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24

Unaudited interim group results

for the six months ended 29 February 2024

..... Join the upside

 **REDEFINE**
PROPERTIES

We're not landlords. We're people.

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SA REIT ratios

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Administration

Blue Route Mall, Western Cape, South Africa



Group performance overview

DIVIDEND PER SHARE

20.27
cents

(HY23: 20.32 cents)

ACTIVE SA
NET PROPERTY
INCOME MARGIN

82.5%

(HY23: 82.3%)

PROPERTY
ASSETS UNDER
MANAGEMENT

R100.4
billion

(FY23: R96.8 billion)

SA REIT NAV
INCREASED TO

780
cents

(FY23: 766 cents)

SA REIT LTV

42.6%

(FY23: 41.1%)

INTEREST COVER
RATIO

2.2X

(FY23: 2.4X)

Black River Office Park, Western Cape, South Africa



Commentary

Profile

Redefine is a Real Estate Investment Trust (REIT) with a sectoral and geographically diversified property asset platform valued at R100.4 billion (FY23: R96.8 billion). Redefine's portfolio is predominately anchored in South Africa through directly held and managed retail, office and industrial properties, which is complemented by a strong presence in retail and logistics property assets in Poland.

Redefine's purpose is to create and manage spaces in a way that transforms lives, which requires more than a business-as-usual approach: it requires an integrated approach to making strategic choices that will sustain value creation for all stakeholders by putting people and purpose at the heart of what we do and focusing on what matters most by executing on our strategic priorities.

Redefine is listed on the Johannesburg Stock Exchange (JSE) with a market capitalisation of R27.7 billion (FY23: 25.2 billion). By volume, Redefine's shares are among the most actively traded in the SA REIT sector, making it a highly liquid, single-entry point for investors to gain exposure to the South African and Polish real estate markets.

Redefine's local property asset platform is valued at R62.4 billion as at 29 February 2024 (FY23: R59.9 billion). The offshore real estate investments are valued at R38.0 billion (FY23: R36.9 billion), representing 37.8% (FY23: 38.1%) of the group's total property asset platform, which provides geographic diversification through retail, logistics and self-storage property assets in Poland. The increase in the value of the property asset platform during the period is primarily due to the acquisition of the Mall of South (MOTS) for R1.8 billion, expansion through logistics development activity in Poland, and the depreciation of the rand, which was marginally offset by the ongoing disposal of non-core assets.

Financial results

Group SA REIT FFO increased by R109.7 million (6.6%) to R1.8 billion (HY23: R1.7 billion) while group distributable income increased by R96.9 million (6.0%) to R1.7 billion (HY23: R1.6 billion) during the current period.

Total revenue and net property income from the direct property portfolio

Group revenue increased by 7.0% from R4.9 billion in HY23 to R5.2 billion in HY24.

Figures in R'm	Revenue* HY24	Revenue* HY23	Variance	% change	Net property income** HY24	Net property income** HY23	Variance	% change
South Africa	4 123.0	3 905.2	217.8	5.6	2 473.4	2 377.4	96.0	4.0
EPP	1 090.6	985.9	104.7	10.6	681.1	587.4	93.7	16.0
Stokado	21.8	-	21.8	100.0	15.9	-	15.9	100.0
Other	-	0.7	(0.7)	(100.0)	-	(0.5)	0.5	(100.0)
Total IFRS	5 235.4	4 891.8	343.6	7.0	3 170.4	2 964.3	206.1	7.0
Adjustments:								
IFRS 16	-	-	-		(17.6)	(10.2)	(7.4)	
Distributable income	5 235.4	4 891.8	343.6	7.0	3 152.8	2 954.1	198.7	6.7
IFRS % split:								
South Africa	78.8	79.8			78.0	80.2		
Poland	21.2	20.2			22.0	19.8		

* Revenue excluding straight-line rental expense

** Revenue excluding straight-line rental expense less operating costs and expected credit losses (ECL) - trade receivables

Commentary continued

South Africa

Revenue from the portfolio (excluding the straight-line rental income accrual) increased by R217.8 million (5.6%) driven by the acquisition of MOTS, Hertford Office Park, and Massmart DC (49.9% share), new developments coming online, higher rentals achieved on new lets and improved reversions on the renewal of leases, as well as better cost recoveries offset by properties sold during the prior and current period and the restructuring of the government-tenanted portfolio. The active portfolio delivered organic growth in revenue of 3.4% on a like-for-like basis.

The active portfolio delivered growth in net property income of 3.5% on a like-for-like basis after excluding the once-off business interruption insurance claims of R14.0 million. The growth was driven by stable in-force lease escalation rates of 6.3% (FY23: 6.4%) and an improvement in the average negative rental reversion rate to -6.0% (HY23: -7.5%).

The operating cost (including the ECL on trade receivables) to property income ratio net of recoveries reduced marginally to 84.6% (HY23: 85.5%), and the gross operating cost (including the ECL on trade receivables) to property income ratio increased to 40.0% (HY23: 39.1%). The operating cost (including the ECL on trade receivables) to property income ratio net of recoveries for the active portfolio improved to 82.5% (HY23: 82.3%).

EPP Core

EPP Core revenue (excluding the straight-line rental income accrual) increased by R104.7 million (10.6%) mainly driven by a weaker rand. Excluding the impact of exchange rates, revenue increased by R44.7 million (4.0%) mainly due to rent indexation and an improvement in vacancies. The increase was offset by the sale of two Power Parks properties to Horse Group (previously M1) of R16.2 million in October 2023 and lower service charge recoveries of R40.6 million in HY24 because of a better outcome achieved on the service charge reconciliations for FY22 that were settled during FY23, resulting in EPP Core revenue decreasing by R12.1 million for the period.

Excluding the impact of exchange rates, the EPP Core portfolio delivered 3.6% growth in net property income for the period. The EPP active portfolio delivered growth in net property income of 4.4% on a like-for-like basis. The operating cost (including the ECL on trade receivables) to property income ratio net of recoveries reduced marginally to 90.4% (HY23: 90.8%), and the gross operating cost (including the ECL on trade receivables) to property income ratio decreased to 37.5% (HY23: 40.4%).

Portfolio-specific metrics, operational results and trading are discussed more fully in the South African and Poland portfolio commentary on **pages 7 and 10**, respectively.



Commentary continued

Administration costs

Figures in R'm	HY24	HY23	Variance	% change
South Africa	163.9	141.5	22.4	15.8
EPP	139.6	104.3	35.3	33.8
Stokado	23.9	7.3	16.6	>100.0
Redefine Europe	11.4	22.2	(10.8)	(48.7)
Other	3.3	0.6	2.7	>100.0
Total IFRS	342.1	275.9	66.2	24.0
<i>Distributable income adjustments:</i>				
Transaction costs of a capital nature	(6.5)	(20.0)	13.5	
Transaction costs related to business combinations	(7.3)	-	(7.3)	
Distributable income	328.3	255.8	72.5	28.3
IFRS % split:				
South Africa	47.9	51.3		
Poland	52.1	48.7		

Annualised administration costs equate to 0.7% of total assets (FY23: 0.6%), with 0.5% (FY23: 0.5%) attributable to South Africa and 0.9% (FY23: 0.7%) attributable to Poland. The increase in administration costs in South Africa is mainly from the release of provisions due to the under performance of group KPIs related to the FY22 long-term incentive (LTI) awards. Excluding the impact of exchange rates, the increase in the EPP Core portfolio administration costs is a result of an under-provision of the short-term incentive and LTI accruals during FY23 of R16.2 million as well as an increase in costs because of inflation in Poland. The decrease in administration costs in Redefine Europe is due to lower capital transaction costs, while in Stokado sp.z o.o. (Stokado) the increase in administration costs is due to transaction costs relating to the acquisition of TopBox Landbank Poland sp. z o.o., Box Development sp. z o.o., and TopBox 2 sp. z o.o. (together, TopBox) in September 2023 and the operational platforms that went live during the period.

Net interest costs

Figures in R'm	Interest income HY24	Interest income HY23	Variance	% change	Interest expense HY24	Interest expense HY23	Variance	% change
South Africa (ZAR)	346.4	335.1	11.3	3.4	1 366.6	1 198.2	168.4	14.1
South Africa (International)	-	0.6	(0.6)	(100.0)	210.1	110.8	99.3	89.7
EPP	19.9	17.8	2.1	11.8	266.7	192.2	74.5	38.8
Stokado	-	-	-	-	6.3	-	6.3	100.0
Redefine Europe	41.0	29.0	12.0	41.4	-	-	-	-
Total IFRS	407.3	382.5	24.8	6.5	1 849.7	1 501.2	348.5	23.2
<i>Adjustments:</i>								
Towarowa interest	(18.7)	(16.2)	(2.5)		-	-	-	
IFRS 16	-	-	-		(15.2)	(12.9)	(2.3)	
Breakage fees	-	-	-		-	(1.1)	1.1	
Distributable income	388.6	366.3	22.3	6.1	1 834.5	1 487.2	347.3	23.4
IFRS % split:								
South Africa	85.0	87.8			85.2	87.2		
Poland	15.0	12.2			14.8	12.8		



Commentary continued

South Africa

Net interest costs increased by R157.1 million (18.2%) during the period. The increase was largely driven by the higher rand-weighted average cost of debt, which increased from 9.2% at HY23 to 9.4% and an increase in debt arising from the acquisition of MOTS on 1 December 2023 of R1.8 billion. During the period, interest rate swaps with a nominal value of R2.1 billion and a weighted average fixed rate of 7.3% expired, and new interest rate swaps with a nominal value of R1.6 billion and a weighted average cost of 8.1% were entered into. The weighted average funding margin on rand-denominated debt reduced to 1.8% from 2.0% in FY23. In addition, cross-currency interest rate swaps with a rand nominal deposit of R1.8 billion and a weighted average margin of 1.7% over three-month JIBAR matured. The cross-currency swaps that matured were refinanced with a new rand nominal deposit of R2.2 billion and a weighted average margin of 1.8% over three-month JIBAR.

Net interest costs on euro and United States (US) dollar-denominated debt on the South African balance sheet increased by R98.7 million (88.7%) during the period mainly due to the depreciation of the rand, cross-currency swaps maturing at attractive rates, and an increase in the three-month EURIBOR rate since HY23. Cross-currency swaps with a nominal amount of €110.0 million and a weighted average fixed rate of 1.8% matured during the period. The cross-currency swaps of €110.0 million that matured were refinanced at a weighted average fixed rate of 4.9%.

EPP Core

Net interest costs in EPP Core increased during the period due to the depreciation of the rand and a higher weighted average cost of debt, which increased from 3.3% at HY23 to 5.2% at HY24. The higher weighted average cost of debt is due to the increase in the three-month EURIBOR rate, which impacts the floating portion of the debt as well as the refinancing of the Echo and Marcellin facilities of R3.4 billion that were concluded during July 2023. The margin on the new facilities is 2.5% and 2.1%, respectively, and 75% of the facilities are hedged at a fixed interest rate of 3.1% (previously 0.3%) while the balance of the facilities float at three-month EURIBOR.

Distributions received from international joint ventures

Figures in R'm	HY24	HY23	Variance	% change
ELI*	11.5	31.8	(20.3)	(63.8)
Galeria Młociny**	-	-	-	-
Henderson**	-	18.2	(18.2)	(100.0)
Horse Group**	177.7	-	177.7	100.0
EPP Community**	104.3	-	104.3	100.0
Total	293.5	50.0	243.5	487.0

* Excludes interest received on the shareholder loan of R41.0 million (HY23: R29.0 million) included in interest income

** At Redefine's share of 95.5%

The distributions received from the joint ventures increased to R293.5 million compared to R50.0 million in HY23. This increase is due to the introduction of regular distribution payments as opposed to annual distribution payments by Horse Group and EPP Community Properties. In addition, the cash that was retained by Horse Group during FY23 pending the outcome of the Metro claim was released during the period.

ELI

Redefine's share of the distributable income of ELI was R52.5 million for the period (HY23: R60.8 million). The decrease is mainly because of the increase in finance costs attributed to additional development funding raised of R1.3 billion since HY23 as well as an increase in the weighted average cost of debt, which increased from 3.5% at HY23 to 4.5% at HY24. The higher finance costs were offset by an increase in the net property income of the platform due to the commencement of leases in newly completed developments and indexation on existing leases of 4.7%.



Commentary continued

Galeria Młociny

Excluding the impact of exchange rates, net property income increased by R8.4 million (5.4%) due to rent indexation and an improvement in vacancies to 2.0% (HY23: 5.2%). After capital expenditure requirements and debt amortisation, the joint venture generated R7.0 million of cash, which was retained and not distributed. In April 2024, EPP successfully refinanced the Młociny debt facility of R3.0 billion. The facility has a five-year tenor and a margin of 2.4% (FY23: 3.0%). 75% of the facility is hedged at 2.8%, and the remaining 25% floats at three-month EURIBOR. No amortisation is required.

Henderson

Excluding the impact of exchange rates, net property income decreased by R30.0 million (-17.9%) due to a significant increase in vacancies 24.4% (HY23: 6.0%). After capital expenditure requirements and debt amortisation, the joint venture generated R12.9 million of cash, which was retained and not distributed due to the upcoming debt refinance. The current facilities mature in June 2024, however the funders have agreed to a three month extension of the loan to finalise the terms of the refinance and implement the necessary legal agreements.

Horse Group

A fee for the termination of the master lease in the amount of R46.7 million was received. As reported previously, Horse Group was successful in the Metro arbitration, which enabled the release of R101.5 million of cash from escrow accounts retained in FY23.

Excluding the impact of exchange rates, net property income increased by R15.4 million (3.2%) mainly driven by the purchase of the two Power Parks from EPP Core in October 2023. Rent indexation had a smaller impact as the master lease with Metro contained clauses that limited the amount of indexation that could be applied to 3.6%.

Net interest costs increased by R60.3 million (38.6%) due to the increase in the three-month EURIBOR as well as the refinancing of a portfolio of four properties, which was concluded in January 2023. The facilities have a blended margin of 3.2% (previously: 2.5%), and 100% of the facilities were hedged at a fixed interest rate of 2.7% (previously: 0.6%).

After capital expenditure requirements and debt amortisation, the joint venture generated R351.6 million of cash of which R52.5 million was paid to Redefine Europe and R194.6 million to EPP. The amount included in the group's distributable income for HY23 was limited to EPP's share of the distributable income from Horse Group for the period of R125.2 million.

EPP Community

Excluding the impact of exchange rates, net property income increased by R38.2 million (7.7%) due to rent indexation, improved turnover rent, and income from the new development at Retail Park Zamość being included for the full period.

Net interest costs increased by R58.6 million (36.6%) due to the increase in the three-month EURIBOR as well as the refinancing of a portfolio of six properties, which was concluded in May 2023. The facilities have a margin of 2.5% (previously: 1.8%), and 85% of the facilities were hedged at a fixed interest rate of 3.1% (previously: 0.1%) while the balance of the facilities float at three-month EURIBOR.

After capital expenditure requirements and debt amortisation, the joint venture generated R114.4 million of cash of which R104.3 million was paid to EPP. In line with the distribution waterfall, EPP reduced its shareholding from 50.2% to 49.8%.

Changes in fair value

In line with the group's accounting policy, the property portfolio was independently valued by external valuers at 29 February 2024, increasing the fair value of South African investment properties by R499.9 million (HY23: R66.8 million decrease) and a decrease in the Polish investment properties' fair value by R7.4 million (HY23: R63.9 million).



Commentary continued

In terms of IAS 40: *Investment Property* and IFRS 13: *Fair Value Measurement*, Redefine's investment properties are measured at fair value through profit or loss, using valuation inputs that are categorised as level 3 in the fair value hierarchy. There were no transfers between levels 1, 2 and 3 during the period.

The fair value of the investment in listed securities increased by R3.2 million (HY23: R30.8 decrease) and the fair value of the unlisted investment in Lango decreased by R0.9 million (HY23: R16.5 million increase) during the period.

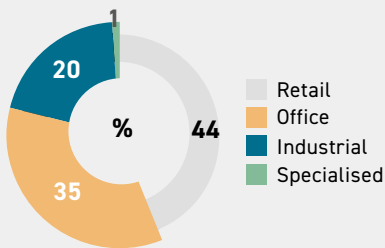
The group's derivatives, which protect against adverse movements in interest and foreign exchange rates, were valued using the swap curve and forward pricing methods, respectively, resulting in a fair value gain of R82.6 million (HY23: loss of R0.5 billion).

South African property portfolio

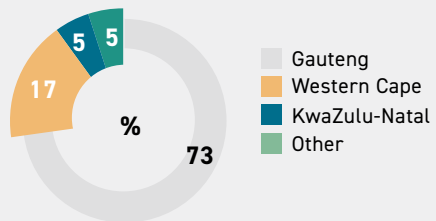
Key outcomes	HY24	HY23	FY23
Active net property income growth*	3.5%	3.0%	1.5%
Active vacancy	7.9%	7.5%	7.0%
Tenant retention rate by GMR	95.9%	96.6%	92.8%
Renewal reversion rate	(6.0%)	(7.5%)	(6.7%)
Renewal success rate (including monthly leases)	65.3%	80.3%	79.3%
Weighted average lease escalation by GMR	6.3%	6.4%	6.4%
Weighted average unexpired lease term by GMR (years)	3.4	3.6	3.5

* Excludes the once-off business interruption insurance claim of R14.0 million

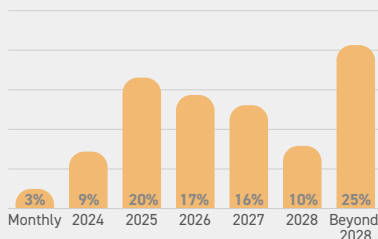
Local portfolio sectoral spread by value



Geographic spread by value



Lease expiry profile by GMR



Commentary continued

The active portfolio vacancy rate increased to 7.9% (FY23: 7.0%) primarily due to a short-term vacancy of 32 355m² at Cato Ridge (an industrial property). A new lease agreement to let the space has been concluded with an effective date of 1 July 2024.

Leases covering 219 203m² (HY23: 270 392m²) were renewed during the period, preserving a healthy tenant retention rate by gross monthly rental (GMR) of 95.9% (HY23: 96.6%) and a further 159 944m² (HY23: 160 076m²) was let to new tenants across the portfolio.

Retail

Operating metrics in the retail portfolio continue to improve with the active net property income growth of 3.2% (HY23: 5.0%).

The growth is driven by the stable in-force lease escalation rates of 6.0% (FY23: 6.0%), an improvement in the average negative rental renewal reversion rate to -0.5% (HY23: -3.7%) on 9.0% of the total retail GLA, and stable tenant retention rates by GMR of 96.9% (HY23: 96.9%).

Vacancy decreased to 5.5% (FY23: 6.4%) due to the disposal of McCarthy Audi (2 171m²), and new lets at Monument Commercial (5 300m²) and Sammy Marks Square (1 200m²).

Office

Redefine's high-quality office portfolio continues to benefit from the demand for Premium Grade, well-located properties with active net property income growth of 4.1% (HY23: 0.1%).

This growth was driven by the stable in-force lease escalation rates of 6.8% (FY23: 6.8%) and an increase in the renewal success rate to 76.1% (HY23: 70.2%) albeit at a higher average negative rental renewal reversion rate of -13.6% (HY23: -12.4%) on 10.0% of the total office GLA.

Market rental rates remain under pressure given the very competitive landscape and oversupply in the market, with the portfolio experiencing a marginal increase in vacancy levels to 12.3% (FY23: 11.4%) driven by the vacancy at two properties – Centurion Gate (9 507m²) and Hyde Park Manor (4 042m²) during the period.

Industrial

Our industrial portfolio continues to provide a defensive element to our asset platform with active net property income growth of 3.2% (HY23: 5.2%).

The portfolio is underpinned by stable lease escalation rates of 6.5% (FY23: 6.5%) and an improved average rental reversion renewal rate of 4.0% (HY23: 1.3%) on 2.0% of the total industrial GLA. Vacancy increased to 7.1% (FY23: 4.8%) due to Cato Ridge (32 355m²) and units at Ushukela Industrial Park (10 550m²) becoming vacant during the period. Subsequent to the period, a new lease was signed for the vacant space at Cato Ridge and a further 9 767m² has been let at 1 Springbok Road.

Arrears

Total arrears at HY24 was R285.4 million (FY23: R268.5 million) with an ECL allowance of R181.9 million (FY23: R184.1 million). The net bad debt write-offs, recoveries and ECL movement resulted in an expense of R34.3 million (HY23: R30.0 million).



Commentary continued

Restructure of government-tenanted portfolio

On 31 August 2023, Redefine agreed to dispose of various government-tenanted properties to Talis (a joint controlled entity). This transaction led to the preservation of the property valuations due to the renewal of the lease agreements with a healthy lease escalation rate of 6.1% (FY23: 1.8%) and an extended weighted average unexpired lease term by GMR of 4.9 years (FY23: 1.5 years). As a result of the transition from month-to-month leases to longer-dated leases, the average negative rental reversion on the renewal of the leases was -38.9%.

Acquisitions

During November 2023, RMB Investments and Advisory Proprietary Limited (RMBIA) exercised its put option to sell its 80% shareholding in Mall of the South Proprietary Limited to Redefine. Redefine now holds 100% of the shares. The value of the 80% shareholding was calculated in terms of the put option agreement and was determined to be R1.

The transaction met the requirements for an asset acquisition through the application of the concentration test per IFRS 3: *Business Combinations*. The consideration transferred by Redefine for the acquisition of MOTS was R1.8 billion (the repayment of the RMB facility outstanding on 1 December 2023 + R1). At 29 February 2024, MOTS was valued at R1.8 billion with a yield of 8.5%.

New developments

A new industrial facility was completed at Brackengate Business Park (50.1% share) ,which is in the central industrial hub in the Western Cape, for Heroldt's Group, during the period at a cost of R25.7 million, with an initial yield of 9.7%, adding 2 803m² of industrial GLA. A new development is in progress at Atlantic Hills (55% share) for Lluvia Sugar with a cost of R58.6 million and an initial yield of 9.4%.

Refurbishments

During the period, five refurbishments were completed with a combined cost of R171.4 million and a further three refurbishments are in progress at an estimated cost of R196.0 million.

Infrastructure

Two infrastructure projects at S&J Industrial Estate (90% share) are in progress with a cost of R138.1 million.

Disposals

During the period, Redefine disposed of three properties, with GLA of 26 357m², for an aggregate consideration of R254.4 million at an average yield of 9.3%, various portions of vacant land for a total consideration of R47.4 million, and five residential units at Park Central for a total consideration of R9.5 million.

Agreements, subject to the normal conditions precedent, have been concluded to dispose of one property and a further three portions of vacant land for an aggregate consideration of R56.9 million in the second half of FY24.

Sustainability

Redefine's current installed solar capacity amounts to 41.1MWp (FY23: 34.9MWp). Additional projects to the value of R295.8 million adding 20.8MWp with an initial yield of 17.7% are underway, which will increase Redefine's total installed solar capacity to 61.9MWp.



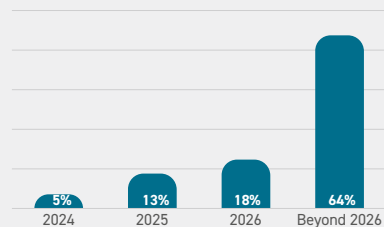
Commentary continued

International property portfolio

EPP Core

The EPP Core vacancy rate remained stable at 1.6% (FY23: 1.6%). The average rental reversion for the period was 2.7% (HY23: -6.7%) on 8.6% of the total GLA, while the tenant retention rate by GMR remains healthy at 97.5% (HY23: 97.2%). Collections averaged 99.2% (FY23: 99.1%) of billings for the period. Total EPP Core arrears at HY24 was R92.7 million (FY23: R65.8 million) with an ECL allowance of R6.5 million (FY23: R8.2 million), while the net bad debt write-offs, recoveries and ECL movement resulted in an income of R0.6 million (HY23: R1.3 million expense).

Lease expiry profile by GMR (EUR)



Polish self-storage investment

In FY23, Redefine and Griffin Capital Partners sp. z o.o. (Griffin) established a Polish company called Self Storage Investments sp. z o.o. (Self Storage Investments) to invest in self-storage facilities in Poland. Redefine and Griffin hold 93.0% and 7.0% of the shares, respectively, and have agreed to collectively invest R1.0 billion (€50.0 million) of equity over five years, primarily in new self-storage developments.

During FY23, Self Storage Investments acquired 51% of the shares, in Stokado for R121.2 million, while the Stokado founders held the remaining 49%. Self Storage Investments committed to provide additional equity to reach a 75% shareholding, equating to R250.6 million.

During September 2023, Stokado acquired TopBox, consisting of one existing, high quality self-storage building with 4 451m² net lettable area (NLA), together with the operating company and rights to develop another site in Warsaw. The total acquisition cost (including estimated capital to complete the building) was R215.6 million at an estimated yield of 9.8%, once occupancy reaches 90%.

As at 29 February 2024, additional capital contributions, amounting to R118.3 million have been made by Self Storage Investments to Stokado, to increase the shareholding from 51.0% to 63.3%. In addition, seven new self-storage developments are under consideration which will increase the NLA by 26 068m², with an estimated cost of R1.3 billion.

This deal leverages the strengths of all parties and opens the door for expansion, diversification and growth in line with Redefine's focus on strategically allocating capital into areas with capital upside at low risk.



Commentary continued

International joint ventures

Investments in joint ventures increased to R15.6 billion (FY23: R15.3 billion) during the period, primarily due to foreign currency translation gains of R0.6 billion and net additional capital investments of R0.1 billion, offset by equity-accounted losses of R0.1 billion and profit distribution of R0.3 billion. For further information on the movements in investments in joint ventures refer to **page 34**.

In HY24, impairment indicators were not present for any of the joint ventures; however, an assessment was performed to determine the recoverable amount for EPP Community, Horse Group and ELI, as the carrying value of the investment in joint ventures was more than Redefine's share of the net asset value (NAV) of the underlying entity. The recoverable amount was based on the value in use as the investment is expected to be recovered through distributable profits generated by the underlying entity. A five-year discounted cash flow (DCF) model was applied to Redefine's share of the expected distributable profits using the variable returns under the group's general distribution policy. The DCF confirmed that no impairment was necessary for the respective joint ventures.

ELI: Redefine and Madison International Holdings VII LLC (Madison) are joint venture partners in ELI – holding 48.5% and 46.5% of the shares, respectively, with the remaining 5.0% held by Griffin. The carrying value of the 48.5% equity-accounted investment in ELI is R5.0 billion (FY23: R4.7 billion). The investment in ELI increased by R0.3 billion due to equity-accounted profits amounting to R0.1 billion, primarily driven by growth in revenue and fair value gains on investment properties, capital deployed of R0.1 billion, and foreign currency translation gains totaling R0.1 billion.

As at 29 February 2024, the income-producing platform had a GLA of 999 287m² (FY23: 999 241m²) and vacancy of 7.7% (FY23: 7.5%). Developments under construction at a total estimated cost of R1.25 billion will add a further 62 375m² to the platform.

Africa

Redefine currently holds a 2.5% (FY23: 2.5%) share in Lango Real Estate Limited (Lango). The carrying value of the investment decreased to R174.4 million (FY23: R175.2 million) due to a decrease in Lango's NAV. Redefine's intention is to exit this investment as it is a non-core asset.

Exchange rates

During the period, the rand depreciated against the euro and US dollar, while the Polish zloty appreciated marginally against the euro. The depreciation of the rand against the euro translated into an increase in the proportionate share of the net assets of the foreign currency-denominated joint ventures and directly held investment properties. This increase was partially neutralised by the natural hedge created by the foreign currency-denominated debt held against the assets, as it increased similarly.



Commentary continued

Foreign currency	29 February 2024	28 February 2023	31 August 2023
Spot rates at end of period			
EUR/ZAR	20.87	19.53	20.43
USD/ZAR	19.26	18.45	18.71
EUR/PLN	4.32	4.72	4.47
Average exchange rates for period			
EUR/ZAR	20.29	18.31	19.19
USD/ZAR	18.83	17.57	18.07
EUR/PLN	4.39	4.72	4.63

Interest-bearing borrowings

Redefine's interest-bearing borrowings (net of cash and cash equivalents, including the mark-to-market of derivatives amounting to R42.7 billion (FY23: 39.8 billion) represented 42.6% (FY23: 41.1%) of the value of its property asset platform of R100.4 billion at 29 February 2024, which is outside of the medium-term target range of 38% to 41%. The increase in the loan-to-value (LTV) during the period was mainly driven by the acquisition of MOTS.

The average cost of rand-denominated funding is 9.4% (FY23: 9.4%) with interest rates hedged on 83.7% (FY23: 86.7%) of local borrowings for an average period of 1.0 years (FY23: 1.3 years). Including foreign currency debt and derivatives, the group average cost of debt is 7.2% (FY23: 7.1%). Interest rates are hedged on 76.7% (FY23: 77.1%) of total borrowings for an average period of 1.5 years (FY23: 1.8 years). The interest cover ratio (ICR) (which includes equity-accounted cash dividends and listed security income) is 2.2x (FY23: 2.4x).

Redefine had unutilised committed bank facilities of R3.7 billion (FY23: R4.7 billion) and cash on hand of R0.5 billion (FY23: R0.8 billion) at 29 February 2024, which provides assurance that the group will be able to meet its short-term commitments. Subsequent to the period end, R1.3 billion was raised to fund upcoming debt maturities.

Capital commitments

Capital commitments amount to R0.9 billion (FY23: R1.0 billion). Future commitments will be funded by undrawn committed banking facilities, cash on hand, and proceeds from capital recycling activities.

Moody's credit rating

Moody's affirmed Redefine's credit rating on 27 February 2024.

Global scale: Ba2

National scale: Aa2.za

Outlook: Stable



Commentary continued

Basis of preparation

These condensed consolidated unaudited interim 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, Financial Pronouncements as issued by the Financial Reporting Standards Council, and the requirements of the Companies Act, No 71 of 2008 of South Africa, and the JSE Listings Requirements. The accounting policies applied in preparing these financial statements are in terms of IFRS and are consistent with those applied in the previous set of financial statements.

These condensed consolidated unaudited interim financial statements were authorised for issue by the board of directors on 3 May 2024 and published on 6 May 2024.

Significant judgement, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, may differ from actual results. Judgement also needs to be exercised in applying the group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are listed below:

- Valuation of investment properties and properties under development
- Impairment of investments in joint ventures
- Business combination versus asset acquisition
- Significant influence versus control assessment

Going concern

The directors have assessed the group's ability to continue as a going concern. The assessment includes solvency and liquidity tests which included, *inter alia*, a forecast of debt covenants such as the LTV ratio and ICR. As at 29 February 2024, the group had a positive NAV.

Despite current liabilities exceeding current assets, the group has a stable liquidity position with unutilised committed access facilities and cash on hand of R4.2 billion (FY23: R5.5 billion). The liquidity test considers expected cash flows in the next 12 months, including operational cash flows, anticipated proceeds from unconditional disposals, funding, and development activities for the next 12 months.



Commentary continued

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

Access to liquidity

Property counters are still trading at significant discounts to their NAV, which makes raising equity in this environment very costly and deeply dilutive. Redefine continuously reviews its funding and maturity profile and monitors the debt capital markets to ensure that it is well-positioned for any refinancing opportunities. Redefine is well diversified across major banks and funders which reduces concentration risk to any one funder.

Financial covenants

Financial covenant (LTV ratio and ICR) reporting is required by lenders within 90 days of each reporting period. There have been no debt covenant breaches to date, with the strictest LTV ratio and ICR covenants. For the financial year ending 31 August 2024, it is anticipated that the corporate LTV ratio covenant will be below 50% and the ICR above 2.0x at the strictest covenant levels. All debt covenant projections are proactively monitored.

Geopolitical tensions

Since the conflict in Ukraine started, the Polish economy has slowed with a gross domestic product (GDP) growth of 0.2% in 2023 behind a forecasted growth of 0.5%. The conflict disrupted supply chains, increased financial market volatility, and caused a decrease in consumer and business confidence. Encouragingly, Poland's economic growth is set to increase by 2.9% in 2024 driven by the easing of inflation as detailed in the latest Oxford Economics report. Given Redefine's exposure to Poland through its 48.5% investment in ELI logistics and 95.5% investment in EPP, we will continue to monitor the impact of events on the logistics and retail sector in Poland, both from a short-term and longer-term perspective. Similarly, the conflict in the Middle East has the potential to increase the cost of oil, which will add inflationary pressures on energy costs both in South Africa and Poland, directly impacting on interest rates and the anticipated timing of interest rate cuts.

Going concern conclusion

The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient liquidity to meet its foreseeable cash requirements. Considering the outcomes of the solvency and liquidity projections, the group will be solvent and liquid, and the directors are confident in the ability of the group to continue as a going concern and have no reason to believe that the group will not be a going concern in the year ahead.

The directors have therefore 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 condensed consolidated interim financial statements.



Commentary continued

Declaration of a cash dividend

The board has declared a dividend of 20.27000 cents per share for the six-month period ended 29 February 2024, which represents a dividend payout ratio of 80%.

In accordance with Redefine's status as a REIT, 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 distribution on the shares will be deemed to be a dividend for South African tax purposes in terms of section 25BB of the Income Tax Act.

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

- declaration that the dividend is exempt from dividends tax; and
- written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service. Shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted.

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Assuming dividend withholding tax will be withheld at a rate of 20% (unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (DTA) between South Africa and the country of residence of the shareholder), the net dividend amount due to non-resident shareholders is 16.21600 cents per share.



Commentary continued

A reduced dividend withholding rate in terms of the applicable DTA may only be relied upon 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:

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

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

The dividend is payable to Redefine's shareholders in accordance with the timetable set out below:

Last date to trade cum dividend:	Tuesday, 21 May 2024
Shares trade ex dividend:	Wednesday, 22 May 2024
Record date:	Friday, 24 May 2024
Payment date:	Monday, 27 May 2024

Shareholders may not dematerialise or rematerialise their shares between Wednesday, 22 May 2024 and Friday, 27 May 2024, both days inclusive. Payment of the dividend will be made to shareholders on Monday, 27 May 2024. In respect of dematerialised shareholders, the dividend will be transferred to the CSDP accounts/broker accounts on Monday, 27 May 2024. Certificated shareholders' dividend payments will be deposited on or about Monday, 27 May 2024.

Shares in issue at the date of declaration of dividend: 7 052 419 865

Redefine's income tax reference number: 917/852/484/0



Commentary

 continued

Events after the reporting period

Dividends declared

In line with IAS 10: *Events after the Reporting Period*, the declaration of the dividend occurred after the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

Acquisition of 50.9% of Pan Africa Development Proprietary Limited

Redefine has agreed to purchase 50.9% of Pan Africa Development Proprietary Limited (PAD), which owns the PAN Africa Mall (PAN), from Atterbury Property Fund Proprietary Limited (Atterbury), representing phase 1 of the transaction with Atterbury. The estimated purchase price of R83.9 million was determined with reference to 50.9% of the adjusted NAV of PAD on 30 June 2023 and will be updated to the actual NAV of PAD on the acquisition date of 2 May 2024. The NAV of PAD will be adjusted for IFRS 16-related line items and the related deferred taxation thereon plus the value of the Atterbury shareholder loan outstanding to PAD on the effective date. PAN is valued at R435.4 million based on an initial yield of 9.3%.

Adjoining PAN is undeveloped land owned by Atterbury, which will be developed by Atterbury into 3 818m² of retail GLA. After completion of the development, Atterbury will sell the property to Redefine. This transaction represents phase 2 of the transaction.

Simultaneously with the development of phase 2, the GLA of the existing PAN will be extended by approximately 5 553m² of retail GLA, which is phase 3 of the transaction. It is anticipated that the development of phases 2 and 3 will be completed by October 2024. The total consideration for phases 2 and 3 is R276.2 million at an initial yield of 9.3%.

Repurchase of EPP's non-controlling interest (NCI)

On 11 April 2024, EPP GP B.V. (a wholly owned subsidiary of EPP) purchased 37 238 543 EPP shares representing 4.47% of EPP's shares in issue which were held offshore, for a total purchase consideration of R689.8 million (€34.4 million), representing a discount to EPP's NAV of 16.1% and an income yield of 6.1%. The purchase consideration for the shares was settled through a combination of cash of R529.4 million (€26.4 million) and the sale of a 50% equity shareholding in Power Park Olsztyn with a value of R160.4 million (€8.0 million). The repurchased shares will be accounted for as treasury shares by EPP until such time as they are canceled. The transaction has an effective date of 1 April 2024, and Redefine now owns 99.2% of EPP. A process, initiated by Redefine, is underway to purchase the remaining 0.8% of EPP shares, which are held locally.



Commentary continued

Prospects

Elevated levels of inflation remain stubbornly sticky, which means that any interest rate relief can be anticipated to only flow in FY25; due not only to the timing of the interest rate cuts but also the lagged effects of elevated interest rates that need to play out. National elections, continued parastatal frailty, and geopolitical instability are issues that we will keep our eye on, but we won't allow these variables, which are largely out of our control, to distract us from what matters most. In an ever-changing landscape, it is how we adapt our strategic priorities, by shifting our emphasis to capture the opportunity within the variables under our control that will set us apart.

Opting for the upside in the period ahead, we will remain focused on conservative balance sheet management to enable sustainable growth as market dynamics continue to evolve; aim to build a quality, diversified portfolio that delivers sustainable risk-adjusted returns; invest in and transform our human capital to enable creativity and foster innovation; seek to understand our stakeholders' needs to ensure that their effect on us and our impact on them create meaningful, sustained value; accelerate new data and digital platforms to create smart, sustainable spaces; and continue to embed environmental, social and governance (ESG) aspects into everything we do by embracing and fostering stakeholder collaboration to extend the impact of our green initiatives.

Although we operate in a highly uncertain environment, we are expecting full-year 2024 distributable income of between 48.0 cents per share and 52.0 cents per share. Over the full year, we anticipate applying a dividend payout ratio of between 80% and 90%, dependent on operational capital expenditure requirements, debt covenant levels, liquidity events and tax considerations.

This forecast, which remains unchanged from the FY24 forecast disclosed in the financial results for the year ended 31 August 2023, is predicated on the assumption that current trading conditions will prevail. Forecast rental income is based on contractual terms and anticipated market-related renewals. The forecast has not been reviewed or reported on by the group's independent external auditors. Redefine's use of dividend per share as a relevant measure of financial performance remains unchanged.

6 May 2024

Redefine Properties Limited



Results

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Commentary

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Results

3

SA REIT ratios

4

Administration

GALERIA EC 

Bershka

Galeria Echo, Kielce, Southern Poland



Statement of financial position

as at 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
ASSETS			
Non-current assets	100 418 396	94 166 317	96 968 602
Investment properties	82 501 488	77 371 044	79 263 367
Fair value of investment properties	80 066 673	74 986 899	76 837 897
Straight-line rental income accrual	1 798 384	1 736 554	1 783 491
Properties under development	21 681	143 370	28 386
Right-of-use assets	614 750	504 221	613 593
Listed securities	22 686	38 890	19 446
Investment in joint ventures	15 586 486	14 344 985	15 288 598
Derivative assets	238 336	542 325	412 868
Loans receivable	1 099 338	965 521	1 051 349
Other financial assets	672 671	662 826	644 727
Property, plant and equipment	182 437	162 898	190 680
Other monetary assets	76 188	62 073	72 371
Deferred taxation	38 766	15 755	25 196
Current assets	2 387 493	3 036 822	2 433 555
Trade and other receivables	1 142 120	938 009	1 007 353
Loans receivable	199 092	344 808	205 852
Derivative assets	250 998	233 553	215 431
Other financial assets	-	5 954	-
Taxation receivable	11 991	8 807	24 421
Other monetary assets	255 667	168 933	219 616
Cash and cash equivalents	527 625	1 336 758	760 882
Non-current assets held-for-sale	57 884	203 799	46 038
Total assets	102 863 773	97 406 938	99 448 195
EQUITY AND LIABILITIES			
Equity	53 532 913	51 660 385	52 882 428
Shareholders' interest	52 525 694	50 882 876	51 938 922
Stated capital	50 117 109	50 117 109	50 117 109
Accumulated losses	(3 916 623)	(2 670 749)	(3 407 830)
Other reserves	6 325 208	3 436 516	5 229 643
Non-controlling interests	1 007 219	777 509	943 506
Non-current liabilities	41 468 094	37 375 170	37 503 982
Interest-bearing borrowings	38 306 553	34 202 391	34 269 168
Derivative liabilities	123 876	515 285	281 731
Other financial liabilities	340 633	228 134	345 410
Deferred taxation	2 077 428	1 926 575	2 022 064
Lease liability	619 604	502 785	585 609
Current liabilities	7 862 766	8 371 383	9 061 785
Trade and other payables	2 178 587	1 971 754	2 093 298
Interest-bearing borrowings	4 501 932	5 377 779	5 691 977
Interest accrual on interest-bearing borrowings	236 094	220 140	267 542
Derivative liabilities	827 012	472 289	864 316
Other financial liabilities	20 235	202 396	22 537
Insurance contract liability	-	81 132	38 517
Lease liability	78 923	42 589	73 365
Taxation payable	19 983	3 304	10 233
Total liabilities	49 330 860	45 746 553	46 565 767
Total equity and liabilities	102 863 773	97 406 938	99 448 195



Statement of profit or loss and other comprehensive income

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
Revenue			
Property portfolio revenue	5 214 270	4 816 983	9 908 219
Contractual rental income	5 235 462	4 891 098	9 935 249
Straight-line rental expense	(21 192)	(74 115)	(27 030)
Investment income	-	713	713
Total revenue	5 214 270	4 817 696	9 908 932
Operating costs	(2 071 788)	(1 964 787)	(4 003 301)
Expected credit losses – trade receivables	6 775	37 239	42 310
Administration costs	(342 100)	(275 794)	(554 673)
Net operating profit	2 807 157	2 614 354	5 393 268
Other income	5 665	36 059	39 468
(Loss)/gain on disposal of assets	(131)	(1 031)	18 686
Gain on bargain purchase	1 491	-	-
Changes in fair values of investment properties	492 552	(130 761)	33 110
Changes in fair values of financial and other instruments	85 032	(530 150)	(1 010 566)
Changes in insurance contract liability	38 517	38 345	80 959
Changes in expected credit losses – loans receivable	(6 483)	(125 932)	(135 925)
Impairments	-	-	(16 105)
Equity-accounted (loss)/profit (net of taxation)	(70 069)	483 528	523 404
Profit before finance costs and taxation	3 353 731	2 384 412	4 926 299
Net interest costs	(1 442 452)	(1 118 717)	(2 401 703)
Interest income	407 281	382 478	753 094
Interest expense	(1 849 733)	(1 501 195)	(3 154 797)
Foreign exchange losses	(841 808)	(309 261)	(934 132)
Profit before taxation	1 069 471	956 434	1 590 464
Taxation	(98)	(128 865)	(129 707)
Profit for the period	1 069 373	827 569	1 460 757
Attributable to:			
Redefine Properties Limited shareholders	1 093 743	798 522	1 446 628
Non-controlling interests	(24 370)	29 047	14 129
Other comprehensive income	1 162 294	2 829 593	4 694 599
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Revaluation of property, plant and equipment	4 355	8 371	10 865
Exchange differences on translation of foreign operations:			
– Subsidiaries	536 292	1 005 035	1 677 474
– Joint ventures	621 647	1 816 187	2 905 952
Reclassification of foreign currency differences on disposal of investments	-	-	100 308
Total comprehensive income for the period	2 231 667	3 657 162	6 155 356
Attributable to:			
Redefine Properties Limited shareholders	2 201 467	3 527 620	5 959 780
Non-controlling interests	30 200	129 542	195 576
Earnings per share (cents)			
Basic	16.20	11.83	21.42
Diluted	16.14	11.80	21.37



Statement of changes in equity

for the six months ended 29 February 2024

Figures in R'000	Stated capital	Accumulated losses	Foreign currency translation reserve	Share-based payment reserve	Shareholders' interest	Non-controlling interests (NCI)	Total equity
Balance as at 31 August 2022	50 117 109	(2 176 101)	693 745	18 509	48 653 262	647 967	49 301 229
Total comprehensive income for the period	-	806 893	2 720 727	-	3 527 620	129 542	3 657 162
Profit for the year	-	798 522	-	-	798 522	29 047	827 569
Other comprehensive income for the period	-	8 371	2 720 727	-	2 729 098	100 495	2 829 593
Transactions with owners (contributions and distributions)	-	(1 301 541)	-	3 535	(1 298 006)	-	(1 298 006)
Recognition of share-based payments	-	(133)	-	3 535	3 402	-	3 402
Dividends	-	(1 301 408)	-	-	(1 301 408)	-	(1 301 408)
Issue of ordinary shares	-	-	-	-	-	-	-
Disposal of investment in associate	-	-	-	-	-	-	-
Share of post-acquisition change in net assets of associate	-	-	-	-	-	-	-
Transactions with owners (changes in ownership interests)	-	-	-	-	-	-	-
Acquisition of subsidiary with NCI	-	-	-	-	-	-	-
Change in ownership with subsidiary with NCI	-	-	-	-	-	-	-
Balance as at 28 February 2023	50 117 109	(2 670 749)	3 414 472	22 044	50 882 876	777 509	51 660 385
Total comprehensive income for the period	-	650 600	1 781 560	-	2 432 160	66 034	2 498 194
Profit for the period	-	648 106	-	-	648 106	(14 918)	633 188
Other comprehensive income for the period	-	2 494	1 781 560	-	1 784 054	80 952	1 865 006
Transactions with owners (contributions and distributions)	-	(1 372 222)	-	11 567	(1 360 655)	(5 038)	(1 365 693)
Recognition of share-based payments	-	-	-	11 567	11 567	-	11 567
Dividends	-	(1 372 222)	-	-	(1 372 222)	(5 038)	(1 377 260)
Issue of ordinary shares	-	-	-	-	-	-	-
Disposal of investment in associate	-	-	-	-	-	-	-
Share of post-acquisition change in net assets of associate	-	-	-	-	-	-	-
Transactions with owners (changes in ownership interests)	-	(15 459)	-	-	(15 459)	105 001	89 542
Acquisition of subsidiary with NCI	-	-	-	-	-	104 304	104 304
Change in ownership with subsidiary with NCI	-	(15 459)	-	-	(15 459)	697	(14 762)
Balance as at 31 August 2023	50 117 109	(3 407 830)	5 196 032	33 611	51 938 922	943 506	52 882 428
Total comprehensive income for the period	-	1 098 098	1 103 369	-	2 201 467	30 200	2 231 667
Profit for the period	-	1 093 743	-	-	1 093 743	(24 370)	1 069 373
Other comprehensive income for the period	-	4 355	1 103 369	-	1 107 724	54 570	1 162 294
Transactions with owners (contributions and distributions)	-	(1 589 767)	-	(7 804)	(1 597 571)	(187)	(1 597 758)
Recognition of share-based payments	-	(4 299)	-	(7 804)	(12 103)	-	(12 103)
Dividends	-	(1 585 468)	-	-	(1 585 468)	(187)	(1 585 655)
Transactions with owners (changes in ownership interests)	-	(17 124)	-	-	(17 124)	33 700	16 576
Disposal of subsidiary with NCI	-	-	-	-	-	(3)	(3)
Change in ownership with subsidiary with NCI	-	(17 124)	-	-	(17 124)	33 703	16 579
Balance as at 29 February 2024	50 117 109	(3 916 623)	6 299 401	25 807	52 525 694	1 007 219	53 532 913

	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
Dividend per share (cents)	20.27	20.32	43.80
Interim	20.27	20.32	20.32
Final	-	-	23.48

Statement of cash flows

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	2 368 933	2 340 187	4 909 992
Interest received	345 834	313 338	718 266
Interest paid	(1 864 518)	(1 416 620)	(3 107 192)
Taxation paid	(25 591)	(42 946)	(71 656)
Dividends received from joint ventures	336 969	18 943	136 859
Net cash inflow from operating activities	1 161 627	1 212 902	2 586 269
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition and development of investment properties	(2 485 904)	(936 452)	(1 688 211)
Acquisition of property, plant and equipment	(3 655)	(3 974)	(6 106)
Acquisition of subsidiary (net cash acquired)	(184 137)	-	(13 046)
Investment in joint venture	(112 403)	(336 235)	(841 620)
Repayment of other financial liabilities	(15 905)	(33 976)	(310 279)
Proceeds arising from the EPP reorganisation*	-	223 640	760 896
Proceeds on disposal of investment properties and properties classified as held-for-sale*	311 303	372 962	649 101
Proceeds on disposal of property, plant and equipment	-	1 900	1 907
Proceeds from other financial assets	-	32 280	70 118
Return on equity from joint venture	41 844	46 163	328 245
Loans receivable repaid	33 408	59 581	212 443
Loans receivable advanced	(16 446)	(525 658)	(553 871)
Net cash outflow from investing activities	(2 431 895)	(1 099 769)	(1 390 424)
CASH FLOWS FROM FINANCING ACTIVITIES			
Equity contributed to Self Storage Investment by its NCI	13 265	-	-
Dividends paid	(1 585 468)	(1 301 408)	(2 673 630)
Dividends paid to non-controlling interests	(187)	-	(5 038)
Principal element of lease payments	(25 939)	(15 041)	(64 939)
Interest-bearing borrowings raised	7 279 036	3 139 696	4 154 000
Interest-bearing borrowings repaid	(4 713 019)	(2 395 990)	(3 581 792)
Net cash inflow/(outflow) from financing activities	967 688	(572 743)	(2 171 399)
Net decrease in cash and cash equivalents	(302 580)	(459 610)	(975 554)
Cash and cash equivalents at beginning of period	760 882	1 765 349	1 765 349
Effect of foreign currency exchange fluctuations	69 323	31 019	(28 913)
Cash and cash equivalents at end of period	527 625	1 336 758	760 882

* In FY23, proceeds on disposal of investment properties and properties classified as held-for-sale amounted to R1 409 996, this has been disaggregated into proceeds arising from the EPP reorganisation of R760 896 with the remaining balance of R649 101 in proceeds on disposal of investment properties and properties classified as held-for-sale. The disaggregation was done to enhance presentation and does not impact the net cash flows from investing activities



Earnings and headline earnings

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
Reconciliation of basic earnings to headline earnings			
Profit for the year attributable to Redefine shareholders (basic earnings)	1 093 743	798 522	1 446 628
Adjustment to basic earnings			
(Loss)/gain on disposal of assets	124	-	(18 686)
- Disposal of assets	131	-	(18 686)
- Non-controlling interest	(7)	-	-
Gain on bargain purchase (net of NCI)	(1 387)	-	-
- Gain on bargain purchase	(1 491)	-	-
- Non-controlling interest	104	-	-
Change in fair value of properties (net of NCI)	(491 782)	127 849	(34 172)
- Change in fair value of properties	(492 552)	130 761	(33 110)
- Non-controlling interest	770	(2 912)	(1 062)
Insurance proceeds received	(301)	(20 042)	(20 042)
IAS 36 impairments	-	-	16 105
Adjustment of measurements included in equity-accounted earnings of joint ventures (net of tax)	108 724	(67 611)	(80 650)
- Adjustment of measurements included in equity-accounted earnings of associates and joint ventures	154 571	(54 036)	(99 568)
- Tax adjustment	(45 847)	(13 575)	18 918
Foreign currency translation reserve (net of NCI)	-	(8 505)	109 801
- Foreign currency translation reserve	-	(8 910)	100 308
- Non-controlling interest	-	405	9 493
Headline earnings attributable to Redefine shareholders	709 121	830 213	1 418 984
Diluted earnings			
Profit for the period attributable to Redefine shareholders	1 093 743	798 522	1 446 628
Potential dilutive effect of share incentive schemes	-	-	303
Diluted earnings attributable to Redefine shareholders	1 093 743	798 522	1 446 931
Diluted headline earnings			
Headline earnings attributable to Redefine shareholders	709 121	830 213	1 418 984
Potential dilutive effect of share incentive schemes	-	-	303
Diluted headline earnings attributable to Redefine shareholders	709 121	830 213	1 419 287



Earnings and headline earnings continued

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
Number of shares			
Actual number of shares in issue ('000)*	6 752 419	6 752 419	6 752 419
Weighted average number of shares in issue ('000)*	6 752 419	6 752 419	6 752 419
Diluted weighted average number of shares in issue ('000)	6 776 392	6 769 814	6 772 093
Weighted average number of shares in issue ('000)*	6 752 419	6 752 419	6 752 419
Potential dilutive effect of share incentive schemes ('000)	23 973	17 395	19 674
Basic earnings per share			
Profit for the year attributable to Redefine shareholders (basic earnings)	1 093 743	798 522	1 446 628
Weighted average number of shares in issue ('000)*	6 752 419	6 752 419	6 752 419
Basic earnings per share (cents)	16.20	11.83	21.42
Diluted earnings per share			
Diluted earnings attributable to Redefine shareholders	1 093 743	798 522	1 446 931
Diluted weighted average number of shares in issue ('000)	6 776 392	6 769 814	6 772 093
Diluted earnings per share (cents)**	16.14	11.80	21.37
Headline earnings per share			
Headline earnings attributable to Redefine shareholders	709 121	830 213	1 418 984
Weighted average number of shares in issue ('000)*	6 752 419	6 752 419	6 752 419
Headline earnings per share (cents)	10.50	12.30	21.01
Diluted headline earnings			
Diluted headline earnings attributable to Redefine shareholders	709 121	830 213	1 419 287
Diluted weighted average number of shares in issue ('000)	6 776 392	6 769 814	6 772 093
Diluted headline earnings per share (cents)**	10.46	12.26	20.96

* Group net of 300 000 000 (2023: 300 000 000) treasury shares

** Diluted earnings per share and diluted headline earnings per share are calculated considering the potential dilution that could occur if all staff incentive shares vested. The number of shares outstanding is adjusted to show the potential dilution when all share schemes are settled in Redefine Properties Limited shares



Segmental report

for the six months ended 29 February 2024

Figures in R'000	29 February 2024											
	South African portfolio					Total local	International portfolio				Total international	Group total
	Retail	Office	Industrial	Specialised	Head office		Redefine Europe	EPP	Stokado	Head office		
STATEMENT OF FINANCIAL POSITION												
Investment properties (including straight-line rental income accrual)	26 999 376	22 078 578	12 228 081	530 100	-	61 836 135	-	19 685 202	343 720	-	20 028 922	81 865 057
Right-of-use assets	78 238	13 521	-	-	-	91 759	-	465 405	57 586	-	522 991	614 750
Properties under development	-	-	-	-	-	-	-	-	21 681	-	21 681	21 681
Listed securities	-	-	-	-	22 686	22 686	-	-	-	-	-	22 686
Investment in joint ventures	-	-	-	-	-	-	6 052 117	9 534 369	-	-	15 586 486	15 586 486
Loans receivable	-	-	-	-	211 784	211 784	1 047 895	38 751	-	-	1 086 646	1 298 430
Property, plant and equipment	-	63 950	-	47 800	20 857	132 607	-	45 161	4 669	-	49 830	182 437
Non-current assets held-for-sale	-	23 400	33 557	-	-	56 957	-	-	927	-	927	57 884
Cash and cash equivalents	-	-	-	-	154 883	154 883	7 956	354 872	9 858	56	372 742	527 625
Other assets	-	-	-	-	1 149 309	1 149 309	308	1 143 775	32 833	360 512	1 537 428	2 686 737
Total assets	27 077 614	22 179 449	12 261 638	577 900	1 559 519	63 656 120	7 108 276	31 267 535	471 274	360 568	39 207 653	102 863 773
Interest-bearing borrowings	-	-	-	-	30 063 030	30 063 030	-	9 775 369	17 502	2 952 584	12 745 455	42 808 485
Deferred taxation	-	-	-	-	801 236	801 236	-	1 276 192	-	-	1 276 192	2 077 428
Trade and other payables	-	-	-	-	1 739 554	1 739 554	1 069	429 686	8 278	-	439 033	2 178 587
Derivative liabilities	-	-	-	-	2 504	2 504	-	35 580	-	912 804	948 384	950 888
Other liabilities	78 238	13 521	-	-	161 168	252 927	261 885	697 787	85 174	17 699	1 062 545	1 315 472
Total liabilities	78 238	13 521	-	-	32 767 492	32 859 251	262 954	12 214 614	110 954	3 883 087	16 471 609	49 330 860



Segmental report continued

for the six months ended 29 February 2024

Figures in R'000	29 February 2024											
	South African portfolio					Total local	International portfolio				Total international	Group total
	Retail	Office	Industrial	Specialised	Head office		Redefine Europe	EPP	Stokado	Head office		
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME												
Contractual rental income	1 865 285	1 511 314	706 850	39 572	-	4 123 021	-	1 090 612	21 829	-	1 112 441	5 235 462
Straight-line rental income/ (expense) accrual	11 596	(65 952)	33 675	(511)	-	(21 192)	-	-	-	-	-	(21 192)
Total revenue	1 876 881	1 445 362	740 525	39 061	-	4 101 829	-	1 090 612	21 829	-	1 112 441	5 214 270
Operating costs	(856 330)	(539 961)	(242 603)	(15 282)	-	(1 654 176)	(11)	(411 711)	(5 890)	-	(417 612)	(2 071 788)
Changes in expected credit losses on trade receivables	(5 475)	1 569	8 446	-	-	4 540	-	2 234	1	-	2 235	6 775
Administration costs	-	-	-	-	(163 877)	(163 877)	(11 395)	(139 632)	(23 883)	(3 313)	(178 223)	(342 100)
Net operating profit/(loss)	1 015 076	906 970	506 368	23 779	(163 877)	2 288 316	(11 406)	541 503	(7 943)	(3 313)	518 841	2 807 157
Other income	-	-	411	-	1 159	1 570	4 095	-	-	-	4 095	5 665
Loss on disposal of assets	-	-	-	-	-	-	(131)	-	-	-	(131)	(131)
Gain on bargain purchase	-	-	-	-	-	-	-	-	1 491	-	1 491	1 491
Changes in fair values of investment properties	352 242	(52 106)	175 440	24 331	-	499 907	-	10 451	(17 806)	-	(7 355)	492 552
Changes in fair values of financial and other instruments	-	-	-	-	(31 707)	(31 707)	22 638	(102 881)	-	196 982	116 739	85 032
Changes in insurance contract liability	-	-	-	-	38 517	38 517	-	-	-	-	-	38 517
Changes in expected credit losses - loans receivable	-	-	-	-	(5 466)	(5 466)	(1 017)	-	-	-	(1 017)	(6 483)
Equity-accounted loss (net of taxation)	-	-	-	-	(9 608)	(9 608)	166 547	(227 008)	-	-	(60 461)	(70 069)
Profit/(loss) before finance costs and taxation	1 367 318	854 864	682 219	48 110	(170 982)	2 781 529	180 726	222 065	(24 258)	193 669	572 202	3 353 731
Interest income	-	-	-	-	346 399	346 399	40 992	19 860	-	30	60 882	407 281
Interest expense	(3 866)	(449)	378	-	(1 362 671)	(1 366 608)	-	(266 725)	(6 265)	(210 135)	(483 125)	(1 849 733)
Foreign exchange gains	-	-	-	-	-	-	(6)	(332 755)	(418)	(508 629)	(841 808)	(841 808)
Profit/(loss) before taxation	1 363 452	854 415	682 597	48 110	(1 187 254)	1 761 320	221 712	(357 555)	(30 941)	(525 065)	(691 849)	1 069 471
Taxation	(7 513)	-	-	-	(42 622)	(50 135)	72	48 762	1 203	-	50 037	(98)
Profit/(loss) for the period	1 355 939	854 415	682 597	48 110	(1 229 876)	1 711 185	221 784	(308 793)	(29 738)	(525 065)	(641 812)	1 069 373
Non-controlling interests	-	-	-	-	-	-	(16)	14 227	10 159	-	24 370	24 370
Profit/(loss) for the period attributable to Redefine Properties Limited shareholders	1 355 939	854 415	682 597	48 110	(1 229 876)	1 711 185	221 768	(294 566)	(19 579)	(525 065)	(617 442)	1 093 743



Segmental report continued

for the six months ended 29 February 2024

28 February 2023

Figures in R'000	South African portfolio					Total local	International portfolio				Total international	Group total
	Retail	Office	Industrial	Specialised	Head office		Redefine Europe	EPP	Stokado*	Head office*		
STATEMENT OF FINANCIAL POSITION												
Investment properties (including straight-line rental income accrual)	24 239 730	22 088 649	11 608 844	518 300	-	58 455 523	-	18 267 930	-	-	18 267 930	76 723 453
Right-of-use asset	88 406	17 065	181	-	-	105 652	-	398 569	-	-	398 569	504 221
Properties under development	-	-	143 370	-	-	143 370	-	-	-	-	-	143 370
Listed securities	-	-	-	-	38 890	38 890	-	-	-	-	-	38 890
Investment in joint ventures	-	-	-	-	-	-	5 232 990	9 111 995	-	-	14 344 985	14 344 985
Loans receivable	-	-	-	-	355 518	355 518	919 171	35 640	-	-	954 811	1 310 329
Non-current assets held-for-sale	-	76 622	127 177	-	-	203 799	-	-	-	-	-	203 799
Property, plant and equipment	-	61 625	-	44 300	26 706	132 631	-	30 267	-	-	30 267	162 898
Cash and cash equivalents	-	-	-	-	915 029	915 029	51 812	330 201	13	39 703	421 729	1 336 758
Other assets	-	-	-	-	976 766	976 766	367	1 230 596	-	430 506	1 661 469	2 638 235
Total assets	24 328 136	22 243 961	11 879 572	562 600	2 312 909	61 327 178	6 204 340	29 405 198	13	470 209	36 079 760	97 406 938
Interest-bearing borrowings	-	-	-	-	27 399 024	27 399 024	-	9 414 305	-	2 766 841	12 181 146	39 580 170
Deferred taxation	-	-	-	-	682 328	682 328	(82)	1 244 329	-	-	1 244 247	1 926 575
Trade and other payables	-	-	-	-	1 558 592	1 558 592	1 374	400 729	7 712	3 347	413 162	1 971 754
Derivative liabilities	-	-	-	-	(34 972)	(34 972)	-	-	-	1 022 546	1 022 546	987 574
Other liabilities	88 406	17 065	181	-	253 479	359 131	327 492	565 631	-	28 226	921 349	1 280 480
Total liabilities	88 406	17 065	181	-	29 858 451	29 964 103	328 784	11 624 994	7 712	3 820 960	15 782 450	45 746 553

* The acquisition of Stokado during FY23 resulted in a new operating segment in the international sector. In the six months ended 28 February 2023, the "Other" segment included Stokado. The "Other" segment has been disaggregated into Stokado and Head Office. The disaggregation has no impact on the primary financial statements



Segmental report continued

for the six months ended 29 February 2024

28 February 2023

Figures in R'000	South African portfolio					Total local	International portfolio				Total international	Group total
	Retail	Office	Industrial	Specialised	Head office		Redefine Europe	EPP	Stokado*	Head office*		
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME												
Contractual rental income	1 710 829	1 490 284	668 782	35 279	-	3 905 174	-	985 913	-	11	985 924	4 891 098
Straight-line rental income/ (expense) accrual	8 590	(65 737)	(18 959)	699	-	(75 407)	-	1 292	-	-	1 292	(74 115)
Investment income	-	-	-	-	-	-	-	-	-	713	713	713
Total revenue	1 719 419	1 424 547	649 823	35 978	-	3 829 767	-	987 205	-	724	987 929	4 817 696
Operating costs	(784 764)	(544 138)	(222 615)	(13 015)	-	(1 564 532)	(31)	(399 002)	-	(1 222)	(400 255)	(1 964 787)
Expected credit losses – trade receivables	17 553	11 874	6 936	373	-	36 736	-	503	-	-	503	37 239
Administration costs	-	-	-	-	(141 463)	(141 463)	(22 194)	(104 250)	(7 294)	(593)	(134 331)	(275 794)
Net operating profit/(loss)	952 208	892 283	434 144	23 336	(141 463)	2 160 508	(22 225)	484 456	(7 294)	(1 091)	453 846	2 614 354
Other income	-	-	28 227	-	350	28 577	7 482	-	-	-	7 482	36 059
Gain/(loss) on disposal of assets	-	-	-	-	16	16	(1 047)	-	-	-	(1 047)	(1 031)
Changes in fair values of investment properties	138 822	(353 544)	140 970	6 990	-	(66 762)	-	(63 999)	-	-	(63 999)	(130 761)
Changes in instruments and other	-	-	-	-	(2 787)	(2 787)	14 584	193 074	-	(735 021)	(527 363)	(530 150)
Changes in insurance contract liability	-	-	-	-	38 345	38 345	-	-	-	-	-	38 345
Impairments (including expected credit losses on loans receivable)	-	-	-	-	(120 697)	(120 697)	(5 235)	-	-	-	(5 235)	(125 932)
Equity-accounted profit (net of taxation)	-	-	-	-	-	-	151 252	332 276	-	-	483 528	483 528
Profit/(loss) before finance costs and taxation	1 091 030	538 739	603 341	30 326	(226 236)	2 037 200	144 811	945 807	(7 294)	(736 112)	347 212	2 384 412
Interest income	-	-	-	-	335 131	335 131	28 951	17 768	-	628	47 347	382 478
Interest expense	(4 115)	(1 173)	(167)	-	(1 192 768)	(1 198 223)	-	(192 201)	-	(110 771)	(302 972)	(1 501 195)
Foreign exchange losses	-	-	-	-	-	-	(94)	(5 758)	(9)	(303 400)	(309 261)	(309 261)
Profit/(loss) before taxation	1 086 915	537 566	603 174	30 326	(1 083 873)	1 174 108	173 668	765 616	(7 303)	(1 149 655)	(217 674)	956 434
Taxation	-	-	-	-	(35 044)	(35 044)	200	(110 964)	-	16 943	(93 821)	(128 865)
Profit/(loss) for the period	1 086 915	537 566	603 174	30 326	(1 118 917)	1 139 064	173 868	654 652	(7 303)	(1 132 712)	(311 495)	827 569
Non-controlling interests	-	-	-	-	-	-	64	(29 231)	511	(391)	(29 047)	(29 047)
Profit/(loss) for the period attributable to Redefine Properties Limited shareholders	1 086 915	537 566	603 174	30 326	(1 118 917)	1 139 064	173 932	625 421	(6 792)	(1 133 103)	(340 542)	798 522

* The acquisition of Stokado during FY23 resulted in a new operating segment in the international sector. In the six months ended 28 February 2023, the "Other" segment included Stokado. The "Other" segment has been disaggregated into Stokado and head office. The disaggregation has no impact on the primary financial statements



Segmental report continued

for the six months ended 29 February 2024

31 August 2023

Figures in R'000	South African portfolio					Total local	International portfolio				Total international	Group total
	Retail	Office	Industrial	Specialised	Head office		Redefine Europe	EPP	Stokado*	Head office*		
STATEMENT OF FINANCIAL POSITION												
Investment properties (including straight-line rental income accrual)	24 641 924	22 125 496	12 020 057	516 400	-	59 303 877	-	19 208 559	108 952	-	19 317 511	78 621 388
Right-of-use assets	83 612	15 345	-	-	-	98 957	-	439 666	74 970	-	514 636	613 593
Properties under development	-	-	24 098	-	-	24 098	-	-	4 288	-	4 288	28 386
Listed securities	-	-	-	-	19 446	19 446	-	-	-	-	-	19 446
Investment in joint ventures	-	-	-	-	9 609	9 609	5 720 773	9 558 216	-	-	15 278 989	15 288 598
Loans receivable	-	-	-	-	217 527	217 527	1 002 062	37 612	-	-	1 039 674	1 257 201
Property, plant and equipment	-	61 687	-	46 600	24 665	132 952	-	46 451	11 277	-	57 728	190 680
Non-current assets held-for-sale	-	-	45 164	-	-	45 164	-	-	874	-	874	46 038
Cash and cash equivalents	-	-	-	-	298 314	298 314	69 470	385 718	7 356	24	462 568	760 882
Other assets	-	-	-	-	1 096 265	1 096 265	-	1 148 472	15 497	361 749	1 525 718	2 621 983
Total assets	24 725 536	22 202 528	12 089 319	563 000	1 665 826	61 246 209	6 792 305	30 824 694	223 214	361 773	38 201 986	99 448 195
Interest-bearing borrowings	-	-	-	-	27 366 974	27 366 974	-	9 687 081	18 244	2 888 846	12 594 171	39 961 145
Deferred taxation	-	-	-	-	728 848	728 848	(140)	1 293 355	-	-	1 293 215	2 022 063
Trade and other payables	-	-	-	-	1 659 594	1 659 594	2 505	427 855	3 343	-	433 703	2 093 297
Derivative liabilities	-	-	-	-	(51 956)	(51 956)	-	7 589	-	1 190 414	1 198 003	1 146 047
Other liabilities	83 612	15 345	-	-	240 221	339 178	279 189	631 341	77 075	16 432	1 004 037	1 343 215
Total liabilities	83 612	15 345	-	-	29 943 681	30 042 638	281 554	12 047 221	98 662	4 095 692	16 523 129	46 565 767

* The acquisition of Stokado during FY23 resulted in a new operating segment in the international sector. In the year ended 31 August 2023, the "Other" segment included Stokado. The "Other" segment has been disaggregated into Stokado and Head Office. The disaggregation has no impact on the primary financial statements



Segmental report

 continued

for the six months ended 29 February 2024

31 August 2023

Figures in R'000	South African portfolio					Total local	International portfolio				Total international	Group total
	Retail	Office	Industrial	Specialised	Head office		Redefine Europe	EPP	Stokado*	Head office*		
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME												
Contractual rental income	3 425 207	3 050 272	1 366 848	73 782	-	7 916 109	-	2 015 362	2 855	923	2 019 140	9 935 249
Straight-line rental income/(expense) accrual	13 744	(77 666)	38 121	1 398	-	(24 403)	-	(2 627)	-	-	(2 627)	(27 030)
Investment income	-	-	-	-	-	-	-	-	-	713	713	713
Total revenue	3 438 951	2 972 606	1 404 969	75 180	-	7 891 706	-	2 012 735	2 855	1 636	2 017 226	9 908 932
Operating costs	(1 591 029)	(1 147 163)	(446 866)	(26 689)	-	(3 211 747)	(31)	(790 338)	(358)	(827)	(791 554)	(4 003 301)
Changes in expected credit losses on trade receivables	18 423	36 559	(10 632)	373	-	44 723	-	(2 413)	-	-	(2 413)	42 310
Administration costs	-	-	-	-	(299 053)	(299 053)	(29 168)	(209 337)	(15 818)	(1 297)	(255 620)	(554 673)
Net operating profit/(loss)	1 866 345	1 862 002	947 471	48 864	(299 053)	4 425 629	(29 199)	1 010 647	(13 321)	(488)	967 639	5 393 268
Other income	-	(32)	28 225	-	433	28 626	10 819	-	23	-	10 842	39 468
Gain/(loss) on disposal of assets	-	-	-	-	16	16	(1 636)	20 306	-	-	18 670	18 686
Changes in fair values of investment properties	303 552	(619 684)	366 900	5 536	-	56 304	-	(22 997)	(197)	-	(23 194)	33 110
Changes in fair values of financial and other instruments	-	-	-	-	(63 622)	(63 622)	(85 932)	93 154	-	(954 166)	(946 944)	(1 010 566)
Changes in insurance contract liability	-	-	-	-	80 959	80 959	-	-	-	-	-	80 959
Changes in expected credit losses - loans receivable	-	-	-	-	(129 725)	(129 725)	(6 200)	-	-	-	(6 200)	(135 925)
Impairments	-	-	-	-	-	-	-	-	(16 105)	-	(16 105)	(16 105)
Equity-accounted profit (net of taxation)	-	-	-	-	-	-	343 679	179 725	-	-	523 404	523 404
Profit/(loss) before finance costs and taxation	2 169 897	1 242 286	1 342 596	54 400	(410 992)	4 398 187	231 531	1 280 835	(29 600)	(954 654)	528 112	4 926 299
Interest income	-	-	-	-	645 929	645 929	68 916	37 262	(7)	994	107 165	753 094
Interest expense	(7 993)	(2 235)	(297)	-	(2 459 684)	(2 470 209)	-	(408 177)	(147)	(276 264)	(684 588)	(3 154 797)
Foreign exchange gains	-	-	-	-	-	-	333	(502 087)	(253)	(432 125)	(934 132)	(934 132)
Profit/(loss) before taxation	2 161 904	1 240 051	1 342 299	54 400	(2 224 747)	2 573 907	300 780	407 833	(30 007)	(1 662 049)	(983 443)	1 590 464
Taxation	-	-	-	-	(81 563)	(81 563)	348	(79 572)	-	31 080	(48 144)	(129 707)
Profit/(loss) for the year	2 161 904	1 240 051	1 342 299	54 400	(2 306 310)	2 492 344	301 128	328 261	(30 007)	(1 630 969)	(1 031 587)	1 460 757
Non-controlling interests	-	-	-	-	-	-	74	(13 935)	517	(785)	(14 129)	(14 129)
Profit/(loss) for the year attributable to Redefine Properties Limited shareholders	2 161 904	1 240 051	1 342 299	54 400	(2 306 310)	2 492 344	301 202	314 326	(29 490)	(1 631 754)	(1 045 716)	1 446 628

* The acquisition of Stokado during FY23 resulted in a new operating segment in the international sector. In the year ended 31 August 2023, the "Other" segment included Stokado. The "Other" segment has been disaggregated into Stokado and Head Office. The disaggregation has no impact on the primary financial statements

Distributable income analysis

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024		
	South Africa	International	Total
Property portfolio revenue	4 123 021	1 112 441	5 235 462
Total revenue	4 123 021	1 112 441	5 235 462
Total costs	(1 822 932)	(587 904)	(2 410 836)
Operating costs (including expected credit losses on trade receivables)	(1 660 338)	(422 225)	(2 082 563)
Administration costs	(162 594)	(165 679)	(328 273)
Net operating profit	2 300 089	524 537	2 824 626
Other income	1 269	4 095	5 364
Net distributable profit before finance costs and taxation	2 301 358	528 632	2 829 990
Net interest costs	(1 015 678)	(430 356)	(1 446 034)
Interest income	346 399	42 127	388 526
Interest expense	(1 362 077)	(472 483)	(1 834 560)
Foreign exchange gain	-	89 570	89 570
Net distributable profit before taxation	1 285 680	187 846	1 473 526
Current taxation and withholding taxation	-	(47 524)	(47 524)
Net income from operations before NCI	1 285 680	140 322	1 426 002
Non-controlling interest share of distributable loss	-	(8 195)	(8 195)
Net income before distributable adjustments	1 285 680	132 127	1 417 807
Below the line distributable income adjustments:			
Dividend from equity-accounted investments	-	293 488	293 488
Distributable income for the period	1 285 680	425 615	1 711 295

Figures in R'000	Unaudited 28 February 2023		
	South Africa	International	Total
Property portfolio revenue	3 905 174	985 924	4 891 098
Investment income	-	713	713
Total revenue	3 905 174	986 637	4 891 811
Total costs	(1 679 551)	(513 976)	(2 193 527)
Operating costs (including expected credit losses on trade receivables)	(1 537 954)	(399 753)	(1 937 707)
Administration costs	(141 597)	(114 223)	(255 820)
Net operating profit	2 225 623	472 661	2 698 284
Other income	8 534	7 483	16 017
Net distributable profit before finance costs and taxation	2 234 157	480 144	2 714 301
Net interest costs	(856 466)	(264 506)	(1 120 972)
Interest income	335 131	31 116	366 247
Interest expense	(1 191 597)	(295 622)	(1 487 219)
Foreign exchange gain	-	28 419	28 419
Net distributable profit before taxation	1 377 691	244 057	1 621 748
Taxation	-	(45 958)	(45 958)
Net income from operations before NCI	1 377 691	198 099	1 575 790
Non-controlling interest share of distributable income	-	(11 411)	(11 411)
Net income before distributable adjustments	1 377 691	186 688	1 564 379
Below the line distributable income adjustments:			
Dividend from equity-accounted investments	-	49 998	49 998
Distributable income for the period	1 377 691	236 686	1 614 377



Distributable income analysis continued

for the six months ended 29 February 2024

Figures in R'000	Audited 31 August 2023		
	South Africa	International	Total
Property portfolio revenue	7 916 108	2 019 141	9 935 249
Investment income	-	713	713
Total revenue	7 916 108	2 019 854	9 935 962
Total costs	(3 487 508)	(1 023 367)	(4 510 875)
Operating costs (including expected credit losses on trade receivables)	(3 188 486)	(791 403)	(3 979 889)
Administration costs	(299 022)	(231 964)	(530 986)
Net operating profit	4 428 600	996 487	5 425 087
Other income	8 583	10 843	19 426
Net distributable profit before finance costs and taxation	4 437 183	1 007 330	5 444 513
Net interest costs	(1 812 873)	(611 888)	(2 424 761)
Interest income	645 929	72 338	718 267
Interest expense	(2 458 802)	(684 226)	(3 143 028)
Foreign exchange gain	-	178 983	178 983
Net distributable profit before taxation	2 624 310	574 425	3 198 735
Current taxation and withholding taxation	-	(89 625)	(89 625)
Net income from operations before NCI	2 624 310	484 800	3 109 110
Non-controlling interest share of distributable loss	-	(22 624)	(22 624)
Net income before distributable adjustments	2 624 310	462 176	3 086 486
Below the line distributable income adjustments: Dividend from equity-accounted investments	-	393 267	393 267
Distributable income for the year	2 624 310	855 443	3 479 753

Revenue

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
Revenue from contracts with tenants	5 021 742	4 721 125	9 563 852
Contractual rental income	3 274 170	3 073 448	6 257 123
Non-GLA income	56 499	51 328	98 130
COVID-19 pandemic rental relief	1 021	1 945	4 024
Tenant installations	(55 467)	(45 347)	(98 035)
Tenant parking income	207 718	215 963	432 461
Operating costs recovery	1 537 801	1 423 788	2 870 149
Other revenue	213 720	169 973	371 397
Customer parking income	53 616	41 868	87 533
Property and asset management income*	96 985	72 265	170 028
Other income	63 119	55 840	113 836
Total	5 235 462	4 891 098	9 935 249

* In HY23, other income amounted to R128 105; this has been disaggregated into property and asset management fee income (R72 265) and other income (R55 840) to enhance presentation. In FY23, other income amounted to R283 864; this has been disaggregated into property and asset management fee income (R170 027) and other income (R113 837) to enhance presentation. The disaggregation has no impact on the primary financial statements

Investment in joint ventures

for the six months ended 29 February 2024

Figures in R'000	Principal place of business	Effective interest (%)	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
Investment in joint ventures					
European Logistics Investment B.V. (ELI)	Poland	48.5 (HY23: 46.9; FY23: 48.5)	5 008 559	4 208 572	4 672 501
Rosehill Investments sp. z o.o. (Rosehill) (Galeria Młociny)	Poland	70.0 (HY23: 70.0; FY23: 70.0)	2 904 664	2 618 742	2 868 556
Henderson Park Private Equity Fund (Henderson)	Poland	30.0 (HY23: 30.0; FY23: 30.0)	470 540	464 360	520 359
Horse Group S.à.r.l. (previously M1 Group S.à.r.l.) (Horse Group)*	Poland	50.0 (HY23: 50.0; FY23: 50.0)	4 224 875	4 060 520	4 269 427
EPP Community Properties JV (EPP Community)	Poland	49.8 (HY23: 53.1; FY23: 50.6)	2 977 848	2 992 791	2 948 147
Talis Property Investments Proprietary Limited (Talis)**	South Africa	49.0 (HY23: 00.0; FY23: 49.0)	-	-	9 608
C4T Proprietary Limited (C4T)	South Africa	49.0 (HY23: 50.0; FY23: 49.0)	-	-	-
Mall of the South Proprietary Limited (MOTS)***	South Africa	100.0 (HY23: 20.0; FY23: 20.0)	-	-	-
Carrying amount			15 586 486	14 344 985	15 288 598

* The name of the M1 Group S.à.r.l. was changed to Horse Group S.à.r.l.

** The investment in the Talis joint ventures was effected in August 2023

*** Redefine increased its shareholding in MOTS from 20% to 100% with effect from 1 December 2023, resulting in the derecognition of the investment in joint venture, with MOTS now consolidated into the Redefine Group

If the joint venture is loss-making, the carrying value is reduced until it is carried at Rnil. The investment in Talis and C4T is in a net loss-making position; the equity-accounted carrying value has been limited to Rnil.

Movement for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024						
	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Talis	Total
Functional currency	EUR	PLN	PLN	PLN	PLN	ZAR	
Effective interest	48.5%	70.0%	30.0%	50.0%	49.8%	49.0%	
Balance at beginning of period	4 672 501	2 868 556	520 359	4 269 427	2 948 147	9 608	15 288 598
Additional investment in joint venture	112 403	-	-	-	-	-	112 403
Equity-accounted profit or loss (net of taxation)	141 389	(83 354)	(72 596)	8 274	(54 174)	(9 608)	(70 069)
Share of distributable profit	141 389	(83 354)	(72 596)	(33 641)	(54 174)	(9 608)	(111 984)
Interest income from loans granted to joint ventures	-	-	-	41 915	-	-	41 915
Other comprehensive income of joint ventures	-	46 030	13 321	105 708	130 943	-	296 002
Cash received from joint ventures	(22 410)	-	-	(247 144)	(109 259)	-	(378 813)
Dividend income	(22 410)	-	-	(247 144)	(67 415)	-	(336 969)
Return of equity	-	-	-	-	(41 844)	-	(41 844)
Foreign exchange on loans	-	12 722	-	-	-	-	12 722
Currency translation adjustment of foreign investments	104 676	60 710	9 456	88 610	62 191	-	325 643
Balance at end of period	5 008 559	2 904 664	470 540	4 224 875	2 977 848	-	15 586 486



Investment in joint ventures

 continued

for the six months ended 29 February 2024

Movement for the six months ended 28 February 2023

Figures in R'000	Unaudited 28 February 2023					TOTAL
	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	
Functional currency	EUR	PLN	PLN	PLN	PLN	
Effective interest	46.9%	70.0%	30.0%	50.0%	53.1%	
Balance at beginning of period	3 266 459	2 217 891	442 457	3 075 700	2 456 392	11 458 899
Acquired through an acquisition of subsidiary	-	-	-	120 856	-	120 856
Additional investment in joint venture	336 235	-	-	-	-	336 235
Equity-accounted profit or loss of associate and joint ventures (net of taxation)	128 774	61 538	(21 732)	170 140	144 807	483 528
Share of distributable profit	128 774	49 070	(21 732)	134 011	144 807	434 930
Interest income from loans granted to joint ventures	-	12 468	-	36 129	-	48 597
Other comprehensive income of joint ventures	-	(2 523)	(1 288)	(3 293)	7 263	159
Cash received from joint ventures	(46 163)	-	(18 943)	-	-	(65 106)
Dividend income	-	-	(18 943)	-	-	(18 943)
Return of equity	(46 163)	-	-	-	-	(46 163)
Foreign exchange on loans	-	812	-	-	-	812
Additional loans granted to joint ventures	-	-	-	193 416	-	193 416
Recognised in other comprehensive loss	523 267	341 024	63 866	503 701	384 329	1 816 187
Balance at end of period	4 208 572	2 618 742	464 360	4 060 520	2 992 791	14 344 985

Movement for the year ended 31 August 2023

Figures in R'000	Audited 31 August 2023						Total
	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Talis	
Functional currency	EUR	PLN	PLN	PLN	PLN	ZAR	
Effective interest	48.5%	70.0%	30.0%	50.0%	50.6%	49.0%	
Balance at beginning of year	3 266 459	2 217 891	442 457	3 075 700	2 456 392	-	11 458 899
Additional investment in joint venture	499 548	-	-	127 876	-	9 608	637 032
Loan granted	-	-	-	204 588	-	-	204 588
Equity-accounted profit or loss of associate and joint ventures (net of taxation)	295 717	67 787	(15 334)	103 821	71 413	-	523 404
Share of distributable profit	295 717	51 349	(15 334)	73 262	71 413	-	476 407
Interest income from loans granted to joint ventures	-	16 438	-	30 559	-	-	46 997
Other comprehensive income of joint ventures	-	93 094	23 492	139 522	200 335	-	456 443
Cash received from joint ventures	(114 862)	-	(20 043)	(48 117)	(282 082)	-	(465 104)
Dividend income	(68 699)	-	(20 043)	(48 117)	-	-	(136 859)
Return of equity	(46 163)	-	-	-	(282 082)	-	(328 245)
Foreign exchange on loans	-	23 828	-	-	-	-	23 828
Currency translation adjustment of foreign investments	725 639	465 956	89 787	666 037	502 089	-	2 449 508
Balance at end of year	4 672 501	2 868 556	520 359	4 269 427	2 948 147	9 608	15 288 598



Investment in joint ventures

continued

for the six months ended 29 February 2024

Summarised financial information for each joint venture is presented below. This reflects financial information prepared by the respective entities in accordance with IFRS. The results of associates and joint ventures that are foreign operations are translated from the respective functional currency to South African rand.

Figures in R'000	Unaudited 29 February 2024								Total
	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Talis*	C4T*	MOTS**	
Functional currency	EUR	PLN	PLN	PLN	PLN	ZAR	ZAR	ZAR	
Effective interest	48.5%	70.0%	30.0%	50.0%	49.8%	49.0%	49.0%	20.0%	
SUMMARISED STATEMENTS OF FINANCIAL POSITION									
Investment property (including straight-line rental income accrual)	18 738 787	8 040 980	4 528 660	15 107 359	13 748 761	-	-	1 790 463	61 995 010
Right-of-use assets	120 186	-	167 102	38 006	237 375	472 438	-	-	1 035 107
Property, plant and equipment	66	-	-	-	-	-	1 283	-	1 349
Deferred taxation	748	-	10 961	9 429	8 014	-	-	-	29 152
Other non-current assets	2 406 870	99 394	44 729	102 857	126 098	-	-	-	2 779 948
Non-current assets	21 266 657	8 140 374	4 751 452	15 257 651	14 120 248	472 438	1 283	1 790 463	65 800 566
Cash and cash equivalents	735 928	92 100	175 317	85 998	194 440	55 542	30	7 339	1 346 694
Other monetary assets	199 378	195 824	125 275	126 659	134 715	-	-	-	781 851
Other current assets	-	63 025	30 484	171 734	116 329	25 672	5	27 548	434 797
Current assets	935 306	350 948	331 076	384 391	445 484	81 214	35	34 887	2 563 342
Total assets	22 201 963	8 491 323	5 082 528	15 642 042	14 565 732	553 652	1 318	1 825 350	68 363 908
Interest-bearing borrowings	7 691 408	3 255 851	-	7 517 786	6 421 328	-	8 730	29 800	24 924 903
Loans from shareholders	2 239 418	-	-	1 590 521	-	-	-	-	3 829 939
Deferred taxation	1 173 212	761 054	20 498	646 357	731 918	-	-	22 251	3 355 290
Other non-current financial liabilities	-	-	154 997	38 006	218 594	-	-	-	411 597
Other non-current liabilities	369 209	39 430	62 448	5 429	101 089	378 669	-	-	956 274
Non-current liabilities	11 473 247	4 056 335	237 943	9 798 099	7 472 929	378 669	8 730	52 051	33 478 003
Interest-bearing borrowings	5 069	229 138	3 149 703	95 801	937 415	86 637	-	1 810 208	6 313 971
Trade and other payables	538 509	56 329	65 322	41 040	237 657	89 698	11	22 701	1 051 267
Other current liabilities	43 163	-	61 091	2 534	22 548	-	-	3 586	132 922
Current liabilities	586 741	285 467	3 276 116	139 375	1 197 620	176 335	11	1 836 495	7 498 159
Total liabilities	12 059 988	4 341 802	3 514 059	9 937 474	8 670 549	555 004	8 741	1 888 546	40 976 163
Net assets	10 141 975	4 149 521	1 568 469	5 704 568	5 895 183	(1 351)	(7 423)	(63 196)	27 387 746

* If the joint venture is loss-making, the carrying value is reduced until it is carried at Nil. The investment in Talis and C4T is in a net loss-making position; the equity-accounted carrying value has been limited to Nil

** Redefine increased its shareholding in MOTS from 20% to 100% with effect from 1 December 2023, resulting in the derecognition of the investment in joint venture, with MOTS now consolidated into the Redefine Group. The summarised statement of financial position and statement of comprehensive income represent the balances as at 1 December 2023, prior to the acquisition of the 100% equity shareholding



Investment in joint ventures continued

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024								Total
	ELI	Galeria Mlociny	Henderson	Horse Group	EPP Community	Talis*	C4T*	MOTS**	
SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME									
Revenue	629 288	281 478	224 079	619 581	888 631	111 881	-	108 157	2 863 095
Operating costs	(307 542)	(117 960)	(86 286)	(69 295)	(354 927)	-	-	(52 940)	(988 950)
Administration costs	(45 044)	(6 096)	(8 134)	(32 070)	(41 057)	(43 000)	(1 178)	-	(176 579)
Changes in fair values of investment properties	175 050	(17 625)	(340 240)	(41 495)	(41 851)	(63 563)	-	-	(329 724)
Changes in fair values of financial and other instruments	(100 676)	(66 452)	-	(74 049)	(67 303)	-	-	-	(308 480)
Other expenses	(1 590)	-	-	-	-	-	-	-	(1 590)
Equity-accounted income	185 409	-	-	-	-	-	-	-	185 409
Interest income	70 703	18 884	1 547	3 851	830	1 630	-	455	97 900
Interest expense	(269 155)	(84 846)	(41 866)	(220 620)	(219 129)	(27 908)	-	(54 926)	(918 450)
Foreign exchange movements	(93 762)	(95 090)	(44 072)	(229 121)	(289 641)	-	-	-	(751 686)
Taxation	48 841	(25 374)	52 986	1 231	(2 913)	-	-	-	74 771
Profit/(loss) for the period	291 522	(113 081)	(241 986)	(41 987)	(127 360)	(20 960)	(1 178)	746	(254 284)
Other comprehensive income	-	65 757	44 404	211 416	263 097	-	-	-	584 674
Total comprehensive income/(loss)	291 522	(47 324)	(197 582)	169 429	135 737	(20 960)	(1 178)	746	330 390
REDEFINE'S SHARE OF THE PROFITS									
Redefine's share of equity-accounted profit/(loss)	141 389	(83 354)	(72 596)	8 274	(54 174)	(9 608)	-	-	(70 069)
Redefine's share of equity-accounted other comprehensive income	-	46 030	13 321	105 708	130 943	-	-	-	296 002
Redefine's share of total equity-accounted earnings/(loss) of joint ventures	141 389	(37 324)	(59 275)	113 982	76 769	(9 608)	-	-	225 932

* If the joint venture is loss-making, the carrying value is reduced until it is carried at Rnil. The investment in Talis and C4T is in a net loss-making position; the equity-accounted carrying value has been limited to Rnil

** Redefine increased its shareholding in MOTS from 20% to 100% with effect from 1 December 2023, resulting in the derecognition of the investment in joint venture, with MOTS now consolidated into the Redefine Group. The summarised statement of financial position and statement of comprehensive income represent the balances as at 1 December 2023, prior to the acquisition of the 100% equity shareholding



Investment in joint ventures

continued

for the six months ended 29 February 2024

Summarised financial information for each joint venture is presented below. This reflects financial information prepared by the respective entities in accordance with IFRS. The results of associates and joint ventures that are foreign operations are translated from the respective functional currency to South African rand.

Unaudited 28 February 2023

Figures in R'000	ELI	Galeria Mlociny	Henderson	Horse Group	EPP Community	C4T	MOTS	Total
Functional currency	EUR	PLN	PLN	PLN	PLN	ZAR	ZAR	
Effective interest	46.9%	70.0%	30.0%	50.0%	53.1%	50.0%	20.0%	
SUMMARISED STATEMENTS OF FINANCIAL POSITION								
Investment properties (including straight-line rental income accrual)	17 104 260	7 545 637	4 494 566	14 282 603	12 784 219	-	1 741 227	57 952 512
Right-of-use assets	-	-	88 078	27 972	198 896	-	-	314 946
Property, plant and equipment	-	-	-	-	-	849	-	849
Deferred taxation	-	-	-	8 691	2 599	-	-	11 290
Other non-current assets	1 188 755	-	40 257	210 853	210 907	-	-	1 650 772
Non-current assets	18 293 015	7 545 637	4 622 901	14 530 119	13 196 621	849	1 741 227	59 930 369
Cash and cash equivalents	1 113 859	77 574	97 902	154 129	334 230	52	4 389	1 782 135
Other monetary assets	-	185 021	115 864	156 602	110 313	-	-	567 800
Other current assets	357 250	41 657	20 896	15 267	223 083	-	-	658 153
Current assets	1 471 109	304 252	234 662	325 998	667 626	52	4 389	3 008 088
Total assets	19 764 124	7 849 889	4 857 563	14 856 117	13 864 247	901	1 745 616	62 938 457
Interest-bearing borrowings	5 988 219	3 177 948	2 942 353	7 091 590	4 414 263	5 831	1 789 666	25 409 870
Loans from shareholders	1 988 901	1 191 442	-	1 489 241	-	-	-	4 669 584
Deferred taxation	-	648 207	59 752	635 835	719 101	-	-	2 062 895
Other non-current financial liabilities	1 147 150	33 412	50 610	-	62 805	-	12 807	1 306 784
Other non-current liabilities	-	-	82 089	26 506	183 630	-	-	292 225
Non-current liabilities	9 124 270	5 051 009	3 134 804	9 243 172	5 379 799	5 831	1 802 473	33 741 358
Interest-bearing borrowings	-	211 382	64 850	63 601	2 650 442	-	20 000	3 010 275
Trade and other payables	1 562 567	29 545	21 227	25 360	126 919	-	16 895	1 782 513
Other current liabilities	143 494	12 792	88 816	7 646	145 035	34	20 209	418 026
Current liabilities	1 706 061	253 719	174 893	96 607	2 922 396	34	57 104	5 210 814
Total liabilities	10 830 331	5 304 728	3 309 697	9 339 779	8 302 195	5 865	1 859 577	38 952 172
Net assets	8 933 793	2 545 161	1 547 866	5 516 338	5 562 052	(4 964)	(113 961)	23 986 285



Investment in joint ventures continued

for the six months ended 29 February 2024

Unaudited
28 February 2023

Figures in R'000	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	C4T	MOTS	Total
SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME								
Revenue	470 601	222 019	220 478	485 288	768 936	-	123 236	2 290 558
Operating costs	(185 058)	(83 405)	(70 531)	(49 100)	(326 239)	-	(54 898)	(769 231)
Administration costs	(35 690)	(6 981)	(12 982)	(33 743)	(62 499)	(981)	-	(152 876)
Changes in fair values of investment properties	198 121	14 904	(194 314)	75 227	35 646	-	-	129 584
Changes in fair values of financial and other instruments	-	(471)	(852)	107 846	85 508	-	-	192 031
Other (expenses)/income	(23 315)	888	(18)	54	2 194	-	-	(20 197)
Equity-accounted income	12 161	-	-	-	-	-	-	12 161
Impairments	(48)	-	-	-	-	-	-	(48)
Interest income	28 914	435	73	-	-	-	265	29 687
Interest expense	(129 814)	(74 085)	(29 409)	(139 775)	(142 749)	-	(64 281)	(580 113)
Foreign exchange movements	363	5 059	1 668	(8 214)	(14 560)	-	-	(15 684)
Taxation	(61 673)	(8 268)	13 454	(154 353)	(73 360)	-	-	(284 200)
Profit/(loss) for the period	274 562	70 095	(72 433)	283 230	272 877	(981)	4 322	831 672
Other comprehensive income/(loss)	-	(3 604)	(4 293)	13 678	(6 586)	-	-	(805)
Total comprehensive income	274 562	66 492	(76 726)	296 908	266 291	(981)	4 322	830 867
REDEFINE'S SHARE OF THE PROFITS								
Redefine's share of equity-accounted profit	128 774	61 538	(21 732)	170 140	144 807	-	-	483 527
Redefine's share of equity-accounted other comprehensive income/(loss)	-	(2 523)	(1 288)	(3 293)	7 263	-	-	159
Redefine's share of total equity-accounted earnings of joint ventures	128 774	59 015	(23 020)	166 847	152 070	-	-	483 686



Investment in joint ventures

continued

for the six months ended 29 February 2024

Summarised financial information for each joint venture is presented below. This reflects financial information prepared by the respective entities in accordance with IFRS. The results of associates and joint ventures that are foreign operations are translated from the respective functional currency to South African rand.

Audited
31 August 2023

Figures in R'000	ELI	Galeria Mtociny	Henderson	Horse Group	EPP Community	Talis	C4T	MOTS	Total
Functional currency	EUR	PLN	PLN	PLN	PLN	ZAR	ZAR	ZAR	
Effective interest	48.5%	70.0%	30.0%	50.0%	50.6%	49.0%	49.0%	20.0%	
SUMMARISED STATEMENTS OF FINANCIAL POSITION									
Investment properties (including straight-line rental income accrual)	18 138 447	7 882 666	4 728 941	14 835 675	13 434 857	505 676	-	1 783 100	61 309 362
Right-of-use assets	105 000	-	107 390	37 255	218 805	-	-	-	468 450
Property, plant and equipment	37	-	-	-	-	-	1 529	-	1 566
Deferred taxation	436	-	-	15 552	4 019	-	-	-	20 007
Other non-current assets	2 142 601	166 460	42 944	168 232	149 080	-	-	-	2 669 317
Non-current assets	20 386 521	8 049 126	4 879 275	15 056 714	13 806 761	505 676	1 529	1 783 100	64 468 702
Cash and cash equivalents	908 165	12 654	158 669	67 251	193 060	19 688	13	9 899	1 369 399
Other monetary assets	187 971	202 221	127 409	191 157	120 936	-	5	14 153	843 852
Other current assets	-	50 612	44 510	100 076	147 025	-	-	-	342 223
Current assets	1 096 136	265 487	330 588	358 484	461 021	19 688	18	24 052	2 555 474
Total assets	21 482 657	8 314 613	5 209 863	15 415 198	14 267 782	525 364	1 547	1 807 152	67 024 176
Interest-bearing borrowings	7 398 971	3 262 949	-	7 380 678	6 370 876	-	7 777	-	24 421 251
Loans from shareholders	2 139 683	1 264 151	-	1 524 732	-	-	-	-	4 928 566
Deferred taxation	1 180 208	701 536	65 085	641 217	724 868	-	-	-	3 312 914
Other non-current financial liabilities	104 517	-	96 430	34 780	191 477	505 676	-	22 251	955 131
Other non-current liabilities	365 945	38 125	55 370	-	74 187	-	-	-	533 627
Non-current liabilities	11 189 324	5 266 761	216 885	9 581 407	7 361 408	505 676	7 777	22 251	34 151 489
Interest-bearing borrowings	83 675	149 913	3 114 793	95 420	926 584	-	-	1 810 208	6 180 593
Trade and other payables	720 690	36 145	67 969	44 345	214 767	71	16	19 677	1 103 680
Other current liabilities	35 620	13 580	75 686	2 396	21 152	-	-	18 958	167 392
Current liabilities	839 985	199 638	3 258 448	142 161	1 162 503	71	16	1 848 843	7 451 665
Total liabilities	12 029 309	5 466 399	3 475 333	9 723 568	8 523 911	505 746	7 793	1 871 094	41 603 154
Net assets	9 453 348	2 848 214	1 734 530	5 691 630	5 743 871	19 618	(6 246)	(63 942)	25 421 022



Investment in joint ventures

 continued

for the six months ended 29 February 2024

Audited
31 August 2023

Figures in R'000	ELI	Galeria Mtociny	Henderson	Horse Group	EPP Community	Talis	C4T	MOTS	Total
SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME									
Revenue	998 179	494 974	460 510	1 049 058	1 621 729	10	-	266 496	4 890 956
Operating costs	(458 831)	(199 706)	(158 009)	(122 069)	(662 154)	-	-	(103 023)	(1 703 792)
Administration costs	(72 133)	(10 201)	(15 478)	(69 744)	(70 467)	-	(1 282)	-	(239 305)
Changes in fair values of investment properties	392 224	(1 844)	(205 058)	(14 253)	28 681	-	-	27 954	227 704
Changes in fair values of financial and other instruments	39 144	150 270	-	60 105	21 235	-	-	-	270 754
Other (expenses)/income	(39 703)	-	-	-	-	-	-	-	(39 703)
Equity-accounted income	21 075	-	-	-	-	-	-	-	21 075
Impairments	(26)	-	-	-	-	-	-	-	(26)
Interest income	79 043	24	4	609	33 846	-	-	747	114 273
Interest expense	(359 795)	(175 298)	(63 023)	(370 026)	(376 563)	-	-	(128 390)	(1 473 095)
Foreign exchange movements	57 263	(193 638)	(81 818)	(318 966)	(419 064)	-	-	-	(956 223)
Taxation	(46 714)	8 775	11 758	(117 831)	(53 931)	-	-	(9 444)	(207 387)
Profit/(loss) for the year	609 726	73 356	(51 114)	96 883	123 312	10	(1 282)	54 341	905 231
Other comprehensive income	-	132 992	78 307	279 043	396 077	-	-	-	886 419
Total comprehensive income/(loss)	609 726	206 348	27 193	375 926	519 389	10	(1 282)	54 341	1 791 650
REDEFINE'S SHARE OF THE PROFITS									
Redefine's share of equity-accounted profit/(loss)	295 717	67 787	(15 334)	103 821	71 413	-	-	-	523 404
Redefine's share of equity-accounted other comprehensive income	-	93 094	23 492	139 522	200 335	-	-	-	456 443
Redefine's share of total equity-accounted earnings of joint ventures	295 717	160 881	8 158	243 342	271 748	-	-	-	979 846



Financial instruments and investment property fair value

for the six months ended 29 February 2024

Financial instrument categories

Figures in R'000	Unaudited 29 February 2024			Unaudited 28 February 2023			Audited 31 August 2023		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
Financial assets									
Listed securities	-	22 686	22 686	-	38 890	38 890	-	19 446	19 446
Derivative assets	-	489 334	489 334	-	775 878	775 878	-	628 299	628 299
Loans receivable	1 298 430	-	1 298 430	1 274 689	35 640	1 310 329	1 257 201	-	1 257 201
Other financial assets*	498 309	174 362	672 671	463 795	204 985	668 780	469 556	175 171	644 727
Trade and other receivables**	1 026 640	-	1 026 640	737 882	-	737 882	799 444	-	799 444
Other monetary assets	331 855	-	331 855	231 006	-	231 006	291 987	-	291 987
Cash and cash equivalents	527 625	-	527 625	1 336 758	-	1 336 758	760 882	-	760 882
Balance at end of period	3 682 859	686 382	4 369 241	4 044 130	1 055 393	5 099 523	3 579 070	822 916	4 401 986
Financial liabilities									
Interest-bearing borrowings	42 808 485	-	42 808 485	39 580 170	-	39 580 170	39 961 145	-	39 961 145
Interest accrual on interest-bearing borrowings	236 094	-	236 094	220 140	-	220 140	267 542	-	267 542
Derivative liabilities	-	950 888	950 888	-	987 574	987 574	-	1 146 047	1 146 047
Other financial liabilities***	354 236	6 632	360 868	87 134	343 396	430 530	82 126	285 821	367 947
Trade and other payables****	1 857 774	-	1 857 774	1 668 567	-	1 668 567	1 762 120	-	1 762 120
Balance at end of period	45 256 589	957 520	46 214 109	41 556 011	1 330 970	42 886 981	42 072 933	1 431 868	43 504 801

* In the six months ended 28 February 2023, the AFI Europe N.V. receivable amounting to R463 795 was disclosed as at fair value through profit or loss (FVTPL); the balance has been restated in the current period to be disclosed at amortised cost due to the cash flows representing solely payments of principal and interest. As a result, the financial assets disclosed at FVTPL have been restated from R668 780 to R204 985 and those disclosed at amortised cost from Rnil to R463 795. This restatement had no impact on the statement of comprehensive income

** Prepayments, value-added tax receivables and tax receivable are not financial assets and therefore have been excluded from trade and other receivables

*** Included in other financial liabilities is rental and earning guarantee and ELI carry fee, all of which are carried at FVTPL. The staff incentives and the loan from Henderson are carried at amortised cost

**** Rental received in advance and value-added tax payables are not financial liabilities and therefore have been excluded from trade and other payables

For all financial instruments carried at amortised cost, interest is market related, and therefore the amortised cost reasonably approximates the fair value.

Fair value disclosures

IFRS 13: *Fair Value Measurement* requires an entity to disclose for each class of financial instruments and investment property measured at fair value, the level in the fair value hierarchy into which the fair value measurements are categorised in their entirety. The fair value hierarchy reflects the significance of the inputs used in making fair value measurements. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The fair value hierarchy has the following levels

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

There have been no significant changes in valuation techniques during the period. There have been no transfers between level 1, level 2 and level 3 during the period under review.



Financial instruments and investment property fair value

continued

for the six months ended 29 February 2024

Fair value hierarchy for financial instruments and investment property

Figures in R'000	Unaudited 29 February 2024			Fair value
	Level 1	Level 2	Level 3	
Assets				
Investment properties	-	-	82 501 488	82 501 488
Investment property held-for-sale	-	-	57 884	57 884
Listed securities	22 686	-	-	22 686
Derivative assets	-	489 334	-	489 334
Other financial assets	-	-	174 362	174 362
Balance at end of period	22 686	489 334	82 733 734	83 245 754
Liabilities				
Derivative liabilities	-	950 888	-	950 888
Other financial liabilities	-	-	6 632	6 632
Balance at end of period	-	950 888	6 632	957 520

Figures in R'000	Unaudited 28 February 2023			Fair value
	Level 1	Level 2	Level 3	
Assets				
Investment properties*	-	-	77 574 843	77 574 843
Listed securities	38 890	-	-	38 890
Derivative assets	-	775 878	-	775 878
Loans receivable	-	-	35 640	35 640
Other financial assets**	-	-	204 985	204 985
Balance at end of period	38 890	775 878	77 815 468	78 630 236
Liabilities				
Derivative liabilities	-	987 574	-	987 574
Other financial liabilities	-	-	343 396	343 396
Balance at end of period	-	987 574	343 396	1 330 970

* Includes investment properties disclosed in non-current assets held-for-sale

** In the six months ended 28 February 2023an amortised cost financial asset that was measured at amortised cost (being the deferred consideration owed by AFI Europe N.V.) amounting to R463 795 was presented at FVTPL. This has been restated. As a result, the other financial assets disclosed at FVTPL have been restated from R668 780 to R204 985 and those disclosed at amortised cost from Rnil to R463 795. This restatement had no impact on the statement of comprehensive income



Financial instruments and investment property fair value

continued

for the six months ended 29 February 2024

Figures in R'000	Audited 31 August 2023			Fair value
	Level 1	Level 2	Level 3	
Assets				
Investment properties	-	-	79 263 367	79 263 367
Investment property held-for-sale	-	-	46 038	46 038
Listed securities	19 446	-	-	19 446
Derivative assets	-	628 299	-	628 299
Other financial assets	-	-	175 171	175 171
Balance at end of year	19 446	628 299	79 484 576	80 132 321
Liabilities				
Derivative liabilities	-	1 146 047	-	1 146 047
Other financial liabilities	-	-	285 821	285 821
Balance at end of year	-	1 146 047	285 821	1 431 868

Level 3 reconciliation

Figures in R'000	Unaudited 29 February 2024				Balance at end of period
	Balance at beginning of period	Additions	Disposals	Gains/ (losses) in profit or loss for the period	
Investment properties*	78 621 388	2 725 769	(381 724)	899 624	81 865 057
Properties under development	28 386	44 822	(46 625)	(4 902)	21 681
Right-of-use asset	613 593	5 586	-	(4 429)	614 750
Investment property held-for-sale	46 038	56 978	(42 322)	(2 810)	57 884
Other financial assets	175 171	-	-	(809)	174 362
Other financial liabilities	(285 821)	-	256 551	22 638	(6 632)
Balance at end of period	79 198 755	2 833 155	(214 120)	909 312	82 727 102

* Includes investment properties held at fair value and straight-line rental income accrual



Financial instruments and investment property fair value

continued

for the six months ended 29 February 2024

Level 3 reconciliation

Unaudited 28 February 2023					
Figures in R'000	Balance at beginning of period	Additions	Disposals	Gains/ (losses) in profit or loss for the period	Balance at end of period
Investment properties*	72 715 827	4 615 756	(449 744)	(158 386)	76 723 453
Properties under development	711 628	92 649	(652 767)	(8 140)	143 370
Right-of-use asset	457 411	55 100	-	(8 290)	504 221
Investment property held-for-sale	1 397 447	48 600	(1 242 681)	433	203 799
Other financial assets**	208 860	-	(32 280)	28 405	204 985
Loans receivable	79 278	-	(43 927)	289	35 640
Other financial liabilities	(349 202)	13 641	-	(7 835)	(343 396)
Balance at end of period	75 221 249	4 825 746	(2 421 399)	(153 524)	77 472 072

Audited 31 August 2023					
Figures in R'000	Balance at beginning of year	Additions	Disposals	Gains/ (losses) in profit or loss for the year	Balance at end of year
Investment properties*	72 715 827	6 344 683	(296 294)	(142 828)	78 621 388
Properties under development	711 628	172 275	(903 250)	47 733	28 386
Right-of-use asset	457 411	170 042	(162)	(13 698)	613 593
Investment property held-for-sale	1 397 447	37 508	(1 370 793)	(18 124)	46 038
Other financial assets	208 860	-	(26 367)	(7 322)	175 171
Loans receivable	79 278	-	(79 278)	-	-
Other financial liabilities	(349 202)	-	141 939	(78 558)	(285 821)
Balance at end of year	75 221 249	6 724 508	(2 613 483)	(212 797)	79 198 755

* Includes investment properties held at fair value and straight-line rental income accrual

** In the six months ended 28 February 2023an amortised cost financial asset that was measured at amortised cost (being the deferred consideration owed by AFI Europe N.V.) amounting to R463 795 was presented at FVTPL. This has been restated. As a result, the other financial assets disclosed at FVTPL have been restated from R668 780 to R204 985 and those disclosed at amortised cost from Rnil to R463 795. This restatement had no impact on the statement of comprehensive income



Financial instruments and investment property fair value continued

for the six months ended 29 February 2024

Details of valuation techniques

The valuation techniques used in measuring fair values at 29 February 2024 for financial instruments and investment property measured at fair value in the statement of financial position, as well as the significant unobservable inputs used, are disclosed below. There have been no significant changes in valuation techniques and inputs since 31 August 2023.

Investment property

A panel of independent external valuers was appointed to conduct the group's half-year market valuations. The group provided the valuers with property and other information required in the valuation of the properties. Among other inputs, the independent valuers applied current market-related assumptions to the risks in rental streams of properties. Once the valuations had been completed by the independent valuers, they were reviewed internally and presented at different forums within the group. The investment committee, a subcommittee of the board of directors, provides final approval of the valuations. Properties located in South Africa are all valued by valuers who are registered in terms of section 19 of the Property Valuers Professional Act, No 47 of 2000. The independent valuers are as follows:

Valuers for investment properties located in South Africa

■ Real Insight	T Behrens	NDip (Prop Val), professional valuer
■ Broll	J Karg	Bcom, MRICS, RICS, professional valuer
■ Eris Property Group	C Everatt	BSc (Hons) Estate management, MRICS, MIV (SA), professional valuer
■ Sterling Valuation Specialists	A Smith	BSc, MIV (SA), professional valuer
■ Knight Frank	A Arbee	NDip (Prop Val), professional valuer
■ Intengo Valuers and Property Consultants	S Khumalo	Advanced NDip (Prop Val), SACPVP, professional valuer
■ Premium Valuation Services	Y Vahed	MPRE, SACPVP, SAIV, professional valuer
■ Spectrum Valuation and Asset Solutions	P O'Connell	NDip (Prop Val), MRICS, professional valuer

Valuer for investment properties located in Poland

■ Savills	Wojciech Kołodziej Karina Szafrańska Małgorzata Lińska-Bator	MRICS, RICS
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Financial instruments and investment property fair value continued

for the six months ended 29 February 2024

Unobservable inputs across sectors (% unless otherwise stated)	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
Office sector			
Discount rate	11.25-15.00	11.50-16.75	11.25-16.25
Exit capitalisation rate	8.00-11.00	8.00-12.50	8.00-12.50
Bulk rate	R0-R3 500p/m ²	R1 500-R3 000p/m ²	R1 500-R3 500p/m ²
Expected market rental growth	1.00-7.50	1.00-5.00	1.00-5.25
Expected expense growth	6.00-7.00	5.50-7.00	6.00-7.00
Occupancy rate	82.63	85.24	87.21
Vacancy periods	0-8 months	0-15 months	0-10 months
Rent-free periods	0-6 months	0-6 months	0-6 months
Retail sector			
Discount rate	11.50-15.75	11.50-16.00	11.50-16.00
Exit capitalisation rate	7.00-12.50	7.00-13.01	7.00-13.00
Bulk rate	R900-R4 000p/m ²	R1 200-R3 000p/m ²	R900-R4 000p/m ²
31 August 2024	1.00-5.50	1.00-5.00	1.00-5.50
Expected expense growth	6.00-7.00	5.50-7.00	6.50-7.00
Occupancy rate	93.89	95.93	93.44
Vacancy periods	0-12 months	0-15 months	0-12 months
Rent-free periods	0-3 months	0-3 months	0-3 months
Industrial sector			
Discount rate	12.00-15.50	12.00-16.00	12.00-16.00
Exit capitalisation rate	7.75-12.25	7.75-11.50	7.75-12.25
Bulk rate	R249-R900p/m ²	R249-R850p/m ²	R249-R900p/m ²
Expected market rental growth	1.00-5.50	1.00-5.00	1.00-5.50
Expected expense growth	6.00-8.00	5.50-8.00	6.00-8.00
Occupancy rate	94.99	93.85	95.96
Vacancy periods	0-8 months	0-12 months	0-8 months
Rent-free periods	0-4 months	0-4 months	0-4 months
Specialised sector			
Discount rate	13.25-13.50	13.25-13.50	13.25-13.50
Exit capitalisation rate	9.00-9.75	9.00-9.75	9.00-9.75
Expected market rental growth	1.00-5.00	1.00-5.00	1.00-5.00
Expected expense growth	6.00-6.50	5.50-6.00	6.00-6.50
Occupancy rate	100	100.00	100.00
Vacancy periods	0-12 months	0-12 months	0-12 months
Rent-free periods	-	-	-
International sector*			
Discount rate	8.10-9.40	8.00-9.30	8.10-9.40
Exit capitalisation rate	6.10-7.50	6.00-7.55	6.05-7.40
Expected market rental growth	1.93-3.25	2.87-4.15	2.01-5.56
Expected expense growth	3.70-4.60	5.90-8.10	3.6-11.9
Occupancy rate	98.70	96.12	97.17
Vacancy periods	1-12 months	0-12 months	1-12 months

* Relates to directly held retail properties in EPP



Financial instruments and investment property fair value continued

for the six months ended 29 February 2024

Measurement of fair value

Valuation techniques

Valuations were completed using the following methods of valuation:

Investment property

Investment property – DCF method

The valuation model generates a net present value for each property by discounting forecasted future cash flows and a residual value at the end of the cash flow projection period by the discount rate of each property. The residual value is calculated by capitalising the net income forecasted for the 12-month period immediately following the final year of the cash flow at the exit capitalisation rate. The discount rate applied by each valuator is determined by adding a growth rate per property, based on forecasted market-related rental increases, to the determined capitalisation rate per property. The discount rate is then tested for reasonableness by benchmarking the rate against recent comparable sales and surveys prepared by the MSCI/South African Property Owners Association (SAPOA). The capitalisation rate is dependent on a number of factors, such as location and condition of the property, current market conditions, the lease covenants, and the risk inherent in the property and is also tested for reasonableness by benchmarking against comparable recent sales and surveys prepared by MSCI/SAPOA.

Sensitivity of fair values to changes in unobservable inputs

Valuation of investment properties is sensitive to changes in inputs used in determining fair value. The table below illustrates the sensitivity in fair value to changes in the unobservable inputs shown below.

Sector	Unaudited 29 February 2024										
	Valuation R'000	Weighted average exit rate (%)	Weighted average discount rate (%)	Change in exit capitalisation rate				Change in discount rate			
				Decrease 50bps		Increase 50bps		Decrease 50bps		Increase 50bps	
				R'000	%	R'000	%	R'000	%	R'000	%
Retail	26 891 916	8.08	12.36	1 174 862	4.37	(1 068 725)	(3.32)	458 930	1.71	(507 938)	(1.89)
Office	22 023 114	8.88	12.79	847 592	3.85	(755 930)	(3.43)	402 552	1.83	(392 873)	(1.78)
Industrial	11 372 902	9.08	13.33	386 137	3.40	(377 355)	(3.97)	188 614	1.66	(206 486)	(1.82)
Specialised	577 900	9.06	13.48	21 464	3.71	(19 229)	(3.33)	10 243	1.77	(9 947)	(1.72)
International*	20 050 604	6.72	8.79	1 206 299	6.13	(1 033 173)	(5.25)	395 509	2.01	(385 192)	(1.96)
Total**	80 916 436			3 636 354		(3 254 412)		1 455 848		(1 502 436)	

Sector	Unaudited 28 February 2023										
	Valuation R'000	Weighted average exit rate (%)	Weighted average discount rate (%)	Change in exit capitalisation rate				Change in discount rate			
				Decrease 50bps		Increase 50bps		Decrease 50bps		Increase 50bps	
				R'000	%	R'000	%	R'000	%	R'000	%
Retail	24 211 255	8.11	12.39	1 083 110	4.47	(965 612)	(3.99)	468 840	1.94	(462 019)	(1.91)
Office	21 948 026	8.75	12.65	809 665	3.69	(726 757)	(3.31)	391 438	1.78	(386 335)	(1.76)
Industrial	10 851 277	6.67	12.71	352 558	3.25	(346 803)	(3.20)	179 998	1.66	(205 533)	(1.89)
Specialised	562 600	9.06	13.48	20 220	3.59	(18 082)	(3.21)	9 972	1.77	(9 708)	(1.73)
International*	18 267 355	6.39	8.47	1 166 694	6.39	(995 567)	(5.45)	370 081	2.03	(360 404)	(1.97)
Total**	75 840 513			3 432 247		(3 052 821)		1 420 329		(1 423 999)	

* Relates to Stokado and directly held retail properties in EPP

** Excludes right-of-use assets, held-for-sale assets and land and inclusive of buildings classified as property, plant and equipment

Financial instruments and investment property fair value

continued

for the six months ended 29 February 2024

Audited
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Sector	Valuation R'000	Weighted average exit rate (%)	Weighted average discount rate (%)	Change in exit capitalisation rate				Change in discount rate			
				Decrease 50bps		Increase 50bps		Decrease 50bps		Increase 50bps	
				R'000	%	R'000	%	R'000	%	R'000	%
Retail	24 613 449	8.09	12.38	1 070 308	4.35	(975 781)	(3.96)	442 923	1.80	(465 192)	(1.89)
Office	21 986 738	8.83	12.76	838 141	3.81	(752 946)	(3.42)	399 959	1.82	(390 703)	(1.78)
Industrial	11 147 096	9.01	13.33	380 665	3.41	(368 682)	(3.31)	185 794	1.67	(206 632)	(1.85)
Specialised	563 000	9.06	13.48	19 980	3.55	(17 950)	(3.19)	14 875	2.64	(4 766)	(0.85)
International*	19 208 123	6.72	8.79	1 225 316	5.98	(1 017 041)	(5.01)	402 377	2.07	(360 908)	(1.87)
Total**	77 518 406			3 534 410		(3 132 400)		1 445 927		(1 428 201)	

* Relates to Stokado and directly held retail properties in EPP

** Excludes right-of-use assets, held-for-sale assets and land and inclusive of buildings classified as property, plant and equipment

Properties under development – comparable sales method

Properties under development comprise the cost of land and development and are measured at fair value. Fair value is based on the costs incurred up to the date of the valuation. Undeveloped land is valued in terms of the internationally accepted and preferred method of comparison. This involves the use of recent comparable transactions as a basis for the valuation. Bulk rates are determined for the land that has been zoned.

Properties classified as held-for-sale – contract sales price

The investment properties classified as held-for-sale are properties that the board of directors have decided will be recovered through sale rather than through continuing use. The fair value of these properties is determined based on the contract selling price with the willing buyer.

Financial instruments

Listed securities

Closing market price on the relevant exchange.

Foreign exchange options

The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

Interest rate swaps

The fair value is calculated as the present value of the estimated future cash flows. Estimates of the future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources, which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the group and of the counterparty. This is calculated based on credit spreads derived from current credit default swap or bond prices.

Cross-currency interest rate swaps

The fair value is calculated by discounting the future cash flows using the swap curve of the respective currencies at the dates when the cash flows will take place.



Financial instruments and investment property fair value continued

for the six months ended 29 February 2024

Other financial assets and liabilities

Unlisted securities

The adjusted NAV method is used to determine the fair value, i.e. the fair value is measured based on the fair value of the investee's assets and liabilities.

Rental guarantee

The rental guarantee entered into with the buyer, guarantees a certain level of rental income in which the rental guarantee is determined. The fair value of the rental guarantee is calculated based on unobservable inputs, i.e. occupancy levels.

Acquisition of a controlling interest in subsidiaries

for the six months ended 29 February 2024

TopBox

On 19 September 2023, Stokado concluded an agreement to acquire 100% of the share capital of TopBox Landbank Poland sp. z o.o., Box Development sp. z o.o., and TopBox 2 sp. z o.o. (together, TopBox) for a total amount of R184.2 million (zł42.2 million).

TopBox is a self-storage company in Warsaw that owns one existing, high-quality self-storage building with 4 451m² NLA, together with the operating company and rights to develop another site in Warsaw. The overall strategic objective of the acquisition is to expand Redefine's footprint in the self-storage market in Poland.

Assets acquired and liabilities recognised at the date of acquisition

The table on **page 51** summarises the amounts of assets acquired and liabilities assumed at the date of acquisition translated at the closing spot price on 19 September 2023.



Acquisition of a controlling interest in subsidiaries

continued

for the six months ended 29 February 2024

Figures in R'000	19 September 2023*
ASSETS	
Fair value of investment properties	183 588
Properties under development	6 863
Trade and other receivables	2 072
Cash and cash equivalents	81
Liabilities	
Trade and other payables	(6 895)
Fair value of net assets acquired	185 709
Purchase consideration	
Cash consideration	184 218
Total purchase consideration	184 218
Goodwill or gain on bargain purchase	
Fair value of net assets acquired	185 709
Less: Purchase consideration	(184 218)
Gain on bargain purchase	1 491
Net cash on acquisition	
Cash consideration in purchase consideration	(184 218)
Less: Cash and cash equivalents acquired	81
Net cash on acquisition	(184 137)

* The acquisition date used for accounting for the business combination in terms of IFRS 3: Business Combination was 19 September 2023

Key estimates and assumptions

The investment properties were valued using a five-year DCF method.

Trade and other receivables are carried at amortised cost. Due to their short-term nature, amortised cost approximates the fair value. Trade and other receivables comprise gross contractual amounts due of R3.3 million and net doubtful debts of R1.2 million, which is the best estimate at the acquisition date of the contractual cash flows not expected to be collected.

Trade and other payables are carried at amortised cost, which approximates fair value.

If the business had been acquired on 1 September 2023, management estimates that the consolidated revenue and net profit after taxation earned by the Redefine Group would have been R5.2 billion and R1.1 billion, respectively, for the current financial period. TopBox's revenue following the acquisition on 19 September 2023 to 29 February 2024 was R3.2 million with a net loss after taxation of R2.7 million.

Acquisition-related costs of R7.4 million were incurred by Redefine Group during the six months ending 29 February 2024. These costs are disclosed as part of administration costs in the statement of profit or loss and other comprehensive income.



SA REIT RATIOS

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Rosebank Towers, Gauteng, South Africa



SA REIT ratios

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
SA REIT FUNDS FROM OPERATIONS (SA REIT FFO) PER SHARE			
Profit or loss per IFRS statement of comprehensive income attributable to the parent	1 093 743	798 522	1 446 628
Adjusted for:			
Accounting/specific adjustments:	(519 000)	442 069	383 244
Fair value adjustments to:			
o Investment property	(492 552)	130 761	(33 110)
o Debt and equity instruments held at FVTPL	(25 069)	9 001	136 113
Depreciation and amortisation of intangible assets	12 406	7 891	22 978
Impairment of goodwill or the recognition of a bargain purchase gain	(1 491)	-	16 105
Asset impairments (excluding goodwill) and reversals of impairment	6 483	125 932	135 925
Gains or losses on the modification of financial instruments	22	1 090	1 092
Deferred tax movement recognised in profit or loss	(47 353)	93 279	72 010
Straight-lining operating lease adjustment	21 192	74 115	27 030
Transaction costs expensed in accounting for a business combination	7 362	-	5 101
Adjustments arising from investing activities:	133	1 033	(18 682)
Gains or losses on disposal of:			
- Investment property and property, plant and equipment	133	1 033	(18 682)
Foreign exchange and hedging items:	871 416	858 829	1 987 568
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	(59 962)	521 149	874 453
Reclassified foreign currency translation reserve upon disposal of a foreign operation	-	(8 910)	(100 308)
Foreign exchange gains or losses relating to capital items – realised and unrealised	931 378	346 590	1 213 423
Other adjustments:	330 993	(432 836)	(169 712)
Tax impact of the above adjustments	-	(16 943)	(31 080)
Adjustments made for equity-accounted entities	363 558	(433 530)	(130 137)
Non-controlling interests in respect of the above adjustments	(32 565)	17 637	(8 495)
SA REIT FFO	1 777 285	1 667 617	3 629 046
Number of shares outstanding at end of period (net of treasury shares)	6 752 419	6 752 419	6 752 419
SA REIT FFO per share (cents)	26.32	24.70	53.74



SA REIT ratios continued

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
DISTRIBUTABLE INCOME			
SA REIT FFO	1 777 285	1 667 617	3 629 046
Company-specific adjustments	(65 990)	(53 240)	(149 293)
Changes in insurance contract liability	(38 517)	(38 345)	(80 959)
Capital transaction cost expenses	6 464	19 974	20 242
Property held-for-trading	(2)	(2)	(4)
Interest income – Towarowa	(18 755)	(16 231)	(34 828)
Depreciation (excluding owner-occupied properties)	(11 402)	(7 023)	(22 100)
Capital tax expense	(72)	6 571	(848)
Insurance income – capital in nature	(301)	(20 042)	(20 042)
Leasehold interest and expense	(3 405)	1 858	(10 754)
Distributable income	1 711 295	1 614 377	3 479 753
Number of shares outstanding at end of period (net of treasury shares)	6 752 419	6 752 419	6 752 419
Distributable income per share cents	25.34	23.91	51.53
DIVIDEND DECLARED			
Distributable income	1 711 295	1 614 377	3 479 753
Distribution pay-out ratio	80%	85%	85%
Dividend declared	1 369 036	1 372 220	2 957 790
Number of shares outstanding at end of period (net of treasury shares)	6 752 419	6 752 419	6 752 419
Dividend per share cents	20.27	20.32	43.80
Interim	20.27	20.32	20.32
Final	-	-	23.48



SA REIT ratios continued

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
SA REIT NET ASSET VALUE (NAV)			
Reported NAV attributable to the parent	52 525 694	50 882 876	51 938 922
Adjustments:			
Dividend to be declared	(1 369 036)	(1 372 220)	(1 585 570)
Fair value of certain derivative financial instruments	(261 189)	(535 545)	(421 292)
Deferred tax	1 982 390	1 854 922	1 939 174
SA REIT NAV:	52 877 859	50 830 032	51 871 233
Dilutive number of shares in issue	6 776 392	6 769 814	6 772 093
Number of shares in issue at period end (net of treasury shares)	6 752 419	6 752 419	6 752 419
Effect of dilutive instruments (options, convertibles and equity interests)	23 973	17 395	19 674
SA REIT NAV per share	7.80	7.51	7.66
SA REIT COST-TO-INCOME RATIO			
Expenses			
Operating expenses per IFRS income statement (includes municipal expenses)	2 065 013	1 927 548	3 960 991
Administrative expenses per IFRS income statement	342 100	275 794	554 673
<i>Exclude:</i>			
Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets	(12 406)	(7 891)	(22 978)
Operating costs	2 394 707	2 195 451	4 492 686
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)	3 697 661	3 467 310	7 065 100
Utility and operating recoveries per IFRS income statement	1 537 801	1 423 788	2 870 149
Gross rental income	5 235 462	4 891 098	9 935 249
SA REIT cost-to-income ratio	45.7%	44.9%	45.2%
SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO			
Expenses			
Administrative expenses as per IFRS income statement	342 100	275 794	554 673
Administrative costs	342 100	275 794	554 673
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)	3 697 661	3 467 310	7 065 100
Utility and operating recoveries per IFRS income statement	1 537 801	1 423 788	2 870 149
Gross rental income	5 235 462	4 891 098	9 935 249
SA REIT administrative cost-to-income ratio	6.5%	5.6%	5.6%
SA REIT GLA VACANCY RATE			
Gross lettable area of vacant space	300 098	303 737	262 369
Gross lettable area of total property portfolio	4 006 843	4 121 811	3 957 500
SA REIT GLA vacancy rate	7.5%	7.4%	6.6%



SA REIT ratios continued

for the six months ended 29 February 2024

Cost of debt

	Unaudited 29 February 2024			
	ZAR (%)	EUR (%)	USD (%)	PLN (%)
<i>Variable interest rate borrowings</i>				
Floating reference rate plus weighted average margin	10.3	6.5	8.0	7.8
<i>Fixed interest rate borrowings</i>				
Weighted average fixed rate	-	-	-	-
Pre-adjusted weighted average cost of debt	10.3	6.5	8.0	7.8
Adjustments:				
Impact of interest rate derivatives	(0.7)	(1.0)	-	-
Impact of cross-currency interest rate swaps	(0.2)	(0.6)	-	-
Amortised transaction costs imputed into the effective interest rate	-	-	-	-
All-in weighted average cost of debt	9.4	4.9	8.0	7.8

	Unaudited 28 February 2023		
	ZAR (%)	EUR (%)	USD (%)
<i>Variable interest rate borrowings</i>			
Floating reference rate plus weighted average margin	9.4	4.6	3.0
<i>Fixed interest rate borrowings</i>			
Weighted average fixed rate	-	-	-
Pre-adjusted weighted average cost of debt	9.4	4.6	3.0
Adjustments:			
Impact of interest rate derivatives	(0.3)	(0.5)	-
Impact of cross-currency interest rate swaps	0.1	(0.7)	-
Amortised transaction costs imputed into the effective interest rate	-	-	-
All-in weighted average cost of debt	9.2	3.5	3.0

	Audited 31 August 2023			
	ZAR (%)	EUR (%)	USD (%)	PLN (%)
<i>Variable interest rate borrowings</i>				
Floating reference rate plus weighted average margin	10.3	6.3	8.0	8.0
<i>Fixed interest rate borrowings</i>				
Weighted average fixed rate	-	-	-	-
Pre-adjusted weighted average cost of debt	10.3	6.3	8.0	8.0
Adjustments:				
Impact of interest rate derivatives	(0.8)	(0.9)	-	-
Impact of cross-currency interest rate swaps	(0.1)	(0.9)	-	-
Amortised transaction costs imputed into the effective interest rate	-	-	-	-
All-in weighted average cost of debt	9.4	4.5	8.0	8.0



SA REIT ratios continued

for the six months ended 29 February 2024

Figures in R'000	Unaudited 29 February 2024	Unaudited 28 February 2023	Audited 31 August 2023
SA REIT LOAN-TO-VALUE (SA REIT LTV)			
Gross debt (including non-current liabilities held-for-sale)	42 808 485	39 580 170	39 961 145
Less: Cash and cash equivalents	(527 625)	(1 336 758)	(760 882)
Add: Derivative financial instruments (including insurance contract liability)	461 554	297 492	556 265
Net debt	42 742 414	38 540 904	39 756 528
Total assets – per statement of financial position	102 863 773	97 406 938	99 448 195
Less:			
Cash and cash equivalents	(527 625)	(1 336 758)	(760 882)
Derivative financial assets	(489 334)	(775 878)	(628 299)
Goodwill and intangible assets	-	-	-
Trade and other receivables (including other monetary assets)	(1 473 975)	(1 169 015)	(1 299 340)
Carrying amount of property-related assets	100 372 839	94 125 287	96 759 674
SA REIT LTV	42.6%	40.9%	41.1%



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Administration

Brackengate DC, Western Cape, South Africa



Administration

Redefine Properties Limited

(Incorporated in the Republic of South Africa)
Registration number: 1999/018591/06
JSE share code: RDF ISIN: ZAE000190252
Debt company code: BIRDF
(Redefine or the company or the group)
(Approved as a REIT by the JSE)

Independent non-executive directors

SM Pityana (Chairperson)
ASP Dambuza
C Fernandez
D Radley
LJ Sennelo
NB Langa-Royds
S Fifield

Executive directors

AJ König (Chief executive officer)
LC Kok (Chief operating officer)
NG Nyawo (Chief financial officer)

Registered office and business address

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Transfer secretaries

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Corporate advisor and sponsor

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Company secretary

Anda Matwa

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Investor relations

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PROPERTIES

We're not landlords. We're people.

