



# PRE-CLOSE UPDATE

June 2024



**ATTACQ**







# AGENDA

**3** STRATEGIC BUSINESS ALIGNMENT

**5** COMPLETED SOUTH AFRICAN PORTFOLIO

**12** DEVELOPING WATERFALL CITY

**16** OTHER INVESTMENTS

**17** FUNDING UPDATE

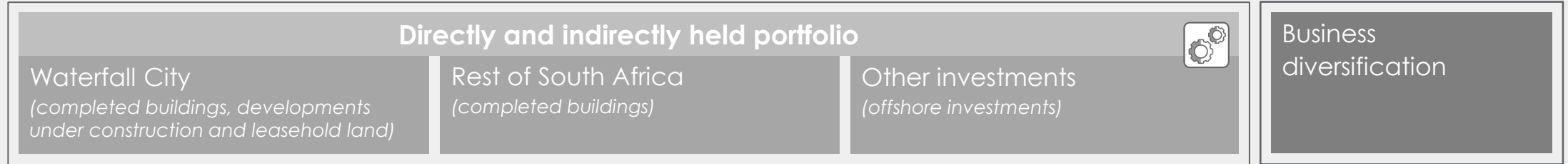
**20** QUESTIONS & ANSWERS

PWC Tower, Waterfall City



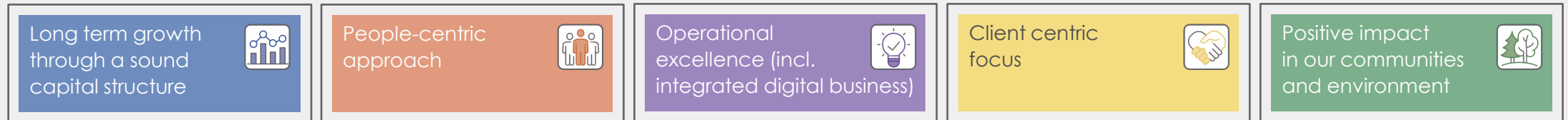
# 3 STRATEGIC BUSINESS ALIGNMENT

## BUSINESS FOCUS

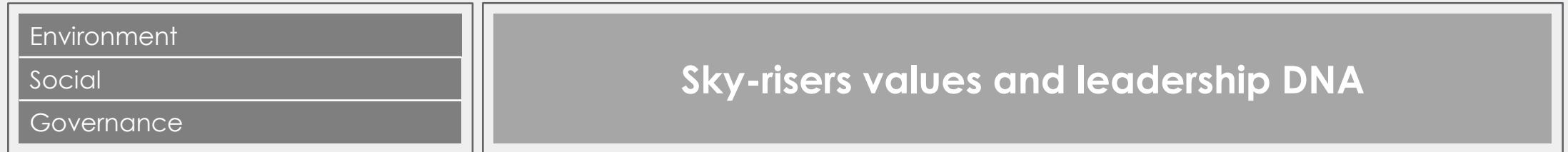


## OBJECTIVES

**Enabled by**



**Underpinned by**



Sustainable stakeholder value



STRATEGY ON TRACK TO **DELIVER EXCEPTIONAL RESULTS**

## BUSINESS FOCUS

## Directly and indirectly held portfolio



## Waterfall City

*(completed buildings, developments under construction and leasehold land)*

## Rest of South Africa

*(completed buildings)*

## Business diversification

*(offshore investments and Attacq energy)*

We maintain a healthy pipeline of development opportunities in Waterfall City with strict discipline in capital allocation. This ensures our deals align with the strategy and support long-term growth.

Despite the sluggish local economy, Attacq's defensive South African portfolio, diverse client mix, precinct dominance, and proactive asset management deliver sustained growth.

We are strategically divesting our remaining Rest of Africa assets to liquidate the entire portfolio. We are advancing in our investments in PV systems, water resilience, and digital transformation of meter reading.

## Long-term growth through sound capital allocation



Our financial foundation is robust, ensuring stability and resilience.

We prioritise prudent capital management, allowing us to weather challenges and seize opportunities.

- Share buybacks: a total of **5 352 955 shares** bought to date at an average price of **R9.35**
- Healthy debt levels, **DMTN programme** to launch post results in September 2024
- Acquisition of the **20% share of Mall of Africa**
  - › The transaction is unconditional, the notarial lease is being **registered**, and completion is expected at the **beginning of July 2024**
- Guidance remains unchanged: **DIPS growth of between 10.0% and 12.5%**
- Dividend payout ratio: **80%**





# COMPLETED SOUTH AFRICAN PORTFOLIO



Waterfall City and Rest of South Africa



Town Square, Mall of Africa, Waterfall City



# RETAIL-EXPERIENCE HUBS



## KEY METRICS May 2024

<p>01</p> <p>Occupancy rate</p> <p><b>96.1%</b></p> <p>Jun 2023: <b>95.9%</b></p>	<p>02</p> <p>Collection rate</p> <p><b>99.6%</b></p> <p>Jun 2023: <b>101.9%</b></p>	<p>03</p> <p>Number of new deals</p> <p><b>35 leases</b></p> <p>Jun 2023: <b>38 leases</b></p>	<p>04</p> <p>Trading density</p> <p><b>R3 999/m<sup>2</sup></b></p> <p>Jun 2023: <b>R3 823/m<sup>2</sup></b></p>
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Eid Market, Waterfall City

Pick 'n Pay exposure – ensuring operational resilience:

Exposure	GLA	Rental (%)
Total	1.5%	1.3
Retail-experience hub	3.7%	2.7
- Supermarket	9 160m <sup>2</sup>	
- Clothing	1 607m <sup>2</sup>	
- Liquor	233m <sup>2</sup>	

- All leases are corporate, no franchisee-operated stores
- Clothing trade is strong
- We have engaged with PnP management
- No space will be given up/taken back at this stage

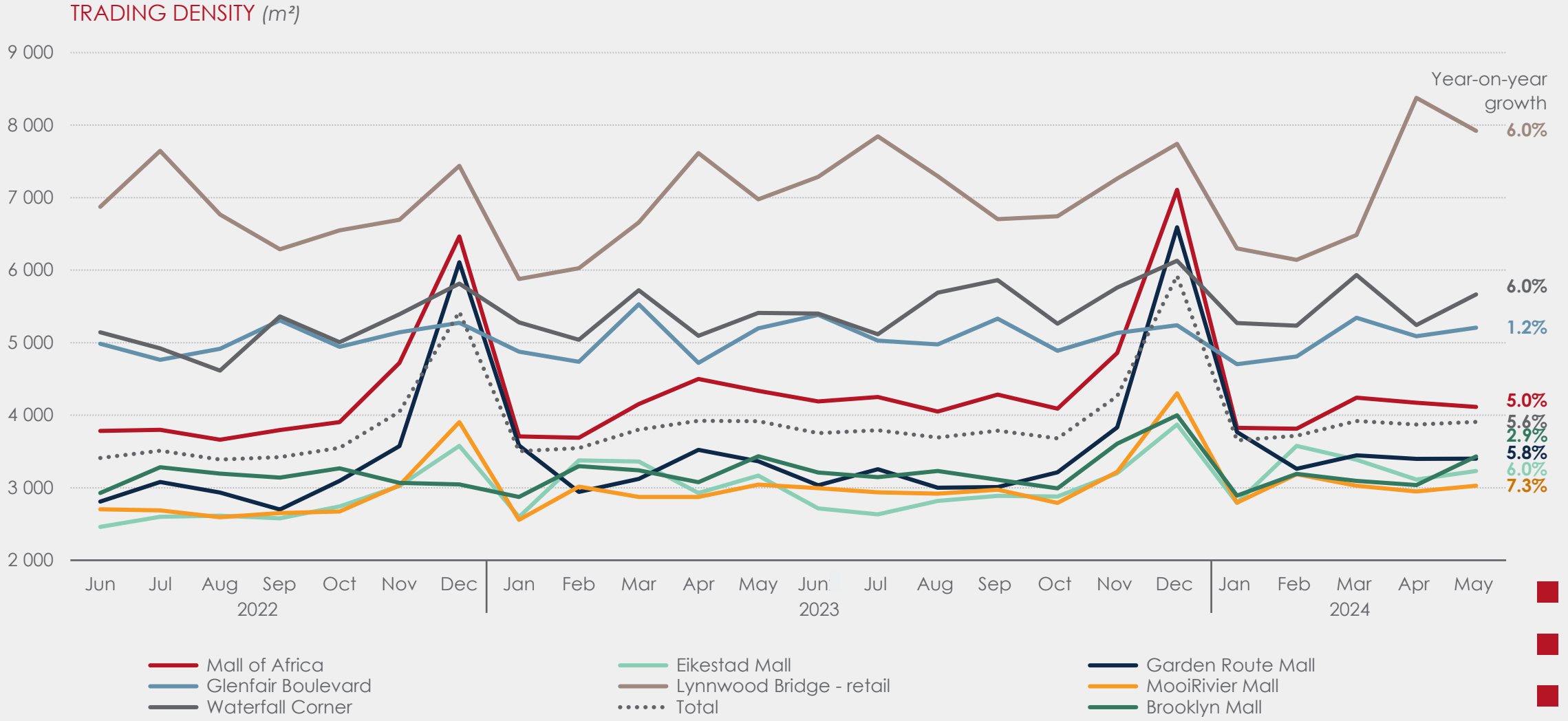


Eid Market, Waterfall City



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# MONTHLY TRADING DENSITY





# ACTIVE ASSET MANAGEMENT MOOIRIVIER MALL



## Creating property value and net property income

- Spaces with low trading density were identified
- House & Home space reduced and space created for @Home, resulting in
  - › higher footfall and an improved shopper experience
  - › an increase in rental income of R53/m<sup>2</sup> on 2 275m<sup>2</sup> of GLA
  - › the asset value increasing by R18 million
  - › an increased ability to let the space in the future



Rooftop PV systems, MooiRivier Mall





# COLLABORATION HUBS



## KEY METRICS

01

Occupancy rate

**86.5%**

Jun 2023: **83.9%**

02

Collection rate

**100.4%**

Jun 2023: **107.1%**

03

Number of new deals

**18 leases**

Jun 2023: **18 leases**

04

GLA of new deals

**16 545m<sup>2</sup>**

Jun 2023: **25 195m<sup>2</sup>**



Lynnwood Bridge centre management upgraded to match our Nexus 1 collaboration hub



# ACTIVE ASSET MANAGEMENT ALLANDALE BUILDING



Before: reception area

## 01 Our challenge

- Large uninviting common area which was not in line with our strategy of creating collaborative spaces

01

## 02 Our response

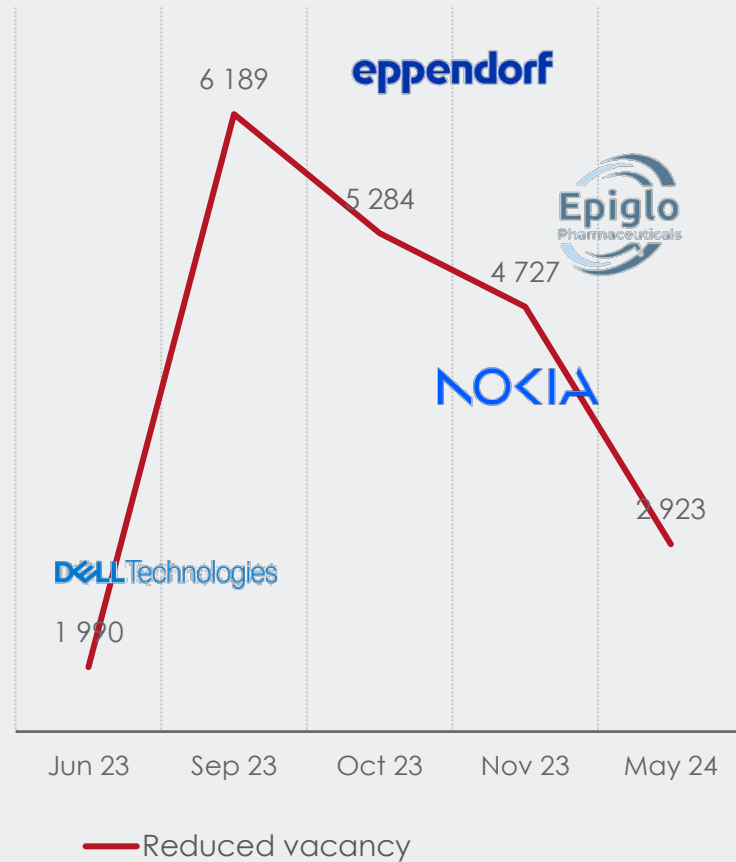
- Upgraded the common area to an inviting space
- Informal collaboration hub spaces and workstations added in common areas
- Free WiFi
- Seattle coffee shop

02

## 03 Our results

- Improved functionality of space and user experience
- Increased asking rentals
- Reduced vacancies

03



After: reception area



# LOGISTICS HUBS



## KEY METRICS

01

Occupancy rate

**94.1%**

Jun 2023: **100.0%**

02

Collection rate

**99.9%**

Jun 2023: **99.8%**

03

Number of new deals

**1** lease

Jun 2023: **2 leases**

04

GLA of new deals

**4 449** m<sup>2</sup>

Jun 2023: **9 188** m<sup>2</sup>



Amrod expansion, Waterfall City





# DEVELOPING WATERFALL CITY

Where living works



Aerial view of Waterfall City



# DEVELOPMENTS AT WATERFALL CITY

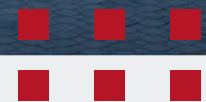


<p>Total GLA completed <b>01</b></p> <p><b>23 320m<sup>2</sup></b></p>	<p>Total development activity<sup>^</sup> <b>02</b></p> <p><b>R1.2 billion</b></p>
<p>Total GLA under construction and pipeline* <b>03</b></p> <p><b>30 041m<sup>2</sup></b></p>	<p>Ellipse residential – total bankable sales** <b>04</b></p> <p><b>89.8%</b></p>

\* m<sup>2</sup> of gross lettable area and gross saleable area  
 \*\* Based on bankable sales of Ellipse Waterfall, phase 1, 2 and 3  
 ^ Consisting of R375 million currently under construction and R838.3 million approved pipeline (total value, not effective)



Newly completed midi unit, Waterfall City



COMPLETED DEVELOPMENTS **LOGISTICS HUBS****Midi-units logistics development**

- GLA on completion:  $\pm 14\,641\text{m}^2$
- Land Parcel: 9 South
- Sector: Logistics hub
- Comprising 3 buildings built on spec
  - › Building 1 GLA:  $\pm 4\,419\text{m}^2$  - let
  - › Building 2 GLA:  $\pm 4\,883\text{m}^2$
  - › Building 3 GLA:  $\pm 5\,319\text{m}^2$
- Generic, flexible and best in class warehouse solution
- Practical completion date: Q4 FY24

*Midi-units logistics development, Waterfall City*



# UNDER CONSTRUCTION **RESIDENTIAL**



OLIVES & PLATES

**L i F E**  
DAY SPA WATERFALL

## Ellipse Waterfall

- Gross sellable area (GSA) on completion: ±45 864m<sup>2</sup>
- Land Parcel: 10
- Sector: Residential
- Total Sold: 90.9%
- Total bankable sales: 89.8%
- Sustainability and cost reduction initiatives
  - › 4-star GBCSA Green Building Certification achieved (by design)

## Completed

- **Phase 1, Newton and Kepler towers** (270 units, GSA: 17 044m<sup>2</sup>)
- 265 transferred units to date amounting to R679.3m (98.0% of units)
- **Phase 2, Cassini tower** (182 units, GSA: 15 434m<sup>2</sup>)
- 178 units transferred and 179 units bankable sales to date amounting to R548.1m (98.3% of units)

## Development under construction

- **Phase 3, Galileo tower** (208 units, GSA 13 386m<sup>2</sup>)
- 20.0% JV with Tricol
- 13 stories and will include a private residents lounge (Apollo Lounge)
- Reconfigured scheme to increase to 208 units from 145 by converting larger units into 1 and 2-bed units for improved saleability
- Creating an additional 4th basement level to provide approx. 53 additional retail bays due to the success of the scheme's retail offering
- 154 sales with a total value of R359.1m (74.0% of units), of which 135 are bankable sales amounting to R315.8m (64.9% of units)
- Practical completion: Q1 FY26



# OTHER INVESTMENTS



## Rest of Africa Retail Investments

- Rest of Africa retail investments comprise:
  - › 26.9% in AttAfrica (Accra Mall, West Hills Mall and Kumasi City Mall, Ghana)
  - › 25.0% in Gruppo (Ikeja City Mall, Nigeria)
- Formal discussions with Actis to acquire 50% of Gruppo terminated
- In discussions to dispose of Ghana and Nigeria investments to single suitor



Ikeja City Mall, Lagos, Nigeria





# FUNDING UPDATE



Corporate Campus, Waterfall City

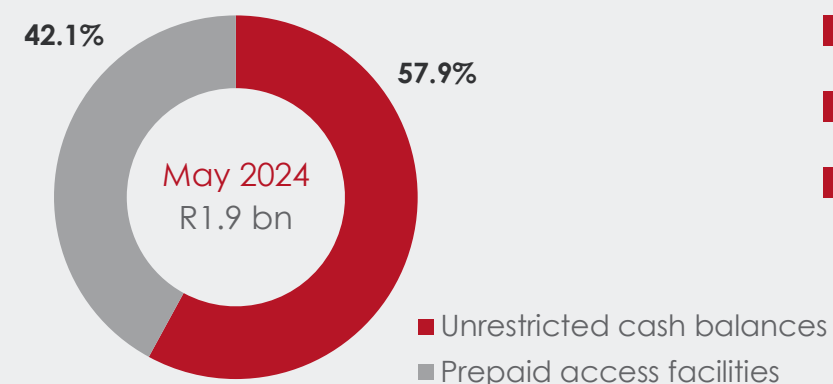
# 18 INTEREST-BEARING BORROWINGS



INTEREST-BEARING BORROWINGS	May 2024			Dec 2023
	Total	Waterfall City	Rest of South Africa	Total
Gross interest-bearing debt (R'000)	5 784 532	3 158 690	2 625 842	5 924 830
Weighted average loan term (years)	3.5	4.0	2.9	3.8
Hedged as a percentage of total committed facilities (%)	70.1	80.6	53.8	73.5
Weighted average term of hedges (years)	2.4	3.1	1.0	2.7
Weighted average cost of debt (%)	10.0	10.2	9.7	9.9

GROUP LEVEL BANK COVENANTS	Covenant	Actual**
Gearing ratio* (%)	50.0	25.4
Interest cover ratio (times)	None <sup>#</sup>	None
Minimum net asset value (R'billions)	7.0	15.0

## AVAILABLE LIQUIDITY (%)



<sup>#</sup> From June 2024, an interest cover ratio covenant of 2.0 times will apply, calculated for the six months ending 30 June 2024

<sup>^</sup> Calculated as (total interest-bearing debt - unrestricted cash on hand) / (total assets - cash on hand - right of use asset recognised as a result of IFRS 16: Leases)

<sup>\*</sup> Calculated as (total interest-bearing debt + mark-to-market liability on hedging transactions + nominal value of guarantees - unrestricted cash and cash equivalents) / (total assets - goodwill - intangible assets - deferred tax asset - deferred initial lease expenditure - unrestricted cash and cash equivalents - receivables)

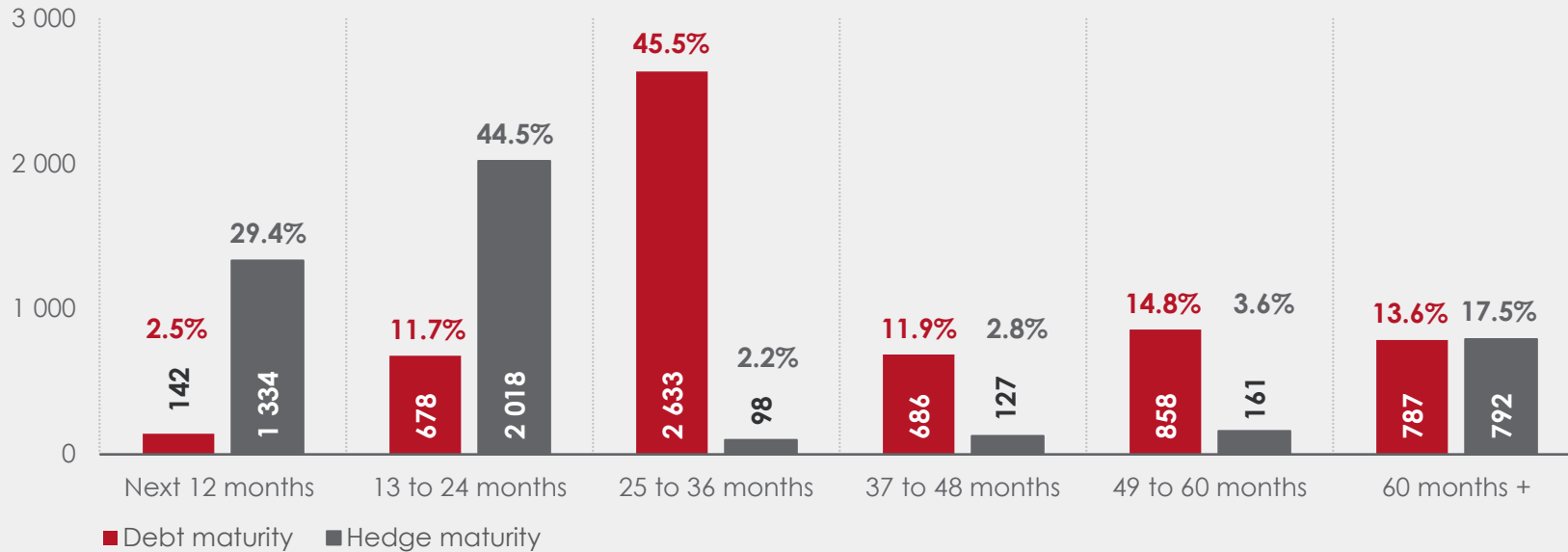
<sup>\*\*</sup> Covenants are only measured on December and June numbers





# INTEREST-BEARING **BORROWINGS** CONTINUED

DEBT AND HEDGE MATURITY – MAY 2024 (R'000)



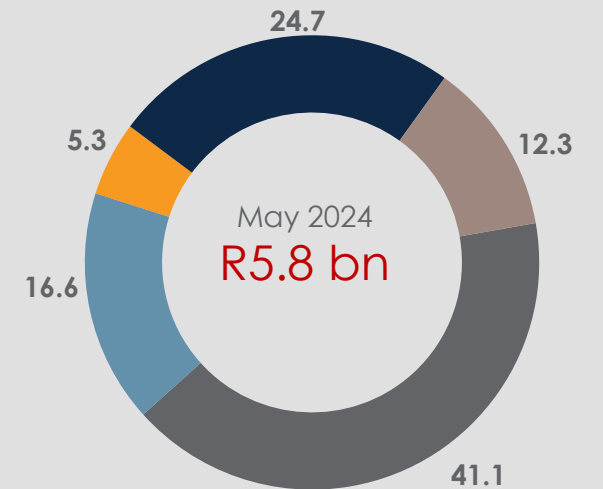
## Hedging

- Hedge ratio of 79.1% of drawn facilities (70.2% of committed facilities)
- Weighted average hedge rate is 8.2%
- Hedges required to remain above 70% hedged: R160m (July 2024), R335m (Dec 2024)

## DMTN programme

- Arranger, legal firm and rating agency appointed. Work has commenced
- Targeting inaugural issuance late October 2024

FUNDING MIX (%)



- Nedbank
- RMB
- Sanlam
- SBSA
- Old Mutual





# QUESTIONS AND ANSWERS



MooiRivier Mall, Potchefstroom





# CORPORATE INFORMATION

## 01

### Independent non-executive directors

P Tredoux (Chairperson)  
 HR El Haimer (Lead independent)  
 FFT De Buck TP Leeuw IN Mkhari  
 GT Rohde S Shaw-Taylor AE Swiegers  
 JHP van der Merwe

## 02

### Executive directors

JR van Niekerk (CEO)  
 R Nana (CFO)

## 03

### Company secretary

W Modisapodi  
 wyna@attacq.co.za

## 04

### Attacq Limited

Incorporated in the Republic of South Africa  
 Registration number 1997/000543/06  
 JSE share code: ATT ISIN: ZAE000177218  
 Approved as a REIT by the JSE  
 Attacq or the company or the group

## 05

### Registered office

Nexus 1, Ground Floor  
 37 Magwa Crescent  
 Waterfall City  
 2090

## 06

### Postal address

PostNet suite 016  
 Private Bag X81  
 Halfway House  
 1685

## 07

### Transfer secretaries

Computershare Investor Services (Pty) Ltd  
 Rosebank Towers, 15 Biermann Avenue,  
 Rosebank, 2196  
 (PO Box 61051, Marshalltown, 2107)

## 08

### Sponsor

Java Capital  
 6<sup>th</sup> Floor, 1 Park Lane  
 Wierda Valley  
 Sandton, 2196  
 (PO Box 522606, Saxonwold, 2132)

## 09

### Head of investor relations

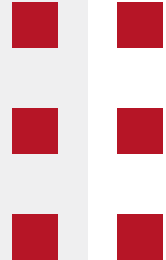
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