



INTERIM RESULTS

PRE-CLOSE PRESENTATION

AUGUST 2024



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GROUP STRATEGY

EXECUTING ON OUR VISION TO ELEVATE EXCELLENCE



GROUP STRATEGY



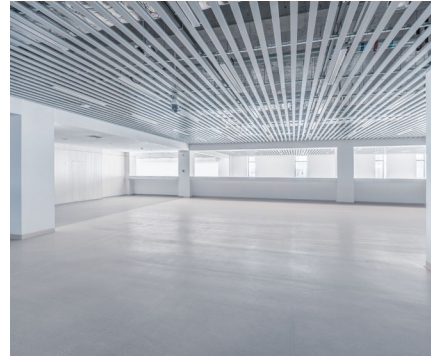
Focus on developments In South Africa

Utilise available land in SA to develop high-quality assets to take advantage of pent-up demand.



Allocate capital strategically to create sustainable value

Allocate capital primarily to developments in SA at 8.5% - 9.0% yields which provide the platform for sustainable growth over the long-term.



Focus on property fundamentals

Build a high-quality portfolio which delivers sustainable growth and recycle assets which no longer meet Equites' investment criteria.



Prioritise balance sheet strength and reduce cost of debt

Concluded R0.4bn in sales in 1H25, this has maintained the LTV despite the development expenditure during the period.



ESG

Installed 2.2kWp of new solar in the portfolio over the last six months, with a further 1.6 kWp expected to come online before the end of FY25.



KEY ACTIVITIES DURING THE PERIOD

POTENTIAL BEYOND PROPERTY



KEY ACTIVITIES DURING THE PERIOD

01 Concluded a transaction to dispose of ENGL platform

02 Continued development activities in SA

03 Continued to optimise the SA portfolio through lease renewals

04 Prioritised balance sheet strength, maintained LTV and further reduced the cost of debt





UK UPDATE AND ENGL DISPOSAL

PUTTING INDUSTRIAL SPACE TO WORK

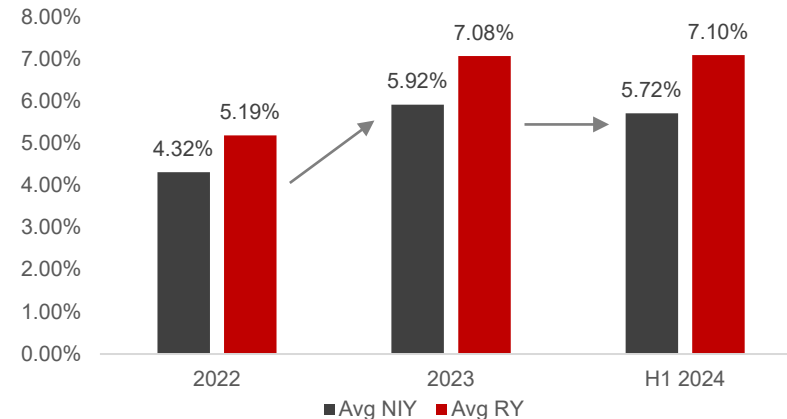


UK UPDATE

REMAIN INVESTED IN THE UK THROUGH INCOME-PRODUCING ASSETS

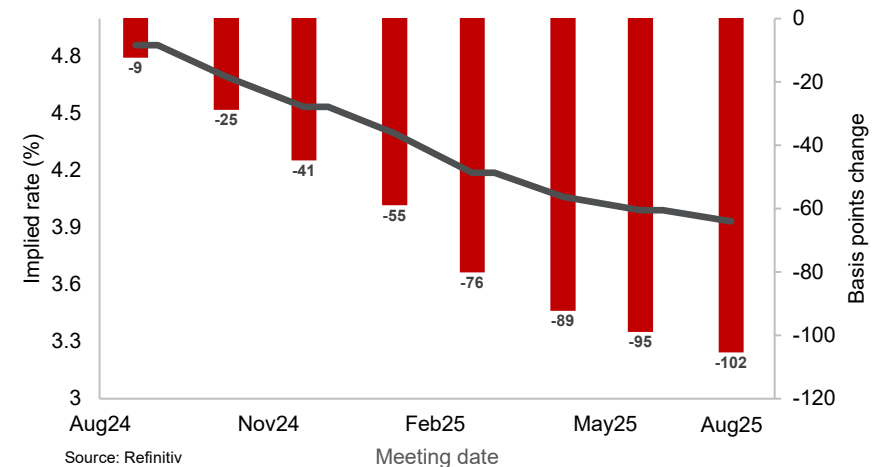
- Committed to our investment in the UK where fundamentals remain strong**
 - Occupational demand robust with take up in 1H24 being 44% ahead of 1H23.
 - 1H24 saw decrease in levels of availability with total available space falling to 63.2m sq ft, driven by a reduction in the supply of B-Grade and C-Grade space.
 - Prime yields expected to fall in line with 100bp cuts priced by Aug-25, expect value to be unlocked through this compression.
- Updates on current UK portfolio**
 - Concluded the rent review of DHL Reading in Aug-24, with an uplift of 27% (effective from Dec-23).
 - Upcoming rent reviews include Puma which is currently underway and will be effective from Aug-24 (OMV) and Roche Burgess Hill effective from Feb-25 (RPI).

1. Average NIY/RY for all UK logistics transactions



Source: ACRE capital research, Q2 2024

2. UK interest rate landscape



Source: Refinitiv

ENGL DISPOSAL

CONCLUDED A TRANSACTION TO EXIT FROM THE ENGL DEVELOPMENT PLATFORM

This exit marked a change in strategy which Equites embarked on c.12 months ago. The outcome will allow Equites to redeploy proceeds to higher yielding opportunities and not allocate further capital to the schemes included in the disposal.

| Description of step | Consideration | Progress/expected completion date | Impact |
|--|--|---|--|
| The outright sale of the SPV's that own Cambridge, Rushden, J16 and J24 ("Initial Sale Companies"). | £4.5 million; and £4 million ("Deferred Consideration") ¹ | These SPV's were transferred on the effective date, 18 July 2024. | The assets were derecognised at their respective carrying values and a receivable has been recognised for the deferred consideration. This resulted in a gain of £1.5m. |
| The sale of the SPVs that own PB West, Egham and Goldthorpe ("Subsequent Sale Companies"), conditional only upon the satisfactory removal of guarantees issued by Equites. | £1.5 million | Earlier of the release of guarantees or the long-stop date, being 30 June 2025. | <p>These assets will only be derecognised on release of the Equites guarantees. Consideration will be recognised against each of the sites upon sale. Expected write off £8.6m across these sites.</p> <p>Whilst the transaction will result in a loss of £7.1m, Equites expects to recover significant profits on the Newport Pagnell development (as detailed in the SENS announcement published on 15 August 2023) and to generate profits through unlocking the remainder of the sites which remain under its control.</p> |

¹Deferred consideration to be payable from the profits due to Newlands on the conclusion of the developments or the or sale of Newport Pagnell, Coton Park and Basingstoke ("Excluded Sites").

ENGL DISPOSAL

REMAINING AND EXCLUDED SITES

Thrapston

- Option was granted to the Buyer for a price of £3.25 million upon receipt of satisfactory planning permission; if the Buyer does not exercise its option, the Thrapston site will be sold on the open market.

Newport Pagnell

- Expect to make c.£6m profit, and to recoup a portion of the consideration from NPD's profit on the scheme; completion of development in Oct-25.

Coton Park

- Advanced stages of negotiations with a third party to conclude a forward-funded transaction; expect this to be concluded by Dec-24.

Basingstoke

- Awaiting Committee date from the local council. Given the latest feasibilities, still expect the scheme to generate significant profits for Equites.

| Description of site | Comment |
|---------------------|--|
| Thrapston | Land option carried at cost. |
| Newport Pagnell | Land has transferred to Panattoni; recognised receivable in respect of second payment. |
| Coton Park | Land option carried at cost. |
| Basingstoke | Land carried at cost. |

UPDATE ON SA DEVELOPMENTS

PUTTING INDUSTRIAL SPACE TO WORK

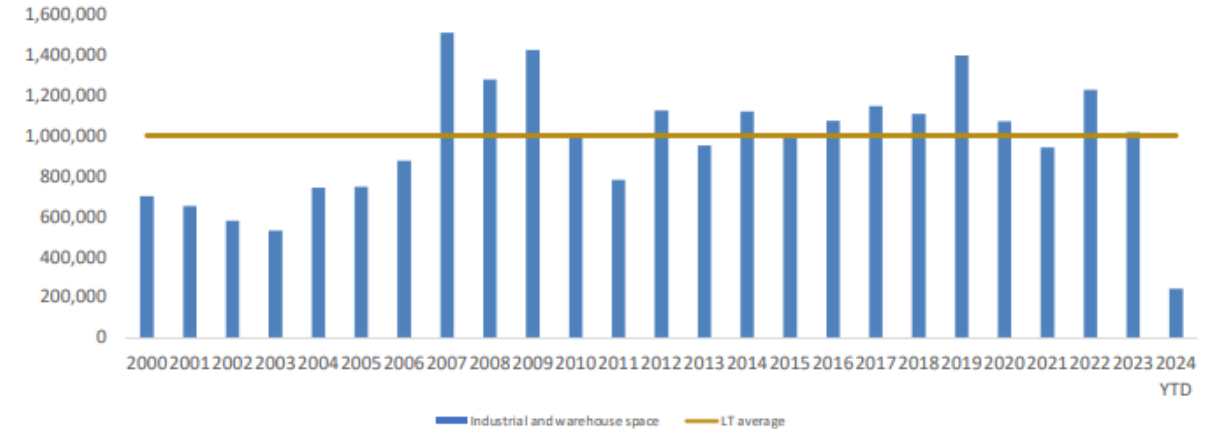


SA PORTFOLIO UPDATE

DISCIPLINED CAPITAL ALLOCATION OVER FY24 AND FY25

- High demand for logistics space, however, supply is restricted due to market conditions; looking to take advantage of this opportunity by holding strategic land and developing to meet tenant demand.
- Two speculative developments at Meadowview let to multinational technology company prior to completion.
- Development spend over 1H25 amounted to R0.9bn; predominantly attributable to SHP Centurion, SHP Wells Estate, SHP Riverfields and the speculative developments at Meadowview.
- The remainder of the development spend for FY25 relates to the completion of SHP Wells Estate, completion of the speculative developments at Meadowview (already tenanted) and a new speculative development on the R21 to take advantage of pent-up demand.

1. Industrial and warehouse space completed



Source: StatsSA, Catalyst Fund Managers, 2024: Year-to-date | Data as at 30 April 2024.

2. Developments in progress and completed during the period

| TENANT | LOCATION | GLA | CAPITAL VALUE | COMPLETION DATE | YIELD | OWNERSHIP % |
|---|--------------|----------------------|---------------|-----------------|-------|-------------|
| DEVELOPMENTS COMPLETED | | | | | | |
| Shoprite | Centurion | 9,144m ² | R195m | Mar 24 | 7.5% | 50.1% |
| Shoprite | Riverfields | 93,964m ² | R1.4bn | Aug 24 | 7.8% | 100.0% |
| DEVELOPMENTS CURRENTLY IN PROGRESS | | | | | | |
| Shoprite | Wells Estate | 80,531m ² | R1.1bn | Sep 24 | 7.8% | 50.1% |
| Speculative | Meadowview | 19,794m ² | R261m | Nov 24 | 8.5% | 100.0% |

ASSET MANAGEMENT

OPTIMISING THE PORTFOLIO

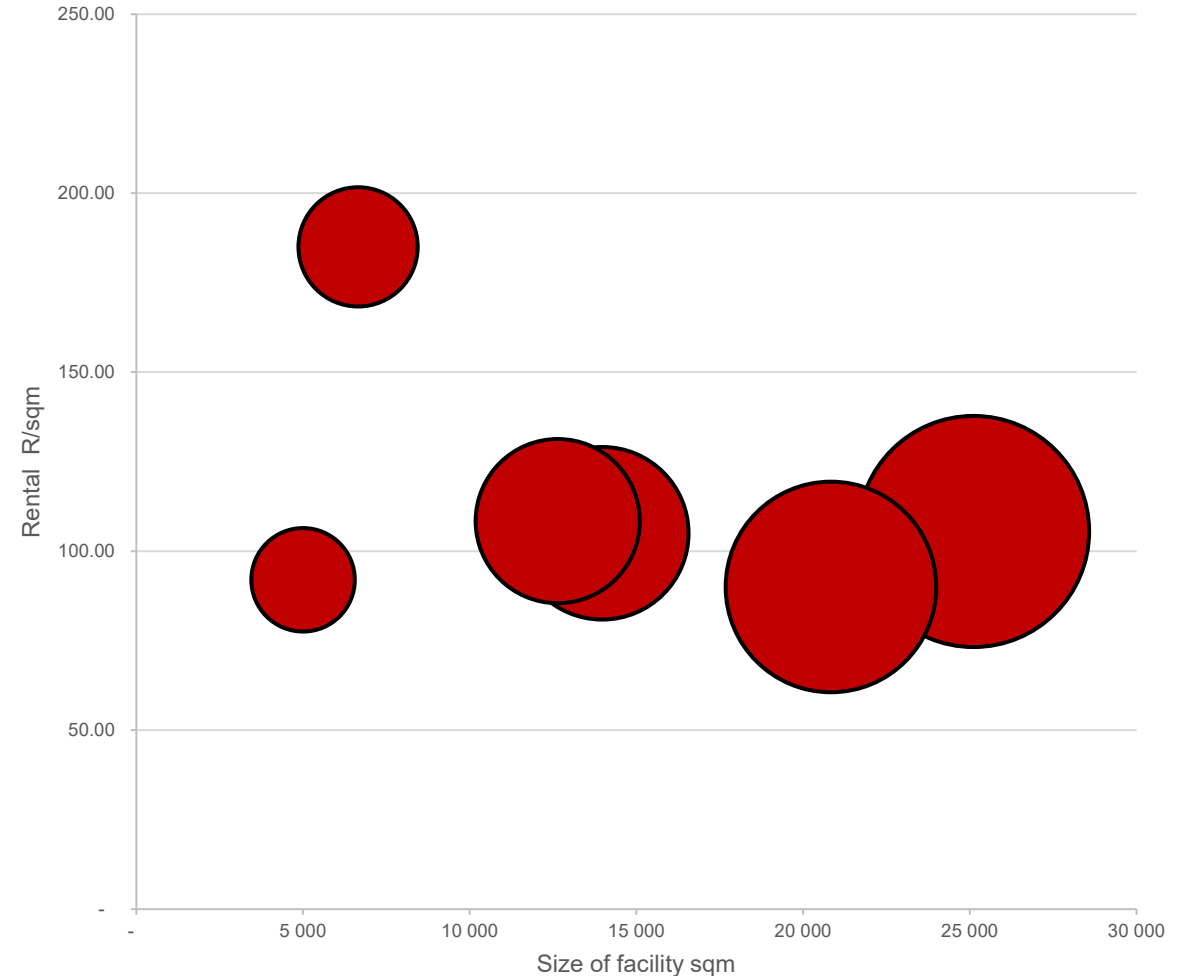


ASSET MANAGEMENT

LEASING ACTIVITY DURING THE PERIOD

- **Four lease renewals** were concluded during the period, across 64,918m² of GLA at an average rental of R99.40/m²
- **Three lease renewals** were effective during the period, across 14,529m² of GLA at an average rental of R142.88 /m² reflecting the upward movement of rentals in SA
- **Three new leases** were concluded on existing buildings where tenants had not renewed their leases; these were concluded at an average rental of R90.5/m² across 35,000 m² of space

1. Lease renewals during the period



SA DISPOSAL UPDATE

ASSET RECYCLING PROGRAMME

- R4.8bn disposals achieved in FY24 with a further R0.5bn sold in 1H25.
- Heads of Terms (“HOTs”) agreed on two transactions of approx. R0.5bn with completion anticipated before the end of FY25.
- A further R0.4bn of assets have been identified for disposal in 2H25.

1. Update on SA disposals

| UPDATE ON SA DISPOSALS – 1H25 | | | |
|----------------------------------|-------------------------|---------------|--------------------------------|
| ASSET | EFFECTIVE DISPOSAL DATE | PROCEEDS | PREMIUM/DISCOUNT TO BOOK VALUE |
| CONCLUDED AND TRANSFERRED | | | |
| Tunney Ridge | Mar-24 | R105m | 0.0% |
| 50% Amrod, Waterfall | Jul-24 | R230m | -2.1% |
| DSV, Philippi | Jun-24 | R128m | 0.0% |
| TOTAL | | R468m | |
| FURTHER DISPOSALS | | | |
| Heads of Terms agreed | 2H25 | ~R500m | |
| Further assets identified | 2H25 | ~R400m | |
| TOTAL | | ~R900m | |



FUNDING AND BALANCE SHEET MANAGEMENT

BALANCE SHEET OPTIMISATION

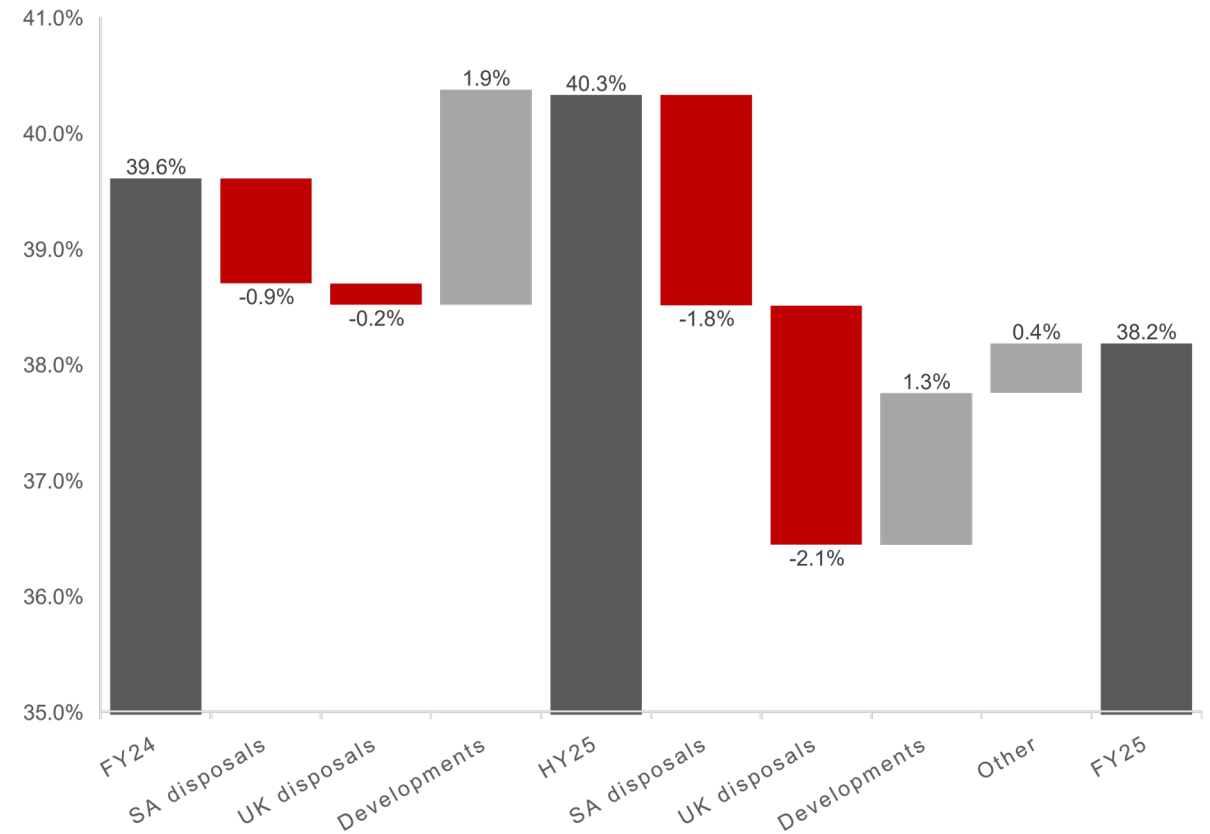


LTV RATIO FLIGHTPATH

EQUITES CONTINUES TO MANAGE LTV IN A CAPITAL CONSTRAINED ENVIRONMENT

- LTV ratio expected to reduce from 39.6% at Feb24 to an estimated 38.2% at Feb25.
- Developments include the conclusion of Shoprite facilities at Wells Estate (within RLF JV) and Riverfields, TFG at Riverfields, Spar Encore at Jet Park, a prime facility for a global tenant at Meadowview, and the commencement of further development at Witfontein/Riverfields; with spend of R0.9bn in 1H25 and R0.6bn in 2H25.
- SA disposals amounted to R0.5bn for 1H25 and a further R0.9bn is expected to conclude in 2H25.
- UK disposals includes £4.5m first payment from ENGL disposal in 1H25 and Amazon Peterborough in 2H25.
- Significant LTV improvement is expected in FY26 with the receipt of the Newport Pagnell second payment and further ENGL disposal proceeds.

1. LTV flightpath



BALANCE SHEET MANAGEMENT

DEBT FUNDING

New debt

- R400m raised in Apr24 through a 7-year note (Feb31) at 3mJ+153
- Debt auction in Jul24 of a 5-year note (Jun29) raised R500m at 3mJ+135
- Given current surplus liquidity, refinanced R800m maturing in Oct24 with a R400m 3-year RCF
- Debt margins continue to tighten, reducing cost of debt

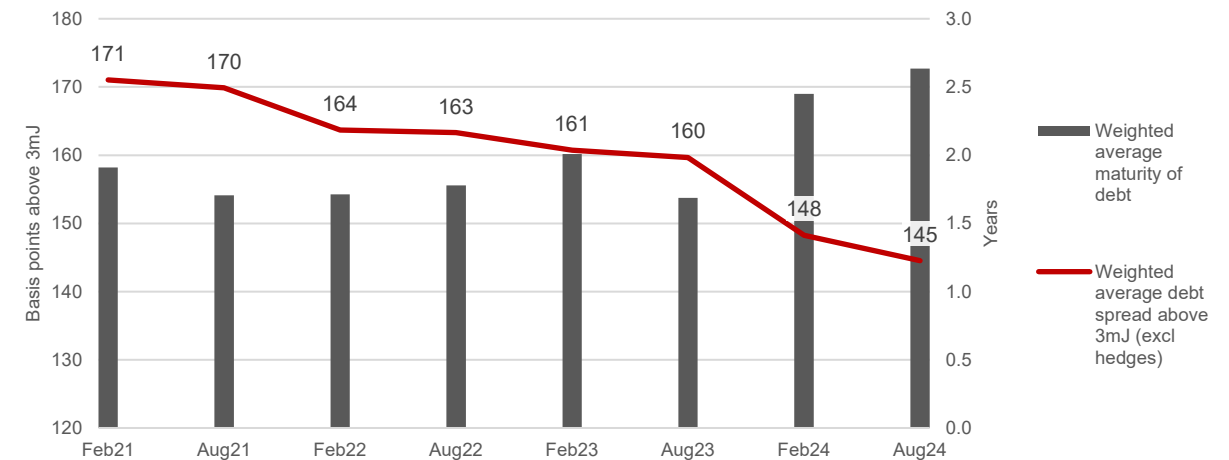
Debt repayment & maturities

- SA debt maturities of R780m are listed debt which will be refinanced in the Nov24 auction
- UK debt maturity of £17.5m will be repaid on sale of assets or with available facilities

1. New debt funding

| TENOR | NOTE | TRADE | AMOUNT | MARGIN |
|--------|------------|-------------------|--------|--------|
| 3 year | EQT014 | Auction | R300m | 129 |
| | EQT017 | Private placement | R200m | 125 |
| 5 year | EQT015 | Auction | R450m | 139 |
| | EQT016 | Auction | R500m | 138 |
| | EQT019 | Private placement | R500m | 137 |
| | EQT021 | Auction | R500m | 135 |
| 7 year | EQT020 | Private placement | R250m | 153 |
| | EQT020 Tap | Private placement | R400m | 153 |

2. SA debt maturity and funding margins

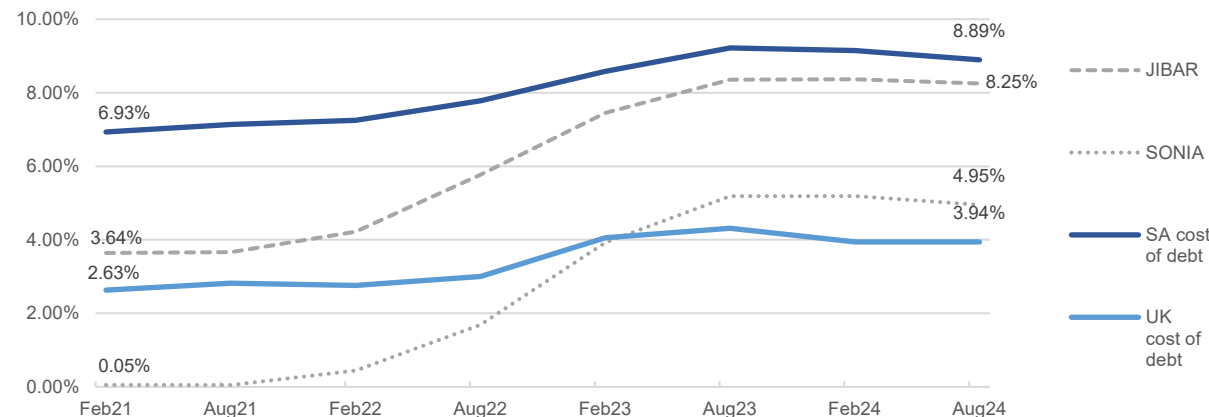


BALANCE SHEET MANAGEMENT

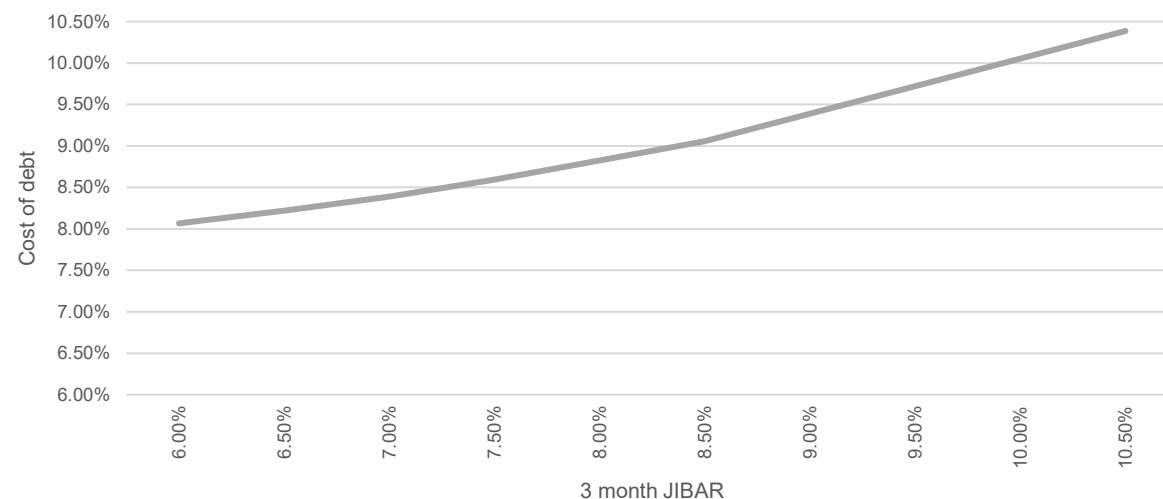
DEBT FUNDING

- All-in cost of debt continues to fall, with SA below 9% and the UK below 4%. At the same time, the weighted average time to maturity continues to increase.
- SA funding spread has reduced from 329bp over JIBAR to 64bp over JIBAR with the weighted average maturity increasing to 2.6 years.
- UK funding spread reduced to 110bp below SONIA with weighted average debt maturity of 5.8 years.
- Average term of interest rate derivatives of 1.9y provides a good balance of both interest rate protection and certainty while enabling Equites to benefit from lower interest rates sooner, as swaps mature, reducing overall cost of debt as we move through the rate cutting cycle.

1. Cost of debt and funding spreads



2. Cost of debt sensitivity





PROSPECTS

ELEVATING EXCELLENCE



PROSPECTS

LOOKING FORWARD

01 DPS guidance of 130cps – 135 cps remains unchanged

02 Maintain 100% payout ratio

03 LTV ratio of approximately 40% at 1H25, to be reduced by transactions post period-end





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