

Balwin Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number:2003/028851/06)

Share code: BWN

ISIN: ZAE000209532

("Balwin" or "the Group")

Unaudited results for the six months ended 31 August 2022 and cash dividend declaration

FINANCIAL HIGHLIGHTS

Revenue	Increase of 20% to R1.6 billion
Profit for the period	Increase of 48% to R173.0 million
Earnings per share	Increase of 48% to 36.88 cents per share
Headline earnings per share	Increase of 47% to 36.63 cents per share
Net asset value per share	Increase of 11% to 771.39 cents per share

Balwin is South Africa's leading national residential property developer of large-scale, sectional title estates with a focus on high quality, environmentally efficient, affordable apartments with an innovative lifestyle offering for residents.

Home buyers continued to reward Balwin for its unique product offering in the South African residential property sector, with another pleasing performance for the six months ended 31 August 2022. Sustained strong demand resulted in 1 360 (H1 2022: 1 261) apartments recognised in revenue during the period, an 8% increase from the prior period.

The Group's gross profit margin improved to 26% for the period (H1 2022: 24%), a welcomed improvement resulting from focused cost containment measures together with more robust pricing on the sale of early phase apartments. Profit for the period increased by 48% to R173.0 million (H1 2022: R117.2 million).

The annuity businesses are steadily progressing with the majority contribution to financial performance being derived from the fibre and bond origination businesses. Annuity businesses contributed R37.9 million to revenue during the period under review (H1 2022: R21.0 million), an increase of 80%.

The Group's debt position improved marginally during the period, with the loan-to-cost ratio reducing to 39.7% (H1 2022: 41.2%). It is noted that the balance sheet is recognised at cost with no fair value adjustments included in the above metric. The Group is pleased with the cash position of R581.2 million at period-end, significantly exceeding its covenant and Treasury Policy thresholds.

The Group has secured a development pipeline of 45 411 apartments across 27 developments in key target nodes, representing an approximate 15-year development horizon.

DIVIDEND

Notice is hereby given that the board has declared a final gross dividend of 9.9 cents per ordinary share (H1 2022: 7.4 cents). The dividend is payable out of income reserves for the period ended 31 August 2022 to ordinary shareholders in accordance with the timetable below:

Declared	Monday, 31 October 2022
Last day to trade (cum dividend)	Tuesday, 6 December 2022
Shares trade ex-dividend	Wednesday, 7 December 2022
Record date	Friday, 9 December 2022
Payment date	Monday, 12 December 2022

Dividend tax amounting to 1.98 cents per ordinary share will be withheld in terms of the Income Tax Act. Ordinary shareholders who are not exempt from dividend tax will therefore receive a dividend of 7.92 cents net of dividends tax. The Company has 519 411 852 ordinary shares in issue. Balwin's income tax reference number is 9058216848. Share certificates may not be dematerialised or rematerialised between Wednesday, 7 December 2022 and Friday, 9 December 2022, both days inclusive.

SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the board of directors of Balwin. It contains a summary of the information in the full announcement and does not contain full or complete details. The full announcement can be found at:

<https://senspdf.jse.co.za/documents/2022/jse/isse/BWNE/HY22.pdf>

Copies of the full announcement, is available for viewing on the Group's website at www.balwin.co.za/investor-relations/results-reports-webcasts/financial-results/interim-results/ or may be requested in person at the Group's registered office or the office of the sponsor, Investec Bank Limited, 100 Grayston Drive, Sandown, at no charge, during office hours.

Any investment decisions by shareholders should be based on consideration of the full announcement.

The financial information contained in this announcement has not been reviewed or reported on by the company's external auditor.

31 October 2022
Sponsor
Investec Bank Limited