SPEAR
REIT LIMITED

The Western Cape REIT

Credible
Predictable
Consistent

Unaudited Consolidated Interim Results
for the six months ended
31 August 2025

SALIENT
DETAILS

43.78 cps
HY2026 DIPS

41.59 cps
HY2026 DPS

5.21%
HY2026 DIPS growth

5.21%
HY2026 DPS growth

95.00%
HY2026 Payout ratio

98.96%
HY2026 Collection %

95.03%
Occupancy

13.85%
LTV

4.05 times
ICR

R12.10
TNAV

NATURE OF
BUSINESS

Spear REIT Limited ("Spear") listed as a Real Estate Investment Trust ("REIT") on the main board of the Johannesburg Stock Exchange ("JSE") and is the only regionally-focused REIT listed on the JSE that invests in high-quality income-generating assets in the Western Cape. Spear obtains its diversification through asset type rather than geographical investment.

The company conducts its business directly and through a number of subsidiaries, collectively referred to as "the group".

The group's property and asset management functions are internally and directly managed by the Spear executive management team.

ABBREVIATIONS

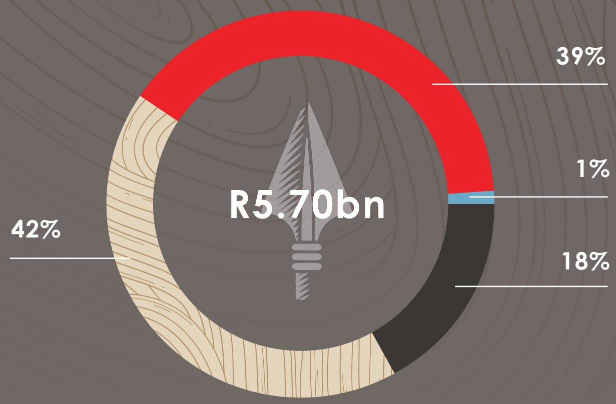
CSP	Conditional Share Plan
DIPS	distributable income per share
DPS	distribution per share
FFO	funds from operations
GLA	gross lettable area
GMR	gross monthly rental
ICR	interest cover ratio
LTV	loan-to-value
NAV	net asset value
NOI	net operating income
TNAV	tangible net asset value
WALE	weighted average lease expiry
WAULT	weighted average unexpired lease term

SPEAR REIT AT A

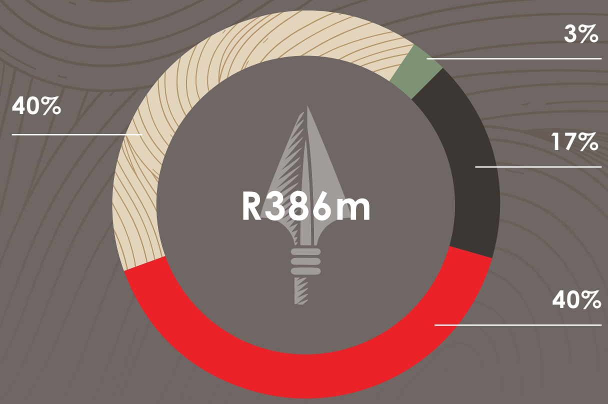
GLANCE

Sectoral split by Value, Revenue & GLA

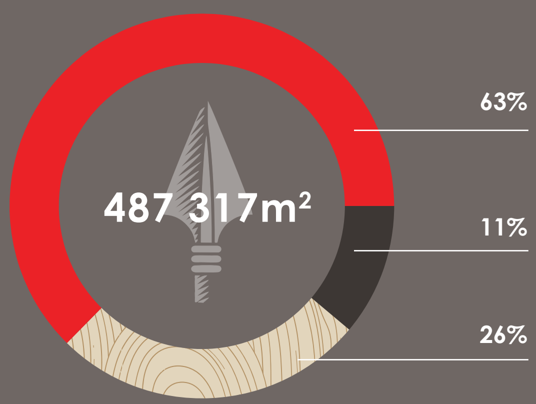
VALUE OF PROPERTIES



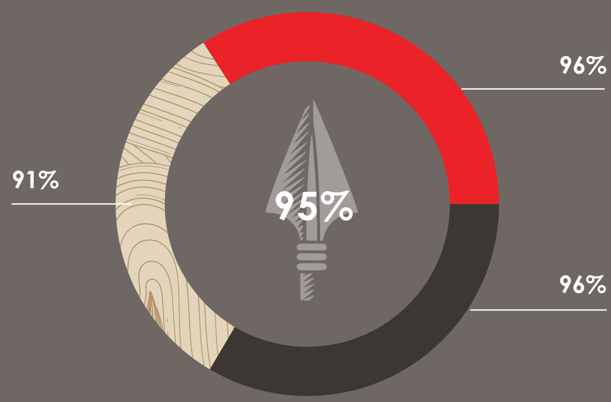
PROPERTY REVENUE (EXCLUDING SMOOTHING)



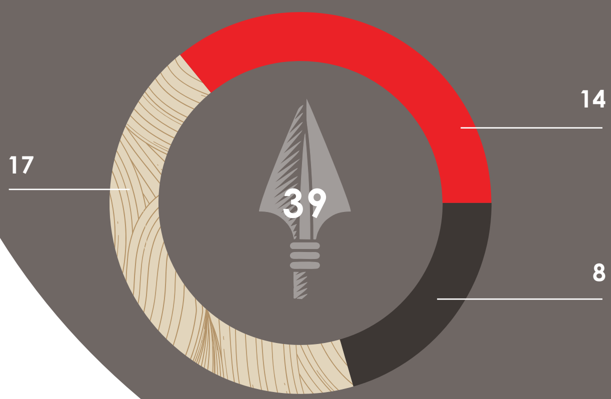
GROSS LETTABLE AREA (m^2)



PROPERTY OCCUPANCY (%)



NUMBER OF PROPERTIES



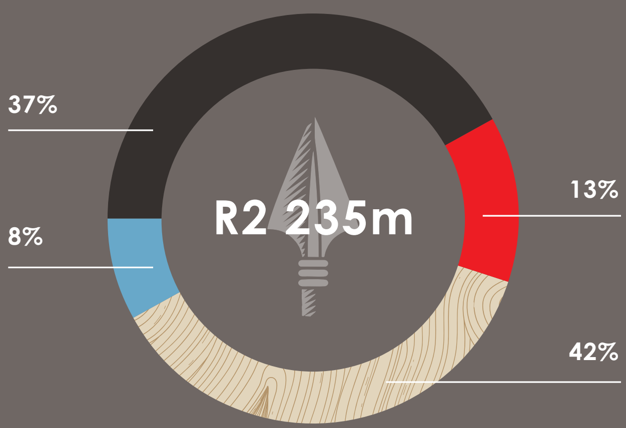
- Commercial
- Industrial
- Retail
- Renewable Energy
- Development Land

SPEAR SEGMENTAL

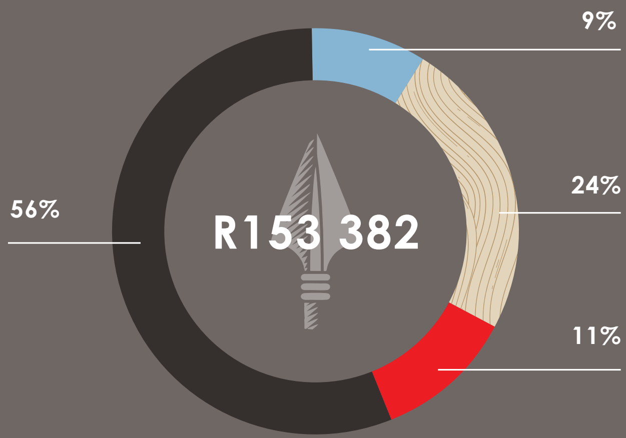
ANALYSIS

Sectoral split by sector – Industrial

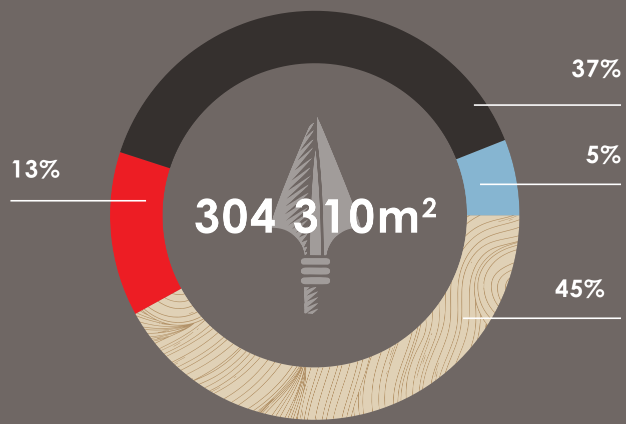
PROPERTY VALUE



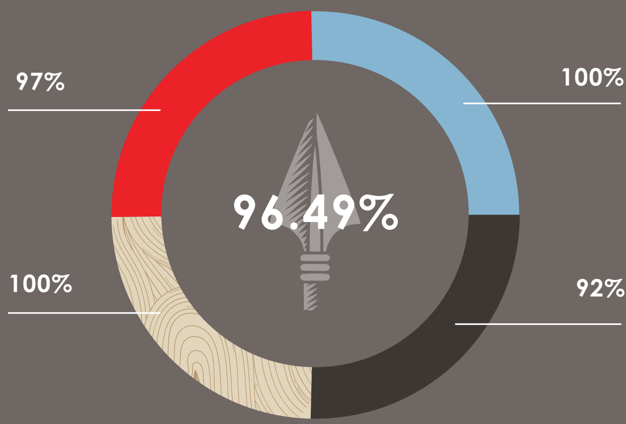
PROPERTY REVENUE (R'000)



GROSS LETTABLE AREA (m^2)



PROPERTY OCCUPANCY (%)

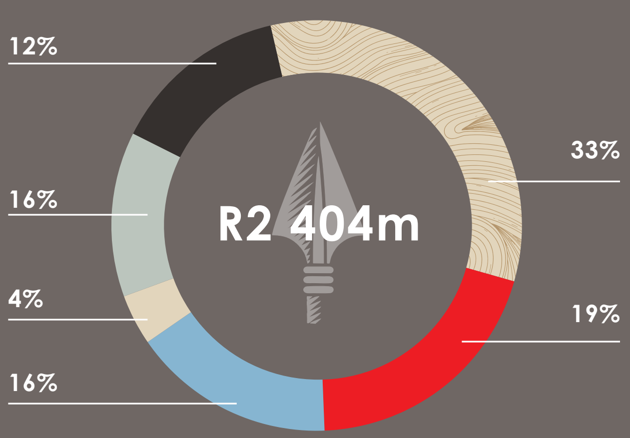


Logistics | Urban Logistics | Manufacturing | Mini Units

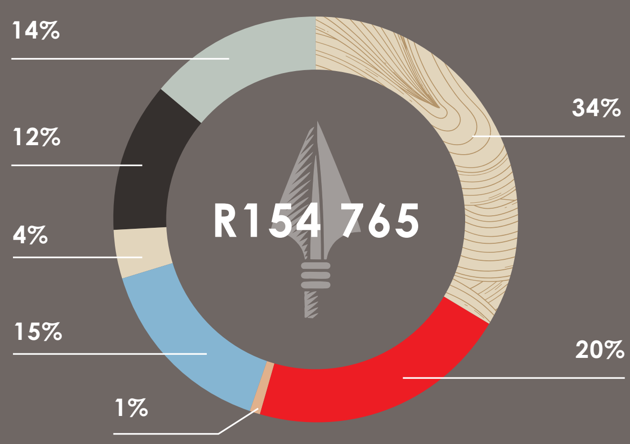
SPEAR SEGMENTAL ANALYSIS

Sectoral split by sector – Commercial

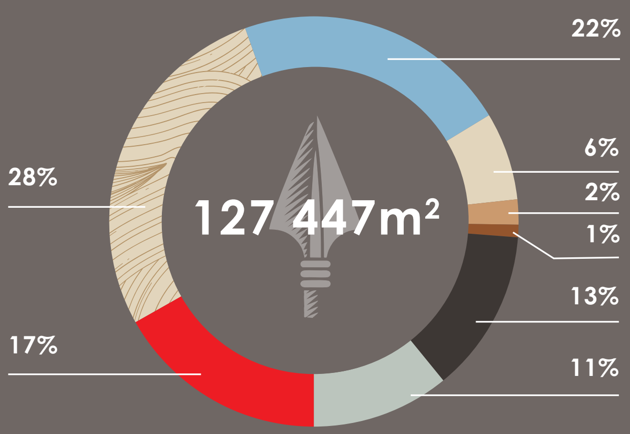
PROPERTY VALUE



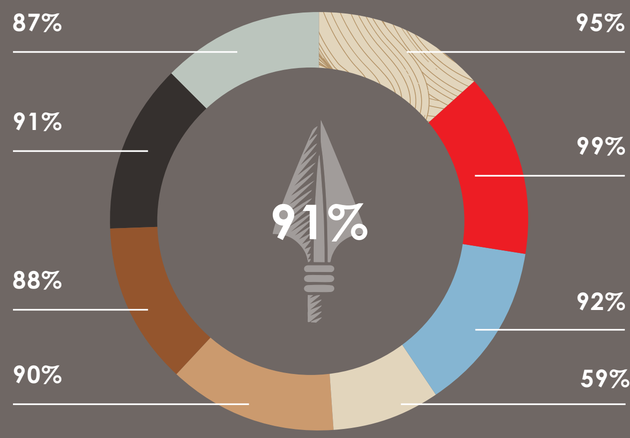
PROPERTY REVENUE (R'000)



GROSS LETTABLE AREA (m^2)



PROPERTY OCCUPANCY (%)



Cape Town CBD | Tygervalley | Parow | Century City | Woodstock

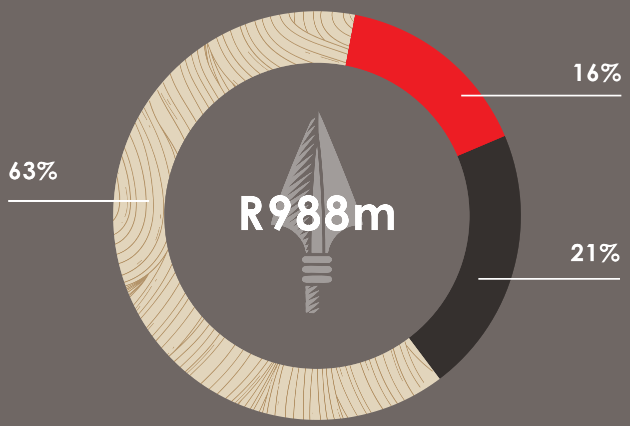
Paarden Eiland | Epping | Brooklyn | Newlands

SPEAR SEGMENTAL

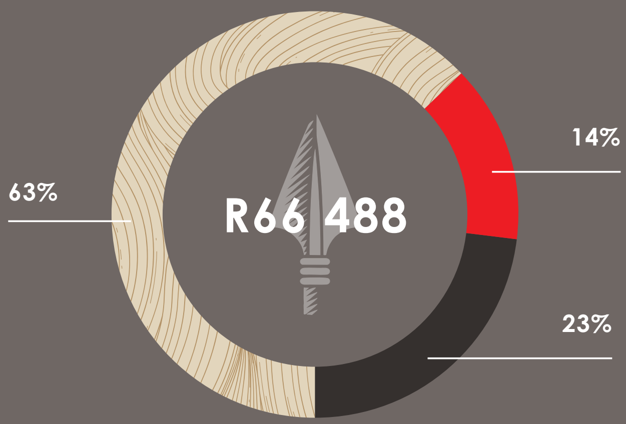
ANALYSIS

Sectoral split by sector – Retail

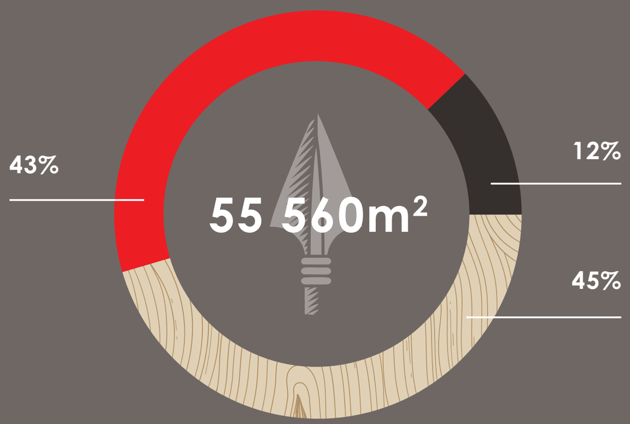
PROPERTY VALUE



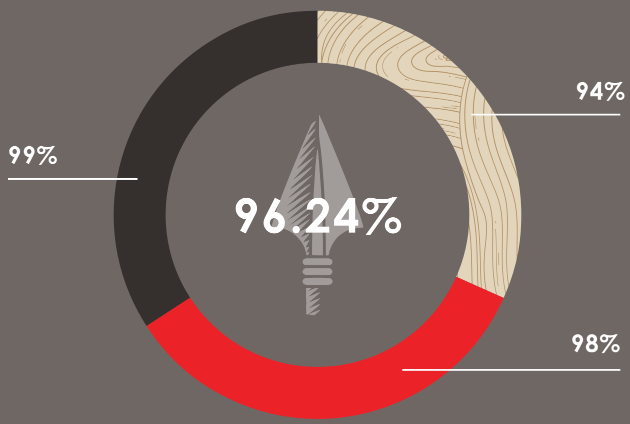
PROPERTY REVENUE (R'000)



GROSS LETTABLE AREA (m²)



PROPERTY OCCUPANCY (%)



Convenience Retail   Destination Retail   Medical Retail

CONDENSED CONSOLIDATED STATEMENT OF

FINANCIAL POSITION

Spear REIT Limited and its subsidiaries for the six months ended 31 August 2025

		Group		
		Unaudited Six months ended August 2025 R'000	Unaudited Six months ended August 2024 R'000	Audited Year ended February 2025 R'000
ASSETS				
Investment property (including straight-line accrual)		**5 598 299**	4 043 563	5 432 267
Property, plant and equipment		**535**	355	333
Deferred taxation		**436**	433	436
Non-current assets		**5 599 270**	4 044 351	5 433 036
Investment properties held for sale		**103 038**	171 800	100 000
Financial assets		**–**	15 000	15 987
Loans to related parties		**–**	215	–
Trade and other receivables		**18 131**	25 480	16 758
Cash and cash equivalents		**800 880**	16 816	73 860
Taxation receivable		**64**	–	732
Other financial asset		**1 802**	1 583	563
Current assets		**923 915**	230 894	207 900
TOTAL ASSETS		**6 523 185**	4 275 245	5 640 936
EQUITY AND LIABILITIES				
Shareholders' interest				
Share capital		**3 688 596**	2 453 183	2 935 811
Share-based payment reserve		**18 162**	11 974	17 210
Accumulated income		**1 081 616**	673 056	955 549
Total attributable to owners		**4 788 374**	3 138 213	3 908 570
Non-controlling interest		**13 112**	13 112	13 112
		4 801 486	3 151 325	3 921 682
Liabilities				
Financial liabilities		**1 337 151**	755 427	1 063 570
Non-current liabilities		**1 337 151**	755 427	1 063 570
Financial liabilities		**253 508**	274 437	513 441
Lease liability		**15 069**	11 954	16 348
Trade and other payables		**115 971**	82 003	125 895
Taxation payable		**–**	99	–
Current liabilities		**384 548**	368 493	655 684
TOTAL LIABILITIES		**1 721 699**	1 123 920	1 719 254
TOTAL EQUITY AND LIABILITIES		**6 523 185**	4 275 245	5 640 936
Number of ordinary shares in issue		**414 886 976**	289 684 779	339 986 976
Treasury shares		**(19 128 431)**	(22 377 857)	(19 587 037)
Net ordinary shares in issue		**395 758 545**	267 306 922	320 399 939
Gearing ratio	(%)	**13.85**	23.93	27.09
Net asset value per share*	(Rands)	**12.10**	11.74	12.20
Tangible net asset value per share	(Rands)	**12.10**	11.74	12.20

* *This calculation is IFRS compliant and disclosed. Please refer to Appendix 1 for SA REIT calculations and metrics.*

CONDENSED CONSOLIDATED STATEMENT OF

COMPREHENSIVE INCOME

Spear REIT Limited and its subsidiaries for the six months ended 31 August 2025

		Group		
		Unaudited Six months ended August 2025 R'000	Unaudited Six months ended August 2024 R'000	Audited Year ended February 2025 R'000
Contractual rental income		**280 671**	219 354	498 529
Tenant recoveries		**104 683**	86 326	181 779
Straight-line rental income accrual		**9 496**	3 247	9 749
Property revenue		**394 850**	308 928	690 058
Other income		**513**	1 239	1 395
Total revenue		**395 363**	310 167	691 453
Property operating and management expenses		**(143 321)**	(115 258)	(241 272)
Net property-related income		**252 043**	194 909	450 181
Administrative expenses		**(24 542)**	(17 536)	(45 882)
Net property operating profit		**227 500**	177 373	404 299
Fair value adjustment – Investment properties		**107 562**	16 268	277 091
Depreciation and amortisation		**(8 259)**	(7 868)	(15 671)
Listing cost		**–**	(18)	(363)
Share-based payment expense		**(11 446)**	(9 600)	(14 836)
Profit from operations		**315 358**	176 155	650 520
Net finance cost		**(53 825)**	(57 754)	(118 148)
– Finance costs		**(70 152)**	(58 600)	(122 030)
– Finance income		**16 327**	846	3 882
Profit before taxation		**261 533**	118 401	532 372
Taxation		**(1 801)**	(1 287)	(7 252)
Profit for the period		**259 732**	117 114	525 120
Other comprehensive income		**–**	–	–
Total comprehensive income for the period		**259 732**	117 114	525 120
Attributable to:				
Equity owners of the parent		**259 732**	117 114	525 120
Non-controlling interest		**–**	–	–
Total comprehensive income for the period		**259 732**	117 114	525 120
Basic earnings per share	(cents)	**73.96**	44.97	183.41
Diluted earnings per share*	(cents)	**72.33**	44.01	179.36
Distribution per share	(cents)	**41.59**	39.53	81.27
Interest cover ratio	(times)	**4.05**	3.01	3.34

* *Refer to Appendix 1.*

CONDENSED CONSOLIDATED STATEMENT OF

CHANGES IN EQUITY

Spear REIT Limited and its subsidiaries for the six months ended 31 August 2025

Group (R'000)	Share capital	Accumulated profit	Equity reserve	Total attributable to parent	Non-controlling interest	Total equity
Balance as at 29 February 2024	**2 388 960**	**661 330**	**12 754**	**3 063 044**	**13 112**	**3 076 156**
Changes in equity:						
Profit for the period	–	117 114	–	117 114	–	117 114
Proceeds/(cost) to issue shares	57 807	–	–	57 807	–	57 807
Acquisition of treasury shares	(4 358)	–	–	(4 358)	–	(4 358)
Disposal of treasury shares	29 623	–	–	29 623	–	29 623
Distributions to shareholders	–	(105 387)	–	(105 387)	–	(105 387)
Share-based payment expense	–	–	9 600	9 600	–	9 600
Vesting conditional share plan	6 028	–	(10 380)	(4 352)	–	(4 352)
Balance as at 31 August 2024	**2 478 061**	**673 057**	**11 974**	**3 163 092**	**13 112**	**3 176 205**
Changes in equity:						
Profit for the period	–	408 006	–	408 006	–	408 006
Proceeds/(cost) to issue shares	457 750	–	–	457 750	–	457 750
Distributions to shareholders	–	(125 514)	–	(125 514)	–	(125 514)
Share-based payment expense	–	–	5 236	5 236	–	5 236
Balance as at 28 February 2025	**2 935 811**	**955 549**	**17 210**	**3 908 570**	**13 112**	**3 921 683**
Changes in equity:						
Profit for the period	**–**	**259 732**	**–**	**259 732**	**–**	**259 732**
Proceeds/(cost) to issue shares	**753 546**	**–**	**–**	**753 546**	**–**	**753 546**
Acquisition of treasury shares	**(761)**	**–**	**–**	**(761)**	**–**	**(761)**
Distributions to shareholders	**–**	**(133 665)**	**–**	**(133 665)**	**–**	**(133 665)**
Share-based payment expense	**–**	**–**	**11 446**	**11 446**	**–**	**11 446**
Vesting conditional share plan	**–**	**–**	**(10 494)**	**(10 494)**	**–**	**(10 494)**
Balance as at 31 August 2025	**3 688 596**	**1 081 616**	**18 161**	**4 788 374**	**13 112**	**4 801 486**

CONDENSED CONSOLIDATED STATEMENT OF

CASH FLOWS

Spear REIT Limited and its subsidiaries for the six months ended 31 August 2025

	Group		
	Unaudited Six months ended August 2025 R'000	Unaudited Six months ended August 2024 R'000	Audited Year ended February 2025 R'000
Cash generated from operations			
Profit before tax	**261 533**	118 400	532 372
Adjustments for:			
Straight-line rental income accrual	**(9 496)**	(3 247)	(9 749)
Depreciation	**8 259**	7 868	15 671
Fair value adjustments	**(107 562)**	(16 268)	(277 091)
Impairment investments	**–**	–	–
Finance income	**(16 327)**	(846)	(3 882)
Finance cost	**70 152**	58 600	122 030
Share-based payment expense	**11 446**	9 600	14 836
Taxation accrual	**668**	–	(831)
Changes in working capital			
Trade and other receivables	**(1 373)**	(2 143)	6 579
Trade and other payables	**(9 924)**	(14 017)	29 456
Cash generated from operating activities	**207 376**	157 947	429 391
Finance costs	**(70 299)**	(58 180)	(121 506)
Finance income	**16 327**	427	3 882
Distribution paid	**(133 707)**	(105 388)	(230 903)
Taxation paid	**(1 801)**	(1 287)	(7 254)
Taxation received	**–**	–	–
Net cash generated from operating activities	**17 895**	(6 481)	73 612
Cash flows from investing activities			
Acquisition of investment property	**(1 576)**	150	(1 154 941)
Cost incurred on developments	**(22 673)**	(7 509)	(25 419)
Cost capitalised to investment property	**(35 895)**	(14 813)	(64 288)
Proceeds on sale of investment property	**–**	426 752	597 559
Acquisition of property, plant and equipment	**(328)**	(85)	(154)
Net cash used in investing activities	**(60 473)**	404 495	(647 242)
Cash flow from financing activities			
Proceeds/(costs) to issue shares	**748 209**	59 431	516 276
Proceeds from financial liabilities	**275 351**	–	2 319 609
Repayment of financial liabilities	**(245 526)**	(458 614)	(2 231 181)
Repayment of solar lease liability	**(1 279)**	(715)	(2 930)
Loan received from/(advanced to) related party	**–**	–	215
Purchase of treasury shares	**(2 719)**	(3 819)	(4 820)
Proceeds from sale of treasury shares	**–**	1 820	29 623
Cost of CSP shares issued	**(4 436)**	(4 351)	(4 351)
Net cash generated from financing activities	**769 599**	(406 248)	622 443
Total cash movement for the period	**727 021**	(8 234)	48 810
Cash at the beginning of the period	**73 860**	25 051	25 051
Cash at the end of the period	**800 881**	16 817	73 861

OPERATING SEGMENT INFORMATION

Spear REIT Limited and its subsidiaries for the six months ended 31 August 2025

	Industrial R'000	Commercial R'000	Retail R'000	Non-property R'000	Development R'000	Total R'000
Segment revenue	159 789	156 246	69 805	14	13	385 867
Straight-lining of leases	6 353	2 992	151	–	–	9 496
Net property operating profit	102 857	105 293	44 172	(24 588)	(233)	227 500
Fair value adjustments	51 681	50 189	5 693	–	–	107 562
Profit from operations	152 928	149 956	48 867	(36 160)	(233)	315 358
Finance income	170	620	5 146	10 278	114	16 327
Finance costs	(19 789)	(23 763)	(6 559)	(19 990)	(51)	(70 152)
Investment property	2 158 746	2 269 818	965 712	38	429	5 394 743
Investment property held for sale	–	103 038	–	–	–	103 038
Investment property under development and land	31 463	–	–	–	73 051	104 514
Straight-lining of lease asset	45 119	31 563	22 361	–	–	99 043
Total assets	**2 352 213**	**2 548 453**	**1 129 631**	**424 678**	**68 209**	**6 523 184**
Total liabilities	**2 352 213**	**(512 286)**	**(200 091)**	**(424 069)**	**(19 398)**	**(1 721 700)**

Boundary Terraces, Newlands

APPENDIX 1: SCHEDULE 2.2

SA REIT DISCLOSURES

SA REIT Funds from Operations (SA REIT FFO) per share

		August 2025 R'000	August 2024 R'000
Profit or loss per IFRS Statement of Comprehensive Income attributable to the parent		**259 732**	117 114
Accounting/specific adjustments:		**(117 058)**	(19 516)
- Fair value adjustments to: Investment property		**(107 562)**	(16 268)
- Straight-lining operating lease adjustment		**(9 496)**	(3 247)
Other adjustments:		**17 326**	2 740
Antecedent earnings adjustment [1]		**17 326**	2 740
SA REIT FFO:		**160 000**	100 338
Company-specific adjustments		**13 247**	10 886
- IFRS 2 Expense - CSP awards with future vesting and issue date		**11 446**	9 600
- Provisional tax paid on retained income for period pre distribution		**1 801**	1 287
Total distributable company FFO		**173 247**	111 224
Number of shares outstanding at end of interim period (net of treasury)		**395 758 545**	267 306 922
Interim distributable income pool	(R'000)	**173 247**	111 224
Interim distributable income per share (DIPS)	(cents)	**43.78**	41.61
Interim DIPS growth	(%)	**5.21**	
Interim distributable company FFO	(R'000)	**164 584**	105 663
Interim period pay-out ratio	(%)	**95**	95
Interim company dividend per share (DPS)	(cents)	**41.59**	39.53
Interim DPS growth	(%)	**5.21**	
Taxable retained earnings	(R'000)	**8 662**	5 561
Taxation payable	(R'000)	**(1 801)**	(1 287)
Net retained income	(R'000)	**6 861**	4 274

[1] Antecedent dividend relates to 74.9 million shares issued on 17 June 2025.

Dividend declared and dividend per share

Total distributions for the period – 2026	**Cents per share**	**R'000**
Interim distribution declared on 20 October 2025 (Distribution number 18)	**41.59**	**164 584**
Final distribution declared TBC (Distribution number 19)	**0.00**	**–**
Total distributions for the period ended 28 February 2026	**41.59**	**164 584**

Total distributions for the period – 2025	Cents per share	R'000
Interim distribution declared on 24 October 2024 (Distribution number 16)	39.53	105 663
Final distribution declared on 22 May 2025 (Distribution number 17)	41.74	133 740
Total distributions for the period ended 28 February 2025	**81.27**	239 403

SA REIT net asset value (SA REIT NAV)

		August 2025	February 2025
Reported NAV attributable to the parent	(R'000)	**4 788 374**	3 908 570
Adjustments:			
Deferred tax		**(436)**	(436)
SA REIT NAV	(A)	**4 787 938**	3 908 134
Shares outstanding			
Number of shares in issue at period end (net of treasury shares)		**395 758 545**	320 399 939
Effect of dilutive instruments (options, convertibles and equity interests)			
Dilutive number of shares in issue	(B)	**395 758 545**	320 399 939
SA REIT NAV per share (Rands)	(A/B)	**12.10**	12.20

SA REIT total cost-to-income ratio

		August 2025 R'000 Gross	February 2025 R'000 Gross
Expenses			
Operating expenses per IFRS income statement (include municipal expenses)		**143 321**	241 272
Utility and operating recoveries per IFRS income statement		**–**	–
Administrative expenses per IFRS income statement		**24 542**	45 882
Depreciation		**8 259**	15 671
Exclude:			
Depreciation expense in relation to property, plant and equipment of an administrative nature		**(126)**	(321)
Operating costs	(A)	**175 996**	302 504
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)		**281 185**	499 925
Utility and operating recoveries per IFRS income statement		**104 683**	181 779
Gross rental income	(B)	**385 867**	681 704
SA REIT total cost-to-income ratio (%)	(A/B)	**45.61**	44.37

SA REIT property cost-to-income ratio

		August 2025 R'000 Gross	February 2025 R'000 Gross
Expenses			
Operating expenses per IFRS income statement (include municipal expenses)		**143 321**	241 272
Utility and operating recoveries per IFRS income statement		**–**	–
Depreciation		**8 259**	15 671
Exclude:			
Depreciation expense in relation to property, plant and equipment of an administrative nature		**(126)**	(321)
Operating costs	(A)	**151 454**	256 622
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)		**281 185**	499 925
Utility and operating recoveries per IFRS income statement		**104 683**	181 779
Gross rental income	(B)	**385 867**	681 704
SA REIT property cost-to-income ratio (%)	(A/B)	**39.25**	37.64

SA REIT administrative cost-to-income ratio

		August 2025 R'000 Gross	February 2025 R'000 Gross
Expenses			
Administrative expenses as per IFRS income statement		**24 542**	45 882
Other identified administrative expenses, with clear explanations of these items			
Depreciation on property, plant and equipment		**126**	321
Administrative costs	(A)	**24 668**	46 203
Rental income			
Contractual rental income per IFRS income statement (excluding straight-lining)		**281 185**	499 925
Utility and operating recoveries per IFRS income statement		**104 683**	181 779
Gross rental income	(B)	**385 867**	681 704
SA REIT administrative cost-to-income ratio (%)	(A/B)	**6.39**	6.78

SA REIT GLA vacancy rate

		August 2025 m²	February 2025 m²
GLA of vacant space	(A)	**24 233**	14 634
GLA of total property portfolio	(B)	**487 317**	487 418
SA REIT GLA vacancy rate (%)	(A/B)	**4.97**	3.00

Cost of debt

		August 2025 %	February 2025 %
Variable interest-rate borrowings			
Prime – Floating reference rate plus weighted average margin		**0.00**	0.00
3-month JIBAR – Floating reference rate plus weighted average margin		**8.84**	9.29
Fixed interest-rate borrowings			
Weighted average fixed rate		**9.08**	9.01
Pre-adjusted weighted average cost of debt		**9.02**	9.08
Adjustments:			
Impact of interest rate derivatives		**0.00**	0.00
Amortised transaction costs imputed into the effective interest rate		**0.00**	0.00
All-in weighted average cost of debt	(A+B+C+D)	**9.02**	9.08

SA REIT loan-to-value (SA REIT LTV)

		August 2025 R'000	February 2025 R'000
Gross debt		**1 590 659**	1 577 011
Less:			
Cash and cash equivalents		**(800 880)**	(73 860)
Add/Less:			
Derivative financial instruments		**–**	
Net debt	(A)	**789 779**	1 503 151
Total assets – per Statement of Financial Position		**6 523 185**	5 640 936
Less:			
Cash and cash equivalents		**(800 880)**	(73 860)
Derivative financial assets		**–**	
Deferred taxation		**(436)**	(436)
Trade and other receivables		**(18 131)**	(16 758)
Carrying amount of property-related assets	(B)	**5 703 738**	5 549 882
SA REIT LTV (%)	(A/B)	**13.85**	27.09

SA REIT interest cover ratio (SA REIT ICR)

		August 2025 R'000	February 2025 R'000
Contractual rental income (excluding the straight-line lease accrual) ***plus***		**385 354**	680 308
Other income ***plus***		**513**	1 395
Movement in expected credit losses on trade receivables ***less***		**(28)**	
Operating costs ***less***		**(143 292)**	(241 272)
Administration costs		**(24 542)**	(45 882)
ICR EBITDA	(A)	**218 005**	394 549
Interest expense ***less***		**70 152**	122 030
Interest income		**(16 327)**	(3 882)
Net interest	(B)	**53 825**	118 148
SA REIT ICR	(A/B)	**4.05**	3.34

Renewal reversion rate

		Industrial %	Commercial %	Retail %	Total %
Renewal rate/m²	(A)	73.44	189.44	128.59	106.99
Expired rate/m²	(B)	68.33	184.82	120.88	101.76
	(A/B)	**7.47**	**2.50**	**6.37**	**5.14**

Renewal success rate

		Industrial	Commercial	Retail	Total
GLA of renewed leases during period (m²)	(A)	49 111	6 978	2 681	58 770
GLA of expired leases during period (m²)	(C)	62 412	13 458	11 031	86 901
Renewal success rate – Excluding monthly leases (%)	(A/C)	**79**	**52**	**24**	**68**

Tenant retention rate calculated by GLA and by gross monthly rental (GMR)

	Industrial %	Commercial %	Retail %	Total %
Retention rate by GLA	87.62	96.68	84.19	89.49
Retention rate by GMR	**93.09**	**94.03**	**91.61**	**93.30**

Weighted average lease escalation (WALE): Weighted by GMR

	Industrial %	Commercial %	Retail %	Total %
WALE weighted by GMR	**7.47**	**7.27**	**7.27**	**7.31**

Weighted average unexpired lease term (WAULT): Weighted by GMR

	Industrial months	Commercial months	Retail months	Total months
WAULT weighted by GMR	**38.27**	**23.99**	**31.44**	**29.72**

Like-for-like revenue growth

	Industrial %	Commercial %	Retail %	Total %
Like-for-like revenue growth	**2.26**	**5.82**	**8.18**	**4.62**

Like-for-like NOI growth

	Industrial %	Commercial %	Retail %	Total %
Like-for-like NOI growth	**(2.01)**	**5.70**	**12.69**	**(1.25)**

NOTES TO THE RESULTS

1. Earnings per share

This note provides the obligatory information in terms of IAS 33 Earnings Per Share and SAICA Circular 1/2023 for the group and should be read in conjunction with Appendix 1 – Schedule 2.2 SA REIT Disclosures, where earnings are reconciled to company funds from operations ("CFFO"). CFFO determines the distribution declared to shareholders, which is a meaningful metric for a stakeholder in a REIT.

1.1 Basic earnings per share

		Group		
		Unaudited Six months ended August 2025 R'000	Unaudited Six months ended August 2024 R'000	Audited Year ended February 2025 R'000
Shares in issue				
Number of shares in issue at end of period net of treasury shares	No of shares	**395 758 545**	267 306 922	320 399 939
Weighted average shares in issue net of treasury	No of shares	**351 180 708**	260 410 864	286 313 309
Add: Weighted potential dilutory impact of CSP	No of shares	**7 908 147**	5 666 066	6 554 174
Diluted weighted average number of shares in issues	No of shares	**359 088 855**	266 076 930	292 867 483
Basic earnings per share				
Earnings (profit attributable to owners of the parent)	(R'000)	**259 732**	117 114	525 120
Basic earnings per share	(cents)	**73.96**	44.97	183.41
Diluted earnings per share	(cents)	**72.33**	44.01	179.36

1.2 Headline earnings per share

Reconciliation between basic earnings and headline earnings:				
Earnings (profit attributable to owners of the parent)	(R'000)	**259 732**	117 114	525 120
Adjusted for:				
Fair value adjustments – Investment properties: Gross		**(107 562)**	(16 268)	(277 091)
Tax		**–**	–	–
Headline earnings	(R'000)	**152 170**	100 846	248 030
Headline earnings per share:				
Headline earnings per share	(cents)	**43.33**	38.73	86.63
Diluted headline earnings per share	(cents)	**42.38**	37.90	84.72

PARKLANDS HEALTH CENTRE, PARKLANDS

Introduction

Spear has maintained its uniquely positioned strategy within the South African listed property sector as the only regionally specialised Real Estate Investment Trust with a dedicated focus on the Western Cape. Since listing, Spear has maintained its disciplined mandate of investing exclusively within the borders of the province, with a distinct concentration in the Cape Town metropolitan region. This unwavering geographical focus enables the management to leverage the Western Cape's resilient economy, superior infrastructure, and attractive real estate fundamentals, which collectively provide a stable foundation for long-term value creation for all stakeholders.

Spear's portfolio is diversified across high-quality industrial, convenience retail, commercial, and mixed-use real estate assets, each carefully selected to deliver sustainable and predictable cash flows. Spear's industrial assets, in particular, remain a cornerstone of the portfolio, offering defensive income streams and exposure to sectors aligned with the Western Cape's economic strengths. Complementing this are strategically located convenience retail centres, premium commercial offices, and mixed-use developments, all of which are managed internally by highly skilled asset and property management teams with a focus on maximising occupancy, tenant retention, and rental growth.

Spear's mission is to be the leading Western Cape-focused REIT, consistently delivering annual growth in distributions per share and achieving operational performance that ranks within the top quartile of the South African REIT sector. This ambition is underpinned by a committed management team with extensive knowledge of the regional real estate market, supported by years of practical experience and a proven track record of execution. Spear's intimate understanding of local dynamics, combined with its commitment to maintaining close operational proximity to assets, ensures a highly engaged, responsive, and hands-on approach to both asset and property management.

As a true regional specialist, Spear prides itself on its ability to actively manage every asset in its portfolio, applying a disciplined, detail-oriented methodology that safeguards long-term value while unlocking new growth opportunities. This operational philosophy not only strengthens tenant relationships and enhances asset performance, but also provides shareholders with the confidence that capital is being deployed into one of the most stable and investable geographies on the African continent.

During HY2026, Spear's management team has remained acutely focused on successfully navigating the challenging trading environment, building on the rising tide of tenant activity and strengthening market fundamentals year to date. Despite overall positive sentiments HY2026 has not been without its challenges, but in the same vein the half year has been a very active period for Spear as we have diligently focused on robust operational outcomes, maintaining a strong financial cadence and executing on key aspects of Spear's growth strategy.

During HY2026, Spear acquired additional real estate assets to the value of R1 074 billion at an average acquisition yield of 9.54%, which is in excess of Spear's weighted average cost of capital. The new acquisitions are set to transfer into the core portfolio during Q3 and Q4 FY2026. The core portfolio remains well placed to deliver consistently on its strategic focus with the key drivers to such delivery being strong return-to-office and letting momentum, semigration, localisation, commencement of an interest rate cutting cycle in South Africa and a constraint in supply of real estate assets in certain sub-sectors within the Western Cape.

Robust rental collections, growing letting activity, tenant retention, and hands-on financial, debtors and vacancy management remain the key building blocks for the entire Spear team in FY2026 and beyond. Successful and hands-on marketing and letting initiatives across the core portfolio have seen occupancy levels remain robust at 95.03% in HY2026 in addition to Spear's balance sheet being primed for growth with an HY2026 LTV of 13.85% prior to the implementation of the Berg River Industrial Business Park, Consani Industrial Park and Maynard Mall acquisitions.

Financial results

Group revenue excluding smoothing increased by 25.72% from the prior corresponding period post transfer of the 13 new assists acquired in October 2024.

Net property operating profit increased by 25.20% from the prior corresponding period.

HY2026 property operating and management expenses increased by 24.35% and administrative expenses increased by 39.95% compared to HY2025.

On a like-for-like basis revenue increase by 4.62% and net property operating profit decreased by 1.25%. The net operating income decrease is as a result of transitory vacancy creep and 1% of total GLA related to a technical vacancy that forms part of the group asbestos replacement programme, together with absorption of the winter consumption tariff which will be normalised during the second half of FY2026.

		Six months ended 31 August 2025	Six months ended 31 August 2024	Variance %
DIPS	(cents)	**43.78**	41.61	5.21
DPS	(cents)	**41.59**	39.53	5.21
Average pay-out ratio	(%)	**95.00**	95.00	

Financial results (continued)

The board of directors is pleased to announce a final DPS of 41.58704 cents for the six months ended 31 August 2025.

	Six months ended 31 August 2025	Year ended 28 February 2025	Variance %
Net asset value per share (Rands)	**12.10**	12.20	(0.82)
Tangible net asset value per share (Rands)	**12.10**	12.20	(0.82)
Tangible net asset value per share net of distribution (Rands)	**11.68**	11.78	(0.85)

Refer to the TNAV bridge for further commentary.

The financial results achieved during HY2026 are testament to the execution of Spear's hands-on and active asset management approach to the portfolio. Spear's diversified portfolio located in highly desirable locations underpins the cash flows generated across portfolio assets. The core Spear portfolio is 100% fixed income with only its solar PV roof rental income being variable and classified as non-GLA-based revenue.

Rental reversions on lease renewals and relets have shown defensive attributes for the most part with core portfolio reversions during the interim period being a positive 1.31%.

Vacancy rates across the portfolio were at 4.97% at period end with further vacancy contraction taking place post the end of the half year, which will give impetus to vacancy mitigation efforts during the second half of FY2026.

Management remains confident that consistent demand for space within the core portfolio together with attractive lease terms will equip Spear to maintain its key performance indicator strength in occupancy rates, in-force escalation rates, tenure and rental rates per square metre.

Group gearing is 13.85% (FY2025: 27.08%). The decrease results from the capital raise concluded in June 2025 in anticipation of the acquisitions as announced on SENS to be concluded towards the end of FY2026.

Spear's balance sheet remains robust and well managed. No debt refinancing concerns exist within the business as an active management approach is taken to the debt portfolio to ensure well staggered refinancing terms and defensive expiry schedules across numerous funders. A detailed debt expiry schedule is provided within this report.

Collections and receivables

- Collections have been satisfactory and in line with management's expectations for the HY2026 period.
- Tenant receivables relating to HY2026 amounted to R4.02 million excluding VAT and as measured at 7 October 2025. At 31 August 2025, all debtors amounted to R17.70 million excluding VAT for all tenant arrears, which include tenants on payment arrangement and legal tenants.

HY2026 (excluding VAT)		**Total R'000**
Billed (including utilities)		**386 182**
Collected		**382 614**
Collected vs billings	(%)	**98.96**

At period end the total provision for bad debt was R3.06 million, being 17.27% of total tenant arrears.

Management actively reviews tenant arrears and at the end of the reporting period a total of R1.1 million of bad debt was written off. None of the prior period provision was utilised. The provision is reviewed on a monthly basis and adjusted to accommodate tenants that have debtors outstanding of 120 days and more with a very low prospect of recoverability. Significant success was achieved in HY2026 with respect to receivables from legal tenant debtors and we remain confident that the current legal tenant debtors will be recovered resulting in positive outcomes for the group.

Property portfolio

Spear's current property portfolio consists of 39 high-quality assets with an average value per asset of R144.3 million per property, being a 3.02% increase from FY2025: R140.1 million per property. Total GLA at period end was 487 317m^2 valued at R5.70 billion.

The portfolio's income stream is underpinned by weighted average lease escalations ("WALE") of 7.31% and a weighted average unexpired lease term ("WAULT") of 30 months (FY2025: 25 months) measured of gross monthly rent. Please refer to the SA REIT disclosures for the WALE and WAULT per sector.

One of the hallmarks of Spear's portfolio has been the maintenance of a high occupancy rate with vacancies well below the national averages recorded by IPD and SAPOA with an overall vacancy of 4.97% at period end (FY2025: 3.00% portfolio vacancies).

Top 10 properties by value

Property	Value including lease asset R'000	Sector	GLA m²	Vacancy m²	% of total value	Valuation R/m²
Mega Park, Bellville	596 200	Industrial	86 195	6 979	10,46	6 917
Sable Square Shopping Centre, Milnerton	507 675	Retail	31 089	1 331	8,90	16 330
2 Long Street, Cape Town	492 800	Commercial	25 268	1 493	8,64	19 503
Northgate Park, Brooklyn	296 200	Commercial	16 880	1 487	5,20	17 547
Bravo Park, Blackheath	278 670	Industrial	40 331	2 034	4,89	6 909
1 Waterhouse Place, Century City	274 150	Commercial	11 963	1 701	4,81	22 917
Boundary Terraces, Newlands	272 650	Commercial	8 705	1 700	4,78	31 320
The Island, Paarden Eiland	225 900	Industrial	21 542	470	3,96	10 486
9 Long Street, Cape Town	164 000	Commercial	10 135	421	2,88	16 182
Northpoint Industrial Park, Brackenfell	156 100	Industrial	16 415	–	2,74	9 510
Top 10 Total	3 264 345		268 523	17 616	57,26	12 157
Group Total excluding land	**5 628 286**		**487 317**	**24 233**	**100.00**	**11 550**

Sectoral split

		Industrial	Commercial	Retail	Development land	Total
Number of properties		14	17	8	–	39
Value of properties	(R'000)	2 235 328	2 404 419	988 073	73 480	5 701 300
Value	(%)	39	42	17	1	100
Property revenue excluding smoothing	(R'000)	159 789	156 246	69 805	13	385 854
Revenue	(%)	41	40	18	–	100
GLA	(m²)	304 310	127 447	55 560	–	487 317
GLA	(%)	62	26	12	–	100
Vacant area	(m²)	10 677	11 469	2 088	–	24 233
Vacancy per sector	(%)	3.51	9.00	3.76	–	–
Vacancy on total GLA	(%)	2.19	2.35	0.43	–	4.97
Yield	(%)	8.42	7.89	8.64	N/A	8.23
WALE	(%)	7.47	7.27	7.27	N/A	7.31
WAULT	(months)	38.27	23.99	31.44	N/A	29.72

Fair value disclosures

All assets and liabilities measured or disclosed at fair value are classified using a three-tiered fair value hierarchy that reflects the significance of the inputs used in determining the measurement as follows:

Level 1 Measurements in whole or in part are done by reference to unadjusted, quoted prices in an active market for identical assets and liabilities. Quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 Measurements are done by reference to inputs other than quoted prices that are included in level 1. These inputs are observable for the financial instrument, either directly (i.e. as prices) or indirectly (i.e. from derived prices).

Level 3 Measurements are done by reference to inputs that are not based on observable market data.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. Valuation models are used to value investment properties (measurement and disclosure) and financial liabilities that have fixed interest rates (disclosure only).

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty and valuation techniques employed may not fully reflect all factors relevant to the positions the company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors.

Valuation technique

The fair value of investment properties is determined by utilising the discounted cash flow methodology in terms of which estimated gross income is projected for a five- or 10-year period, based on contractual arrangements and an estimated market rent upon the expiry of the leases for the period of the cash flow. Forecast expenses are deducted from the estimated gross annual income projections to arrive at the net annual income stream for the period of the cash flow.

This net annual income stream is discounted and aggregated to determine an estimated net present value of the future cash flows. The sum of the discounted net annual value of the cash flows is added to an amount that represents an estimate of the value of the property upon reversion at the end of the cash flow period. This latter amount is calculated as the value of the estimated net income in the forward period of 12 months immediately following the final year of the cash flow, capitalised at an appropriate exit capitalisation rate.

The key inputs to the valuation of investment property are the discount rate and exit capitalisation rate, representative of the perceived risk in the investment. Capitalisation rates (and more specifically exit capitalisation rates which are utilised at the end of the discounted cash flow period) to determine the fair value of investment property into perpetuity were examined and risk-adjusted where necessary, to account for factors that influence the sustainability of cash flows pertaining to each property such as location, condition of improvements, market conditions and the strength of the underlying lease covenants, inter alia. The discount rate is the annual return that a prudent rational investor requires in order to invest in the property in a competitive market as opposed to alternative asset classes. It is widely expected that a yield premium above an appropriate risk-free rate is required to induce investors to invest into property due to the additional perceived risk in this asset class as opposed to an alternative investment with no default risk. Similarly, discount rates were examined and risk-adjusted where necessary.

As at 31 August 2025, the following significant assumptions and unobservable inputs used by the group in determining fair value were in the following ranges:

		Industrial	Commercial	Retail	HY2026
Average discount rate	(%)	13.84	14.02	13.94	13.93
Average capitalisation rate	(%)	8.84	9.02	8.94	8.93
Average exit capitalisation rate	(%)	9.05	9.05	8.94	9.01
Average rental growth rate	(%)	5.00	5.00	5.00	5.00
Average expense growth rate	(%)	6.00	6.00	6.00	6.00
Structural vacancy range	(%)	0.5 – 2.5	0.5 – 3.5	1.5 – 3.0	0.5 – 3.5
Void period range	(months)	1.0 – 2.0	1.0 – 2.0	1.0 – 2.0	1.0 – 2.0

As at 28 February 2025, the following significant assumptions and unobservable inputs used by the group in determining fair value were in the following ranges:

		Industrial	Commercial	Retail	FY2025
Average discount rate	(%)	13.77	14.05	14.00	13.94
Average capitalisation rate	(%)	8.77	9.05	9.00	8.94
Average exit capitalisation rate	(%)	9.02	9.13	9.00	9.05
Average rental growth rate	(%)	5.00	5.00	5.00	5.00
Average expense growth rate	(%)	6.00	6.00	6.00	6.00
Structural vacancy range	(%)	0.50	0.50	0.50	0.50
Void period range	(months)	2 – 4	2 – 4	2 – 4	2 – 4

The above resulted in the following key metrics pertaining to the portfolio:

		Industrial	Commercial	Retail	HY2026
Average value per property (excluding land/bulk value)	(R'000)	159 666	141 436	123 509	144 303
Average value per square metre	(Rands)	7 346	18 866	17 784	11 549

The fair market valuations are tested for reasonableness by comparing the resultant Rand per square metre against comparative sales of similar properties in similar locations. It was found that the resultant rates per property and per asset class were reasonable and fair.

Further assumptions are used in the valuation of investment property. Inter-relationships between unobservable inputs and fair value measurements are as follows:

The estimated fair value would increase/(decrease) if: the discount rate was lower/(higher); the reversionary capitalisation rate was lower/(higher); the expected market rental growth was higher/(lower); the expected expense growth was lower/(higher); vacant periods were shorter/(longer); rent-free periods were shorter/(longer); the occupancy rate was higher/(lower); the estimate of market rentals was higher/(lower).

The material assumptions applied in property valuations have not changed materially from the prior year-end.

The table below illustrates the sensitivity of the fair value to changes in the most significant inputs:

	Six months ended 31 August 2025 R'000	Year ended 28 February 2025 R'000
Sensitivity analysis of most significant inputs		
Increase in fair value if capitalisation rates are decreased by 0.5%	**326 342**	317 034
Decrease in fair value if capitalisation rates are increased by 0.5%	**(291 684)**	(283 341)
Increase in fair value if discount rates are decreased by 0.5%	**206 442**	200 449
Decrease in fair value if discount rates are increased by 0.5%	**(192 024)**	(186 445)

Sectoral performance

Industrial	GLA: 304 310m^2	Occupancy: 96.49%

Spear's industrial portfolio remained a significant moat around the operating business during HY2026. The industrial portfolio constitutes 62% of GLA. The defensive composition of the industrial portfolio is made up of logistics, urban logistics, warehousing, manufacturing and multi-let industrial parks (MLI) in highly sought-after nodes within the Cape Metropole. All of Spear's industrial assets offer versatile operational areas, yards, access control and 24-hour security, all with embedded solar PV infrastructure either fully commissioned or in the process of being commissioned. Spear's development pipeline of high-quality industrial assets is set to add further value to the core industrial portfolio with the GTX development in George set to add 30 000m^2 of industrial GLA, Bravo Park extension 2 in Blackheath set to add 7 000m^2 of industrial GLA and The Anchorage in Paarden Eiland set to add 2 000m^2 of industrial GLA.

Commercial	GLA: 127 447 m^2	Occupancy: 91.00%

Spear's commercial office assets have been net benefactors of the constraint in supply of high-quality commercial office space within Cape Town's primary commercial nodes. The localities of the commercial portfolio provide ease of access to and from all main arterial routes and transportation hubs. The return-to-office momentum in the Cape Town office market has positively improved the occupancy rate of Spear's office portfolio with ongoing vacancy contractions evident. The positive effects of the marginal uptick in economic activity, the ongoing effects of semigration to the Cape region and the establishment of international offices in Cape Town together with a lack of meaningful new supply continue to drive demand for quality office accommodation and rental growth opportunities. Management will maintain its focused and innovative letting campaigns across the office portfolio with a key focus of consistently driving up occupancy rates within the portfolio.

Retail	GLA: 55 560m^2	Occupancy: 96.24%

Spear's retail portfolio has generated consistent forecast-aligned performance during HY2026 as both the convenience and destination retail portfolio operate with high occupancy and collection rates. The addition of the medical retail assets into the core retail portfolio has been smoothly integrated and are trading very well. The decline in interest rates and the effects of two-pot withdrawals have had positive impacts on Spear's tenants as consumer demand returns as spending power increases. Spear's tenants have reported positive trading conditions as footfall levels remain strong and basket sizes remain in line with tenant expectations particularly within the apparel segment. Currently, 47.5% of Spear's retail tenant mix is made up of national tenants, with management focused on increasing this proportion over time as a key credit risk mitigant. Importantly, none of Spear's retail assets are dependent on local or international tourism but instead benefit from their positioning within strong residential, commuter and commercial nodes. The retail portfolio is concentrated in high-growth areas that service a broad range of LSM groups, supporting continued brand expansion by national retailers across the portfolio. The positive rental reversion achieved at the half year is expected to further underpin management's revenue growth strategy across all of Spear's subsectors.

Tenant grading

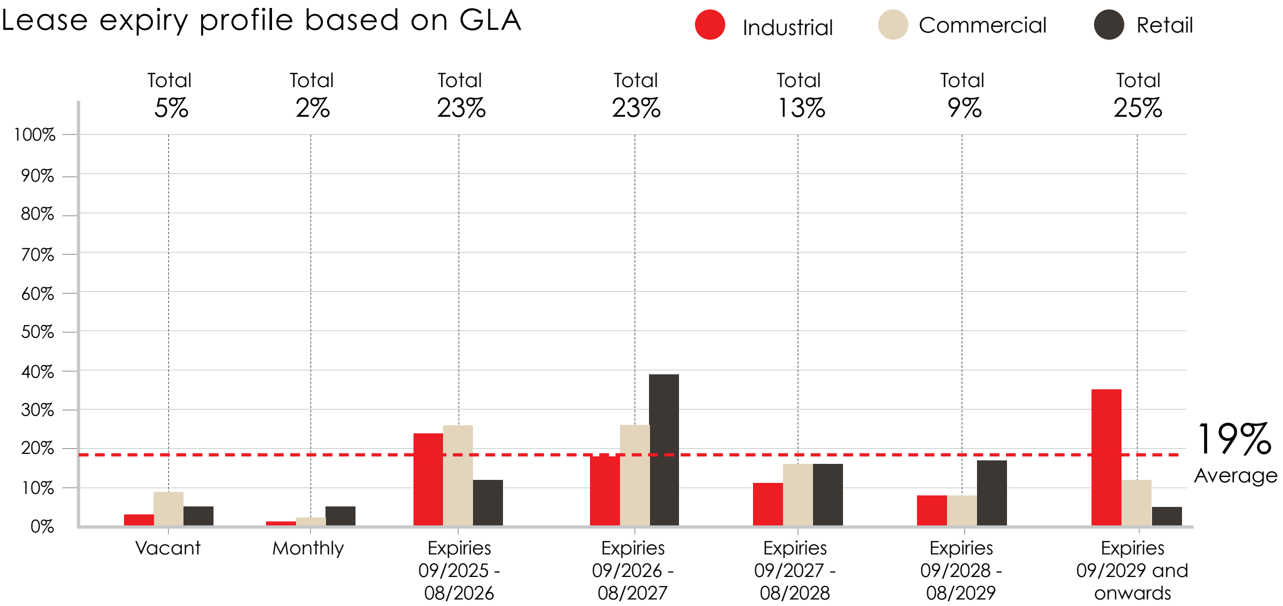
	GLA m²	GLA %	Number of tenants	Number of tenants %
A – Large national, large listed and government tenants	235 247	48.27	123	21
B – Smaller international and national tenants	204 134	41.89	309	53
C – Other local tenants and sole proprietors	23 702	4.86	154	26
Vacant	24 233	4.97	–	–
	487 317	**100.00**	**586**	**100.00**

Letting activity

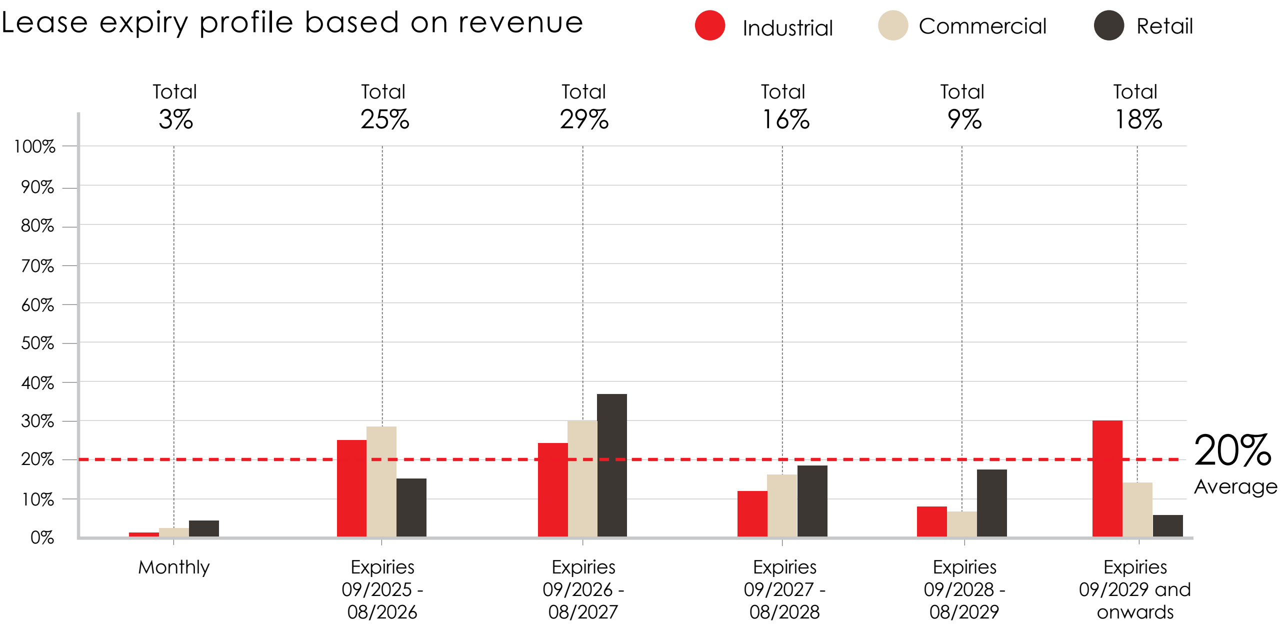
The table below reflects the letting activity of the interim period:

	Expiries and cancellations GLA	Gross rental at expiry R'000	Average gross expiry rental R/m²	Renewals/ New lets GLA	Gross rental at renewals/ New lets R'000	Average gross new rental R/m²	Average rental reversion %
Commercial	15 852	3 024	191	19 551	3 326	170	(10.84)
Industrial	70 683	3 529	50	68 587	3 477	51	1.55
Retail	8 962	884	99	9 429	895	95	(3.81)
Total	**95 496**	**7 438**	**78**	**97 567**	**7 698**	**79**	**1.31**

Lease expiry profile based on GLA



Lease expiry profile based on revenue



Capital expenditure and redevelopment

GTX Industrial Park, George

Phase 1 on site civils infrastructure works has been completed on site. All required submissions have been made to the local authority for the boundary wall and one of the first-phase erven to be developed at GTX Park, which includes a multi-unit industrial space offering lettable areas ranging from 400m² – 4 874m². Positive progress continues on SDP and building plan approvals for the phased development of GTX Park.

Construction update:

- Internal roads and services: Completed
- Airport roundabout: Completed
- Landscaping Phase 1: Completed
- Electrical Phase 1: Under construction
- Perimeter SDP approval: Received
- Contractor appointment: Underway

The development of the top structures at GTX Park will unfold over the next five years at a capital cost of R300 million to R320 million (excluding land costs), as tenants are secured for the various industrial opportunities within the Park. ACSA is scheduled to begin upgrades to George Airport in 2026/27, further enhancing the appeal of the Airport Business Park precinct as an ideal operational base for businesses. This development aligns with the ongoing positive growth of the Southern Cape economy. Management anticipates to break ground on the first top structure in Q4 FY2026.

Bravo Park Extension 2, Blackheath

The high demand for industrial warehousing in Cape Town, particularly in Blackheath, has prompted the development planning of Phase 2 Bravo Park. This new phase will utilise land already owned by Spear, acquired during the original purchase of Bravo Park, formerly known as Blackheath Park. The planned development includes a warehouse spanning 7 000m² featuring a mix of dock levellers, on-grade loading, and a 15-metre height under eaves.

Status update:

- Spear has approved the development feasibility report prepared by Spear's quantity surveyors in consultation with our professional team
- Building plan approval is imminent and expected by end-October 2025
- Marketing efforts have begun, targeting Spear's tenant and broker network with three prospective users currently assessing the opportunity

Development costs and forecast return metrics:

- Estimated capital cost: R82 million (including land)
- Initial yield: 9.26%

The Anchorage, Paarden Eiland

Spear's sites at 28 – 34 Marine Drive, Paarden Eiland, earmarked for mixed-use redevelopment, have reached a stage where action can now be taken thanks to favourable market conditions. Management is pleased to advise that the City of Cape Town has provided Spear with its approval of the site development plan for The Anchorage development. In order for Spear to entrench its rights to embark on the development building plans were submitted for minor works on site, which will result in the construction of a hi-voltage room and a unigear room at the back of the site on Shopshire Steet. Management is pleased to confirm that the commencement certificate has been issued by the City of Cape Town and the development rights of Mixed Use 3 have been entrenched.

The initial development will cover approximately 35 500m² of floor area excluding parking areas and will comprise of ultra convenience retail, hi-tech industrial, commercial offices and residential apartments. The feasibility of the scheme remains under review by Spear's Investment Committee due to the substantial proposed capital cost of R1.6 billion. The development is planned to proceed in two to three phases. Once completed, the project will yield over 632 residential units, with a portion designated as inclusionary accommodation, 2 056m² of hi-tech industrial space, 2 057m² of commercial office space, and 7 350m² of convenience retail space.

While feasibility drives the project, management anticipates significant value creation for Spear shareholders. Profits from the sale of sectional title residential units with a unit mix of 338 studios, 232 one-bedroom units, 58 two-bedroom units and four penthouses will be used to offset the balance of the proposed scheme's capital cost, enabling the non-residential components to be retained at a reduced cost, thereby delivering improved income returns and boosting net asset value for shareholders. The proposed parking to be developed on site will be 938 car parking bays and 33 motorcycle bays. While the development will cater for parking bays to be provided per residential unit sold, it is located within a public transportation zone with the MyCiTi BRT within walking distance of the development.

The anticipated milestones for the development are as follows:

- November 2025: Feasibility approval by Spear Investment Committee/Board
- April 2026: Launch of development and residential pre-sales
- June 2026: Target to achieve 70% pre-sales on Tower 1 of residential scheme
- October 2026: Subject to pre-sales being achieved, site handover to main contractor to commence with site development
- Non-residential development completion period: 18 months from October 2026

Capital allocation and strategic focus

Capital allocation remains a central pillar of management's approach to enhancing Spear's investment performance and portfolio composition. The objective is to drive long-term growth and deliver sustainable returns through a disciplined, methodical process. Management has consistently applied a strategic framework of allocating, recycling, and redeploying capital into opportunities that align with Spear's core investment strategy.

Spear's capital allocation strategy is executed with clear intent to support the growth of a high-quality, defensive real estate portfolio. The focus is on identifying and investing in high-quality opportunities within targeted sub-sectors while maintaining prudent financial discipline. Key components of the strategy include:

- Selective acquisitions or re/development initiatives, with an emphasis on convenience retail, warehousing, logistics, multi-let industrial, and mixed-use assets
- Ongoing major portfolio maintenance and strategic capital expenditure
- Opportunistic share buybacks from retained income and cash reserves where distribution yields are more accretive than available acquisition prospects

During HY2025, Spear entered into agreements to acquire R1,074 billion in new assets with the transfer date set for between October 2025 and January 2026. The asset composition is made up of two high-quality multi-let industrial parks located in Paarl and Elsies River Industria with the third being a convenience and commuter retail asset in Wynberg with a collective GLA of 137 090m^2. The new acquisition assets are being acquired on an average yield of 9.54%.

Management remains resolute in Spear's growth strategy which is set to be executed in a focused and methodical manner. All new acquisitions must comply with management's strict investment criteria and overall investment strategy.

The acquisition will increase Spear's assets under ownership from 39 to 42 high-quality real estate assets and will enhance Spear's portfolio diversification and geographical spread of assets within the Western Cape, while maintaining its bias towards the Cape Town Metropole.

The assets were acquired at no premium to its market value and is accretive to Spear shareholders, from a distributable profit perspective, from the date of transfer. Spear's growth strategy is to remain exclusively invested in the Western Cape with aspirations to become a meaningful mid-cap-sized REIT, with assets under ownership of circa R15 billion and a market capitalisation of R8 billion over the next seven to 10 years.

Post the implementation of the acquisitions, Spear's assets under ownership will increase to circa R6.6 billion and the GLA of its portfolio will increase to circa 624 407m^2 within the Western Cape. The most recent acquisitions align firmly with Spear's three-pronged capital allocation strategy and its asset acquisition strategy.

Balance sheet and risk management

Management has maintained its obsession with its hands-on, active, and prudent balance sheet management approach. Spear's balance sheet remains robust, positioned for growth and is meeting all covenants.

Management maintains strong and unblemished relationships with its funding partners Nedbank CIB and Standard Bank Real Estate Finance. Spear's funders have been incredibly supportive and remain aligned with Spear's strategic objectives and growth objectives within the Western Cape.

Spear's strictest covenants are a 50% LTV and 2 times ICR for the FY2025 financial period going forward. The group continued to operate well below its strictest covenants with a comfortable margin of safety that provides optionality to management as and when required.

The group LTV at period end was 13.85%, which is below management's target range of between 38% – 43%.

The execution of asset disposals at book value and improved valuations as a result of growing net property income metrics contributed to the reduction in group LTV for the period. The robust balance sheet enhances optionality for future acquisitions, redevelopments and developments that will enhance the core portfolio.

Spear's fixed debt ratio at period end was 74.99%.

Spear's hedging policy remains in the range of 65% – 75% of debt hedged at any given time for periods of up to three years at a time.

Spear's debt portfolio remains actively managed with an all-in cost of debt of 9.02% and a hedged ratio of 74.99% at period end with the weighted average cost of fixed debt being 9.08%.

Spear's debt expiry profile provides no short- to medium-term refinancing risk with the weighted average expiry being 29 months.

Share capital movement

Date	Shares (million)	Rand per share	Reason
17/06/2025	6.21	10.00	Shares for cash issue
17/06/2025	68.69	10.00	Vendor placement

Cost to income

SA REIT gross total cost to income is 45.61%, increasing from 44.37% from the prior financial year.

Administrative cost to income for the period was 6.39%, decreasing from 6.78% from the prior financial year.

The group has done exceptionally well to mitigate continued cost creep given the inflationary pressures experienced together with the rising cost of utilities. The total cost-to-income ratio will improve for the FY2026 financial year due to utility recovery improvement post the winter tariffs absorption.

Borrowings and funding

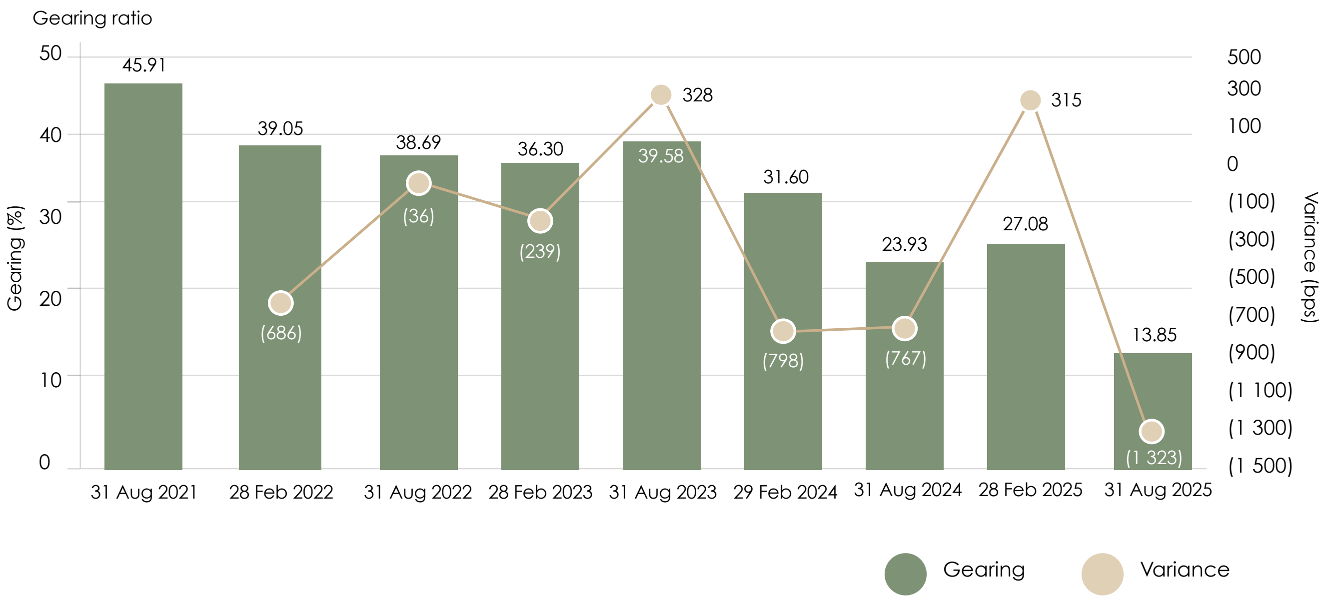
During HY2026, the last remaining loans that were entered into and fixed during the low interest rate environment of Covid came up for renewal. Three loans totalling R261 million were consolidated and refinanced on three-year terms. The overall cost of the loans was higher than the expiring terms but was lower than the group's budget for these specific loans starting 1 August 2025.

Group covenants

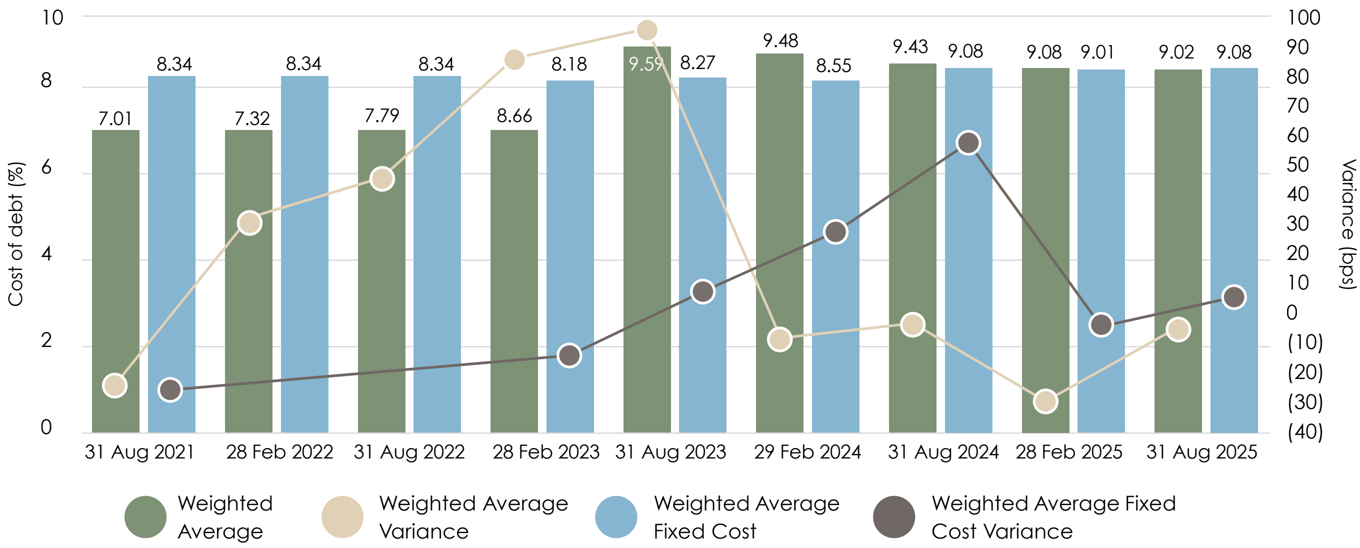
There has been no change in group covenant levels set by financial institutions in the interim period.

	COVENANTS	AUGUST 2025	FEBRUARY 2025
LTV	50%	13.85%	27.08%
ICR	2.00 times	4.05 times	3.34 times

Group gearing

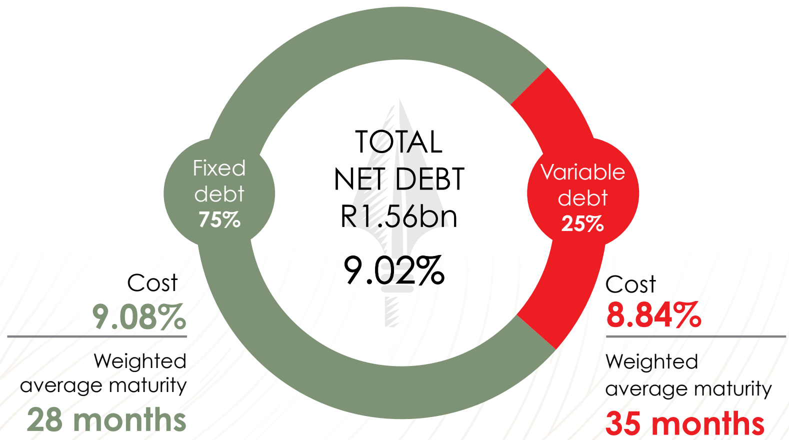


In-force cost of debt

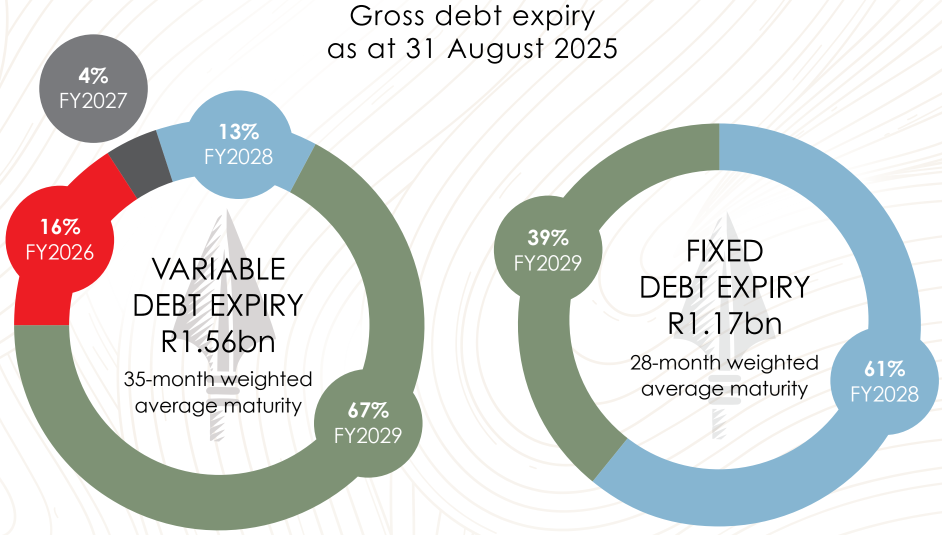


At period end, variable JIBAR-linked loans were at an average margin of JIBAR plus 1.58% and the group had no variable prime-linked loans. Refinanced loans and new acquisition loans are currently agreed at margin below the group average.

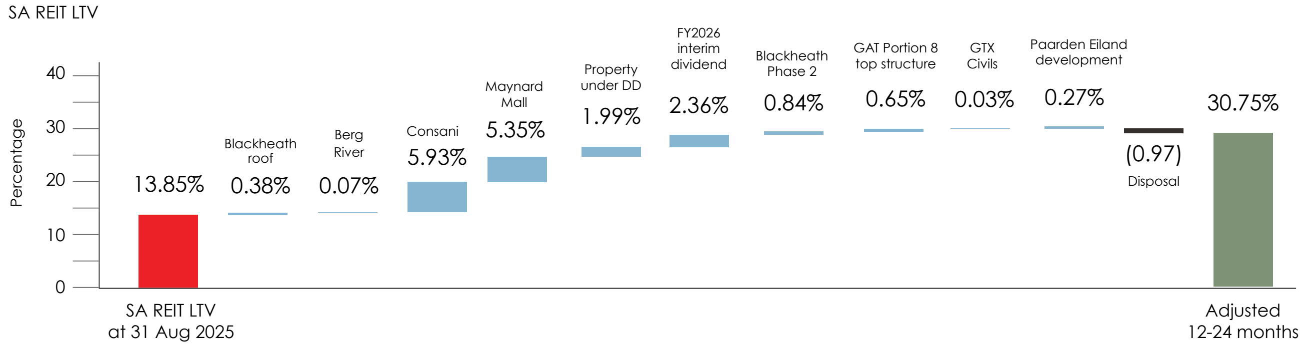
Group net debt profile
as at 31 August 2025



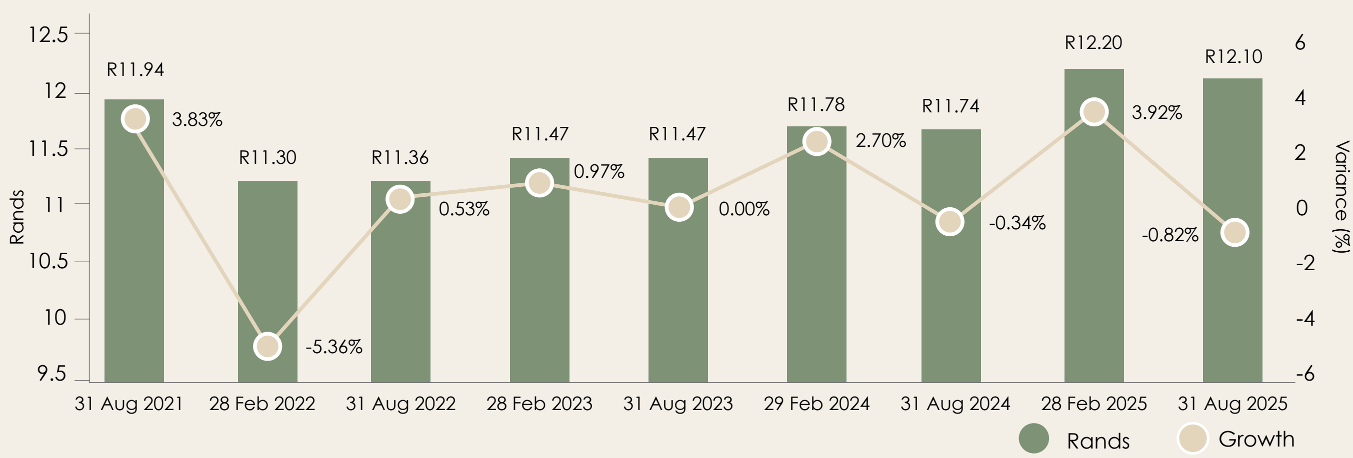
Gross debt expiry
as at 31 August 2025



LTV sensitivity

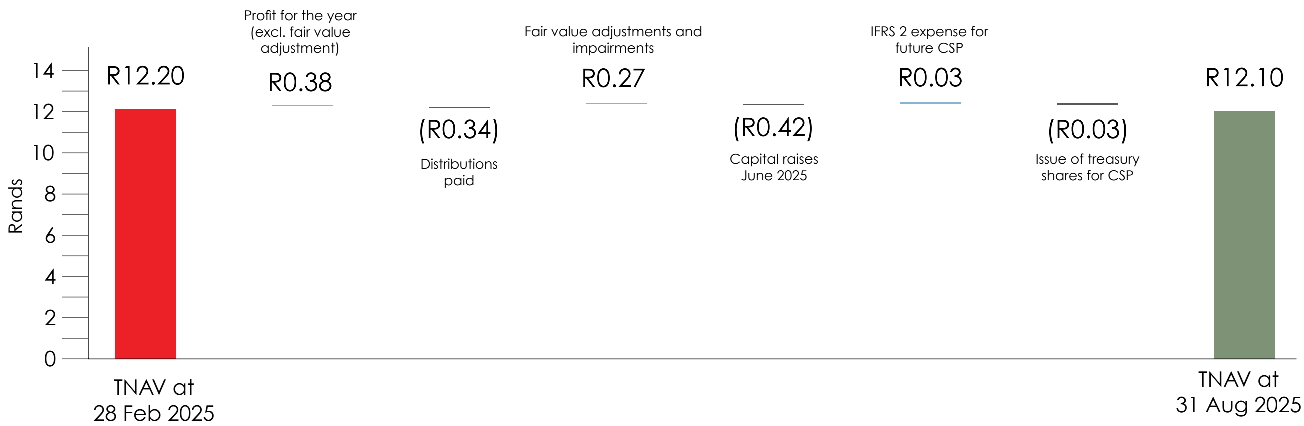


Tangible net asset value



The above ratio is IFRS compliant and is required for disclosure but please refer to Appendix 1 and table for the SA REIT NAV calculation.

TNAV bridge



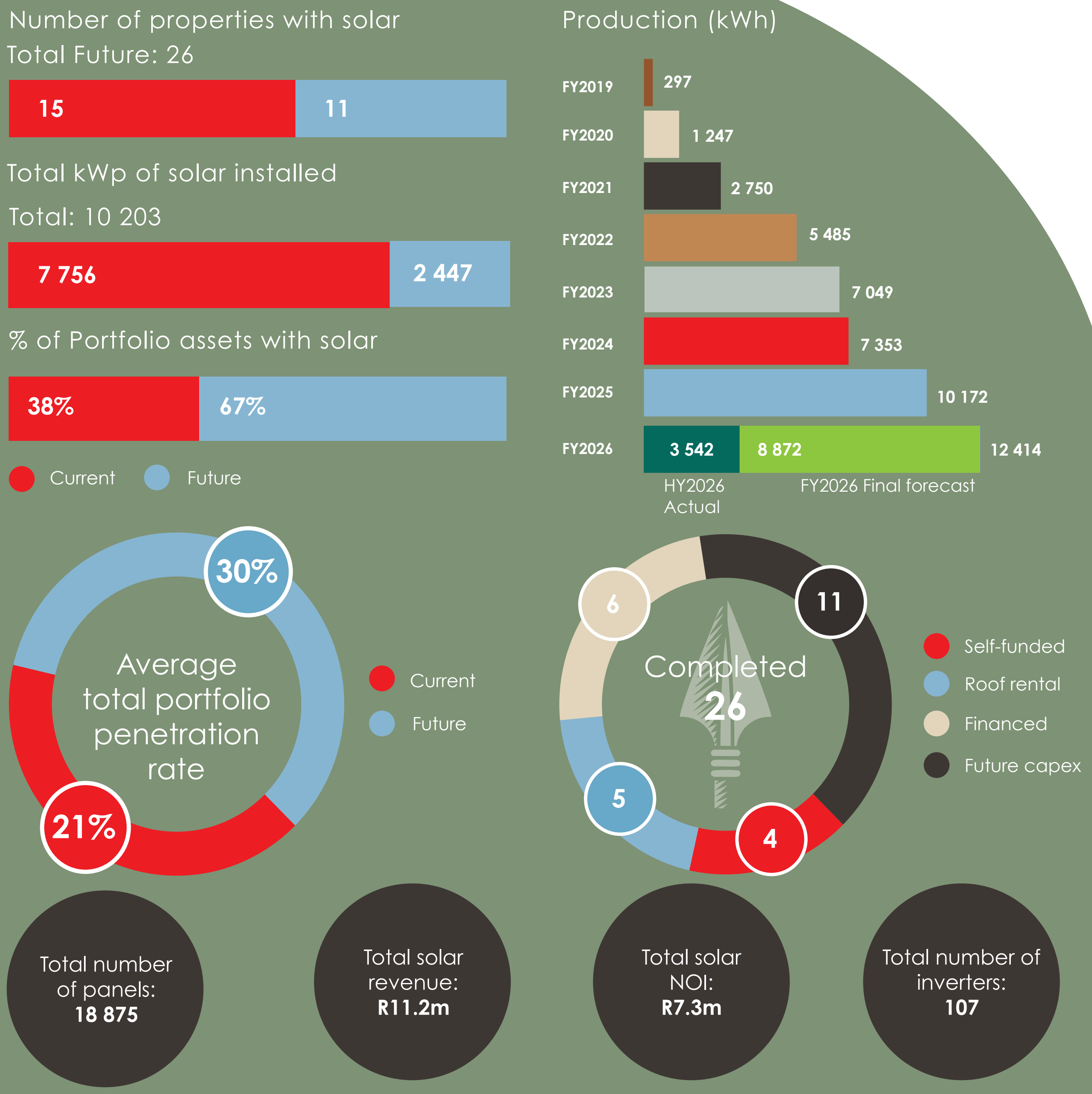
Sustainability

Environmental, social and governance (ESG) imperatives are woven into how Spear makes investment decisions. By effectively including and implementing ESG in our business strategy, Spear positions itself as an even more attractive investment opportunity for investors.

Groupwide, a firm commitment has been established to achieve the following ESG outcomes:

- Educational empowerment through leveraging our ESG strategy via Spear's bursary programme
- Reduce Spear's carbon footprint over time
- Investment into return-generating real estate and value-add solutions such as solar PV and water augmentation solutions
- Reduce operating costs where possible through Spear's focused ESG strategy
- Deliver sustainable portfolio returns

Summary of solar PV



3 NEW ACQUISITIONS

55% of total group kWh **26%** penetration Adding **2.4 MW** of production capacity

Water

Water continuity and resources management continues across the real estate portfolio with water augmentation and purification systems installed across the commercial office portfolio in the form of reverse osmosis water purification systems for clean potable water and grey water systems for ablutions and landscaping services, reducing the overall reliance and usage of clean water. Bulk water storage facilities linked into operational boreholes and well points remain installed and active across the portfolio.

Outlook and prospects

- South Africa is set to exit the Financial Action Task Force (FATF) greylist by October 2025, which will benefit foreign direct investment, debt, currency and international credibility
- Management remains laser-focused on its strategy to achieved forecast-aligned outcomes throughout FY2026 as Spear's key performance indicators continue to deliver in line with its operational and financial strategy
- Despite the tougher trading environment active asset management initiatives are being successfully implemented across the portfolio with consistent milestones being achieved in HY2026 and beyond
- Spear's Western Cape-only portfolio remains well placed to benefit from the continuous positive shift in real estate fundamentals geographically along with the tailwinds created in the region by economic growth, the positive effects of semigration and good governance
- Consistent and growing cash flows bode well for asset valuation growth within the core portfolio as Spear's portfolio valuation approaches R7 billion
- Municipal and provincial infrastructure investment continues to propel the Western Cape into the leading investment and economic hub in South Africa
- Spear's ESG strategy remains focused on delivering a People, Planet, Profit-aligned outcome as we scale our sustainability efforts
- The South African interest rate cutting cycle will bode well for overall business and consumer health with Spear's retail assets being benefactors of growing disposable income spend
- Spear remains focused on its growth strategy into high-quality Western Cape assets that offer long-term sustainable cash flows and growing yields as it stabilises its most recent round of accretive strategy-aligned acquisitions
- Spear's investment bias will remain towards the industrial (logistics, urban logistics and multi-let industrial) and retail (convenience and destination retail) sub-sectors, along with further potential portfolio opportunities being explored
- Spear's development pipeline of embedded and available portfolio bulk is set to start being unlocked, with the developments underway and planned in George, Paarden Eiland and Blackheath adding organic and net asset value growth
- The core Spear portfolio remains located in desirable nodes and it remains defensive and underpinned by strong lease covenants and high-quality tenants, which consistently deliver high occupancy rates and growing interest from prospective tenants
- Spear is set to be included in the FTSE/JSE All Property Index (J803) in March 2026, which bodes well for further improved liquidity and the expansion of its investor universe

Guidance

Given Spear's strategy-aligned operational and financial performance during HY2026 and the information management has at its disposal at the interim results reporting date, management's full-year DIPS guidance is maintained at a growth rate of between 4% – 6% compared to FY2025. The payout ratio is set to be maintained at 95% by the Board of Directors.

Spear's guidance for the remainder of FY2026 remains informed and influenced by the following:

- No loadshedding for the balance of FY2026
- Vacancies are reduced in line with management's forecast
- Lease renewals are concluded per management's forecast
- No major tenant failures occur during the year
- Tenants continue to successfully absorb rising costs associated with utility charges, municipal rates and other charges
- No civil unrest within Cape Town, the Western Cape or South Africa.

Any changes in the above assumptions may affect management's forecast for the period ending 28 February 2026.

The information and opinions contained above are recorded and expressed in good faith and are based upon reliable information provided to management. No representation, warranty, undertaking or guarantee of whatsoever nature is made or given with regard to the accuracy and/or completeness of such information and/or the correctness of such opinions. The forecast for the period ending 28 February 2026 is the sole responsibility of the directors and has not been reviewed or audited by Spear's independent external auditors.

Subsequent events

The directors are not aware of any events, other than those listed below, that have occurred since the end of the financial period and which have a material impact on the results and disclosures in these financial results.

The group is awaiting transfer of the following properties after the interim period:

	Transfer date	Acquisition value R'000	Debt funding R'000	Equity funding R'000	Yield %
Berg River Business Park	TBC	182 150	30 000	152 150	9.35
Consani Industrial Park	TBC	437 300	196 785	240 515	9.71
Maynard Mall	TBC	455 000	204 750	250 250	9.55
		1 074 450	**431 535**	**642 915**	**9.54**

Basis of preparation – unaudited

The unaudited consolidated interim results for the six months ended 31 August 2025 are prepared in accordance with the JSE Listings Requirements and the requirements for provisional reports and requirements of the Companies Act of South Africa. The JSE Listings Requirements require interim reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of the IFRS Accounting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34, Interim Financial Reporting. Except for the adoption of revised and new standards that became effective during the year, all accounting policies applied in the preparation of these provisional summarised consolidated financial statements are in terms of IFRS Accounting Standards and are consistent with those applied in the previous consolidated financial statements. There was no material impact on the annual financial statements as a result of the adoption of these standards.

Christiaan Barnard CA (SA), in his capacity as Chief Financial Officer, was responsible for the preparation of the unaudited consolidated interim results for the six months ended 31 August 2025. These consolidated interim results have not been reviewed or reported on by the company's auditors.

Interim distribution for the six months ended 31 August 2025

Notice is hereby given of the declaration of interim distribution number 18 of 41,58704 cents per share for the six months ended 31 August 2025 from income reserves.

As Spear is a REIT, the distribution meets the definition of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 (Income Tax Act). Qualifying distributions received by South African tax residents will form part of their gross income in terms of section 10(1)(k)(i)(aa) of the Income Tax Act. Consequently, these distributions are treated as income in the hands of the shareholders and are not subject to dividend withholding tax. The exemption from dividend withholding tax is not applicable to non-resident shareholders, but they may qualify for relief under a tax treaty.

South African tax residents

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 exception, contained in section 10(1)(k)(i)(aa) of the Income Tax Act, because it is a dividend distributed by a REIT. These dividends are, however, exempt from dividend withholding tax ("Dividend Tax") in the hands of South African tax resident shareholders, provided that the South African resident shareholders have provided to the Central Securities Depository Participant ("CSDP") or broker, as the case may be, in respect of uncertificated shares, or to the company, in respect of certificated shares:

a) a declaration that the dividend is exempt from dividend tax; and

b) a written undertaking to inform the CSDP, broker or the company, 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 to arrange for the above-mentioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

Non-residents shareholders

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. It should be noted that up to 31 December 2013, dividends received by non-residents from a REIT were not subject to dividend withholding tax. Since 1 January 2014, any dividend received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder concerned. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 33,26963 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 form to their CSDP or broker in respect of uncertificated shares, or the company, in respect of certificated shares:

a) a declaration that the dividend is subject to a reduced rate as a result of the application of DTA; and

b) a written undertaking to inform their CSDP, broker or the company, 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 to arrange for the above-mentioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

The number of ordinary shares in issue on declaration date is 414 886 976.

The company's tax reference number is 9068437236.

Holders of uncertificated shares have to ensure that they have verified their residence status with their CSDP or broker. Holders of certificated shares will be asked to complete a declaration to the company. The distribution is payable to shareholders in accordance with the timetable set out below:

Salient dates and times

	2025
Declaration date	Monday, 20 October
Last day to trade cum-dividend distribution	Tuesday, 4 November
Shares trade ex-dividend distribution	Wednesday, 5 November
Record date	Friday, 7 November
Payment date	Monday, 10 November

Notes:
Shares may not be dematerialised or rematerialised between Wednesday, 5 November 2025 and Friday, 7 November 2025, both days inclusive.
In respect of dematerialised shareholders, the distributions will be transferred to the CSDP/broker accounts on Monday, 10 November 2025.
Certificated shareholders' distribution payments will be paid to certificated shareholders' bank accounts on Monday, 10 November 2025.

On behalf of the Board
Spear REIT Limited

Abubaker Varachhia
Non-executive Chairman

Quintin Rossi
Chief Executive Officer

Christiaan Barnard
Chief Financial Officer

Cape Town
20 October 2025

DIRECTORATE AND ADMINISTRATION

Spear REIT Limited

(Incorporated in the Republic of South Africa)
(Registration number: 2015/407237/06)
(JSE share code: SEA ISIN ZAE000228995)
LEI: 378900F76170CCB33C50
(Approved as a REIT by the JSE)
("Spear" or "the Company")

Registered office

16th Floor
2 Long street
Cape Town, 8001
(PO Box 50, Observatory, 7935)

Directors of Spear

Abubaker Varachhia * (Non-executive Chairman)
Michael Naftali Flax * (Deputy Non-executive Chairman)
Quintin Michael Rossi (Chief Executive Officer)
Christiaan Barnard (Chief Financial Officer)
Brian Leon Goldberg *#
Jalaloodien Ebrahim Allie *# (Lead Independent Director)
Bongani Raziya *#
Cormack Sean McCarthy *
Dr. Rozett Lucille Phillips *#
Joan Solms *#

** Non-executive*
 # Independent

Company Secretary

René Cheryl Stober

Contact details

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www.spearprop.co.za

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(Private Bag X9000, Saxonwold, 2132)

Independent Reporting Accountants and Auditors

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Sponsor

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and

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Legal Adviser

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(PO Box 695, Cape Town, 8000)

Bankers

Nedbank Limited
Investec Limited
Standard Bank Limited

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REIT LIMITED

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