**15**	150	**32**	46
	Capital costs incurred	**(58)**	(76)	**(26)**	(36)
		(159)	74	**6**	10
4.3	**Non-cash charges**				
	Amortisation of intangible assets	**(27)**	(103)	**–**	–
	(Decrease)/increase in staff incentive scheme cost	**(15)**	23	**–**	–
		(42)	(80)	**–**	–
	Total fair value adjustments, capital items and other charges	**(3 817)**	6 262	**(1 624)**	(3 448)

* *The comparative figures have been represented for comparability.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

5. Net finance expense and other investment income

		Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
5.1	**Investment income**				
	Dividends from listed and unlisted investments	107	120	3	–
	Dividends from subsidiaries	–	–	2 542	2 672
	Foreign REIT distributions	–	–	1 047	1 042
		107	120	3 592	3 714
5.2	**Finance income**				
	Effective interest method				
	Other	31	3	–	–
	Subsidiaries and controlled trust	–	–	111	154
	At FVTPL on initial recognition				
	Joint venture and associates	–	–	709	567
	Money market funds	171	44	141	50
		202	47	961	771
	Total finance and investment income	309	167	4 553	4 485
5.3	**Finance expense**				
	Effective interest method				
	Interest in financial liabilities	–	–	71	–
	Interest on lease liabilities	89	18	2	2
	At FVTPL on initial recognition				
	Interest on financial liabilities	4 306	3 105	2 617	1 871
	Less: Borrowing cost capitalised to investment property developments (at prime less 1.0%)	(39)	(8)	(18)	(8)
	Total finance expense	4 356	3 115	2 672	1 865
5.4	**Reconciliation of interest paid**				
	Recognised in profit or loss as finance expense	4 356	3 115	2 672	1 865
	Recognised in profit or loss as realised interest on derivatives	(574)	75	(397)	179
	(Decrease)/increase in accrued interest	392	(9)	(201)	(2)
	Total interest paid	4 174	3 181	2 074	2 042
	Interest cover ratio (times)	2.85	3.11	3.28	3.37

Interest cover ratio for Growthpoint is based on the operating profit excluding straight-line lease income adjustment plus the investment income from investments and equity-accounted investments divided by the finance costs, after deducting finance income from banks and long-term loans granted.

6. Basic and headline earnings per share

GROUP

6.1 Summary of earnings per share (EPS), headline earnings per share (HEPS) and distributable income per share (DIPS)

		Earnings attributable		Weighted average number of shares		Cents per share	
		2023 Rm	2022 Rm	**2023**	2022	**2023**	2022
Total operations							
EPS	Basic	**2 356**	7 937	**3 402 743 839**	3 405 871 086	**69.24**	233.04
EPS	Diluted	**2 356**	7 937	**3 420 915 475**	3 419 088 046	**68.87**	232.14
HEPS	Basic	**5 091**	7 191	**3 402 743 839**	3 405 871 086	**149.61**	211.14
HEPS	Diluted	**5 091**	7 191	**3 420 915 475**	3 419 088 046	**148.82**	210.32

	Earnings attributable		Actual number of shares		Cents per share	
	2023 Rm	2022 Rm	**2023**	2022	**2023**	2022
DIPS	**5 363**	5 307	**3 380 482 632**	3 407 663 028	**157.6**	155.60

6.2 Reconciliation between basic earnings, diluted earnings and headline earnings

	SOCI#		Total gross and net	
	2023 Rm	2022 Rm	**2023 Rm**	2022 Rm
Profit for the year			**2 356**	7 937
Adjustments:				
Impairment of goodwill	**(3 817)***	6 262*	**111**	–
Fair value adjustments on investment property			**2 624**	(746)
Net investment property revaluation	**(3 817)***	6 262*	**4 028**	(1 857)
Fair value adjustments: equity-accounted investments	**(13)***	(479)*	**316**	(13)
NCI portion of fair value adjustments	**(3 817)***	6 262*	**(1 720)**	1 124
Headline basic and diluted earnings			**5 091**	7 191

* *The impairment of goodwill, fair value adjustment on investment property and NCI portions are included in the "fair value adjustment, capital items and other charges" line item on the face of the statement of profit or loss and other comprehensive income, which total (R3 817m) (FY22: (R6 262m)) in note 4. The fair value adjustment for equity-accounted investments is included in the "Non-distributable income" line on the face of the statement of profit or loss and other comprehensive income, which total (R13m) (FY22: (R479m)) in note 8.2.*

\# *Statement of profit or loss and comprehensive income.*

6.3 Reconciliation of weighted average number of shares

	Weighted number of shares	
	2023	2022
Weighted average number of shares	**3 402 743 839**	3 405 871 086
Number of shares as at 1 July	**3 430 787 066**	3 430 787 066
Shares issued during the year	**–**	–
Effect of treasury shares held	**(28 043 227)**	(24 915 980)
Diluted effect of share options granted to employees	**18 171 636**	13 216 960
Diluted average number of shares	**3 420 915 475**	3 419 088 046

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

7. Property assets

		Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
7.1	**Fair value of property assets**				
	Opening balance	131 691	125 050	31 458	32 200
	Additions at cost				
	Acquisitions	2 300	3 031	1 333	–
	Development expenditure	943	346	364	2
	Capital expenditure	1 442	1 288	454	380
	GSAH acquisitions	–	2 060	–	–
	Deconsolidation of C&R Luton	–	(1 981)	–	–
	Disposal at fair value	(3 022)	(1 773)	(309)	(542)
	Transferred to investment property classified as held for sale	(18)	(866)	–	–
	Transferred to investment property held for trading and development	(76)	(18)	(76)	(18)
	Gross fair value adjustments	(4 060)	2 029	230	(564)
	Foreign currency translation	7 904	2 525	–	–
	Less: Straight-line lease income adjustment	(3 660)	(3 565)	(1 334)	(1 323)
	Fair value of investment property for accounting purposes	133 444	128 126	32 120	30 135
	Straight-line lease income adjustment	3 660	3 565	1 334	1 323
	Closing balance	137 104	131 691	33 454	31 458
	Cost	128 878	119 405	27 872	26 106
	Cumulative fair value surplus	8 226	12 286	5 582	5 352
7.2	**Straight-line lease income adjustment**				
	Opening balance	3 565	3 359	1 323	1 326
	Arising during the year	(44)	164	11	(3)
	Foreign currency translation	139	42	–	–
	Closing balance	3 660	3 565	1 334	1 323
7.3	**Tenant incentives**				
	Opening balance	1 470	1 402	225	186
	Acquisitions	591	323	106	110
	Amortisation of tenant incentives [including GOZ R469.8m (FY22: R98.2m)]	(624)	(303)	(75)	(71)
	Disposal at fair value	(64)	–	–	–
	Foreign currency translation	113	48	–	–
	Closing balance	1 486	1 470	256	225
7.4	**Right-of-use assets**				
	Opening balance	1 551	1 609	23	26
	Additions	25	2	–	–
	Depreciation	(49)	(84)	–	–
	Fair value adjustments	(7)	(6)	(2)	(2)
	Foreign currency translation	214	(26)	–	–
	Adjustment for re-assessment of the lease liability	(2)	56	–	(1)
	Closing balance	1 732	1 551	21	23

7. Property assets (continued)

		Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
7.5	**Investment property classified as held for sale**				
	Opening balance	**866**	181	**–**	94
	Transferred from investment property	**18**	866	**–**	–
	Capital expenditure	**–**	3	**–**	2
	Gross fair value adjustments	**(1)**	(2)	**–**	(2)
	Disposal at fair value	**(881)**	(182)	**–**	(94)
	Foreign currency translation	**16**	–	**–**	–
	Closing balance	**18**	866	**–**	–
	Cost	**12**	3 769	**–**	–
	Cumulative fair value surplus/(loss)	**6**	(2 903)	**–**	–

The investment property classified as property held for sale are properties acquired or developed which will be recovered through sale rather than through use as part of the trading and development strategy and meets the requirements of the accounting standards.

GROUP

The opening balance relates to five South African properties, four in the industrial sector with a fair value of R37.6m and one in the office sector with a fair value of R34.9m, as well as one United Kingdom property in the retail sector with a fair value of GBP40.0m (R793.0m). In the current year, the South African investment properties were disposed of for R72.5m (FY22: R181.5m) and the United Kingdom property for GBP40.0m (R809.0m).

Sales agreements have been entered into for one further South African property in the industrial sector with a fair value of R18.0m. No Australian or United Kingdom properties were classified as held for sale as at FY23.

COMPANY

The company had no investment property classified as held for sale as at the end of the prior year and for the current year.

		Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
7.6	**Property held for trading and development**				
	Opening balance	**453**	548	**453**	1 005
	Acquisitions	**32**	–	**32**	–
	Development expenditure	**142**	188	**142**	198
	Transferred from investment property	**76**	18	**76**	18
	Profit on the sale of property held for trading and development	**79**	38	**79**	87
	Disposals	**(340)**	(339)	**(340)**	(855)
	Closing balance	**442**	453	**442**	453

The properties classified as held for trading and development are properties acquired or developed to be sold as part of the trading and development strategy.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

7. Property assets (continued)

GROUP

	2023			2022		
	Within 12 months Rm	More than 12 months Rm	Total Rm	Within 12 months Rm	More than 12 months Rm	Total Rm
7.7 Capital commitments						
Capital commitments	1 581	1 231	2 812	2 536	867	3 403
South Africa	1 174	645	1 819	573	81	654
GOZ	24	493	517	1 669	532	2 201
C&R	186	–	186	237	–	237
V&A Waterfront	197	93	290	57	254	311

COMPANY

	2023			2022		
	Within 12 months Rm	More than 12 months Rm	Total Rm	Within 12 months Rm	More than 12 months Rm	Total Rm
Capital commitments	710	–	710	477	–	477

7.8 Minimum contracted rental

Minimum contracted rental income

The Group and company leases a number of retail, office and industrial properties under operating leases. Leases typically run for a period of three to five years for the South African portfolio. The leases for GOZ and C&R, on average, run for a period of eight to 10 years and six to seven years respectively.

GROUP

2023

Undiscounted contracted rental amounts receivable at year end

	Less than one year	Between one and five years	More than five years	Total
South Africa	7 789	16 573	9 030	33 392
Australia (GOZ)	3 312	9 683	12 598	25 593
United Kingdom (C&R)	381	711	2 072	3 164
	11 482	26 967	23 700	62 149

2022

Undiscounted contracted rental amounts receivable at year end

	Less than one year	Between one and five years	More than five years	Total
South Africa	8 079	17 200	11 454	36 733
Australia (GOZ)	2 891	8 923	10 963	22 777
United Kingdom (C&R)	660	1 382	1 677	3 719
	11 630	27 505	24 094	63 229

7. Property assets (continued)

7.8 Minimum contracted rental (continued)

COMPANY

2023

Undiscounted contracted rental amounts receivable at year end

	Less than one year	Between one and five years	More than five years	Total
South Africa	3 415	6 552	2 095	12 062

2022

Undiscounted contracted rental amounts receivable at year end

	Less than one year	Between one and five years	More than five years	Total
South Africa	2 743	5 358	2 842	10 943

8. Investments in joint ventures and associates

The Group has material investments in the V&A Waterfront and GWI.

The V&A Waterfront is the owner of the developed and undeveloped land, which is held to earn rental income and for capital appreciation. GWI is a London Stock Exchange (AIM)-listed real estate company that focuses primarily on the commercial real estate market in Romania and Poland.

Growthpoint owns 50% of Ferguson Place RF (Pty) Ltd and 37.5% of Lango Real Estate Management Limited (Lango Manco), both of which are considered immaterial.

8.1 The investments consist of the following:

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
V&A Waterfront – joint venture	6 524	5 780	7 298	6 554
GWI – associate	9 903	8 758	–	–
Ferguson Place – joint venture	35	37	–	–
Lango Manco – associate	9	10	9	–
Closing balance	16 471	14 585	7 307	6 554

8.2 Reconciliation of investments

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Opening balance	14 585	15 003	6 554	7 112
Acquisitions	195	–	9	–
Share in equity-accounted results – distributable	1 061	888	–	–
Interest/dividends received from equity-accounted investments	(1 061)	(888)	–	–
Loss from equity-accounted investments	(13)	(479)	–	–
Disposal of investment	(1)	–	–	–
Fair value adjustments	–	–	744	(558)
Foreign currency translation	1 705	61	–	–
Closing balance	16 471	14 585	7 307	6 554

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

8. Equity-accounted investments (continued)

8.3 Summarised financial information for material joint ventures and associates

	V&A Waterfront Joint venture		GWI Associate	
	2023	2022	**2023**	2022
Primary place of business	**South Africa**	South Africa	**Romania and Poland**	Romania and Poland
Proportion of ownership interest	**50.0%**	50.0%	**29.5%**	29.4%
Fair value of investment	**No quoted market price**	No quoted market price	**4 337**	5 967
Fair value of investment per share	**No quoted market price**	No quoted market price	**EUR3.03**	EUR5.36

	V&A Waterfront Joint venture		GWI Associate	
Statement of financial position	**2023 Rm**	2022 Rm	**2023 Rm**	2022 Rm
ASSETS				
Non-current assets				
Closing fair value of property assets	**20 128**	18 002	**59 091**	51 349
Other assets	**668**	577	**2 067**	1 555
Current assets				
Other current assets (excluding cash and cash equivalents)	**130**	219	**3 259**	2 853
Cash and cash equivalents	**617**	765	**2 687**	3 152
Total assets	**21 543**	19 563	**67 104**	58 909
EQUITY AND LIABILITIES				
Equity				
Owners' equity	**3 048**	1 559	**33 598**	29 748
Shareholders' debentures	**10 000**	10 000	**–**	–
Total shareholders'/unitholders' interest	**13 048**	11 559	**33 598**	29 748
Total equity	**13 048**	11 559	**33 598**	29 748
Non-current liabilities				
Non-current financial liabilities (excluding trade and other payables and provisions)	**1 113**	359	**29 048**	25 076
Deferred tax liability	**337**	–	**2 861**	2 794
Shareholders' loans	**6 444**	6 643	**–**	–
Current liabilities				
Trade and other payables (including current loan account with Growthpoint)	**304**	883	**918**	694
Financial liabilities (excluding trade and other payables and provisions)	**212**	65	**669**	585
Other current liabilities	**85**	54	**10**	12
Total liabilities	**8 495**	8 004	**33 506**	29 161
Total equity and liabilities	**21 543**	19 563	**67 104**	58 909
Growthpoint's share in total shareholders'/unitholders' interest (at respective ownership percentage)	**6 524**	5 780	**9 903**	8 758

8. Equity-accounted investments (continued)

8.3 Summarised financial information for material joint ventures and associates (continued)

	V&A Waterfront Joint venture		GWI Associate	
Statement of comprehensive income	**2023 Rm**	2022 Rm	**2023 Rm**	2022 Rm
Total revenue	**2 196**	2 002	**4 503**	3 893
Property-related expenses	**(796)**	(586)	**(1 829)**	(1 471)
Net property income	**1 400**	1 416	**2 674**	2 422
Fair value adjustments, capital items and other charges	**1 515**	(1 241)	**(3 733)**	283
Equity-accounted investment profit – net of tax	**21**	18	**71**	142
Finance and other investment income	**53**	31	**367**	51
Finance expense	**(37)**	(18)	**(986)**	(952)
Other administrative and operating overheads	**(239)**	(185)	**(279)**	(433)
Profit/(loss) from continued operations	**2 713**	21	**(1 886)**	1 513
Taxation	**(337)**	–	**504**	(351)
Profit/(loss) for the year from continued operations	**2 376**	21	**(1 382)**	1 162
Other comprehensive (loss)/income	**–**	–	**(100)**	1
Total comprehensive income/(loss)	**2 376**	21	**(1 482)**	1 163
Non-controlling interest	**–**	–	**23**	(14)
Equity-accounted profit/(loss) before interest paid to unitholders	**2 376**	21	**(1 459)**	1 149
Interest paid to unitholders	**(1 377)**	(1 134)	**–**	–
Total equity-accounted (loss)/profit	**999**	(1 113)	**(1 459)**	1 149
Growthpoint's share in equity-accounted interest	**743**	(557)	**(755)**	72
Interest received by Growthpoint	**688**	567	**–**	–
Dividends received by Growthpoint	**–**	–	**352**	306

The financial year end of the V&A Waterfront is 31 March while GWI is 31 December. The financial information as at 30 June, is however used in applying the equity method.

8.4 Summarised financial information for immaterial joint ventures

	Group 2023 Rm	Group 2022 Rm	**Company 2023 Rm**	Company 2022 Rm
(Loss)/profit from continued operations	**(1)**	6	**–**	–
(Loss)/profit after tax from continued operations	**(1)**	6	**–**	–
Other comprehensive income	**–**	–	**–**	–
Total comprehensive (loss)/income	**(1)**	6	**–**	–
Dividends received from immaterial joint ventures and associates	**21**	15	**–**	–

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

9. Listed investments

The Group has a listed investment in Dexus Industria REIT (DXI).

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Opening balance	1 489	1 122	–	–
Acquisitions	–	664	–	–
Fair value adjustments	(87)	(361)	–	–
Foreign currency translation	174	64	–	–
Closing balance	1 576	1 489	–	–

10. Unlisted investments

The unlisted investments consists of an investment in Fortius Fund co-investments, Lango Real Estate Limited, Refuel Properties (Pty) Limited (Workshop 17) and The SA SME Fund Limited.

10.1 The unlisted investments consists of the following:

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Co-investments in Fortius Funds	50	–	–	–
Kingfisher Limited Partnership	–	1	–	–
Lango Real Estate Limited	1 449	858	1 449	858
Refuel Properties (Pty) Limited (Workshop 17)	42	42	42	42
The SA SME Fund Limited	20	20	20	20
	1 561	921	1 511	920

10.2 Reconciliation of unlisted investments

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Opening balance	921	808	920	794
Acquisitions	553	11	514	15
Disposals	(2)	(17)	(2)	(17)
Foreign currency translation	10	–	–	–
Fair value adjustments	79	77	79	86
Reclassified from long-term loans granted	–	42	–	42
Closing balance	1 561	921	1 511	920

11. Investment in subsidiaries, inter-company assets and liabilities
COMPANY

11.1 Investment in subsidiaries at fair value through profit or loss

	2023 Rm	2022 Rm
Opening balance	41 236	44 005
Acquisitions of subsidiaries	–	240
Investments in subsidiaries	–	505
Fair value adjustment	(1 628)	(3 514)
Closing balance	39 608	41 236
Investment in GOZ	16 811	18 398
Investment in C&R	1 478	1 120
South African subsidiaries	21 319	21 718

11.2 Reconciliation of inter-company assets

	2023 Rm	2022 Rm
Opening balance	14 897	17 743
Accrued interest	(10)	5
Movement in allowance for ECL	78	(2 102)
Other non-cash movements*	(1 154)	23
Repayment of loans	(2 360)	(821)
Loans advanced to group companies	3 200	–
Working capital cash flows	(430)	49
Closing balance	14 221	14 897

* *Mainly relates to a property that was sold to the company by a subsidiary of the Group.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

11. Investment in subsidiaries, inter-company assets and liabilities (continued)

COMPANY

The company owns shares in:

Subsidiary	Country of incorporation	Percentage held 2023	Percentage held 2022
1 Roger Dyason (Pty) Ltd	South Africa	100%	100%
Acucap Properties Limited	South Africa	100%	100%
Burg Brother Investments (Pty) Ltd	South Africa	100%	100%
Changing Tides 5 (Pty) Ltd	South Africa	100%	100%
Fairy Glen Properties (Pty) Ltd	South Africa	100%	100%
Fourways Crossing Retail Centre (Pty) Ltd	South Africa	100%	100%
G Properties One (Pty) Ltd	South Africa	100%	100%
G Properties Two (Pty) Ltd	South Africa	100%	100%
Growthpoint ABQ (Pty) Ltd	South Africa	100%	100%
Growthpoint Healthcare Property Holdings (RF) Limited (GHPH)	South Africa	39.1%	55.9%
Growthpoint Healthcare Property Management Company (Pty) Ltd	South Africa	100%	100%
Growthpoint Management Services (Pty) Ltd	South Africa	100%	100%
Growthpoint Properties Australia Limited*	Australia	63.7%	62.2%
Growthpoint Properties Australia Trust*	Australia	63.7%	62.2%
Growthpoint Properties International (Pty) Ltd	South Africa	100%	100%
Growthpoint Properties UK HoldCo 1 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 2 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 3 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 4 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 5 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 6 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 7 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 8 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 9 Limited	United Kingdom	100%	100%
Growthpoint Properties UK HoldCo 10 Limited	United Kingdom	100%	100%
Growthpoint Securitisation Warehouse Trust**	South Africa	100%	100%
Growthpoint Student Accommodation Holdings (RF) Limited (GSAH)	South Africa	14.3%	16.6%
Growthpoint Telecommunication Infrastructure (Pty) Ltd	South Africa	80%	80%
Growthpoint TPG (Pty) Ltd	South Africa	100%	100%
GRT Bloekom Properties (Pty) Ltd	South Africa	100%	100%
Metboard Properties Limited	South Africa	100%	100%
New Heights 344 (Pty) Ltd	South Africa	100%	100%
Okahao Properties (Pty) Ltd	South Africa	100%	100%
Oxford 144 Property Investments (Pty) Ltd	South Africa	100%	100%
Paramount Property Fund Limited	South Africa	100%	100%
Pin Mill (Pty) Ltd	South Africa	100%	100%
Silverhorn Properties (Pty) Ltd	South Africa	100%	100%
Skillfull 82 (Pty) Ltd	South Africa	100%	100%
Tyger Hills Office Park (Pty) Ltd	South Africa	100%	100%

* *Together being a stapled group.*
** *Growthpoint Properties Limited is the beneficial owner of Growthpoint Securitisation Warehouse Trust.*

All the investments in subsidiaries are recorded at fair value.

12. Business combination

On 15 September 2022, through GOZ, the Group acquired 100% of the shares in Fortius Funds Management (Pty) Ltd (Fortius). The acquisition involved a R530.2m (AUD45.0m) initial purchase price and subsequent R94.5m (AUD8.1m) net assets adjustment, paid in cash and funded from the GOZ's existing debt facilities.

Fortius is one of Australia's leading privately owned real estate funds management businesses with an established track record of investing in Australian real estate markets and generating strong returns for its investors. Establishment of a funds management business segment had been a key priority for GOZ and this acquisition added R22.0bn (AUD1.9bn) of funds under management (FUM) to GOZ's business.

As part of the purchase agreement, GOZ agreed to pay the selling shareholders any performance fees earned from existing funds during their current terms, net of any income tax expense. This earn-out component has been classified as variable consideration and forms part of the total purchase consideration. The acquisition-date fair value of these fees was estimated at R47.0m (AUD4.1m).

As part of the purchase agreement, GOZ agreed to pay the selling shareholders an additional earn-out component of up to R116.0m (AUD10.0m), payable based on agreed milestones relating to FUM and funds management revenue growth targets being met over the period to 30 June 2024. This earn-out component has been classified as compensation for post-combination services and does not form part of the total purchase consideration.

Fortius contributed revenue of R90.9m (AUD7.6m) and a net loss of R120.7m (AUD10.1m) to the Group, which includes goodwill impairment of R111.0m (AUD8.8m) and amortisation of management rights of R20.3m (AUD1.7m), for the period 15 September 2022 to 30 June 2023. If the acquisition had occurred on 1 July 2022, total revenue for the Group, combining Growthpoint and Fortius, would have been R21.5m (AUD1.8m) more and the net loss would have been R9.6m (AUD0.8m) more.

GOZ incurred acquisition-related costs of R34.8m (AUD3.0m) relating to external legal fees and due diligence costs. R23.2m (AUD2.0m) of these costs have been incurred in the first half of the year and is included in "Other administrative and operating overheads" in the statement of profit or loss and other comprehensive income. The remaining R11.6m (AUD1.0m) was incurred in FY22.

12.1 Goodwill

The following table summarises the acquisition-date provisional fair value of each component of purchase consideration as well as the provisional fair value of net assets acquired at the date of acquisition, the net of which represents the goodwill arising.

	15 September 2022 AUDm	15 September 2022 Rm
Identifiable assets acquired and liabilities assumed	(16)	(188)
Cash and cash equivalents	(3)	(40)
Investment in securities	(3)	(37)
Receivables and other assets	(3)	(31)
Intangible assets (management rights)	(10)	(120)
Right of use assets	(1)	(5)
Plant and equipment	–	(1)
Current tax receivable	–	(4)
Lease liabilities	1	10
Deferred tax liabilities	2	23
Trade and other liabilities	1	17
Total purchase consideration	57	671
Cash – Initial purchase price	45	530
Cash – Net asset adjustment	8	95
Variable consideration – performance fee earn-out	4	46
Goodwill	41	483

* *The net cash acquired in the business combination of R584.6m (AUD49.7m) is the sum of the initial purchase price of R530.2m (AUD45.0m) and the net asset adjustment of R94.5m (AUD8.1m), less the cash and cash equivalents acquired of R40.1m (AUD3.4m).*

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For the year ended 30 June 2023

12. Business combination (continued)

12.1 Goodwill (continued)

A critical judgement was the classification of future variable components included in the purchase agreement as either variable purchase consideration or compensation for post-combination services. Components that are contingent upon ongoing employee service conditions being fulfilled have been classified as compensation for post-combination services and do not form part of the total purchase consideration. Components that are not contingent upon ongoing employee service conditions being fulfilled have been classified as variable consideration and are included as part of the total purchase consideration.

The following critical judgements and estimates were made by the Group in assessing the fair value of the variable consideration:

Business combination variable consideration

Performance fee earn-out liabilities under the purchase agreement is classified as variable consideration in the Fortius business combination. It has been designated on initial recognition to be treated at fair value through profit or loss. Movements in fair value during the period have been recognised in the statement of profit or loss and other comprehensive income. Fair value is based on market values, being the estimated amount for which the instrument could be exchanged on the date of the valuation between a willing buyer and willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.

13. Intangible assets

GROUP

	Goodwill Rm	Rights to manage property Rm	Software Rm	Total Rm
Cost	**3 909**	**1 634**	**62**	**5 605**
Opening balance	**3 426**	**1 513**	**62**	**5 001**
Acquisition of Fortius Funds Management (Pty) Ltd	**483**	**121**	**–**	**604**
Accumulated amortisation and impairment losses	**(3 056)**	**(1 552)**	**(20)**	**(4 628)**
Opening balance	**(2 978)**	**(1 513)**	**(14)**	**(4 505)**
Impairment of goodwill	**(111)**	**–**	**–**	**(111)**
Remeasurement of performance fee liability	**–**	**(33)**	**–**	**(33)**
Amortisation for the year	**–**	**(21)**	**(6)**	**(27)**
Foreign currency translation	**33**	**15**	**–**	**48**
Closing balance at 30 June 2023	**853**	**82**	**42**	**977**
Cost	3 426	1 513	62	5 001
Opening balance	3 426	1 513	60	4 999
Additions during the year – software development	–	–	2	2
Accumulated amortisation and impairment losses	(2 978)	(1 513)	(14)	(4 505)
Opening balance	(2 978)	(1 415)	(9)	(4 402)
Amortisation for the year	–	(98)	(5)	(103)
Closing balance at 30 June 2022	448	–	48	496

Carrying amount of goodwill allocated to the different cash-generating units are as follows:

	Initial goodwill	Foreign currency translation	Accumulated impairment loss recognised	Goodwill 2023 Rm
Growthpoint Management Services (Pty) Limited (note 13.1)	**3 426**	**–**	**(2 978)**	**448**
Growthpoint Australia Limited – Fortius (13.2)	**483**	**33**	**(111)**	**405**
Carrying value at 30 June 2023	**3 909**	**33**	**(3 089)**	**853**

13. Intangible assets (continued)

13.1 Goodwill – Growthpoint Management Services (Pty) Limited

For the purpose of impairment testing, goodwill is allocated to the Group's historical management services entity. This represents the property administration and management business within the Group where goodwill allocated is monitored for internal management purposes.

The recoverable amount of the cash-generating unit (CGU) was based on its value in use. It was determined that the recoverable amount was higher than the carrying amount and therefore no impairment loss was recognised. The recoverable amount was calculated by discounting the future cash flows generated from the continuing use of the unit and was based on past experience and the following key assumptions:

(a) The management contract will continue on similar terms to the agreement that was in place before the acquisition transaction, which had the following terms:
  – Asset management fee was calculated at 0.50% of the enterprise value.
  – Enterprise value was measured by taking the sum of the market value of external debt plus market capitalisation.

(b) Letting commission on new deals was calculated at 100% of recommended South African Property Owners Association (SAPOA) tariffs while letting commission on renewals was calculated at 50% of recommended SAPOA tariffs.

(c) Collection fees range from 1% to 4% of cash collected on a property-by-property basis.

(d) Salaries are in respect of functions that relate to property management.

(e) Operating expenditure was based on discussions with the previous property managers and after consideration of historic costs, which included rental of premises, IT systems and support, marketing and other expenses necessary for operating a listed company.

(f) A discount rate of 9.2% (FY22: 8.1%) was applied in determining the recoverable amount of the unit. The discount rate was estimated based on the Group's weighted average cost of debt.

There are no expected significant changes to the assumptions.

The discounted cash flow was performed over the weighted average lease period of 3.6 years (FY22: 3.2 years).

The amortisation is recognised as a non-cash item and is excluded from the shareholders' distribution calculation. The remaining amortisation period of the rights to manage the property is seven years.

The difference between the recoverable amount and carrying amount including allocated goodwill is as follows:

	2023 Rm	2022 Rm
Growthpoint Management Services (Pty) Limited	**1 031**	853

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

13. Intangible assets (continued)

13.2 Goodwill – GOZ Funds Management (Fortius)

Goodwill was attributed to the GOZ's funds management business as a single CGU. The goodwill carrying amount was tested for impairment as at 30 June 2023.

The carrying amount of assets attributable to the funds management CGU comprised goodwill of R514.6m (AUD41.0m), management rights – base fees of R33.9m (AUD2.7m) and other net working capital of R33.0m (AUD3.1m), totalling R587.5m (AUD46.8m).

The recoverable value of the funds management CGU was a value-in-use assessment of the five-year forecast of cash flows expected to be generated from the CGU and a Gordon Growth Model perpetuity growth rate, discounted to net present value (NPV).

The recoverable amount assessed of R477.0m (AUD38.0m) was lower than the carrying amount of R587.5m (AUD46.8m), therefore an impairment of R110.5m (AUD8.8m) was recognised at 30 June 2023. This impairment primarily resulted from an increase in the risk-free rate within the discount rate and changed economic conditions affecting the funds management sector since acquisition.

Components of impairment recognised

	2023 Rm	2022 Rm
Impairment from goodwill	111	–
Impairment management rights – performance fee intangibles	33	–
Corresponding reduction to business combination variable consideration – performance fees and associated deferred tax liabilities	(33)	–
Net impairment	**111**	–

Key valuation assumptions

The key assumptions used by management in the estimation of the recoverable amount are set out below:

		Input value		Impact on value-in-use	
Key valuation assumption	**Description**	**2023 Rm**	2022 Rm	Increase in the input	Decrease in the input
Discount rate	The rate of return used to discount forecast cash flows into present value. The rate is determined with regard to market evidence, comprising the prevailing risk-free rate and a typical risk premium for a funds management business	12.5%	–	Decrease	Increase
Perpetuity growth rate	The perpetuity growth rate is incorporated into the Gordon Growth Model formula to estimate the terminal value. The rate is based on the Reserve Bank of Australia's long-term target inflation range	2.5%	–	Increase	Decrease

14. Long-term loans granted

Summary of loan balances

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Opening balance	3 313	2 534	3 306	2 519
Accrued interest	355	238	354	239
Advanced during the year	32	3	32	2
Fair value adjustments	(236)	587	(247)	588
Reclassified to unlisted investments	–	(42)	–	(42)
Reclassified from inter-company assets	–	–	–	6
Repaid during the year	(214)	(7)	(210)	(6)
Write-off of loans	(15)	–	–	–
Closing balance	3 235	3 313	3 235	3 306
Portion repayable within the next 12 months	–	1	–	–
Portion repayable after the next 12 months	3 235	3 312	3 235	3 306

There were no fair value adjustments attributable to changes in the credit risk of the financial asset.

The long-term loans granted were advanced to the following entities:

	Interest rate	Latest repayment date	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
V&A Waterfront (Pty) Limited	Prime + 2.0%	30 September 2026	3 199	3 301	3 199	3 301
Acucap Unit Purchase Trust	6.55% – 8.36%	17 January 2023	–	7	–	–
Lango Real Estate Management Limited	2% – Bank of England (BoE) base rate + 2.5%	No fixed repayment date	11	5	11	5
Other immaterial loans advanced	Prime + 3%	28 March 2026	25	–	25	–
			3 235	3 313	3 235	3 306

Significant terms and conditions

V&A Waterfront	• The unsecured loan is used for the development and construction at the V&A Waterfront.
Acucap Unit Purchase scheme	• The loans were repaid during the year.
Lango Real Estate Management Limited (Lango Manco)	• Lango Manco purchased a number of its own shares from the company on loan account, which are held as treasury shares in Lango Manco. During the year, a loan on similar terms was advanced to Royal Bafokeng Automotive (Pty) Ltd for the purchase of Lango Manco shares. The loans are repayable as and when dividends or distributions are paid by Lango Manco.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

15. Cash and cash equivalents

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Unrestricted cash and cash equivalents	2 011	1 440	427	84
Money market funds	1 036	1 283	900	1 210
Other short-term deposits	315	–	–	–
Restricted cash	157	118	–	–
	3 519	2 841	1 327	1 294

At year end, the Group and company's cash was invested with counterparties that have a high percentage tier-one capital and strong credit ratings assigned by international credit rating agencies, the breakdown of which is as follows:

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Aa1/AAA	620	553	–	–
Aa3/AA	1 177	791	–	–
Ba2/BB	1 722	1 497	1 327	1 294
Closing balance	3 519	2 841	1 327	1 294

The cash and cash equivalents are held in the following currencies:

	Currency (ZAR, AUD, GBP)		Functional currency	
	2023 m	2022 m	2023 Rm	2022 Rm
GROUP				
SA Rand	1 722	1 497	1 722	1 497
Australian dollar	49	49	620	553
British pound	49	40	1 177	791
			3 519	2 841

The company holds cash and cash equivalents in ZAR.

Cash and cash equivalents disclosed on the statement of financial position include investments in money market funds, being short-term, highly liquid investments with maturities of three months or less. Money market funds are classified as cash equivalents, as these funds are held to meet short-term cash requirements, are highly liquid investments, and are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value. The underlying instruments in the money market funds are mainly (> 85%) issued credit papers and call accounts of four of South Africa's largest banks, all of which had a Moody's short-term national rating of P1(ZA) on 30 June 2023 (30 June 2022: P1(ZA)).

16. Trade and other receivables

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Rental debtors	**348**	409	**42**	68
Loss allowance	**(171)**	(199)	**(40)**	(58)
Prepaid expenses	**189**	138	**16**	12
Deferred expenditure (including letting commissions)	**78**	69	**37**	31
Sundry debtors	**737**	1 277	**536**	378
Loan to joint venture – V&A Waterfront	**100**	323	**100**	323
Accrued recoveries	**295**	304	**156**	142
Value added tax (VAT) receivable	**5**	–	**12**	–
	1 581	2 321	**859**	896

16.1 Movements in the loss allowance in respect of rental debtors

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
The movement in the loss allowance in respect of rental debtors during the year was as follows.				
Opening balance	**(199)**	(340)	**(58)**	(86)
Net remeasurement of loss allowance*	**42**	87	**18**	28
Deconsolidation of C&R Luton	**–**	52	**–**	–
Foreign currency translation	**(14)**	2	**–**	–
Closing balance	**(171)**	(199)	**(40)**	(58)

* *The comparative figures have been re-presented for comparability.*

16.2 Credit and market risks, and impairment losses

Information about the Group and company's exposure to credit and market risks, and impairment losses for trade receivables is included in note 28.1.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

17. Ordinary share capital

Group and company	Number of shares 2023	Number of shares 2022	Amount 2023 Rm	Amount 2022 Rm
Authorised				
Ordinary shares with no par value	**5 000 000 000**	5 000 000 000		
Issued and fully paid up				
Ordinary shares				
Issued at the beginning of the year	**3 430 787 066**	3 430 787 066	**53 550**	53 550
Issued during the year	**–**	–	**–**	–
In issue at the end of the year	**3 430 787 066**	3 430 787 066	**53 550**	53 550

18. Treasury shares

GROUP

	Number of shares 2023	Number of shares 2022	Amount 2023 Rm	Amount 2022 Rm
Opening balance	**23 124 038**	27 897 747	**355**	433
Acquired during the year	**31 455 719**	–	**401**	–
Vested/exercised during the year	**(4 275 323)**	(4 773 709)	**(67)**	(78)
Closing balance	**50 304 434**	23 124 038	**689**	355
Net share capital	**3 380 482 632**	3 407 663 028	**52 861**	53 195

COMPANY

	Number of shares 2023	Number of shares 2022	Amount 2023 Rm	Amount 2022 Rm
Opening balance	**2 117**	97 966	**–**	2
Acquired during the year	**–**	3 250 000	**–**	58
Vested/exercised during the year	**(2 117)**	(3 345 849)	**–**	(60)
Closing balance	**–**	2 117	**–**	–
Net share capital	**3 430 787 066**	3 430 784 949	**53 550**	53 550

19. Non-controlling interest

GROUP

Extracts from financial information for material subsidiaries with non-controlling interest (NCI) are provided below. Growthpoint Telecommunication Infrastructure (Pty) Limited and K2019084863 (South Africa) (Pty) Limited are not material subsidiaries and have therefore been excluded from the disclosure.

	GOZ		C&R		GHPH		GSAH	
	2023 Rm	2022 Rm	**2023 Rm**	2022 Rm	**2023 Rm**	2022 Rm	**2023 Rm**	2022 Rm
Primary place of business	**Australia**	Australia	**United Kingdom**	United Kingdom	**South Africa**	South Africa	**South Africa**	South Africa
Proportion of ownership interest and voting rights (%)	**63.7**	62.2	**62.4**	60.8	**39.1**	55.9	**14.3**	16.6
Proportion of NCI ownership interest and voting rights (%)	**36.3**	37.8	**37.6**	39.2	**60.9**	44.1	**85.7**	83.4
Statement of financial position								
Non-current assets	**63 908**	60 309	**8 640**	7 662	**3 667**	3 406	**2 720**	2 235
Non-current liabilities	**(24 673)**	(19 348)	**(4 323)**	(3 898)	**(936)**	(1 295)	**(927)**	(665)
Total non-current net assets	**39 235**	40 961	**4 317**	3 764	**2 731**	2 111	**1 793**	1 570
Current assets	**825**	906	**1 536**	1 987	**125**	128	**216**	120
Current liabilities	**(863)**	(869)	**(670)**	(602)	**(29)**	(23)	**(250)**	(234)
Total current net assets	**(38)**	37	**866**	1 385	**96**	105	**(34)**	(114)
Net assets	**39 197**	40 998	**5 183**	5 149	**2 827**	2 216	**1 759**	1 456
Net assets attributable to NCI	**14 584**	15 224	**1 229**	1 030	**2 020**	1 477	**1 508**	1 203
Statement of profit or loss and other comprehensive income								
Revenue, excluding straight-line lease income adjustment	**3 840**	3 218	**1 090**	1 188	**451**	378	**379**	153
(Loss)/profit for the year	**(2 587)**	6 528	**(92)**	1 279	**331**	265	**195**	110
Other comprehensive income/(loss)	**4 447**	1 726	**625**	(4)	**–**	–	**–**	–
Total comprehensive income/(loss)	**1 860**	8 254	**533**	1 275	**331**	265	**195**	110
Dividends paid to NCI	**(726)**	(683)	**(75)**	–	**(148)**	(105)	**(103)**	(22)
Profit after taxation attributable to NCI	**(873)**	2 500	**(27)**	521	**206**	157	**165**	15
Other comprehensive income attributable to NCI	**1 655**	653	**297**	11	**–**	–	**–**	–
Statement of cash flows								
Net cash generated from/(utilised by) operating activities	**2 103**	2 056	**(73)**	341	**(8)**	18	**58**	109
Net cash (utilised in)/generated from investing activities	**(1 380)**	(4 341)	**1 248**	(80)	**(167)**	(519)	**(441)**	(201)
Net cash (utilised in)/generated from financing activities	**(722)**	2 461	**(1 000)**	(807)	**155**	585	**443**	126
Net cash utilised in assets classified as held for sale	**–**	–	**–**	(245)	**–**	–	**–**	–
Translation effect on cash and cash equivalents of foreign operations	**66**	19	**211**	27	**–**	–	**–**	–
Net increase/(decrease) in cash and cash equivalents	**67**	195	**386**	(764)	**(20)**	84	**60**	34

The information above is the amount before inter-company eliminations and has been adjusted for fair value adjustments on acquisition and difference in the Group's accounting policies.

	2023 Rm	2022 Rm
Total net assets attributable to NCIs	**19 341**	18 934

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

20. Financial liabilities

Summary of total financial liabilities	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Interest-bearing borrowings nominal amount	**69 310**	63 426	**31 999**	30 601
Accrued interest on interest-bearing borrowings	**504**	337	**324**	167
Fair value adjustment on interest-bearing borrowings	**(1 634)**	(906)	**139**	149
Fair value of interest-bearing borrowings	**68 180**	62 857	**32 462**	30 917
Derivative liabilities	**1 450**	817	**1 437**	814
	69 630	63 674	**33 899**	31 731

20.1 Long-term borrowings

Growthpoint has the following long-term loans outstanding at year end:

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Secured variable rate borrowings	**37 079**	30 955	**15 468**	16 170
Unsecured variable rate borrowings	**19 478**	13 961	**16 061**	13 961
Secured fixed rate borrowings	**12 283**	11 100	**–**	–
Unsecured fixed rate borrowings	**470**	470	**470**	470
USD-denominated Eurobonds	**–**	6 940	**–**	–
Accrued interest	**504**	337	**324**	167
Fair value adjustments	**(1 634)**	(906)	**139**	149
	68 180	62 857	**32 462**	30 917
Reconciliation of long-term borrowings				
Opening balance	**62 857**	61 947	**30 917**	31 417
Incurred through the GSAH acquisition	**–**	550	**–**	–
Proceeds from borrowings raised	**13 066**	8 453	**3 550**	1 262
Repayment of borrowings	**(12 011)**	(5 807)	**(2 152)**	(1 987)
Deconsolidation of C&R Luton borrowings	**–**	(1 909)	**–**	–
Accrued interest	**4 382**	3 105	**2 617**	1 871
Interest paid	**(4 215)**	(3 095)	**(2 460)**	(1 866)
Gain on settlement of the borrowings	**–**	(633)	**–**	–
Fair value adjustments	**(800)**	(767)	**(10)**	220
Foreign currency translation	**4 901**	1 013	**–**	–
Closing balance	**68 180**	62 857	**32 462**	30 917
Portion repayable within the next 12 months	**5 935**	9 434	**3 889**	1 629
Portion repayable after the next 12 months	**62 245**	53 423	**28 573**	29 288

20. Financial liabilities (continued)

20.1 Long-term borrowings (continued)

	Interest rate	Latest repayment dates	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Secured variable rate borrowings						
Secured variable rate borrowings – South Africa	Jibar+1.45% to Jibar+2.00%	Aug-29	**16 372**	16 827	**15 468**	16 170
Secured variable rate borrowings – South Africa – USD denominated loans	USD Libor+1.85%	Aug-25	**1 132**	982	**–**	–
Secured variable rate borrowings – South Africa – EUR denominated loans	Euribor+1.80% to Euribor+2.03%	Apr-28	**3 294**	–	**–**	–
Secured variable rate borrowings – Australia	BBSW+1.05% to BBSW+1.35%	Apr-27	**15 251**	11 819	**–**	–
Secured variable rate borrowings – United Kingdom	SONIA+1.75% to SONIA+5.95%	Jul-25	**1 030**	1 327	**–**	–
Total variable rate loans secured by investment property			**37 079**	30 955	**15 468**	16 170
Total unsecured variable rate borrowings – South Africa	Jibar+1.28% to Jibar+2.10% CPI linked 4.15%	Feb-33	**16 061**	13 961	**16 061**	13 961
Unsecured variable rate borrowings – South Africa – EUR	Euribor+2.50%	Apr-28	**3 417**	–	**–**	–
Secured fixed rate borrowings						
Secured fixed rate borrowings – Australia	3.27% to 5.35%	Jun-29	**8 930**	7 829	**–**	–
Secured fixed rate borrowings – United Kingdom	3.45%	Jan-27	**3 353**	3 271	**–**	–
Total fixed rate loans secured by investment property			**12 283**	11 100	**–**	–
Unsecured fixed rate borrowings – South Africa	9.78% to 10.15%	Apr-24	**470**	470	**470**	470
Unsecured fixed rate borrowings – USD Bond	5.87%	Repaid	**–**	6 940	**–**	–
Total nominal value of borrowings			**69 310**	63 426	**31 999**	30 601

Significant terms and conditions

- All the loans were utilised to purchase properties, to invest in shares of property-owning entities and for general corporate purposes.
- Nearly all loans have a bullet repayment profile.
- Due to the nature of a REIT, the borrowings will typically be refinanced with new funding at maturity.
  The secured borrowings are secured with mortgage bonds registered over properties. Refer to note 28.4.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

20. Financial liabilities (continued)

20.2 Derivatives

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Derivative assets				
Forward exchange derivatives	2	25	2	25
Interest rate derivatives	932	867	559	403
Cross-currency interest rate derivatives	1 037	1 600	31	291
	1 971	2 492	592	719
Derivative liabilities				
Forward exchange derivatives	30	–	30	–
Interest rate derivatives	47	125	46	121
Cross-currency interest rate derivatives	1 373	692	1 361	693
	1 450	817	1 437	814

Derivative	
Forward exchange derivative	The Group enters into forward exchange derivatives to manage its exposure to foreign exchange risk by forward selling foreign currency at predetermined prices.
Interest rate derivative	The Group enters into derivative financial instruments to manage its exposure to interest rates by fixing floating interest rates on borrowings.
Cross-currency interest rate derivative	Rand/USD-denominated borrowings are obtained for certain foreign acquisitions and the Group then enters into cross-currency interest rate derivatives to swap the Rand/USD loan for a foreign currency.

21. Leases

The Group and company as a lessor

The Group and company acts as a lessor over all its leases over its investment property. These leases are classified as operating leases at the inception of the lease. The Group and company recognises lease payments received under an operating lease as income on a straight-line basis over the term as part of revenue.

The Group and company as the lessee

Lease liabilities are initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease. If that rate cannot be determined, the consolidated entity's incremental borrowing rate is used.

Subsequent measurements for a lease liability are done by:
- Increasing the carrying amount to reflect interest on the lease liabilities
- Reducing the carrying amount to reflect the lease payments made
- Remeasuring the carrying amount to reflect any reassessment or lease modifications.

Interest on the lease liabilities and any variable lease payments not included in the measurement of the lease liabilities are recognised in the consolidated statement of profit and loss and comprehensive income in the year to which they relate.

Group

The weighted average incremental borrowing rate applied to lease liabilities was 7.8% (FY22: 7.8%) for South Africa, 3.7% (FY22: 3.7%) for GOZ and 5.6% (FY22: 5.6%) for C&R.

Company

The weighted average incremental borrowing rate applied to lease liabilities was 7.8% (FY22: 7.8%).

21. Leases (continued)

Amounts recognised in the statement of financial position

Right-of-use assets	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
South Africa	37	37	21	23
Australia (GOZ)	1 180	1 066	–	–
United Kingdom (C&R)	515	448	–	–
Total	1 732	1 551	21	23

The present values of the payments at 30 June 2023 are as follows:

Lease liability	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
South Africa	38	39	21	23
Australia (GOZ)	1 343	1 176	–	–
United Kingdom (C&R)	720	611	–	–
Total	2 101	1 826	21	23
Portion repayable within the next 12 months	161	78	4	–
Portion repayable after the next 12 months	1 940	1 748	17	23
The lease liabilities can be reconciled as follows:				
Opening balance	1 826	2 235	23	26
Additions	25	4	–	5
Foreign currency translation	265	75	–	–
Reduction reflecting the lease payments made	(102)	(135)	(4)	(5)
Deconsolidation of C&R Luton	–	(397)	–	–
Increase reflecting the interest on the lease liability	89	100	1	2
Adjustment for reassessment of the lease liability	(2)	(56)	1	(5)
Closing balance	2 101	1 826	21	23

22. Employee benefits
GROUP

22.1 Equity-settled share-based payments

	Group 2023 Rm	Group 2022 Rm
Opening balance	127	152
Expense recognised for equity-settled share-based payment plan		
Personnel expense	22	26
Asset management cost and directors' fees	44	66
Non-cash charge	18	(24)
Units exercised	(74)	(93)
Closing balance	137	127
Zero strike price share scheme	77	72
Retention scheme	20	22
LTIP share scheme	40	33

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

22. Employee benefits (continued)

22.2 Growthpoint Staff Incentive Scheme (GSIS)

The below schemes form part of the GSIS scheme. The aggregate maximum number of options/shares that may be awarded to participants over the duration of the GSIS is currently 75 000 000, representing around 2.2% of the issued shares of the company. In the case of termination of employment, the GSIS provides for forfeiture of all unvested options. In certain instances, at the discretion of the Human Resources and Remuneration Committee, pro rata future vesting may be allowed (for instance in the case of retirement and death in service).

Employees

All Growthpoint employees, excluding executives, are annually awarded zero-cost options under the GSIS that vest over a five-year period. The quantum is based on a target percentage of their fixed remuneration. Target percentages are linked to market benchmarks and can be increased by approval of the committee for critical skills and individual retention.

The vesting profile allows for 0% of the awards to vest after year one, and 25% to vest in each successive year from year two, with the last vesting of each award taking place after five years.

The share awards granted to employees are valued by using an option valuation model, based on the 20-day volume weighted average price (VWAP) of Growthpoint's shares at measurement date, adjusted for the distributions not receivable by employees before the vesting date.

22.3 The executive retention scheme (ERS)

Executives and a limited number of key senior managers participate in the ERS as part of the GSIS. The ERS is a notional share purchase scheme that simulates a share purchase scheme that is half funded with debt.

No ERS awards were granted in FY22 or FY23.

For inflight options, each option gives the option holder the right to acquire one Growthpoint share at the reducing strike price at the vesting date. The options simulate a share purchase scheme that is 50% geared at award date.

Each option's strike price is adjusted on a notional basis by:
- Increasing the strike price by 8.25% per annum, compounding on the distribution payment date and representing interest on the notional debt
- Decreasing the strike price by the actual distribution per share declared and paid by the company.

The characteristics of the ERS provide for perfect alignment between Executive Directors and shareholders, in that the eventual value that an executive will receive under the ERS is driven by the actual dividends per share (DPS), growth in the DPS, and the share price.

These options vest as follows:
- Year 1: 0%
- Years 2 and 3: 10%
- Years 4 to 6: 20%
- Years 7 and 8: 10%.

The share awards granted to employees have been valued using an option valuation model, based on 50% of the 30-day VWAP market price of Growthpoint's shares at measurement date, adjusted for the distributions not receivable by employees before the vesting date.

22. Employee benefits (continued)

22.4 LTI share scheme

October 2020 awards that vest based on FY21, F22 and FY23's performance

The LTI share scheme gives executives conditional rights to shares. It has a forward measurement period of three years and awards are settled in shares. The awards are based on an award percentage, which is 75% of total fixed remuneration (TFR), and expressed as a number of Growthpoint shares based on a 90-day VWAP, on grant date, adjusted for dividends over the vesting period as well as the expected performance probability outcomes.

The LTI scheme scorecard governs the vesting of the performance units – this is the same for all participants and is measured over a three-year performance period. The performance scorecard has financial and non-financial measures with relevant weightings that are modified for threshold, target and stretch performance:

Financial – 90% of LTI

- Absolute total return (TR), measured against Growthpoint's weighted average cost of capital (WACC) calculated as the average risk-free rate over three years, plus 3% – 30%
- Relative TR measured against peers in the adjusted FTSE/JSE SA REIT Index – 30%
- Relative total shareholder return (TSR), measured against peers in the adjusted FTSE/JSE SA REIT Index – 30%.

ESG – 10% of LTI

- Average of non-financial measures per STI scorecard for FY21 (16.82%), FY22 (16.85%) and FY23 (21.17%).

Absolute total return (TR)

Absolute TR will be scored relative to WACC per above. A 1% delta, both up and down, will determine the modifier for absolute TR as follows:

- If absolute TR is more than 1% below the WACC, then performance is below threshold and the modifier is 0%
- If absolute TR is less than 1% below the WACC, then performance is between threshold and target, and the modifier will be linear interpolated between 50% and 100%
- If absolute TR is equal to the WACC, then performance is on target and the modifier is 100%
- If absolute TR is up to 1% above the WACC, then performance is between target and stretch and the modifier will be linear interpolated between 100% and 150%
- If absolute more than 1% above the WACC, then performance is at stretch and the modifier will be capped at 150%.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

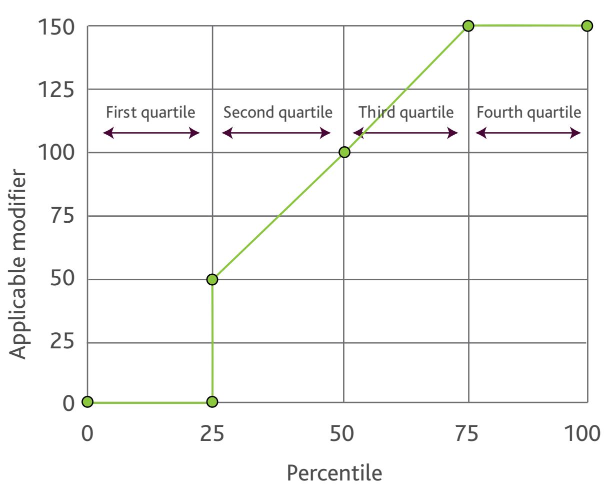
22. Employee benefits (continued)

22.4 LTI share scheme (continued)

Relative TR and TSR

TR and TSR is measured relative to peers in the FTSE/JSE SA REIT Index with all constituents weighted by market capitalisation, including Growthpoint, capped at 15%, over a 36-month rolling period and ranked according to percentiles as follows:

Percentile	Vesting level	Applicable modifier
<25%	Below threshold	0%
25%	Threshold	50%
50%	Target	100%
≥75%	Stretch	Capped at 150%



Linear interpolation will occur on the modifier between the threshold and target performance and between target and stretch performance.

The vesting percentage is multiplied by the number of shares that constituted the award which can then be exercised.

 # TR = (Closing Tangible Net Asset Value Per Share (TNAVPS) – Opening TNAVPS) + DPS for the period/Opening TNAVPS. The TNAV is calculated by subtracting intangible assets and adding deferred tax liabilities to ordinary shareholders' equity.

** TSR = (Closing 90-day VWAP – Opening 90-day VWAP) + DPS for the period/Opening 90-day VWAP. The VWAP is calculated with reference to the relevant company's last reporting date (whether interims or finals) and is calculated ex dividend.*

22.5 Deferred STI and cash bonus

In addition to the above schemes all executives receive a deferred bonus (DSTI) in the form of shares which vest over a three-year period of one third each, following the award date, with no further performance conditions. The deferred bonus is awarded at a maximum of 75% of total fixed remuneration (TFR) based on the following performance scorecard which has financial and ESG measures with relevant weightings that are modified for threshold, target and stretch performance:

Group measures – 85% of STI

Income statement – 52% of STI
- Absolute DIPS growth – 23.5%
- Relative DIPS growth – 23.5%
- SA IFRS Cost to Income Ratio – 5.0%.

Balance sheet – 15% of STI
- Group LTV – 3%
- Debt expiry profile – 3%
- Interest rate hedging – 3%
- Secured versus unsecured debt – 3%
- Domestic credit rating – 3%

22. Employee benefits (continued)

22.5 Deferred STI and cash bonus (continued)

ESG – 18% of STI

- Solar Installation – 5%
- Transformation score per the B-BBEE scorecard – 5%
- Transformation preferential procurement – 2.5%
- Transformation employment equity – 2.5%
- Sustainability: Inclusion in the FTSE/JSE RI Index – 3.0%.

Personal measures – 15% of STI

- Delivery on strategy and specific personal targets – 15%.

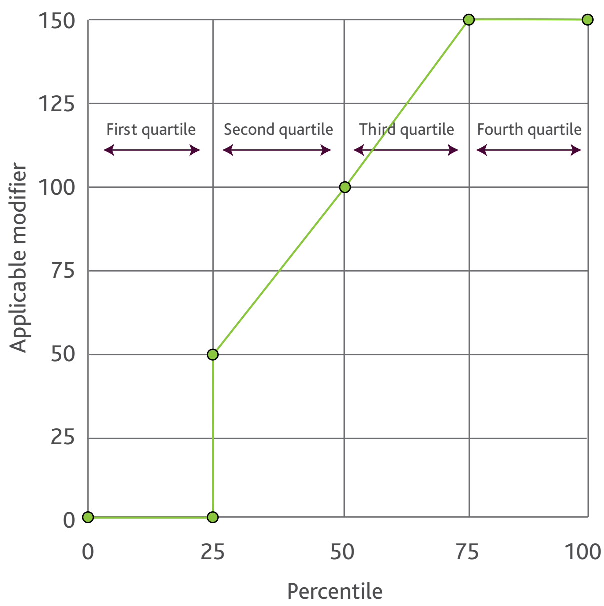
Absolute DIPS is scored relative to budget DIPS, which is set at the beginning of the financial year and is derived from a rigorous bottom-up budgeting process. A 1.5% delta both up and down determines the modifier for absolute DIPS growth as follows:

Achievement against budget	Vesting level	Applicable modifier
More than 1.5% below budget	Below threshold	0%
1.5% below budget	Threshold	50%
Equal to budget DIPS	Target	100%
More than 1.5% above budget	Stretch	Capped at 150%

Linear interpolation will occur on the modifier between the threshold and target performance and between target and stretch performance.

Relative DIPS growth is benchmarked to peers in the FTSE/JSE SA REIT Index. Constituents' DIPS growth is weighted by market capitalisation, including Growthpoint, with all constituents capped at 15%, over a rolling 12-month period and is ranked according to percentiles as follows:

Percentile	Vesting level	Applicable modifier
<25%	Below threshold	0%
25%	Threshold	50%
50%	Target	100%
≥75%	Stretch	Capped at 150%



Linear interpolation will occur on the modifier between the threshold and target performance and between target and stretch performance.

In addition to the deferred bonus, all executives receive an cash bonus which is awarded at a maximum of 75% of TFR, which is then be modified according to performance.

The above performance measures apply to all Exco members. However, the weightings between Group and personal measures will vary from member to member, as well as the participation ratio.

For all other employees, excluding executives, the annual cash bonus is determined by comparing individual performance to agreed performance objectives.

The share awards granted to executives have been valued using an option valuation model, based on the market price of Growthpoint's shares at measurement date, adjusted for the distributions not receivable by employees before the vesting date. To determine the value, the resulting number of shares are multiplied by the then current share price based on a 20-day VWAP.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

22. Employee benefits (continued)

22.6 Inputs for fair value measurement

	GSIS		ERS		LTI share scheme	
	Group 2023	Group 2022	**Group 2023**	Group 2022	**Group 2023**	Group 2022
Maximum term (years)	**5.0**	5.0	**8.0**	8.0	**3.0**	3.0
Weighted average expected life (years)	**3.0**	3.0	**6.0**	6.0	**2.4**	2.3
Expected dividend growth rate (%)	**–**	–	**–**	–	**–**	–
Discount rate	**Swap curve**	Swap curve	**Swap curve**	Swap curve	**Risk-free curve**	Risk-free curve
Interest rate on strike price (%)	**n/a**	n/a	**8.25**	8.25	**n/a**	n/a
Fair value of options granted (R)	**8.14 – 17.28**	8.14 – 19.80	**11.23 – 13.46**	11.23 – 13.46	**8.54 – 10.17**	8.54 – 16.00
Share price at grant date (R)	**11.69 – 13.19**	13.98	**22.42 – 27.13**	22.42 – 27.13	**12.71 – 14.70**	13.32 – 23.12
Reducing strike price at grant date (R)	**n/a**	n/a	**11.21 – 13.56**	11.21 – 13.56	**n/a**	n/a
Annual historic volatility (%)	**n/a**	n/a	**n/a**	n/a	**35.26 – 39.62**	18.86 – 38.27

Volatility

We used the average annual historic volatility that matches the outstanding duration of the option for the purposes of the valuation.

Term	**Group 2023 Volatility (%)**	Group 2022 Volatility (%)
1 year	**21.09**	25.72
2 years	**23.39**	31.15
3 years	**28.48**	39.45

GSIS

The probability of staff leaving was estimated as 5% in the first year and an additional 10% in subsequent years.

ERS

The probability of staff leaving was estimated at 5% in the first year and an additional 5% in every second subsequent year.

LTI share scheme

The probability of staff leaving was estimated at 2.5%. Management expects 75% of the non-financial component to vest.

22. Employee benefits (continued)

22.7 Reconciliation of shares

	Number of shares Group 2023	Group 2022
Cumulative shares issued, acquired and held by Growthpoint for the purpose of share-based payments*		
Cumulative shares issued and acquired	**34 579 757**	27 897 747
Opening balance	**23 124 038**	27 897 747
Shares acquired during the year	**11 455 719**	–
Cumulative shares vested and exercised	**(4 275 323)**	(4 773 709)
Shares available to the share scheme	**30 304 434**	23 124 038
Outstanding share options granted to employees		
Opening balance	**19 907 205**	19 289 481
Granted to employees	**13 843 214**	7 054 668
Forfeited by employees	**(1 949 914)**	(1 640 033)
Vested and exercised by employees	**(4 302 800)**	(4 796 911)
Outstanding share options granted to employees	**27 497 705**	19 907 205

	GSIS		ERS		LTI share scheme	
	Group 2023 R	Group 2022 R	Group 2023 R	Group 2022 R	Group 2023 R	Group 2022 R
Weighted average exercise prices						
Share options outstanding at beginning of year	**15.29**	17.49	**12.58**	12.58	**10.74**	12.44
Options granted during the year	**8.99**	13.98	**n/a**	n/a	**9.55**	10.17
Options forfeited during the year	**11.88**	17.23	**12.51**	n/a	**14.40**	16.12
Options exercised during the year	**14.87**	20.48	**12.74**	12.58	**16.00**	16.12
Options outstanding at year end	**11.64**	15.29	**12.51**	12.58	**9.51**	10.74
Range of exercise prices	**8.18 – 21.15**	12.26 – 27.56	**11.95 – 13.43**	11.92 – 13.40	**16.00**	16.12
Maximum remaining term (years)	**5.00**	5.00	**4.00**	5.00	**3.00**	3.00

* *20 000 000 of the treasury shares in note 18 are not available to the share scheme as these were acquired during the year for an anticipated B-BBEE ownership scheme.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

23. Taxation and deferred taxation

23.1 Taxation

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
23.1.1 Total current tax expense	**412**	263	**110**	110
South African normal taxation	**224**	171	**110**	110
Current year	**218**	177	**104**	116
Prior year	**6**	(6)	**6**	(6)
Foreign normal taxation	**188**	92	**–**	–
Current year	**187**	92	**–**	–
Prior year	**1**	–	**–**	–
Total deferred tax expense	**(172)**	1 030	**(673)**	(728)
South African deferred tax expense				
Current year	**(9)**	61	**30**	9
Amortisation of intangible asset	**(18)**	(23)	**–**	–
Other	**9**	84	**30**	9
Foreign deferred tax expense				
Current year	**(163)**	969	**(703)**	(737)
Capital gains tax on the sale of GOZ shares	**(163)**	969	**(703)**	(737)
Total income tax expense	**240**	1 293	**(563)**	(618)

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
23.1.2 Reconciliation of effective taxation charge				
Net profit before tax	**2 067**	12 423	**2 988**	(352)
Statutory taxation charge at 27% (FY22: 28%)	**558**	3 478	**807**	(98)
Interest, penalties and raising fees and other non-deductible expenses	**72**	89	**8**	(75)
Realised losses on derivatives	**(5)**	(21)	**(6)**	–
Employee benefits	**15**	(22)	**–**	–
Income not taxable/exempt income – foreign dividends received	**(33)**	–	**–**	(499)
Deductible expenditure	**–**		**–**	39
Deferred tax on assessed loss	**(5)**	(1)	**–**	–
Fair value adjustments not taxable due to REIT status	**1 210**	(1 692)	**278**	2 047
Expected credit loss and other provisions	**(22)**	(30)	**257**	–
Capitalised interest	**(11)**	(3)	**(5)**	–
Prior year (over)/under-provision – current taxation	**6**	(6)	**6**	(6)
Capital gains not taxable	**(3)**	(13)	**(7)**	(13)
Tax rate difference and withholding tax on GOZ	**–**	–	**(697)**	(774)
Trust profit not subject to tax and withholding and capital gains tax on GOZ	**(283)**	781	**–**	–
Tax rate change	**–**	(9)	**–**	(5)
Qualifying distribution	**(1 259)**	(1 258)	**(1 204)**	(1 234)
Effective taxation charge	**240**	1 293	**(563)**	(618)
Effective taxation rate (%)	**11.61%**	10.41%	**(18.84%)**	175.40%

23. Taxation and deferred taxation (continued)

23.2 Deferred taxation

23.2.1 Reconciliation of deferred tax asset

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Opening balance	38	12	–	–
Current year charge through profit or loss	(9)	26	–	–
Closing balance	29	38	–	–

23.2.2 Reconciliation of deferred tax liability

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Opening balance	5 436	4 283	3 414	4 142
Acquisition of GSAH	–	97	–	–
Current year charge through profit or loss	(163)	1 056	(673)	(728)
Foreign currency translation	8	–	–	–
Closing balance	5 281	5 436	2 741	3 414

23.2.3 Net deferred taxation (asset)/liability

Tax effect of temporary differences between tax and book value for:

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Deferred taxation liability	5 383	5 554	2 741	3 414
Investment in GOZ	4 983	5 146	2 580	3 283
Amortisation of intangible asset	(7)	12	–	–
Investment property – allowances	407	396	161	131
Deferred taxation asset	(131)	(156)	–	–
Share-based payments	(81)	(103)	–	–
Tax losses carried forward	(3)	(3)	–	–
Other	(47)	(50)	–	–
Net deferred taxation liability	5 252	5 398	2 741	3 414

Section 25BB of the Income Tax Act allows for the deduction of the qualifying distribution paid to shareholders, but the deduction is limited to taxable income. To the extent that no tax will be payable in future as a result of the qualifying distribution, no deferred tax was raised on items such as the straight-line lease income adjustment and the fair valuation of non-current financial liabilities.

IAS 12 *Income taxes* (amended) require the sale rate to be applied, unless rebutted, when calculating deferred taxation on the fair value adjustments on investment property. Capital gains taxation is not applicable on the sale of investment property in terms of section 25BB of the Income Tax Act. The deferred taxation rate applied to investment property at the sale rate will therefore be 0%. Consequently, no deferred taxation is raised on the fair value adjustments on investment property.

Allowances relating to immovable property can no longer be claimed and if a REIT sells immovable property, the allowances claimed in previous years will be recouped. A deferred taxation liability was raised in this respect.

The deferred taxation liability on the intangible asset relates to the right to manage the property assets.

The deferred taxation on the investment in GOZ is based on the presumption that the investment will be realised through sale and capital gains tax will be payable in Australia.

24. Trade and other payables

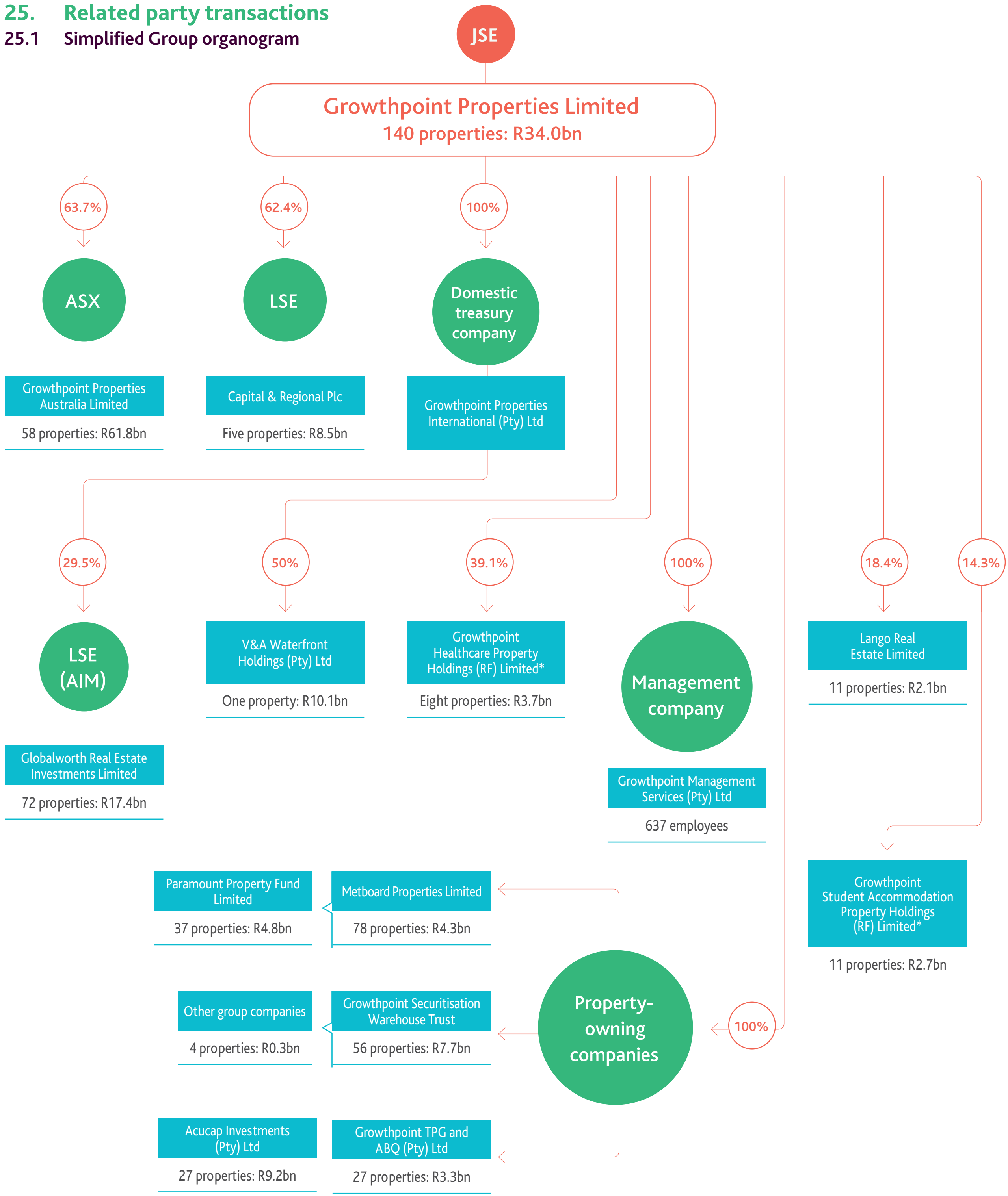
	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Accrued expenses	1 604	1 361	581	451
Tenant deposits	333	283	151	131
Trade creditors	1 098	1 286	1 087	898
Value added tax (VAT) payable	–	42	–	22
Income received in advance	216	222	–	1
Linked unitholders for distribution (GOZ)	372	347	–	–
	3 623	3 541	1 819	1 503

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

25. Related party transactions

25.1 Simplified Group organogram



* *Although the Group owns less than 50% of shares in GHPH and GSAH and has less than half of their voting power on a GSAH Board level, management has determined that the Group controls the entities by virtue of an agreement with its other shareholders.*

25. Related party transactions (continued)

25.1 Simplified Group organogram (continued)

The organogram includes only material subsidiaries, joint ventures and associates. A full list of Growthpoint Properties Limited subsidiaries, joint ventures and associates, is available on request.

The Group has joint control over a number of properties and the joint arrangements are not structured through separate legal entities. Therefore the Group recognises its share of the assets and liabilities, income and expenses. South Africa is the principal place of business for all joint operations.

All subsidiaries are wholly owned (either directly or indirectly) by Growthpoint Properties Limited except for GOZ (63.7%), Growthpoint Healthcare Property Holdings (RF) Limited (39.1%), Growthpoint Healthcare Management en commandite Partnership (85%), Capital & Regional plc (62.4%), Growthpoint Telecommunication Infrastructure (Pty) Limited (80%), K2019084863 (South Africa) (Pty) Limited (51%) and Growthpoint Student Accommodation Holdings (RF) Limited (14.3%). Growthpoint Management Services (Pty) Ltd provides property management services for the South African companies.
The Group owns 37.5% of Lango Real Estate Management Limited, which provides property management services for Lango Real Estate Limited.

25.2 Related party transactions

Various transactions were entered into between related parties. These transactions were entered into at market related terms.

	2023 Group		2022 Group		2023 Company		2022 Company	
	Income Rm	Receivables Rm	Income Rm	Receivables Rm	Income Rm	Receivables Rm	Income Rm	Receivables Rm
Investments in joint ventures and associates								
V&A Waterfront (Pty) Ltd								
The income received is interest accrued by the V&A Waterfront for the year. The receivable relates to capital and interest receivable that are outstanding.	**688**	**3 299**	567	3 624	**688**	**3 299**	567	3 624
Income received for services rendered by LN Sasse and EK de Klerk.	**1**	**–**	1	–	**1**	**–**	1	1
GWI								
The income received is dividends declared by Globalworth for the year.	**352**	**–**	306	–	**–**	**–**	–	–
Lango Real Estate Limited								
The income received is dividends declared by Lango for the year. The receivable relates to the last declared dividend that is outstanding.	**3**	**–**	22	–	**3**	**–**	22	–
Lango Real Estate Management Limited								
The income received is a dividend declared by the Lango for the year. The receivable relates to shares purchased from the company on loan account. Refer to note 14.	**21**	**11**	12	5	**21**	**11**	12	5

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

25. Related party transactions (continued)

25.2 Related party transactions (continued)

	2023 Company				2022 Company			
	Income Rm	Receivables Rm	Expense Rm	Payables Rm	Income Rm	Receivables Rm	Expense Rm	Payables Rm
Inter-company loans receivable/payable								
1 Roger Dyason (Pty) Ltd	–	2	–	–	–	–	–	–
Acucap Investments (Pty) Ltd	–	8	–	–	–	–	–	–
Acucap Properties Limited	–	52	–	–	–	226	–	16
Atlas Properties Limited	–	–	–	–	–	–	–	–
Basfour 2721 (Pty) Ltd	–	196	–	–	–	166	–	–
Burg Brother Properties (Pty) Ltd	–	–	–	14	–	–	–	14
Erf 99&100 Parktown	–	–	–	–	–	–	–	–
Ferns Investments (Pty) Ltd	–	–	–	–	–	–	–	33
G Properties Two (Pty) Ltd	–	–	–	245	–	–	–	498
GHPH	–	375	–	–	–	890	–	–
GPT UK Holdco's Limited	–	–	–	10	–	–	–	–
Growthpoint ABQ (Pty) Ltd	–	752	–	–	–	789	–	–
Growthpoint Properties Australia	–	535	–	–	–	507	–	–
Growthpoint Properties International (Pty) Ltd (GPI)	–	3 524	–	–	–	3 218	–	584
Growthpoint Securitisation Warehouse Trust	–	3 680	–	–	–	3 868	–	–
Growthpoint Staff Incentive Scheme Trust	–	370	–	–	–	–	–	–
Growthpoint Telecommunications Infrastructure (Pty) Ltd	–	59	–	–	–	36	–	–
Growthpoint TPG (Pty) Ltd	–	825	–	–	–	1 487	–	–
GRT Bloekom (Pty) Ltd	–	–	–	109	–	–	–	109
GSAH	–	–	–	–	–	45	–	–
Inclub Properties (Pty) Ltd	–	–	–	–	–	–	–	441
Majorshelf 184 (Pty) Ltd	–	–	–	120	–	–	–	120
Metboard Properties Ltd	–	880	–	–	–	980	–	–
Okahao Properties (Pty) Ltd	–	–	–	–	–	–	–	130
Oxford 144 (Pty) Ltd	–	–	–	–	–	379	–	–
Paramount Properties Ltd	–	2 150	–	–	–	2 169	–	–
Scopeful 157 (Pty) Ltd	–	–	–	14	–	–	–	14
Silverhorn Properties (Pty) Ltd	–	9	–	–	–	–	–	9
Skillfull 115 (Pty) Ltd	–	–	–	21	–	–	–	21
Tyger Hills Investments (Pty) Ltd	–	201	–	–	–	–	–	–

25. Related party transactions (continued)

25.2 Related party transactions (continued)

	2023 Company				2022 Company			
	Income Rm	Receivables Rm	Expense Rm	Payables Rm	Income Rm	Receivables Rm	Expense Rm	Payables Rm
Management company								
GMS	–	1 136	–	–	–	2 126	–	–
Asset management fees paid	–	–	132	–	–	–	121	–
Building staff costs	–	–	49	–	–	–	41	–
Collection commission	–	–	145	–	–	–	137	–
Letting commissions	–	–	53	–	–	–	51	–
Rent received	5	–	–	–	5	–	–	–
	5	14 754	379	533	5	16 886	350	1 989

The loans with G Properties Two (Pty) Ltd are unsecured. Interest of between 8.86% and 9.12% is charged on the fixed rate loans (R257.9m) and interest of between Jibar+2.97% and Jibar+2.99% on the variable rate loans (R81.9m). These loans are repayable on 10 August 2025.

The loan receivable from Growthpoint Healthcare Property Holdings (RF) Limited is unsecured. Interest is received at a variable rate of 8.93% (FY22: 9.29%) based on the actual annualised dividend yield of GHPH.

The loan payable to Growthpoint Properties International (Pty) Ltd is unsecured. Interest is charged at prime rate and has no fixed repayment date.

The loan with Growthpoint Telecommunications Infrastructure (Pty) Ltd, bears interest at prime interest rate and is repayable as distributions are made.

The loan with GMS bears interest at prime interest rate and is repayable on 30 June 2025.

All other loans are unsecured, interest free and have no fixed terms of repayment. The directors believe that the carrying amount fairly reflects the fair value.

25.3 Key management personnel compensation

The Group's key management personnel, and persons connected with them, are also considered to be related parties for disclosure purposes. Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of Growthpoint Properties Limited (directly or indirectly) and comprise the Board of Directors and the heads of the major business units and functions.

	2023 Rm	2022 Rm
Short-term employee benefits	38	42
Share-based payments	26	22
	64	64

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

25. Related party transactions (continued)

25.4 Directors' remuneration

	Basic salary R	Benefits R	Annual bonus R	Total R	Accounting IFRS charge in respect of staff incentive scheme awards R	Total IFRS remuneration R
2023						
Executive Directors						
LN Sasse	**7 508 623**	**586 328**	**7 183 182**	**15 278 133**	**10 925 096**	**26 203 229**
EK de Klerk	**5 603 854**	**681 412**	**5 590 994**	**11 876 260**	**8 597 644**	**20 473 904**
G Völkel	**3 614 121**	**957 445**	**3 106 725**	**7 678 291**	**4 900 845**	**12 579 136**
NO Chauke	**2 282 972**	**246 080**	**839 994**	**3 369 046**	**1 920 369**	**5 289 415**
	19 009 570	**2 471 265**	**16 720 895**	**38 201 730**	**26 343 954**	**64 545 684**
2022						
Executive Directors						
LN Sasse	6 653 503	1 017 287	9 215 754	16 886 544	9 224 334	26 110 878
EK de Klerk	5 317 436	641 045	7 171 810	13 130 291	7 308 179	20 438 470
G Völkel	3 356 957	964 297	3 922 696	8 243 950	4 106 959	12 350 909
NO Chauke	2 167 146	232 496	1 034 145	3 433 787	1 762 529	5 196 316
	17 495 042	2 855 125	21 344 405	41 694 572	22 402 001	64 096 573

The table above reflects the total cost to company remuneration of the Executive Directors, which was paid by Growthpoint Management Services. The IFRS accounting charge reflects the cost that has been expensed by the company in profit or loss in the relevant year in relation to long-term incentive awards that have been granted to executive directors.

The IFRS charge is a calculation based on the fair value of the awards made to employees, measured at the grant date, compared to the amount calculated in the prior year, arriving at the expense accounted for in profit or loss. It should be noted that the amount estimated here will differ from the actual expense in the current and future years, which is based on the number of shares that vested, calculated at the price at which they were exercised. Attrition is taken into account and the calculation is based on the principal assumptions as set out in the employee benefits note.

Service contracts are in place between Growthpoint Management Services (Pty) Limited and LN Sasse, EK de Klerk, G Völkel and NO Chauke, all of which provide for a six-month reciprocal notice period.

Following a review of the definition of a "prescribed officer" in terms of the Companies Act, in the context of decision-making processes within the Group, it was concluded that no member of the Exco can be regarded as a "prescribed officer".

25. Related party transactions (continued)

25.4 Directors' remuneration (continued)

Fees paid by Group companies to directors

	GOZ			
	2023 AUD	2023 R	2022 AUD	2022 R
Fees paid by Group companies to directors				
LN Sasse	146 713	1 753 942	135 288	1 492 954
EK de Klerk	133 595	1 597 118	122 600	1 352 937
JF Marais (retired 17 November 2022)	55 596	664 646	50 541	557 739
P Theocharides (appointed 1 April 2023)	33 715	403 060	–	–
	369 619	4 418 766	308 429	3 403 630

LN Sasse and EK de Klerk are directors of Growthpoint Properties Limited, the ultimate controlling entity of GOZ. P Theocharides in a Non-executive Director on the GOZ board, and a member of the Executive Committee for the Growthpoint Group.

	Directors' fees	
	2023 R	2022 R
Non-executive Directors		
FM Berkeley**	1 646 500	1 670 500
R Gasant**	3 277 200	2 768 550
M Hamman	1 319 300	869 550
JC Hayward**	–	697 600
KP Lebina	1 008 600	937 100
JF Marais**	–	2 014 946
SP Mngconkola	382 750	941 900
NBP Nkabinde	365 150	892 100
CD Raphiri	1 009 600	317 800
AH Sangqu	1 260 700	1 258 000
JA van Wyk**	1 173 200	1 389 700
EA Wilton**	1 165 100	616 800
	12 608 100	14 374 546

** *FM Berkeley, R Gasant, JC Hayward, JF Marais, JA van Wyk and EA Wilton received additional fees of R258 500 (FY22: R0), R508 600 (FY22: R324 800), R0 (FY22: R64 200), R0 (FY22: R624 821), R54 200 (FY22: R0) and R135 400 (FY22: R0) respectively for their participation in ad hoc meetings which are included in the above table.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

25. Related party transactions (continued)

25.5 Directors' interests in ordinary shares

	2023 Number of shares			2022 Number of shares		
	Direct beneficial	Indirect beneficial	Total	Direct beneficial	Indirect beneficial	Total
Executive Directors						
LN Sasse	3 163 835	–	3 163 835	2 880 644	–	2 880 644
EK de Klerk	–	3 576 862#	3 576 862	–	3 344 187#	3 344 187
G Völkel	409 887	–	409 887	271 232	–	271 232
NO Chauke	27 074	–	27 074	–	–	–
Non-executive Directors						
M Hamman	–	5 500	5 500	–	5 500	5 500
NBP Nkabinde	–	–	–	–	4 000^	4 000
JA van Wyk	70 000	–	70 000	70 000	–	70 000

 # Associate: Family trust.
^ Associate: Spouse.

There have been no changes to the directors' interest since 1 July 2023 and the date on which these annual financial statements were approved.

25.6 Unvested options for Executive Directors – Zero strike price share scheme

	Number of unvested options			
	Total	30 June 2024	30 June 2025	30 June 2026
2021 options				
LN Sasse	168 589	168 589	–	–
EK de Klerk	129 778	129 778	–	–
G Völkel	62 609	62 609	–	–
NO Chauke	19 296	19 296	–	–
2022 options				
LN Sasse	203 726	101 861	101 865	–
EK de Klerk	158 237	79 117	79 120	–
G Völkel	86 058	43 027	43 031	–
NO Chauke	26 105	13 052	13 053	–
2023 options				
LN Sasse	939 424	313 141	313 141	313 142
EK de Klerk	731 071	243 690	243 690	243 691
G Völkel	399 867	133 289	133 289	133 289
NO Chauke	105 417	35 139	35 139	35 139

25. Related party transactions (continued)

25.7 Key staff retention scheme notional awards

	Opening balance 2022	Options deferred	Options vested	Closing balance 2023	Strike price
Key staff retention scheme award 2016					
EK de Klerk	120 000	–	(60 000)	60 000	13.56
Key staff retention scheme award 2017					
G Völkel	280 000	–	(140 000)	140 000	12.72
Key staff retention scheme award 2020					
NO Chauke	275 040	(30 560)*	(30 560)	213 920	11.21

* *The options deferred resulted in the conversion into 3 078 shares which vest in FY25.*

Unvested options for executive directors – Retention scheme	Total	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Key staff retention scheme award 2016						
EK de Klerk	60 000	60 000	–	–	–	–
Key staff retention scheme award 2017						
G Völkel	140 000	70 000	70 000	–	–	–
Key staff retention scheme award 2020						
NO Chauke	213 920	61 120	30 560	61 120	30 560	30 560

25.8 LTI share scheme notional awards

	Opening Balance 2022	Additional awards	Options vested	Closing Balance 2023	Actual shares vested	Vesting % based on LTI scorecard	Strike price
LTI share scheme notional awards							
LN Sasse	1 175 008	865 337	(236 965)	1 803 380	124 691	52.62%	–
EK de Klerk	912 648	671 484	(184 055)	1 400 077	96 850	52.62%	–
G Völkel	482 007	366 225	(86 422)	761 810	45 475	52.62%	–
NO Chauke	136 810	121 514	(25 930)	232 394	13 644	52.62%	–

	Total	30 June 2024	30 June 2025	30 June 2026	30 June 2027
Unvested options for Executive Directors – LTI share scheme					
LN Sasse	1 803 380	411 309	526 734	605 735	259 602
EK de Klerk	1 400 077	319 470	409 123	470 038	201 446
G Völkel	761 810	173 083	222 502	256 357	109 868
NO Chauke	232 394	45 008	65 872	85 059	36 455

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

26. Classification of financial assets and liabilities

GROUP

26.1 Assets

	Designated at fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
2023					
Cash and cash equivalents	–	1 036	2 483	–	3 519
Trade and other receivables	–	–	1 314	267	1 581
Derivative assets	–	1 971	–	–	1 971
Listed investments	–	1 576	–	–	1 576
Unlisted investments	–	1 561	–	–	1 561
Long-term loans granted	3 235	–	–	–	3 235
2022					
Cash and cash equivalents*	–	1 283	1 558	–	2 841
Trade and other receivables	–	–	2 114	207	2 321
Derivative assets	–	2 492	–	–	2 492
Listed investments	–	1 489	–	–	1 489
Unlisted investments	–	921	–	–	921
Long-term loans granted	3 313	–	–	–	3 313

* *The comparative figures have been restated. Money market funds are classified at fair value through profit or loss, whereas it was previously classified at amortised cost.*

26.2 Liabilities

	Designated at fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
2023					
Trade payables	–	–	3 407	216	3 623
Derivative liabilities	–	1 450	–	–	1 450
Interest-bearing borrowings	68 180	–	–	–	68 180
Lease liability	–	–	2 101	–	2 101
2022					
Trade payables	–	–	3 277	264	3 541
Derivative liabilities	–	817	–	–	817
Liabilities associated with assets classified as held for sale	–	–	39	–	39
Interest-bearing borrowings	62 857	–	–	–	62 857
Lease liability	–	–	1 826	–	1 826

26. Classification of financial assets and liabilities (continued)

COMPANY

26.3 Assets

	Designated at fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
2023					
Cash and cash equivalents	–	900	427	–	1 327
Trade and other receivables	–	–	806	53	859
Derivative assets	–	592	–	–	592
Long-term loans granted	3 235	–	–	–	3 235
Inter-company assets	–	–	14 221	–	14 221
Unlisted investments	–	1 511	–	–	1 511
2022					
Cash and cash equivalents*	–	1 210	84	–	1 294
Trade and other receivables	–	–	852	44	896
Derivative assets	–	719	–	–	719
Long-term loans granted	3 306	–	–	–	3 306
Inter-company assets	–	–	14 897	–	14 897
Unlisted investments	–	920	–	–	920

* *The comparative figures have been restated. Money market funds are classified at fair value through profit or loss, whereas it was previously classified at amortised cost.*

26.4 Liabilities

	Designated at fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
2023					
Trade payables	–	–	1 819	–	1 819
Derivative liabilities	–	1 437	–	–	1 437
Interest-bearing borrowings	32 462	–	–	–	32 462
Lease liability	–	–	21	–	21
2022					
Trade payables	–	–	1 481	22	1 503
Derivative liabilities	–	814	–	–	814
Interest-bearing borrowings	30 917	–	–	–	30 917
Lease liability	–	–	23	–	23

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

27. Fair value estimation

GROUP

27.1 Fair value measurement of assets and liabilities

The below table includes only those assets and liabilities that are measured at fair value including non-recurring items measured at fair value:

	2023				2022			
	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
ASSETS								
Recurring fair value measurement								
Fair value of property assets	140 322	–	–	140 322	134 712	–	–	134 712
Listed investments	1 576	1 576	–	–	1 489	1 489	–	–
Unlisted investments	1 561	–	–	1 561	921	–	–	921
Long-term loans granted	3 235	–	–	3 235	3 313	–	–	3 313
Derivative assets	1 971	–	1 971	–	2 492	–	2 492	–
Cash and cash equivalents*	1 036	–	1 036	–	1 283	–	1 283	–
Non-recurring fair value measurement								
Non-current assets held for sale	18	–	–	18	866	–	–	866
Total assets measured at fair value	149 719	1 576	3 007	145 136	145 076	1 489	3 775	139 812
LIABILITIES								
Recurring fair value measurement								
Interest-bearing borrowings	68 180	–	68 180	–	62 857	7 038	55 819	–
Derivative liabilities	1 450	–	1 450	–	817	–	817	–
Total liabilities measured at fair value	69 630	–	69 630	–	63 674	7 038	56 636	–

* *Refer to the footnote in note 26.1.*

The carrying amount of assets and liabilities that are not measured at fair value reasonably approximate their fair value due to their short-term nature. These include trade and other receivables, cash and cash equivalents (excluding money market funds) and trade and other payables.

27.2 Movement in level 3 instruments

	2023			2022		
	Property assets Rm	Unlisted invest-ments Rm	Long-term loans granted Rm	Property assets Rm	Unlisted invest-ments Rm	Long-term loans granted Rm
Opening balance	135 578	921	3 313	128 242	808	2 534
Gain from fair value adjustments and translation of foreign operations	4 179	89	(236)	4 650	77	587
Depreciation and amortisation	(673)	–	–	(387)	–	–
Accrued interest	–	–	355	–	–	238
Acquisitions	5 301	553	–	4 993	11	–
GSAH acquisitions	–	–	–	2 060	–	–
Reclassified from long-term loans granted to unlisted investments	–	–	–	–	42	(42)
Right-of-use assets	(2)	–	–	(26)	–	–
Disposals	(3 967)	(2)	–	(1 955)	(17)	–
Deconsolidation of C&R Luton	–	–	–	(1 981)	–	–
Transferred to investment property held for trading and development	(76)	–	–	(18)	–	–
Advanced during the year	–	–	32	–	–	3
Write-off of loans	–	–	(15)	–	–	–
Repaid during the year	–	–	(214)	–	–	(7)
Closing balance	140 340	1 561	3 235	135 578	921	3 313

27. Fair value estimation (continued)

27.3 Valuation process

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to the Group Financial Director.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There were no transfers between levels during the year.

27.4 Valuation techniques and significant unobservable inputs

Level 2 instruments

Cash and cash equivalents

Description	Valuation technique and inputs used	Significant unobservable inputs
Cash and cash equivalents	Money market funds are valued by discounting future cash flows. Valuations are based on interest rate markets.	Not applicable

The estimated fair value would increase/(decrease) if the interest rates were lower/(higher).

Interest-bearing borrowings

Description	Valuation technique and inputs used	Significant unobservable inputs
Interest-bearing borrowings	Valued by discounting future cash flows using the applicable swap curve plus an appropriate credit margin of between 1.0% and 5.95% at the dates when the cash flow will take place (FY22: 1.0% and 2.0%).	Not applicable

The estimated fair value would increase/(decrease) if the credit margin were lower/(higher).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

27. Fair value estimation (continued)

27.4 Valuation techniques and significant unobservable inputs (continued)

Level 2 instruments

Derivative instruments

Description	Valuation technique and inputs used	Significant unobservable inputs
Forward exchange contracts	Valued by discounting the forward rates applied at year end to the open hedged positions using the swap curve of the respective currencies.	Not applicable
Interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable
Cross-currency interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable

Level 3 instruments

In terms of the Group's policy, at least 75% of the fair value of investment properties should be determined by an external, independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

94.9% (FY22: 94.3%) of the South African portfolio was externally valued at FY23. The balance of the South African portfolio was valued by Growthpoint's qualified internal valuers.

The majority of the South African properties were valued at FY23 using the discounted cash flow of future income streams method by the following valuers who are all registered valuers in terms of section 19 of the Property Valuers Professional Act, No 47 of 2000:

Valuer company	Valuer	Qualification of the valuer
Broll Valuation and Advisory Services (Pty) Limited	R Long	BSc, MBA, MRICS, Professional Valuer
Eris Property Group (Pty) Limited	C Everatt	BSc (Hons) Estate Management, MRICS, MIV (SA), Professional Valuer
Knight Frank (Gauteng) (Pty) Limited	A Arbee	NDip (Real Estate in Prop Val), Professional Associated Valuer
Mills Fitchet Cape (Pty) Limited	S Wolffs	NDip (Prop Val), Professional Associated Valuer
Mills Fitchet KZN (Pty) Limited	T Bate	MSc, BSc Land Econ (UK), MRICS, MIV (SA), Professional Valuer
Premium Valuation and Advisory Services (Pty) Limited	Y Vahed	NDip (Real Estate in Prop Val), MIV (SA), Professional Valuer
Real Insight (Pty) Limited	TLJ Behrens	NDip (Real Estate in Prop Val), Professional Associated Valuer
Rode & Associates (Pty) Limited	M Tighy	BSc, Pr Sci Nat, MBL, MRICS, Professional Valuer
Spectrum Valuations & Asset Solutions (Pty) Limited	PL O'Connell	NDip (Prop Val), MRICS, Professional Valuer
Sterling Valuation Specialists CC	AS Greybe-Smith	BSc (Hons), MIV (SA), Professional Associated Valuer

69% of the Australian properties were valued externally at FY23 using the discounted cash flow of future income streams method by CBRE, Colliers, Cushman & Wakefield, JLL, Knight Frank, m3property, Savills and Urbis that are all members of the Australian Property Institute and certified practicing valuers.

The United Kingdom properties were valued at FY23 using the income capitalisation approach method by CBRE and Knight Frank that are both members of the Royal Institution of Chartered Surveyors (RICS).

27. Fair value estimation (continued)

27.4 Valuation techniques and significant unobservable inputs (continued)

At the reporting date, the key assumptions and unobservable inputs used by the Group in determining fair value were in the following ranges for the Group's portfolio of properties:

			Significant unobservable inputs and range of estimates used			
Description	Valuation technique	Fair value Rm	Discount rate (%)	Capitalisation rate (%)	Exit capitalisation rate (%)	Rental growth rate %
Retail sector	Discounted cash flow model	**24 075**	**12.90**	**8.03**	**8.40**	**5.15**
		20 700	12.25 – 13.25	7.50 – 9.00	7.25 – 8.75	4.50 – 5.25
		3 375	13.50 – 14.00	8.75 – 10.00	8.25 – 9.75	3.95 – 5.00
Office sector		**24 631**	**13.36**	**8.80**	**9.30**	**4.50**
		12 033	12.50 – 13.25	8.25 – 10.50	8.00 – 10.00	4.50 – 4.50
		9 719	13.50 – 14.00	8.75 – 11.00	8.50 – 10.50	3.59 – 4.50
		2 879	14.25 – 14.50	9.75 – 10.50	9.25 – 10.00	4.50 – 5.00
Industrial sector		**11 558**	**13.87**	**9.39**	**9.86**	**4.48**
		4 079	12.50 – 13.50	8.75 – 10.50	8.50 – 9.75	4.00 – 5.00
		6 826	13.75 – 14.75	9.25 – 11.75	8.00 – 11.00	3.50 – 5.00
		653	15.00 – 16.00	10.50 – 13.00	9.75 – 12.00	3.50 – 5.00
GHPH sector		**3 633**	**13.50**	**9.24**	**9.60**	**3.83**
		2 852	12.50 – 13.50	8.50 – 10.00	8.50 – 9.50	4.00 – 4.00
		781	14.25 – 15.00	10.00 – 11.50	9.50 – 11.00	1.00 – 4.00
GSAH sector		**2 625**	**15.07**	**9.93**	**10.23**	**5.15**
GOZ office sector		**39 200**	**6.37**	**5.66**	**5.99**	**3.10**
		17 121	5.75 – 6.25	4.25 – 6.25	4.8 – 6.25	2.50 – 3.70
		17 833	6.38 – 6.75	5.25 – 6.63	5.75 – 7.13	2.50 – 3.70
		4 246	6.88 – 7.25	6.00 – 6.75	6.25 – 7.00	2.50 – 3.70
GOZ industrial sector		**21 380**	**6.44**	**5.39**	**5.93**	**3.35**
		9 424	6.00 – 6.25	4.50 – 7.25	4.75 – 10.25	2.80 – 3.90
		9 434	6.50 – 6.75	4.75 – 7.50	5.00 – 10.50	2.80 – 3.90
		2 522	7.00 – 7.25	4.75 – 6.57	5.13 – 6.86	2.80 – 3.90
Total		**127 102**				

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27. Fair value estimation (continued)

27.4 Valuation techniques and significant unobservable inputs (continued)

Description	Valuation technique	Fair value Rm	Value/m² range R
		Significant unobservable inputs and range of estimates used	
Retail sector	Market-comparable approach	**987**	**9 241**
		465	6 367 – 9 392
		522	11 604 – 12 406
Office sector		**863**	**3 515**
		508	2 049 – 3 876
		355	7 627 – 11 633
Industrial sector		**1 016**	**1 374**
		515	467 – 2 482
		379	3 371 – 7 983
		122	15 917 – 51 096
GSAH sector		**92**	**5 438**
		92	3 591 – 6 060
		2 958	

Description	Valuation technique	Fair value Rm	Income capitalisation rate %	Exit capitalisation rate %
			Significant unobservable inputs and range of estimates used	
C&R retail sector	Income capitalisation approach		**7.4**	**8.6**
		7 036	5.09 – 7.59	7.00 – 7.94
		755	11.44	11.68
		239	14.25	17.45
		8 030		

Further assumptions are used in the valuation of investment property. The estimated fair value would increase/(decrease) if the expected market rental growth was higher/(lower), expected expense growth was lower/(higher), the vacant periods were shorter/(longer), the occupancy rate was higher/(lower), the rent-free periods were shorter/(longer), the discount rate was lower/(higher) and/or the reversionary capitalisation rate was lower/(higher).

27. Fairy value estimation (continued)

27.4 Valuation techniques and significant unobservable inputs (continued)

Level 3 instruments (continued)

The property portfolio on page 114 to 137 provides further detail on each of the Group's investment properties.

Long-term loans granted

Description	Valuation technique	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
V&A Waterfront	Valued by discounting future cash flows using the South African swap curve plus an appropriate credit margin at the dates when the cash flows will take place.	Counterparty credit risk impacting the discount rate	Discount rate at prime + 2%	A change in the discount rate by 50 bps would increase/(decrease) the fair value by R40.3m/(R40.3m).

Unlisted investments

Description	Valuation technique	Significant unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Lango	Valued by calculating the company's percentage of investment in the Fund by the net asset value.	Discount rate (%)	13.25% – 16.75% (14.16% average)	A change in the discount rate by 50 bps would increase/(decrease) the fair value by R210.8m/(R202.7m).
		Exit capitalisation rate (%)	8.75% – 12.0% (8.86% average)	A change in the exit capitalisation rate by 50 bps would increase/(decrease) the fair value by R213.2m/(R201.2m).

COMPANY

27.5 Fair value measurement of assets and liabilities

The below table includes only those assets and liabilities that are measured at fair value including non-recurring items measured at fair value:

	2023				2022			
	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
ASSETS								
Recurring fair value measurement								
Fair value of property assets	**33 731**	**–**	**–**	**33 731**	31 706	–	–	31 706
Unlisted investments	**1 511**	**–**	**–**	**1 511**	920	–	–	920
Investment in subsidiaries*	**39 608**	**18 289**	**–**	**21 319**	41 236	19 518	–	21 718
Long-term loans granted	**3 235**	**–**	**–**	**3 235**	3 306	–	–	3 306
Investments in joint ventures and associates	**7 307**	**–**	**–**	**7 307**	6 554	–	–	6 554
Derivative assets	**592**	**–**	**592**	**–**	719	–	719	–
Cash and cash equivalents#	**900**	**–**	**900**	**–**	1 210	–	1 210	–
Non-recurring fair value measurement								
Non-current assets held for sale	**–**	**–**	**–**	**–**	–	–	–	–
Total assets measured at fair value	**86 884**	**18 289**	**1 492**	**67 103**	85 651	19 518	1 929	64 204
LIABILITIES								
Recurring fair value measurement								
Interest-bearing borrowings	**32 462**	**–**	**32 462**	**–**	30 917	–	30 917	–
Derivative liabilities	**1 437**	**–**	**1 437**	**–**	814	–	814	–
Total liabilities measured at fair value	**33 899**	**–**	**33 899**	**–**	31 731	–	31 731	–

* *The comparative figures have been re-presented for comparability.*

\# *Refer to the footnote in note 26.3.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

27. Fair value estimation (continued)

27.6 Movement in level 3 instruments

The carrying amount of assets and liabilities that are not measured at fair value reasonably approximate their fair value due to their short-term nature. These include trade and other receivables, cash and cash equivalents (excluding Money market funds) and trade and other payables.

	2023					2022				
	Property assets Rm	Unlisted investments Rm	Investment in subsidiaries* Rm	Long-term loans granted Rm	Investment in joint ventures and associates Rm	Property assets Rm	Unlisted investments Rm	Investment in subsidiaries* Rm	Long-term loans granted Rm	Investment in joint ventures and associates Rm
Opening balance	**31 706**	**920**	**21 718**	**3 306**	**6 554**	32 412	794	19 216	2 519	7 112
Gains/(losses) from fair value adjustments	**228**	**79**	**(399)**	**(247)**	**744**	(565)	86	1 757	588	(558)
Accrued interest	**–**	**–**	**–**	**354**	**9**	–	–	–	239	–
Acquisitions	**2 257**	**514**	**–**	**–**	**–**	420	15	745	–	–
Amortisation	**(75)**	**–**	**–**	**–**	**–**	(1)	–	–	–	–
Disposals	**(309)**	**(2)**	**–**	**–**	**–**	(542)	(17)	–	–	–
Transferred to investment property held for trading and development	**(76)**	**–**	**–**	**–**	**–**	–	–	–	–	–
Reclassified to unlisted investments	**–**	**–**	**–**	**–**	**–**	–	42	–	(42)	–
Reclassified to inter-company assets	**–**	**–**	**–**	**–**	**–**	–	–	–	6	–
Advanced during the year	**–**	**–**	**–**	**32**	**–**	–	–	–	2	–
Repaid during the year	**–**	**–**	**–**	**(210)**	**–**	(18)	–	–	(6)	–
Closing balance	**33 731**	**1 511**	**21 319**	**3 235**	**7 307**	31 706	920	21 718	3 306	6 554

* *The comparative figures have been re-presented for comparability.*

27.7 Valuation process

A number of the company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to the Group Financial Director.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

27. Fair value estimation (continued)

27.7 Valuation process (continued)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There were no transfers between levels during the year.

27.8 Valuation techniques and significant unobservable inputs

Level 2 instruments

Interest-bearing borrowings

Cash and cash equivalents

Description	Valuation technique and inputs used	Significant unobservable inputs
Cash and cash equivalents	Money market funds are valued by discounting future cash flows. Valuations are based on interest rate markets.	Not applicable

The estimated fair value would increase/(decrease) if the interest rates were lower/(higher).

Description	Valuation technique and inputs used	Significant unobservable inputs
Interest-bearing borrowings	Valued by discounting future cash flows using the applicable swap curve plus an appropriate credit margin of between 1.0% and 2.0% at the dates when the cash flow will take place (FY22: 1.0% and 2.0%).	Not applicable

The estimated fair value would increase/(decrease) if the credit margin were lower/(higher).

Derivative instruments

Description	Valuation technique and inputs used	Significant unobservable inputs
Forward exchange contracts	Valued by discounting the forward rates applied at year end to the open hedged positions using the swap curve of the respective currencies.	Not applicable
Interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable
Cross-currency interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

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27. Fair value estimation (continued)

27.9 Valuation technique and unobservable inputs

Level 3 instruments

Investment property

At the reporting date, the key assumptions and unobservable inputs used by the company in determining fair value of investment property were in the following ranges for the company's portfolio of properties:

Significant unobservable inputs and range of estimates used

		Fair value Rm	Discount rate (%)	Capitalisation rate (%)	Exit capitalisation rate (%)	Rental growth rate %
Retail sector	Discounted cash flow model	**14 667**	**12.97**	**7.99**	**8.37**	**4.77**
		12 160	12.50 – 13.25	7.75 – 9.00	7.25 – 8.75	4.50 – 5.17
		2 507	13.50 – 14.00	8.75 – 10.00	8.25 – 9.75	3.95 – 5.00
Office sector		**12 664**	**13.28**	**8.67**	**9.19**	**4.50**
		6 709	12.50 – 13.25	8.25 – 10.00	8.00 – 9.50	4.50 – 4.50
		3 770	13.50 – 14.00	9.00 – 10.25	8.50 – 10.00	4.50 – 4.50
		2 185	14.25 – 14.50	9.75 – 10.50	9.25 – 10.00	4.50 – 4.50
Industrial sector		**4 693**	**13.80**	**9.72**	**9.29**	**4.89**
		1 662	12.75 – 13.50	9.00 – 10.00	8.75 – 9.50	4.00 – 5.00
		3 031	13.75 – 14.75	9.25 – 10.75	8.75 – 10.25	3.50 – 5.00
Total		**32 024**				

Significant unobservable inputs and range of estimates used

Description	Valuation technique	Fair value Rm	Value/m² range R
Retail sector	Market-comparable approach	**266**	**6 367**
		266	6 367 – 6 367
Office sector		**509**	**2 390**
		415	2 049 – 2 607
		94	3 400 – 3 876
Industrial sector		**656**	**980**
		392	467 – 1 558
		156	3 770 – 6 523
		108	7 983 – 15 917
		1 431	

Description	Valuation technique	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
V&A Waterfront	Valued by discounting future cash flows using the South African swap curve plus an appropriate credit margin at the dates when the cash flows will take place.	Counterparty credit risk impacting the discount rate	Discount rate at prime + 2%	A change in the discount rate by 50 bps would increase/(decrease) the fair value by R40.3m/(R40.3m).

27. Fair value estimation (continued)

27.9 Valuation technique and unobservable inputs (continued)

Investment in subsidiaries

Description	Valuation technique	Significant unobservable inputs (%)	Range of inputs (%) (weighted average)	A change in the discount rate by 25 bps would increase/ (decrease) the fair value by:
Total subsidiaries	Discounted cash flow model of the underlying properties in the subsidiaries	Discount rate	12.25 – 16.00 (13.49)	R495.6m/(R506.9m)
		Exit capitalisation rate	7.50 – 13.00 (9.34)	R377.7m/(R399.6m)
Retail subsidiaries		Discount rate	12.25 – 14.00 (12.79)	R147.0 /(R150.1m)
		Exit capitalisation rate	7.50 – 10.00 (8.46)	R129.8/(R137.9m)
Office subsidiaries		Discount rate	12.75 – 14.50 (13.46)	R168.2m/(R171.8m)
		Exit capitalisation rate	8.50 – 11.00 (9.41)	R125.1m/(R132.1m)
Industrial subsidiaries		Discount rate	12.50 – 16.00 (13.92)	R94.2m/(R97.3m)
		Exit capitalisation rate	8.75 – 13.00 (9.95)	R65.0m/(R69.1m)
GHPH subsidiaries		Discount rate	12.50 – 15.00 (13.50)	R19.4m/(R19.6m)
		Exit capitalisation rate	8.50 – 11.50 (9.60)	R12.1m/(R12.7m)
GSAH subsidiaries		Discount rate	14.75 – 15.50 (15.07)	R5.2m/(R5.4m)
		Exit capitalisation rate	10.00 – 10.50 (10.23)	R3.8m/(R4.0m)

			Significant unobservable inputs and range of estimates used			
Description	**Valuation technique**	**Fair value Rm**	**Discount rate (%)**	**Exit capitalisation rate (%)**	**Capitalisation rate (%)**	**Rental growth rate (%)**
Retail sector	Discounted cash flow model	**9 409**	**12.79**	**8.46**	**8.09**	**4.86**
		869	13.50 – 14.00	9.50 – 10.00	9.00 – 9.25	4.50 – 5.00
		8 540	12.25 – 13.25	7.50 – 9.00	7.25 – 8.75	4.50 – 5.25
Office sector		**11 969**	**13.46**	**9.41**	**8.94**	**4.49**
		5 323	12.75 – 13.25	8.50 – 10.50	8.00 – 10.00	3.50 - 5.00
		5 950	13.50 – 14.00	8.75 – 11.00	8.50 – 10.50	3.59 – 5.00
		696	14.25 – 14.50	9.75 – 10.25	9.25 – 9.75	3.49 – 5.00
Industrial sector		**6 865**	**13.92**	**9.95**	**9.46**	**4.48**
		2 417	12.50 – 13.50	8.75 – 10.50	8.50 – 9.75	4.00 – 5.00
		3 795	13.75 – 14.75	9.25 – 11.75	8.00 – 11.00	3.50 – 5.00
		653	15.00 – 16.00	10.50 – 13.00	9.75 – 12.00	3.50 – 5.00
GHPH sector		**3 633**	**13.50**	**9.60**	**9.24**	**3.83**
		2 852	12.50 – 13.50	8.50 – 10.00	8.50 – 9.50	4.00 – 4.00
		781	14.25 – 15.00	10.00 – 11.50	9.50 – 11.00	1.00 – 4.00
GSAH sector		**2 625**	**15.07**	**10.23**	**9.93**	**5.15**
		2625	14.75 – 15.50	10.00 – 10.50	9.75 – 10.00	5.00 – 5.50
Total		**34 501**				

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

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27. Fair value estimation (continued)

27.9 Valuation technique and unobservable inputs (continued)

Description	Valuation technique	Fair value Rm	Significant unobservable inputs and range of estimates used: Value/m² range R
Retail sector	Market-comparable approach	**721**	**11 007**
		202	9 392 – 9 392
		519	11 604 – 12 406
Office sector		**355**	**10 769**
		355	7 627 – 11 611
Industrial sector		**361**	**4 387**
		120	851 – 2 482
		162	3 371 – 6 540
		79	51 096 – 51 096
GSAH sector		**92**	**5 438**
		92	3 591 – 6 060
		1 529	

Unlisted investments

Description	Valuation technique	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Lango	Valued by calculating the company's percentage of investment in the Fund by the net asset value.	Discount rate (%)	13.25% – 16.75% (14.16% average)	A change in the discount rate by 50 bps would increase/(decrease) the fair value by R210.8m/(R202.7m).
		Exit capitalisation rate (%)	8.75% – 12.0% (8.86% average)	A change in the exit capitalisation rate by 50 bps would increase/(decrease) the fair value by R213.2m/(R201.2m).

28. Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Risk Management Committee is responsible for developing and monitoring the Group's risk management policies and reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Risk Management Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Risk Management Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to both the Audit Committee and the Risk Management Committee.

The financial instruments of the Group consist mainly of cash and cash equivalents, including deposits with banks, long-term borrowings, derivative instruments, trade and other receivables, trade and other payables and long-term loans granted. The Group purchases or issues financial instruments in order to finance operations and to manage the interest rate risks that arise from these operations and the source of funding.

The Group has exposure to the following risks from its use of financial instruments:
- Credit risk
- Liquidity risk
- Market risk (interest rate risk, foreign currency risk and market price risk).

28. Financial risk management (continued)

28.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It arises principally from assets identified below. Credit risk is managed on a Group basis.

The carrying amounts of financial assets represent the maximum credit exposure:

	Group 2023 Rm	Group 2022 Rm	**Company 2023 Rm**	Company 2022 Rm
Inter-company assets	**–**	–	**14 221**	14 897
Long-term loans granted	**3 235**	3 313	**3 235**	3 306
Derivative assets	**1 971**	2 492	**592**	719
Cash and cash equivalents	**3 519**	2 841	**1 327**	1 294
Rental debtors (after loss allowances)	**177**	210	**2**	9
Sundry debtors	**737**	1 277	**536**	520
Loan to joint venture – V&A Waterfront	**100**	323	**100**	323
Accrued recoveries	**295**	304	**156**	–
	10 034	10 760	**20 169**	21 068

Long-term loans granted

The Group provided loans to the V&A Waterfront and Lango Manco.

V&A Waterfront

- The loans are unsecured.

Lango Real Estate Management Limited

- The loans are unsecured.

Derivative assets

Exposure to credit risk is limited by entering into derivative financial instruments with counterparties that have a high percentage tier-one capital and strong credit ratings assigned by international credit rating agencies.

Cash and cash equivalents

Exposure to credit risk is limited by investing in liquid currencies with counterparties that have a high percentage tier-one capital and strong credit ratings assigned by international credit rating agencies. Cash and cash equivalents include cash held on call account as security for municipal guarantees whose amounts are not available for use by the Group. The amounts are disclosed in note 15.

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

Rental debtors

Rental income in respect of deferments has been recognised as per the lease agreement resulting in a debtor. Rental discounts provided to tenants, including rental discounts that are highly likely to occur, were not recognised.

The Group's exposure to credit risk is mainly in respect of tenants and is influenced by the individual characteristics of each tenant. The Group's widespread tenant base reduces credit risk. The Group's trade debtors are mainly listed and multinational companies which reduces the credit risk. The Group's exposure to credit risk did not significantly change from FY22.

Management has established a credit policy under which each new tenant is analysed individually for creditworthiness before the Group's standard payment terms and conditions are offered which include, in the majority of cases, the provision of a deposit of at least one month's rental. When available, the Group's credit review includes external ratings.

The UNdeposit campaign is a campaign whereby tenants pay a non-refundable fee at the inception of a lease period instead of the normal tenant deposit. Tenants are analysed individually for creditworthiness to determine if they are eligible for the UNdeposit facility fee and this also determines the exact extent of the non-refundable fee payable by them.

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28. Financial risk management (continued)

28.1 Credit risk (continued)

Rental debtors (continued)

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

An expected credit loss (ECL) rate is calculated for each category of rental debtors, as indicated in the table below, which is based on delinquency status and actual credit losses experienced in the past. The Group uses an allowance matrix to measure the ECLs of rental debtors from individual customers, which comprises a large number of small balances. Current debtors are classified into two buckets, current debtors under 90 days past due and current debtors that have a significant increase in risk of default (more than 90 days past due). Current debtors in South Africa over 90 days are typically written off. The weighted average loss rate percentage for rental debtors classified as level 1 and 2, increased from 48.7% to 60.0% from FY22 to FY23, due to an increase in the expected credit loss percentage for rental debtors more than 90 days past due in South Africa.

A summary of the Group's exposure to credit risk and ECLs for rental debtors is as follows:

GROUP	2023			
	Weighted average loss rate %	**Gross carrying amount Rm**	**Loss allowance Rm**	**Credit impaired**
Rental debtors:				
Current to 90 days past due	**36.2**	**177**	**(64)**	**No**
More than 90 days past due	**99.1**	**108**	**(107)**	**Yes**
Total gross carrying amount	**60.0**	**285**	**(171)**	

	2022			
	Weighted average loss rate (%)	Gross carrying amount Rm	Loss allowance Rm	Credit impaired
Rental debtors:				
Current to 90 days past due	24.3	210	(51)	No
More than 90 days past due	74.4	199	(148)	Yes
Total gross carrying amount	48.7	409	(199)	

COMPANY	2023			
	Weighted average loss rate %	**Gross carrying amount Rm**	**Loss allowance Rm**	**Credit impaired**
Rental debtors:				
Current to 90 days past due	**50.0**	**38**	**(19)**	**No**
More than 90 days past due	**100.0**	**21**	**(21)**	**Yes**
Total gross carrying amount	**67.8**	**59**	**(40)**	

	2022			
	Weighted average loss rate (%)	Gross carrying amount Rm	Loss allowance Rm	Credit impaired
Rental debtors:				
Current to 90 days past due	67.9	28	(19)	No
More than 90 days past due	100.0	40	(40)	Yes
Total gross carrying amount	86.8	68	(59)	

28. Financial risk management (continued)

28.1 Credit risk (continued)

Sundry debtors

Sundry debtors include electricity, municipal and water deposits, acquisition costs for investment property and corporate accounts receivable from third parties.

Electricity, municipal and water deposits
- These deposits are held with reputable counterparties.

Acquisition costs for investment properties
- These costs do not result in any credit risk.

Corporate accounts receivable from third parties
- These accounts receivable relate to tenant incentives paid on behalf of reputable third parties with whom the Group and company are in a joint operation. The company manages all income received on behalf of the third-party buildings and credit risk is therefore considered low.

Loan to joint venture – V&A Waterfront

The Group provided an unsecured loan to the V&A Waterfront. This loan has been disclosed under trade and other receivables.

28.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The major sources of funding for the Group are long-term borrowings. The Group monitors the level of expected cash inflows (including but not limited to cash inflows from rental debtors, finance income and proceeds from the sale of properties) together with expected cash outflows on financial liabilities over the next 60 days.

The tables below set out the maturity analysis of the Group's financial liabilities based on the undiscounted contractual cash flows.

	2023					
GROUP	Carrying amount Rm	Within 1 year Rm	1 – 2 years Rm	2 – 5 years Rm	>5 years Rm	Total Rm
South African long-term borrowings	41 284	7 364	11 929	25 922	10 886	56 101
South African derivative financial liabilities	1 450	208	(5)	49	–	252
South African lease liabilities	38	9	5	14	53	81
GOZ lease liabilities	1 343	73	60	297	1 699	2 129
C&R lease liabilities	720	79	135	164	3 024	3 402
GOZ long-term borrowings	23 293	1 024	5 354	17 925	3 419	27 722
C&R long-term borrowings	3 603	1 212	126	3 628	–	4 966
Trade and other payables	3 623	3 608	–	15	–	3 623
	75 354	13 577	17 604	48 014	19 081	98 276

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

28. Financial risk management (continued)

28.2 Liquidity risk (continued)

2022	Carrying amount Rm	Within 1 year Rm	1 – 2 years Rm	2 – 5 years Rm	>5 years Rm	Total Rm
South African long-term borrowings	39 460	11 497	8 816	23 276	6 817	50 406
South African derivative financial liabilities	813	229	165	10	–	404
South African lease liabilities	39	10	7	12	52	81
GOZ lease liabilities	1 176	53	54	233	1 584	1 924
C&R lease liabilities	611	64	60	139	2 580	2 843
GOZ long-term borrowings	19 674	882	3 234	14 710	2 931	21 757
GOZ derivative financial liabilities	4	18	21	72	–	111
C&R long-term borrowings	4 629	187	968	4 273	–	5 428
Trade and other payables	3 277	3 265	12	–	–	3 277
	69 683	16 205	13 337	42 725	13 964	86 231

COMPANY

2023	Carrying amount Rm	Within 1 year Rm	1 – 2 years Rm	2 – 5 years Rm	>5 years Rm	Total Rm
Interest-bearing borrowings	32 462	6 801	8 684	19 221	10 886	45 592
Derivative liabilities	1 437	290	67	129	–	486
GPI guarantee	–	8 046	–	–	–	8 046
G Properties Two guarantee	–	1 306	–	–	–	1 306
Trade and other payables	1 819	1 819	–	–	–	1 819
Lease liability	21	4	2	5	47	58
	35 739	18 266	8 753	19 355	10 933	57 307

2022	Carrying amount Rm	Within 1 year Rm	1 – 2 years Rm	2 – 5 years Rm	>5 years Rm	Total Rm
Interest-bearing borrowings*	30 917	3 789	8 724	21 770	6 817	41 100
Derivative liabilities	814	229	165	10	–	404
GPI guarantee	–	7 361	–	–	–	7 361
G Properties Two guarantee	–	1 137	–	–	–	1 137
Trade and other payables	1 481	1 481	–	–	–	1 481
Lease liability	23	5	4	7	48	64
	33 235	14 002	8 893	21 787	6 865	51 547

Growthpoint Properties Limited has provided a guarantee in respect of obligations of GPI totaling EUR326m at interest rates of Euribor+1.80% to Euribor+2.03%. These interest-bearing borrowings are maturing between July 2024 and April 2028.

Growthpoint Properties Limited has provided a guarantee in respect of obligations of G Properties Two totaling USD60m at interest rates of USD Libor+1.85%. These interest-bearing borrowings are maturing in August 2025.

* *The comparative figure has been restated. Previously R30 767m was disclosed.*

28. Financial risk management (continued)

28.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income, cash flows or the value of its holdings of investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

The Group is exposed to interest rate risk and adopts a policy of ensuring that at least 75% of its exposure to changes in interest rates on borrowings is on a fixed rate basis. This is achieved by entering into "pay fixed and receive variable" interest rate swaps. All such transactions are carried out within the guidelines set by the Risk Management Committee. As a consequence, the Group and company is exposed to fair value interest rate risk in respect of the fair value of its fixed rate financial instruments, which will not have an impact on distributions. Short-term receivables and payables and investments are not directly exposed to interest rate risk.

The below table depicts the percentage and term of long-term interest-bearing borrowings that were fixed.

GROUP	2023 % fixed	2023 Weighted average period (years)	2022 % fixed	2022 Weighted average period (years)
South African operations	**77.7**	**3.5**	83.9	2.9
Group	**79.6**	**3.4**	77.9	3.4

The Group and company is exposed to interest rate risk and adopts a policy of ensuring that at least 75% of its exposure to changes in interest rates on borrowings is on a fixed rate basis. This is achieved by entering into "pay fixed and receive variable" interest rate swaps. All such transactions are carried out within the guidelines set by the Risk Management Committee. As a consequence, the Group is exposed to fair value interest rate risk in respect of the fair value of its fixed rate financial instruments, which will not have an impact on distributions. Short-term receivables and payables and investments are not directly exposed to interest rate risk.

The below table depicts the percentage and term of long-term interest-bearing borrowings that were fixed.

COMPANY	2023 % fixed	2023 Weighted average period (years)	2022 % fixed	2022 Weighted average period (years)
South African operations	**78.2**	**3.6**	77.3	2.9

Sensitivity analysis

The following table demonstrates the sensitivity to an increase in interest rate, on interest expense, profit and equity, with all variables held constant. A decrease in interest rate will have the opposite impact.

GROUP	2023 Increase/(decrease) Change in basis points	2023 Increase/(decrease) Interest expense Rm	2023 Increase/(decrease) Profit and equity Rm	2022 Increase/(decrease) Change in basis points	2022 Increase/(decrease) Interest expense Rm	2022 Increase/(decrease) Profit and equity Rm
South African operations	**100**	**90.8**	**(90.8)**	100	63.4	(63.4)
Group	**100**	**141.3**	**(141.3)**	100	144.3	(144.3)

COMPANY	2023 Increase/(decrease) Change in basis points	2023 Increase/(decrease) Interest expense Rm	2023 Increase/(decrease) Profit and equity Rm	2022 Increase/(decrease) Change in basis points	2022 Increase/(decrease) Interest expense Rm	2022 Increase/(decrease) Profit and equity Rm
South African operations	**100**	**69.7**	**(69.7)**	100	69.3	(69.3)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

28. Financial risk management (continued)

28.3 Market risk (continued)

The variable/fixed interest rate profile of interest-bearing financial instruments is as follows:

GROUP	Variable rate instruments 2023 Rm	Variable rate instruments 2022 Rm	Fixed rate Instruments 2023 Rm	Fixed rate Instruments 2022 Rm
Financial assets	**6 754**	6 147	**1 971**	2 499
Cash and cash equivalents	**3 519**	2 841	**–**	–
Long-term loans granted	**3 235**	3 306	**–**	7
Derivative assets	**–**	–	**1 971**	2 492
Financial liabilities	**56 557**	44 916	**14 203**	19 327
Derivative liabilities	**–**	–	**1 450**	817
Interest-bearing borrowings	**56 557**	44 916	**12 753**	18 510

COMPANY	Variable rate instruments 2023 Rm	Variable rate instruments 2022 Rm	Fixed rate Instruments 2023 Rm	Fixed rate Instruments 2022 Rm
Financial assets	**4 562**	4 600	**592**	719
Cash and cash equivalents	**1 327**	1 294	**–**	–
Long-term loans granted	**3 235**	3 306	**–**	–
Derivative assets	**–**	–	**592**	719
Financial liabilities	**31 529**	30 131	**1 907**	1 284
Derivative liabilities	**–**	–	**1 437**	814
Interest-bearing borrowings	**31 529**	30 131	**470**	470

The below table depicts the expiry dates of the fixed rate loans and the expiry of the interest rate swaps on them:

GROUP	South Africa Expiry of fixed rate loans Rm	South Africa Expiry of interest rate swaps Rm	United Kingdom Expiry of fixed rate loans Rm	United Kingdom Expiry of interest rate swaps	Australia Expiry of fixed rate loans Rm	Australia Expiry of interest rate swaps Rm
2024	**470**	**3 334**	**–**	**934**	**–**	**753**
2025	**–**	**6 576**	**–**	**–**	**2 510**	**3 766**
2026	**–**	**5 575**	**–**	**–**	**–**	**1 820**
2027	**–**	**2 994**	**3 353**	**–**	**3 152**	**2 762**
2028	**–**	**4 627**	**–**	**–**	**–**	**753**
2029	**–**	**1 030**	**–**	**–**	**3 267**	**439**

COMPANY	Expiry of fixed rate loans Rm	Expiry of interest rate swaps Rm
2024	**470**	**3 144**
2025	**–**	**5 266**
2026	**–**	**5 350**
2027	**–**	**2 100**
2028	**–**	**2 300**

28. Financial risk management (continued)

28.3 Market risk (continued)

(ii) Foreign currency risk

GROUP AND COMPANY

The exposure to foreign currency risk relates to the investments in GOZ, C&R, GWI and Lango. The investment in GOZ is denominated in Australian Dollar (AUD), the investment in C&R is denominated in Pound Sterling (GBP), the investment in GWI is denominated in Euro (EUR) and the investment in Lango is denominated in Dollar (USD). Forward exchange contracts derivatives are acquired to limit the volatility in ZAR earnings due to exposure to currency fluctuations.

Growthpoint held the following open forward exchange contracts at year end:

Amount sold	Average exchange rate	Maturity date	Purpose
AUD34.0m	R12.23/AUD1	September 2023	GOZ final FY23 distribution
AUD30.0m	R12.56/AUD1	March 2024	GOZ interim FY24 distribution
AUD22.0m	R13.00/AUD1	September 2024	GOZ final FY24 distribution

Growthpoint has entered into cross-currency interest rate swaps where Growthpoint pays AUD fixed under the one leg and receives ZAR fixed or floating under the other leg. These swaps are effectively AUD loans with a ZAR deposit and partially fund the investment in GOZ. It means that Growthpoint's investment in GOZ in the balance is partially immunised against the AUD-ZAR currency risk movements. Furthermore there is a positive yield spread between the investment in GOZ and the implied interest cost on the AUD funding. The cross-currency interest rate swaps total AUD970.0 million and mature between September 2023 and March 2028.

Growthpoint entered into EUR326m debt (maturing between July 2024 and April 2028) and EUR256.4m interest rate swaps (maturing between September 2024 and September 2028) for the investment in GWI.

Growthpoint has entered into a cross-currency interest rate swaps of USD74.3m (maturing between December 2023 and September 2027) for investment in Lango Real Estate Limited.

GOZ is exposed to financial risk from the movement in foreign exchange rates based on its USD255.0m denominated debt, maturing between June 2027 and June 2029. To mitigate this exposure, the Group entered into cross-currency swaps and cross-currency interest rate swaps at inception of the USD denominated debt facilities, which convert USD denominated debt principal repayments and all future interest payments from USD to AUD, thereby eliminating its direct foreign currency exposure.

The following table demonstrates the sensitivity to an increase in the respective spot rates on the profit before tax. A decrease in the spot rates will have the oppsite impact. The percentage of distributions receivable that is hedged is also disclosed below:

Sensitivity analysis

	2023			2022		
	Increase in spot rate ZAR/AUD or ZAR/EUR or ZAR/GBP	**Profit before tax increase Rm**	**% of anticipated distribution that is hedged**	Increase in spot rate ZAR/AUD or ZAR/EUR or ZAR/GBP	Profit before tax increase Rm	% of anticipated distribution that is hedged
Final annual distribution from GOZ	**1**	**1.4**	**96.9**	1	6.5	85.6
Final annual distribution from GWI	**1**	**n/a**	**n/a**	1	1.0	88.9
Annual distribution from GOZ	**1**	**16.0**	**80.8**	1	56.0	39.3
Annual distribution from GWI	**1**	**n/a**	**n/a**	1	9.8	46.1

Foreign currency exposure at FY23 is as follows:

	2023				2022			
	GBPm	**USDm**	**AUDm**	**EURm**	GBPm	USDm	AUDm	EURm
Foreign denominated loan	**183**	**315**	**1 541**	**326**	232	740	1 378	–
Linked unitholder for distribution	**–**	**–**	**31**	**–**	–	–	30	–
Statement of financial position exposure	**183**	**315**	**1 572**	**326**	232	740	1 408	–
Derivative financial instruments	**–**	**14**	**1 314**	**–**	–	(696)	1 314	326
Net exposure	**183**	**329**	**2 886**	**326**	232	44	2 722	326

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

28. Financial risk management (continued)

28.4 Capital risk

GROUP AND COMPANY

In terms of its Memorandum of Incorporation, Growthpoint has unlimited borrowing capacity. Growthpoint is funded partly by owners' capital and partly by external borrowings. In terms of various covenants that Growthpoint is committed to in terms of its external borrowings, the maximum value of external borrowings as a percentage of the value of property assets is 55%. This percentage includes the investment in the V&A Waterfront, other equity accounted investments and listed and unlisted investments. In practice, Growthpoint aims to keep gearing levels between 30% and 40% over the long term.

The Group and company complied fully with the covenants in respect of all loan facilities during the year.

The Board's policy is to maintain a strong capital base, comprising its shareholders' interest, so as to maintain investor, creditor and market confidence and to sustain future development of the business. It is the Group and company's stated purpose to deliver long-term sustainable growth in dividends per share. The Board monitors the level of dividends to shareholders and ensures compliance with the Income Tax Act and the JSE Listings Requirements. There were no changes in the Group and company's approach to capital management during the year. Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements. The table below provides a summary of the growth in dividends.

Dividend growth

	Interim dividend		Final dividend	
	2023 %	2022 %	**2023 %**	2022 %
Year-on-year growth	**4.6**	5.1	**(1.6)**	11.5

Security on property assets

GROUP

Mortgage bonds have been registered over South African investment property, including investment property classified as held for sale, with a fair value of R44 205m (FY22: R42 123m) as security for long-term interest-bearing liabilities and facilities at a nominal value of R26 932m (FY22: R27 651m).

First mortgage bonds have been registered over Australian investment property, with a fair value of AUD4 826m or R60 578m (FY22: AUD5 138m or R57 754m). Additional security was also provided in the form of other assets to a value of AUD91.0m or R114.2m (FY22: AUD94.8m or R1 066m). First mortgage bonds have been registered over United Kingdom investment property, with a fair value of GBP329.7m or R7 895m (FY22: GBP397.9m or R7 888m).

Refer to note 20 for detail of the borrowings.

COMPANY

Mortgage bonds have been registered over South African investment property, including investment property classified as held for sale, with a fair value of R44 205m (FY22: R42 123m) as security for long-term interest-bearing borrowings and facilities at a nominal value of R26 932m (FY22: R27 651m).

Security on long-term loans granted

V&A Waterfront	Lango Real Estate Management Limited
This loan is unsecured	This loan is unsecured

Covenants

In terms of covenants with certain banks, the nominal value of long-term interest-bearing borrowings may not exceed 55% of the value of investment property. This includes investment property reclassified as held for sale, equity-accounted investments and listed and unlisted investments.

28. Financial risk management (continued)

28.4 Capital risk (continued)

	Group 2023 Rm	Group 2022 Rm	Company 2023 Rm	Company 2022 Rm
Value of investment property	**140 322**	134 712	**33 731**	31 706
Investment property classified as held for sale	**18**	866	**–**	–
Property held for trading and development	**442**	453	**442**	453
Total investment property	**140 782**	136 031	**34 173**	32 159
Investment in joint ventures and associates	**16 471**	14 585	**7 307**	6 554
Investment in subsidiaries	**–**	–	**53 829**	56 133
Listed investment	**1 576**	1 489	**–**	–
Unlisted investment	**1 561**	921	**1 511**	920
Total	**160 390**	153 026	**96 820**	95 766
55% of total (FY22: 55%)	**88 215**	84 164	**53 251**	52 671
Nominal value of long-term interest-bearing borrowings utilised at year end	**69 310**	63 426	**31 999**	30 917
Percentage of nominal value long-term interest-bearing borrowings to total (%)	**43.2**	41.4	**33.0**	32.3
Potential borrowing capacity	**18 905**	20 738	**21 252**	21 754
Facilities available in terms of existing agreements at year end	**10 387**	14 393	**5 410**	10 341

* *This covenant calculation is based on a different methodology to the SA REIT BPR.*

29. Going concern

The directors have assessed the Group's ability to continue as a going concern. As at 30 June 2023, the Group had a substantial positive net asset value and a robust liquidity position with access to R6 621m in RSA and R3 766m (AUD300.0m) in GOZ in committed undrawn credit facilities. The following uncertainties were considered as part of the going concern assessment.

Breach of covenants

Loan-to-value and interest cover ratio covenants may come under pressure due to pressure on property valuations and rental income because of the expected economic downturn related to the increase in interest rates and inflation. The minimum loan-to-value covenants the Group is exposed to is 55%, which is well above the current Group LTV of 40.1%.

Conclusion

After due consideration, the directors have concluded that the Group has adequate resources to continue operating for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the Group and company financial statements.

30. Events after reporting period

Declaration of dividend after reporting period

In line with IAS10 *Events after the Reporting Period*, the declaration of the dividend occurred after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

On 9 August 2023 C&R entered into an agreement to acquire The Gyle Shopping Centre in Edinburgh for a total acquisition consideration of GBP40.0m, excluding acquisition costs. The consideration is to be financed through a new debt facility of GBP16.0m arranged by Morgan Stanley, the approximate GBP25.0m proceeds to be received pursuant to a fully underwritten equity raise and existing funds held by C&R. The asset is being acquired at an net initial yield of 13.51% that is expected to rebase to around 12%. The acquisition was completed on 6 September 2023.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

31. Prior period presentation error

Expected credit losses on inter-company assets

The expected credit losses on the inter-company assets of R2.1bn were incorrectly included in the Fair value adjustments, capital items and other charges line item (where it was separately disclosed in note 4.2) and not on the face of the Statement of profit or loss and other comprehensive income, as required by IAS 1 *Presentation of Financial Statements*. There was no impact on total comprehensive income for the year or other primary statements. This has been corrected by restating the prior year numbers in the company financial statements.

The table below provides a summary of the numbers restated:

COMPANY	Previously reported 2022 Rm	Restatement 2022 Rm	Restated 2022 Rm
Statement of profit or loss and other comprehensive income			
Fair value adjustments, capital items and other charges	(5 550)	2 102	(3 448)
Expected credit losses on inter-company assets	–	(2 102)	(2 102)

SIGNIFICANT ACCOUNTING POLICIES

For the year ended 30 June 2023

Included below is a summary of the significant accounting policies applicable to the Group and company financial statements. These accounting policies include only the areas in IFRS where elections have been made or policy choices exercised (including the choice or election made) as well as measurement criteria applied. The accounting policies also include information where it will assist users in understanding how transactions, other events and conditions are reflected in reported financial performance and financial position and was included based on the materiality as determined by management.

Corporate information

Reporting entity	Growthpoint Properties Limited (Growthpoint) is a company domiciled in South Africa. The physical address of the company's registered office is The Place, 1 Sandton Drive, Sandown, Sandton.
Reporting period end	Financial year ended 30 June.

Basis of preparation

The financial statements have been prepared on the historical cost basis except for investment property and financial instruments which are carried at fair value.

Materiality

IFRS is only applicable to material items. Management applies judgement and considers both qualitative and quantitative factors in determining materiality applied in preparing these financial statements.

Prepared in accordance with

International Financial Reporting Standards (IFRS) and SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council	The JSE listing Requirements and the Companies Act, No.71 of 2008, as amended.	The principle of going concern	The historical cost and fair value basis of accounting, where applicable.

These financial statements have been prepared on a basis consistent with that of the prior year.

Functional and presentation currency

South African Rand

Rounding policy

- All amounts are presented in Rand millions (Rm)
- The Group has a policy of rounding in increments of R1m. Amounts less than R1m will therefore be rounded down to Rnil and are presented as a dash.
- Due to the combination of the Group and company financial statements in the current year, the company figures has also been rounded to the nearest R1m for both current and comparative period. The company figures were presented in Rand in the comparative period and therefore some comparative figures are impacted by rounding.

Estimates and judgements

Critical accounting estimates, assumptions and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations and future events are believed to be reasonable under the circumstances. Actual results may differ from the estimates made by management from time to time.

Estimates and judgements (continued)

In the process of applying the Group and company's accounting policies, the directors have made the following estimates and judgements that have the most significant effects on the amounts recognised and disclosed in the financial statements:

Fair value accounting of property assets

The following key metrics were applied in the valuation of the RSA property assets:

Discount rates

Each property's risk profile is evaluated in determining the appropriate capitalisation and discount rates to be used. In determining discount rates, valuers apply a level of risk to the risk-free South African 10-year bond yield, which stood at 10.53% at 30 June 2023. The rate proposed is matched against the sum of the market rental growth rate and capitalisation rates to ensure reasonableness.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 30 June 2023

Capitalisation rates

Capitalisation rates are determined from yields of comparable sales and influenced by many factors including location, quality of finishes of the building and the strength of the tenants and their underlying leases. Capitalisation rate increased slightly from 8.59% to 8.60%.

Reversionary capitalisation rates

Reversionary capitalisation rates are utilised to determine the terminal value of a property asset after the end of the 10-year cash flow period. In the past, capitalisation rates and reversionary capitalisation rates were more aligned but as the risk profile over the longer term has worsened, this spread has widened and is in a range of 0.3% to 0.5% more than the capitalisation rate. As the capitalisation rates increased, reversionary capitalisation rates have followed this trend, and increased from 8.96% to 9.04%.

Market rental growth rate

One of the key drivers in determining valuation outcomes is the market rental growth rate as this affects the rate of growth of income streams utilised in the 10-year cash flows and is a large influencer on the terminal value (Up to 50% of the final valuation) when the adjusted rental is capitalised after year 10. The increase in the WAMRGR of 0.46% from 4.09% in FY22 had a positive impact on the values. Whilst market rental growth is largely market node specific, we are of the view that the resultant average rate of growth in market rentals applied for the 10-year period is conservative, given the current level of uncertainty. Refer to note 27.4, Investment property for market rental growth rate ranges applied.

Independent valuations are obtained on a rotational basis, ensuring that at least 75% of the fair value of investment properties are valued by an external independent valuer. The directors value the remaining properties annually on an open-market basis. The calculations are prepared by considering the aggregate of the net annual rent receivable from the properties and, where relevant, associated costs, using the discounted cash flow method. This method takes projected cash flows and discounts them at a rate which is consistent with comparable market transactions. The discount rates reflect the risks inherent in the net cash flows and are constantly monitored by reference to comparable market transactions. Undeveloped land is valued in terms of the internationally accepted and preferred method of comparison. 94.9% of the portfolio by value has been externally valued in terms of section 19 of the Property Valuers Professional Act, No 47 of 2000.

For the valuation policy, refer to note 27.4, Investment property.

Acquisition of property subsidiaries

When the Group obtains control of entities that own investment properties, or when the Group acquires property or a group of properties collectively, an evaluation is performed as to whether such acquisitions should be accounted for as business combinations or acquisitions in terms of IAS 40 *Investment Properties.* An acquisition is not considered to be a business combination if at the date of the acquisition of the entity the integrated activities deemed necessary to generate a business are not present. The Group concluded that all the acquisitions of properties in the current financial year were of this nature.

IFRS 16 – lease term

Where the Group recognises a lease liability and corresponding right-of-use asset, consideration is given around the extension options of the lease, in terms of IFRS 16. An evaluation of the facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option on the remaining lease term, is performed. These included an assessment of the likelihood of renewal by the tenant situated on the leasehold land, the potential business disruption by not extending and the unrecoverable costs or penalties incurred to extend or terminate the contract. The Group concluded that all lease liabilities and right-of-use assets are appropriately accounted for based on the lease term and that any significant changes or circumstances in the current year to this assessment have been accounted for.

Group accounting

Basis of consolidation and equity accounting

	Subsidiaries and other structured entities	Joint ventures	Associates	Joint operations
Typical shareholding in the assessment of entities that are not structured entities	Greater than 50%	50%	Between 20% to 50%	Proportionate share of assets and liabilities
Nature of the relationship between the Group and the investee	Subsidiaries are those entities controlled by the Group. The financial results of subsidiaries and controlled trusts are included in the Group financial statements from the date that control commences until the date that control ceases.	A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.	An associate is an entity over which the Group has significant influence.	A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations to the liabilities, relating to the arrangement.

Determining control

The existence and effect of potential voting rights are considered when assessing whether the Group controls an entity to the extent that those rights are substantive. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Initial and subsequent measurement of subsidiaries

The Group accounts for business combinations by applying the acquisition method as at the acquisition date and measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, plus the fair value of any existing equity interest, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured at the acquisition date. If this amount is negative, the Group recognises a gain on bargain purchase in profit or loss.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Acquisitions of non-controlling interests that do not result in a change in control are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 30 June 2023

Common control transactions

Transactions in which combining entities are controlled by the same party or parties before and after the transaction, and that control is not transitory, are referred to as common control transactions. Where there are common control transactions in the Group, predecessor accounting is applied with no gain or loss recognised in profit or loss.

	Consolidation	Equity accounting	Joint arrangement
Initial and subsequent recognition in the consolidated financial statements	The Group accounts for business combinations by applying the acquisition method as discussed above. Subsidiaries are accounted for by including 100% of the assets, liabilities, income, expenses and cash flows on a line-by-line basis in the financial statements from the date that control commences until the date that joint control ceases. The portion attributable to non-controlling interest is recognised in the statement of profit or loss and other comprehensive income and transferred to a non-distributable reserve.	Interests in joint ventures and associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees, until the date on which the Group loses joint control or significant influence. Dividends and interest received from equity-accounted investment are accounted for as investment income on the statement of profit or loss and other comprehensive income.	Joint operations are accounted for by including the Group's share of joint assets, liabilities, income, expenses and cash flows on a line-by-line basis in the financial statements from the date that joint control commences until the date that joint control ceases.
Inter-company transactions and balances	Intra-Group balances, transactions and any unrealised gains and losses arising from intra-Group transactions are eliminated in preparing the consolidated financial statements.	Unrealised gains arising from transactions with joint operations and equity-accounted investees are eliminated to the extent of the Group's interest in the joint operations and investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.	

Assets

Investment property

Classification	Investment property consists of land and buildings, installed equipment and undeveloped land held to earn rental income for the long term and subsequent capital appreciation. When properties comprise a portion that is held to earn rental or for capital appreciation, and another portion that is held for use in the production or supply of goods or services or for administrative purposes, then these portions are accounted for separately only if these portions could be sold separately. If they cannot be sold separately, the entire property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Investment property held under an operating lease relates to long-term land leases and is recognised in the Group's statement of financial position at its fair value. This accounting treatment is consistently applied for all such long-term land leases.

Measurement

Initial measurement	Properties are initially recognised at cost on acquisition, including all costs directly attributable to the acquisition. Subsequent additions that will result in future economic benefits of which the cost can be measured reliably are capitalised. Investment property under construction is held at cost, including capex. Undeveloped land is valued at fair value. Direct costs relating to major capital projects are capitalised until the properties are brought into commercial operation.
Subsequent measurement	Subsequent to initial recognition, investment properties are measured at their fair value. Investment property is maintained, upgraded and refurbished where necessary in order to preserve or improve the capital value as far as it is possible to do so. Maintenance and repairs which neither materially add to the value of the properties nor prolong their useful lives are charged against profit or loss. Gains or losses on subsequent measurement or disposals of investment properties are recognised in profit or loss. Such gains or losses are excluded from the calculation of distributable earnings.

Valuation of investment property

Valuation frequency	At least 75% of the fair value of investment properties should be determined by an external, independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The directors value the remaining properties annually on an open-market basis.
Valuation method	The calculations are prepared by considering the aggregate of the net annual rent receivable from the properties and, where relevant, associated costs, using the discounted cash flow method. This method takes projected cash flows and discounts them at a rate which is consistent with comparable market transactions. The discount rates reflect the risks inherent in the net cash flows and are constantly monitored by reference to comparable market transactions. Undeveloped land is valued in terms of the internationally accepted and preferred method of comparison.

Non-current assets held for sale

Classification and measurement	Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the measurement of assets (and all assets and liabilities in a disposal group) is brought up to date in accordance with applicable IFRS. Then, on initial classification as held for sale, non-current assets and disposal groups are recognised at the lower of the carrying amount and fair value less costs to sell. Investment properties classified as held for sale are measured in accordance with IAS 40 *Investment property* at fair value with gains and losses on subsequent measurement being recognised in profit or loss.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 30 June 2023

Non-current assets held for trading and development

Classification and measurement	The investment property classified as held for trading and development are properties acquired to be sold as part of the trading and development strategy. It is held in accordance with IAS 2 *Inventory* at the lower of its cost or net realisable value.

Leases

	Group company is the lessor	Group company is the lessee
Operating leases	The Group is party to numerous leasing contracts as the lessor of property. All leases are operating leases, which are those leases where the Group retains a significant portion of the risks and rewards of ownership. Rental income is recognised on a straight-line basis over the period of the lease term. The Group provides certain incentives for the lessee to enter into lease agreements. Initial periods of the lease term may be agreed to be rent-free or at a reduced rent. All incentives are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments. The Group recognises the aggregate cost of incentives as a reduction of rental income over the lease term, on a straight-line basis.	The Group is party to leasing contracts as the lessee of some property and equipment. Printing rentals for office printers is recognised in other administrative and operating overheads. The Group has applied the low value lease exemption in IFRS 16 for these assets and a lease liability and right-of-use asset has not been recognised for these assets. Lease liabilities are initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease. If that rate cannot be determined, the consolidated entity's incremental borrowing rate is used. Investment property held under an operating lease relates to long-term land leases and is recognised in the Group's statement of financial position at its fair value. This accounting treatment is consistently applied for all such long-term land leases.

Right-of-use asset

Measurement

Initial measurement	The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is measured at the initial amount of the lease liability adjusted for any lease payments made in advance, plus any initial direct costs incurred less any lease incentives received. A right-of-use asset in relation to leased land is recognised as Investment Property. The lease liability is initially measured at the present value of the future lease payments discounted using the Group's incremental borrowing rate. Lease payments included in the measurement of the finance lease liability comprise: • fixed payments; and • variable lease payments dependent on an index or a rate, initially measured using the index or rate as at the lease commencement date.
Subsequent measurement	Right-of-use asset recognised as Investment Property is subsequently measured at fair value. The lease liability is subsequently measured at amortised cost using the effective interest method. A remeasurement occurs when there is a change in the future lease cash flows arising from a change in the Group's assessment of whether it will exercise an extension or termination option or where variable payments become fixed. Where the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the underlying right-of-use asset.

Property letting commissions

Measurement

Initial measurement	When considered material, letting commissions incurred are capitalised and recognised in trade and other receivables.
Subsequent measurement	Letting commissions incurred are measured at cost minus amortisation written off over the period of the lease.

Tenant installations

Measurement

Initial measurement	Tenant installation costs are capitalised and recognised as investment property.
Subsequent measurement	Tenant installation costs are measured at cost minus amortisation written off over the period of the lease.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 30 June 2023

Intangible assets

	Goodwill	Other intangible assets
Initial measurement	Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets.	Other intangible assets that are acquired by the entity, which have finite useful lives, are recognised initially at cost.
Subsequent measurement	Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. The recoverable amount is estimated at each reporting date. For the purpose of impairment testing, assets are grouped together into the smaller group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of the other assets or groups of assets (the cash-generating unit). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of the cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis. Impairment losses in respect of goodwill are not reversed.	Subsequent to initial recognition, other intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits of the asset to which it relates and the cost can reliably be measured. Other intangible assets are tested for impairment when there is an indication that the asset may be impaired.
Amortisation		Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The residual value of the intangible asset is assessed as Rnil and the estimated total useful lives for the current and comparative periods are as follows: • Rights to manage investment property – 15 years • Software – 10 years

Deferred tax

Classification and measurement

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences:
- The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit
- Goodwill that arises on initial recognition
- Differences relating to investments in subsidiaries and jointly controlled entities to the extent that the Group is able to control the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

No deferred tax was recognised on the fair value of investment property as capital gains tax on investment property is not applicable to REITs in terms of section 25BB of the Income Tax Act.

The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates expected to be applied to temporary differences when they reverse, based on tax laws enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to either settle current tax liabilities and assets on a net basis or realise the assets and settle the liabilities simultaneously.

A deferred tax asset is recognised for deductible temporary differences and unused tax losses to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Financial instruments

Classification

Financial assets are classified into the following categories: amortised cost or financial assets at fair value through profit or loss. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics and is determined at the time of initial recognition.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss, financial liabilities at fair value through other comprehensive income or other financial liabilities. The classification depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition.

Financial assets are held at amortised cost if the cash flows are solely payments of principal and interest, and interest is a consideration for the time value of money and credit risk only. Financial instruments with cash flows that are not solely payments of principal and interest are mandatorily classified at fair value through profit or loss. All equity instruments of the Group, within the scope of IFRS 9, are measured at fair value through profit or loss.

The Group applies the amortised cost model as the default for financial liabilities, except for instances where an accounting mismatch exists and it's more appropriate to designate it at fair value through profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the changes in the business model.

Interest-bearing borrowings

Interest-bearing borrowings are classified as financial liabilities at fair value through profit or loss.

Accrued interest and fair value adjustments are presented separately in the notes to the financial statements. Accrued interest is calculated based on the interest rate applicable to the loan and the fair value adjustment as the difference between the fair value and the nominal amount of the loan and accrued interest.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 30 June 2023

Listed investment
The listed investment in Industria REIT (ADI) is classified as at fair value through profit or loss with any resultant gain or loss recognised in profit or loss.

Long-term loans
The long-term loans are designated as at fair value through profit or loss upon initial recognition as such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise. The underlying investments are property and therefore are treated in the same way as the other property investments, ie at fair value through profit or loss. Financial assets at fair value through profit or loss are measured at fair value, with any resultant gain or loss recognised in profit or loss.

Derivative financial instruments
Derivative assets comprising interest rate swaps, forward exchange contracts and cross-currency swaps are classified at fair value through profit or loss.

Non-derivative financial liabilities
Non-derivative financial liabilities comprising interest-bearing borrowings are designated as at fair value through profit or loss as such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise. The interest-bearing borrowings are used to fund property and/or property fund acquisitions. Investment properties are recognised at fair value through profit or loss and therefore interest-bearing borrowings are treated in the same way.

Trade and other receivables
Trade and other receivables are classified at amortised cost.

Trade and other payables
Trade and other payables are classified as other financial liabilities.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date and are classified at amortised cost. Cash balances in money market funds are classified at fair value through profit or loss.

Investment in subsidiaries
Investment in subsidiaries is designated as at fair value through profit or loss upon initial recognition as such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise. The underlying investment is property and therefore it is treated in the same way as the other property investment, ie at fair value through profit or loss. Investment in subsidiaries at fair value through profit or loss are measured at fair value with any resultant gain or loss recognised in profit or loss.

Inter-company assets and liabilities
Inter-company assets and liabilities are classified at amortised cost.

Measurement	
Initial measurement	Trade receivables are initially recognised when they originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provision of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.
Subsequent measurement	Financial assets and liabilities at fair value through profit or loss are carried at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Financial assets at amortised cost and other financial liabilities are subsequently measured at amortised cost using the effective interest method, less accumulated impairments.

Impairments

At each reporting date the Group reviews the carrying values of financial assets carried at amortised cost for an indication of impairment, based on either the 12-month expected credit losses or lifetime expected credit losses. For trade and other receivables, the Group applies the simplified impairment approach, and therefore assesses impairment using a lifetime approach for these assets.

Changes in the loss allowance are recognised in profit or loss as an impairment gain or loss.

In determining whether an impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is observable data, based on past behaviour as well as forward looking information, indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the entity is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Equity

Capital and reserves

Type	Description of reserve
Share capital	Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.
Treasury shares	Shares in the company held by Growthpoint Management Services (Pty) Ltd and unvested restricted shares held for employee participants in the Staff Incentive Scheme Trust are classified as treasury shares. The cost price of these shares, together with related transaction costs, is deducted from equity, but disclosed separately in the statement of changes in equity. The issued and weighted average number of shares is reduced by the treasury shares for the purposes of the basic and headline earnings per share calculations. The issued number of shares is reduced by the treasury shares for the purpose of the dividend per share calculations. When treasury shares held for employee participants vest in such participants, the shares will no longer be classified as treasury shares, but included as part of issued share capital and will be taken into account for the purposes of basic and headline earnings per share calculations.
Foreign currency translation reserve	The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the Group's presentation currency (Rand) at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Rand at exchange rates at the dates of the transactions (an average rate per month is used). Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve, except to the extent that the translation difference is allocated to NCI. When the Group disposes of only part of its interest in a subsidiary that includes foreign operations while retaining control, the relevant proportion of the cumulative amount is re-attributed to non-controlling interests. If control is not retained, the cumulative amount is reclassified from equity to profit or loss as a reclassification adjustment.
Overall description of non-distributable reserves	The non-distributable reserves relate to items that are not distributable to shareholders, such as fair value adjustments on the revaluation of investment property, long-term loans, borrowings and derivatives, the amortisation of intangible assets, share-based payment transactions, the straight-line lease income adjustment, non-cash charges, capital items, deferred taxation, bargain purchases and reserves with the non-controlling interest.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 30 June 2023

Type	Description of reserve
Amortisation of intangible assets	The amortisation of intangible assets reserve relates to the right to manage property intangible assets.
Bargain purchase	Where the net recognised amount of the identifiable assets acquired and liabilities assumed exceeds the fair value of the consideration transferred (including the recognised amount of any non-controlling interest in the acquiree and the fair value of any existing equity interest), this excess is recognised immediately in profit or loss as a gain on bargain purchase. The bargain purchase reserve relates to the cumulative gain on bargain purchases.
Fair value adjustments on investment properties	The fair value adjustments on investment properties reserve relate to the fair value movement on the investment properties.
Other fair value adjustments and non-distributable reserves	The other fair value adjustments and non-distributable reserves relates to all non-distributable items accounted for in profit or loss, such as the fair value adjustments (excluding the NCI portion of the fair value adjustments), straight-line lease income adjustments, non-cash charges, capital items and deferred taxation were transferred to the non-distributable reserve in the current year.

Non-distributable reserve

Type	Description of reserve
Share-based payment reserve	The share-based payment reserve relates to the grant date fair value of share-based payment awards granted to employees.
Reserves in non-controlling interest	The reserves with NCI relate to further acquisitions of GOZ made by Growthpoint.
Fair value adjustments on listed investments	The movement in fair value of the listed investment is accounted for in profit or loss and transferred to the non-distributable reserve. The movement relates to the increase in the fair value of the listed investments.

Non-controlling interest

Type	Description of reserve
Non-controlling interest	The non-controlling interest reserve relates to the portion of equity ownership in a subsidiary not attributable to the parent company. The Group elects on each acquisition to initially measure non-controlling interest on the acquisition date at either fair value or at the non-controlling interest's proportionate share of the investees' identifiable net assets.

Dividends

Type and description	Classification and measurement
Dividends	Dividends or other distributions to the holders of equity instruments, in their capacity as owners, are recognised directly in equity on the date of declaration.

Income and expenses

Income

Type and description	Classification and measurement
Revenue recognition	Revenue from the letting of investment property comprises gross rental income and recoveries of fixed operating costs, net of value added tax. Rental income is accounted for in terms of IFRS 16 Leases and recognised in profit or loss on a straight-line basis over the term of the lease. Recoveries of costs from lessees are accounted for as non-lease components in terms of IFRS 15 Revenue from Contracts with Customers. Recoveries are levied monthly in arrears as a result of the Group recovering costs of providing the tenant with services as determined by the lease agreement. Management considers the terms of the lease agreement and its customary business practices to determine the transaction price. The Group satisfies the performance obligation for the services over time and recognises revenue over time. The Group will therefore recognise revenue from the services as they are provided. Revenue will be recognised based on the actual services consumed during the reporting period as a proportion of the total services provided. Recoveries of costs from lessees, where the entity merely acts as an agent and makes payment of these costs on behalf of lessees, are offset against the relevant costs. The Group recognises the aggregate cost of incentives as a reduction of rental income over the lease term, on a straight-line basis. Non-contractual revenue, apart from interest received from tenants in default that are accounted for in terms of IFRS 9 Financial Instruments, is accounted for in terms of IFRS 15. The group satisfies the performance obligations at a point in time and recognises revenue when it satisfies the performance obligation, apart from funds management revenue that is recognised over time as the performance obligations are satisfied over time. Management considers the terms of the agreement and its customary business practices to determine the transaction price. The income is based on a single performance obligation per transaction and therefore no significant judgements are made when allocating the transaction price to performance obligations. For arrangements that include deferred payment terms that exceed twelve months, the Group adjusts the transaction price for the financing component, with the impact recognised as interest income using the effective interest rate method over the period of the financing.
Finance and other investment income	Interest earned on amounts invested is recognised on an accrual basis using the effective interest method. Dividends from listed and unlisted investments are recognised in profit or loss when declared.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 30 June 2023

Expenses

Type and description	Classification and measurement
Capital items and other charges	Costs incurred on business acquisitions and items reclassified from other comprehensive income to profit or loss are classified as capital items. Amortisation of intangible assets, as well as expenses relating to the Staff Incentive Scheme are recurring expenses and are classified as other charges. Impairment of goodwill, although not recurring, is also classified as other charges as the expense relates to intangible assets."
Share-based payment transactions (employee benefits)	The Group only has equity-settled share-based payment schemes. The equity-settled schemes (zero strike price share scheme and retention scheme) allows certain employees the option or rights to acquire ordinary shares in the company. Such equity-settled share-based payments are measured at fair value at the date of the grant. The fair value determined at grant date of the equity-settled share-based payment is charged as employee costs, with a corresponding increase in equity, on a straight-line basis over the period that the employee becomes unconditionally entitled to the options, rights or shares, based on management's estimate of the shares that will vest and adjusted for the effect of non-market vesting conditions. These share options and rights are not subsequently revalued.
Finance cost	Finance costs incurred on qualifying investment property assets are capitalised until such time as the assets are substantially ready for their intended use. Qualifying assets are those that necessarily take a substantial period of time to prepare for their intended use. Capitalisation is suspended during extended periods in which active development is interrupted. All other finance costs are expensed in profit or loss in the period in which they are incurred using the effective interest method.
Taxation	Income tax for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income. Current tax is the expected tax payable on the taxable income, after deducting the qualifying distribution for that year of assessment, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years. In accordance with the status as a REIT, dividends declared meet the requirements of a qualifying distribution for the purposes of section 25BB of the Income Tax Act, No 58 of 1962, as amended (Income Tax Act). Withholding tax relating to foreign distributions received is recognised as part of the tax expense, and the financial results are reflected at the gross amounts, before withholding tax.

Estimates and judgements involved for taxation

The Group is subject to income taxes in numerous jurisdictions and the calculation of the Group's tax charge and provision for income taxes necessarily involves a degree of estimation and judgement. There are transactions and tax computations for which the ultimate tax treatment or result is uncertain, or in respect of which the relevant tax authorities may or could indicate disagreement with the Group's treatment and accordingly the final tax charge cannot be determined until resolution has been reached with the relevant tax authority.

Operating profit

Operating profit included in profit or loss represents the net property income earned from investment property, adjusted for other operating expenses and income.

Standards and interpretations

Standards, amendments and interpretations effective for the first time at 30 June 2023

The below table summarises the standards, amendments and interpretations that became effective for the first time in the current financial year. The impact of the adoption of these standards and amendments have been considered and is deemed immaterial.

International Financial Reporting Standards, amendments and interpretations
Reference to the Conceptual Framework – Amendments to IFRS 3
Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16
Onerous Contracts – Costs of fulfilling a contract – Amendments to IAS 37
AIP IFRS 1 First–time Adoption of International Financial Reporting Standards – Subsidiary as a first–time adopter
AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

Standards and interpretations issued and not yet effective

The below table summarises the standards, amendments and interpretations that have been published, but that are not yet effective in the current financial year. None of these standards, amendments and interpretations are expected to have a material impact on the results of the Group. The Group has elected not to early adopt any of the new standards.

Amendment	Details of the amendment	Effective for the financial reporting period ending
IFRS 17 – *Insurance Contracts*	Deferral of the date of initial application of IFRS 17 by two years and a change of the fixed expiry date for the temporary exemption in IFRS 4 – Insurance Contracts from applying IFRS 9 – Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023. The amendment will not impact the company.	**30 June 2024**
Non-current Liabilities with Covenants (Amendments to IAS 1)	The amendment clarifies how the conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. The amendment is not expected to have a material impact on the company.	**30 June 2025**
Disclosure of accounting policies – Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) is intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendment is not expected to have a material impact on the company.	**30 June 2024**
Definition of accounting estimates, which amended IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*	The amendment introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities to distinguish between accounting policies and accounting estimates. The amendment is not expected to have a material impact on the company.	**30 June 2024**
Deferred Tax related to Assets and Liabilities arising from a single transaction – IAS 12	The amendment clarifies how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendment is not expected to have a material impact on the company.	**30 June 2024**
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendment is not expected to have a material impact on the company.	**30 June 2025**

PROPERTY PORTFOLIO

Contents

GROWTHPOINT PROPERTIES

PROPERTY PORTFOLIO SUMMARY

30 June 2023

	Number of properties	GLA m²	Vacancy m²	Vacancy %	Value Rm	Value/m² (excluding additional bulk) Rand	Monthly gross rental m² Rand	Forward yield %
Retail portfolio								
Regional shopping centres	20	943 192	57 183	6.1	19 579	20 716	212.47	8.7
Community shopping centres	12	229 174	19 376	8.5	4 640	20 255	239.34	9.0
Neighbourhood shopping centres	2	14 133	–	–	167	11 802	148.78	7.4
Speciality centres	3	39 138	394	1.0	673	17 185	182.50	10.2
Vacant land (incl. house)	2	–	–	–	3	–	–	–
Tenant incentives	–	–	–	–	81	–	–	–
Right-of-use assets	–	–	–	–	37	–	–	–
Total retail	**39**	**1 225 637**	**76 953**	**6.3**	**25 180**	**20 414**	**215.63**	**8.8**
Office portfolio								
High-rise offices	16	266 966	30 640	11.5	6 080	22 776	203.29	8.5
Low-rise offices	72	603 443	127 532	21.1	9 076	15 018	172.34	8.2
Office parks	58	719 095	153 625	21.4	8 467	11 757	140.67	8.1
Mixed use: office and retail	3	43 676	4 008	9.2	840	19 225	181.71	8.2
Longkloof precinct	1	17 012	681	4.0	546	19 486	216.77	7.7
Vacant land	5	–	–	–	508	–	–	–
Tenant incentives	–	–	–	–	347	–	–	–
Total office	**155**	**1 650 192**	**316 486**	**19.2**	**25 864**	**15 010**	**164.60**	**8.1**
Industrial portfolio								
Industrial – distribution centre	63	670 779	23 123	3.4	4 420	6 554	67.40	9.7
Industrial – heavy manufacturing	2	54 459	–	0.0	105	1 901	26.05	13.6
Industrial – light manufacturing	16	173 622	5 242	3.0	790	4 551	57.41	11.7
Industrial – warehouse	24	193 756	7 098	3.7	1 358	6 877	66.83	9.8
Industrial other – industrial park	15	465 097	19 476	4.2	2 988	6 240	65.97	10.2
Industrial other – warehouse showroom	6	57 509	1 907	3.3	532	8 487	95.07	10.8
Industrial other – workshops multi-occupancy	26	280 122	8 279	3.0	1 505	5 365	65.37	9.8
Industrial other – workshops single-occupancy	4	5 488	–	–	50	9 092	115.19	11.8
Office – low-rise	2	7 210	–	–	68	9 389	132.94	13.0
Retail warehouse	1	22 425	–	–	121	5 414	63.12	11.0
Not categorised	1	2 210	–	–	15	6 742	*	9.8
Land under development	4	–	–	–	338	–	–	–
Vacant land	4	7 616	7 039	92.4	221	–	110.39	–
Telecoms@		–	–	–	63	–	–	7.9
Tenant incentives		–	–	–	28	–	–	–
Total industrial	**168**	**1 940 293**	**72 165**	**3.7**	**12 602**	**6 066**	**65.74**	**9.9**
Healthcare portfolio	**8**	**118 790**	**115**	**0.1**	**3 668**	**30 306**	**309.95**	**10.6**
Student residential portfolio	**11**	**–**	**–**	**–**	**2 717**	**407 434^**	**–**	**8.1**
Trading and development	**7**	**9 014**	**–**	**–**	**442**	**15 043**	**185.18**	**–**
Head office tenant incentives	**–**	**–**	**–**	**–**	**27**	**–**	**–**	**–**
TOTAL GROWTHPOINT (RSA EXCLUDING V&A)	**388**	**4 943 926**	**465 719**	**9.4**	**70 500**	**13 549#**	**139.20#**	**8.9**

* *Single-tenanted properties.*
^ *Value per bed.*
@ *Portfolio comprises of 33 towers based in the provinces of Gauteng and KwaZulu-Natal.*
\# *Value excludes Student Residential portfolio.*

	Number of properties	GLA m^2	Vacancy m^2	Vacancy %	Value Rm	Value/m^2 (excluding additional bulk) Rand	Monthly gross rental m^2 Rand	Forward yield %
V&A Waterfront								
Retail property		51 736	105	0.2	4 864	94 010	614.62	6.8
Office property		72 387	134	0.2	2 646	36 559	268.75	7.2
Fishing and industrial property		51 957	–	–	871	17 219	103.28	6.8
Hotel and residential		52 701	573	1.1	1 225	27 330	206.39	6.6
Undeveloped bulk		–	–	–	435	–	–	–
Right-of-use assets		–	–	–	23	–	–	–
Total V&A Waterfront	**1**	**228 781**	**812**	**0.4**	**10 064**	**41 988**	**409.83**	**6.9**
TOTAL GROWTHPOINT (RSA)	**389**	**5 172 707**	**466 531**	**9.0**	**80 564**	**14 807**	**151.17**	**8.9**
Australia portfolio	**58**	**1 066 660**	**36 735**	**3.4**	**61 760**	**56 800**	**294.78**	**4.9**
United Kingdom portfolio	**5**	**185 806**	**12 782**	**6.9**	**8 545**	**43 187**	**236.11**	**7.5**
TOTAL GROWTHPOINT	**452**	**6 425 173**	**516 048**	**8.0**	**150 869**	**22 599**	**177.47**	**7.2**
Globalworth	**72**	**1 401 793**	**203 260**	**14.5**	**17 400**			
Lango	**11**	**153 844**	**33 230**	**21.6**	**11 500**			
TOTAL GROWTHPOINT (EXCLUDING EQUITY INVESTMENTS)	**535**	**7 980 810**	**752 538**	**9.4**	**179 769**			

* *Single-tenanted properties.*
^ *Value per bed.*
@ *Portfolio comprises of 33 towers based in the provinces of Gauteng and KwaZulu-Natal.*
# *Value excludes Student Residential portfolio.*

Gross rental (month/m^2) is the weighted average actual gross rental, consisting of net rental, operating cost recoveries and recovery of assessment rates.

Forward yield is the budgeted net property income for the year to 30 June 2024 as a percentage of the property value.

PROPERTY PORTFOLIO DETAIL – SOUTH AFRICA

30 June 2023

	Property name	Location	GLA m²	Vacancy %
Retail portfolio				
Regional shopping centres			**943 192**	**6.1**
1	Alberton City	Alberton, Johannesburg	45 192	4.2
2	Bayside Mall	Table View, Cape Town	45 219	38.8
3	Brooklyn Mall and Brooklyn Square – 75%	Brooklyn, Pretoria	56 439	10.6
4	City View Shopping Centre	Greyville, Durban	41 309	4.0
5	Festival Mall	Kempton Park, Johannesburg	79 084	0.5
6	Greenacres Shopping Centre	Greenacres, Port Elizabeth	50 506	7.7
7	Key West Shopping Centre	Krugersdorp, Johannesburg	48 249	6.1
8	Kolonnade – 50%	Montana Park, Pretoria	37 999	2.6
9	La Lucia Mall	La Lucia, Durban	37 464	2.2
10	Lakeside Mall	Benoni, Johannesburg	66 153	–
11	Longbeach Mall	Noordhoek, Cape Town	31 647	2.0
12	N1 City Mall	Goodwood, Cape Town	63 380	0.8
13	Northgate Shopping Centre – 50%	North Riding, Johannesburg	45 357	16.2
14	Paarl Mall	Paarl	42 032	1.6
15	River Square Shopping Centre	Three Rivers, Vereeniging	36 882	21.8
16	Vaal Mall – 66.7%	Vanderbijlpark	44 006	–
17	Walmer Park Shopping Centre	Walmer, Port Elizabeth	43 050	1.4
18	Watercrest Mall – 50%	Durban	23 222	12.2
19	Waterfall Mall	Rustenburg	50 791	–
20	Woodmead Retail Park	Woodmead, Johannesburg	55 211	–
Community shopping centres			**229 174**	**8.5**
1	Beacon Bay Retail Park	Beacon Bay, East London	27 091	8.8
2	City Mall	Klerksdorp	21 507	24.9
3	Gardens Centre	Gardens, Cape Town	14 625	2.1
4	Golden Acre	CBD, Cape Town	33 556	25.4
5	Hillcrest Corner – 50%	Durban	11 787	–
6	Howard Centre	Pinelands, Cape Town	14 796	1.4
7	Mark Park Shopping Centre	Vereeniging	20 260	7.3
8	Middestad Mall	Bellville, Cape Town	19 671	2.8
9	The Bridge – 27.5%	Greenacres, Port Elizabeth	11 076	4.8
10	The Constantia Village	Constantia, Cape Town	20 426	–
11	Village Square	Randfontein	20 777	–
12	Westville Mall	Durban	13 602	–

Property name		Location	GLA m²	Vacancy %
Retail portfolio (continued)				
Neighbourhood shopping centres			**14 133**	**–**
1	Grand Parade Centre	CBD, Cape Town	10 479	–
2	Sportman's Warehouse Tygervalley	Bellville, Cape Town	3 654	–
Speciality centres			**39 138**	**1.0**
1	Fourways Crossing – 50%	Fourways, Johannesburg	25 610	1.5
2	Virgin Active Vereeniging	Three Rivers, Vereeniging	3 250	–
3	Waterfall Mall	Rustenburg	10 278	–
Vacant land			–	–
1	River House	Three Rivers, Vereeniging	–	–
2	Waterfall Cashan	Rustenburg	–	–
39	**TOTAL RETAIL**		**1 225 637**	**6.3**
Office portfolio				
High-rise offices			**266 966**	**11.5**
1	1 North Wharf Square	Foreshore, Cape Town	18 735	–
2	11 Adderley	CBD, Cape Town	22 557	1.1
3	33 Bree and 30 Waterkant	CBD, Cape Town	12 918	14.5
4	36 Hans Strijdom	CBD, Cape Town	12 836	–
5	44 On Grand Central	Midrand, Johannesburg	7 450	–
6	Discovery – 55%	Sandhurst, Sandton	64 127	–
7	Fredman Towers	Sandton, Johannesburg	14 694	52.0
8	Menlyn Corner	Menlyn, Pretoria	10 222	25.3
9	Newlands On Main	Claremont, Cape Town	13 333	17.6
10	Paramount Place	Claremont, Cape Town	12 637	–
11	Roggebaai Place	Foreshore, Cape Town	13 972	10.0
12	Sanofi House	Midrand, Johannesburg	8 038	83.6
13	The Annex – 50%	Sandton, Johannesburg	10 177	1.1
14	The District	Woodstock, Cape Town	19 072	15.0
15	The Terraces	CBD, Cape Town	12 952	–
16	The Towers – 50%	Sandton, Johannesburg	13 246	36.7

PROPERTY PORTFOLIO DETAIL – SOUTH AFRICA (CONTINUED)

30 June 2023

	Property name	Location	GLA m²	Vacancy %
Office portfolio (continued)				
Low-rise offices			**603 443**	**21.1**
1	1 Sixty Jan Smuts Avenue	Rosebank, Johannesburg	16 572	35.7
2	100 West Street	Sandton, Johannesburg	4 288	65.7
3	103 Central Street	Houghton, Johannesburg	2 364	2.5
4	11B Riley Road	Bedfordview, Johannesburg	4 438	–
5	12 Alice Lane – 50%	Sandton, Johannesburg	8 772	–
6	138 West Street (Erf 4 of 8)	Sandown, Johannesburg	10 721	35.5
7	144 Oxford Road	Illovo, Sandton	37 474	–
8	151 On 5th	Sandton, Johannesburg	12 560	72.6
9	200 on Main	Claremont, Cape Town	4 602	1.0
10	24 Flanders Drive	Mount Edgecombe, Durban	6 535	–
11	25 Rudd Road	Illovo, Sandton	3 187	–
12	271 Veale Street	Brooklyn, Pretoria	4 615	–
13	28 Fricker Road	Illovo, Sandton	6 183	31.1
14	29 Richefont Circle	Umhlanga Ridge, Durban	3 383	0.9
15	3012a William Nicol	Bryanston, Sandton	7 282	–
16	3021 William Nicol	Bryanston, Sandton	6 645	54.7
17	34 and 36 Fricker Road	Illovo, Sandton	4 795	17.9
18	36 Wierda Road West	Wierda Valley, Sandton	2 918	22.3
19	4 Fricker Road	Illovo, Sandton	4 781	–
20	4 Pencarrow	Umhlanga Ridge, Durban	2 426	33.4
21	50 Weirda Road	Wierda Valley, Sandton	2 362	–
22	70 Grayston	Sandton, Johannesburg	4 089	43.6
23	8 Rivonia Road	Illovo, Sandton	5 329	–
24	82 Grayston Drive	Bryanston, Sandton	7 290	20.7
25	ADT House	Goodwood, Cape Town	5 388	–
26	Advocates Chambers	Sandton, Johannesburg	7 445	22.2
27	Albion Springs	Rondebosch, Cape Town	3 969	–
28	Anslow Park (Nestlé)	Lyme Park, Sandton	11 986	–
29	Anslow Phase 2	Lyme Park, Sandton	10 713	75.7
30	Autumn Road	Rivonia, Sandton	9 717	23.4

	Property name	Location	GLA m²	Vacancy %
Office portfolio (continued)				
Low-rise offices (continued)				
31	Boundary Place	Illovo, Sandton	3 699	25.7
32	Bridge Park – 50%	Milnerton, Cape Town	9 577	–
33	Brookfield Office Park	Brooklyn, Pretoria	7 547	–
34	Deloitte & Touche (SA)	La Lucia Ridge, Durban	6 313	–
35	Draper On Main	Claremont, Cape Town	5 618	–
36	Eastgate 20	Kramerville, Sandton	5 734	56.1
37	Exxaro Lakeside 2	Centurion, Pretoria	21 708	–
38	Ferguson Place – 50%**	Illovo, Sandton	2 518	29.6
39	Georgian Crescent	Bryanston, Sandton	6 347	100.0
40	Girton Place	Parktown North, Johannesburg	7 424	78.1
41	Girton View	Parktown North, Johannesburg	7 039	93.7
42	Glenfield Office Park Block F	Faerie Glen, Pretoria	5 165	2.6
43	Grosvenor Corner	Parktown North, Johannesburg	13 690	9.0
44	Homestead Place	Rivonia, Sandton	5 690	8.8
45	Honeywell	Midrand, Johannesburg	3 818	–
46	Hunts End	Wierda Valley, Sandton	10 201	28.2
47	Illovo Boulevard Piazzas	Illovo, Sandton	558	37.2
48	Inanda Greens – GPT	Wierda Valley, Sandton	41 025	27.0
49	Inyanda 1	Parktown North, Johannesburg	10 637	–
50	Inyanda 2	Parktown North, Johannesburg	11 355	–
51	Lincoln On The Lake	Umhlanga Ridge, Durban	6 428	6.0
52	Lumley House	Parktown North, Johannesburg	2 714	12.5
53	Mayfair On The Lake	Umhlanga Ridge, Durban	6 171	–
54	Merck Longmeadow	Edenvale, Johannesburg	4 265	28.5
55	Microsoft Office Park	Bryanston, Sandton	9 483	–
56	Nautica	Granger Bay, Cape Town	5 721	17.5
57	Oxford Corner	Rosebank, Sandton	9 104	5.9
58	Peter Place 24	Lyme Park, Sandton	4 282	13.9
59	Pharos House	Westville, Durban	5 498	5.5
60	Ridgeview Umhlanga	Umhlanga Ridge, Durban	6 659	–

*** Equity-accounted building.*

PROPERTY PORTFOLIO DETAIL – SOUTH AFRICA (CONTINUED)

30 June 2023

	Property name	Location	GLA m²	Vacancy %
Office portfolio (continued)				
Low-rise offices (continued)				
61	Sandown Erf 169	Sandhurst, Sandton	2 069	–
62	Sandown Mews	Sandown, Johannesburg	20 984	57.2
63	Sovereign Quay	Greenpoint, Cape Town	8 873	17.6
64	Strathavon 11	Strathavon, Johannesburg	10 078	44.9
65	The Boulevard Umhlanga	Westville, Durban	10 324	–
66	The Place	Sandton, Johannesburg	35 934	39.5
67	Tsebo House	Rosebank, Johannesburg	2 046	100.0
68	Tygerberg Park (Phases 1, 2 and 4)	Plattekloof, Cape Town	12 024	19.5
69	Tygerberg Park (Phases 3, 5 and 6)	Plattekloof, Cape Town	19 168	6.4
70	Waterfall Augrabies	Midrand, Johannesburg	8 654	–
71	Wierda Court	Wierda Valley, Sandton	2 313	6.7
72	Wierda Gables	Wierda Valley, Sandton	2 159	16.3
Office parks			**719 095**	**21.4**
1	1 Frosterley Crescent	La Lucia Ridge, Durban	2 565	–
2	1 Holwood Park	Umhlanga Ridge, Durban	7 817	–
3	1 Montgomery	Mount Edgecombe, Durban	10 376	–
4	19 Impala Road	Chiselhurston, Johannesburg	2 803	9.2
5	23 Impala Road	Chiselhurston, Johannesburg	1 978	70.0
6	257 Oxford Road	Illovo, Sandton, Johannesburg	3 132	38.6
7	29 Impala Road	Chiselhurston, Johannesburg	1 387	0.8
8	31 Impala Road	Sandton, Johannesburg	922	48.5
9	31B Impala Road	Chiselhurston, Johannesburg	1 194	58.3
10	33 Fricker Road	Illovo, Sandton	6 592	47.9
11	35 Impala Road	Sandton, Johannesburg	1 519	100.0
12	4 Frosterly Crescent	Umhlanga, Durban	3 167	–
13	9 Frosterley Crescent	La Lucia, Durban	1 138	–
14	BCX Durban 2	La Lucia Ridge, Durban	5 078	–
15	BCX Durban 3	La Lucia Ridge, Durban	939	–
16	Belmont Office Park	Rondebosch, Cape Town	15 178	11.3
17	Belvedere Office Park	Bellville, Cape Town	5 996	33.1
18	Bogare	Menlyn, Pretoria	6 301	–
19	British Consulate General	Dunkeld West, Johannesburg	1 048	–
20	Centennial Place	Milnerton, Cape Town	12 351	0.9
21	Central Park – Midrand	Midrand, Johannesburg	34 110	25.0
22	Chiselhurston	Chiselhurston, Johannesburg	2 131	–

	Property name	Location	GLA m²	Vacancy %
Office portfolio (continued)				
Office parks (continued)				
23	Constantia Park	Roodepoort, Johannesburg	75 161	11.9
24	Country Club Estate	Woodmead, Johannesburg	33 429	28.4
25	Edgecombe Office Park	La Lucia , Durban	4 611	–
26	Equity House	Dunkeld West, Johannesburg	1 551	23.6
27	Eton Office Park	Bryanston, Sandton	8 897	17.5
28	Freestone Park	Kramerville, Sandton	5 509	–
29	Gilloolys View	Bedfordview, Johannesburg	20 024	69.1
30	Golf Park	Mowbray, Cape Town	32 436	10.4
31	Grayston Office Park	Sandton, Johannesburg	13 925	12.5
32	Hatfield Gardens	Hatfield, Pretoria	25 927	8.1
33	Homestead Park	Rivonia, Sandton	11 036	25.6
34	Illovo Corner	Illovo, Sandton, Johannesburg	11 570	21.6
35	Kirstenhof Office Park	Sunninghill, Sandton	3 879	–
36	Lakeside 3	Centurion, Pretoria	6 428	58.1
37	Morningside Close	Morningside, Sandton	2 983	47.7
38	Ogilvy Building	Bryanston, Sandton	9 155	–
39	Pavilion Office Park	Rivonia, Sandton	3 674	8.1
40	Peter Place Office Park	Bryanston, Sandton	8 753	38.2
41	Pinewood Office Park	Woodmead, Johannesburg	7 259	34.0
42	Pinmill Farm	Kramerville, Sandton	23 753	39.0
43	Riviera Park	Killarney, Johannesburg	6 336	59.5
44	River Park	Mowbray, Cape Town	13 390	16.2
45	Rosebank Office Park	Parktown North, Johannesburg	4 220	39.7
46	Sandton Close	Sandton, Johannesburg	12 460	48.3
47	Sunnyside Ridge	Parktown, Johannesburg	30 216	28.4
48	The Estuaries	Montague Gardens, Cape Town	11 879	15.5
49	The Oval – Bryanston	Bryanston, Sandton	10 385	30.0
50	The Oval Newlands	Newlands, Cape Town	8 589	7.1
51	The Park on16th Blocks ABC	Midrand, Johannesburg	5 553	53.5
52	The Park on16th Blocks DEF	Midrand, Johannesburg	14 898	81.5
53	The Village	Faerie Glen, Pretoria	6 462	32.8
54	Waterfall Park	Midrand, Johannesburg	8 073	–
55	Willowbridge Place	Bellville, Cape Town	6 948	–
56	Woodlands Office Park	Woodmead, Johannesburg	114 739	15.3
57	Woodlands Bld 33 Basfour 50%	Woodmead, Johannesburg	6 630	–
58	Woodmead Estate	Woodmead, Johannesburg	20 635	13.6

PROPERTY PORTFOLIO DETAIL – SOUTH AFRICA (CONTINUED)

30 June 2023

Property name		Location	GLA m²	Vacancy %
Office portfolio (continued)				
Mixed use: office and retail			**43 676**	**9.2**
1	De Waterkant Centre	Greenpoint, Cape Town	6 849	16.6
2	Menlyn Piazza	Menlyn, Pretoria	7 147	34.1
3	Montclare Place	Claremont, Cape Town	29 680	1.5
Langkloof precinct			**17 012**	**4.0**
1	Longkloof Studios	Gardens, Cape Town	17 012	4.0
Vacant land			**–**	**–**
1	35 and 37 Wierda Road West	Sandton, Johannesburg	–	–
2	Sandton Summit	Sandton, Johannesburg	–	–
3	Ncondo Place	Umhlanga Ridge, Durban	–	–
4	Site B, Foreshore	Foreshore, Cape Town	–	–
5	Quarry Hill	Tyger Valley, Cape Town	–	–
155	**TOTAL OFFICE**		**1 650 192**	**19.2**
Industrial portfolio				
Industrial – distribution centre			**670 779**	**3.4**
1	10 Richard Carte Road	Mobeni, Durban	20 142	–
2	131 Bofors Circle	Epping, Cape Town	7 071	–
3	2 Baker Street	Marconi Beam, Cape Town	8 102	–
4	20 Rustic Close	Westmead, Durban	16 301	–
5	28 Sacks Circle	Bellville, Cape Town	24 273	–
6	57 Mobile Road	Airport Industria, Cape Town	2 940	–
7	Aeroport	Spartan, Kempton Park	12 972	–
8	Albert Amon 212	Meadowdale, Germiston	1 512	–
9	Allen Road	Elandsfontein, Johannesburg	6 088	–
10	Alrode 706	Alrode, Alberton	7 252	100.0
11	Alternator	Montague Gardens, Cape Town	8 821	–
12	Aviation Place	Airport Industrial, Cape Town	2 200	–
13	Bofors 2	Epping, Cape Town	12 938	16.5
14	Bunkers Hill	Isipingo, Durban	9 047	–
15	Chain Ave	Montague Gardens, Cape Town	10 906	–
16	Covora	Jet Park, Boksburg	6 366	–
17	Dacres	Epping, Cape Town	4 768	100.0
18	Ebony	Meadowdale, Germiston	11 365	–
19	Elvan Property	Fishers Hill, Germiston	16 024	7.0
20	Engine Avenue	Montague Gardens, Cape Town	1 730	–
21	Eskom Road	New Germany, Durban	6 673	–

Property name		Location	GLA m²	Vacancy %
Industrial portfolio (continued)				
Industrial – distribution centre (continued)			**670 779**	**3.4**
22	Ficus Place	Mahogany Ridge, Durban	9 866	–
23	Fitzmaurice	Epping, Cape Town	23 466	–
24	Foreshore	Maydon Wharf, Durban	9 247	–
25	Fourwinds	Montague Gardens, Cape Town	4 618	–
26	Galrode	Alrode, Alberton	32 132	–
27	GIE 1 Portions 1 and 2 of Erf 308	Meadowdale, Germiston	17 406	–
28	GIE 2 Remainder of Erf 306	Meadowdale, Germiston	6 553	–
29	GIE 3 Portion 3 of Erf 306	Meadowdale, Germiston	13 869	–
30	GIE 4 Erf 307 – 50%	Meadowdale, Germiston	3 735	–
31	GIE 4B Erf 307	Meadowdale, Germiston	14 540	–
32	Global	Isando, Kempton Park	8 343	–
33	Goodrich	Prospecton, Durban	5 857	–
34	Grenville	Epping, Cape Town	16 220	–
35	Hammarsdale	Hammasdale, Cato Ridge	13 868	–
36	Hawland	Midrand, Johannesburg	4 941	–
37	Highway	Wilbart, Germiston	4 618	–
38	Hillclimb Road	Pinetown, Durban	4 211	–
39	Independence Square	Ottery, Cape Town	7 905	–
40	Isipingo 2257	Prospecton, Durban	9 774	–
41	Kinghall 1	Epping, Cape Town	4 950	–
42	Kinghall 2	Epping, Cape Town	2 772	–
43	Lascelles	Meadowbrook, Germiston	16 654	–
44	Laser Commercia Erf 64	Clayville, Midrand	4 929	–
45	Metkor	Umbilo, Durban	20 530	–
46	Metprop Cape	Epping, Cape Town	7 042	48.7
47	Midway Industrial Park	Randjespark, Midrand	9 834	–
48	Montague Business Park – 25%	Montague Gardens, Cape Town	48 295	3.0
49	Monte Carlo	New Germany, Durban	8 914	–
50	Monteer	Isando, Kempton Park	1 541	–
51	Mount Joy	Elandsfontein, Johannesburg	10 067	–
52	N1 Business Park – 20%	Midrand, Johannesburg	22 160	4.2
53	Nestlé	Bellville, Cape Town	16 255	–
54	Prolecon	Prolecon, Johannesburg	20 947	9.8

PROPERTY PORTFOLIO DETAIL – SOUTH AFRICA (CONTINUED)

30 June 2023

Property name		Location	GLA m²	Vacancy %
Industrial portfolio (continued)				
Industrial – distribution centre (continued)				
55	Propower	Parow, Cape Town	6 417	–
56	Protrans	Jet Park, Boksburg	6 340	–
57	PS Props	Boksburg North, Boksburg	6 744	–
58	Racetrack	Midrand, Johannesburg	5 923	–
59	Runway Park – 50%	Mobeni, Durban	14 443	–
60	Rectron Umhlanga	Umhlanga Ridge, Durban	2 293	–
61	Trade Centre Mount Edgecombe	Mount Edgecombe, Durban	14 306	–
62	Triangle	Wilbart, Germiston	3 557	–
63	Wingfield	Jet Park, Boksburg	7 206	–
Industrial – heavy manufacturing			**54 459**	**–**
1	DCD Dorbyl Boksburg	Boksburg, Johannesburg	45 182	–
2	Maitland	Maitland, Cape Town	9 277	–
Industrial – light manufacturing			**173 622**	**3.0**
1	Altergen	Wadeville, Germiston	5 716	–
2	Belgrade	Aeroport, Kempton Park	6 988	–
3	Fifers	Spartan, Kempton Park	6 504	–
4	Gilletts	Pinetown, Durban	13 465	–
5	Goodenough	Epping, Cape Town	9 750	–
6	Impala Road	Eastgate, Sandton	6 175	84.9
7	Inanda Road Springfield	Springfield Park, Durban	5 816	–
8	Isando 103	Isando, Kempton Park	2 581	–
9	Isobar	Isando, Kempton Park	50 262	–
10	Penraz	Industria, Johannesburg	20 708	–
11	Premier Equipment	Boksburg, Johannesburg	14 463	–
12	Protec Park	Chloorkop, Kempton Park	5 645	–
13	Rojolea	Lea Glen, Roodepoort	4 770	–
14	Rushair	Aeroton, Johannesburg	12 647	–
15	Sebenza 137	Sebenza, Edenvale	3 698	–
16	Westmead Factory	Westmead, Durban	4 434	–

Property name		Location	GLA m²	Vacancy %
Industrial portfolio (continued)				
Industrial – warehouse			**193 756**	**3.7**
1	Afship	Isando, Kempton Park	2 120	–
2	Cempark	Industria, Boksburg	36 374	–
3	Dominic Corner	Boksburg, Johannesburg	7 478	–
4	Electron	Isando, Kempton Park	6 370	48.4
5	Flamon	Meadowdale, Germiston	1 992	–
6	Flemming	Meadowdale, Germiston	1 457	–
7	Gemini	Frankenwald, Sandton	1 300	–
8	Isowrench	Isando, Kempton Park	5 932	–
9	Linbro	Linbro Park, Johannesburg	4 004	–
10	Loper Corner	Spartan, Kempton Park	1 598	–
11	Loper View	Spartan, Kempton Park	2 019	–
12	Meadowbrook Estate (ex Gundle)	Meadowbrook, Germiston	17 103	–
13	Midrand Central Business Park 517	Midrand, Johannesburg	5 876	–
14	Midrand Central Business Park 518	Midrand, Johannesburg	6 802	–
15	Midrand Central Business Park 519	Midrand, Johannesburg	6 366	–
16	Midrand Central Business Park 520	Midrand, Johannesburg	4 013	100.0
17	Romatile	Jet Park, Boksburg	4 608	–
18	Runway Park	Mobeni, Durban	12 160	–
19	Saligna	Boksburg, Johannesburg	9 977	–
20	Samrand Erf 6/5894	Midrand, Johannesburg	5 742	–
21	Sparticor	Spartan, Kempton Park	1 616	–
22	Sterling Industrial Park	Midrand, Johannesburg	27 652	–
23	Vinimark Building – Linbro Park	Linbro Park, Johannesburg	2 762	–
24	Zandfontein	Zandfontein, Pretoria	18 435	–

PROPERTY PORTFOLIO DETAIL – SOUTH AFRICA (CONTINUED)

30 June 2023

Property name		Location	GLA m²	Vacancy %
Industrial portfolio (continued)				
Industrial other – industrial park			**465 097**	**4.2**
1	Central Park – Cape Town	Elsiesrivier, Cape Town	49 135	–
2	Grand Prix Park	Gosforth Park, Germiston	18 002	21.2
3	Greenfield Industrial Park	Airport Industrial, Cape Town	21 815	–
4	Growthpoint Business Park	Midrand, Johannesburg	68 959	16.5
5	Gunners	Epping, Cape Town	28 574	8.3
6	Hilltop Industrial Park	Elandsfontein, Johannesburg	76 283	–
7	Lanner Place	Falcon Park, Pinetown, Johannesburg	14 466	–
8	Mill Road Industrial Park	Bellville, Cape Town	38 042	–
9	Omni Park	Aeroton, Johannesburg	41 136	–
10	Range Industrial Park	Blackheath, Bellville, Cape Town	15 483	–
11	Trade Park	Mount Edgecombe, Durban	20 287	7.0
12	Trafford Park	Pinetown, Durban	21 148	–
13	Tripark	Kelvin View, Johannesburg	14 266	3.6
14	Wadestone Industrial Park	Germiston, Johannesburg	26 929	–
15	Western Province Park	Goodwood, Cape Town	10 572	–
Industrial other – warehouse showroom			**57 509**	**3.3**
1	Acacia	Rosslyn, Pretoria	2 949	–
2	Commercial City	Strijdom Park, Randburg	14 822	10.5
3	Eden Crossing	Meadowdale, Germiston	16 154	2.2
4	Ellenby Motors	Hatfield, Pretoria	2 771	–
5	Gateway	Alberton, Johannesburg	5 965	–
6	Rivonia Crossing	Sunninghill, Sandton	14 848	–

Property name		Location	GLA m²	Vacancy %
Industrial portfolio (continued)				
Industrial other – workshops multi-occupancy			**280 122**	**3.0**
1	Alumina	Silvertondale, Pretoria	1 328	28.7
2	Celtis Business Park (Stormill)	Stormill, Roodepoort	9 300	–
3	City Deep Industrial Park	City Deep, Johannesburg	10 944	–
4	Clayville Mini Units	Clayville, Midrand	8 237	–
5	Devro Park	Pinetown, Durban	3 931	7.6
6	Eagle Industrial Park – 50%	Richards Bay, Johannesburg	7 699	2.0
7	Eastgate Business Park	Eastgate, Sandton	13 875	2.1
8	Ferntowers	Ferndale, Randburg	7 808	–
9	Fusie 142	Silvertondale, Pretoria	1 529	–
10	Galaxy	Linbro Park, Johannesburg	11 181	21.6
11	Gallagher Place	Midrand, Johannesburg	8 611	–
12	Gillitts Road Industrial Park	Pinetown, Durban	16 888	–
13	Glen Murray Industrial Park	Redhill, Durban	8 357	–
14	Greystones Industrial	Glen Anil, Durban	3 295	11.7
15	Growthpoint Industrial Estate	Meadowdale, Germiston	23 448	–
16	Isando Industrial Park	Isando, Kempton Park	11 936	21.5
17	Janhope	Duncanville, Vereeniging	9 384	–
18	Knightsgate	Driehoek, Germiston	16 778	8.2
19	Oude Moulen	Maitland, Cape Town	10 205	–
20	Palm River	Pinetown, Durban	8 156	5.0
21	Route 24	Meadowdale, Germiston	23 031	–
22	Route 41	Roodepoort, Johannesburg	12 542	–
23	Scientia	Pretoria East, Johannesburg	11 970	–
24	The Grove Business Estate	Somerset West, Cape Town	17 659	–
25	Thynk Industrial Park	Briardene, Durban	6 163	–
26	Westgate – 50%	Pinetown, Durban	15 867	–
Industrial other – workshops single occupancy			**5 488**	**–**
1	Airport View	Spartan, Kempton Park	1 072	–
2	Belgor	Spartan, Kempton Park	1 133	–
3	Greystone Factory	Glen Anil, Durban	1 985	–
4	Spartan View	Spartan, Kempton Park	1 298	–
Office – low rise			**7 210**	**–**
1	African Products	Meadowdale, Germiston	4 740	–
2	Corobrik	Meadowdale, Germiston	2 470	–

PROPERTY PORTFOLIO DETAIL – SOUTH AFRICA (CONTINUED)

30 June 2023

	Property name	Location	GLA m²	Vacancy %
Industrial portfolio (continued)				
Retail warehouse			**22 425**	**–**
1	M1 Place	Eastgate, Sandton	22 425	–
Not categorised			**2 210**	**–**
1	Greystones Heliport	Glen Anil, Durban	2 210	–
Land under development			**–**	**–**
1	Samrand Development	Midrand, Johannesburg	–	–
2	Samrand Erf 5437 – PTN 2	Midrand, Johannesburg	–	–
3	Samrand Erf 5437 – PTN 3	Midrand, Johannesburg	–	–
	Samrand Erf 5437/1 Remainder	Midrand, Johannesburg	–	–
4	Samrand Erf 4/5894	Midrand, Johannesburg	–	–
Vacant land			**7 616**	**92.4**
1	Blackheath	Blackheath, Bellville	–	–
2	Brickfield Corner	Meadowdale, Germiston	–	–
3	GIE – common roadway	Meadowdale, Germiston	–	–
4	GIE – marketing office	Meadowdale, Germiston	–	–
5	Fountains Motown	CBD, Pretoria	7 616	92.4
6	Lanseria	Lanseria, Johannesburg	–	–
168	**TOTAL INDUSTRIAL**		**1 940 293**	**3.7**

	Property name	Location	GLA m²	Vacancy %
Healthcare portfolio				
1	Adcock Ingram – 50%	Erand Gardens, Midrand	11 228	–
2	Cintocare	Menlyn, Pretoria	17 926	–
3	Gateway Private Hospital	Umhlanga Ridge, Durban	22 609	–
4	Hillcrest Private Hospital	Hillcrest, Durban	20 445	–
5	Louis Leipoldt Hospital	Bellville, Cape Town	15 075	–
6	N1 Hospital	Goodwood, Cape Town	14 636	–
7	N1 Medical Chambers	Goodwood, Cape Town	4 454	2.6
8	Paardevlei Hospital 100%	Somerset West, Cape Town	12 417	–
8	**TOTAL HEALTHCARE**		**118 790**	**0.1**

	Property name	Location	No of Beds	Vacancy %
Student accommodation portfolio				
1	Apex Studios	Braamfontein, Johannesburg	901	–
2	Festival Edge	Hatfield, Pretoria	605	5.0
3	Hatfield Studios	Hatfield, Pretoria	980	26.0
4	Horizon Heights	Auckland Park, Johannesburg	–	–
5	Howard College	Glenwood, KwaZulu-Natal	–	–
6	Kingsway Place	Auckland Park, Johannesburg	665	–
7	Peak Studios	Observatory, Cape Town	563	1.0
8	Richmond Central	Auckland Park, Johannesburg	388	–
9	Studios @ Burnett	Hatfield, Pretoria	1 000	11.0
10	The Richmond	Auckland Park, Johannesburg	388	1.0
11	Varsity Studios	Hatfield, Pretoria	953	4.0
11	**TOTAL STUDENT ACCOMMODATION**		**6 443**	**4.0**

	Property name	Location	GLA m²	Vacancy %
Trading and development portfolio				
1	Bloekombome – Exarro Land	Pretoria West	–	–
2	Woodburn Square	Pietermaritzburg	9 014	–
3	Capitol Gate – 50%	CBD, Pretoria	–	–
4	319 Helderberg Village	Somerset West	–	–
5	Riverwoods residential conversion	Bedfordview, Johannesburg	–	–
6	Cornubia	Pinetown	–	–
7	La Lucia Residential	La Lucia, Durban	–	–
7	**TOTAL TRADING AND DEVELOPMENT**		**9 014**	**–**

ANALYSIS OF GROWTHPOINT RSA TENANT BASE

30 June 2023

Retail

	30 June 2023			30 June 2022		
	% of GLA	GLA m^2	Number of tenants	% of GLA	GLA m^2	Number of tenants
A. Large tenants	66	763 344	16	65	783 821	17
B. Medium tenants	19	214 064	83	20	242 946	90
C. Other tenants	15	171 276	1302	15	186 743	1 382
Total	100	1 148 684	1401	100	1 213 510	1 489

Office

	30 June 2023			30 June 2022		
	% of GLA	GLA m^2	Number of tenants	% of GLA	GLA m^2	Number of tenants
A. Large tenants	25	329 695	15	27	364 822	17
B. Medium tenants	49	655 143	255	49	645 490	247
C. Other tenants	26	348 868	995	24	315 249	899
Total	100	1 333 706	1265	100	1 325 561	1 163

Industrial

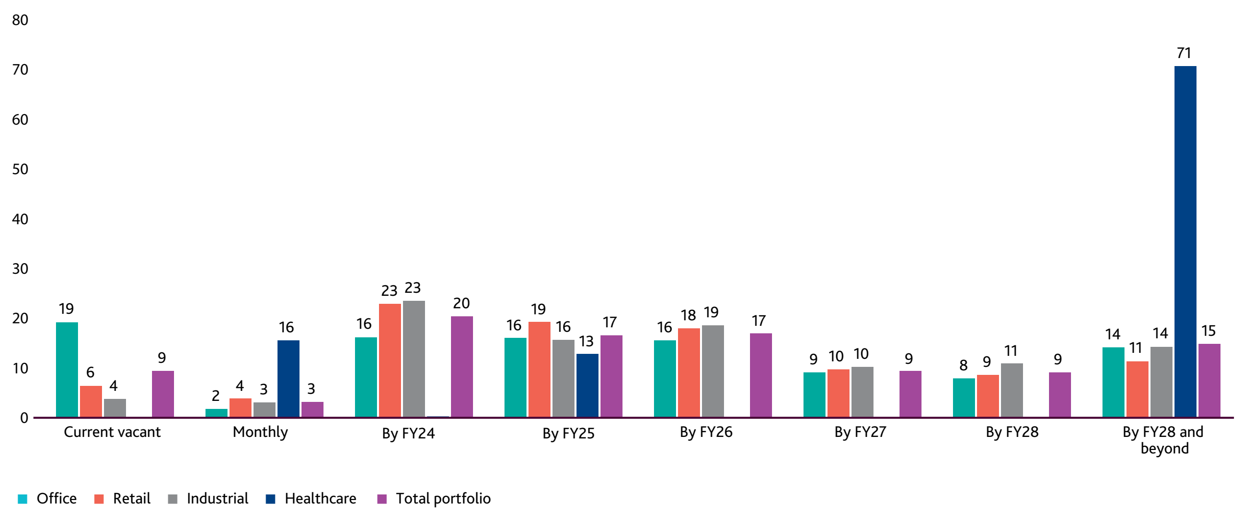
	30 June 2023			30 June 2022		
	% of GLA	GLA m^2	Number of tenants	% of GLA	GLA m^2	Number of tenants
A. Large tenants	38	709 064	37	42	823 558	44
B. Medium tenants	54	1 000 576	299	50	986 914	300
C. Other tenants	8	158 488	403	8	164 033	417
Total	100	1 868 128	739	100	1 974 505	761

Category A consists of tenant groups occupying more than 10 000m^2 of space.
Category B consists of tenant groups occupying between 1 000m^2 and 10 000m^2 of space.
Category C consists of tenant groups occupying less than 1 000m^2 of space.

Rental escalations

	2023 %	2022 %
Retail	6.1	6.1
Office	7.1	7.2
Industrial	7.5	7.6
GHPH	7.8	7.7

Lease expiry by sector (% of GLA) RSA (excluding V&A Waterfront)



ANALYSIS OF V&A WATERFRONT TENANT BASE

30 June 2023

Tenant base (excluding vacancies)

	30 June 2023							
	Retail		Office		Fishing and industrial		Hotels and residential	
	GLA m²	Number of tenants	GLA m²	Number of tenants	GLA m²	Number of tenants	GLA m²	Number of tenants
A. Large tenants	–	–	25 728	3	37 762	5	22 278	3
B. Medium tenants	23 979	16	30 051	19	14 195	6	22 200	8
C. Other tenants	27 366	460	16 442	153	–	–	7 652	257
Total	**51 345**	**476**	**72 221**	**175**	**51 957**	**11**	**52 129**	**268**

Tenant base (excluding vacancies)

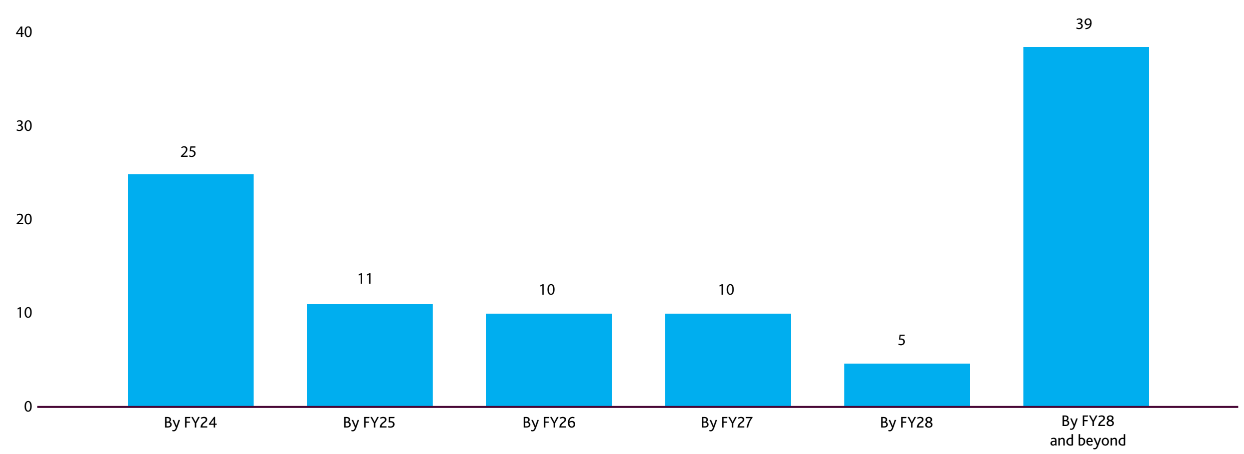
	30 June 2022							
	Retail		Office		Fishing and industrial		Hotels and residential	
	GLA m²	Number of tenants	GLA m²	Number of tenants	GLA m²	Number of tenants	GLA m²	Number of tenants
A. Large tenants	–	–	27 810	3	32 843	4	22 278	3
B. Medium tenants	22 835	18	32 396	19	13 343	4	22 075	9
C. Other tenants	29 052	494	13 729	107	3	1	6 345	214
Total	**51 887**	**512**	**73 935**	**129**	**46 189**	**9**	**50 698**	**226**

Category A consists of tenant groups occupying more than 10 000m² of space.
Category B consists of tenant groups occupying between 1 000m² and 10 000m² of space.
Category C consists of tenant groups occupying less than 1 000m² of space.

Rental escalations

	2023 %	2022 %
Retail	6.8	7.2
Office	7.2	7.7
Fishing and industrial	6.8	7.0
Hotels and residential	6.6	8.5

Lease expiry (% of GLA) V&A Waterfront



PROPERTY PORTFOLIO – AUSTRALIA

30 June 2023

	Property name	Location	GLA m²	Vacancy %
Office portfolio			**348 861**	**4.8**
1	A1, 32 Cordelia Street	South Brisbane, QLD	10 003	16.3
2	A4, 52 Merivale Street	South Brisbane, QLD	9 405	3.1
3	Car Park, 32 Cordelia Street and 52 Merivale Street	South Brisbane, QLD	–	–
4	33 – 39 Richmond Road	Keswick, SA	11 730	7.4
5	Building 2, 572 – 576 Swan Street	Richmond, VIC	14 602	–
6	Building 1, 572 – 576 Swan Street	Richmond, VIC	8 554	–
7	Building 3, 570 Swan Street	Richmond, VIC	19 333	3.2
8	104 Melbourne Street	South Brisbane, QLD	11 402	28.7
9	100 Melbourne Street	South Brisbane, QLD	6 597	–
10	Car Park, 572 – 576 Swan Street	Richmond, VIC	–	–
11	10-12 Mort Street	Canberra, ACT	15 398	–
12	Building C, 219 – 247 Pacific Highway	Artarmon, NSW	14 406	7.7
13	1 Charles Street	Parramatta, NSW	32 356	–
14	Building B, 211 Wellington Road	Mulgrave, VIC	12 780	–
15	Building C, 211 Wellington Road	Mulgrave, VIC	10 289	48.4
16	255 London Circuit	Canberra, ACT	8 972	–
17	75 Dorcas Street	South Melbourne, VIC	28 312	12.9
18	5 Murray Rose Avenue	Sydney Olympic Park, NSW	12 386	100.0
19	3 Murray Rose Avenue	Sydney Olympic Park, NSW	13 423	–
20	109 Burwood Road	Hawthorn, VIC	12 388	–
21	15 Green Square Close	Fortitude Valley, QLD	16 523	45.3
22	836 Wellington Street	West Perth, WA	11 973	–
23	100 Skyring Terrace	Newstead, QLD	24 665	–
24	11 Murray Rose Avenue	Sydney Olympic Park, NSW	5 684	–
25	2 – 6 Bowes Street	Phillip, ACT	12 376	3.9
26	141 Camberwell Road	Hawthorn East, VIC	10 233	–
27	165 – 169 Thomas Street	Dandeoting, VIC	15 071	–

	Property name	Location	GLA m²	Vacancy %
Industrial portfolio			717 799	–
1	3 Viola Place	Brisbane Airport, QLD	3 431	–
2	5 Viola Place	Brisbane Airport, QLD	14 726	–
3	70 Distribution Street	Larapinta, QLD	76 109	–
4	13 Business Street	Yatala, QLD	8 951	–
5	10 Butler Boulevard	Adelaide Airport, SA	8 461	–
6	12 – 16 Butler Boulevard	Adelaide Airport, SA	16 835	–
7	599 Main North Road	Gepps Cross, SA	91 686	–
8	Lots 2, 3 and 4, 34 – 44 Raglan Street	Preston, VIC	27 978	–
9	40 Annandale Road	Melbourne Airport, VIC	44 424	–
10	101 – 111 South Centre Road	Melbourne Airport, VIC	14 082	–
11	75 Annandale Road	Melbourne Airport, VIC	10 310	–
12	120 Link Road	Melbourne Airport, VIC	26 517	–
13	130 Sharps Road	Melbourne Airport, VIC	28 100	–
14	20 Colquhoun Road	Perth Airport, WA	80 374	–
15	81 Derby Street	Silverwater, NSW	8 253	–
16	31 Garden Street	Kilsyth, VIC	8 919	–
17	60 Annandale Road	Melbourne Airport, VIC	16 274	–
18	27 – 49 Lenore Drive	Erskine Park, NSW	29 476	–
19	51 – 65 Lenore Drive	Erskine Park, NSW	3 720	–
20	6 – 7 John Morphett Place	Erskine Park, NSW	24 881	–
21	120 – 132 Atlantic Drive	Keysborough, VIC	15 781	–
22	19 Southern Court	Keysborough, VIC	6 455	–
23	20 Southern Court	Keysborough, VIC	11 437	–
24	9 – 11 Drake Boulevard	Altona, VIC	25 743	–
25	1 500 Ferntree Gully Road and 8 Henderson Road	Knoxfield, VIC	21 218	–
26	6 Kingston Park Court	Knoxfield, VIC	7 677	–
27	3 Millennium Court	Knoxfield, VIC	8 040	–
28	1-3 Pope Court	Beverley, SA	14 459	–
29	34 Reddalls Road	Kembla Grange, NSW	355	–
30	2 Hugh Edwards Drive	Perth Airport, WA	11 376	–
31	3 Maker Place	Truganina, VIC	31 109	–
	10 Hugh Edwards Drive	Perth Airport, WA	6 072	–
	36 Tarlton Crescent	Perth Airport, WA	4 385	–
	58 Tarlton Crescent	Perth Airport, WA	10 185	–
58	**TOTAL AUSTRALIA**		**1 066 660**	**3.4**

ANALYSIS OF GROWTHPOINT AUSTRALIA TENANT BASE

30 June 2023

Tenant base (excluding vacancies)

	30 June 2023			
	Office		Industrial	
	GLA %	Number of tenants	GLA %	Number of tenants
A. Large tenants	60.4	10	84.3	17
B. Medium tenants	30.8	32	15.6	20
C. Other tenants	8.8	79	0.1	3
Total	**100.0**	**121**	**100.0**	**40**

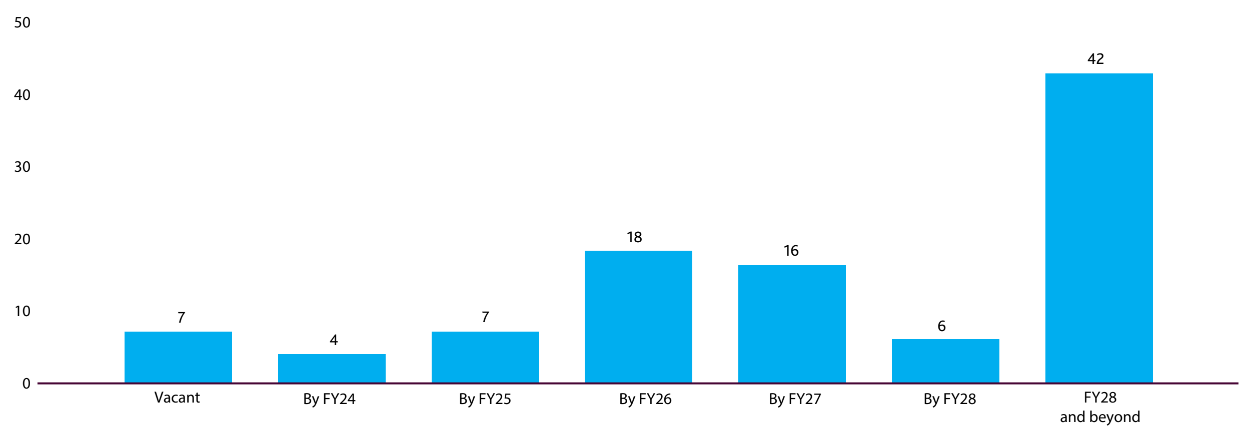
	30 June 2022			
	Office		Industrial	
	GLA %	Number of tenants	GLA %	Number of tenants
A. Large tenants	55.7	10	84.3	17
B. Medium tenants	34.7	37	15.6	20
C. Other tenants	9.6	83	0.1	3
Total	**100.0**	**130**	**100.0**	**40**

Category A consists of tenant groups occupying more than 10 000m² of space.
Category B consists of tenant groups occupying between 1 000m² and 10 000m² of space.
Category C consists of tenant groups occupying less than 1 000m² of space.

Rental escalations

	2023 %	2022 %
Office	3.6	3.6
Industrial	3.7	3.7

Lease expiry (% of gross monthly rental)



PROPERTY PORTFOLIO – UNITED KINGDOM

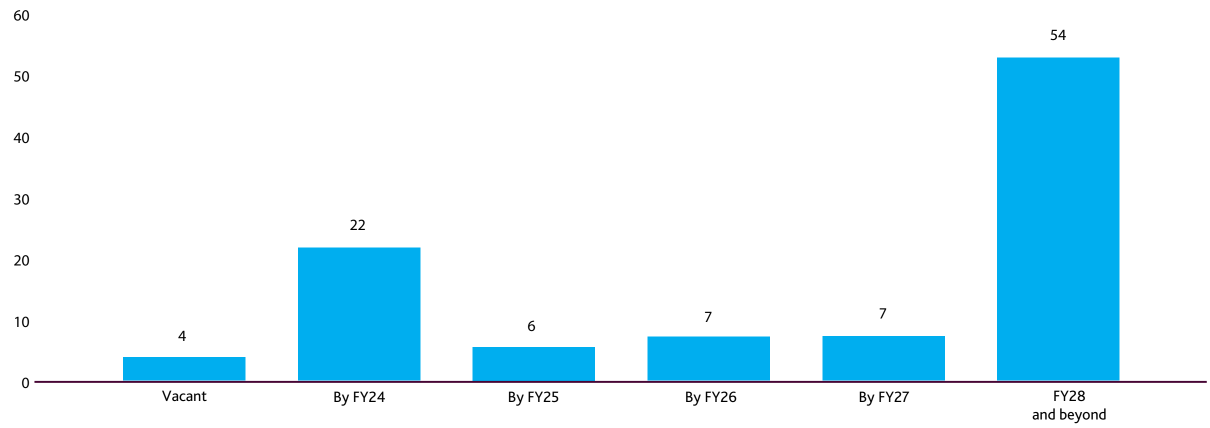
30 June 2023

	Property name	Location	GLA m²	Vacancy %
Regional shopping centres				
1	Hemel	London	31 587	17.2
2	Ilford	London	28 800	8.2
3	Maidstone	South-East, London	39 948	8.6
4	Walthamstow	London	26 942	0.8
5	Wood Green	London	58 529	2.3
5	**TOTAL UNITED KINGDOM**		**185 806**	**6.9**

ANALYSIS OF CAPITAL AND REGIONAL TENANT BASE

30 June 2023

Lease expiry (% of gross monthly rental)



GENERAL INFORMATION

Contents

GROWTHPOINT PROPERTIES

SHAREHOLDERS' ANALYSIS

As at 30 June 2023

	Number of shareholders	% of total shareholders	Number of shares	% of issued capital
Shareholder spread				
1 – 1 000 shares	13 658	43.19	2 581 404	0.08
1 001 – 5 000 shares	9 087	28.74	24 033 650	0.70
5 001 – 10 000 shares	3 280	10.37	24 117 561	0.70
10 001 – 20 000 shares	2 074	6.56	29 911 982	0.87
20 001 – 50 000 shares	1 358	4.29	43 192 622	1.26
50 001 – 100 000 shares	615	1.94	44 191 930	1.29
100 001 – 200 000 shares	420	1.33	61 137 198	1.78
200 001 – 500 000 shares	441	1.39	144 321 115	4.21
500 001 – 1 000 000 shares	252	0.80	179 103 422	5.22
1 000 001 – 10 000 000 shares	386	1.22	1 174 573 525	34.24
10 000 001 shares and over	52	0.17	1 703 622 657	49.65
Total	31 623	100.00	3 430 787 066	100.00
Distribution of shareholders				
Collective investment schemes	1 082	3.42	1 470 115 724	42.85
Retirement benefit funds	716	2.26	1 111 123 504	32.39
Retail shareholders	25 334	80.11	129 535 052	3.78
Sovereign wealth funds	38	0.12	117 295 573	3.42
Stockbrokers and nominees	51	0.16	95 447 419	2.78
Assurance companies	18	0.06	78 379 535	2.28
Trusts	2 728	8.63	78 067 059	2.28
Organs of State	4	0.01	59 343 827	1.73
Private companies	752	2.38	51 803 290	1.51
Treasury	2	0.01	50 348 070	1.47
Insurance companies	260	0.82	48 035 993	1.40
Custodians	56	0.18	42 045 569	1.23
Scrip lending	23	0.07	30 421 469	0.89
Foundations and charitable funds	146	0.46	20 482 786	0.60
Investment companies	57	0.18	19 609 495	0.57
Medical aid funds	25	0.08	16 416 269	0.48
Close corporations	197	0.62	5 540 415	0.16
Hedge funds	10	0.03	4 460 048	0.13
Other companies	121	0.38	2 000 857	0.06
Empowerment companies	3	0.02	315 112	0.01
Total	31 623	100.00	3 430 787 066	100.00
Public/non-public shareholders				
Non-public shareholders	18	0.05	603 871 831	17.60
Directors and associates	14	0.04	16 315 418	0.48
Public Investment Corporation	3	0.01	537 251 979	15.66
Treasury shares	1	–	50 304 434	1.47
Public shareholders	31 606	99.95	2 826 915 235	82.40
Total	31 623	100.00	3 430 787 066	100.00

Beneficial shareholders holding greater than 1% of the issued shares	Number of shares	% of issued capital
Government Employees Pension Fund	537 251 979	15.66
Eskom Pension and Provident Fund	127 194 892	3.71
Old Mutual Life Assurance Company SA	75 118 395	2.19
Vanguard Emerging Markets Stock Index Fund (US)	52 476 509	1.53
Growthpoint Management Services (Pty) Ltd	50 348 070	1.47
SIM Property Fund	49 377 418	1.44
Vanguard Total International Stock Index Fund	45 308 589	1.32
SBG Securities (Pty) Ltd	44 996 827	1.31
Alexforbes Investments Solution Limited	44 770 321	1.30
WisdomTree Emerging Markets SmallCap Dividend Fund	44 172 362	1.29
Unemployment Insurance Fund	40 889 115	1.19
GIC Private Limited	38 399 073	1.12
DFA International Real Estate Securities Portfolio	35 009 002	1.02
The People's Bank of China	34 505 929	1.01
Total	1 219 818 481	35.56
Fund managers holding greater than 1% of the issued shares		
Public Investment Corporation (SOC) Limited	544 496 664	15.87
The Vanguard Group, Inc.	148 017 425	4.31
Sanlam Investment Management (Pty) Ltd	140 753 317	4.10
Sesfikile Capital (Pty) Ltd	140 716 667	4.10
Meago Asset Managers (Pty) Ltd	134 925 753	3.93
Old Mutual Investment Group (South Africa) (Pty) Ltd	130 658 710	3.81
BlackRock Institutional Trust Company, N.A.	95 338 907	2.78
Ninety One SA (Pty) Ltd	87 989 966	2.56
Catalyst Fund Managers (Pty) Ltd	75 991 489	2.21
STANLIB Asset Management Ltd	69 959 989	2.04
Mellon Investments Corporation	64 659 705	1.88
Eskom Pension and Provident Fund	63 985 408	1.87
State Street Global Advisors (US)	56 644 240	1.65
Momentum Asset Management (Pty) Ltd	50 806 449	1.48
BlackRock Advisors (UK) Limited	42 727 449	1.25
Dimensional Fund Advisors, L.P.	39 761 519	1.16
Absa Asset Management (Pty) Ltd	39 594 173	1.15
Legal & General Investment Management Ltd	38 636 838	1.13
GIC Private Limited	38 399 073	1.13
Total	2 004 063 741	58.41

SHAREHOLDERS ANALYSIS (CONTINUED)

As at 30 June 2023

	30 June 2023	24 June 2022
Share performance – 12 months ended		
Shares traded	**2 599 540 289**	2 637 863 190
Shares traded monthly average	**216 628 357**	219 821 933
Shares in issue	**3 430 787 066**	3 430 787 066
Shares traded as % of number of shares in issue	**75.77**	76.89
Value traded	**R33 988 888 975**	R37 225 464 854
Value traded monthly average	**R2 832 407 415**	R3 102 122 071

	Number of shares	%
Regional beneficial holdings		
South Africa	**2 439 024 635**	**71.09**
Americas	**529 818 935**	**15.44**
Europe	**284 570 861**	**8.29**
Asia	**151 013 966**	**4.40**
Middle East	**26 358 669**	**0.77**
Total	**3 430 787 066**	**100.00**

	Number of shares	%
Fund manager holdings by country		
South Africa	**1 971 407 893**	**57.46**
United States	**550 879 684**	**16.06**
United Kingdom	**188 560 168**	**5.50**
Singapore	**38 483 399**	**1.12**
Japan	**37 885 602**	**1.10**
Rest of Europe	**99 938 449**	**2.91**
Rest of World	**54 821 053**	**1.60**
Non-institutional and below threshold (<100K shares)	**488 810 818**	**14.25**
Total	**3 430 787 066**	**100.00**

SHAREHOLDERS' INFORMATION

As at 30 June 2023

Shareholders' diary		
Financial year end		30 June 2023
Annual financial statements posted on the website		13 September 2023
Annual general meeting (09:00)		28 November 2023
Announcement of results and analysts' presentations		
Interim	March	
Annual	September	
Dividends	**Declared**	**Paid**
Interim	March	April
Final	September	October

Updates and further information posted from time to time can be found on the company's public website at: **https://growthpoint.co.za/investor-relations/**.

Notice of annual general meeting

The notice of the company's annual general meeting to be held on 28 November 2023 is contained in a separate booklet, posted to shareholders, incorporating the company's summarised audited AFS for FY23 and other information relevant to the annual general meeting. The notice will also be available on the company's public website at: **https://growthpoint.co.za/investor-relations/**.

DIRECTORATE AND ADMINISTRATION

Directors
R Gasant^ (Chairman)
FM Berkeley^
NO Chauke (Human Resource Director)*
EK de Klerk (Chief Executive Officer South Africa)*
M Hamman^
KP Lebina^
CD Raphiri^
AH Sangqu^ (Lead Independent Director)
LN Sasse (Group Chief Executive Officer)*
JA van Wyk^#
G Völkel (Group Financial Director)*
EA Wilton^
^ Independent
** Executive directors*
 # British

Auditor
Ernst & Young Inc.
Registered Auditor
102 Rivonia Road
Sandton
2196

Transfer secretaries
JSE Investor Services (Pty) Ltd
13th Floor, 19 Ameshoff Street
Braamfontein, Johannesburg, 2000
PO Box 4844, Braamfontein, 2000

Sponsor
Investec Bank Limited
(Registration number: 1969/004763/06)
100 Grayston Drive, Sandown, Sandton, 2196
PO Box 785700, Sandton, 2146

Registered office
Growthpoint Properties Limited
(Registration number: 1987/004988/06)
The Place, 1 Sandton Drive, Sandown, Sandton, 2196
PO Box 78949, Sandton, 2146

Company Secretary
WJH de Koker
The Place, 1 Sandton Drive, Sandown, Sandton, 2196
PO Box 78949, Sandton, 2146

Management company
Growthpoint Management Services (Pty) Ltd
(Registration number: 2004/015933/07)
The Place, 1 Sandton Drive, Sandown, Sandton, 2196
PO Box 78949, Sandton, 2146

Audit Committee
M Hamman (Chairman)
FM Berkeley
KP Lebina
CD Raphiri
AH Sangqu

Standing attendees
The following parties attend or are represented at Audit Committee meetings:
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)
C de Wet (Group Financial Manager)
Z Dziba (Head of Risk and Compliance)
N Moolman (Financial Manager)
FJ Schindehütte (Chief Financial Officer South Africa)
C Shezi (Senior Assistant Company Secretary)
D Swarts (Group Financial Manager)
G Völkel (Group Financial Director)
C Zulu (Head of Internal Audit)

Risk Management Committee
JA van Wyk (Chairman)
R Gasant
KP Lebina
EA Wilton

Standing attendees
The following parties attend or are represented at Risk Management Committee meetings:
E Binedell (Chief Operating Officer South Africa)
NO Chauke (Human Resources Director)
AL Davis (Chief Information Officer)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)
Z Dziba (Head Risk and Compliance)
X Hlatshwayo (Group Legal Counsel)
N Moolman (Financial Manager)
A Patel (Corporate Treasurer)
LN Sasse (Group Chief Executive Officer)
FJ Schindehütte (Chief Financial Officer South Africa)
C Shezi (Senior Assistant Company Secretary)
D Swarts (Group Financial Manager)
G Völkel (Group Financial Director)
C Zulu (Head of Internal Audit)

By invitation
The external auditor, Ernst & Young Inc., attend or are represented at all regular meetings and *ad hoc* meetings as required of the Audit Committee, as well as Risk Management Committee.

Property and Investment Committee
FM Berkeley (Chairman)
M Hamman
CD Raphiri
JA van Wyk

Standing attendees
E Binedell (Chief Operating Officer South Africa)
D Boshoff (Property Market Analyst)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)
C Geldenhuys (Valuations Manager)
X Hlatshwayo (Group Legal Counsel)
G Jones (Head of Asset Management: Retail)
P Kollenberg (Head of Asset Management: Office)
S Mills (Head of Business Intelligence)
LN Sasse (Group Chief Executive Officer)
FJ Schindehütte (Chief Financial Officer South Africa)
N Schloss (Head of Asset Management: South Africa)
C Shezi (Senior Assistant Company Secretary)
E Taylor (Head of Asset Management: Industrial)
P Theocharides (Head of Investments)
L Turner (Head of Investor Relations and Strategy)
G Völkel (Group Financial Director)

Social, Ethics and Transformation Committee
AH Sangqu (Chairman)
KP Lebina
EA Wilton
CD Raphiri

Standing attendees
NO Chauke (Human Resources Director)
G Cruickshanks (Head of Sustainability and Utilities)
WJH de Koker (Company Secretary)
P Engelbrecht (National Development Head)
C Rennison (Head of Procurement)
C Shezi (Senior Assistant Company Secretary)
SD Theunissen (Head of CSR)
M Thipe (ESG Manager)
G Völkel (Group Financial Director)

Nomination and Governance Committee
R Gasant (Chairman)
FM Berkeley
M Hamman
AH Sangqu
JA van Wyk
EA Wilton

Standing attendees
LN Sasse (Group Chief Executive Officer)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)

Human Resources and Remuneration Committee
EA Wilton (Chairman)
FM Berkeley
R Gasant
M Hamman

Standing attendees
NO Chauke (Human Resources Director)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)
LN Sasse (Group Chief Executive Officer)
C Shezi (Senior Assistant Company Secretary)
L Turner (Head of Investor Relations and Strategy)
G Völkel (Group Financial Director)
Bowmans (independent adviser to the committee)

Group Executive Committee of Management (Group Exco)
LN Sasse (Group Chief Executive Officer) (Chairman)
E Binedell (Chief Operating Officer South Africa)
NO Chauke (Human Resources Director)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)
X Hlatshwayo (Group Legal Counsel)
G Muchanya (Head of GIP)
A Patel (Group Treasurer)
N Schloss (Head of Asset Management: South Africa)
P Theocharides (Head of Investments)
L Turner (Head of Strategy and Investor Relations)
G Völkel (Group Financial Director)

SA Executive Committee of Management (SA Exco)
EK de Klerk (Chief Executive Officer South Africa) (Chairman)
E Binedell (Chief Operating Officer South Africa)
NO Chauke (Human Resources Director)
G Jones (Head of Asset Management: Retail)
P Kollenberg (Head of Asset Management: Office)
D Molumi (Student Accommodation Fund Manager)
FJ Schindehütte (Chief Financial Officer South Africa)
N Schloss (Head of Asset Management: South Africa)
L Sigaba (Healthcare Fund Manager)
E Taylor (Head of Asset Management: Industrial)
SD Theunissen (Head of CSR)

Standing attendees
AL Davis (Chief Information Officer)
WJH de Koker (Company Secretary)
DS Stoll (Regional Head – Cape Town)
G Worst (Regional Head – Durban)

Standing invitees
All Group Exco members have a standing invitation to attend meetings of the SA Exco.

CONTACT DETAILS

Johannesburg office

Physical address:	The Place, 1 Sandton Drive, Sandton, 2196
Postal address:	PO Box 78949, Sandton, 2146
Switchboard tel:	+27 (0) 11 944 6000
General fax:	+27 (0) 11 944 6005

Durban office

Physical address:	4th Floor, Lincoln On The Lake, 2 The High Street, Parkside Umhlanga Ridge, KwaZulu-Natal, 4319
Postal address:	PO Box 1330, Umhlanga Rocks, 4320
Switchboard tel:	+27 (0) 31 584 5100
General fax:	+27 (0) 31 584 5110

Cape Town office

Physical address:	2nd Floor, MontClare Place, Main Road, Claremont, 7700
Postal address:	PO Box 44392, Claremont, 7735
Switchboard tel:	+27 (0) 21 673 8400
General fax:	+27 (0) 21 679 8405/06

Growthpoint Australia office

Physical address:	Level 22, 357 Collins Street, Melbourne, VIC, Australia, 3000
Switchboard tel:	+61 (0) 3 8681 2900
General fax:	+61 (0) 3 8681 2910

Email: info@growthpoint.com.au

Capital & Regional office

Physical address:	22 Chapter Street, London, SW1P 4NP, United Kingdom
Switchboard tel:	+44 (0) 20 802 5600

http://www.linkedin.com/company/growthpointlimited

@growthpoint

http://www.youtube.com/growthpointlimited

GROWTHPOINT
PROPERTIES

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