



# ANNUAL RESULTS

for the year ended 30 September 2021



ARROWHEAD PROPERTIES

Focused on sustainable value

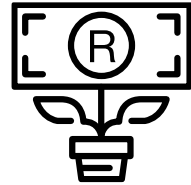
# Highlights



**LTV at 36.9%**  
(38.2% incl.  
derivatives)



Transferred  
**R1.047b in FY21**  
@ 2.2% discount  
to book value



## Dividend

increase of 4.1% per A-share and  
increase of 44.6% per B-share

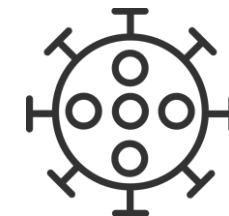
## B-share price

has increased by 216% y-o-y from  
R1.30 to R4.11

**Collections of 96% for 12 months**  
(1 October 2020 to 30 September 2021)  
Pre-COVID-19 relief

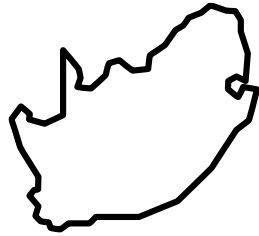
## SOLD

**R2.9bn worth  
of assets**  
since 2018



**Vacancy**  
reduced to 8.4%  
from 8.6%

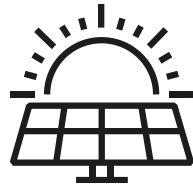
# Highlights



South African focus – proximity and control



Available Group cash of **R620.7m** (excl. Indluplace)

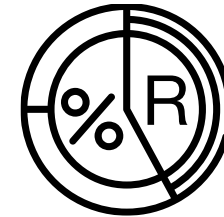


## Active investment in solar power plants

*6.7 megawatt installed with a further 2.3 megawatt in process*

*Energy generation at 5.1% of total energy cost*

Sales pipeline of 16 assets valued at R331m



## Group capex

spend of R227m (excl. Indluplace)

## Low risk gearing

(no cross currency swaps, no debt capital markets and no offshore borrowings)



## Arrowhead team

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- **Team increased by 2**
- **Highly skilled workforce**
  - Continue to further develop skills and cross-skill
- **Committed to transformation**
  - Team constitution:
    - 50% Female
    - 46% Black team members
    - 27% Black female
    - 15% African female
    - 50% Black Top management



# Culture building journey

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## What have we done

**Internal anonymous surveys** to assess team satisfaction

**Encouraged learning** in the workplace and further development aligned to KPI

## What were the results / how was this achieved?

- **94% very satisfied** working for Arrowhead
- **88%** of team **feel cared for** by the company
- **94%** feel that they **have a great platform to operate optimally**
- **88% feel valued** for the contribution
- **88% love working** for or most happy working for Arrowhead
- Cross-skilling within business units
- Little to no impact on business downtime
- Individuals enrolled in additional training courses
- **94%** strongly agree/agree Company **supports training** and development
- Conducted personal development plans (PDP's)



# Culture building journey

## What have we done

## What were the results / how was this achieved?

Making **diversity, equity and transformation** a priority

- Implementation of training on diversity and transformation
- Execution of employment equity plans
- Appointed 2 African Females in middle management for 2021

**Intentional engagement** and teamwork

- Successful virtual and hybrid working
- **94%** feel that there is **sufficient communication** and guidance
- **94%** feel **well connected** to the team
- Company culture, support and communication ranked the highest in job satisfaction above that of remuneration, job title

**JHI**

- KPI's implemented and aligned to company
- Incentives to promote **efficiency, team work and productivity**
- Survey to assess working **relationship** between JHI and Arrowhead

# Strategic successes

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## **Goal to sell all properties which do not have strong tenant demand and are not capable of long-term income growth**

- Sell all properties which do not meet this criteria
- Sold 37 properties in the financial year which moves us closer to our target portfolio
- Since 2018 sold assets approximately worth R2.9bn
- Capex after paying the dividend (excl. Indluplace) of R227m

## **Goal to improve tenant focus**

- COVID-19 rental relief and assistance with riots and looting
- Relationship managers bridge the gap between managing agents and asset managers
- Implemented tenant centricity with JHI
- Tenant retention of 88%





## Strategic successes



### Goal to strengthen the balance sheet

- Transferred R1.047bn worth of property
- Debt reduced from R5.6bn to R4.6bn
- Group's LTV improved to 36.9% (excl. derivatives)
- Renewed 4 loan facilities for the 2022 calendar year worth R859m
- Group cash at R620.7m (excl. Indluplace) after spending R227m on capex



### Goal to strengthen property management

- Enhanced performance with hybrid model
- In-house utilities, collections and letting team
- Apply tenant centric strategy to unlock value
- Moved to MRI property management system for full control of data
- Improved measurement of KPI's for strategic implementation
- Collections pleasing at 96% vs 86% in 2020





## Strategic successes

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### Goal to enhance ESG awareness

- Arrow for change – completed 26 projects, 70% of which were in surrounding Arrowhead assets
- Investment in outlying properties using locally sourced labour with skills transfer
- Investment into utility management incl. solar and water projects
- ESG gap analysis

# An Arrow for Change

## Sustainable change in action



- Continued sustainable, impact-driven projects
- Projects in communities surrounding portfolio
- Hands on involvement of employees, tenants and suppliers
- Motivation and education focus at schools – focus on primary school mathematics tuitions
- Upskilling of beneficiary caretakers and gardening teams for maintenance
- Emergency food parcel relief around the portfolio during the July riots
- Disbursed R2.5m in the financial year

# Hearts of Hope

138 Kelvin Drive, Gauteng



*Children and caregivers of Hearts of Hope*



*Arrowhead staff, Elmarie and Geraldine, handover appreciation gifts to Hearts of Hope caregivers and staff*



*Installed heat pump*

Orphanage in Gallo Manor that takes care of approximately 60 children

The following was completed for the project:

- Thank-you gifts packs for all the caregivers and staff
- Sporting equipment required
- 3 Heat Pumps
- Water Tank and a Pump sponsored by National Leak Detection

# Hannah's Place of Safety Westgate Mall, Western Cape



Westgate centre management, JHI Portfolio Manager (PM) complete handover



Items purchased and handed over



Janine Fabe from Hannah's Place of Safety with JHI PM Bronwyn Bartnick



Baby room

- Foster care facility for displaced and abandoned children.
- Partnered with the tenants at Westgate Mall to purchase clothing, blankets, baby food and meat vouchers

# Call to Care Westgate Mall, Western Cape



*Completed planting by Call to Care at the school*



*Teachers getting involved in the preparation of the beds*



*Preparation of the beds*

- Partnered with Call to Care to plant a veggie garden at a primary school near to Westgate Mall
- Further training to be conducted to ensure the upkeep of the gardens
- Sustainable garden will assist the school with the feeding scheme

# Woodhouse Community Care Base Matsulu, Mpumalanga



*Woodhouse Community Care Base caregivers collecting items from the vouchers*



*Painting of the wall in progress*

- Plastering and painting of the boundary wall for this orphanage
- Food and stationery vouchers

# Kids Haven



*Mattresses being taken to the orphanage*



*Delivered linen and mattresses being assembled*

Purchased the following for this orphanage in Benoni:

- Mattresses
- Linen
- Couches

# Arrowhead summary



Diverse portfolio of  
**R8.3bn**



**106 assets**  
(excl. Indluplace)



**939 486m<sup>2</sup>**  
Of GLA



Sectoral split by revenue



Retail **50%**



Office **35%**



Industrial **15%**



**61%**  
In Indluplace








## Sales program

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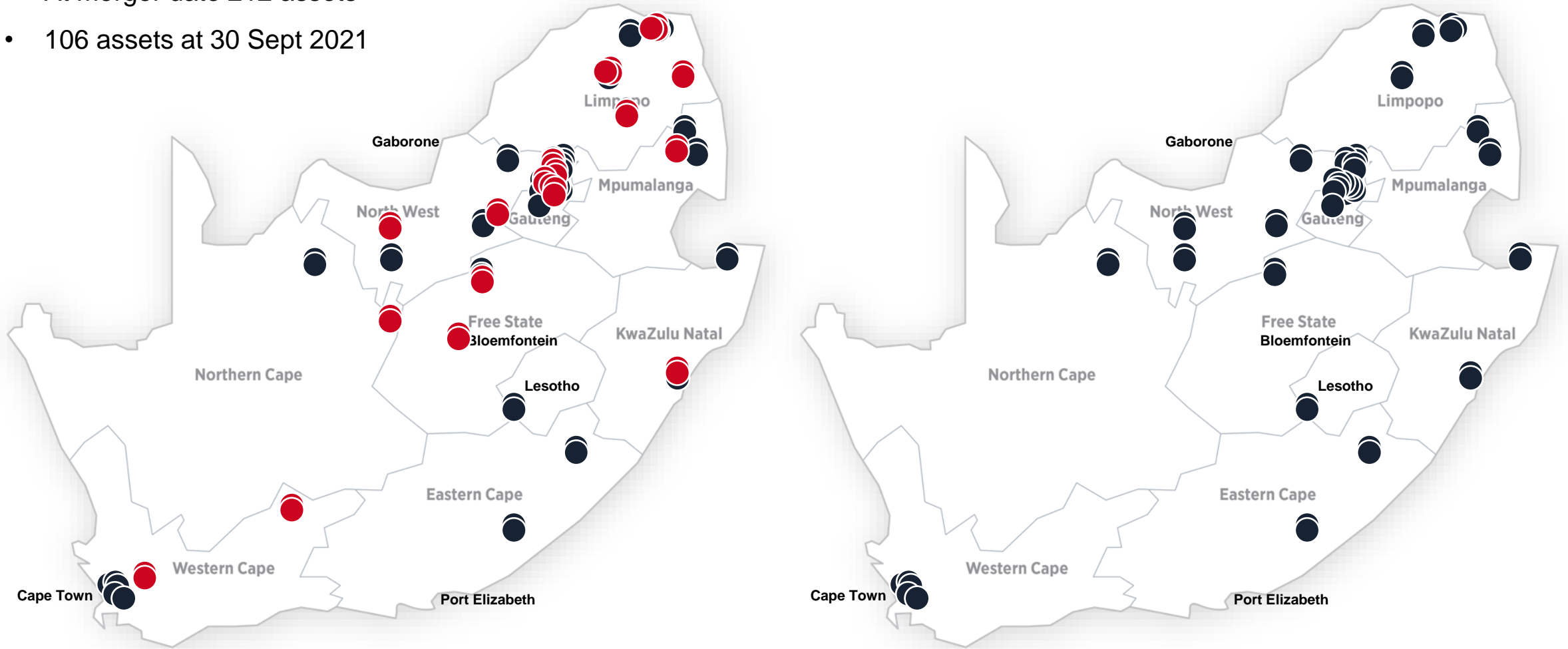
- Sold 137 assets since the launch of our disposal program in 2018 totalling R2.9bn
- 121 assets valued at R2.6bn has transferred up to 30 September 2021
- 16 assets of R331m still to transfer post year end

# Sales

Asset Class	Number	Sales value (Rm)	Book value (Rm)	Sector Breakdown in %	Discount / (premium) to book value	Average Yield	GLA disposed	Vacant GLA	Vacancy %
 Retail	20	584	596	56%	2%	11.6%	66 237	1 136	2%
 Office	4	81	81	7%	0%	11.6%	13 266	1 644	12%
 Industrial	13	382	394	37%	3%	11.4%	109 879	1 059	1%
<b>Total</b>	<b>37</b>	<b>1 047</b>	<b>1 071</b>	<b>100%</b>	<b>2%</b>	<b>11.5%</b>	<b>189 382</b>	<b>3 839</b>	<b>2%</b>

# What have we sold?

- At merger date 212 assets
- 106 assets at 30 Sept 2021



 Sold Assets  106 Assets



## Did you know

- Our largest **7 retail assets**
  1. Access Park;
  2. Cleary Park;
  3. Westgate Mall;
  4. Midtown Mall;
  5. Transforum Centre;
  6. Montclair Mall; and
  7. Game Centre Thohoyandou**make up more than 30% of our total property net income**
- Top **5 industrial assets** are approximately 15 000m<sup>2</sup> or bigger, making up more than 50% of the total industrial portfolio
- **7 office assets** make up 50% in value and income of the total office portfolio



## Property portfolio as at 30 September 2021

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- 106 commercial (**retail, office & industrial**) properties
- Sectoral GLA: 35% **retail**, 33% **office** and 32% **industrial**
- Overall vacancy at 8.4% (6.0% **retail**, 14.6% **office**, 4.5% **industrial**)
- Average gross (net) rent per sector R139/m<sup>2</sup> **retail** (R128/m<sup>2</sup>), R115/m<sup>2</sup> **office** (R98/m<sup>2</sup>), R44/m<sup>2</sup> **industrial** (R41/m<sup>2</sup>)
- Average weighted lease escalation per sector (6.7% **retail**, 7.1% **office**, 6.9% **industrial**) overall 6.8%
- Average lease profile 3.6 years
- Renewal reversions per sector (-10.9% **retail**, -13.6% **office**, -5.6% **industrial**) overall -11.2%



# Property portfolio as at 30 September 2021

- New deals concluded per sector



## Retail

R3 637 468 monthly income (R103 Gross Rental R/m<sup>2</sup>)



## Office

R3 331 179 monthly income (R89 Gross Rental R/m<sup>2</sup>)



## Industrial

R1 668 973 monthly income (R39 Gross Rental R/m<sup>2</sup>)

## Overall

R8 637 622 monthly income

- Total number of new deals – 382
- Average lease length concluded – 2.2 years
- Further streamlining of the internal letting processes
- Increased the size of the new deals team

# Update on collections

	Gross Collections <b>BEFORE</b> relief
April 2021	95%
May 2021	97%
June 2021	96%
July 2021	93%
August 2021	94%
September 2021	96%
<b>Total Average Collections 2021</b>	<b>96%</b>

- R7.6m in total COVID-19 relief (R77m in the prior financial year)
- R1m in deferral's and R6.6m in discounts

# Portfolio challenges and way forward

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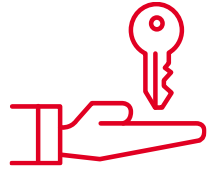
## TENANT SUSTAINABILITY

- Tenant base post the COVID-19 lockdowns, more resilient and sustainable
- Space rationalisation requests have decreased across all 3 sectors
- Tenants have diversified their income streams
- Relocation costs vs renewing a lease; tenants are taking advantage of the market conditions to extract value
- Historically low interest rates and driving a conversation amongst tenants of “Rent vs Buy”
- Limitations on the deployment of capex by national retailers' due to the riots:
  - Con – limited cashflow is delaying new stores and revamps
  - Pro – some nationals are using the opportunity of riot hit stores to revamp and expand



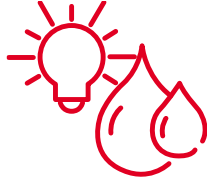
# Portfolio challenges and way forward

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## LEASING

- More stability leading to better terms w.r.t. renewals and new deals
- National retailers open to discussions along expansion, new market share and spreading of risk
- More comfort amongst tenants to move away from short- to medium-term commitments
- While conditions are improving, tenant retention is still key in this environment and will remain a core focus



## UTILITY AND RATES

- Load shedding creating new obstacles
- Due to loss of trade, we are analysing properties where we can roll out additional power backup solutions
- The 3<sup>rd</sup> phase of our solar roll out project is well underway
- Unpredictable tariff structures slowing new deal flow
- Excessive assessment rates increases are pushing the limits of tenant affordability

# Portfolio challenges and way forward

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## **SECURITY**

- An internal drive to use local labour and service providers
- A heightened focus on property security post the riots
- An increased use of technology vs labour
- Introduction of new security protocols for any future similar riot related incidents
- Increased unemployment leading to spike in crime and ultimately more security resources required

# Portfolio challenges and way forward

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## JULY RIOTS

- National retailers are using this opportunity to further **invest** into their stores
- Very small portion using the opportunity to either **right size** or exit
- Tenants re-evaluating their concentration to **specific nodes** and the risk that comes with it and opting to **diversify** their risk
- National steel shortage post the riots caused delays in various insurance projects
- Our interaction with **SASRIA** via our dedicated insurance company has been efficient and well-organised
- Approximately 73% of our current claims have been **paid out** with the remainder in various stages of approval
- Rental impact at the peak of the riots was approximately 1% of our monthly billing
- Only 1 property, Montclair Mall, is not 100% operational. Project to restore is underway to allow all tenants to trade again
- A large amount of security resources were deployed across the **9 provinces** to ensure we **covered our risk**
- A massive **dedicated effort by our team** involving dialogue with local communities and taxi associations to
  - Assess the risk levels and
  - Assist us in protecting the various assets.



## Office evolution

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- Shift in perception
- Businesses realise the practicality of full time remote working isn't feasible
- Continued requirement to have an office base
- A new hybrid office life is emerging – one that caters for a corporate identity / culture, yet offers flexibility
- Tenants are now “Space Banking” their leases
- Interesting observation within office has been a higher physical occupancy amongst SME vs large corporate tenants
- More staff are returning to the office, for better access to electricity and internet as a result of load shedding
- Our existing tenant base is taking up additional GLA due to the increased stability within the market

# Operational success

## Sunttyger

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- Old façade in a prominent node
- Business case supported a revamp to extract more value
- All new deals and renewals concluded at new market rentals
- 97% let
- Introducing a new retail element into the asset



## Operational success Eersterust

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- The revamp is attracting better quality tenants
- The external revamp pushed the anchor PNP to also invest
- Fully let
- Massive involvement by the local community in the project



# Operational success

## Access Park

- The revamp assisted in refreshing the image post the pandemic
- Rebound - Relet - Revamped
- Tenants continue to invest large capex into their fitouts
- Access Park entering a new phase of its lifecycle
- 98% let



**BEFORE**



**AFTER**



# Operational success

## Solar

- Phase 1 & 2 continues to generate anticipated yield
- Various challenges – looting, theft and vandalism have been managed to ensure we meet and exceed the predicted yields
- Phase 3 of the Solar programme well underway
- Over 5% of the portfolio electricity expense now generated from our embedded solar generation



*KWT, Montclair and Terminus*



## Operational success

### Water

- Continually exploring water efficiency
- 7 fully implemented projects
- Backup water tanks, natural spring systems, borehole systems, smart monitoring



Cleary Park

# Significant lease renewals for the past 6 months

			
Office Suntiger 1 124m <sup>2</sup>	Office 1 Sturdee 3 297m <sup>2</sup>	Office Crownwood 1 060m <sup>2</sup>	Office Suntiger 1 015m <sup>2</sup>
			
Retail Tsolo 2 051m <sup>2</sup>	Retail Westgate 4 811m <sup>2</sup>	Retail KWT 1 153m <sup>2</sup>	Retail The Lane 968m <sup>2</sup>

# New deals in progress



# Current projects

## Midtown Mall

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*Phase 2 of the upgrade*

# Current projects

## Town Centre

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*Residential development*

# Current projects

## New Pioneer

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*Ex Virgin Active*

# Current projects

## Urban Park

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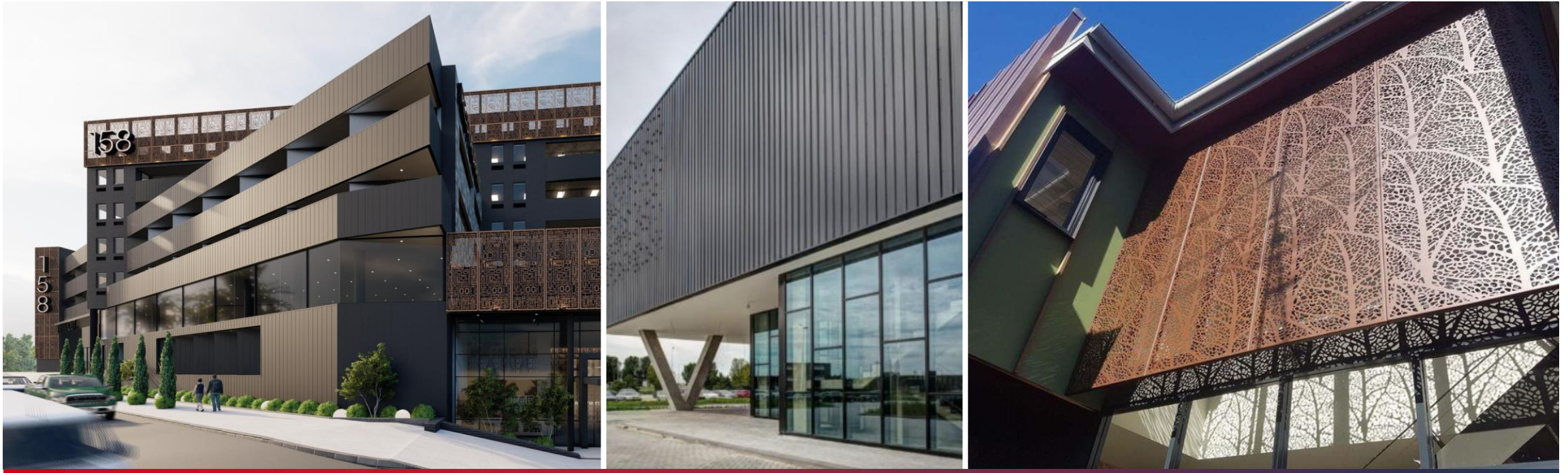


*Ex McCarthy*

# Current projects

158 Jan Smuts

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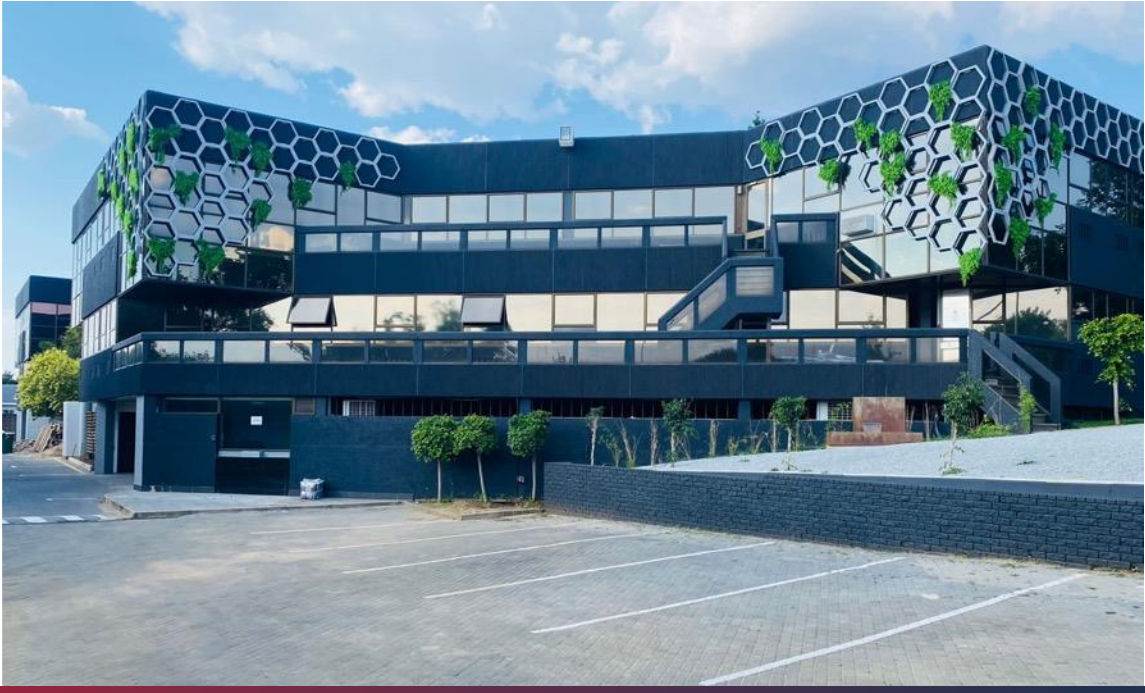


*Soft external redevelopment*

# Current projects

## 138 Kelvin Drive

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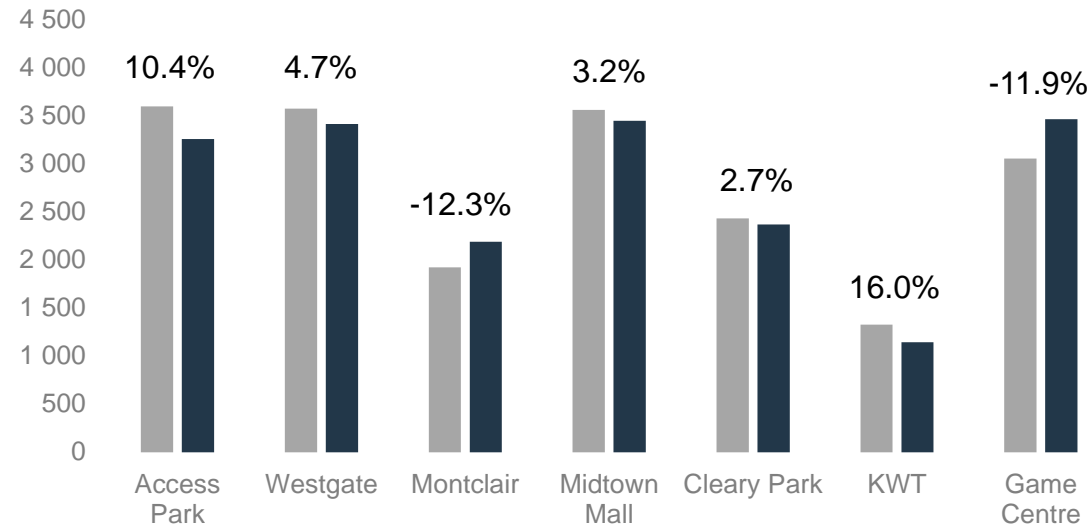




# Trading densities

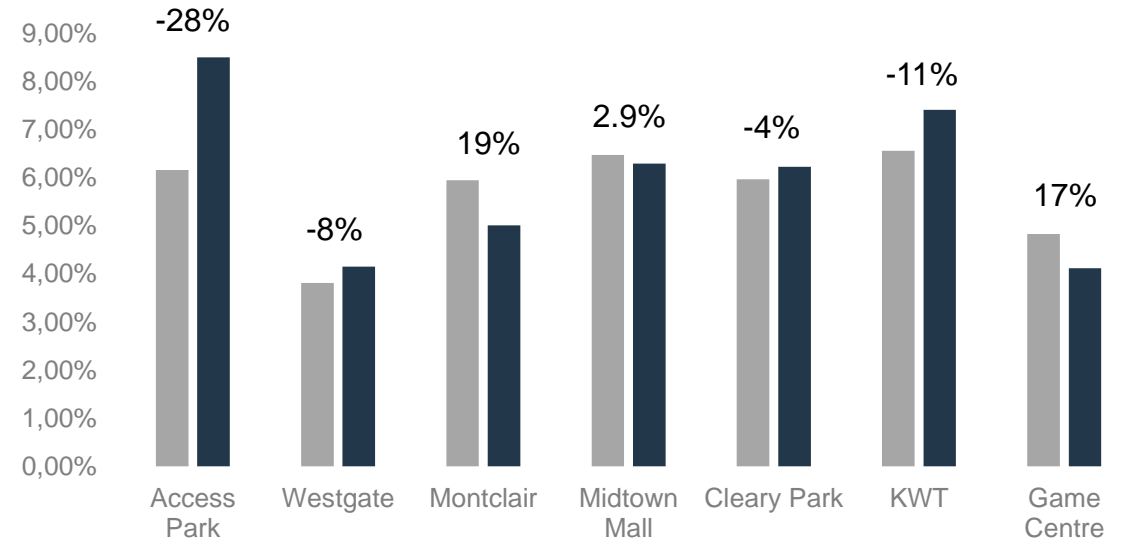
## SEPTEMBER 2020 VS SEPTEMBER 2021

Overall 0.9%

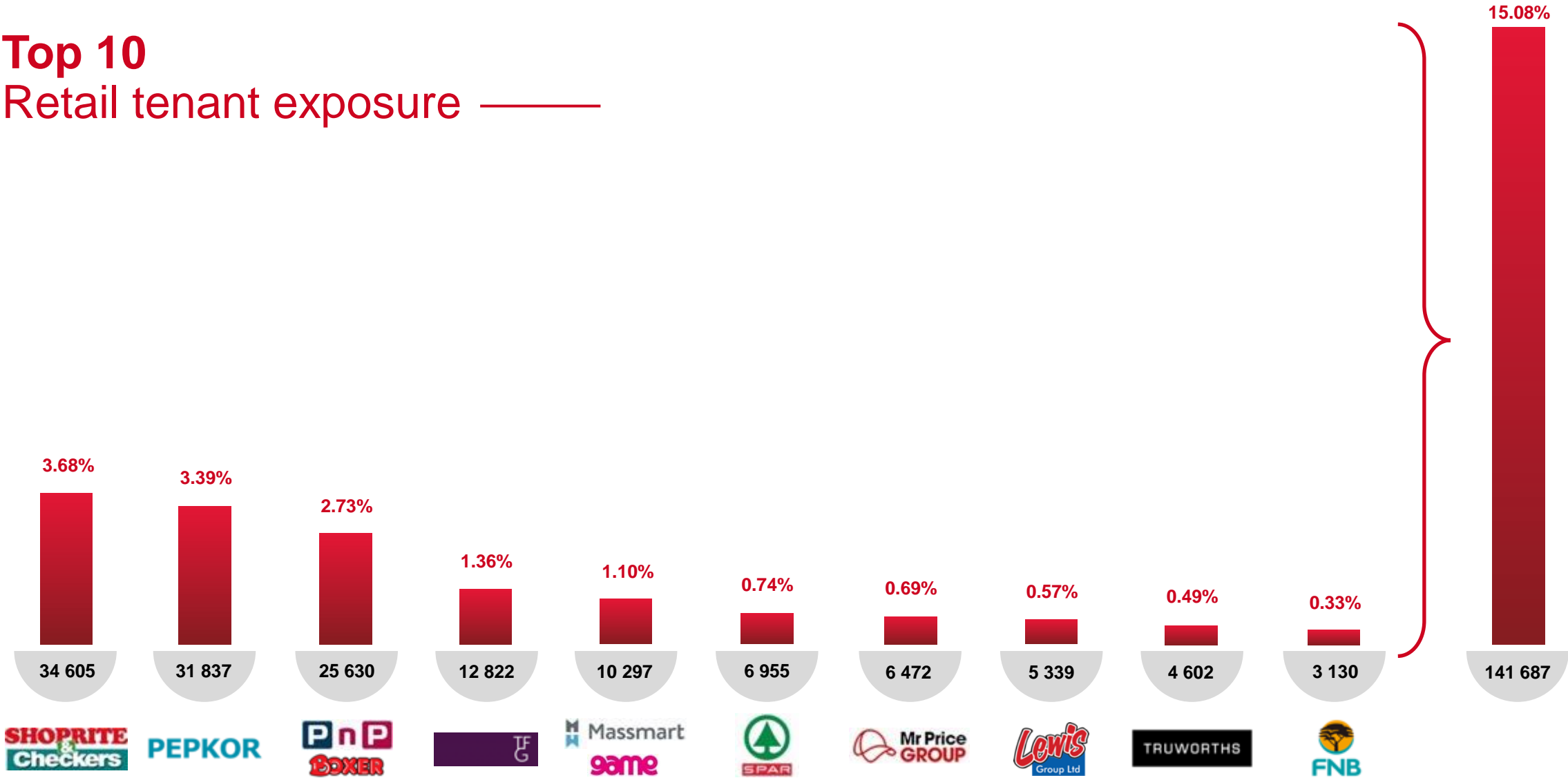




## RENT TO SALES RATIO

Overall -4.7%

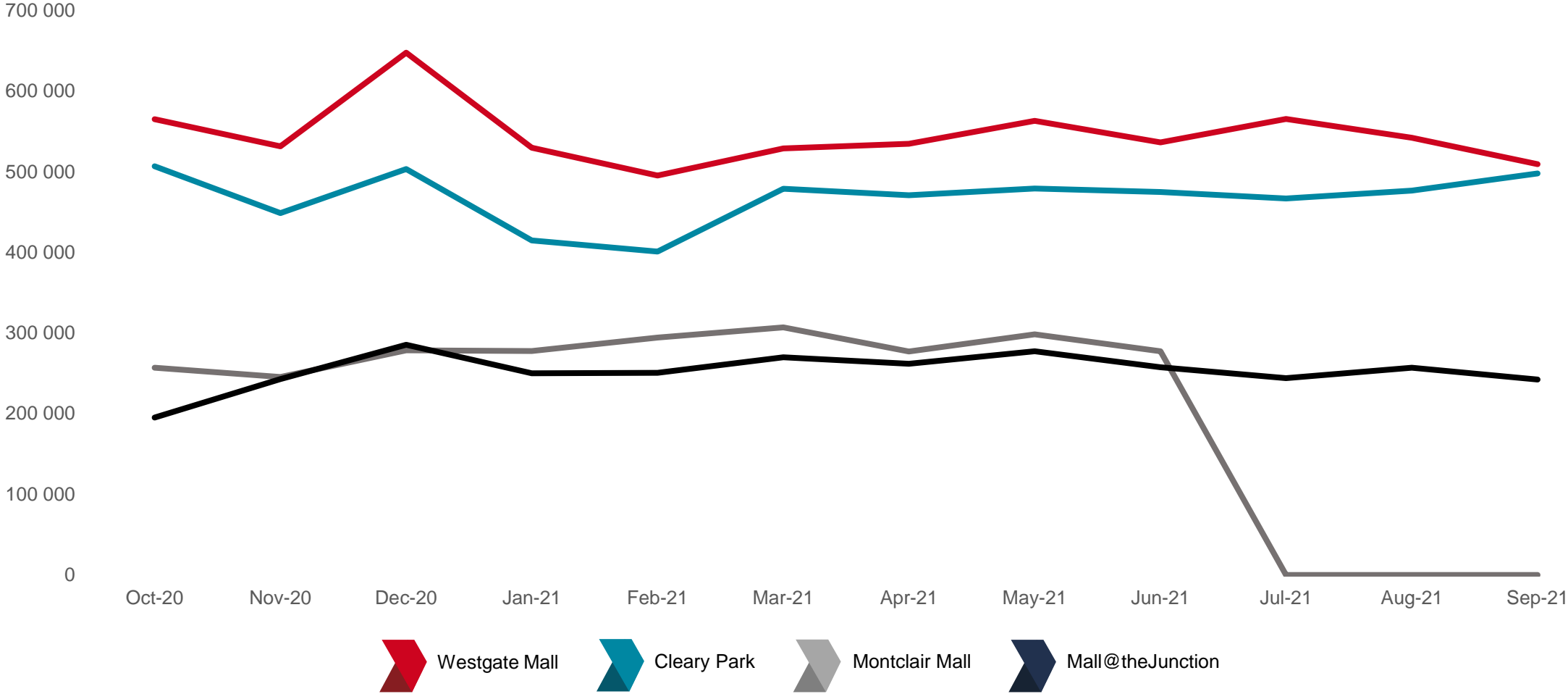


# Top 10 Retail tenant exposure



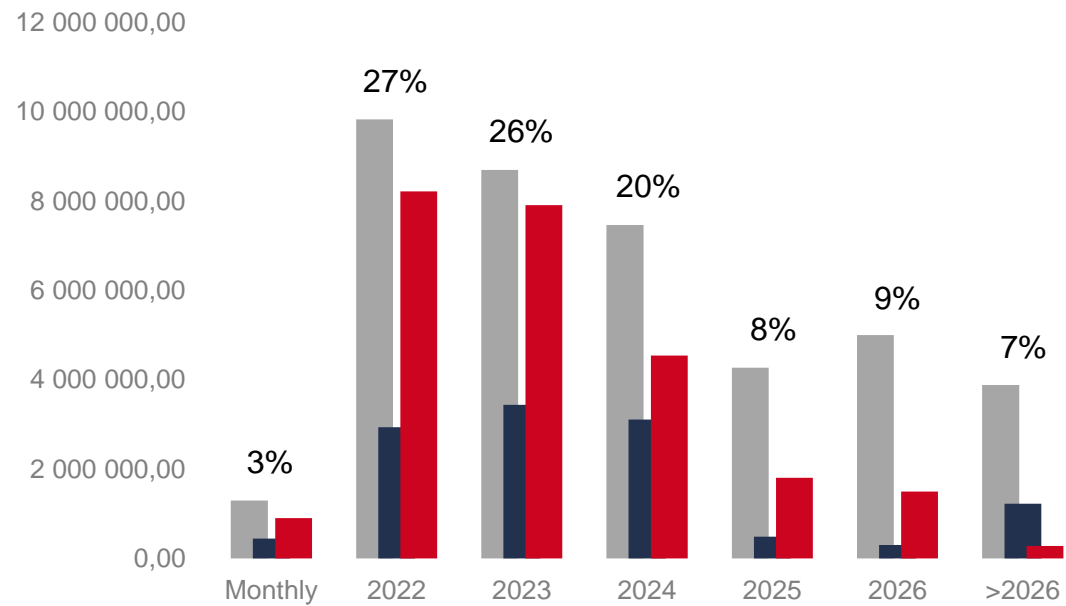
 % of portfolio revenue    
  GLA (m<sup>2</sup>)

# Foot count trends

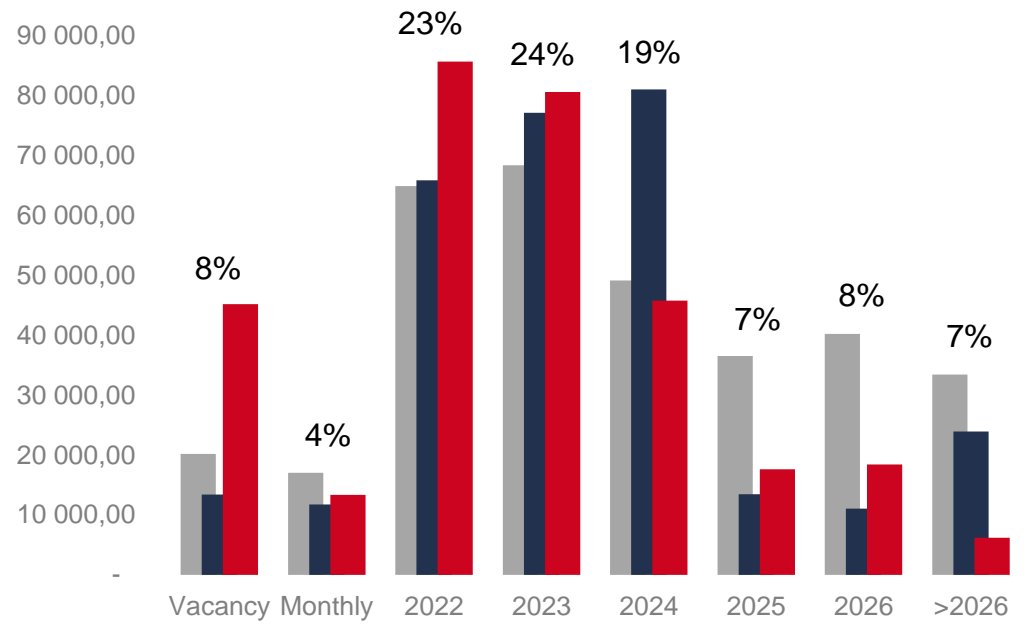


# Combined lease expiry profile

## BY REVENUE



## BY GLA





**Phase 1 – 100% owned plants:**

- 4 plants operational
- 2.5 Megawatt installed capacity
- Energy generation YTD R7 931 707
- 9 290 tonnes of CO2 emissions savings

**Phase 2 – 100% owned plants:**

- 6 plants operational and 1 under construction
- 3.2 megawatt installed capacity
- Energy generation YTD R2 162 122
- 1341 tonnes of CO2 emissions savings

**Phase 3 – 100% owned plants:**

- 2 plants operational and 6 under construction
- Anticipated generation start dates are staggered throughout 2022
- 3.6 megawatt installed capacity
- Energy generation YTD R62 856
- 50 tonnes of CO2 emissions savings

Total clean energy produced by all active plants equals 5.1% of annual electricity expense

**Phase 4 – in exploratory process:**

- 5 buildings have been identified
- We anticipate finalization of this phase early 2022
- Estimated combined size is 2 megawatt







## Distributable income analysis for the year ended 30 September 2021

<b>R'000</b>	<b>2021</b>	<b>2020</b>
Revenue (excl. straight line rental income)	2 000 708	2 189 241
Listed securities income	20 557	18 325
Property expenses	(884 032)	(954 869)
Administration and corporate costs	(135 600)	(104 052)
Finance charges	(458 888)	(574 350)
Finance income	31 102	46 014
Reduction in income due to Indluplace dividend pay-out ratio	(17 965)	(18 012)
Non-controlling interest share in distributable income	(46 800)	(68 238)
<b>Distributable income before accruing income from listed securities</b>	<b>509 082</b>	<b>534 060</b>
Accrued dividend on listed securities	20 325	-
Listed securities income recognised in the prior period	-	(18 325)
Dividend to Arrowhead Charitable Trust	-	8 424
<b>Total amount available for distribution after the effects of Arrowhead Charitable Trust</b>	<b>529 407</b>	<b>524 159</b>
SA REIT cost-to-income ratio	50.9%	48.3%
SA REIT admin cost-to-income	6.7%	4.8%
Property cost-to-income ratio	44.2%	43.5%
A share – distributable income for the 6 months ended 30 September	75 395	72 415
B share – distributable income for the 6 months ended 30 September	454 012	451 744
<b>Total amount available for distribution</b>	<b>529 407</b>	<b>524 159</b>
Distributable income per A share (cents) for the 6 months ended 31 March	58.59	56.77
Distributable income per B share (cents) for the 6 months ended 31 March	23.19	30.65
Distributable income per A share (cents) for the 6 months ended 30 September	61.62	58.69
Distributable income per B share (cents) for the 6 months ended 30 September	24.53	14.74
Distributable income per A share (cents) for the 12 months ended 30 September	120.21	115.46
Distributable income per B share (cents) for the 12 months ended 30 September	47.72	45.39

## Distributable income and dividend reconciliation

Total distributable income (cents)	Actual 2021	Actual 2020	Variance	Variance (%)
Allocated to the A shares	1.20	1.15	0.05	4.1%
Allocated to the B shares	47.72	32.99	14.73	44.6%
<b>Reconciliation of B share distributable income to forecast</b>				
Arrowhead's contribution to B shareholders distributable income	44.11	48.84	(4.73)	(9.7%)
COVID-19 relief	(0.57)	(7.72)	7.15	(92.6%)
Arrowhead's operations - net	43.54	41.12	2.42	5.9%
Add: Interest on loans	2.14	3.07	(0.93)	(30.2%)
Add: Indluplace	5.67	8.47	(2.81)	(33.1%)
Add: Dipula	4.30	-	4.30	
Less: Pay-out ratio adjustment at 76.5%	-	(12.40)	12.40	(100%)
Less: A share dividend increase	(7.92)	(7.28)	(0.65)	8.9%
<b>Dividend per B share</b>	<b>47.72</b>	<b>32.99</b>	<b>14.73</b>	<b>44.6%</b>
Distributable income per B share	47.72	45.39	2.33	5.1%

# Consolidated Core portfolio 12 months

	<b>Actuals 12 months October 2019 to September 2020 R'000 2020</b>	<b>Actuals 12 months October 2020 to September 2021 R'000 2021</b>	<b>Variance 12 months October 2020 to September 2021 R'000 Difference</b>	<b>Variance 12 months October 2020 to September 2021 (%) % movement</b>
<b>Incl. COVID-19</b>				
Revenue	1 279 304	1 281 933	2 629	0.2%
Expenses	(511 954)	(508 646)	3 308	(0.6%)
Net profit	767 350	773 287	5 937	0.8%
<b>Excl. COVID-19</b>				
Revenue	1 343 554	1 287 453	(56 100)	(4.2%)
Expenses	(511 954)	(508 646)	3 308	(0.6%)
Net profit	831 600	778 808	(52 792)	(6.3%)
<b>Incl. COVID-19 (actual results)</b>				
 Commercial				(10.9%)
 Industrial				2.4%
 Retail				9.1%
<b>Excl. COVID-19 (actual plus COVID-19 relief added back)</b>				
 Commercial				(14.1%)
 Industrial				(7.2%)
 Retail				(0.6%)



## Arrears and bad debts provision

Description	Group arrears (Rm)	Group arrears provision (Rm)	Credit provisions as a (%) of debtors
30 September 2019	76	29	38%
30 September 2020	81	42	53%
30 September 2021	78	33	43%
<b>Bad debt provision movement:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Bad debts provided/written off – Income Statement	21	33	26
Turnover	2 001	2 189	2 420
Write-off as a % of turnover	1.1%	1.5%	1.1%

# Condensed consolidated statement of financial position at 30 September 2021

R'000	Audited for the year ended 30 September 2021	Audited for the year ended 30 September 2020
<b>Assets</b>		
Investment property (incl. properties held for sale)	11 826 508	13 539 459
Loans to participants of Group share purchase option schemes	236 504	180 446
Listed investments and other financial assets	195 490	97 833
Income and deferred tax	39 310	58 099
Current assets	433 980	558 271
<b>Total assets</b>	<b>12 731 792</b>	<b>14 434 108</b>
<b>Equity</b>		
Shareholders' interest	6 381 295	6 619 225
Non-controlling interest	865 376	992 364
<b>Liabilities</b>		
Secured financial liabilities	4 634 356	5 618 498
Derivative instruments	161 228	458 213
Current liabilities	689 537	745 808
<b>Total equity and liabilities</b>	<b>12 731 792</b>	<b>14 434 108</b>
<b>Net asset value per A share</b>	<b>11.69</b>	<b>7.91</b>
<b>Net asset value per B share</b>	<b>5.94</b>	<b>6.31</b>
Total shares		
A share	62 718 658	62 718 658
B share	951 422 029	969 807 176

# Property portfolio

Portfolio value group (excl. Indluplace)

8 288 255

(%) devaluation

(4.0%)



Commercial

(11.4%)



Industrial

1.7%



Retail

0.1%

Portfolio average cap rates

10.0%



Commercial

10.5%



Industrial













10.4%












Retail

9.7%

# Cap rates

	Arrowhead September 2021	MSCI Benchmark June 2021
<b>Capitalisation rates</b>		
 Commercial	10.5%	8.9%
 Industrial	10.4%	9.2%
 Retail	9.7%	8.8%
<b>Discount rates</b>		
 Commercial	15.1%	13.2%
 Industrial	15.0%	14.0%
 Retail	14.4%	12.3%
<b>Rate per m<sup>2</sup></b>		
 Commercial	8 888	16 151
 Industrial	4 119	6 448
 Retail	13 740	21 838
<b>Valuation movement</b>		
 Commercial	(11.4%)	(8.2%)
 Industrial	1.7%	(3.5%)
 Retail	0.1%	(4.7%)

## Capex spend (Rm)

Capital spend (Rm)	2021 Full year	2020 Full year
 Commercial	68	66
 Industrial	23	39
 Retail	97	75
	<b>187</b>	<b>180</b>
<b>Solar spend</b>		
 Commercial	2	-
 Industrial	5	-
 Retail	32	16
	<b>39</b>	<b>16</b>
<b>Total capital spend and solar</b>		
 Commercial	70	66
 Industrial	28	39
 Retail	129	91
	<b>227</b>	<b>196</b>

# Debt

- Arrowhead loans of R3.2bn and Group of R4.6bn
- Arrowhead Group LTV of 38.2% (36.9% excl. derivatives)
- Loans fixed – Group 73.8% and 74.7% Company
- Group ICR of 2.13
- Arrowhead Group weighted average interest rate of 8.5% (2020: 9.5%)

## Looking forward 12 months from 1 October 2021

Debt expiry	R'000 000	Percentage %
2022	858 628	19%
2023	2 670 810	58%
2024	801 959	17%
2025	159 666	3%
2026	150 804	3%
<b>Total</b>	<b>4 641 867</b>	<b>100%</b>



## Performance against portfolio level covenants

Funder	Interest Cover Ratio		Loan to Value	
	Covenant	Actual	Covenant	Actual
Funder 1	2.0	3.2	45.0%	38.1%
Funder 2	2.0	2.5	55.0%	40.1%
Funder 3	2.0	4.0	45.0%	35.5%
Funder 4	2.0	2.9	50.0%	34.4%

## Listed investments

(comparing position at September 2021 vs September 2020)

Asset	Balance sheet (Rm)				Income (R'000)			
	2021	%	2020	%	2021	%	2020	%
Arrowhead excl. listed investments	8 306	69	9 732	71	434 632	82	409 266	83
Indluplace	3 521	29	3 808	28	53 894	10	84 325	17
Listed investments	182	2	98	1	40 882	8	-	0
<b>Total</b>	<b>12 009</b>		<b>13 637</b>		<b>529 407</b>		<b>493 592</b>	





## Indluplace

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- Currently own 9199 properties
- Internalisation of property management completed 30 September 2021
- Currently employs 282 people
- Paid final dividend of 28.13 cents per share with a 75% payout ratio
- LTV of 37.0% excl. derivatives (38.6% incl.)
- Cash on hand - R60.7m excl. tenant's deposits



## Prospects

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- Strong performance positioned fund for sustainable growth
- Sales dilution result of successful sales program
- Likely reduction in Dipula dividend
- Fairvest merger
- Update on merger timing



**THANK YOU**



**ARROWHEAD PROPERTIES**  
Focused on sustainable value