

SAFARI INVESTMENTS RSA LIMITED

Approved as a REIT by the JSE Limited
(Incorporated in the Republic of South Africa)

(Registration number: 2000/015002/06)

Share code: SAR ISIN: ZAE000188280

("Safari" or "the company")



CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL RESULTS AND INTERIM DIVIDEND DISTRIBUTION DECLARATION FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2021

1. SALIENT FEATURES

Financial results for the six months ended 30 September 2021 reflect a defensive and operationally strong portfolio. Though impacted by the global COVID-19 pandemic and the civil unrest experienced in South Africa during July 2021, tenant retention and improved trade across the portfolio's retail assets resulted in an improved 6 months compared to the prior interim reporting period. Occupancy remained very strong with a vacancy factor of only 1,97% at 30 September 2021 (2020: 3,04%) and a positive reversion rate of 1,9% on renewals and tenant replacements.

The only property significantly impacted by the unrest was Thabong Shopping Centre in Sebokeng with property damages recoverable under Sasria. An insurance claim amounting to approximately R52 million, including a claim for loss of rental income due to business interruption, was submitted but at reporting date not yet concluded. Interim payments have been received subsequent to 30 September 2021 and the company expects the remaining negative financial impact in the current period to be cleared before the 2022 financial year end.

Property revenue for the reporting period increased by 19,05% compared to the previous corresponding period with distributable income increasing by 31,3% over the same period. Net operating income increased by 22,7% when compared with the prior six-month period with notably higher operating expenses also reported in the current period, largely attributable to the civil unrest and its related insurance claim not yet concluded at reporting date.

Headline earnings increased to R70,4 million in comparison to R14,7 million in the corresponding prior period. Whilst COVID-19 had a more significant impact on the earnings of the previous comparable period, the recovery of earnings per share from 5.70 cents to 27.31 cents over the period under review, now in line with pre-COVID-19 levels, is mainly as a consequence of the R9,8 million fair value profit on hedging instruments compared to a fair value loss of R32,5 million on hedging instruments in the previous corresponding period.

New projects include the refurbishment and reconfiguration of The Victorian Shopping Centre that is underway with the opening date of phase 2 planned for early 2022. Council approval and construction of the filling station at Mnandi Shopping Centre is anticipated to be completed end November 2022 while a phase 2 expansion of approximately 3,750m² of retail was approved for Nkomo Village. The board also approved a small

expansion of Thabong Shopping Centre in order to strengthen the tenant mix with a Shoprite and Shoprite Liquor.

With secured loan facilities totaling R1,4 billion of which 94.7% is utilized as at 30 September 2021, interest-bearing debt represents 39% of the total value of property assets and the weighted combined SA REIT cost of debt is 7,54% while 49% of debt is hedged.

The SA REIT metrics, aligned with the second addition of the SA REIT Association's Best Practice Recommendations, are included in an annexure to the interim results for the six months under review.

2. DIVIDEND DECLARATION

The board has resolved to declare an interim gross dividend of 25 cents (2020:17 cents) per share from income reserves in respect of the six months ended 30 September 2021. The dividend amount, net of South African dividend tax of 20%, is 20 cents (2020:13.6 cents) per share for those shareholders who are not exempt from dividend tax. The number of ordinary shares in issue at the declaration date is 310 826 016, including 53 million Safari shares held by Southern Palace effectively seen as treasury shares. The income tax number of the company is 9012/264/14/0.

The salient dates of the dividend declaration are:

Declaration date	Friday, 19 November 2021
Last day to trade cum dividend	Monday, 6 December 2021
Trading ex-dividend commences	Wednesday, 8 December 2021
Record date	Friday, 10 December 2021
Date of payment	Monday, 13 December 2021

Shares may not be dematerialised or rematerialised between Wednesday, 8 December 2021 and Friday, 10 December 2021, both days inclusive.

3. SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the company. It contains only 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/2021/JSE/ISSE/SAR/Interim21.pdf>

Copies of the full announcement are also available for viewing on the company's website at <https://www.safari-investments.com/investor-relations> or may be requested in person, at the company's registered office or the office of the sponsor, at no charge, during office hours.

Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement as a whole.

These interim results have neither been reviewed nor audited by the company's auditor.

Pretoria
19 November 2021

Sponsor

PSG Capital



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