



24

**GROUP CONDENSED  
UNAUDITED INTERIM  
RESULTS AND CASH  
DIVIDEND DECLARATION**

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

**GROWTHPOINT**  
PROPERTIES



# GROUP SALIENT FEATURES

ASSETS UNDER MANAGEMENT  
(GROWTHPOINT INVESTMENT PARTNERS)

**R17.9bn**

Remained at R17.9bn (FY23)

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OFFSHORE DIPS

**32.5%**

Increase from 29.1% (FY23)

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OFFSHORE PROPERTY ASSETS

**43.5%**

Decrease from 44.3% at FY23

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TOTAL PROPERTY ASSETS

**R177.9bn**

1.1% decrease from R179.8bn at FY23

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SOUTH AFRICAN SA REIT LTV

**34.8%**

Increase from 32.9% at FY23

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GROUP SA REIT LTV

**42.0%**

Increase from 40.1% at FY23

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INTEREST COVER RATIO

**2.5 times**

Decrease from 2.9 times for FY23

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SA REIT NAV

**2 067cps**

3.9% decrease from FY23

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DIPS

**71.2cps**

8.6% decrease from HY23

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DPS

**58.8cps**

8.6% decrease from HY23

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## FITCH/MOODY'S RATINGS

Global scale: **BB+/Ba2**  
National scale: **AAA/Aa1.za**

## SUSTAINABILITY RATINGS AND INDICES

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

### Investment proposition

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

### Participant of:



# COMMENTARY

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

## Introduction

Growthpoint is the largest South African primary JSE-listed REIT with a quality portfolio of 528 (FY23: 535) properties across three major business units:

- South Africa (SA)
- Growthpoint Investment Partners (GIP)
- Offshore portfolio.

The South African business, representing 53.7% of total property assets, is diversified across the retail, office, industrial, and trading and development (T&D) sectors, located in economic nodes in the major metropolitan areas. It also includes a 50% investment in the V&A Waterfront (V&A) which is a mixed-use portfolio in Cape Town. The T&D sector develops commercial property for our own balance sheet as well as for third parties.

GIP, our alternative real estate co-investment funds management business comprises:

- Growthpoint Healthcare Property Holdings (RF) Limited (GHPH)

- Growthpoint Student Accommodation Holdings (RF) Limited (GSAH)
- Lango Real Estate Limited (Lango).

GIP has assets under management of R17.9bn (FY23: R17.9bn) representing 2.8% of total property assets.

The offshore portfolio, representing 43.5% of total property assets, consists of:

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

The following table provides an overview of our investments into these businesses as well as the properties held by each at 31 December 2023 (HY24) and 30 June 2023 (FY23).

	Percentage held %		Number of properties		Carrying value of Growthpoint's investment Rbn		Value of properties Rbn	
	HY24	FY23	HY24	FY23	HY24	FY23	HY24	FY23
<b>South Africa (SA)</b>								
Retail	100	100	37	39			25.0	25.2
Office	100	100	153	155			26.3	25.9
Industrial	100	100	162	168			13.0	12.6
Trading and development (T&D)	100	100	7	7			0.5	0.4
V&A Waterfront (V&A)	50	50	1	1	6.6	6.5	10.3	10.1
<b>Total SA</b>			<b>360</b>	<b>370</b>	<b>6.6</b>	<b>6.5</b>	<b>75.1</b>	<b>74.2</b>
<b>Growthpoint Investment Partners*</b>								
Healthcare*	39.1	39.1	9	8	0.7	0.8	3.8	3.7
Student accommodation*	12.0	14.3	14	11	0.2	0.2	3.4	2.7
Lango*	18.4	18.4	11	11	1.3	1.4	10.7	11.5
<b>Total GIP</b>			<b>34</b>	<b>30</b>	<b>2.2</b>	<b>2.4</b>	<b>17.9</b>	<b>17.9</b>
<b>Offshore investments</b>								
Australia (GOZ)#	63.7	63.7	57	58	9.6	9.6	58.7	61.8
Capital & Regional (C&R)®	68.1	62.4	6	5	4.1	3.6	9.2	8.5
Globalworth (GWI)^	29.5	29.5	71	72	10.1	9.9	17.0	17.4
<b>Total offshore</b>			<b>134</b>	<b>135</b>	<b>23.8</b>	<b>23.1</b>	<b>84.9</b>	<b>87.7</b>
<b>Total portfolio</b>			<b>528</b>	<b>535</b>			<b>177.9</b>	<b>179.8</b>

\* The value of the properties is disclosed at 100% as these are assets under the management of Growthpoint.

# The fair value of the GOZ listed investment is R13.9bn (FY23: R16.8bn).

® The fair value of the C&R listed investment is R2.1bn (FY23: R1.5bn).

^ The fair value of the GWI listed investment is R3.9bn (FY23: R4.3bn).

Growthpoint is included in the FTSE/JSE Top 40 Index (J200) with a market capitalisation of R40.1bn at HY24 (FY23: R40.0bn). On average, 425.2m shares (FY23: 216.6m) with a value of R4.6bn (FY23: R2.8bn) were traded per month during the period. This makes Growthpoint the most liquid and tradable way to own commercial property in South Africa and on the African continent.

For HY24, the Group's SA REIT net asset value per share (SA REIT NAV) decreased by 3.9% to 2 067 (FY23: 2 151) cents per share (cps).

## Strategy and its implementation

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

- The streamlining and optimisation of the SA portfolio:
  - Nine properties sold for R635.4m, with a loss on book value of R6.0m (HY23: 19 properties sold for R756.3m, with a profit on book value of R7.6m)
  - One residential development, The Kent in La Lucia, sold for R141.0m with profit of R20.3m
  - R1.0bn of capex and development costs spent, including the re-development of Longkloof Studios, Gardens, Cape Town (R60.0m) and Bayside Mall (R88.6m) in the Western Cape
  - Three properties with a value of R76.3m held for sale at HY24 (FY23: one property of R18.0m)
  - Growthpoint entered into a milestone Power Purchase Agreement (PPA) with Etana Energy for 195GWh of renewable energy a year, representing 32% of its total current annual electricity consumption (612GWh in FY23), effective from July 2025.
- Growing revenue streams from GIP:
  - Assets under management of R17.9bn (FY23: R17.9bn)
  - 8.1% increase in management fees from R48.1m in HY23 to R52.0m in HY24
  - 38.5% decrease in dividends received from R79.0m in HY23 to R48.6m in HY24, due to a lower dividend proposed taking into account elevated arrears, with negotiations underway to settle the arrears before FY24 and a lower shareholding in GPHH, and the National Student Financial Aid Scheme (NSFAS) rental cap that was introduced, higher interest rates and the expiry of the rental guarantees from the original vendors in GSAH
  - R30.0bn AUM target by FY27.
- International expansion:
  - C&R dividend income from June 2023 of £2.4m (R54.7m) was re-invested (HY23: £2.0m (R40.4m))
  - An additional investment of £21.8m (R527.6m) in C&R for the acquisition of Cyle Shopping Centre in Edinburgh
  - GWI dividend income from June 2023 of €9.7m (R196.3m) was re-invested
  - 43.5% of Growthpoint's property assets by book value are located offshore (FY23: 44.3%)
  - 32.5% of Growthpoint's distributable income per share (DIPS) is earned offshore (FY23: 29.1%)
  - 4.3% increase in Rand-equivalent foreign currency income, via cash and scrip dividend alternatives, of R796.0m (HY23: R763.0m).

While the loan-to-value (LTV) trajectory is upwards in the short to medium term, we remain focused on strategic initiatives that will preserve our liquidity and balance sheet in the long term:

- R6.2bn unutilised, committed facilities for SA (FY23: R6.6bn)
- R1.0bn cash on our SA balance sheet (FY23: R1.7bn)
- Interest cover ratio (ICR) decreased from 2.9 times at FY23 to 2.5 times at HY24
- 34.8% SA LTV (FY23: 32.9%) due to increased borrowings
- 42.0% Group LTV (FY23: 40.1%) due to increased borrowings in SA and decreased property valuations in GOZ.

The capital structure initiatives include R776.4m of asset sales in SA (HY23: R756.3m), R340.0m third-party investments in GSAH, and R422.5m (HY23: R465.9m) cash retained before income tax as a result of maintaining the company's dividend payout ratio at 82.5%.

## SA REIT funds from operations (FFO) DIPS

Group SA REIT FFO decreased by R500.0m (18.5%) from R2 696m for HY23 to R2 196m for HY24. On a per share basis it decreased 18.0% from 79.0cps to 64.8cps. Group distributable income decreased by R248.0m (9.3%) from R2 662m to R2 414m. DIPS decreased by 8.6% from 77.9cps to 71.2cps.

## Basis of preparation

The condensed unaudited consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. The accounting policies applied in preparing these financial statements are in terms of IFRS and are consistent with those applied in the previous annual financial statements.

The condensed consolidated interim financial statements are unaudited.

The Directors of Growthpoint Properties Limited take full responsibility for the preparation of this report.

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

## GOZ

The investment in GOZ was accounted for in terms of IAS 21 *The Effects of Changes in Foreign Exchange Rates*.

The statement of financial position includes 100% of the assets and liabilities of GOZ, converted at the closing exchange rate of R12.47: A\$1 (FY23: R12.55: A\$1).

A deferred tax liability of R4.4bn (FY23: R5.0bn) is included in the statement of financial position. This relates to capital gains tax payable at a rate of 30% in Australia if Growthpoint were to sell its investment in GOZ.



# COMMENTARY continued

The statement of profit or loss and other comprehensive income includes 100% of the revenue and expenses of GOZ, which were translated at an average exchange rate of R12.20: A\$1 (HY23: R11.61: A\$1). The resulting foreign currency translation difference is recognised in other comprehensive income. A non-controlling interest was raised for the 36.3% (FY23: 36.3%) not owned by Growthpoint.

Included in the HY24 distributable income is a R552.1m (A\$9.65cps) distribution accrued from GOZ, excluding a foreign exchange loss of R0.9m on A\$ income hedges (HY23: R512.3m (A\$10.7cps) excluding a foreign exchange profit of R21.3m on A\$ income hedges). The distributable income includes R34.5m (A\$2.8m) relating to dividend withholding tax over accrual for FY23.

Included in normal tax in the statement of profit or loss and other comprehensive income is R60.9m (HY23: R74.7m) which relates to 9.8% (HY23: 14.0%) withholding tax incurred on the distributions from GOZ.

## C&R

The investment in C&R was accounted for in terms of IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The statement of financial position includes 100% of the assets and liabilities of C&R, converted at the closing exchange rate at HY24 of R23.30: £1 (FY23: R23.95: £1).

The statement of profit or loss and other comprehensive income includes 100% of the revenue and expenses of C&R, which were translated at an average exchange rate of R23.43: £1 (HY23: R20.35: £1). The resulting foreign currency translation difference is recognised in other comprehensive income.

A non-controlling interest was raised for the 31.9% (FY23: 37.6%) not owned by Growthpoint.

Included in the HY24 distributable income is a R88.5m (£2.95p per share) dividend from C&R (HY23: R50.4m (£2.75p per share)). C&R offered a scrip dividend alternative for the June 2023 dividend declared which resulted in an additional investment by Growthpoint of £2.4m (R54.7m). In addition, following an open offer from C&R to acquire Gyle Shopping Centre in Edinburgh, Growthpoint invested £21.8m (R527.6m) resulting in an increased shareholding to 68.1%.

Included in normal tax in the statement of profit or loss and other comprehensive income is R15.6m (HY23: R8.5m) which relates to 15% (HY23: 15%) withholding tax incurred on the dividends from C&R.

## GIP

Growing revenue streams from GIP is one of Growthpoint's strategic thrusts. Our strategy is to build a co-investment, co-management business with diversified alternative real estate assets. To this end, we have established three separately identifiable investment funds with total assets under management of R17.9bn (FY23: R17.9bn).

### • Growthpoint Healthcare Property Holdings (RF) Limited

GPHH invests exclusively in healthcare property assets in SA with a mandate to acquire and develop acute, day and specialist hospitals, as well as laboratories and biotechnology manufacturing and warehousing facilities. GPHH has to date attracted R2.0bn in investments from third-party investors. Growthpoint's interest in GPHH consists of R384.7m equity (FY23: R384.7m) and a convertible loan of R368.8m (FY23: R381.1m). Growthpoint received a dividend of R45.7m (HY23: R66.6m) from GPHH during the period, due to a lower dividend proposed of 42.6cps versus 46.9cps, taking into account elevated arrears, with negotiations underway to settle the arrears before FY24 and a decrease in Growthpoint's shareholding.

### – Growthpoint Healthcare Management en commandite Partnership (GPHH Manco). *Growthpoint's stake is 85% (FY23: 85%)*

Growthpoint received management fees of R22.8m (HY23: R22.1m) from GPHH Manco during the period. Kagiso is our 15% partner in GPHH Manco.

### • Growthpoint Student Accommodation Holdings (RF) Limited

GSAH has to date attracted R1.8bn in capital from third-party investors and R240.0m from Growthpoint. During the period, Stevedore and the Eskom Pension and Provident Fund invested R40.0m and R300.0m respectively, the proceeds of which were utilised for developments. Growthpoint received a dividend of R2.9m (HY23: R9.2m) from GSAH during the period, negatively impacted by the NSFAS rental cap, higher interest rates and the expiry of the rental guarantees from the original vendors.

### – Growthpoint Student Residential Accommodation Management en commandite Partnership (GSAH Manco). *Growthpoint's stake is 100% (FY23: 100%)*

Growthpoint received asset management fees of R19.4m (HY23: R17.4m) from GSAH Manco during the period.

#### • Lango Real Estate Limited

Lango invests in prime commercial real estate assets in key gateway cities across the African continent. It owns eight quality office and retail assets and three plots of land. Growthpoint did not receive a dividend for HY24 compared to R3.2m (US\$0.2m) for HY23.

#### – Lango Real Estate Management Limited (Lango Manco), Growthpoint owns 37.5% (FY23: 37.5%)

Growthpoint received management fees of R9.8m (US\$0.5m) (HY23: R8.6m (US\$0.5m)) from Lango Manco during the period.

### V&A, GWI and other equity-accounted investments

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

The V&A continued its outstanding performance in HY24 driven mainly by increased tourism and the positive impact this has on retail, hotels and attractions, with a 13.7% increase in distributable income received for HY24 of R380.7m (HY23: R334.7m).

Included in distributable income is R146.1m scrip dividend income received from GWI (HY23: R166.6m). This is based on €11.0cps for HY24 (HY23: €15.0cps).

### Revenue

Total revenue increased by 4.0% from R6.8bn in HY23 to R7.1bn for HY24.

#### SA

Despite the impact on net property income from disposals in the current and prior period, SA revenue, including straight-line lease income adjustments, increased by 3.4% from R3.9bn for HY23 to R4.1bn for HY24 due to:

- An increase in rental income from lease escalations
- Decreased vacancies in the retail and office sectors
- An increase in straight-line lease income adjustments due to early renewals of leases
- Offset by:
  - A decrease in disposals of T&D assets
  - Disposal of one residential development, The Kent La Lucia, for R141.0m
  - Increased vacancies in the industrial sector
  - Significantly improved negative rent reversions on renewal in SA to -7.1% (HY23: -16.0%)
  - Disposals of R635.4m across all three sectors.

#### GIP

GHPH revenue increased by 22.0% from R236.0m for HY23 to R287.4m for HY24 mainly due to the acquisition of the Johannesburg Eye Hospital, Randburg in December 2023, offset by rental reversions in two hospitals in the current period.

GSAH revenue increased by 6.1% from R164.0m for HY23 to R173.6m for HY24 mainly due to two new developments, Peak Studios and Apex Studios included for the first time in the 2023 academic year. This is offset by lower rentals per bed received from NSFAS.

#### Offshore

GOZ revenue decreased marginally by 2.6% for HY24 (R1 954m) compared to HY23 (R2 007m), mainly due to the disposals of 333 Ann Street, Brisbane in FY23 and 1 – 3 Pope Court, Beverley in the current period and lower lease surrender fees received in HY24 compared to HY23.

C&R revenue increased by 25.4% for HY24 (R646.0m) compared to HY23 (R515.0m) due to the acquisition of Gyle Shopping Centre in September 2023 and the weakening of the Rand against the Pound from R20.35 in HY23 to R23.43 for HY24.

### Cost-to-income ratio

The SA REIT cost-to-income ratio for the Group increased to 45.2% for HY24 from 41.7% for HY23 mainly due to a decrease in revenue for SA and GOZ, excluding straight-line lease income adjustments, compared to an increase in funds management related expenses and inflationary pressures:

- Total SA increased to 48.7% from 46.1% for HY23
- GOZ increased to 28.7% from 25.9% for HY23
- C&R increased to 63.7% from 57.6% for HY23.

### Fair value adjustments

The revaluation of properties in SA, GIP, GOZ and C&R resulted in an overall decrease of R2.3bn (1.6%) (FY23: decrease of R4.1bn or 2.9%) to R139.4bn (FY23: R140.3bn) for investment property (including investment properties classified as held for sale).

In Rand terms, the revaluation of properties resulted in:

- An increase in values in SA of R257.0m or 0.4% (FY23: increase of R698.5m or 1.1%)
- A marginal increase of a R24.0m or 0.3% for GHPH and GSAH (FY23: increase of R141.1m or 2.3%)
- A decrease of R2.3bn or 3.8% (FY23: decrease of R4.5bn or 7.1%) for GOZ
- A decrease of R198.6m or 2.1% (FY23: decrease of R365.8m or 4.4%) for C&R.

# COMMENTARY continued

The SA valuations, with a portfolio value of R64.2bn at HY24, were positively impacted by improved rent reversions across all three sectors and reduced vacancies in the office and retail portfolios, coupled with the repositioning of the portfolio to higher-quality assets by way of disposals and developments. The valuations reflected varied valuation outcomes which were positive in KwaZulu-Natal and the Western Cape with reductions in Gauteng. The relatively flat valuation in the retail portfolio reflected the difficult trading conditions due to increased financial pressures on consumers, offset by a decrease in vacancies. The industrial portfolio reflected marginally improved trading conditions, offset by an increase in vacancies, as a result of strategic speculative developments in line with the strategy to increase our SA exposure to the industrial sector; specifically modern logistics and warehousing properties. Property assets held for trading and development are reflected at the lower of cost or net realisable value. For HY24, no impairment loss was recognised on property assets held for trading and development (FY23: Rnil).

The GOZ fair value adjustments varied between the office and industrial portfolios. Office valuations reduced by 5.4% on a like-for-like basis, driven by increased lease incentives and capitalisation rates. Industrial valuations decreased by 0.9% on a like-for-like basis with 35% of the properties decreasing in value, mainly due to increased capitalisation rates. Overall, valuations declined 4.2% on a like-for-like basis over six months, with the portfolio valued at R57.5bn (A\$4.6bn) at HY24.

The C&R property valuations, with a portfolio value of R8.8bn (£378.2m) at HY24, decreased marginally by 2.1%.

Interest-bearing borrowings and derivatives were fair valued using the SA or foreign-denominated swap curves at HY24, increasing the overall liability by R1.2bn (HY23: increase of R269.9m). These fair value adjustments and other non-distributable items, such as capital items, non-cash charges, deferred taxation and the net effect of the non-controlling interests' portion of the non-distributable items were transferred to the non-distributable reserve.

## Finance costs

Finance costs, including finance costs and income received on interest rate swaps (IRS), increased by 16.9% to R2 127m (HY23: R1 819m). This is due to an increase in finance costs in SA from R1 261m in HY23 to R1 468m in HY24 (16.4%) due to a higher weighted average cost of debt in HY24 of 9.6% compared to 8.9% in HY23. GOZ finance costs increased from R450.6m in HY23 to R554.2m in HY24 (23.0%), driven by a higher weighted average cost of debt in HY24 of 4.7% (HY23: 4.2%) and higher drawn debt to acquire Fortius (15 September 2022) and the share buyback programme where 2.5% of the issued share capital was bought back during FY23. This is marginally offset by a 0.7% decrease in finance costs in C&R from R106.6m in HY23 to R105.9m in HY24.

The Group interest cover decreased to 2.5 times for HY24 (FY23: 2.9 times). The weighted average interest rate for SA borrowings was 7.1% (including foreign-denominated loans and cross-currency interest rate swaps (CCIRS) (HY23: 6.4%). The weighted average debt maturity for SA borrowings decreased to 3.4 years (FY23: 3.5 years). 76.7% of the Group's long-term borrowings were fixed at HY24 (FY23: 77.7%).

R934.0m of IRS at a weighted average interest rate of 7.5% matured and R980.0m new IRS were entered into at an average rate of 7.9%.

New Pound-denominated CCIRS with a nominal value of R527.6 (£21.8m) were entered into during the period.

A\$131.5m CCIRS initially financed with R1.4bn, were refinanced during the period for R1.6bn.

## Finance income

Finance and other investment income increased to R120.0m (HY23: R116.0m).

## Acquisitions and commitments

### SA

The development and capital expenditure incurred for the SA portfolio was R994.1m (HY23: R549.6m), for various strategic projects, in line with our strategy to optimise the SA portfolio. The largest being new industrial warehousing and logistics developments at Monteer, Isando (R104.0m), Arterial Industrial, Blackheath, Bellville (R100.1m) and a re-development of a retail property, Bayside Mall, Table View (R88.6m).

SA has commitments for SA developments totalling R1.6bn at HY24 (FY23: R1.5bn) of which Longkloof Studios, Gardens, Cape Town (R400.0m), 36 Hans Strijdom, Cape Town CBD (R314.3m) and Bayside Mall (R262.3m) are the largest.

### GIP

GHPH acquired the Johannesburg Eye Hospital in Randburg for R106.4m during the period.

GHPH has commitments of R141.8m relating to an extension at Hillcrest Private Hospital, Hillcrest (FY23: R142.0m).

GSAH acquired Brooklyn Studios, Brooklyn (R457.2m) and two properties for the development of purpose-built student accommodation for Wits University students, 33 Princess of Wales, Parktown (R33.5m) and The Podium, Braamfontein (R36.4m). The development and capital expenditure of R175.7m (HY23: R346.4m) related mainly to the development of Horizon Heights, Auckland Park, of R122.8m.

GSAH commitments of R399.9m (FY23: R143.1m) include three purpose-built student accommodation developments at The Podium (R219.5m), 33 Princess of Wales (R160.1m) and Horizon Heights (R20.3m).



### Offshore

GOZ did not acquire any properties during the period (FY23: one office property for R2.0bn (A\$176.0m)). GOZ incurred development and capital expenditure of R170.7m (A\$14.0m) with the largest capital expenditure incurred at Optus Centre, 15 Green Square Close, Fortitude Valley of R63.4m (A\$5.2m), and 5 Murray Rose Avenue, Sydney Olympic Park of R23.2m (A\$1.9m). GOZ has commitments of R482.5m (A\$38.7m) at HY24 (FY23: R517.2m (A\$41.2m)) for the tenant installation obligation at 1 Charles Street, Parramatta.

C&R acquired Gyle Shopping Centre in Edinburgh for £43.0m (R1.0bn) during the period. C&R incurred capital expenditure of R132.0m (£5.6m) in HY24 (FY23: R270.0m (£12.9m)) and has commitments of R75.0m (£3.2m) at HY24 (FY23: R186.1m (£7.8m)) relating to various capital projects at the retail centres.

### Trading and development

At HY24, seven properties (FY23: seven) valued at R480.1m were classified as T&D (FY23: R442.0m).

### Disposals and held-for-sale assets

Growthpoint SA disposed of nine (HY23: 19) properties during the period for R635.4m (HY23: R756.3m), including City View Shopping Centre, Greyville (R263.0m) and City Mall, Klerksdorp (R202.0m). Growthpoint also disposed of a T&D property, The Kent, residential apartments in La Lucia for

R141.0m. GOZ disposed of one (HY23: zero) property during the year, 1 – 3 Pope Court, Beverley for R421.4m (A\$35.0m).

At HY24, three (FY23: one) SA properties valued at R76.3m (FY23: R18.0m) were held for sale. No properties were classified as held for sale at GOZ, nor at C&R.

### Arrears

#### SA

Total SA arrears at HY24 were R129.7m (FY23: R130.5m) with a loss allowance of R74.7m (FY23: R83.4m). The SA bad debt write-offs, recoveries and expected credit losses were an income of R11.6m (HY23: expense of R10.0m).

#### GIP

GHPH arrears were R75.0m at HY24 (FY23: R17.2m) with a loss allowance of R1.7m (FY23: R2.9m). GSAH had arrears of R27.7m (FY23: R17.7m) with a loss allowance of R5.8m (FY23: Rnil). The bad debt write-offs, recoveries and expected credit losses were an income of R1.3m (HY23: expense of R1.6m) for GHPH and an expense of R5.8m (HY23: expense of R3.5m) for GSAH. There are negotiations underway to settle the elevated GHPH arrears before FY24.

#### Offshore

Total GOZ arrears at HY24 were R23.9m (FY23: R24.1m) with a loss allowance of R2.5m (FY23: R2.1m). Total C&R arrears at HY24 were R156.8m (FY23: R149.1m) with a loss allowance of R50.8m (HY23: R82.5m).

### Vacancies

	GLA		Vacancy	
	HY24 m <sup>2</sup>	FY23 m <sup>2</sup>	HY24 %	FY23 %
<b>South Africa</b>				
Retail	1 162 734	1 225 637	5.7	6.3
Office	1 631 906	1 650 192	17.8	19.2
Industrial	1 965 600	1 940 293	4.1	3.7
T&D	9 591	9 014	–	–
V&A	230 029	228 781	0.3	0.4
<b>Total SA</b>	<b>4 999 860</b>	<b>5 053 917</b>	<b>8.8</b>	<b>9.2</b>
<b>Growthpoint Investment Partners*</b>				
Healthcare	125 360	118 790	–	0.1
Lango	152 956	153 844	19.4	21.6
<b>Total GIP</b>	<b>278 316</b>	<b>272 634</b>	<b>10.7</b>	<b>12.2</b>
<b>Offshore</b>				
GOZ	1 052 054	1 066 660	2.5	3.4
C&R	224 268	185 806	7.9	6.9
GWI	1 386 005	1 401 793	11.7	14.5
<b>Total offshore</b>	<b>2 662 327</b>	<b>2 654 259</b>	<b>7.8</b>	<b>9.5</b>
<b>Total portfolio</b>	<b>7 940 503</b>	<b>7 980 810</b>	<b>8.5</b>	<b>9.4</b>

\* GSAH is valued per bed and not on GLA. GSAH had 8 032 beds with an average vacancy of 6.7% for HY24 (HY23: 6 443 beds with an average vacancy of 2.1%).

# COMMENTARY continued

Vacancies improved in the retail and office sectors, and increased in the industrial sector. Tenant retention remains a priority and we are addressing it in SA through various initiatives including UNdeposit, SmartMove, SmartStay, SmartFlex, SmartRefer, WorkAgility, #Bringusaname and Growthpoint's resource-efficient, sustainable Thrive portfolio and is evident in the renewal success rate which increased from 61.2% for FY23 to 79.0% for HY24.

## Borrowings and net working capital

The SA REIT loan-to-value ratio (SA REIT LTV) for the Group was 42.0% for HY24 (FY23: 40.1%). The South African SA REIT LTV increased to 34.8% (FY23: 32.9%), the GOZ SA REIT LTV increased to 37.6% (FY23: 36.1%) and the C&R SA REIT LTV increased to 39.8% (FY23: 37.0%).

A\$ CCIRS with a nominal amount of A\$131.5m, initially financed with R1.4bn, were refinanced during the period for R1.6bn.

Growthpoint has consistently applied its policy for measuring the fair value of interest-bearing borrowings and derivatives. Of our total interest-bearing borrowings of R69.6bn at HY24 (FY23: R68.2bn), R21.4bn (FY23: R20.0bn) is unsecured. All other interest-bearing borrowings across the Group are secured.

## Changes in directorate

Olive Chauke resigned as Executive Director Human Resources effective 9 October 2023. She will serve her notice period until 31 March 2024. Growthpoint thanks Olive for her dedicated service to the Company during the past six years and wishes her well in her future endeavours.

## Going concern

The Directors have assessed the Group's ability to continue as a going concern. At HY24, Growthpoint has unused committed bank facilities of R6.2bn (FY23: R6.6bn) in SA and separately R3.7bn (A\$297.0m) (FY23: R3.8bn or A\$300.0m) in GOZ. There were no unused committed bank facilities at C&R for HY24 or FY23.

Growthpoint also has cash of R1.0bn (FY23: R1.7bn) in SA, R776.2m (A\$62.3m) (FY23: R620.3m or A\$49.4m) in GOZ and R889.8m (£38.2m) (FY23: R1.2bn or £49.2m) in C&R at HY24. The bank facilities and cash balances assure Growthpoint's ability to meet its short-term commitments.

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

### Funding covenants

The current Group SA REIT LTV of 42.0% (FY23: 40.1%) is well below the maximum loan-to-value covenants the Group is exposed to of 55.0%. The ICR at 2.5 times (FY23: 2.9 times)

is above the strictest ICR of 2.0 times. LTV and ICR ratios have deteriorated due to decreasing property valuations, decreasing rental income and increasing interest rates. This trend may continue in the near future.

### Conclusion

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

## Events after the reporting period

### Declaration of dividend after reporting period

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

Post HY24, a R1bn private placement for a 10-year bond at three-month JIBAR + 1.85% was issued. New Rand IRS of R300.0m were entered into at a fixed rate of 7.7% with a tenor of three years. CCIRS of US\$20m (R294.5m) matured and were extended (with a new Rand value of R373.5m). A\$166.4m CCIRS with a weighted average interest rate of 1.4% matured post HY24 and were refinanced at a weighted average interest rate of 4.2%.

## Prospects

Interest rates, globally and domestically, are expected to be higher for longer, impacting both our domestic operations and offshore investments. The second half of FY24 presents further domestic volatility with the SA national elections on 29 May 2024, coupled with ongoing loadshedding and infrastructure deterioration. Global political uncertainty also remains a concern.

In evaluating our performance expectation in SA for the second half of FY24, it is crucial to recognise the inherent link of our business to the country's economic wellbeing. Our strategic approach will be guided by our priorities: safeguarding the strength of our balance sheet and fulfilling our commitments towards environmental, social and governance (ESG) objectives. To this end, our focus will remain on optimising our SA portfolio, with emphasis placed on capital allocation, proactive tenant retention strategies, strategic repositioning efforts, fostering green building initiatives, leveraging renewable energy solutions, identifying growth-centric regions and cost management practices.

We anticipate subdued growth within the retail sector, as retailers are impacted by the financial strain faced by the SA consumer, compounded by the challenges of loadshedding. The office sector continues to grapple with oversupply issues in Gauteng, and until a tangible growth trajectory is observed within the SA economy, businesses are likely to face persisting

challenges. Offices in KwaZulu-Natal and the Western Cape are, however, showing signs of improvement. The industrial sector, benefiting from a more balanced supply-demand dynamic, is expected to demonstrate better performance compared to its counterparts. We also anticipate continued outperformance from KwaZulu-Natal and the Western Cape, surpassing the performance of Gauteng.

The V&A has exceeded expectations for HY24 as a result of increased domestic and international tourism and is expected to continue to perform well, albeit off a high base, with high single-digit income growth expected for the rest of the year.

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

International expansion will be constrained by our high cost of capital, both domestically and offshore, particularly as we are committed to balance sheet strength. Consequently, we shall continue to focus on optimising our existing investments.

Despite the negative fair value adjustments to our properties for HY24, GOZ has a robust balance sheet and liquidity position and a high-quality portfolio with strong tenancies, and is well positioned to rebound when interest rates reduce. GOZ has guided for a decrease in FFO for FY24 given the effect of higher interest rates. Strong leasing performance and a positive start to FY24 reaffirmed the FFO guidance between A\$22.5 and 23.1cps. Distribution guidance for FY24 is A\$19.3cps.

C&R's focus on needs-based community shopping centres positions it defensively in the face of the UK's cost of living crisis.

GWI continues to maintain a prudent financial position with moderate leverage and high levels of liquidity and has a high-quality portfolio with multinational tenancies. Warsaw in Poland is expected to perform better than the regional cities which are oversupplied, Bucharest will benefit from the moratorium on new office developments. Given the significant debt refinancing which GWI is planning for, we are expecting a decrease in dividend income from GWI for the full year.

We are committed to retaining our REIT status and intend to continue to pay dividends twice a year, maintaining our payout ratio of 82.5%.

Our diversified portfolio, strong balance sheet and offshore income streams position us defensively for the rest of FY24. While our diversified portfolio and income streams position us defensively for FY24, the LTV trajectory is upwards in the short to medium term. As such we will focus on strategic initiatives to preserve liquidity and balance sheet strength in the long term.

Given the impact of high interest rates across our local and international businesses, which will be greater in the second half of FY24, we expect DIPS to decline by 10% – 12% for FY24.

The above forecast has not been reviewed or reported on by the auditors and is the responsibility of the Board.

### Interim dividend

Notice is hereby given of the declaration of the interim dividend number 76 of 58.80000 cents per share for the period ended 31 December 2023.

### Other information

- Issued shares at 31 December 2023: 3 430 787 066 ordinary shares of no par value
- Income tax reference number of Growthpoint: 9375077717.

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

### Tax implications for SA resident shareholders

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



# COMMENTARY continued

## Tax implications for non-resident shareholders

Dividends received by non-resident shareholders from a REIT will not be taxable as income and instead will be treated as ordinary dividends which are exempt from income tax in terms of the general dividend exemption section 10(1)(k) of the Income Tax Act. Any dividend received by a non-resident from a REIT is subject to dividend tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (DTA) between SA and the country of residence of the non-resident shareholder. Assuming dividend tax will be withheld at a rate of 20%, the net amount due to non-resident shareholders is 47.04000cps. A reduced dividend withholding tax rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:

- A declaration that the dividend is subject to a reduced rate as a result of the application of the DTA
- A written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner of the South African Revenue Service. If applicable, non-resident shareholders are advised to contact the CSDP, broker or the company to arrange for the above-mentioned documents to be submitted before dividend payment, if such documents have not already been submitted.

## Salient dates and times

	2024
Last day to trade (LDT) cum dividend	<b>Tuesday, 9 April</b>
Shares to trade ex dividend	<b>Wednesday, 10 April</b>
Record date	<b>Friday, 12 April</b>
Payment date	<b>Monday, 15 April</b>

### Notes

1. Shares may not be dematerialised or rematerialised between the commencement of trade on Wednesday, 10 April 2024 and the close of trade on Friday, 12 April 2024, both days inclusive.
2. The above dates and times are subject to change. Any changes will be released on SENS.

By order of the Board

## Growthpoint Properties Limited

12 March 2024

## Directors

R Gasant (Chairman), FM Berkeley, EK de Klerk\* (Chief Executive Officer South Africa), M Hamman, KP Lebina, CD Raphiri, AH Sangqu (Lead Independent Director), LN Sasse\* (Group Chief Executive Officer), JA van Wyk#, G Völkel\* (Group Financial Director), EA Wilton

\*Executive #British

## Growthpoint Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 1987/004988/06)

A Real Estate Investment Trust, listed on the JSE Share code: GRT ISIN: ZAE000179420

## Registered office

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

## Company Secretary

WJH de Koker

## Transfer Secretary

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

## Equity sponsor

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

## Debt sponsor

Absa Bank Limited  
15 Alice Lane, Sandown, Sandton, 2196

# REIT RATIOS

for the six months ended 31 December 2023

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

	Six months 31 December 2023 Rm	Six months 31 December 2022 Rm	12 months 30 June 2023 Rm
<b>SA REIT funds from operations (SA REIT FFO)</b>			
Profit attributable to the owners of the company	157	1 866	2 356
Adjusted for:			
Accounting/specific adjustments	1 871	1 422	3 090
Fair value adjustments to:			
Investment property	2 415	1 562	4 028
Debt and equity instruments held at fair value through profit or loss	287	(118)	(1 054)
Depreciation and amortisation of intangible assets	10	41	27
Impairment of goodwill or the recognition of a bargain purchase gain	–	–	111
Asset impairments (excluding goodwill) and reversals of impairment	–	–	5
Deferred tax movement recognised in profit or loss	(640)	(277)	(172)
Straight-lining operating lease adjustment	(151)	162	44
Transaction costs expensed in accounting for a business combination*	–	42	58
Adjustments to dividends from equity interests held	(50)	10	43
Adjustments arising from investing activities:	(30)	(115)	(122)
Gains on disposal of capital items	(2)	–	(15)
Development fees and profit earned	(28)	(115)	(107)
Foreign exchange and hedging items:	1 060	15	1 249
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	1 027	(51)	1 216
Foreign exchange gains relating to capital items – realised and unrealised	33	66	33
Other adjustments:	(862)	(492)	(1 548)
Adjustments made for equity-accounted entities	277	316	13
Dividends declared	(540)	(501)	(1 052)
Non-controlling interests in respect of the above adjustments – plus not distributable*	(599)	(327)	(529)
Antecedent earnings adjustment (GHPH and GSAH)	–	20	20
<b>SA REIT FFO (Rm)</b>	<b>2 196</b>	<b>2 696</b>	<b>5 025</b>
Number of shares outstanding at end of period (net of treasury shares)	<b>3 386 456 626</b>	<b>3 411 622 222</b>	<b>3 380 482 632</b>
<b>SA REIT FFO per share (cents)</b>	<b>64.8</b>	<b>79.0</b>	<b>148.6</b>
Interim SA REIT FFO per share (cents)	<b>64.8</b>	79.0	79.0
Final SA REIT FFO per share (cents)			69.6

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

# REIT RATIOS continued

for the six months ended 31 December 2023

	Six months 31 December 2023 Rm	Six months 31 December 2022 Rm	12 months 30 June 2023 Rm
<b>SA REIT funds from operations (SA REIT FFO) <small>continued</small></b>			
<b>SA REIT FFO (continued)</b>	<b>2 196</b>	2 696	5 025
<b>Company-specific adjustments to SA REIT FFO (Rm)</b>	<b>218</b>	(34)	338
Decrease in staff incentive scheme cost	5	5	15
Trading profits and development fees earned	28	64	96
Profit on the sale of GPH shares	–	–	26
Profit on the sale of GPH Manco	–	–	42
Profit on disposal of convertible shares in GPH	–	26	–
Amortisation of tenant incentive add back (GOZ FFO)	238	232	470
Distributable income from GOZ retained (including NCI portion)	(225)	(431)	(406)
Distributable income from C&R over distributed/(retained) (including NCI portion)	5	(4)	(69)
Distributable income from GPH retained (including NCI portion)	(6)	(22)	(29)
Distributable income from GSAH over distributed/(retained) (including NCI portion)	57	(11)	(31)
Taxation on distributable income retained	116	107	224
<b>Distributable income (Rm)</b>	<b>2 414</b>	2 662	5 363
<b>Distributable income per share (DIPS) (cents)</b>	<b>71.2</b>	77.9	157.6
Interim DIPS (cents)	71.2	77.9	77.9
Final DIPS (cents)			79.7
<b>SA REIT net asset value (SA REIT NAV)</b>			
	<b>31 December 2023 Rm</b>	31 December 2022 Rm	30 June 2023 Rm
Reported NAV attributable to the parent	69 621	71 748	71 911
Adjustments:	810	654	1 194
Dividend to be declared	(1 991)	(2 194)	(2 224)
Fair value of certain derivative financial instruments	(874)	(1 253)	(857)
Goodwill and intangible assets	(927)	(1 058)	(977)
Deferred tax	4 602	5 159	5 252
<b>SA REIT NAV</b>	<b>70 431</b>	72 402	73 105
<b>Shares outstanding</b>			
	<b>31 December 2023 Number of shares</b>	31 December 2022 Number of shares	30 June 2023 Number of shares
Number of shares in issue at period end (net of treasury shares)	3 386 456 626	3 411 622 222	3 380 482 632
Dilutive effect of share options granted to employees	21 731 041	20 147 746	18 171 636
<b>Diluted number of shares in issue</b>	<b>3 408 187 667</b>	3 431 769 968	3 398 654 268
<b>SA REIT NAV per share (R)</b>	<b>20.67</b>	21.10	21.51



	Six months 31 December 2023 Rm	Six months 31 December 2022 Rm	12 months 30 June 2023 Rm
<b>SA REIT cost-to-income ratio</b>			
<b>Expenses</b>			
Operating expenses per IFRS income statement (includes municipal expenses)	3 039	2 850	5 650
Administrative expenses per IFRS income statement	539	452	931
Excluding: Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets			
<b>Operating costs</b>	<b>3 578</b>	<b>3 302</b>	<b>6 581</b>
<b>Rental income</b>			
Contractual rental income per IFRS income statement (excluding straight-lining)	6 970	7 010	13 784
Utility and operating recoveries per IFRS income statement	951	901	1 724
<b>Gross rental income</b>	<b>7 921</b>	<b>7 911</b>	<b>15 508</b>
<b>SA REIT cost-to-income ratio</b>	<b>45.2%</b>	<b>41.7%</b>	<b>42.4%</b>

	Six months 31 December 2023 Rm	Six months 31 December 2022 Rm	12 months 30 June 2023 Rm
<b>SA REIT administrative cost-to-income ratio</b>			
<b>Expenses</b>			
Administrative expenses as per IFRS income statement	539	452	931
<b>Administrative costs</b>	<b>539</b>	<b>452</b>	<b>931</b>
<b>Rental income</b>			
Contractual rental income per IFRS income statement (excluding straight-lining)	6 970	7 010	13 784
Utility and operating recoveries per IFRS income statement	951	901	1 724
<b>Gross rental income</b>	<b>7 921</b>	<b>7 911</b>	<b>15 508</b>
<b>SA REIT administrative cost-to-income ratio</b>	<b>6.8%</b>	<b>5.7%</b>	<b>6.0%</b>

	31 December 2023 GLA m <sup>2</sup>	31 December 2022 GLA m <sup>2</sup>	30 June 2023 GLA m <sup>2</sup>
<b>SA REIT GLA vacancy rate</b>			
Gross lettable area of vacant space	674 727	776 736	752 598
Gross lettable area of total property portfolio	7 940 503	8 086 298	7 980 810
<b>SA REIT GLA vacancy rate</b>	<b>8.5%</b>	<b>9.6%</b>	<b>9.4%</b>

# REIT RATIOS continued

for the six months ended 31 December 2023

<b>Cost of debt</b>	<b>R %</b>	<b>A\$ %</b>	<b>€ %</b>	<b>US\$ %</b>	<b>£ %</b>
<b>31 December 2023</b>					
<b>Variable interest-rate borrowings</b>					
Floating reference rate plus weighted average margin	10.1	–	6.3	7.7	–
<b>Fixed interest-rate borrowings</b>					
Weighted average fixed rate	9.7	–	–	–	–
<b>Pre-adjusted weighted average cost of debt</b>	<b>10.1</b>	<b>–</b>	<b>6.3</b>	<b>7.7</b>	<b>–</b>
Adjustments:					
Impact of interest rate derivatives	(0.5)	–	(1.9)	–	–
Impact of cross-currency interest rate swaps	–	3.8	–	(0.9)	6.5
<b>All-in weighted average cost of debt</b>	<b>9.6</b>	<b>3.8</b>	<b>4.4</b>	<b>6.8</b>	<b>6.5</b>
<b>31 December 2022</b>					
<b>Variable interest-rate borrowings</b>					
Floating reference rate plus weighted average margin	8.5	–	–	6.1	–
<b>Fixed interest-rate borrowings</b>					
Weighted average fixed rate	9.9	–	–	5.9	–
<b>Pre-adjusted weighted average cost of debt</b>	<b>8.5</b>	<b>–</b>	<b>–</b>	<b>5.9</b>	<b>–</b>
Adjustments:					
Impact of interest rate derivatives	0.2	–	(0.4)	–	–
Impact of cross-currency interest rate swaps	0.2	3.5	3.5	(0.6)	–
Amortised transaction costs imputed in the effective interest rate	–	–	–	0.2	–
<b>All-in weighted average cost of debt</b>	<b>8.9</b>	<b>3.5</b>	<b>3.1</b>	<b>5.5</b>	<b>–</b>
<b>30 June 2023</b>					
<b>Variable interest-rate borrowings</b>					
Floating reference rate plus weighted average margin	8.7	–	5.7	6.6	–
<b>Fixed interest-rate borrowings</b>					
Weighted average fixed rate	9.9	–	–	–	–
<b>Pre-adjusted weighted average cost of debt</b>	<b>8.8</b>	<b>–</b>	<b>5.7</b>	<b>6.6</b>	<b>–</b>
Adjustments:					
Impact of interest rate derivatives	0.2	–	(1.0)	–	–
Impact of cross-currency interest rate swaps	0.1	3.8	–	0.1	–
Amortised transaction costs imputed in the effective interest rate	–	–	0.1	0.1	–
<b>All-in weighted average cost of debt</b>	<b>9.1</b>	<b>3.8</b>	<b>4.8</b>	<b>6.8</b>	<b>–</b>
<b>SA REIT loan-to-value (Group)</b>					
	<b>31 December 2023 Rm</b>	<b>31 December 2022 Rm</b>	<b>30 June 2023 Rm</b>		
Gross debt	70 850	66 940	69 814		
Less: Cash and cash equivalents	(2 661)	(3 354)	(3 519)		
Add/(less): Derivative financial instruments	57	(1 765)	(521)		
<b>Net debt</b>	<b>68 246</b>	<b>61 821</b>	<b>65 774</b>		
Total assets per statement of financial position	169 308	168 167	171 976		
Less:					
Cash and cash equivalents	(2 661)	(3 354)	(3 519)		
Derivative financial assets	(1 327)	(2 563)	(1 971)		
Goodwill and intangible assets	(927)	(1 058)	(977)		
Trade and other receivables	(1 739)	(1 733)	(1 581)		
<b>Carrying amount of property-related assets</b>	<b>162 654</b>	<b>159 459</b>	<b>163 928</b>		
<b>SA REIT loan-to-value (SA REIT LTV)</b>	<b>42.0%</b>	<b>38.8%</b>	<b>40.1%</b>		

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 31 December 2023

	Unaudited six months 31 December 2023 Rm	Unaudited six months 31 December 2022 Rm	Audited 12 months 30 June 2023 Rm
Revenue, excluding straight-line lease income adjustment	6 970	7 010	13 784
Straight-line lease income adjustment	151	(162)	(44)
Total revenue	7 121	6 848	13 740
Property-related expenses	(2 103)	(1 964)	(3 968)
Expected credit losses on trade receivables	15	15	42
Net property income	5 033	4 899	9 814
Other administrative and operating overheads	(539)	(452)	(931)
Operating profit	4 494	4 447	8 883
Equity-accounted investment profit – net of tax	310	187	1 048
Non-distributable loss	(277)	(316)	(13)
Dividends/interest received from equity-accounted investments	587	503	1 061
Fair value adjustments, capital items and other charges	(3 278)	(1 286)	(3 817)
Finance and other investment income	120	116	309
Finance expense	(2 591)	(2 014)	(4 356)
<b>(Loss)/profit before taxation</b>	<b>(945)</b>	1 450	2 067
Taxation	503	89	(240)
<b>(Loss)/profit for the period</b>	<b>(442)</b>	1 539	1 827
Other comprehensive income – net of tax			
Items that may subsequently be reclassified to profit or loss			
Translation of foreign operations	(359)	1 401	5 052
<b>Total comprehensive (loss)/income for the period</b>	<b>(801)</b>	2 940	6 879
(Loss)/profit attributable to:	(442)	1 539	1 827
Owners of the company	157	1 866	2 356
Non-controlling interests	(599)	(327)	(529)
Total comprehensive (loss)/income attributable to:	(801)	2 940	6 879
Owners of the company	(71)	2 737	5 456
Non-controlling interests	(730)	203	1 423
	Note	Cents	Cents
Basic earnings per share	1.1	4.64	54.73
Diluted earnings per share	1.1	4.61	54.41



# STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Unaudited 31 December 2023 Rm	Unaudited 31 December 2022 Rm	Audited 30 June 2023 Rm
<b>ASSETS</b>			
Cash and cash equivalents	2 661	3 354	3 519
Trade and other receivables	1 739	1 733	1 581
Taxation receivable	60	135	163
Assets classified as held for sale	76	1 625	18
Property held for trading and development	480	324	442
Derivative assets	1 327	2 563	1 971
Listed investments	1 681	1 654	1 576
Fair value of property assets	139 331	136 039	140 322
Fair value of investment property	132 316	129 599	133 444
Straight-line lease income adjustment	3 801	3 440	3 660
Tenant incentives	1 550	1 400	1 486
Right-of-use assets	1 664	1 600	1 732
Long-term loans granted	3 156	3 334	3 235
Equity-accounted investments	16 195	14 856	16 471
Unlisted investments	1 448	1 393	1 561
Equipment	123	77	111
Intangible assets	927	1 058	977
Deferred tax assets	104	22	29
<b>Total assets</b>	<b>169 308</b>	<b>168 167</b>	<b>171 976</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Trade and other payables	3 370	3 496	3 623
Derivative liabilities	1 384	798	1 450
Taxation payable	35	81	89
Business combination variable consideration	–	50	–
Interest-bearing borrowings	69 641	65 782	68 180
Lease liability	2 055	1 907	2 101
Deferred tax liability	4 706	5 181	5 281
<b>Total liabilities</b>	<b>81 191</b>	<b>77 295</b>	<b>80 724</b>
<b>Shareholders' interest</b>			
Share capital	52 948	53 239	52 861
Retained income	5 463	4 985	5 393
Other reserves	11 210	13 524	13 657
Non-controlling interest	18 496	19 124	19 341
<b>Total liabilities and equity</b>	<b>169 308</b>	<b>168 167</b>	<b>171 976</b>

# STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 December 2023

	Attributable to owners of the company						Total equity Rm
	Share capital net of treasury shares Rm	Other reserves Foreign currency translation reserve (FCTR) Rm	Non-distributable reserve (NDR) Rm	Retained earnings (RE) Rm	Shareholders' interest Rm	Non-controlling interest (NCI) Rm	
<b>Balance at 30 June 2022</b>	53 195	5 187	8 118	4 712	71 212	18 934	90 146
<b>Total comprehensive income</b>							
Profit after taxation	–	–	–	1 866	1 866	(327)	1 539
Other comprehensive income	–	871	–	–	871	530	1 401
<b>Transactions with owners recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Transfer non-distributable items to NDR	–	–	(669)	669	–	–	–
Share-based payment transactions	44	–	17	–	61	–	61
Dividends declared	–	–	–	(2 282)	(2 282)	(501)	(2 783)
<b>Changes in ownership interest</b>							
Share buyback – GOZ	–	–	–	–	–	(242)	(242)
Shares issued to NCI – GHPH	–	–	–	13	13	487	500
Shares issued to NCI – GSAH	–	–	–	7	7	243	250
<b>Balance at 31 December 2022</b>	53 239	6 058	7 466	4 985	71 748	19 124	90 872
<b>Total comprehensive income</b>							
Profit after taxation	–	–	–	490	490	(202)	288
Other comprehensive income	–	2 229	–	–	2 229	1 422	3 651
<b>Transactions with owners recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Transfer non-distributable items to NDR	–	–	(2 094)	2 094	–	–	–
Share buyback – South Africa	(401)	–	–	–	(401)	–	(401)
Share-based payment transactions	23	–	(2)	–	21	–	21
Dividends declared	–	–	–	(2 176)	(2 176)	(551)	(2 727)
<b>Changes in ownership interest</b>							
Shares issued to NCI – C&R	–	–	–	–	–	5	5
Share buyback – GOZ	–	–	–	–	–	(457)	(457)
<b>Balance at 30 June 2023</b>	52 861	8 287	5 370	5 393	71 911	19 341	91 252
<b>Total comprehensive income</b>							
Loss after taxation	–	–	–	157	157	(599)	(442)
Other comprehensive loss	–	(228)	–	–	(228)	(131)	(359)
<b>Transactions with owners recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Transfer non-distributable items to NDR	–	–	(2 141)	2 141	–	–	–
Share-based payment transactions	87	–	(20)	–	67	–	67
Dividends declared	–	–	–	(2 228)	(2 228)	(540)	(2 768)
<b>Changes in ownership interest</b>							
Open offer – C&R	–	–	(53)	–	(53)	80	27
Shares issued to NCI – GSAH	–	–	(5)	–	(5)	345	340
<b>Balance at 31 December 2023</b>	52 948	8 059	3 151	5 463	69 621	18 496	88 117

	Unaudited six months 31 December 2023 Cents	Unaudited six months 31 December 2022 Cents	Audited 12 months 30 June 2023 Cents
Dividend per share	58.8	64.3	130.1

# STATEMENT OF CASH FLOWS

for the six months ended 31 December 2023

	Unaudited six months 31 December 2023 Rm	Unaudited six months 31 December 2022 Rm	Audited 12 months 30 June 2023 Rm
<b>Cash flows from operating activities</b>			
Cash generated from operating activities	4 139	5 004	10 719
Interest paid	(2 041)	(1 623)	(4 174)
Interest received	299	307	656
Dividends received	10	168	282
Taxation paid	(80)	(151)	(391)
Investment in property held for trading and development	(91)	(72)	(174)
Disposal of property held for trading and development	141	333	340
Distribution paid to shareholders	(2 768)	(2 783)	(5 510)
<b>Net cash (utilised by)/generated from operating activities</b>	<b>(391)</b>	<b>1 183</b>	<b>1 748</b>
<b>Cash flows from investing activities</b>			
Investments in:	(3 524)	(4 633)	(6 263)
Business combinations – Fortius (net of cash acquired)	–	(586)	(585)
Equipment	(36)	(34)	(48)
Intangible assets	–	(3)	–
Investment property	(3 488)	(3 491)	(5 084)
Long-term loans	–	(5)	(32)
Unlisted investment	–	(514)	(514)
Proceeds from:	1 229	1 608	3 939
Disposal of equity-accounted investments	–	–	1
Disposal of investment property	1 040	726	3 048
Disposal of investment property held for sale	18	882	881
Disposal of unlisted investment	–	–	2
Repayment of long-term loans granted	171	–	7
<b>Net cash utilised by investing activities</b>	<b>(2 295)</b>	<b>(3 025)</b>	<b>(2 324)</b>
<b>Cash flows from financing activities</b>			
Proceeds from:	4 628	5 294	13 821
Borrowings raised	4 261	4 544	13 066
Open offer – C&R	27	–	5
Shares issued to NCI – GHPH	–	500	500
Shares issued to NCI – GSAH	340	250	250
Repayments of borrowings	(2 752)	(2 745)	(12 011)
Repayments of lease liability	(15)	(6)	(28)
Share buyback – SA	–	–	(401)
Share buyback – GOZ	–	(242)	(699)
<b>Net cash generated from financing activities</b>	<b>1 861</b>	<b>2 301</b>	<b>682</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(33)</b>	<b>54</b>	<b>572</b>
(Decrease)/increase in cash and cash equivalents	(858)	513	678
Cash and cash equivalents at beginning of period	3 519	2 841	2 841
<b>Cash and cash equivalents at end of reporting period</b>	<b>2 661</b>	<b>3 354</b>	<b>3 519</b>



# SEGMENTAL ANALYSIS

for the six months ended 31 December 2023

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

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

Segments	Geographical segment	Brief description of segment
<b>South African 100%-owned properties</b>		
<b>Retail</b>	<b>South Africa</b>	The retail portfolio consists of 37 properties in South Africa, comprising shopping centres and standalone single-tenanted properties. It includes regional, community, neighbourhood, retail warehouses and speciality centres.
<b>Office</b>	<b>South Africa</b>	The office portfolio consists of 153 properties in South Africa, which includes high-rise and low-rise offices, office parks, office warehouses, vacant land as well as mixed-use properties comprising both office and retail.
<b>Industrial</b>	<b>South Africa</b>	The industrial portfolio consists of 162 properties in South Africa which includes warehousing, industrial parks, motor-related outlets, low and high-grade industrial, high-tech industrial, telecommunication assets, land zoned for development, vacant land as well as mini, midi and maxi units.
<b>Trading and development</b>	<b>South Africa</b>	The trading and development portfolio consists of seven properties.
<b>V&amp;A Waterfront</b>	<b>South Africa</b>	The V&A Waterfront is a 123 hectare mixed-use property development situated in and around the historic Victoria and Alfred Basin, which formed Cape Town's original harbour. Its properties include retail, office, fishing and industrial, hotel and residential as well as undeveloped bulk.
<b>Growthpoint Investment Partners (GIP)</b>		
<b>GHPH</b>	<b>South Africa</b>	The healthcare portfolio consists of seven hospitals, a pharmaceutical warehouse facility and one medical chambers building.
<b>GSAH</b>	<b>South Africa</b>	The student accommodation portfolio consists of 11 purpose-built student accommodation properties and three properties under development situated in Johannesburg, Pretoria and Cape Town.
<b>Lango</b>	<b>Rest of Africa</b>	The portfolio consists of eight commercial properties and three plots of land across selected cities on the African continent.
<b>Offshore</b>		
<b>GWI</b>	<b>Central and Eastern Europe (CEE)</b>	The portfolio consists of 71 standing properties in Poland and Romania, mostly modern A-grade office properties, industrial properties as well as a residential property complex.
<b>GOZ</b>	<b>Australia</b>	The portfolio consists of 57 properties which includes both industrial and office properties, all situated in Australia.
<b>C&amp;R</b>	<b>United Kingdom (UK)</b>	The portfolio consists of six properties that are community-based shopping centres, all situated in the UK.

# SEGMENTAL ANALYSIS continued

for the six months ended 31 December 2023

	Unaudited 31 December 2023						
	South Africa						Total SA reported Rm
	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	T&D segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	
<b>Material profit or loss disclosures</b>							
Revenue excluding straight-line lease adjustment	1 612	1 571	795	41	–	–	4 019
Asset management fee income	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	(520)	(576)	(193)	(9)	–	–	(1 298)
Net property income	1 092	995	602	32	–	–	2 721
Other administrative and operating overheads	–	–	–	–	(224)	–	(224)
Asset management fee expense	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable loss	–	–	–	–	–	86	86
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	391	391
Fair value adjustment on investment property	5	218	34	–	–	–	257
Fair value adjustments (other than investment property)	–	–	–	–	(319)	–	(319)
Capital items and non-cash charges	–	–	–	–	(14)	–	(14)
Finance and other investment income	–	–	–	–	62	–	62
Finance expense	–	–	–	–	(1 847)	–	(1 847)
<b>Consolidated profit before taxation</b>	<b>1 097</b>	<b>1 213</b>	<b>636</b>	<b>32</b>	<b>(2 342)</b>	<b>477</b>	<b>1 113</b>
<b>Assets</b>							
Cash and cash equivalents	–	–	–	–	875	–	875
Trade and other receivables	–	–	–	–	919	–	919
Taxation receivable	–	–	–	–	59	–	59
Investment property classified as held for sale	–	–	76	–	–	–	76
Investment property held for trading and development	–	–	–	480	–	–	480
Derivative assets	–	–	–	–	814	–	814
Listed investments	–	–	–	–	–	–	–
Fair value of property assets	24 967	26 281	12 906	–	–	–	64 154
Fair value of investment property	24 874	25 815	12 840	–	–	–	63 529
Tenant incentives	72	466	53	–	–	–	591
Right-of-use assets	21	–	13	–	–	–	34
Long-term loans granted	–	–	–	–	3 156	–	3 156
Equity-accounted investments	–	–	–	–	37	6 609	6 646
Unlisted investments	–	–	–	–	65	–	65
Equipment	–	–	–	–	8	–	8
Investment in subsidiaries	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	487	–	487
Deferred tax assets	–	–	–	–	–	–	–
<b>Total assets</b>	<b>24 967</b>	<b>26 281</b>	<b>12 982</b>	<b>480</b>	<b>6 420</b>	<b>6 609</b>	<b>77 739</b>
<b>Total property assets</b>	<b>24 967</b>	<b>26 281</b>	<b>12 982</b>	<b>480</b>	<b>–</b>	<b>10 343</b>	<b>75 053</b>
<b>Liabilities</b>							
Trade and other payables	–	–	–	–	1 680	–	1 680
Derivative liabilities	–	–	–	–	1 327	–	1 327
Tax payable	–	–	–	–	–	–	–
Intercompany liabilities	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	41 038	–	41 038
Lease liability	–	–	–	–	34	–	34
Deferred tax liability	–	–	–	–	4 589	–	4 589
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>48 668</b>	<b>–</b>	<b>48 668</b>
<b>Other disclosures</b>							
Transfers between segments	–	–	(61)	61	–	–	–
Acquisitions	–	7	4	–	–	–	11
Development and capital expenditure	268	153	476	98	–	–	995

**Unaudited 31 December 2023**

Growthpoint Investment Partners (GIP)										Offshore						Total Group as reported Rm		
Dividends received/investment				GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Consoli- dation Rm	Total GIP reported Rm	Dividends received/investment			Total Offshore Rm	Total Offshore reported Rm				
GHPH 39.1% Rm	GSAH 12.0% Rm	Lango 18.4% Rm	Australia 100% Rm							UK 100% Rm	CEE 29.5% Rm	Australia segment Rm			UK segment Rm		Consoli- dation Rm	
—	—	—	—	—	—	232	174	—	406	—	—	—	—	1 843	653	—	2 496	6 921
—	—	—	42	42	—	—	—	(42)	—	—	—	—	—	49	—	—	49	49
—	—	—	—	—	—	(37)	(85)	—	(122)	—	—	—	—	(329)	(339)	—	(668)	(2 088)
—	—	—	42	42	195	89	(42)	284	—	—	—	—	1 563	314	—	1 877	4 882	
—	—	—	(14)	(14)	(5)	(6)	—	(25)	—	—	—	—	(213)	(77)	—	(290)	(539)	
—	—	—	—	—	(23)	(19)	42	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	(363)	(363)	—	—	—	(363)	(277)
—	—	—	—	—	—	—	—	—	—	—	—	196	196	—	—	—	—	587
—	—	—	—	—	68	(44)	—	24	—	—	—	—	(2 347)	(198)	—	(2 545)	(2 264)	
—	—	—	—	—	—	(3)	—	(3)	—	—	—	—	(272)	(256)	—	(528)	(850)	
—	—	—	—	—	—	—	—	—	—	—	—	—	(7)	8	—	1	(13)	
46	3	—	—	49	4	5	(49)	9	552	67	—	619	49	—	(619)	49	120	
—	—	—	—	—	(39)	(46)	—	(85)	—	—	—	—	(554)	(105)	—	(659)	(2 591)	
46	3	—	28	77	200	(24)	(49)	204	552	67	(167)	452	(1 781)	(314)	(619)	(2 262)	(945)	
—	—	—	—	—	—	2	118	—	120	—	—	—	—	776	890	—	1 666	2 661
—	—	—	—	—	—	87	58	—	145	—	—	—	—	274	401	—	675	1 739
—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	—	—	1	60
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	76
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	480
—	—	—	—	—	—	—	3	—	3	—	—	—	—	473	37	—	510	1 327
—	—	—	—	—	—	—	—	—	—	—	—	—	—	1 681	—	—	1 681	1 681
—	—	—	—	—	3 843	3 376	—	7 219	—	—	—	—	58 677	9 281	—	67 958	139 331	
—	—	—	—	—	3 810	3 376	—	7 186	—	—	—	—	56 666	8 736	—	65 402	136 117	
—	—	—	—	—	—	33	—	—	33	—	—	—	—	850	76	—	926	1 550
—	—	—	—	—	—	—	—	—	—	—	—	—	—	1 161	469	—	1 630	1 664
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3 156
—	—	—	9	9	—	—	—	9	—	—	9 540	9 540	—	—	—	—	9 540	16 195
—	—	1 333	—	1 333	—	—	—	1 333	—	—	—	—	—	50	—	—	50	1 448
—	—	—	—	—	—	2	—	2	—	—	—	—	—	32	81	—	113	123
754	240	—	—	994	—	—	(994)	—	9 594	4 146	—	13 740	—	—	(13 740)	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	440	—	—	440	927
—	—	—	—	—	—	—	—	—	—	—	—	—	—	20	84	—	104	104
754	240	1 333	9	2 336	3 932	3 557	(994)	8 831	9 594	4 146	9 540	23 280	62 424	10 774	(13 740)	82 738	169 308	
—	—	10 693	—	10 693	3 843	3 376	—	17 912	—	—	16 970	16 970	58 677	9 281	—	84 928	177 893	
—	—	—	—	—	—	1	185	—	186	—	—	—	—	811	693	—	1 504	3 370
—	—	—	—	—	—	—	—	—	—	—	—	—	—	33	24	—	57	1 384
—	—	—	—	—	—	—	—	—	—	—	—	—	—	35	—	—	35	35
—	—	—	—	—	369	—	(369)	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	1 275	—	1 275	—	—	—	—	23 254	4 074	—	27 328	69 641	
—	—	—	—	—	—	1	—	1	—	—	—	—	1 342	678	—	2 020	2 055	
—	—	—	—	—	—	117	—	117	—	—	—	—	—	—	—	—	—	4 706
—	—	—	—	—	—	370	1 578	(369)	1 579	—	—	—	—	25 475	5 469	—	30 944	81 191
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	106	527	—	633	—	—	—	—	—	1 032	—	1 032	1 676
—	—	—	—	—	—	3	176	—	179	—	—	—	—	173	132	—	305	1 479

# SEGMENTAL ANALYSIS continued

for the six months ended 31 December 2023

	Unaudited 31 December 2022						Total SA reported Rm
	South Africa						
	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	T&D segment 100% Rm	Head Office SA 100% Rm	V&A Waterfront segment 50% Rm	
<b>Material profit or loss disclosures</b>							
Revenue excluding straight-line lease adjustment	1 603	1 583	784	132	–	–	4 102
Asset management fee income	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	(507)	(528)	(213)	(4)	–	–	(1 252)
Net property income	1 096	1 055	571	128	–	–	2 850
Other administrative and operating overheads	–	–	–	(20)	(191)	–	(211)
Asset management fee expense	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable profit	–	1	–	–	–	128	129
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	335	335
Fair value adjustment on investment property	474	185	223	–	–	–	775
Fair value adjustments (other than investment property)	–	–	–	–	222	–	222
Capital items and non-cash charges	–	–	–	–	(64)	–	(64)
Finance and other investment income	–	–	–	–	90	–	90
Finance expense	–	–	–	–	(1 381)	–	(1 381)
<b>Consolidated profit before taxation</b>	<b>1 570</b>	<b>1 241</b>	<b>794</b>	<b>108</b>	<b>(1 324)</b>	<b>463</b>	<b>2 745</b>
<b>Assets</b>							
Cash and cash equivalents	–	–	–	–	1 223	–	1 223
Trade and other receivables	–	–	–	–	1 079	–	1 079
Taxation receivable	–	–	–	–	128	–	128
Investment property classified as held for sale	–	–	113	–	–	–	113
Investment property held for trading and development	–	–	–	324	–	–	324
Derivative assets	–	–	–	–	1 925	–	1 925
Listed investments	–	–	–	–	–	–	–
Fair value of property assets	25 212	26 225	12 116	–	–	–	63 553
Fair value of investment property	25 096	25 889	12 092	–	–	–	63 077
Tenant incentives	79	336	24	–	–	–	439
Right-of-use assets	37	–	–	–	–	–	37
Long-term loans granted	–	–	–	–	3 334	–	3 334
Equity-accounted investments	–	–	–	–	36	5 910	5 946
Unlisted investments	–	–	–	–	62	–	62
Equipment	–	–	–	–	2	–	2
Investment in subsidiaries	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	460	–	460
Deferred tax assets	–	–	–	–	–	–	–
<b>Total assets</b>	<b>25 212</b>	<b>26 225</b>	<b>12 229</b>	<b>324</b>	<b>8 249</b>	<b>5 910</b>	<b>78 149</b>
<b>Total property assets</b>	<b>25 212</b>	<b>26 225</b>	<b>12 229</b>	<b>324</b>	<b>–</b>	<b>9 193</b>	<b>73 183</b>
<b>Liabilities</b>							
Trade and other payables	–	–	–	–	1 800	–	1 800
Derivative liabilities	–	–	–	–	743	–	743
Tax payable	–	–	–	–	–	–	–
Business combination variable consideration	–	–	–	–	–	–	–
Intercompany liabilities	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	39 198	–	39 198
Lease liability	–	–	–	–	37	–	37
Deferred tax liability	–	–	–	–	5 013	–	5 013
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>46 791</b>	<b>–</b>	<b>46 791</b>
<b>Other disclosures</b>							
Transfers between segments	–	–	(144)	–	–	–	(144)
Acquisitions	–	–	212	–	–	–	212
Development and capital expenditure	172	179	123	19	–	–	493



Unaudited 31 December 2022

Growthpoint Investment Partners (GIP)										Offshore							Total Group as reported Rm	
Dividends received/investment				GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Consolidation Rm	Total GIP reported Rm	Dividends received/investment			Total Offshore Rm	Australia segment Rm	UK segment Rm	Consolidation Rm		
GHPH 39.1% Rm	GSAH 14.3% Rm	Lango 18.4% Rm								Australia 100% Rm	UK 100% Rm	CEE 29.4% Rm						
–	–	–	–	–	–	224	164	–	388	–	–	–	–	1 965	523	–		2 488
–	–	–	48	48	–	–	–	(48)	–	–	–	–	–	32	–	–	32	32
–	–	–	–	–	–	(41)	(58)	–	(99)	–	–	–	–	(332)	(266)	–	(598)	(1 949)
–	–	–	48	48	183	106	(48)	–	289	–	–	–	–	1 665	257	–	1 922	5 061
–	–	–	(12)	(12)	(4)	(4)	–	–	(20)	–	–	–	–	(186)	(35)	–	(221)	(452)
–	–	–	–	–	–	(22)	(17)	39	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	(445)	(445)	–	–	–	(445)	(316)
–	–	–	–	–	–	–	–	9	9	–	–	159	159	–	–	–	159	503
–	–	–	–	–	–	57	156	–	213	–	–	–	–	(2 340)	(372)	–	(2 712)	(1 724)
–	–	–	–	–	–	–	1	–	1	–	–	–	–	134	7	–	141	364
–	–	–	–	–	–	–	–	–	–	–	–	–	–	(5)	(19)	–	(24)	(88)
67	9	3	–	79	3	2	(76)	–	8	512	52	–	564	(488)	(58)	–	18	116
–	–	–	–	–	–	(51)	(24)	–	(75)	–	–	–	–	(451)	(107)	–	(558)	(2 014)
67	9	3	36	115	166	220	(76)	–	425	512	52	(286)	278	(1 671)	(327)	–	(1 720)	1 450
–	–	–	–	–	–	89	300	–	389	–	–	–	–	598	1 144	–	1 742	3 354
–	–	–	–	–	–	66	29	–	95	–	–	–	–	287	272	–	559	1 733
–	–	–	–	–	–	–	–	–	–	–	–	–	–	7	–	–	7	135
–	–	–	–	–	–	–	–	–	–	–	–	–	–	1 512	–	–	1 512	1 625
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	324
–	–	–	–	–	–	–	7	–	7	–	–	–	–	599	32	–	631	2 563
–	–	–	–	–	–	–	–	–	–	–	–	–	–	1 654	–	–	1 654	1 654
–	–	–	–	–	–	3 615	2 655	–	6 270	–	–	–	–	59 012	7 204	–	66 216	136 039
–	–	–	–	–	–	3 587	2 655	–	6 242	–	–	–	–	57 014	6 706	–	63 720	133 039
–	–	–	–	–	–	28	–	–	28	–	–	–	–	879	54	–	933	1 400
–	–	–	–	–	–	–	–	–	–	–	–	–	–	1 119	444	–	1 563	1 600
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	3 334
–	–	–	10	10	–	–	–	–	10	–	–	8 900	8 900	–	–	–	8 900	14 856
–	–	1 281	–	1 281	–	–	–	–	1 281	–	–	–	–	50	–	–	50	1 393
–	–	–	–	–	–	–	2	–	2	–	–	–	–	36	37	–	73	77
750	240	–	–	990	–	–	–	(990)	–	9 594	3 870	–	13 464	–	–	(13 464)	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	598	–	–	598	1 058
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	22	–	22	22
750	240	1 281	10	2 281	3 770	2 993	(990)	–	8 054	9 594	3 870	8 900	22 364	64 353	8 711	(13 464)	81 964	168 167
–	–	10 432	–	10 432	3 615	2 655	–	–	16 702	–	–	16 518	16 518	60 524	7 204	–	84 246	174 131
–	–	–	–	–	–	43	218	–	261	–	–	–	–	841	594	–	1 435	3 496
–	–	–	–	–	–	–	–	–	–	–	–	–	–	55	–	–	55	798
–	–	–	–	–	–	–	–	–	–	–	–	–	–	60	21	–	81	81
–	–	–	–	–	–	–	–	–	–	–	–	–	–	50	–	–	50	50
–	–	–	–	–	–	553	–	(553)	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	926	–	926	–	–	–	–	22 583	3 075	–	25 658	65 782
–	–	–	–	–	–	–	1	–	1	–	–	–	–	1 251	618	–	1 869	1 907
–	–	–	–	–	–	–	117	–	117	–	–	–	–	51	–	–	51	5 181
–	–	–	–	–	–	596	1 262	(553)	1 305	–	–	–	–	24 891	4 308	–	29 199	77 295
–	–	–	–	–	–	144	–	–	144	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	33	–	33	–	–	–	–	2 033	–	–	2 033	2 278
–	–	–	–	–	–	1	346	–	347	–	–	–	–	150	92	–	242	1 082

# SEGMENTAL ANALYSIS continued

for the six months ended 31 December 2023

	Audited 30 June 2023						Total SA reported Rm
	South Africa						
	Retail segment 100% Rm	Office segment 100% Rm	Industrial segment 100% Rm	T&D segment 100% Rm	SA Head Office 100% Rm	V&A Waterfront segment 50% Rm	
<b>Material profit or loss disclosures</b>							
Revenue excluding straight-line lease adjustment	3 210	3 119	1 558	137	–	–	8 024
Funds management revenue	–	–	–	–	–	–	–
Property-related expenses (including expected credit losses)	(1 026)	(1 070)	(391)	(9)	–	–	(2 496)
Net property income	2 184	2 049	1 167	128	–	–	5 528
Other administrative and operating overheads	–	–	–	(37)	(348)	–	(385)
Asset management fee expense	–	–	–	–	–	–	–
Equity-accounted investment profit – non-distributable profit	–	(1)	–	–	–	744	743
Equity-accounted investment profit – dividends/interest received	–	–	–	–	–	688	688
Fair value adjustment on investment property	563	(228)	356	–	–	–	691
Fair value adjustments (other than investment property)	–	–	–	–	19	–	19
Capital items and non-cash charges	–	–	–	–	(29)	–	(29)
Finance and other investment income	–	–	–	–	187	–	187
Finance expense	–	–	–	–	(3 015)	–	(3 015)
<b>Consolidated profit before taxation</b>	<b>2 747</b>	<b>1 820</b>	<b>1 523</b>	<b>91</b>	<b>(3 186)</b>	<b>1 432</b>	<b>4 427</b>
<b>Assets</b>							
Cash and cash equivalents	–	–	–	–	1 518	–	1 518
Trade and other receivables	–	–	–	–	927	–	927
Taxation receivable	–	–	–	–	163	–	163
Investment property classified as held for sale	–	–	18	–	–	–	18
Investment property held for trading and development	–	–	–	442	–	–	442
Derivative assets	–	–	–	–	1 200	–	1 200
Listed investments	–	–	–	–	–	–	–
Fair value of property assets	25 180	25 841	12 584	–	27	–	63 632
Fair value of investment property	25 062	25 494	12 556	–	–	–	63 112
Tenant incentives	81	347	28	–	27	–	483
Right-of-use assets	37	–	–	–	–	–	37
Long-term loans granted	–	–	–	–	3 235	–	3 235
Equity-accounted investments	–	–	–	–	35	6 524	6 559
Unlisted investments	–	–	–	–	62	–	62
Equipment	–	–	–	–	7	–	7
Investment in subsidiaries	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	490	–	490
Deferred tax assets	–	–	–	–	–	–	–
<b>Total assets</b>	<b>25 180</b>	<b>25 841</b>	<b>12 602</b>	<b>442</b>	<b>7 664</b>	<b>6 524</b>	<b>78 253</b>
<b>Total property assets</b>	<b>25 180</b>	<b>25 841</b>	<b>12 602</b>	<b>442</b>	<b>27</b>	<b>10 064</b>	<b>74 156</b>
<b>Liabilities</b>							
Trade and other payables	–	–	–	–	1 929	–	1 929
Derivative liabilities	–	–	–	–	1 450	–	1 450
Tax payable	–	–	–	–	–	–	–
Interest-bearing borrowings	–	–	–	–	40 357	–	40 357
Lease liability	–	–	–	–	37	–	37
Deferred tax liability	–	–	–	–	5 127	–	5 127
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>48 900</b>	<b>–</b>	<b>48 900</b>
<b>Other disclosures</b>							
Transfers between segments	–	(76)	(144)	76	–	–	(144)
Acquisitions	–	–	218	32	–	–	250
Development and capital expenditure	398	379	603	142	–	–	1 522

Audited 30 June 2023

Growthpoint Investment Partners (GIP)									Offshore							Total Group as reported Rm		
Dividends received/investment				GIP fund manager Rm	Total GIP Rm	GHPH segment Rm	GSAH segment Rm	Consolidation Rm	Total GIP reported Rm	Dividends received/investment			Total Offshore Rm	Australia segment Rm	UK segment Rm		Consolidation Rm	Total Offshore reported Rm
GHPH 39.1% Rm	GSAH 14.3% Rm	Lango 18.4% Rm								Australia 100% Rm	UK 100% Rm	CEE 29.5% Rm						
-	-	-	-	-	-	451	379	-	830	-	-	-	-	3 745	1 090	-	4 835	13 689
-	-	-	98	98	-	-	(98)	-	-	-	-	-	-	95	-	-	95	95
-	-	-	-	-	(78)	(141)	-	-	(219)	-	-	-	-	(661)	(550)	-	(1 211)	(3 926)
-	-	-	98	98	373	238	(98)	611	-	-	-	-	3 179	540	-	3 719	9 858	
-	-	-	(24)	(24)	(7)	(7)	-	(38)	-	-	-	-	(410)	(98)	-	(508)	(931)	
-	-	-	-	-	(44)	(33)	77	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	(756)	(756)	-	-	-	-	(756)	(13)
-	-	-	-	-	-	-	21	21	-	-	352	352	-	-	-	352	1 061	
-	-	-	-	-	97	44	-	141	-	-	-	-	(4 538)	(366)	-	(4 904)	(4 072)	
-	-	-	-	-	-	3	-	3	-	-	-	-	339	51	-	390	412	
-	-	-	-	-	-	-	-	-	-	-	-	-	(140)	(32)	-	(172)	(201)	
121	22	3	-	146	6	8	(143)	17	1 047	104	-	1 151	101	4	(1 151)	105	309	
-	-	-	-	-	(94)	(58)	-	(152)	-	-	-	-	(986)	(203)	-	(1 189)	(4 356)	
121	22	3	74	220	331	195	(143)	603	1 047	104	(404)	747	(2 455)	(104)	(1 151)	(2 963)	2 067	
-	-	-	-	-	79	125	-	204	-	-	-	-	620	1 177	-	1 797	3 519	
-	-	-	-	-	46	81	-	127	-	-	-	-	205	322	-	527	1 581	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	163	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	442	
-	-	-	-	-	-	10	-	10	-	-	-	-	724	37	-	761	1 971	
-	-	-	-	-	-	-	-	-	-	-	-	-	1 576	-	-	1 576	1 576	
-	-	-	-	-	3 668	2 717	-	6 385	-	-	-	-	61 760	8 545	-	70 305	140 322	
-	-	-	-	-	3 633	2 717	-	6 350	-	-	-	-	59 676	7 966	-	67 642	137 104	
-	-	-	-	-	35	-	-	35	-	-	-	-	904	64	-	968	1 486	
-	-	-	-	-	-	-	-	-	-	-	-	-	1 180	515	-	1 695	1 732	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 235	
-	-	-	9	9	-	-	-	9	-	-	9 903	9 903	-	-	-	9 903	16 471	
-	-	1 449	-	1 449	-	-	-	1 449	-	-	-	-	50	-	-	50	1 561	
-	-	-	-	-	-	3	-	3	-	-	-	-	35	66	-	101	111	
766	240	-	-	1 006	-	-	(1 006)	-	9 594	3 563	-	13 157	-	-	(13 157)	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	487	-	-	487	977	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	29	-	29	29	
766	240	1 449	9	2 464	3 793	2 936	(1 006)	8 187	9 594	3 563	9 903	23 060	65 457	10 176	(13 157)	85 536	171 976	
-	-	11 520	-	11 520	3 668	2 717	-	17 905	-	-	17 432	17 432	61 760	8 545	-	87 737	179 798	
-	-	-	-	-	29	132	-	161	-	-	-	-	863	670	-	1 533	3 623	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 450	
-	-	-	-	-	-	-	-	-	-	-	-	-	89	-	-	89	89	
-	-	-	-	-	935	927	(935)	927	-	-	-	-	23 293	3 603	-	26 896	68 180	
-	-	-	-	-	-	1	-	1	-	-	-	-	1 343	720	-	2 063	2 101	
-	-	-	-	-	-	117	-	117	-	-	-	-	37	-	-	37	5 281	
-	-	-	-	-	964	1 177	(935)	1 206	-	-	-	-	25 625	4 993	-	30 618	80 724	
-	-	-	-	-	144	-	-	144	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	49	-	49	-	-	-	-	2 033	-	-	2 033	2 332	
-	-	-	-	-	7	392	-	399	-	-	-	-	336	270	-	606	2 527	

# NOTES

for the six months ended 31 December 2023

## 1. Basic and headline earnings per share

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

		Earnings attributable			Weighted average number of shares			Cents per share		
		Unaudited six months 31 December 2023 Rm	Unaudited six months 31 December 2022 Rm	Audited 12 months 30 June 2023 Rm	Unaudited six months 31 December 2023	Unaudited six months 31 December 2022	Audited 12 months 30 June 2023	Unaudited six months 31 December 2023	Unaudited six months 31 December 2022	Audited 12 months 30 June 2023
<b>Total operations</b>										
EPS	Basic	157	1 866	2 356	3 383 765 979	3 409 588 747	3 402 743 839	4.64	54.73	69.24
EPS	Diluted	157	1 866	2 356	3 405 497 020	3 429 736 493	3 420 915 475	4.61	54.41	68.87
HEPS	Basic	1 915	2 932	5 091	3 383 765 979	3 409 588 747	3 402 743 839	56.59	85.99	149.61
HEPS	Diluted	1 915	2 932	5 091	3 405 497 020	3 429 736 493	3 420 915 475	56.23	85.49	148.82

		Earnings attributable			Actual number of shares			Cents per share		
		Unaudited six months 31 December 2023 Rm	Unaudited six months 31 December 2022 Rm	Audited 12 months 30 June 2023 Rm	Unaudited six months 31 December 2023	Unaudited six months 31 December 2022	Audited 12 months 30 June 2023	Unaudited six months 31 December 2023	Unaudited six months 31 December 2022	Audited 12 months 30 June 2023
DIPS		2 414	2 662	5 363	3 386 456 626	3 411 622 222	3 380 482 632	71.2	77.9	157.6

### 1.2 Reconciliation between basic earnings, diluted earnings and headline earnings

	SOI <sup>#</sup>			Total gross and net		
	Unaudited six months 31 December 2023 Rm*	Unaudited six months 31 December 2022 Rm*	Audited 12 months 30 June 2023 Rm*	Unaudited six months 31 December 2023 Rm	Unaudited six months 31 December 2022 Rm	Audited 12 months 30 June 2023 Rm
Profit for the period				157	1 866	2 356
Impairment of goodwill				–	–	111
Fair value adjustments on investment property				1 758	1 066	2 624
Net investment property valuation	(3 278)	(1 286)	(3 817)	2 415	1 562	4 028
Fair value adjustments: equity-accounted investments	(277)	(316)	(13)	313	500	316
NCI portion of fair value adjustments	(3 278)	(1 286)	(3 817)	(970)	(996)	(1 720)
<b>Headline basic and diluted earnings</b>				<b>1 915</b>	<b>2 932</b>	<b>5 091</b>

<sup>#</sup> Statement of profit or loss and other comprehensive income.

\* The impairment of goodwill, fair value adjustment on investment property and NCI portions are included in the "fair value adjustment, capital items and other charges" line item on the face of the statement of profit or loss and other comprehensive income, which total (R3 278m) (HY23: (R1 286m); FY23: (R3 817m)). The fair value adjustment for equity-accounted investments is included in the "non-distributable income" line on the face of the statement of profit or loss and other comprehensive income, which total (R277m) (HY23: (R316m); FY23: (R13m)).

### 1.3 Reconciliation of weighted average number of shares

	Weighted number of shares		
	Unaudited six months 31 December 2023	Unaudited six months 31 December 2022	Audited 12 months 30 June 2023
Weighted average number of shares	3 383 765 979	3 409 588 747	3 402 743 839
Number of shares as at 1 July	3 430 787 066	3 430 787 066	3 430 787 066
Effect of treasury shares held	(47 021 087)	(21 198 319)	(28 043 227)
Dilutive effect of share options granted to employees	21 731 041	20 147 746	18 171 636
<b>Diluted average number of shares</b>	<b>3 405 497 020</b>	<b>3 429 736 493</b>	<b>3 420 915 475</b>



## 2. Classification of financial assets and liabilities

	Designated as fair value through profit or loss Rm	Fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
<b>Assets</b>					
<b>Unaudited</b>					
<b>31 December 2023</b>					
Cash and cash equivalents	–	567	2 094	–	2 661
Trade and other receivables	–	–	1 481	258	1 739
Derivative assets	–	1 327	–	–	1 327
Listed investments	–	1 681	–	–	1 681
Long-term loans granted	3 156	–	–	–	3 156
Unlisted investments	–	1 448	–	–	1 448
<b>Unaudited</b>					
<b>31 December 2022</b>					
Cash and cash equivalents*	–	723	2 631	–	3 354
Trade and other receivables	–	–	1 397	336	1 733
Derivative assets	–	2 563	–	–	2 563
Listed investments	–	1 654	–	–	1 654
Long-term loans granted	3 334	–	–	–	3 334
Unlisted investments	–	1 393	–	–	1 393
<b>Audited</b>					
<b>30 June 2023</b>					
Cash and cash equivalents	–	1 036	2 483	–	3 519
Trade and other receivables	–	–	1 314	267	1 581
Derivative assets	–	1 971	–	–	1 971
Listed investments	–	1 576	–	–	1 576
Long-term loans granted	3 235	–	–	–	3 235
Unlisted investments	–	1 561	–	–	1 561

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

# NOTES continued

for the six months ended 31 December 2023

## 2. Classification of financial assets and liabilities continued

	Designated as fair value through profit or loss Rm	Mandatorily at fair value through profit or loss Rm	Financial liabilities at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
<b>Liabilities</b>					
<b>Unaudited</b>					
<b>31 December 2023</b>					
Trade payables	–	–	3 129	241	3 370
Derivative liabilities	–	1 384	–	–	1 384
Interest-bearing borrowings	69 641	–	–	–	69 641
Lease liability	–	–	2 055	–	2 055
<b>Unaudited</b>					
<b>31 December 2022</b>					
Trade payables	–	–	3 272	224	3 496
Derivative liabilities	–	798	–	–	798
Business combination variable consideration	50	–	–	–	50
Interest-bearing borrowings	65 782	–	–	–	65 782
Lease liability	–	–	1 907	–	1 907
<b>Audited</b>					
<b>30 June 2023</b>					
Trade payables	–	–	3 407	216	3 623
Derivative liabilities	–	1 450	–	–	1 450
Interest-bearing borrowings	68 180	–	–	–	68 180
Lease liability	–	–	2 101	–	2 101

### 3. Fair value estimation

#### 3.1 Fair value measurement of assets and liabilities

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

	Unaudited six months 31 December 2023				Unaudited six months 31 December 2022				Audited 12 months 30 June 2023			
	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
<b>Assets</b>												
<b>Recurring fair value measurement</b>												
Cash and cash equivalents*	567	–	567	–	723	–	723	–	1 036	–	1 036	–
Derivative assets	1 327	–	1 327	–	2 563	–	2 563	–	1 971	–	1 971	–
Listed investments	1 681	1 681	–	–	1 654	1 654	–	–	1 576	1 576	–	–
Fair value of property assets	139 331	–	–	139 331	136 039	–	–	136 039	140 322	–	–	140 322
Long-term loans granted	3 156	–	3 156	–	3 334	–	–	3 334	3 235	–	–	3 235
Unlisted investments	1 448	–	–	1 448	1 393	–	–	1 393	1 561	–	–	1 561
<b>Non-recurring fair value measurement</b>												
Assets classified as held for sale	76	–	–	76	1 625	–	–	1 625	18	–	–	18
<b>Total assets measured at fair value</b>	<b>147 586</b>	<b>1 681</b>	<b>5 050</b>	<b>140 855</b>	<b>147 331</b>	<b>1 654</b>	<b>3 286</b>	<b>142 391</b>	<b>149 719</b>	<b>1 576</b>	<b>3 007</b>	<b>145 136</b>
<b>Liabilities</b>												
<b>Recurring fair value measurement</b>												
Derivative liabilities	1 384	–	1 384	–	798	–	798	–	1 450	–	1 450	–
Business combination variable consideration	–	–	–	–	50	–	–	50	–	–	–	–
Interest-bearing borrowings	69 641	–	69 641	–	65 782	7 356	58 426	–	68 180	–	68 180	–
<b>Total liabilities measured at fair value</b>	<b>71 025</b>	<b>–</b>	<b>71 025</b>	<b>–</b>	<b>66 630</b>	<b>7 356</b>	<b>59 224</b>	<b>50</b>	<b>69 630</b>	<b>–</b>	<b>69 630</b>	<b>–</b>

\* The comparative figures for 31 December 2022 have been restated. Money market funds are classified at fair value through profit or loss, whereas it was previously classified at amortised cost.

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

# NOTES continued

for the six months ended 31 December 2023

## 3. Fair value estimation continued

### 3.2 Movement in level 3 instruments

	Unaudited six months 31 December 2023				Unaudited six months 31 December 2022					Audited 12 months 30 June 2023		
	Invest- ment property Rm	Long- term loans granted Rm	Unlisted invest- ments Rm	Assets classified as held for sale Rm	Invest- ment property Rm	Long- term loans granted Rm	Unlisted invest- ments Rm	Assets classified as held for sale Rm	Business combi- nation variable consider- ation Rm	Property assets Rm	Long- term loans granted Rm	Unlisted invest- ments Rm
Opening balance	140 322	3 235	1 561	18	134 712	3 313	921	866	–	135 578	3 313	921
Accrued interest	–	202	–	–	–	144	–	–	–	–	355	–
Acquisition through Fortius business combination	–	–	–	–	–	–	48	–	–	–	–	–
Acquisitions	3 502	–	–	–	3 341	–	514	1	–	5 301	–	553
Adjustment to right-of-use assets	–	–	–	–	41	–	–	–	–	(2)	–	–
Advances	–	–	–	–	–	5	–	–	–	–	32	–
Business combination variable consideration – as part of Fortius acquisition	–	–	–	–	–	–	–	–	(51)	–	–	–
Depreciation and amortisation	(390)	–	–	–	(237)	–	–	–	–	(673)	–	–
Disposals	(1 036)	–	–	(18)	(782)	–	–	(882)	–	(3 967)	–	(2)
(Loss)/gains from fair value adjustments and translation of foreign operations	(2 923)	(110)	(113)	–	478	(128)	(90)	15	1	4 179	(236)	89
Settlements	–	(171)	–	–	–	–	–	–	–	–	(214)	–
Tenant incentives	–	–	–	–	149	–	–	–	–	–	–	–
Transfer from investment property to held for sale	(76)	–	–	76	(1 567)	–	–	1 567	–	–	–	–
Transfer to property held for trading and development	(68)	–	–	–	(38)	–	–	–	–	(76)	–	–
Transfer from tenant incentives to held for sale	–	–	–	–	(58)	–	–	58	–	–	–	–
Transfer to level 2 instruments	–	(3 156)	–	–	–	–	–	–	–	–	–	–
Write-off of loans	–	–	–	–	–	–	–	–	–	–	(15)	–
<b>Closing balance</b>	<b>139 331</b>	<b>–</b>	<b>1 448</b>	<b>76</b>	<b>136 039</b>	<b>3 334</b>	<b>1 393</b>	<b>1 625</b>	<b>(50)</b>	<b>140 340</b>	<b>3 235</b>	<b>1 561</b>

### 3. Fair value estimation continued

#### 3.3 Valuation process

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

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

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

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

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

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

There were no changes in valuation techniques.

During the period, long-term loans granted were transferred from level 3 to level 2. These loans were granted to the V&A. Previously, the V&A had no external interest-bearing borrowings and the credit curve used to value the loans consisted mainly of significant unobservable inputs. The V&A obtained interest-bearing borrowings from external sources for the first time, and a credit curve to value the loans was based on observable inputs from the external interest-bearing borrowings.

#### 3.4 Valuation techniques and significant unobservable inputs

##### Level 2 instruments

###### *Cash and cash equivalents*

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

The carrying value approximates the fair value.

###### *Derivative instruments*

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



# NOTES continued

for the six months ended 31 December 2023

## 3. Fair value estimation continued

### 3.4 Valuation techniques and significant unobservable inputs continued

#### Level 2 instruments continued

##### *Interest-bearing borrowings*

Description	Valuation technique	Significant unobservable inputs																								
Interest-bearing borrowings	Valued by discounting future cash flows using the applicable swap curve plus a credit margin at the dates when the cash flow will take place:	Not applicable																								
	<table border="1"> <thead> <tr> <th></th> <th>Unaudited 31 December 2023 %</th> <th>Unaudited 31 December 2022 %</th> <th>Audited 30 June 2023 %</th> </tr> </thead> <tbody> <tr> <td>SA (R)</td> <td>1.0 – 2.0</td> <td>1.0 – 2.2</td> <td>1.0 – 2.1</td> </tr> <tr> <td>SA (€)</td> <td>1.2 – 2.7</td> <td>1.2 – 1.9</td> <td>1.8 – 2.7</td> </tr> <tr> <td>GOZ (A\$)</td> <td>1.2 – 2.1</td> <td>1.3 – 2.6</td> <td>1.4 – 2.2</td> </tr> <tr> <td>GOZ (\$)</td> <td>1.7 – 1.9</td> <td>2.1 – 2.6</td> <td>2.5 – 2.6</td> </tr> <tr> <td>C&amp;R (£)</td> <td>5.0 – 6.8</td> <td>5.5 – 6.3</td> <td>5.2 – 6.1</td> </tr> </tbody> </table>		Unaudited 31 December 2023 %	Unaudited 31 December 2022 %	Audited 30 June 2023 %	SA (R)	1.0 – 2.0	1.0 – 2.2	1.0 – 2.1	SA (€)	1.2 – 2.7	1.2 – 1.9	1.8 – 2.7	GOZ (A\$)	1.2 – 2.1	1.3 – 2.6	1.4 – 2.2	GOZ (\$)	1.7 – 1.9	2.1 – 2.6	2.5 – 2.6	C&R (£)	5.0 – 6.8	5.5 – 6.3	5.2 – 6.1	
	Unaudited 31 December 2023 %	Unaudited 31 December 2022 %	Audited 30 June 2023 %																							
SA (R)	1.0 – 2.0	1.0 – 2.2	1.0 – 2.1																							
SA (€)	1.2 – 2.7	1.2 – 1.9	1.8 – 2.7																							
GOZ (A\$)	1.2 – 2.1	1.3 – 2.6	1.4 – 2.2																							
GOZ (\$)	1.7 – 1.9	2.1 – 2.6	2.5 – 2.6																							
C&R (£)	5.0 – 6.8	5.5 – 6.3	5.2 – 6.1																							

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

#### Level 3 instruments

##### *Investment property*

In terms of the Group's policy, at least 75% of the fair value of investment properties should be determined by an external, independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. In total, 9.8% of the South African portfolio was externally valued at HY24 (HY23: 8.7%; FY23: 93.9%) by the following valuers who are all registered valuers in terms of section 19 of the Property Valuers Professional Act, No 47 of 2000. The balance of the South African portfolio was valued by Growthpoint's qualified internal valuers.

Company	Valuer	Qualification of the valuer
Real Insights (Pty) Ltd	TLJ Behrens	NDip (Real Estate in Prop Val), Professional Associated Valuer
Eris Property Group (Pty) Ltd	C Everatt	BSc (Hons) Estate Management, MRICS, MIV (SA), Professional Valuer

The majority of the South African properties were valued at HY24 using the discounted cash flow (DCF) of future income streams method. 61.1% of the Australian properties were externally valued at HY24 using the DCF of future income streams method by CBRE Valuations (Pty) Ltd, Cushman & Wakefield, JLL Advisory Services (Pty) Ltd, Knight Frank LLP, M3 Property Australia (Pty) Ltd, Savills Valuation (Pty) Ltd, Urbis Valuation (Pty) Ltd who are all members of the Australian Property Institute and certified practising valuers. The balance of the Australian portfolio was valued by the GOZ directors.

The UK properties were valued at HY24 by independent qualified professional valuers from CBRE Limited in accordance with RICS (Royal Institution of Chartered Surveyors) standards.

### 3. Fair value estimation *continued*

#### 3.4 Valuation techniques and significant unobservable inputs *continued*

##### Level 3 instruments *continued*

##### *Investment property continued*

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

Description	Valuation technique	Fair value Rm	Significant unobservable inputs and range of estimates used			
			Discount rate %	Exit capitalisation rate %	Capitalisation rate %	Rental growth rate %
<b>Retail sector</b>	Discounted cash flow model	<b>24 340</b>	<b>12.89</b>	<b>8.40</b>	<b>8.02</b>	<b>4.81</b>
11 820		12.25 – 12.75	7.50 – 8.50	7.25 – 8.25	4.50 – 5.17	
9 190		13.00 – 13.25	8.00 – 9.00	7.75 – 8.75	4.50 – 5.25	
2 738		13.50 – 13.75	8.75 – 10.00	8.25 – 9.50	3.95 – 5.00	
592		14.00 – 14.00	9.50 – 10.00	9.50 – 9.75	4.25 – 5.00	
<b>Office sector</b>		<b>24 897</b>	<b>13.36</b>	<b>9.29</b>	<b>8.79</b>	<b>4.35</b>
5 660		12.50 – 12.75	8.50 – 10.00	8.00 – 9.25	4.00 – 4.70	
6 447		13.00 – 13.25	8.25 – 10.50	8.00 – 10.00	3.50 – 5.00	
7 311		13.50 – 13.75	8.75 – 11.00	8.50 – 10.50	3.69 – 5.00	
5 479		14.00 – 14.25	9.25 – 10.50	8.75 – 10.25	3.49 – 5.00	
<b>Industrial sector</b>		<b>11 365</b>	<b>13.84</b>	<b>9.83</b>	<b>9.36</b>	<b>4.51</b>
1 206		12.50 – 13.00	9.00 – 10.00	8.75 – 9.50	4.00 – 4.70	
4 248		13.25 – 13.75	8.75 – 10.50	8.50 – 9.75	4.00 – 5.00	
4 065		14.00 – 14.25	9.25 – 11.50	8.00 – 11.00	3.50 – 5.00	
1 846		14.50 – 15.25	10.00 – 11.75	9.50 – 11.25	3.50 – 5.00	
<b>GPH sector</b>		<b>3 703</b>	<b>13.49</b>	<b>9.59</b>	<b>9.24</b>	<b>3.83</b>
2 906		12.50 – 13.50	8.50 – 10.00	8.50 – 9.50	4.00 – 4.00	
797		14.25 – 15.00	10.00 – 11.50	9.50 – 11.00	1.00 – 4.00	
<b>GSAH sector</b>		<b>3 258</b>	<b>14.42</b>	<b>9.67</b>	<b>9.27</b>	<b>5.15</b>
3 258		14.00 – 15.00	9.50 – 9.75	9.00 – 9.50	5.00 – 5.50	
<b>GOZ office sector</b>	<b>36 846</b>	<b>6.78</b>	<b>6.27</b>	<b>5.97</b>	<b>3.10</b>	
16 700	6.25 – 6.50	4.50 – 6.50	5.00 – 6.75	2.60 – 3.60		
11 280	6.75 – 7.00	5.75 – 6.88	6.00 – 7.39	2.60 – 3.60		
8 866	7.25 – 7.50	6.25 – 7.00	6.50 – 7.25	2.60 – 3.60		
<b>GOZ industrial sector</b>	<b>20 670</b>	<b>6.94</b>	<b>6.39</b>	<b>5.75</b>	<b>3.20</b>	
17 144	6.75 – 7.00	5.00 – 6.06	5.12 – 6.62	2.60 – 3.80		
1 735	6.75 – 7.00	7.41 – 7.94	10.76 – 11.00	2.60 – 3.80		
1 791	7.25 – 7.75	5.75 – 6.81	6.00 – 7.33	2.60 – 3.80		
<b>Total</b>		<b>125 079</b>				

# NOTES continued

for the six months ended 31 December 2023

## 3. Fair value estimation continued

### 3.4 Valuation techniques and significant unobservable inputs continued

#### Level 3 instruments continued

#### Investment property continued

Description	Valuation technique	Fair value Rm	Value/m <sup>2</sup> range R
Retail sector	Market-comparable approach	534	12 123
		534	11 614 – 12 192
Office sector		918	3 681
		486	2 049 – 3 391
		95	4 654 – 6 240
		337	9 330 – 11 611
Industrial sector		1 551	2 726
		604	476 – 1 558
		760	3 100 – 6 910
		187	12 920 – 14 871
GPH sector		107	16 815
GSAH sector		118	8 252
<b>Total</b>		<b>3 228</b>	

#### C&R retail

Description	Valuation technique	Fair value Rm	Significant unobservable inputs and range of estimates used	
			Income capitalisation rate %	Exit capitalisation rate %
	Income capitalisation approach		7.80	8.25
Retail sector		3 411	5.65 – 6.84	7.00 – 7.90
		215	9.57 – 9.57	17.40 – 17.40
		3 483	7.13 – 7.13	7.28 – 7.28
		1 703	11.90 – 11.92	10.13 – 11.66
<b>Total</b>		<b>8 812</b>		

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

#### Unlisted investments

Description	Valuation technique	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Lango Real Estate Limited	Valued by calculating the company's percentage of investment in the fund by the net asset value	Discount rate (%)	13.00% – 16.50% (14.40% average)	A change in the discount rate by 50bps would increase/(decrease) the fair value by R33.1m/(R33.9m).
		Exit capitalisation rate (%)	8.50% – 9.00% (8.82% average)	A change in the exit capitalisation rate by 50bps would increase/(decrease) the fair value by R65.4m/(R73.2m).

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