

# SHORT-FORM ANNOUNCEMENT: UNAUDITED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

EXCEPTIONAL GROUP RESULTS DERIVED FROM STRONG OPERATIONAL PERFORMANCE AND CLEAR STRATEGIC FOCUS

## South African portfolio continues delivering strong operating results

- Like-for-like annualised retail **NOI growth** of **5.1%**
- **Vacancies** maintained at **2.0%**
- Rental **reversions** **+2.4%**, up from -2.4%
- Annualised **trading densities** **increased by 3.5%**
- Like-for-like retail **valuations** **increased by 3.9%**

## Castellana metrics still setting the benchmark in the Spanish market

- Normalised **NOI growth** of **13%**
- **Negligible vacancies** at **1%**
- Positive reversions of **+8.3%** (including indexation **+11.6%**)
- **95%** of retail space let to **international/national** tenants

## Balance sheet strength supported by robust credit metrics

- **No debt maturities** in Castellana until **FY26**
- **All FY24 debt maturities** have been **repaid, refinanced** or **renegotiated**
- Interest cover ratio (ICR) of **2.9 times** and LTV of **42.9%**
- **Strong liquidity** with cash and undrawn debt facilities of **R3.1 billion**
- Corporate long-term credit rating of **AA<sub>(ZA)</sub>** reaffirmed with a **stable outlook**

## 10.0% increase in cash dividend and increase in guidance for FY24

- Interim dividend of **52.1 cents per share** (R540 million in aggregate), **up 10.0%** on the prior period
- FFO of **85.0 cents per share, up 5.2%** on the prior period
- Guidance for full year FY24 **increased** to growth in FFO per share of **4% to 6%**, and growth in dividend per share of **8% to 10%**

## FINANCIAL PERFORMANCE

|   | Unaudited interim results 30 September 2023 | Unaudited interim results 30 September 2022 | % change |
|---|---|---|----------|
| Gross property revenue (Rm)                     | 2 017                                       | 1 762                                       | 14.5     |
| Operating profit before finance costs (Rm)      | 1 216                                       | 1 113                                       | 9.3      |
| Profit for the year attributable to owners (Rm) | 1 174                                       | 1 065                                       | 10.2     |
| Basic earnings per share (cents)                | 113.43                                      | 108.65                                      | 4.4      |
| Headline earnings per share (cents)             | 83.00                                       | 61.57                                       | 34.8     |
| Net asset value (R per share)                   | 21.16                                       | 19.10                                       | 10.8     |
| Direct property investments (Rm)                | 36 026                                      | 32 677                                      | 10.2     |
| Indirect property holdings (Rm)                 | 2 683                                       | 1 948                                       | 37.7     |
| Gross dividend (cents per share)                | 52.07420                                    | 47.32125                                    | 10.0     |

A separate announcement regarding the dividend, including details relating to the taxation treatment of the dividend, will be released on SENS.

## PROSPECTS FOR THE GROUP

Over the past six months, Vukile has managed to sustain strong operational results and solid trading metrics in both the South African and Spanish portfolios, despite a very challenging macro-economic environment. This is testament to the dominant and defensive composition of the overall portfolio and our clear and focused strategy.

In addition to a strong operational performance, the results were further enhanced by the Rand hedge nature of Vukile's earnings.

Delivered impressive growth in FFO and dividends over the past six months, with FFO and dividends per share increasing in the interim period by 5.2% and 10.0% respectively.

The business is well positioned from an operational, financial and strategic perspective, which will provide impetus for further growth once the global economic position improves.

Off the back of ongoing and sustained strong operating performances, we are pleased to report an increase in our guidance for FY24. We expect to deliver growth in FFO per share of between 4% to 6% (previously 3% to 5%) and growth in dividend per share of between 8% to 10% (previously 7% to 9%) for the year ending 31 March 2024.

The increased guidance will equate to a full year dividend per share of between 121.4 and 123.6 cents (FY23: 112.4 cents), to be paid with an interim and a final dividend.

The forecast assumes no material adverse change in trading conditions, contractual escalations and market-related renewals. The forecast also assumes no material further change in interest rates and exchange rates.

The forecast has not been reviewed or audited by the company's external auditors.

## ABOUT THIS ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the company. The announcement is only a summary of the full announcement and does not contain full or complete details. Any investment decision by investors and/or shareholders should be based on consideration of the full announcement.

The full announcement is available on the company's website at <https://www.vukile.co.za/financial-results/> and on the JSE's website at <https://senspdf.jse.co.za/documents/2023/jse/isse/vke/HY2024.pdf>.

Copies of the full announcement may be requested, and obtained at no charge, by emailing Johann Neethling at [Johann.Neethling@Vukile.co.za](mailto:Johann.Neethling@Vukile.co.za) or the company's sponsor, Java Capital at [sponsor@javacapital.co.za](mailto:sponsor@javacapital.co.za) from Wednesday, 29 November 2023 to Thursday, 7 December 2023.

On behalf of the board



**NG Payne**  
Chairman



**LG Rapp**  
Chief Executive Officer

**Houghton Estate**  
29 November 2023

## CORPORATE INFORMATION

**Vukile Property Fund Limited** (Incorporated in the Republic of South Africa) (Registration number 2002/027194/06) **JSE share code:** VKE **ISIN:** ZAE000056370  
**Debt company code:** VKEI **NSX share code:** VKN (granted REIT status with the JSE) (Vukile or the group or the company)

**Executive directors:** LG Rapp (Chief Executive Officer), LR Cohen (Chief Financial Officer), IU Mothibeli (Managing Director: South Africa)  
**Non-executive directors:** NG Payne (Chairman)\*, SF Booysen\*, RD Mokate\*, H Ntene\*, GS Moseneke, AMSS Mokgabudi\*, BM Kodisang, JR Formby\*, JH Zehner\*

\* Independent

**Registered office:** 4th Floor, 11 Ninth Street, Houghton Estate, 2198  
**Company secretary:** J Neethling **JSE sponsor:** Java Capital **NSX sponsor:** IJG Group, Windhoek, Namibia  
**Transfer secretaries:** JSE Investor Services (Pty) Ltd, 5th Floor, One Exchange Square, Gwen Lane, Sandown, Johannesburg **Investor relations:** Marijke Coetzee: Director – Marketing and Communications, 4th Floor, 11 Ninth Street, Houghton Estate, 2198. Tel: +27 11 288 0000, [investorenquiries@vukile.co.za](mailto:investorenquiries@vukile.co.za) **Media and public relations:** Marijke Coetzee and Anne Lovell, Tel: +27 11 288 0000, +27 83 651 7777, [anne@dmix.co.za](mailto:anne@dmix.co.za)