



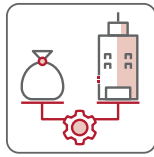
# CONDENSED UNAUDITED CONSOLIDATED INTERIM FINANCIAL RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

MARCH 2024



# Highlights



Implemented the **R2.7 billion** Waterfall City transaction with the Government Employees Pension Fund (GEPF)



Interim dividend of **30.0 cents** per share declared



Interest cover ratio improved to **1.93 times** from **1.72 times** period-on-period



Group gearing decreased to **25.3%** from **37.3%**



Occupancy increased by **10 251m<sup>2</sup>** to **93.7%**



Growth in weighted average annual trading density of **9.0%**



Development activity (under construction and approved pipeline) at Waterfall City to the value of **R1.4 billion**



Distributable income per share growth guidance revised upwards to between **10.0% and 12.5% growth** for the full year

# Commentary

## Introduction

Attacq Limited, is an innovative Real Estate Investment Trust (REIT) based in South Africa, with a vision to create sustainable value for all stakeholders. Attacq is listed on both the Johannesburg Stock Exchange (JSE) and A2X Markets, demonstrating its commitment to transparency and accountability.

Attacq focuses on developing and managing vibrant precincts in collaboration with like-minded partners. This collaborative approach has contributed to growth in the South African portfolio, which now comprises 52 buildings covering 742 281m<sup>2</sup> of effective gross lettable area (GLA).

A key strategic focus for Attacq has been its diversified portfolio of six precincts across South Africa. This multi-asset approach enables management to mitigate prevailing risks whilst ensuring resilience in the face of various challenges, including financial, social and environmental changes.

Attacq believes that a diverse portfolio of precinct-focused properties strengthens the company's ability to generate long-term value while aligning the business to deliver its vision of providing smart, safe and sustainable community spaces. This commitment extends to supporting the communities served by its real estate portfolio and prioritising the implementation of environmental sustainability initiatives.

Attacq's focused approach is on: (1) Waterfall City, comprising its completed real estate portfolio, developments under construction and leasehold land; (2) Rest of South Africa, comprising the remainder of its South African completed real estate portfolio; and (3) Other investments, comprising a 6.5% interest in MAS P.L.C. (MAS), for which a disposal agreement was reached after period end, as well as its Rest of Africa retail investments.

Attacq further diversifies its business through investments that complement its existing real estate portfolio. By pursuing opportunities that align with its strategic objectives, Attacq seeks to enhance its resilience and create sustainable value for its stakeholders over the long term.

## Executive summary

The implementation of the R2.7 billion Waterfall City transaction in October 2023, with the GEPF acquiring 30% of Attacq Waterfall Investment Company Proprietary Limited (AWIC), marks a significant milestone. The transaction introduces a long-term strategic shareholder to AWIC and makes substantial capital available for the continued development roll-out of Waterfall City. Attacq retains strategic control of AWIC through its 70% investment in AWIC, while operational control remains with Attacq Management Services Proprietary Limited, a 100% owned subsidiary of Attacq, which remains responsible for the asset and property management functions. Notably, independent property expert, Keillen Ndlovu, assumed the role of independent chairperson of AWIC, adding further depth to the governance structure.

Transaction proceeds were used to reduce interest-bearing debt by R2.9 billion resulting in an improvement in the interest cover ratio to 1.93 times from 1.72 times at December 2022, with gearing decreasing to 25.3% (Jun 2023: 37.3%). Notably, the six months ended 31 December 2023 (interim period) only reflect two months of finance cost savings from the debt reduction, the effect of which will improve the interest cover ratio for the full 12 months ending 30 June 2024.

Similarly, the impact of the Waterfall City transaction with the GEPF on distributable income will have a more marked effect in the second half of the year, being aligned with the previously provided full-year distributable income growth guidance of between 8.0% and 10.0%, expected to be achieved.

Subsequent to period end, Attacq reached an agreement to dispose of its remaining 46 157 934 shares in MAS at a price of R16.75 per share, for an aggregate cash consideration of R773.1 million (MAS disposal). The disposal is in accordance with Attacq's strategy of allocating capital towards assets that it has significant influence over.

## General overview

### Distributable income

Distributable income per share (DIPS) increased by 2.8% to 36.9 cents per share (cps) for the six months ended 31 December 2023.

A breakdown of distributable income per focus area is tabled below::

Distributable income	Dec 2023		Dec 2022		Change in cps %
	R'000	cps	R'000	cps	
Waterfall City	168 335	23.9	148 000	21.0	13.8
Rest of South Africa	93 043	13.2	74 723	10.6	24.5
Other investments	(1 516)	(0.2)	30 485	4.3	nmf
<b>Total</b>	<b>259 862</b>	<b>36.9</b>	<b>253 208</b>	<b>35.9</b>	<b>2.8</b>

The distributable income of the group is closely aligned with cash generated from operations, adjusted for non-recurring income.

DIPS from Waterfall City increased by 13.8% to 23.9cps (Dec 2022: 21.0cps), due to higher net operating income and reduced finance costs, offset by a 30.0% minority adjustment from the Waterfall City transaction with the GEPP. DIPS from the Rest of South Africa increased by 24.5% to 13.2cps (Dec 2022: 10.6cps), due to higher rental income and reduced net finance costs.

DIPS from Other investments decreased to negative 0.2cps from 4.3cps due to the absence of dividends from MAS during the period, (Dec 2022: R30.5 million dividend received).

Profit earned from the sale of 46 sectional-title units at Ellipse Waterfall, totalling R6.7 million (Dec 2022: R4.1 million of profit earned from the sale of 14 sectional-title units at Ellipse Waterfall) has been excluded from distributable income due to its trading nature. Distributable income excludes R24.8 million of prepayment penalties and refinancing fees on the early settlement of debt in respect of the implementation of the GEPP transaction.

### Financial performance

Rental income for the group increased by 9.6% to R1.3 billion (Dec 2022: 4.0% to R1.2 billion) mainly due to rental escalations as well as higher municipal recoveries on the back of higher municipal expenses. Like-for-like rental income increased by 7.1%. Gross revenue increased by 21.8% to R1.4 billion (Dec 2022: decreased by 19.5% to R1.1 billion).

Group property expenses, excluding expected credit losses (ECL) and cost of sales of sectional title units, increased by 14.8% to R497.7 million (Dec 2022: R433.7 million) mainly due to higher municipal expenses. Further contributing to the increase are the costs incurred on Waterfall Circle in preparation for the occupation of the building by DP World and the resultant direct recoverable carrying costs; direct carrying costs previously passed on to Cell C as part of its rental are now allocated to Attacq's property expenditure; and an increase in commissions paid due to increased letting activity. Property expenses increased by 13.8% on a like-for-like basis.

Group net profit from property operations, excluding the IFRS adjustment for straight-line leasing, net proceeds from the sale of sectional title units and ECLs, increased by 6.4% to R763.4 million (Dec 2022: R717.3 million). On a like-for-like basis, net operating income increased by 6.9% (Dec 2022: decrease 0.7%). Net utility recovery increased by 7.0%.

Total assets increased by 1.2% to R22.1 billion (Jun 2023: R21.8 billion) and total liabilities decreased by 24.8% to R7.1 billion (Jun 2023: R9.4 billion). NAV increased by 20.9% to R15.0 billion (Jun 2023: R12.4 billion) with the portion of the NAV attributable to equity owners of Attacq amounting to R12.1 billion, which on a per share basis, decreased to R17.25 (Jun 2023: R17.65). This was mainly due to a decrease in MAS' share price and the increase in the ECL on the Gruppo loan.

Earnings per share increased by 31.9% to 37.2 cents (Dec 2022: 28.2 cents) and headline earnings per share decreased to negative 3.3 cents (Dec 2022: 37.1 cents).

## Completed South African real estate portfolio (Waterfall City and Rest of South Africa)

Attacq has successfully created a diverse portfolio across South Africa that includes six precincts with various asset classes. The group's approach to precinct management centered around the community, operational sustainability, client experience and digital integration.

### Community focus

One notable initiative at Attacq's flagship retail asset, the Mall of Africa, is the introduction of SOOK, a short-term micro-retailer concept. SOOK offers flexible leasing space that blends a physical store presence with a digital and marketing platform. Since the opening of SOOK, there have been 138 enquiries for space with an occupancy rate of 94.0% based on the number of days that the space has been booked. The property management leasing team was able to successfully convert four SOOK clients into long-term clients.

### Operational sustainability

In line with its commitment to sustainability, Attacq has continued to implement energy-efficient initiatives. During the past six months, all generators have been equipped with energy-saving automated controllers. This initiative, together with a reduction in load shedding, resulted in an improvement in the diesel expense and the recovery ratio also improved to 84.6%.

The deployment of the planned additional 7MWp income-yielding rooftop PV systems will be completed in the next 24 to 36 months. This encompasses the expansion of the PV system at MooiRivier Mall by an additional  $\pm 400\text{kWp}$ , bringing it to a total of 1.4 MWp, which is currently in the installation phase. We anticipate commencing installations at up to seven logistics hubs and across various collaboration hubs, including the Adams & Adams building at Lynnwood Bridge Offices (120kWp). Additionally, a feasibility study is underway for installing an additional  $\pm 500\text{kWp}$  at Garden Route Mall.

Five water-resilience projects have been approved and scheduled for implementation at the following retail-experience hubs: MooiRivier Mall, Lynnwood Bridge – retail, Garden Route Mall, Eikestad Mall and Waterfall Corner. These initiatives aim to ensure emergency water availability for up to five days, depending on consumption.

### Client experience

To enhance client satisfaction and engagement, Attacq has introduced client surveys using the Net Promoter Score methodology across its six managed precincts. These surveys aim to gather and consolidate feedback from clients, which in turn informs the development of targeted solutions and lays the groundwork for future assessments of client satisfaction.

### Integrated digital platform

Attacq invested in the following integrated digital platforms to enhance business operations: a Property Management Data Platform that provides single real-time source data, a Smart Utilities Hub that provides real-time monitoring of utility performance, a Retail Leasing Tool for retail mix optimisation, and a MyBuildings platform that supports operational workflow management.

## Precinct management approach

### Retail-experience hubs

The 12-month weighted average trading density for the total portfolio increased by 9.0% to R3 969/m<sup>2</sup> (Dec 2022: increased by 14.7% to R3 643/m<sup>2</sup>) with increases at Waterfall Corner of 11.3%, Mall of Africa of 11.0% and Eikestad Mall of 9.9%. Our super-regional (Mall of Africa), regional (Garden Route Mall), and small regional malls (Eikestad Mall and MooiRivier Mall) have consistently outperformed the Clur Shopping Centre Index since January 2021. The Clur Shopping Centre Index is derived from The Clur Report, an asset management industry standard, tracking performance at more than 4 million m<sup>2</sup> of prime retail space across South Africa and Namibia, for listed and unlisted property funds.

The turnover growth of the group's clients resulted in an increase in turnover rental income during the six months ended 31 December 2023 of 9.6% to R12.4 million. The total footcount in the Attacq retail-experience hub's portfolio increased year-on-year by 5.3%. Mall of Africa experienced the highest increase in footcount, with a year-on-year growth rate of 10.2%, followed by Eikestad Mall with a year-on-year growth rate of 8.0%.

### Collaboration hubs

During the interim period, the collaboration hub sector experienced an increase in demand, leading to a corresponding increase in market rentals. A highlight in the collaboration hub space includes the leasing of 7 697m<sup>2</sup> in Waterfall Circle to DP World. Additional enquiries in the pipeline indicate a growing interest in collaboration hub space, accentuating the importance of the asset class in facilitating collaborative work environments.

## Property cost-to-income ratio

Period-on-period, the normalised cost-to-income ratios remained mainly unchanged. The municipal and diesel recovery ratio improved to 88.6% (Dec 2022: 84.8%).

	Normalised ratios*	
	Dec 2023 %	Dec 2022 %
<b>Property cost-to-income ratio</b>		
<b>Waterfall City</b>		
Net cost-to-income ratio <sup>1</sup>	27.1	27.2
Gross cost-to-income ratio <sup>2</sup>	42.6	42.3
<b>Rest of South Africa</b>		
Net cost-to-income ratio <sup>1</sup>	22.1	23.0
Gross cost-to-income ratio <sup>2</sup>	40.2	40.0
<b>Total completed SA portfolio</b>		
Net cost-to-income ratio <sup>1</sup>	25.2	25.5
Gross cost-to-income ratio <sup>2</sup>	41.6	41.4

<sup>1</sup> Calculation: (property expenses per income statement + repayment of lease liability interest + repayment of lease liability capital + municipal recoveries) / (rental income per income statement – municipal recoveries)

<sup>2</sup> Calculation: (property expenses per income statement + repayment of lease liability interest + repayment of lease liability capital) / rental income per income statement

\* Normalised to exclude material lease cancellation fees, discounts granted and ECLs on trade and other receivables

The Waterfall City portfolio's ratios above include the land lease rental obligation. The impact of IFRS 16: Leases has been excluded from this calculation.

## Occupancy

The 6 681m<sup>2</sup> (Jun 2023: 12 863m<sup>2</sup>) of unoccupied retail-experience hub space relates mainly to Brooklyn Mall (2 189m<sup>2</sup>), Eikestad Mall (1 595m<sup>2</sup>), Glenfair Boulevard (1 282m<sup>2</sup>) and Mall of Africa (1 256m<sup>2</sup>).

The 39 651m<sup>2</sup> (Jun 2023: 42 929m<sup>2</sup>) unoccupied collaboration hub spaces relate mainly to Waterfall Circle (16 657m<sup>2</sup>), Brooklyn Bridge Office Park (7 952m<sup>2</sup>) and the Cell C Campus (4 920m<sup>2</sup>).

Sector occupancy	Dec 2023				Jun 2023			
	Waterfall City	Rest of South Africa	Total	Occupied GLA	Waterfall City	Rest of South Africa	Total	Occupied GLA
	%	%	%	m <sup>2</sup>	%	%	%	m <sup>2</sup>
Retail-experience hubs	98.7	96.8	97.5	295 815	95.6	96.1	95.9	291 622
Collaboration hubs	84.5	88.6	85.6	230 129	82.8	87.3	83.9	225 789
Logistics hubs	100.0	–	100.0	139 540	100.0	–	100.0	137 822
Hotel	100.0	100.0	100.0	20 405	100.0	100.0	100.0	20 405
Other	100.0	–	100.0	10 060	100.0	–	100.0	10 060
<b>Portfolio occupancy</b>	<b>93.2</b>	<b>94.8</b>	<b>93.8</b>	<b>695 949</b>	<b>91.7</b>	<b>93.9</b>	<b>92.5</b>	<b>685 698</b>

After the period end, a total of 1 151m<sup>2</sup> of the overall vacancies of 46 332m<sup>2</sup> (Jun 2023: 55 792m<sup>2</sup>) were filled. The majority of the spaces that were filled relate to the retail-experience hub space, accounting for 874m<sup>2</sup> (Jun 2023: collaboration hub space, accounting for 9 776m<sup>2</sup>).

Portfolio vacancy	Dec 2023				Jun 2023			
	Waterfall City	Rest of South Africa	Total	Occupied GLA	Waterfall City	Rest of South Africa	Total	Total
	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	%	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	%
Portfolio vacancy	32 366	13 966	46 332	6.3	44 802	13 751	58 553	7.5
<b>Subsequent lets</b>	<b>695</b>	<b>456</b>	<b>1 151</b>	<b>0.2</b>	<b>11 468</b>	<b>5 139</b>	<b>16 607</b>	<b>2.2</b>
Retail-experience hubs	418	456	874	0.2	3 905	2 926	6 831	0.9
Collaboration hubs	277	–	277	0.0	7 563	2 213	9 776	1.3

## Commentary continued

### Space management

During the interim period, total effective occupied space increased by 10 251m<sup>2</sup>, which represents 1.3% of the total effective GLA. The portfolio's weighted average lease expiry (WALE) decreased to 4.4 years (Jun 2023: 4.5 years) with 20 882m<sup>2</sup> or 2.8% of total GLA due to expire before 30 June 2024. Of the leases due for renewal, 84.1% are spread across various retail-experience hubs. Our largest 10 clients account for 34.3% (Jun 2023: 33.6%) of the total effective gross rental income and 33.8% (Jun 2023: 33.3%) of the total effective GLA.

Leases totalling 45 382m<sup>2</sup> (111 leases) expired during the year, of which 73.3% was renewed. New and renewed leases were signed at a weighted average positive reversion rate of 1.4% and at a weighted average lease escalation rate of 6.8% (Jun 2023: 6.3%). Notwithstanding negative reversions on collaboration hubs, market rentals achieved have stabilised and are continuing to grow off this new base.

	Expired GLA m <sup>2</sup>	Client retention rate %	Number of leases signed*	Gross reversion rate* %	Escalation rate* %
<b>Space renewals</b>					
Retail-experience hubs	27 804	81.3	100	5.5	6.7
Collaboration hubs	11 834	41.5	10	(21.5)	6.9
Hotel	5 744	100.0	1	7.0	7.0
<b>Total portfolio</b>	<b>45 382</b>	<b>73.3</b>	<b>111</b>	<b>1.4</b>	<b>6.8</b>

\* Based on new and renewed leases pertaining to leases that expired during the period.

### Developing Waterfall City, where living works

Waterfall City is a strategic location for work, live and leisure in the heart of Gauteng. Positioned as a unique development in South Africa, it offers Attacq a varied development pipeline to create smart, safe and sustainable spaces. As at 31 December 2023, the group had 1 125 054m<sup>2</sup> (Jun 2023: 860 655m<sup>2</sup>) of effective development rights remaining following the increase of its investment in Waterfall Junction from 23.57% to 50.0%. Attacq acts as the development manager in respect of Waterfall Junction, a joint venture with Sanlam Life Insurance Limited (Sanlam). Including Sanlam's share of Waterfall Junction of 313 791m<sup>2</sup>, Attacq manages the roll-out of 1 438 845m<sup>2</sup> of development bulk in Waterfall City.

Waterfall City is developed on leasehold land with notarial leasehold rights held by AWIC, currently a 70.0% subsidiary of Attacq. AWIC has until the end of the 2040 calendar year to proclaim its leasehold rights, to the extent that it has not already done so. Proclamation entails the formal government gazetting of leasehold land within a township and is predominantly an administrative process.

### Newly completed developments

During the year, the Amrod head office and distribution centre expansion and Nexus Waterfall, DP World (building 2) were completed. In total, 8 679m<sup>2</sup> of GLA was added to Waterfall City of which 1 718m<sup>2</sup> represents Attacq's effective share.

	Total GLA m <sup>2</sup>	Effective GLA m <sup>2</sup>	% pre-let	Practical completion date
<b>Newly completed developments</b>				
<b>Waterfall City – Collaboration hub</b> Nexus Waterfall, DP World (Building 2) <sup>^</sup>	5 244	–	–	Q2 FY24
<b>Waterfall City – Logistics hubs</b> Amrod head office and distribution centre* expansion	3 435	1 718	100.0	Q1 FY24
<b>Total</b>	<b>8 679</b>	<b>1 718</b>	<b>100.0</b>	

<sup>^</sup> Land sold and top structure developed on behalf of DP World

\* Attacq holds a 50.0% undivided share; included in Amrod head office and distribution centre valuation

### Development activity

Development activity, including both developments under construction and approved pipeline developments, totals 44 676m<sup>2</sup>. Developments under construction have an estimated capital cost of R556.9 million, while approved pipeline developments have a total value of R866.6 million, totalling R1.4 billion.

## Developments under construction

Developments under construction at period end comprised the following projects:

	Anticipated practical completion date	Total GSA/GLA* m <sup>2</sup>	Effective GSA/GLA* m <sup>2</sup>	Pre-let/pre-sold %	Total estimated capital cost R'000
<b>Developments under construction</b>					
<b>Waterfall City – Residential</b> Ellipse Waterfall, phase 3 <sup>^</sup>	Q1 FY26	13 386	2 677	>60.0	378 186
<b>Waterfall City – Logistics hubs</b> Midi unit logistics development	Q4 FY24	14 641	14 641	–	178 694
<b>Total</b>		<b>28 027</b>	<b>17 318</b>	<b>&gt;28.7</b>	<b>556 880</b>

<sup>^</sup> Attacq has an undivided share of 20.0%; based on the number of units of bankable pre-sales; sectional title units

<sup>#</sup> Land sold and developed on behalf of a client

\* Estimated gross sellable area (GSA)/GLA of development, subject to change upon final re-measurement post completion

## Pipeline developments

Pipeline developments at period end comprised the following projects:

	Anticipated practical completion date	Total GLA* m <sup>2</sup>	Effective GLA* m <sup>2</sup>	Pre-let %	Total estimated capital cost R'000
<b>Approved development pipeline</b>					
<b>Waterfall City – Collaboration hub</b> The Ingress, building 3	Q3 FY25	4 402	4 402	0.0	135 865
<b>Waterfall City – Logistics hubs</b> Client-led development	Q4 FY25	12 247	6 124	100.0	730 746
<b>Total</b>		<b>16 649</b>	<b>10 526</b>	<b>73.6</b>	<b>866 611</b>

\* Estimated GLA of development, subject to change upon final re-measurement post completion

## Collaboration hubs

### Nexus Waterfall

The Nexus Waterfall development includes the Courtyard Hotel (6 715m<sup>2</sup>) and four collaboration hubs. Building 1, known as Nexus 1, (7 252m<sup>2</sup>) was completed during FY23, while Building 2, DP World, (5 244m<sup>2</sup>) was completed in Q2 FY24. The Nexus Piazza, which marks the completion of Phase 1, was finished alongside DP World. Phase 2, comprising the remaining two collaboration hubs, will be developed based on client demand. Nexus 1 has been awarded a Net Zero Level 1 certification for carbon emissions by the Green Building Council of South Africa (GBCSA). Additionally, it has received an EDGE (Excellence in Design for Greater Efficiencies) Advanced certificate from the GBCSA. Building 2, owned by DP World, has attained a four-star GBCSA rating (by design).

### The Ingress

The Ingress is a five-building collaboration hub park, strategically positioned at the entrance to Waterfall City. Phase 1 comprises offices occupied by PSG Wealth, who took occupation on 1 August 2019, alongside a fully leased building 2. In response to market demand, Attacq will commence with the construction of building 3 (±4 400m<sup>2</sup>) post-period end, with an anticipated practical completion date of Q3 FY25. The development of the remaining two buildings (±7 300m<sup>2</sup>) will be phased based on market demand. The completed buildings achieved a four-star GBCSA (by design) certification, with the PSG Wealth building also achieving a four-star GBCSA (as built) rating. Building 3 is targeting an EDGE certification.

## Logistics hubs

### Amrod head office and distribution centre expansion

The Amrod head office and distribution centre is held on a 50/50 undivided share basis with Equites Limited. During the interim period, Attacq completed the extension of 3 435m<sup>2</sup> of GLA to the existing 37 938m<sup>2</sup> building. The rental income from the expansion is based on the final total capital expenditure (a capex-linked yield transaction).

### Midi-units logistics development

In 2019, the group completed the construction of midi units in the Waterfall City logistics hub. These midi units, featuring a standard design and strategically situated, were leased out successfully. In response to market demand, Attacq is undertaking a speculative development of three additional midi units, each ranging from 4 500m<sup>2</sup> to 5 500m<sup>2</sup>. The new units, with a Q4 FY24 completion date, will incorporate sustainability measures and cost-saving initiatives such as energy-efficient LED lights, rooftop PV systems, provision for rainwater harvesting, and backup water and will extend the logistics hub GLA by an estimated 14 641m<sup>2</sup>.

### Waterfall Junction

Attacq, through a 50/50 joint venture between Sanlam and AWIC, has access to a further 627 582m<sup>2</sup> of logistics bulk situated on the eastern land parcels 3 and 24 of the greater Waterfall City node. These land parcels are intersected by the planned K113 and K60 arterial routes. The site, Waterfall Junction, is envisioned as a landmark, secure and environmentally sustainable logistics park strategically positioned in a key corridor in Gauteng for logistics and light industrial clients. The development will unfold across six phases, with infrastructure preparation for phase 1 (156 000m<sup>2</sup> bulk) currently nearing completion.

## Commentary continued

### Client-led development

The construction of a 12 247m<sup>2</sup> client-led development will commence post-period end. Attacq entered into a 50/50 joint-venture agreement with the client. Practical completion is estimated during Q4 FY25 with a total estimated capital cost of R730.8 million.

### Residential developments

#### Ellipse Waterfall

Ellipse Waterfall, situated on a prime site opposite Mall of Africa, is a co-development with Tricol Property Limited. Ellipse Waterfall will, upon completion, consist of four luxurious high-rise towers, each named after renowned astronomers, being Newton, Kepler, Cassini and Galileo.

Phase 1 of the development, comprising the Newton and Kepler towers with a total of 270 units, was completed during FY21 through a 50/50 undivided share joint venture with Portstone. As at 31 December 2023, 264 units had been transferred to end users. Cassini tower (phase 2) was completed in FY23, with over 98.0% of the 182 units sold to date. Of these, 173 units were transferred by 31 December 2023. Construction of phase 3 commenced before the end of FY23 and practical completion is estimated in Q1 FY26. To date, 141 of 196 units have been sold, or 120 bankable sales. Attacq's interest in phase 2 and phase 3 is 20.0%.

At the time of this SENS announcement, the combined bankable sales across all three phases are at 87.0%, indicating the development's overall success.

Phase 1 and 2 have achieved a four-star GBCSA multi-unit rating certification (by design), with phase 3 targeting the same certification.

Additional residential developments are being assessed to enhance the city's offerings and to further expand the residential community.

### Valuations

The investment property value of the South African real estate portfolio increased by 3.0% to R18.2 billion (Jun 2023: R17.7 billion).

Valuations	Dec 2023 R'000	June 2023 R'000	% change
Waterfall City	11 692 014	11 328 051	3.2
Rest of South Africa	6 424 773	6 296 787	2.0
<b>Sub-total</b>	<b>18 116 787</b>	<b>17 624 838</b>	<b>2.8</b>
Developments under construction	143 564	43 164	nmf
Leasehold land	831 724	826 347	0.7
<b>Sub-total investment property</b>	<b>19 092 075</b>	<b>18 494 349</b>	<b>3.2</b>
IFRS 16 Right-of-use assets	228 885	238 579	(4.1)
<b>Total investment property (excluding straight-lining)</b>	<b>19 320 960</b>	<b>18 732 928</b>	<b>3.1</b>
Straight-lining lease debtor	(1 139 355)	(1 080 359)	nmf
<b>Total investment property (balance sheet)</b>	<b>18 181 605</b>	<b>17 652 569</b>	<b>3.0</b>
<b>Waterfall Junction</b>	<b>197 870</b>	<b>97 805</b>	<b>102.3</b>
<b>Inventory</b>	<b>35 528</b>	<b>67 052</b>	<b>(47.0)</b>

### Completed buildings

Property valuations on 31 December 2023 are directors' valuations supported by external desktop valuations, using the discounted cash flow methodology, performed by Mills Fitchet Cape Proprietary Limited (Mills Fitchet), Sterling Valuation Specialists Close Corporation (Sterling) and CBRE Excelerate CRES Proprietary Limited.

Discount and capitalisation rates as at 31 December 2023 remained largely unchanged compared to the previous reporting period, 30 June 2023. The overall outcome of the valuations is a significant positive fair value adjustment of R430.1 million (Jun 2023: negative fair value adjustment of R50.4 million). The fair value adjustment excludes the IFRS impact for straight-line leasing. This positive adjustment is primarily attributed to an increase in gross market rentals attributed to our collaboration hubs, driven by recently concluded leases.

Among the notable contributors to the positive like-for-like fair value adjustments are Mall of Africa with an increase of 3.4% equating to R153.3 million, followed by Garden Route Mall with an increase of 3.1% equating to R42.1 million. Additionally, the value of Waterfall City Lodge increased by 38.3%, equating to R38.8 million, attributed to the renewal of the lease which includes an extension for another 10 years. This positive trend was slightly offset by a valuation decrease from Vantage Data Centre of 8.7%, equating to R22.1 million. This decrease was attributed to development cost savings on Phase 1 of the Vantage development, leading to a lower rental being achieved due to the transaction being capex-linked and based on a set development yield. Additionally, the Auditor General building experienced a decrease of 5.2%, equating to R11.0 million.

The information below is weighted on property values:

	Total portfolio by value R'000	Average value R/m <sup>2</sup>	Like-for-like value change <sup>#</sup> %	Discount rates %	Exit cap rates %	Cap rates %
<b>Completed buildings</b>						
Retail-experience hubs	9 482 346	31 264	3.2	12.10	7.66	7.37
Collaboration hubs	6 136 948	22 816	2.1	12.97	8.61	8.12
Logistics hubs	1 541 053	11 044	3.3	13.00	8.34	8.00
Hotel	621 667	30 466	7.9	13.00	8.75	8.00
Other	334 641	33 265	(6.1)	13.00	8.83	8.08
<b>Total portfolio</b>	<b>18 116 655</b>	<b>24 407</b>	<b>2.8</b>	<b>12.52</b>	<b>8.10</b>	<b>7.71</b>

### Developments under construction

The increase in developments under construction to R143.7 million is attributed to capital expenditure (R84.7 million) and fair value adjustments (R15.8 million) on the midi unit logistics development as construction nears completion. Ellipse Waterfall is classified as trading stock and treated as inventory.

The value of developments under construction on 31 December 2023 is a directors' valuation supported by desktop valuations performed by Mills Fitchet and Sterling, adjusted for costs still to be incurred before completion.

### Leasehold land

The group carries leasehold land, encompassing both development rights and infrastructure, at fair value. Leasehold land increased by 0.7% to R831.7 billion (Jun 2023: R826.3 billion), after accounting for leasehold rights transferred to developments under construction and additional capital expenditure.

The group has determined fair value using the comparable sales technique, which is in line with international best practices. The output of the comparable sales valuation technique determines the valuation of the leasehold land, being the aggregate of development rights, infrastructure and services, less future cost of servicing and leasehold liabilities. The external independent valuation was undertaken by Vallun Properties Proprietary Limited trading as Valquest Property Valuers & Consultants.

Category	Characteristics	Valuation
Unserviced leasehold land	Unserviced leasehold land with development potential	Land area multiplied by market rate per m <sup>2</sup> for unserviced land
Partially or fully serviced leasehold land	Leasehold land with section 82 certificates, a small measure of costs to complete	Land/bulk area multiplied by the market rate per m <sup>2</sup> of serviced bulk, reduced by future costs of servicing and leasehold liability

### Waterfall Junction

Attacq, through a 50/50 joint venture between Sanlam Life Insurance Limited and AWIC, has access to a further 627 582m<sup>2</sup> of logistics bulk referred to as Waterfall Junction. During the interim period, the company increased its shareholding to 50.0% from 23.57%, resulting in the carrying amount increasing by the purchase price of R139.3 million. On 31 December 2023, Waterfall Junction's valuation was R197.9 million (Jun 2023: R97.8 million) representing an increase of R6.2 million due to capital expenditure relating to infrastructure preparation for Phase 1 (156 000m<sup>2</sup> bulk), and an ECL impairment of R45.6 million.

## Other investments

Distributable income from Other investments decreased to negative R1.5 million (Dec 2022: R30.5 million) as a result of MAS not declaring a final dividend with respect to its 2023 financial year, compared to the R30.5 million dividend received in the previous period.

### Investment in MAS

At 31 December 2023, Attacq held 46 157 934 shares in MAS representing a 6.5% (Jun 2023: 6.5%) shareholding. The investment in MAS is classified as an investment and is valued at a closing share price of R17.31 per share (Jun 2023: R21.20 per share). The resultant carrying value is R798.9 million (Jun 2023: R978.5 million). No dividends were received from MAS during the period (Dec 2022: R30.5 million).

MAS produced a strong set of operational results for the six months ended 31 December 2023. As communicated by MAS, dividends have been suspended, likely until 31 December 2026, to strengthen its capital structure. For further information in respect of MAS' results, refer to the MAS website at [www.masrei.com](http://www.masrei.com).

Subsequent to period end, Attacq reached an agreement to dispose of its entire interest in MAS, generating proceeds of R773.1 million. The proceeds will be re-invested into income-generating activities.

### Rest of Africa retail investments

On 30 June 2023, the value of the Rest of Africa retail investments decreased by 34.7% to R363.7 million (Jun 2023: R557.2 million). The decrease primarily resulted from the full impairment of the remaining investment into Gruppo Investment Limited (Gruppo), the owner of Ikeja City Mall, offset by an additional R40.7 million invested in AttAfrica Limited (AttAfrica) during the period, used by AttAfrica to settle external debt.

Attacq's strategy, which is aligned with that of its co-shareholder, Hyprop Investments Limited, is to exit these investments through an orderly disposal.

The proposed disposal of the group's interest in Gruppo will be restructured. Under the new structure, which is still subject to executing binding legal agreements, the existing shareholders of Gruppo will dispose of 50.0% of their interests through the process of Actis West Africa REIF LP subscribing for new equity in Gruppo. The funds raised through this process will be used to reduce in-country bank funding and place the asset on a more sustainable gearing level. Given this change in structure and the recent in-country currency devaluations, it is currently not possible to reliably estimate the future cash flows Attacq will receive on its shareholder loan to Gruppo, in terms of IFRS 9. Consequently, the loan has been fully impaired, with the impairment to be reassessed in future periods as the economic situation changes.

Preliminary discussions in respect of the disposal of the Ghana assets are underway.

Attacq does not have any direct debt associated with its Rest of Africa retail investments and future disposal proceeds will be used at the group's discretion.

Attacq's Rest of Africa retail investments comprise:

	Dec 2023 R'000	%	Jun 2023 R'000	%
<b>Rest of Africa retail investments</b>				
Cash held by AIH International	10 873	3.0	3 547	0.6
26.9% interest in AttAfrica, which is invested in three retail properties in Ghana	352 906	97.0	327 079	58.7
25.0% interest in Gruppo, the owner of Ikeja City Mall, Nigeria	–	–	226 532	40.7
<b>Total</b>	<b>363 779</b>	<b>100.0</b>	<b>557 158</b>	<b>100.0</b>

## Capital structure

### Liquidity

On 31 December 2023, the group had available liquidity of R1.1 billion (Jun 2023: R1.4 billion). This consisted of R560.1 million in unrestricted cash balances (Jun 2023: R606.5 million) and prepaid access facilities of R565.0 million (Jun 2023: R550.0 million). The group is confident that it has adequate available cash balances and undrawn facilities to meet its obligations over the next 12 months, together with access to additional facilities as required to roll out its development pipeline.

### Interest-bearing borrowings

The group's debt facilities are spread among three South African banks and two South African institutions, with no exposure to bond markets.

Total interest-bearing borrowings decreased by 29.3% to R5.9 billion (Jun 2023: R8.4 billion). Nearly 70% of the current debt was refinanced to take advantage of lower margins following the group's improved credit metrics, due to the settlement of R2.9 billion of debt following the implementation of the Waterfall City transaction with the GEPP in October 2023.

The group interest cover ratio (ICR) increased to 1.93 times (Jun 2023: 1.69 times), mainly due to higher net operating income and lower finance costs. Gearing, calculated as total interest-bearing debt less unrestricted cash on hand, as a percentage of total assets less total cash on hand and right-of-use assets recognised under IFRS 16: Leases, increased marginally to 25.3% (Jun 2023: 37.3%).

Liquidity and borrowings	Units	Dec 2023	Jun 2023
Unrestricted cash balances	R'000	560 142	606 534
Prepaid access facilities	R'000	565 000	550 000
Undrawn committed facilities	R'000	–	240 000
<b>Available liquidity</b>	R'000	<b>1 125 142</b>	1 396 534
<b>Total drawn facilities</b>	R'000	<b>5 924 830</b>	8 384 893
Total weighted average loan term	years	3.8	2.9
Interest cover ratio	times	1.93	1.69
Gearing	%	25.3	37.3

#### Cost of debt

The total weighted average cost of debt increased to 9.9% (Jun 2023: 10.3%).

Debt	Units	Dec 2023 R'000	Jun 2023 R'000
Total weighted average cost of debt	%	9.9	10.3
Weighted average floating interest rate	%	10.1	10.4
Premium for hedging	%	(0.2)	(0.1)
Total hedged as a percentage of total committed facilities	%	73.5	56.3
Total hedged as a percentage of drawn facilities	%	80.5	60.0
Weighted average rand-denominated hedge term	years	2.7	2.7

The group adopts a minimum group hedging policy of 70.0%. On 31 December 2023, 73.5% of total committed facilities were hedged by way of interest rate swaps and interest rate caps. The weighted average hedge term is 2.7 years (Jun 2023: 2.7 years).

Due to the movement in forward interest rates, the mark-to-market valuation associated with interest rate hedges on 31 December 2023 was a net financial liability of R11.3 million (Jun 2023: a net financial asset of R45.6 million), resulting in a negative period-on-period movement of R56.9 million (Jun 2023: a positive movement of R86.2 million).

## Prospects and guidance

The board has approved the declaration of an interim dividend of 30.0 cents per share to be paid to shareholders, which equates to a payout ratio of 81.1%.

Looking ahead, South Africa faces several headwinds, including energy and water disruptions and shortages, low business confidence, political uncertainty and persistently high inflation and interest rates, all of which are likely to constrain economic growth and, as a consequence, the real estate market in general.

Attacq's strategy is proving to be resilient in these challenging conditions and the successful conclusion and implementation of the GEFP transaction has significantly strengthened the group's capital structure which is assisting in mitigating the impact of the headwinds referred to above.

The portfolio is expected to continue to generate income growth and, given the current capital structure, prudent interest rate hedging, available funding and liquidity, and the MAS disposal, the group's full year DIPS guidance has been revised upwards to between 10.0% and 12.5% growth with a pay-out ratio of 80.0%.

This guidance is based on the following key assumptions:

- The MAS disposal is effected and the proceeds are reinvested in income-generating activities
- No material impact on distributable income due to any new developments, acquisitions or disposals
- Forecasted rental income being achieved based on contractual terms and anticipated market-related renewals
- No major changes in vacancy rates
- Uncertainty with load-shedding and the resultant cost increase
- No unforeseen circumstances such as major corporate tenant failures or further deterioration of the macro-economic environment

The prospects have not been reviewed or reported on by Attacq's auditors.

## Declaration of a cash dividend

The board has approved the declaration of an interim gross cash dividend of 30.00000 cents per share, for the six months ended 31 December 2023, out of the company's distributable income.

The dividend is payable to Attacq shareholders by the timetable set out below:

	2024
Last day to trade cum dividend	Tuesday, 2 April
Shares trade ex dividend	Wednesday, 3 April
Record date	Friday, 5 April
Payment date	Monday, 8 April

### Notes:

- Share certificates may not be dematerialised or rematerialised between Wednesday, 3 April 2024 and Friday, 5 April 2024, both days inclusive.
- Payment of the dividend will be made to shareholders on Monday, 8 April 2024. In respect of dematerialised shareholders, the dividend will be transferred to the Central Securities Depository Participant (CSDP) account or broker account on Monday, 8 April 2024. Certificated shareholders' dividends will be deposited on or about Monday, 8 April 2024.
- Where the transfer secretaries do not have the banking details of any certificated shareholders, the cash dividend will be held in trust by the transfer secretaries pending receipt of the relevant certificated shareholder's banking details whereafter the cash dividend will be paid via electronic transfer into the personal bank accounts of certificated shareholders.

By Attacq's status as a REIT, shareholders are advised that the dividend meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No 58 of 1962 (Income Tax Act). The dividend on the shares will be deemed to be a taxable dividend for South African tax purposes in terms of section 25BB of the Income Tax Act.

### Tax implications for South African resident shareholders

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

- a declaration that the dividend is exempt from dividend tax
- a written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner
- both in the form prescribed by the Commissioner for the South African Revenue Service.

Shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted before payment of the dividend, if such documents have not already been submitted.

### Tax implications for non-resident shareholders

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as ordinary dividends which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20.0%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (DTA) between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20.0%, the net dividend amount due to non-resident shareholders is 24.00000 cents per share.

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

- a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA
- a written undertaking to inform their CSDP, broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner
- both in the form prescribed by the Commissioner for the South African Revenue Service.

Non-resident shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the above-mentioned documents to be submitted before payment of the dividend if such documents have not already been submitted, if applicable.

The number of shares in issue on 31 December 2023 and the date of this announcement is 748 618 337 ordinary shares of no par value, which includes 46 427 553 treasury shares. Attacq's tax reference number is 9241/038/64/6.

## Events after the reporting date

### Declaration of the dividend after the reporting period

In line with IAS 10: 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.

The board has approved the declaration of an interim gross cash dividend of 30.0 cents per share, for the six months ended 31 December 2023, amounting to R210.7 million (Dec 2022: R204.5 million). The interim dividend represents a payout ratio of 81.1% based on the group's distributable income and meets the minimum 75.0% payout ratio required by the JSE Listings Requirements for a REIT.

### Disposal of interest in MAS

Subsequent to period end, on 11 March 2024, Attacq reached agreement to dispose of its entire interest in MAS, generating proceeds of R773.1 million. The proceeds will be re-invested into income-generating opportunities within the group.

## Commitments

Please refer to developments under construction for future capital commitments. Future commitments will be funded by banking facilities, cash on hand and proceeds from capital recycling activities.

## Issue or cancellation of shares

2 932 955 shares were cancelled during the six months ended 31 December 2023.

## Change in non-executive directors

During the interim period, there were no changes in directors.

## Basis of preparation, changes in accounting policies and change in accounting estimates

The condensed unaudited consolidated interim financial statements for the six months ended 31 December 2023 have been prepared in accordance with IFRS, IAS 34: Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act of South Africa. These interim results were compiled under the supervision of R Nana CA(SA), Chief Financial Officer (CFO) of Attacq.

The accounting policies applied in the preparation of the condensed unaudited consolidated interim financial statements are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated annual financial statements for the year ended 30 June 2023, with the exception of the adoption of all the new, revised and amended accounting pronouncements as issued by the International Accounting Standards Board (IASB) which were effective for Attacq from 1 July 2023. The new, revised and amended standards had no material impact on the condensed unaudited consolidated interim financial results.

The condensed interim financial statements have not been audited or reviewed by Attacq's auditors.

On behalf of the board

**P Tredoux**  
Chairperson

12 March 2024

**JR van Niekerk**  
CEO

# Condensed consolidated statement of profit or loss and other comprehensive income

	31 December 2023 R'000	31 December 2022 R'000	30 June 2023 R'000
<b>Gross revenue</b>	<b>1 365 957</b>	1 121 161	2 436 389
Rental income	1 261 115	1 151 065	2 332 250
Straight-line lease income adjustment	58 999	(48 546)	760
Sale of sectional title units	45 843	18 642	103 379
<b>Gross property expenses</b>	<b>(535 050)</b>	(388 396)	(901 065)
Property expenses	(497 715)	(433 719)	(891 768)
Expected credit losses on trade and other receivables	1 843	59 901	67 668
Cost of sales of sectional title units	(39 178)	(14 578)	(76 965)
<b>Net profit from property operations</b>	<b>830 907</b>	732 765	1 535 324
Other income	3 954	12 539	16 231
Reversal of expected credit losses on loans to associates, other and guarantees	37	8 592	1 902
Other	3 917	3 947	14 329
Operating expenses	(134 474)	(96 216)	(192 265)
Expected credit losses on loans to associates, guarantees and other	(281 910)	(32 914)	(67 388)
Other expenses	(14 948)	(19 264)	(47 566)
<b>Operating profit</b>	<b>403 529</b>	596 910	1 244 336
Fair value adjustments	312 041	39 466	81 883
Investment properties	368 901	(3 609)	(4 277)
Other financial assets and liabilities/derivative financial liabilities	(56 860)	43 075	86 160
Net loss from associates and joint ventures	(11 962)	(56 894)	(79 219)
Investment income	64 039	64 725	162 518
Finance costs	(388 464)	(404 966)	(815 879)
<b>Profit before taxation</b>	<b>379 183</b>	239 241	593 639
Income tax expense	(21 545)	(40 527)	(73 353)
<b>Profit for the year</b>	<b>357 638</b>	198 714	520 286
Attributable to:			
Owners of the holding company	261 815	198 714	520 286
Non-controlling interests	95 823	-	-
<b>Other comprehensive profit</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Profit on fair value through other comprehensive income assets	(179 554)	32 310	62 313
<b>Items that will be reclassified subsequently to profit or loss</b>			
Exchange differences on translation of foreign operations	(5 008)	19 757	76 157
<b>Total comprehensive profit for the year</b>	<b>173 076</b>	250 781	658 756
Attributable to:			
Owners of the parent	77 253	250 781	658 756
No-controlling interests	95 823	-	-
<b>Earnings per share</b>			
Basic (cents)	37.2	28.2	73.8
Diluted (cents)	36.4	27.6	72.5

# Condensed consolidated statement of financial position

	31 December 2023 R'000	31 December 2022 R'000	30 June 2023 R'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	6 998	12 381	8 788
Investment properties	18 181 605	17 612 020	17 652 569
Per valuation	19 320 960	18 643 071	18 732 928
Straight-line lease debtor	(1 139 355)	(1 031 051)	(1 080 359)
Straight-line lease debtor	1 139 355	1 031 051	1 080 359
Deferred initial lease expenditure	29 553	6 369	31 127
Investment in associates and joint ventures	355 132	318 972	329 489
Loans to associates and joint ventures	–	242 200	226 533
Other financial assets	1 207 796	1 328 246	1 387 280
Deferred tax assets	–	1 242	–
<b>Total non-current assets</b>	<b>20 920 439</b>	<b>20 552 481</b>	<b>20 716 145</b>
<b>Current assets</b>			
Taxation receivable	587	529	628
Trade and other receivables	257 361	303 078	197 546
Inventory	35 528	62 633	67 052
Loans to associates and joint ventures	197 870	97 204	97 805
Other financial assets	21 911	25 377	37 796
Cash and cash equivalents	676 317	655 454	722 895
<b>Total current assets</b>	<b>1 189 574</b>	<b>1 144 275</b>	<b>1 123 722</b>
Non-current assets held for sale	–	35 806	–
<b>Total assets</b>	<b>22 110 013</b>	<b>21 732 562</b>	<b>21 839 867</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Stated capital	6 473 975	6 499 090	6 499 090
Distributable reserves	5 312 384	5 145 967	5 264 586
Fair value through other comprehensive income reserve	340 406	489 957	519 960
Share-based payment reserve	82 152	82 736	87 869
Foreign currency translation reserve	66 647	15 255	71 655
Transaction reserve	(164 763)	–	–
<b>Total equity attributable to owners of the holding company</b>	<b>12 110 801</b>	<b>12 233 005</b>	<b>12 443 160</b>
Non-controlling interests	1 673 148	–	–
Equity loan from outside shareholder	1 255 150	–	–
<b>Total equity</b>	<b>15 039 099</b>	<b>12 233 005</b>	<b>12 443 160</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5 865 575	8 360 876	7 640 927
Deferred tax liabilities	289 041	241 422	268 930
Other financial liabilities	29 588	8 163	1 491
Cash settled share-based payments	165	53	71
Lease liability	197 387	210 006	206 999
<b>Total non-current liabilities</b>	<b>6 381 756</b>	<b>8 820 520</b>	<b>8 118 418</b>
<b>Current liabilities</b>			
Other financial liabilities	9 713	23 530	923
Lease liability	31 497	29 615	31 581
Loans from associates	4 657	4 261	4 707
Taxation payable	1 438	–	3 026
Cash settled share-based payments	90	76	101
Trade and other payables	579 089	490 499	483 136
Provisions	3 421	31 040	10 849
Short-term portion of long-term borrowings	59 253	100 016	743 966
<b>Total current liabilities</b>	<b>689 158</b>	<b>679 037</b>	<b>1 278 289</b>
<b>Total liabilities</b>	<b>7 070 914</b>	<b>9 499 557</b>	<b>9 396 707</b>
<b>Total equity and liabilities</b>	<b>22 110 013</b>	<b>21 732 562</b>	<b>21 839 867</b>

# Condensed consolidated statement of cash flows

	<b>31 December 2023 R'000</b>	31 December 2022 R'000	30 June 2023 R'000
<b>Net cash generated from operating activities</b>	<b>324 796</b>	351 206	686 483
Cash generated from operations	692 346	634 229	1 351 654
Interest income	54 905	33 389	73 034
Dividend income	–	42 177	81 313
Interest paid	(392 438)	(357 251)	(815 771)
Finance costs capitalised	(2 288)	(1 272)	(2 531)
Settlement of share-based payments	(24 744)	–	–
Taxation paid	(2 985)	(66)	(1 216)
<b>Net cash generated from investing activities</b>	<b>(337 939)</b>	(165 927)	(195 836)
Property and equipment acquired	(1 370)	(2 867)	(3 835)
Property and equipment disposed	2 164	–	–
Investment properties developed	(164 439)	(79 361)	(174 021)
Waterfall leasehold land rights disposal	–	–	48 814
Additional shares acquired in associates*	(40 712)	(81 095)	(81 095)
Loans to associates and joint ventures advanced	(137 227)	(2 905)	(7 493)
Loans repaid by associates and joint ventures	–	–	1 665
Other financial assets advanced	–	–	(4 347)
Other financial assets repaid	5 143	1 717	8 396
Additions to deferred initial lease expenditure	(1 498)	(1 416)	(27 543)
Cash flow relating to non-current assets held for sale	–	–	43 623
<b>Net cash utilised in financing activities</b>	<b>(33 380)</b>	(246 918)	(485 564)
Dividends paid	(204 486)	(352 562)	(557 048)
Share buy back	(25 115)	–	–
Equity loan from outside shareholder^	1 255 150	–	–
Proceeds from issuing of shares^	1 284 019	–	–
Proceeds from partial disposal of subsidiary^	128 543	–	–
Repayment of lease liability	(15 561)	(17 281)	(29 619)
Long-term borrowings raised	394 969	1 017 087	1 672 377
Long-term borrowings repaid	(2 850 899)	(894 162)	(1 571 274)
<b>Total cash movement for the year</b>	<b>(46 523)</b>	(61 639)	5 083
Cash at the beginning of the year	722 895	717 121	717 121
Forex effect on cash and cash equivalents	(55)	(28)	691
<b>Cash and cash equivalents at the end of the year</b>	<b>676 317</b>	655 454	722 895

\* Additional shares acquired in AttAfrica. The effective share in AttAfrica of 26.9% remains unchanged.

^ Refer to notes to the condensed consolidated statement of financial position for more detail.

# Condensed consolidated statement of changes in equity

	Equity attributable to owners of the holding company									
	Stated capital	FVOCI reserve	Distributable reserves	Share-based payment reserve	Foreign currency translation reserve	Transaction reserve	Total equity attributable to owners of the holding company	Equity loan from outside shareholder	Non-controlling interest	Total equity
<b>GROUP</b>										
<b>Balance at 30 June 2022</b>	6 499 090	457 647	5 294 688	82 212	(4 502)	-	12 329 135	-	-	12 329 135
<b>Total comprehensive profit</b>	-	32 310	198 714	-	19 757	-	250 781	-	-	250 781
Profit/(loss) for the year	-	-	198 714	-	-	-	198 714	-	-	198 714
Other comprehensive profit/(loss)	-	32 310	-	-	19 757	-	52 067	-	-	52 067
Transfer between reserves on expiry	-	-	5 127	(9 222)	-	-	(4 095)	-	-	(4 095)
Dividends	-	-	(352 562)	-	-	-	(352 562)	-	-	(352 562)
Recognition of share-based payment reserve	-	-	-	9 746	-	-	9 746	-	-	9 746
<b>Balance at 31 December 2022</b>	6 499 090	489 957	5 145 967	82 736	15 255	-	12 233 005	-	-	12 233 005
<b>Total comprehensive profit</b>	-	30 003	321 572	-	56 400	-	407 975	-	-	407 975
Profit for the year	-	-	321 572	-	-	-	321 572	-	-	321 572
Other comprehensive profit	-	30 003	-	-	56 400	-	86 403	-	-	86 403
Transfer between reserves on expiry	-	-	1 533	(1 612)	-	-	(79)	-	-	(79)
Dividends	-	-	(204 486)	-	-	-	(204 486)	-	-	(204 486)
Recognition of share-based payment reserve	-	-	-	6 745	-	-	6 745	-	-	6 745
<b>Balance at 30 June 2023</b>	6 499 090	519 960	5 264 586	87 869	71 655	-	12 443 160	-	-	12 443 160
<b>Total comprehensive (loss)/profit</b>	-	(179 554)	261 815	-	(5 008)	-	77 253	-	95 823	173 076
Profit for the year	-	-	261 815	-	-	-	261 815	-	95 823	357 638
Other comprehensive loss	-	(179 554)	-	-	(5 008)	-	(184 562)	-	-	(184 562)
Share buy back	(25 115)	-	-	-	-	-	(25 115)	-	-	(25 115)
Dividends	-	-	(204 486)	-	-	-	(204 486)	-	-	(204 486)
Transfer between reserves on expiry	-	-	(9 531)	(15 213)	-	-	(24 744)	-	-	(24 744)
Disposal of sale shares	-	-	-	-	-	(20 615)	(20 615)	-	149 158	128 543
Issue of subscription shares	-	-	-	-	-	(144 148)	(144 148)	-	1 428 167	1 284 019
Equity loan from outside shareholder	-	-	-	-	-	-	-	1 255 150	-	1 255 150
Recognition of share-based payment reserve	-	-	-	9 496	-	-	9 496	-	-	9 496
<b>Balance at 31 December 2023</b>	6 473 975	340 406	5 312 384	82 152	66 647	(164 763)	12 110 801	1 255 150	1 673 148	15 039 099

Figures in R'000s

# Notes

## Segmental reporting

Operating segments are reported on in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the reportable operating segments, has been identified as the group executive committee. Operating segments reported are based on the group's different investment portfolios.

	31 December 2023			
	Rest of South Africa			
	Retail-experience hubs	Collaboration hubs	Logistics hubs	Hotel
<b>Figures in R'000s</b>				
<b>STATEMENT OF FINANCIAL POSITION</b>				
Investment property	4 511 542	1 416 613	–	237 089
Waterfall developments	–	–	–	–
Developments under construction	–	–	–	–
Leasehold land	–	–	–	–
Straight-line lease debtor	94 089	155 397	–	19 118
Investments in associates and joint ventures	407	1 769	–	–
Other financial assets	26	–	–	–
Loans to associates and joint ventures	–	–	–	–
Trade and other receivables	61 330	5 705	–	731
Cash and cash equivalents	31 691	4 588	–	–
Inventory	–	–	–	–
Other assets	–	1 482	–	–
<b>Total assets</b>	<b>4 699 085</b>	<b>1 585 554</b>	<b>–</b>	<b>256 938</b>
Long-term borrowings	–	–	–	–
Other financial liabilities	–	–	–	–
Loans from associates	–	–	–	–
Deferred tax liabilities	–	–	–	–
Trade and other payables	115 091	30 373	–	1 255
Lease liability	–	8 716	–	–
Other liabilities	–	–	–	–
<b>Total liabilities</b>	<b>115 091</b>	<b>39 089</b>	<b>–</b>	<b>1 255</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>				
Rental income	330 043	125 667	–	16 897
Straight-line lease income adjustment	3 725	(6 689)	–	1 786
Sale of sectional title units	–	–	–	–
Property expenses/property management fee income	(143 577)	(50 461)	–	(4 516)
ECL on trade and other receivables	(182)	–	–	–
Cost of sales of sectional title units	–	–	–	–
<b>Net profit from property operations</b>	<b>190 009</b>	<b>68 517</b>	<b>–</b>	<b>14 167</b>
Other income	–	–	–	–
Operating expenses	(12 041)	(3 911)	–	(634)
ECL on loans to associates and suretyships	–	–	–	–
Other expenses	–	–	–	–
<b>Operating profit/(loss)</b>	<b>177 968</b>	<b>64 606</b>	<b>–</b>	<b>13 533</b>
Fair value adjustments	95 612	8 840	–	668
Net loss from associates	–	–	–	–
Investment income	2 722	1 986	–	–
Finance costs	–	255	–	–
<b>Profit/(loss) before tax</b>	<b>276 302</b>	<b>75 687</b>	<b>–</b>	<b>14 201</b>
Taxation	–	–	–	–
<b>Profit/(loss) for the period</b>	<b>276 302</b>	<b>75 687</b>	<b>–</b>	<b>14 201</b>

31 December 2023

Waterfall City								
Retail-experience hubs	Collaboration hubs	Logistics hubs	Hotel	Developments	Head office SA	Total South African portfolio	Other	Total
4 908 432	4 175 182	1 658 008	299 451	-	-	17 206 317	-	17 206 317
-	-	-	-	975 288	-	975 288	-	975 288
-	-	-	-	143 564	-	143 564	-	143 564
-	-	-	-	831 724	-	831 724	-	831 724
113 419	489 168	186 987	81 177	-	-	1 139 355	-	1 139 355
-	-	-	-	-	50	2 226	352 906	355 132
-	390 911	5 646	-	-	29 176	425 759	803 948	1 229 707
-	-	-	-	197 870	-	197 870	-	197 870
35 613	38 928	8 551	1 971	1	104 467	257 297	64	257 361
39 308	67 275	44 157	790	11 710	465 925	665 444	10 873	676 317
-	5 736	-	-	29 792	-	35 528	-	35 528
-	-	-	-	-	35 656	37 138	-	37 138
5 096 772	5 167 200	1 903 349	383 389	1 214 661	635 274	20 942 222	1 167 791	22 110 013
-	-	-	-	-	5 924 828	5 924 828	-	5 924 828
-	-	-	-	-	39 301	39 301	-	39 301
-	-	-	-	-	-	-	4 657	4 657
-	-	-	-	-	289 041	289 041	-	289 041
82 073	150 835	43 247	5 301	735	148 222	577 132	1 957	579 089
40 942	90 835	72 863	15 169	-	359	228 884	-	228 884
-	-	905	-	517	2 771	4 193	921	5 114
123 015	241 670	117 015	20 470	1 252	6 404 522	7 063 379	7 535	7 070 914
315 197	321 200	115 168	24 043	-	12 900	1 261 115	-	1 261 115
(4 082)	719	11 449	52 091	-	-	58 999	-	58 999
-	45 843	-	-	-	-	45 843	-	45 843
(145 817)	(115 896)	(31 058)	(9 022)	-	2 632	(497 715)	-	(497 715)
(260)	2 285	-	-	-	-	1 843	-	1 843
-	(39 178)	-	-	-	-	(39 178)	-	(39 178)
165 038	214 973	95 559	67 112	-	15 532	830 907	-	830 907
-	-	-	-	-	2 721	2 721	1 233	3 954
(6 810)	(10 332)	(5 093)	(806)	-	(94 245)	(133 872)	(602)	(134 474)
-	-	-	-	-	(47 640)	(47 640)	(234 270)	(281 910)
(4 070)	(298)	(71)	(8)	(8 077)	(2 424)	(14 948)	-	(14 948)
154 158	204 343	90 395	66 298	(8 077)	(126 056)	637 168	(233 639)	403 529
159 186	100 057	2 797	(11 554)	13 295	(54 163)	314 738	(2 697)	312 041
-	-	-	-	-	(184)	(184)	(11 778)	(11 962)
1 481	23 664	619	-	-	22 115	52 587	11 452	64 039
(2 101)	(4 500)	(3 308)	(591)	-	(378 219)	(388 464)	-	(388 464)
312 724	323 564	90 503	54 153	5 218	(536 507)	615 845	(236 662)	379 183
-	-	-	-	-	(20 624)	(20 624)	(921)	(21 545)
312 724	323 564	90 503	54 153	5 218	(557 131)	595 221	(237 583)	357 638

Notes continued

	31 December 2022		
	Rest of South Africa		
	Retail- experience hubs	Collaboration hubs	Hotel
<b>Figures in R'000s</b>			
<b>STATEMENT OF FINANCIAL POSITION</b>			
Investment property	4 344 674	1 512 534	236 198
Waterfall developments	–	–	–
Developments under construction	–	–	–
Leasehold land	–	–	–
Straight-line lease debtor	95 774	175 669	14 852
Investments in associates and joint ventures	575	1 684	–
Other financial assets	1 703	–	–
Loans to associates and joint ventures	–	–	–
Trade and other receivables	33 605	8 368	1 697
Cash and cash equivalents	37 287	17 235	–
Inventory	–	–	–
Non-current assets held for sale	–	–	–
Deferred tax assets	–	–	–
Other assets	–	2 165	–
<b>Total assets</b>	<b>4 513 618</b>	<b>1 717 655</b>	<b>252 747</b>
Long-term borrowings	–	–	–
Other financial liabilities	–	–	–
Loans from associates	–	–	–
Deferred tax liabilities	–	–	–
Trade and other payables	97 089	35 593	757
Lease liability	–	8 473	–
Other liabilities	–	–	–
<b>Total liabilities</b>	<b>97 089</b>	<b>44 066</b>	<b>757</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
Rental income	312 733	123 835	15 154
Straight-line lease income adjustment	28	2 656	2 618
Sale of sectional title units	–	–	–
Property expenses/property management fee income	(121 146)	(47 484)	(3 819)
ECL on trade and other receivables	4 742	139	60
Cost of sales of sectional title units	–	–	–
<b>Net profit from property operations</b>	<b>196 357</b>	<b>79 146</b>	<b>14 013</b>
Other income	–	–	–
Operating expenses	(11 179)	(4 426)	(681)
ECL on loans to associates, suretyships and other	–	–	–
Other expenses	–	–	–
<b>Operating profit/(loss)</b>	<b>185 178</b>	<b>74 720</b>	<b>13 332</b>
Fair value adjustments	(33 525)	(70 278)	(23 988)
Net loss from associates	–	–	–
Investment income	1 773	872	89
Finance costs	–	240	–
<b>Profit/(loss) before tax</b>	<b>153 426</b>	<b>5 554</b>	<b>(10 567)</b>
Taxation	–	–	–
<b>Profit/(loss) for the period</b>	<b>153 426</b>	<b>5 554</b>	<b>(10 567)</b>

31 December 2022

Waterfall City					Head office SA	Total South African portfolio	Other	Total
Retail-experience hubs	Collaboration hubs	Logistics hubs	Hotel	Developments				
4 410 285	4 313 673	1 566 734	308 187	–	–	16 692 285	–	16 692 285
–	–	–	–	919 735	–	919 735	–	919 735
–	–	–	–	73 754	–	73 754	–	73 754
–	–	–	–	845 981	–	845 981	–	845 981
141 635	–	175 803	26 720	–	–	1 031 051	–	1 031 051
–	–	–	–	–	48	2 307	316 665	318 972
–	357 634	6 081	–	–	34 786	400 204	953 419	1 353 623
–	–	–	–	97 204	–	97 204	242 200	339 404
37 667	26 761	6 519	1 694	1 438	185 142	302 891	187	303 078
33 542	56 876	26 616	511	21 012	458 231	651 310	4 144	655 454
–	11 520	–	–	51 113	–	62 633	–	62 633
35 806	–	–	–	–	–	35 806	–	35 806
–	–	–	–	–	1 242	1 242	–	1 242
–	–	–	–	–	17 114	19 279	–	19 279
<b>4 658 935</b>	<b>5 167 062</b>	<b>1 781 753</b>	<b>337 112</b>	<b>1 090 502</b>	<b>696 563</b>	<b>20 215 947</b>	<b>1 516 615</b>	<b>21 732 562</b>
–	–	–	–	–	8 460 892	8 460 892	–	8 460 892
–	–	–	–	–	31 693	31 693	–	31 693
–	–	–	–	–	–	–	4 261	4 261
–	–	–	–	–	241 422	241 422	–	241 422
80 125	156 637	19 417	9 058	16 530	75 293	490 499	–	490 499
38 852	105 487	71 314	10 648	–	4 847	239 621	–	239 621
–	–	–	–	28 524	2 645	31 169	–	31 169
<b>118 977</b>	<b>262 124</b>	<b>90 731</b>	<b>19 706</b>	<b>45 054</b>	<b>8 816 792</b>	<b>9 495 296</b>	<b>4 261</b>	<b>9 499 557</b>
290 857	283 638	99 847	20 924	–	4 077	1 151 065	–	1 151 065
4 909	(103 888)	40 386	4 745	–	–	(48 546)	–	(48 546)
–	18 642	–	–	–	–	18 642	–	18 642
(135 197)	(94 629)	(26 045)	(6 658)	–	1 259	(433 719)	–	(433 719)
2 005	52 992	–	–	–	(37)	59 901	–	59 901
–	(14 578)	–	–	–	–	(14 578)	–	(14 578)
<b>162 574</b>	<b>142 177</b>	<b>114 188</b>	<b>19 011</b>	<b>–</b>	<b>5 299</b>	<b>732 765</b>	<b>–</b>	<b>732 765</b>
–	202	–	–	–	4 766	4 968	7 571	12 539
(4 344)	(9 760)	(4 575)	(763)	–	(59 397)	(95 125)	(1 091)	(96 216)
–	(31 148)	–	–	–	(1 766)	(32 914)	–	(32 914)
–	(3 069)	(84)	–	(12 714)	(3 397)	(19 264)	–	(19 264)
<b>158 230</b>	<b>98 402</b>	<b>109 529</b>	<b>18 248</b>	<b>(12 714)</b>	<b>(54 495)</b>	<b>590 430</b>	<b>6 480</b>	<b>596 910</b>
42 166	59 259	34 894	(17 415)	5 278	42 323	38 714	752	39 466
–	–	–	–	–	(23 899)	(23 899)	(32 995)	(56 894)
1 035	19 807	526	47	–	9 224	33 373	31 352	64 725
(1 435)	(7 532)	(8 131)	(531)	–	(387 577)	(404 966)	–	(404 966)
<b>199 996</b>	<b>169 936</b>	<b>136 818</b>	<b>349</b>	<b>(7 436)</b>	<b>(414 424)</b>	<b>233 652</b>	<b>5 589</b>	<b>239 241</b>
–	–	–	–	–	(40 527)	(40 527)	–	(40 527)
<b>199 996</b>	<b>169 936</b>	<b>136 818</b>	<b>349</b>	<b>(7 436)</b>	<b>(454 951)</b>	<b>193 125</b>	<b>5 589</b>	<b>198 714</b>

## Notes continued

	30 June 2023		
	Rest of South Africa		
	Retail- experience hubs	Collaboration hubs	Hotel
<b>Figures in R'000s</b>			
<b>STATEMENT OF FINANCIAL POSITION</b>			
Investment property	4 388 794	1 410 738	236 422
Waterfall developments	-	-	-
Developments under construction	-	-	-
Leasehold land	-	-	-
Straight-line lease debtor	90 366	162 087	17 331
Investments in associates and joint ventures	405	1 956	-
Other financial assets	2 284	-	-
Loans to associates and joint ventures	-	-	-
Trade and other receivables	35 118	8 579	421
Cash and cash equivalents	29 623	12 126	-
Inventory	-	3 558	-
Other assets	-	1 825	-
<b>Total assets</b>	<b>4 546 590</b>	<b>1 600 869</b>	<b>254 174</b>
Long-term borrowings	-	-	-
Other financial liabilities	-	-	-
Loans from associates	-	-	-
Deferred tax liabilities	-	-	-
Trade and other payables	103 839	27 796	769
Lease liability	-	8 598	-
Other liabilities	-	-	-
<b>Total liabilities</b>	<b>103 839</b>	<b>36 394</b>	<b>769</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
Rental income	635 226	248 995	30 534
Straight-line lease income adjustment	(5 379)	(10 926)	5 096
Sale of sectional title units	-	-	-
Property expenses/PM fee income	(265 438)	(94 764)	(7 386)
ECL on trade and other receivables	8 740	299	109
Cost of sales of sectional title units	-	-	-
<b>Net profit from property operations</b>	<b>373 149</b>	<b>143 604</b>	<b>28 353</b>
Other income	-	-	-
Operating expenses	(22 731)	(8 605)	(1 309)
ECL on loans to associates and suretyships	-	-	-
Other expenses	-	-	-
<b>Operating profit/(loss)</b>	<b>350 418</b>	<b>134 999</b>	<b>27 044</b>
Fair value adjustments	(16 818)	(173 346)	(23 763)
Net loss from associates	-	-	-
Investment income	4 128	1 737	187
Finance costs	-	488	-
<b>Profit/(loss) before tax</b>	<b>337 728</b>	<b>(36 122)</b>	<b>3 468</b>
Taxation	-	-	-
<b>Profit/(loss) for the year</b>	<b>337 728</b>	<b>(36 122)</b>	<b>3 468</b>

30 June 2023

Waterfall City					Head office SA	Total South African portfolio	Other	Total
Retail-experience hubs	Collaboration hubs	Logistics hubs	Hotel	Developments				
4 745 382	4 055 473	1 642 635	303 614	–	–	16 783 058	–	16 783 058
–	–	–	–	869 511	–	869 511	–	869 511
–	–	–	–	43 164	–	43 164	–	43 164
–	–	–	–	826 347	–	826 347	–	826 347
117 501	488 452	175 537	29 085	–	–	1 080 359	–	1 080 359
–	–	–	–	–	48	2 409	327 080	329 489
–	386 448	5 893	–	–	44 193	438 818	986 258	1 425 076
–	–	–	–	97 805	–	97 805	226 533	324 338
34 741	30 090	85	904	428	87 077	197 443	103	197 546
31 726	66 494	31 182	899	19 391	526 257	717 698	5 197	722 895
–	5 736	–	–	57 758	–	67 052	–	67 052
–	–	–	–	–	38 718	40 543	–	40 543
<b>4 929 350</b>	<b>5 032 693</b>	<b>1 855 332</b>	<b>334 502</b>	<b>1 044 893</b>	<b>696 293</b>	<b>20 294 696</b>	<b>1 545 171</b>	<b>21 839 867</b>
–	–	–	–	–	8 384 893	8 384 893	–	8 384 893
–	–	–	–	–	2 414	2 414	–	2 414
–	–	–	–	–	–	–	4 707	4 707
–	–	–	–	–	268 930	268 930	–	268 930
82 965	138 206	20 761	3 187	(93 194)	198 807	483 136	–	483 136
48 614	97 081	73 565	10 368	–	354	238 580	–	238 580
–	–	8 333	–	764	2 688	11 785	2 262	14 047
<b>131 579</b>	<b>235 287</b>	<b>102 659</b>	<b>13 555</b>	<b>(92 430)</b>	<b>8 858 086</b>	<b>9 389 738</b>	<b>6 969</b>	<b>9 396 707</b>
588 503	575 823	196 757	42 510	–	13 902	2 332 250	–	2 332 250
(19 225)	(16 035)	40 118	7 111	–	–	760	–	760
–	103 379	–	–	–	–	103 379	–	103 379
(269 110)	(191 089)	(58 478)	(13 312)	–	7 809	(891 768)	–	(891 768)
4 624	52 439	–	–	–	1 457	67 668	–	67 668
–	(76 965)	–	–	–	–	(76 965)	–	(76 965)
<b>304 792</b>	<b>447 552</b>	<b>178 397</b>	<b>36 309</b>	<b>–</b>	<b>23 168</b>	<b>1 535 324</b>	<b>–</b>	<b>1 535 324</b>
5 964	825	4	–	–	9 228	16 021	210	16 231
(10 851)	(19 519)	(8 966)	(1 550)	–	(117 068)	(190 599)	(1 666)	(192 265)
–	–	–	–	–	(18 343)	(18 343)	(49 045)	(67 388)
–	(3 069)	1	–	(33 838)	(10 660)	(47 566)	–	(47 566)
<b>299 905</b>	<b>425 789</b>	<b>169 436</b>	<b>34 759</b>	<b>(33 838)</b>	<b>(113 675)</b>	<b>1 294 837</b>	<b>(50 501)</b>	<b>1 244 336</b>
345 403	(180 586)	20 732	(22 757)	46 858	83 123	78 846	3 037	81 883
–	–	–	–	–	(23 798)	(23 798)	(55 421)	(79 219)
2 626	41 231	1 054	65	–	21 050	72 078	90 440	162 518
(5 193)	(11 160)	(12 744)	(985)	–	(786 285)	(815 879)	–	(815 879)
<b>642 741</b>	<b>275 274</b>	<b>178 478</b>	<b>11 082</b>	<b>13 020</b>	<b>(819 585)</b>	<b>606 084</b>	<b>(12 445)</b>	<b>593 639</b>
–	–	–	–	–	(70 087)	(70 087)	(3 266)	(73 353)
<b>642 741</b>	<b>275 274</b>	<b>178 478</b>	<b>11 082</b>	<b>13 020</b>	<b>(889 672)</b>	<b>535 997</b>	<b>(15 711)</b>	<b>520 286</b>

## Notes continued

### Notes to the condensed consolidated statement of profit and loss and other comprehensive income

#### Operating expenses

Operating expenses include R24.8 million of prepayment penalties and refinancing fees on the early settlement of debt in respect of the implementation of the GEPF transaction.

#### Expected credit losses on loans to associates, suretyships and other

Expected credit losses increased to R281.9 million (31 December 2022: R32.9 million) and mainly relate to the expected credit loss on the loan to Gruppo of R234.3 million.

#### Fair value adjustments

	31 December 2023 R'000	31 December 2022 R'000	30 June 2023 R'000
Completed buildings	355 606	(8 887)	(51 135)
Developments under construction	15 773	4 251	779
Waterfall City leasehold land	(2 478)	1 027	46 079
Other financial assets and liabilities	(56 860)	43 075	86 160
<b>Total</b>	<b>312 041</b>	<b>39 466</b>	<b>81 883</b>

#### Investment income

	31 December 2023 R'000	31 December 2022 R'000	30 June 2023 R'000
Dividend income	–	30 469	69 605
Loans to associates	9 134	867	20 646
<b>Derivative financial assets</b>	<b>13 373</b>	<b>–</b>	<b>–</b>
Bank	18 088	12 817	28 911
Other interest*	23 444	20 572	43 356
<b>Total</b>	<b>64 039</b>	<b>64 725</b>	<b>162 518</b>

\* Other interest relates mainly to interest earned from PwC Waterfall Property Partnership.

#### Finance cost

	31 December 2023 R'000	31 December 2022 R'000	30 June 2023 R'000
Long-term borrowings	(374 553)	(323 564)	(704 067)
Derivative financial liabilities	(2 895)	(70 751)	(87 936)
Lease liability	(10 878)	(10 650)	(23 494)
Other	(138)	(1)	(382)
<b>Total</b>	<b>(388 464)</b>	<b>(404 966)</b>	<b>(815 879)</b>

## Headline earnings per share

	<b>31 December 2023 R'000</b>	31 December 2022 R'000	30 June 2023 R'000
<b>Reconciliation between earnings and headline earnings</b>			
<b>Profit attributable to ordinary equity holders of the parent entity</b>	<b>261 815</b>	198 714	520 286
Headline earnings adjustments	<b>(284 968)</b>	62 682	54 567
Profit on disposal of associates and other assets	–	(800)	–
Loss on disposal of investment property	<b>4 159</b>	2 979	885
Net impairment reversal of investment in associates	<b>(1 233)</b>	–	–
Fair value adjustments	<b>(368 901)</b>	3 609	4 277
Adjustments of measurements, included in the equity-accounted earnings of associates	<b>3 380</b>	56 894	49 405
Non-controlling interest effects of adjustments	<b>77 627</b>	–	–
<b>Headline earnings</b>	<b>(23 153)</b>	261 396	574 853
Number of shares in issue*	<b>702 190 784</b>	705 123 739	705 123 739
Weighted average number of shares in issue*	<b>704 291 761</b>	705 123 739	705 123 739
Diluted weighted average number of shares in issue*	<b>719 322 576</b>	718 967 727	718 128 308
<b>Headline earnings per share</b>			
Basic (cents)	<b>(3.3)</b>	37.1	81.5
Diluted (cents)	<b>(3.3)</b>	36.4	80.1

\* Excludes 46 427 552 treasury shares as at 31 December 2023 (31 December 2022: 46 427 552; 30 June 2023: 46 427 552)

## Notes to the condensed consolidated statement of financial position

### Investment property

The increase to R18.2 billion (Jun 2023: R17.7 billion) includes:

- Positive total fair value adjustments on investment properties of R368.9 million (Jun 2023: R4.3 million negative fair value adjustment)
- Capital expenditure of R160.1 million (Jun 2023: R191.9 million).

### Other financial assets

- Negative movement mainly relates to the negative movement on the investment in MAS. The investment is valued at a closing share price of R17.31 per share (Jun 2023: R21.20 per share). The resultant carrying value is R798.9 million (Jun 2023: R978.5 million).

### Loans to associates and joint ventures

- Loan to Gruppo to the value of Rnil (June 2023: R226.5 million). Impacted by a negative expected credit loss adjustment in the current year of R234.3 million.
- During the interim period, the company increased its shareholding in Waterfall Junction to 50.0% from 23.57%, resulting in the carrying amount increasing by the purchase price of R139.3 million. On 31 December 2023, Waterfall Junction's valuation was R197.9 million (Jun 2023: R97.8 million) taking into account an increase of R6.2 million due to capital expenditure relating to infrastructure preparation for Phase 1 (156 000m<sup>2</sup> bulk), and an ECL impairment of R45.6 million.

### Non-controlling interests and equity loan from outside shareholder

On 5 July 2023, Attacq, AWIC and the GEPF entered into a Subscription and Sale of Shares and Claims Agreement in terms of which the GEPF would acquire a 30.0% shareholding in AWIC by subscribing for new shares and acquiring existing issued shares from Attacq. Attacq would also dispose of 30.0% of its existing shareholder loan and Attacq and GEPF would advance a further R1.0 billion in shareholder loans to AWIC, R700.0 million from Attacq and R300.0 million from the GEPF. All shareholder loans extended to AWIC are interest-free, have no fixed terms of repayment, and will be repaid as and when the AWIC board of directors determines that there is free cash flow available.

The final condition precedent was fulfilled on 18 September 2023, being the approval of Attacq shareholders at a general meeting. 30.0% of AWIC's equity and shareholder loans passed to the GEPF against payment of the purchase price, which purchase price was determined with reference to AWIC's 31 October 2023 management accounts. This resulted in a non-controlling interest reserve at group level. The total consideration paid by the GEPF in respect of the Sale Shares, the Subscription Shares, the Sale Claim and the additional loan was R2.7 billion.

### Long-term borrowings

Long-term borrowings reduced from R8.4 billion in June 2023 to R5.9 billion in December 2023. The main reason for the decrease was the settlement of debt with the sale proceeds from the GEPF transaction.

### Fair value disclosure

The group's investment properties are valued internally by the directors at interim reporting periods and externally by independent valuers for year-end reporting. In terms of IAS 40: Investment Property and IFRS 7: Financial Instruments: Disclosures, the group's investment properties are measured at fair value and are categorised as level 3 investments. The valuation of investment properties requires judgement in the determination of future cash flows from leases and an appropriate capitalisation rate. In terms of IFRS 9: Financial Instruments and IFRS 7: Financial Instruments: Disclosure, the group's interest rate derivatives, as well as the equity derivative, are measured at fair value through profit or loss and are categorised as level 2 investments. Listed investments are measured at fair value, being the quoted closing price at the reporting date, and are categorised as level 1 investments. Unlisted investments are categorised as level 3. The fair value of balances is determined with reference to the carrying value and the net asset value of the underlying investments. There were no transfers between levels 1, 2 and 3 during the period. The valuation methods applied are consistent with those applied in preparing the previous consolidated annual financial statements.

## Completed developments and developments under construction

	Rate range %	Decrease of 50.0 basis points results in R'000	Increase of 50.0 basis points results in R'000
<b>Dec 2023</b>			
Exit capitalisation rate	6.25 – 10.25	709 706	(621 848)
Discount rate	11.00 – 13.75	534 234	(514 050)
<b>Dec 2022</b>			
Exit capitalisation rate	6.75 – 9.75	605 150	(559 494)
Discount rate	11.50 – 13.55	486 358	(496 654)
<b>June 2023</b>			
Exit capitalisation rate	6.75 – 9.75	599 456	(533 569)
Discount rate	11.50 – 14.25	426 486	(415 382)

## Serviced leasehold land

	Rate range %	Increase of 1 000.0 basis points results in R'000	Increase of 100.0 basis points results in R'000
<b>Dec 2023</b>			
Exit capitalisation rate	12.6% – 13.50%	not applicable	8 500
Discount rate	R1 100/m <sup>2</sup> to R3 200/m <sup>2</sup>	102 400	not applicable
Estimated capital outlays	not applicable	(8 000)	not applicable
<b>Dec 2022</b>			
Exit capitalisation rate	12.27% – 14.50%	not applicable	9 000
Discount rate	R1 000/m <sup>2</sup> to R3 100/m <sup>2</sup>	107 000	not applicable
Estimated capital outlays	not applicable	(7 400)	not applicable
<b>June 2023</b>			
Exit capitalisation rate	12.6% – 13.50%	not applicable	8 500
Discount rate	R1 100/m <sup>2</sup> to R3 200/m <sup>2</sup>	102 400	not applicable
Estimated capital outlays	not applicable	(8 000)	not applicable

Changes in the capitalisation rate attributable to changes in market conditions can have a significant impact on property valuations. An increase (weakening) in the capitalisation rate will decrease the value of investment properties. A decrease (improvement) in the capitalisation rate will increase the value of investment properties. Changes in the discount rate attributable to changes in the underlying risk profile associated with the property portfolio can have a significant impact on property valuations. An increase (weakening) in the discount rate will decrease the value of investment properties. A decrease (improvement) in the discount rate will increase the value of investment properties.

Changes in the discount rate attributable to changes in the underlying risk profile associated with the leasehold land portfolio can have a significant impact on leasehold land valuations. An increase (weakening) in the discount rate will decrease the lease liability which will in turn increase the leasehold land value. A decrease (improvement) in the discount rate will increase the lease liability which will in turn decrease the leasehold land value. Changes in the serviced land prices attributable to changes in market conditions can have a significant impact on leasehold land valuations. An increase (improvement) in the serviced land prices will increase the leasehold land value. A decrease (weakening) in the serviced land prices will decrease the leasehold land value. Changes in the capital outlays estimation attributable to changes in market conditions can have a significant impact on leasehold land valuations. An increase (weakening) in the estimated capital outlays will decrease the leasehold land value. A decrease (weakening) in the serviced land prices will increase the leasehold land value.

## Fair value hierarchy

	Carried at fair value	Level 1*	Level 2*	At amortised cost
<b>Dec 2023</b>				
<b>Assets</b>				
Other financial assets	826 954	798 997	27 957	402 753
Trade and other receivables	–	–	–	253 363
Loans to associates and joint ventures	–	–	–	197 870
Cash and cash equivalents	–	–	–	676 317
<b>Total financial assets</b>	<b>826 954</b>	<b>798 997</b>	<b>27 957</b>	<b>1 530 303</b>
<b>Liabilities</b>				
Long-term borrowings	–	–	–	5 924 828
Other financial liabilities	39 301	–	39 301	–
Lease liability	–	–	–	228 884
Loans from associates	–	–	–	4 657
Trade and other payables	–	–	–	563 547
<b>Total financial liabilities</b>	<b>39 301</b>	<b>–</b>	<b>39 301</b>	<b>6 721 916</b>
<b>Dec 2022</b>				
<b>Assets</b>				
Other financial assets	982 177	948 546	33 631	371 445
Trade and other receivables	–	–	–	292 031
Loans to associates and joint ventures	–	–	–	339 404
Cash and cash equivalents	–	–	–	655 454
<b>Total financial assets</b>	<b>982 177</b>	<b>948 546</b>	<b>33 631</b>	<b>1 658 334</b>
<b>Liabilities</b>				
Long-term borrowings	–	–	–	8 460 892
Other financial liabilities	31 692	–	31 692	–
Lease liability	–	–	–	239 621
Loans from associates	–	–	–	4 261
Trade and other payables	–	–	–	459 188
<b>Total financial liabilities</b>	<b>31 692</b>	<b>–</b>	<b>31 692</b>	<b>9 163 962</b>
<b>Jun 2023</b>				
<b>Assets</b>				
Other financial assets	1 026 539	978 549	47 990	398 537
Trade and other receivables	–	–	–	193 664
Loans to associates and joint ventures	–	–	–	324 338
Cash and cash equivalents	–	–	–	722 895
<b>Total financial assets</b>	<b>1 026 539</b>	<b>978 549</b>	<b>47 990</b>	<b>1 639 434</b>
<b>Liabilities</b>				
Long-term borrowings	–	–	–	8 384 893
Other financial liabilities	2 414	–	2 414	–
Lease liability	–	–	–	238 580
Loans from associates	–	–	–	4 707
Trade and other payables	–	–	–	458 101
<b>Total financial liabilities</b>	<b>2 414</b>	<b>–</b>	<b>2 414</b>	<b>9 086 281</b>

\* Measured on a recurring basis.

# Annexure to the interim financial results

## SA REIT Association Best Practice Recommendations' financial ratios

The second edition of the SA REIT Association Best Practice Recommendations (SA REIT BPR) was issued in November 2019 and is effective for reporting periods commencing on or after 1 January 2020. The principles encompassed in the calculations below are aligned with the SA REIT BPR and do not comply with IFRS.

The reconciliation of profit to funds from operation is a non-IFRS financial measure and does not form part of the condensed financial statements for the periods presented.

	<b>31 December 2023 R'000</b>	31 December 2022 R'000	30 June 2023 R'000
<b>SA REIT Funds from operations (SA REIT FFO) per share</b>			
<b>Profit per IFRS statement of comprehensive loss attributable to the parent</b>	<b>261 815</b>	198 714	520 286
<b>Adjusted for:</b>			
<b>Accounting/specific adjustments:</b>			
Fair value adjustments to:			
▪ Investment property	<b>(368 901)</b>	3 609	4 277
▪ Debt and equity instruments held at FVPL	<b>56 860</b>	(43 075)	(86 160)
Depreciation of an administrative nature and amortisation of intangible assets	<b>3 250</b>	2 564	4 033
<b>Asset impairments, ECLs and reversals of impairments</b>			
▪ Net impairment and ECL of associates, other investments and loans	<b>280 640</b>	24 525	65 689
▪ ECL on guarantees	<b>-</b>	(203)	(203)
Deferred tax movement recognised in profit or loss	<b>20 107</b>	40 523	69 272
Derecognition gain on IFRS 16	<b>-</b>	-	(157)
Straight-line lease income adjustments	<b>(58 999)</b>	48 546	(760)
<b>Adjustment arising from investing activities:</b>			
Gains and losses on disposal of:			
▪ Loss on disposal of investment property	<b>4 159</b>	2 979	885
▪ Profit from sectional title units	<b>(6 665)</b>	(3 930)	(25 590)
▪ Profit on disposal of other assets	<b>-</b>	(800)	(800)
<b>Foreign exchange and hedging items:</b>			
▪ Amortisation of interest rate cap	<b>(3 540)</b>	(3 021)	(7 045)
▪ Net foreign exchange gains relating to capital items – realised and unrealised	<b>-</b>	(28)	(210)
<b>Other adjustments:</b>			
Non-controlling interest in respect of the above adjustments	<b>67 807</b>	-	-
Tax impact of the above adjustments	<b>517</b>	-	-
Adjustments made for equity-accounted entities	<b>5 502</b>	64 179	77 500
<b>SA REIT FFO</b>	<b>262 552</b>	334 582	621 017
Number of shares outstanding at end of period (net of treasury shares)			
<b>Number of shares in issue*</b>	<b>702 190 784</b>	705 123 739	705 123 739
<b>SA REIT FFO per share (cents)</b>	<b>37.3</b>	47.5	88.1
<b>Company-specific adjustments:</b>			
Non-cash income from associates	<b>6 460</b>	(7 284)	1 720
Adjustment for Cell C, expected credit loss for rental not received in cash	<b>(9 660)</b>	(45 059)	(55 017)
Depreciation in respect of property operations and amortisation of letting commission and tenant installations	<b>3 151</b>	2 953	6 278
Interest on lease liability	<b>10 878</b>	10 650	23 494
Rental paid	<b>(26 281)</b>	(27 778)	(52 717)
Net non-cash property owners association income	<b>(952)</b>	845	2 006
Lease cancellation fee	<b>-</b>	982	982
Prepayment penalties and refinance fees applicable to the GEFP transaction	<b>24 841</b>	-	-
Prescribed utility accruals	<b>-</b>	(15 816)	(20 290)
Unsustainable and/or non cash interest received	<b>(11 445)</b>	(867)	(20 646)
Non-controlling interest in respect of the above adjustments	<b>318</b>	-	-
<b>Distributable income</b>	<b>259 862</b>	253 208	506 829
<b>Distributable income per share (cents)</b>	<b>36.9</b>	35.9	71.9
<b>Dividends – 81.1% pay out ratio</b>	<b>210 657</b>	204 486	408 972
Interim	<b>210 657</b>	204 486	204 486
Final	<b>-</b>	-	204 486
<b>Dividend per share (cents) – 81.1% pay out ratio</b>	<b>30.0</b>	29.0	58.0
Interim	<b>30.0</b>	29.0	29.0
Final	<b>-</b>	-	29.0

\* Adjusted for 46 427 553 treasury shares

## Reconciliation between cash from operating activities and funds from operations

The reconciliation of cash from operations to funds from operations is a non-IFRS financial measure and does not form part of the condensed financial statements for the years presented.

	<b>31 December 2023 R'000</b>	31 December 2022 R'000	30 June 2023 R'000
<b>Net cash generated from operating activities</b>	<b>324 796</b>	351 205	686 483
<b>Adjusted for working capital movements</b>	<b>(48 852)</b>	(3 604)	(72 627)
Increase/(Decrease) in accounts receivable	<b>69 369</b>	14 493	(14 400)
(Decrease)/Increase in inventory	<b>(31 524)</b>	13 799	(33 692)
(Increase)/Decrease in accounts payable	<b>(86 697)</b>	(31 896)	(24 535)
<b>Net cash generated from operating activities adjusted for working capital movements</b>	<b>275 944</b>	347 602	613 856
Minority adjustment	<b>(27 699)</b>	–	–
Refinance fees and prepayment penalties on GEFP transaction	<b>24 841</b>	–	–
Capital repayment of lease liability	<b>(15 561)</b>	(17 281)	(29 619)
Adjustment for Cell C, expected credit loss for rental not received in cash	<b>(9 660)</b>	(45 059)	(55 017)
Share-based payments	<b>15 248</b>	(9 746)	(16 491)
Net proceeds from the sale of sectional-title units	<b>(6 665)</b>	(3 930)	(26 354)
Amortisation of interest rate cap	<b>(3 540)</b>	(3 021)	(7 045)
Finance cost capitalised	<b>2 288</b>	1 272	2 531
Unsustainable cash interest received	<b>(2 311)</b>	–	–
Difference between taxation accrued and taxation paid	<b>2 064</b>	62	(2 101)
Bad debt written off and ECLs on trade and other receivables	<b>1 814</b>	56 702	56 647
Net income from property owners association not distributable	<b>(952)</b>	845	2 006
Difference between interest accrued and interest paid	<b>3 974</b>	(47 715)	(108)
Other movements	<b>76</b>	19	(460)
Dividend income from associates	<b>–</b>	(11 708)	(11 708)
Lease cancellation fee	<b>–</b>	982	982
Prescribed utility accruals	<b>–</b>	(15 816)	(20 290)
<b>Distributable income</b>	<b>259 862</b>	253 208	506 829

## Annexure to the interim financial results continued

	<b>31 December 2023 R'000</b>	31 December 2022 R'000	30 June 2023 R'000
<b>SA REIT net asset value (NAV) per share</b>			
Reported NAV attributable to the parent	<b>12 110 801</b>	12 233 005	12 443 160
<b>Adjustments:</b>			
Dividends to be declared	<b>(210 657)</b>	(204 486)	(408 972)
Fair value of derivative financial instruments	<b>11 344</b>	(1 939)	(45 576)
Deferred tax	<b>289 041</b>	240 180	268 930
<b>SA REIT NAV</b>	<b>12 200 529</b>	12 266 760	12 257 542
<b>Number of shares outstanding at end of period (net of treasury shares)</b>			
Number of shares in issue*	<b>702 190 784</b>	705 123 739	705 123 739
Effect of dilutive instruments (options, convertibles and equity interests)	<b>15 030 815</b>	13 843 988	13 004 569
Diluted number of shares in issue*	<b>717 221 599</b>	718 967 727	718 128 308
<b>SA REIT NAV per share (Rand)</b>	<b>17.01</b>	17.06	17.07
* Adjusted for 46 427 553 treasury shares			
<b>SA REIT cost-to-income ratio</b>			
<b>Expenses</b>			
Operating expenses per IFRS income statement (includes municipal expenses)	<b>495 872</b>	373 818	824 100
Administrative expenses per IFRS income statement	<b>134 474</b>	96 216	192 265
<b>Exclude</b>			
Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets	<b>(3 250)</b>	(2 564)	(4 033)
<b>Operating costs</b>	<b>627 096</b>	467 470	1 012 332
<b>Rental income</b>			
Contractual rental income per IFRS income statement (excluding straight-lining)	<b>931 236</b>	863 220	1 761 671
Utility and operating recoveries per IFRS income statement	<b>329 879</b>	287 845	570 579
<b>Gross rental income</b>	<b>1 261 115</b>	1 151 065	2 332 250
<b>SA REIT cost-to-income ratio (%)</b>	<b>49.7</b>	40.6	43.4
<b>SA REIT administrative cost-to-income ratio</b>			
<b>Expenses</b>			
Administrative expenses per IFRS income statement	<b>134 474</b>	96 216	192 265
<b>Administrative cost</b>	<b>134 474</b>	96 216	192 265
<b>Rental income</b>			
Contractual rental income per IFRS income statement (excluding straight-lining)	<b>931 236</b>	863 220	1 761 671
Utility and operating recoveries per IFRS income statement	<b>329 879</b>	287 845	570 579
<b>Gross rental income</b>	<b>1 261 115</b>	1 151 065	2 332 250
<b>SA REIT administrative cost-to-income ratio (%)</b>	<b>10.7</b>	8.4	8.2

## Annexure to the interim financial results continued

	31 December 2023 R'000	31 December 2022 R'000	30 June 2023 R'000
<b>SA REIT loan-to-value (LTV)</b>			
<b>Gross debt</b>	<b>5 924 828</b>	8 460 892	8 384 893
<b>Adjustments:</b>			
Cash and cash equivalents	(560 142)	(541 907)	(606 534)
Derivative financial instruments	11 344	(1 939)	(45 576)
<b>Net debt</b>	<b>5 376 030</b>	7 917 046	7 732 783
<b>Total assets</b>	<b>22 110 013</b>	21 732 562	21 839 867
<b>Adjustments:</b>			
Cash and cash equivalents	(560 142)	(541 907)	(606 534)
Derivative financial assets	(27 957)	(33 631)	(47 990)
Trade and other receivables	(257 361)	(303 078)	(197 546)
<b>Carrying amount of property-related assets</b>	<b>21 264 553</b>	20 853 946	20 987 797
<b>SA REIT LTV (%)</b>	<b>25.3</b>	38.0	36.8
<b>SA REIT net initial yield</b>			
Investment property	19 320 960	18 643 071	18 732 928
<b>Less:</b>			
Properties under development	(143 564)	(73 728)	(43 164)
Leasehold land	(831 724)	(846 093)	(826 347)
<b>Grossed up property value</b>	<b>18 345 672</b>	17 723 250	17 863 417
<b>Property income</b>			
Contractual cash rentals	1 857 063	1 681 364	1 799 778
<b>Add:</b>			
<i>Notional rent for rent-free periods, discounted rentals, stepped rentals and lease incentives</i>	–	–	–
<b>Less:</b>			
<i>Non-recoverable property expenses</i>	(323 024)	(370 248)	(376 912)
<b>Annualised net rental</b>	<b>1 534 038</b>	1 311 116	1 422 867
<b>Net initial yield (%)</b>	<b>8.4</b>	7.4	8.0
<b>SA REIT GLA vacancy rate</b>			
Gross lettable area of vacant space (m <sup>2</sup> )	46 332	58 553	58 553
Gross lettable area of total property portfolio (m <sup>2</sup> )	742 281	735 792	735 792
<b>SA REIT GLA vacancy rate (%)</b>	<b>6.2</b>	8.0	8.0
<b>SA REIT cost of debt (%)</b>			
<b>Variable interest-rate borrowings</b>			
Floating interest rate plus weighted average margin	10.1	9.2	10.4
<b>Fixed interest-rate borrowings</b>			
Weighted average fixed rate	–	–	–
<b>Pre-adjusted weighted average cost of debt</b>	<b>10.1</b>	9.2	10.4
<b>Adjustments:</b>			
Impact of interest rate derivatives	(0.2)	0.5	(0.2)
Interest of cross-currency interest rate swaps	–	–	–
Amortised transaction costs imputed into the effective interest rate	–	0.1	0.1
<b>All-in weighted average cost of debt</b>	<b>10.0</b>	9.8	10.3

# Company information

## Attacq Limited

(Incorporated in the Republic of South Africa)  
(Registration number 1997/000543/06)  
JSE share code: ATT  
ISIN: ZAE000177218  
(Approved as a REIT by the JSE)

## Independent non-executive directors

P Tredoux (chairperson)  
HR El Haimer (lead independent director)  
FFT De Buck  
TP Leeuw  
IN Mkhari  
GT Rohde  
S Shaw-Taylor  
AE Swiegers  
JHP van der Merwe

## Executive directors

JR van Niekerk (CEO)  
R Nana (CFO)

## Company secretary

W Modisapodi

## Registered office

Nexus 1, Ground floor  
44 Magwa Crescent  
Waterfall City  
2090

## Postal address

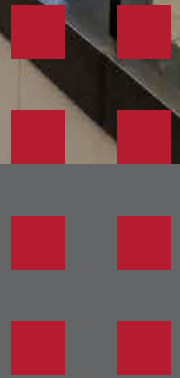
PostNet Suite 016  
Private Bag X81  
Halfway House  
1685

## Transfer secretaries

Computershare Investor Services Proprietary Limited  
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196  
(Private Bag X9000, Saxonwold, 2132)

## Sponsor

Java Capital  
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