

Unaudited summarised consolidated interim results and prospects for the Group

for the six months ended 30 September 2024

A strong first half comprising outstanding operating results positions us well for continued growth

DISCIPLINED OPERATIONAL MANAGEMENT DELIVERS SUSTAINED PERFORMANCE ACROSS SOUTH AFRICAN PORTFOLIO

- Like-for-like retail **NOI growth** of 4.6%
- Annualised **trading density** growth of 4.2%
- Retail **vacancies** contained at 1.9%
- **Cost-to-income ratio** decreased to 15.1% (lowest level in a decade)
- Like-for-like retail **portfolio value** increased by 3.7%

PRUDENT BALANCE SHEET MANAGEMENT SECURES STRONG LIQUIDITY OF R6.4 BILLION

- Significant available **cash balances** of R5.1 billion and undrawn debt facilities of R1.3 billion
- **LTV** reduced to 35.4%
- Interest cover ratio (**ICR**) increased to 2.5 times
- **c.R2 billion** raised from new share issuances
- Hedge ratio increased to 91% and Castellana's Aareal syndicated loan **refinanced** with a **fixed-term interest rate**
- Corporate long-term credit rating of AA_(ZA) was reaffirmed by GCR, with the outlook being **upgraded** from stable to **positive**

GROWTH STRATEGY DELIVERS 6% INCREASE IN DIVIDEND PER SHARE

- Funds from operations (**FFO**) of 82.40 cents per share
- Interim dividend of 55.2 cents per share (R679 million in aggregate), up 6% on the prior period

EXCEPTIONAL RELATIONSHIPS WITH TENANTS ENSURE CASTELLANA MAINTAINS MARKET-LEADING METRICS

- Normalised like-for-like **NOI growth** of 2.1%
- Portfolio occupancy of 98.6%
- Positive **rental reversions** of 45.5%
- 95% of retail space let to **international and national** tenants
- Lowest-in-the-market occupancy-cost ratio of 9.5%

STRATEGIC CORPORATE AND ACQUISITION ACTIVITY POSITIONS US WELL FOR TRANSFORMATIVE GROWTH

- Sold remaining interest in Fairvest for **c.R141 million**
- Accepted offer to dispose of 28.8% interest in Lar España at **€8.30** per share, for **c.€200 million**
- Acquired an 80% controlling interest in three shopping centres in **Portugal**, valued at **c.€176.5 million**
- **Active pipeline of deals** currently under consideration

FINANCIAL PERFORMANCE

	Unaudited interim results 30 September 2024	Unaudited interim results 30 September 2023	% change
Gross property revenue (Rm)	2 120	2 003	5.8
Operating profit before finance costs (Rm)	1 765	1 216	45.1 ¹
Profit for the period attributable to owners (Rm)	1 244	1 174	6.0
Basic earnings per share (cents)	109.82	113.43	(3.2) ²
Headline earnings per share (cents)	87.40	83.00	5.3
Gross dividend per share (cents)	55.18051	52.0742	6.0

¹ Operating profit includes dividend income from Lar España of R378 million for H1 FY25. No dividend from Lar España was included in H1 FY24, since there was no dividend declared by Lar España during the prior period. Interest received in the current period was higher than in the prior comparable period, due to interest received on the cash proceeds from new equity issuances and due to higher interest rates during the period.

² The slight decrease in basic earnings per share is mainly as a result of dilution from the issue of 125.2 million new shares during the period.

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

	Unaudited interim results 30 September 2024	Audited 31 March 2024	% change
Net asset value (NAV) (R per share)	21.17	21.55	(1.8) ¹
Direct property investments (Rm)	36 433	36 612	(0.5) ¹
Indirect listed property holdings (Rm)	3 732	3 680	1.4

¹ The slight decrease in NAV per share and direct property investments is due to a strengthening of the Rand/Euro exchange rate from R20.37/Euro at 31 March 2024 to R19.24/Euro at 30 September 2024.

PROSPECTS FOR THE GROUP

Over the past six months, Vukile continued to deliver strong operational results and solid trading metrics in South Africa and Spain. The business is well positioned to execute on our growth strategy, both from an operational and financial perspective.

The global economic environment is starting to see green shoots and access to capital in recent months has allowed us to pursue further potential deals that are accretive and aligned to our strategic objectives. Post the reporting period, Castellana concluded its first acquisition in Portugal, acquiring three landmark shopping centres and significantly increasing the group's exposure to the Iberian Peninsula.

Supported by a strong balance sheet, we enter the second half of the financial year positive and optimistic about the group's continued growth prospects.

We remain well on track to keep guidance for the full year ending 31 March 2025 unchanged, with growth in FFO per share of between 2% to 4% and growth in dividend per share of between 4% to 6%. The forecast assumes an average exchange rate of R19.05/€ for the remainder of the year.

We will be offering shareholders the option of a dividend reinvestment plan (DRIP) for the upcoming interim dividend.

ABOUT THIS ANNOUNCEMENT

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

The consolidated interim results are available on the company's website at <https://www.vukile.co.za/financial-results/?interim> and on the JSE's website at <https://senspdf.jse.co.za/documents/2024/jse/isse/vke/HY2025.pdf>. Copies of the consolidated interim results may be requested and obtained at no charge, by emailing Johann Neethling at johann.neethling@vukile.co.za or the company's sponsor, Java Capital at sponsor@javacapital.co.za from Tuesday, 26 November 2024 to Wednesday, 4 December 2024.

On behalf of the board



NG Payne
Chairman



LG Rapp
Chief Executive Officer

Houghton Estate
26 November 2024

Sponsor: Java Capital

Vukile Property Fund Limited (Incorporated in the Republic of South Africa)
(Registration number: 2002/027194/06) JSE share code: VKE ISIN: ZAE000180865
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