



Agenda

- Business overview
- Fairvest portfolio
- Office portfolio
- Industrial portfolio
- Retail portfolio
- Financial update
- Prospects for 2024
- Q&A



Business overview



Darren Wilder
CEO

Strategic focus areas

Recycle out of industrial
and office
assets into retail

Continue to build a
platform to produce
sustainable growth

Acquisitions only
at the right price

Financial focus areas

- Disciplined, conservative financial management
- Strategic capital allocation
- Continue to target a fixed debt component above 70%
- Maintain LTV at below 35%
- Growth in distributions
- Maintain 100% pay-out ratio



Sebokeng Plaza

Key operational metrics



Sanlynn

- To maintain collectable arrears below 2% of gross income
- Weighted average growth on lease expiry between 2% to 6%
- Target a weighted average lease term remains above 36 months
- Determined focus on leasing of vacant space – strong leasing team
- Strong focus on tenant retention
- Vacancies to be maintained at below 7% of GLA

Fairvest at a glance

Diverse portfolio of
R12.0bn

Market Cap
R5.7bn

1 126 191 m²
of GLA



Retail



Office



Industrial

Sectoral split
by revenue

68.2%

20.7%

11.1%

Sectoral by
GLA

48.6%

25.9%

25.5%

Investments
5.0% in Dipula

Gearing at
33.3%



2023 highlights

132.53 cps distribution
per A share

41.29 cps distribution
per B share

100%
Pay-out ratio

Vacancy of **4.5%**
(Sep'22 – 5.9%)

Overall tenant retention
86.5%
(Sep'22 – 87.4%)

Average value
per property
R89.6 million

Positive rental
reversions of
2.8%

NAV per share
Per A share – **R14.07**
Per B share – **R4.78**

Indulplace disposal
concluded –
R651.4 million

Like-for-like net
property income
increased by **4.4%**

Capex spend of
R190.3 million

Disposals of 7 assets
transferred at value of
R338.0 million

Back up power, solar and water management update

- Total diesel cost for the period of R15.5 million of which 86.6% has been recovered from tenants.
- Total of 58 Fairvest owned generators installed with 14.2 MVA of capacity.
- 3 generators due for installation.
- 146 generators installed by tenants.
- 38 solar plants operating with 16.4 MWp installed capacity.
- Solar plants produced 10.1% of the combined portfolio's electricity requirement for the year.
- 12 solar plants in various stages of implementation with 7.5 MWp combined size
- 18 ground water harvesting plants are in operation
- Strategic installation of smart monitoring equipment completed at 17 properties to enable early leak detection.



Trevallyn Industrial Park:Kiyasands

Disposals

Sales transferred

Asset	Class	Date transferred	Sales value (R'm)	Book value (R'm)	(Discount)/ Premium to book value %	Average yield %	GLA (m ²)
Before 30 September 2023							
SARS Durban	Office	12 Jan 23	230.0	220.0	4.5%	11.5%	23 105
79 Hans van Rensburg	Office	08 Mar 23	4.0	3.9	1.7%	16.3%	875
71 Biccard	Retail	22 Mar 23	5.2	3.8	37.3%	(17.6%)	877
Philippi Court	Office	31 Mar 23	13.3	14.2	(6.6%)	10.8%	1 357
54 Schoeman	Office	09 May 23	12.5	12.5	0.0%	3.1%	2 001
Parc du Bel	Office	16 May 23	13.0	13.0	0.0%	11.3%	2 299
425 West Street	Retail	18 May 23	60.0	60.0	0.0%	10.0%	8 620
After 30 September 2023							
Urban Brew	Office	19 Oct 23	31.5	31.5	0.0%	-6.5%	8 248
			369.5	358.9	2.9%	9.0%	47 382

Sales to be transferred

Asset	Class	Sales value (R'm)	Expected transfer date	Selling yield
Isle of Houghton	Office	174.0	31 Mar 24	4.6%
2Twenty Madiba	Office	53.0	30 Apr 24	-7.1%
Thohoyandou Ellerines	Retail	9.3	31 Aug 24	13.6%
The Main Change	Office	9.5	30 Sept 24	4.6%
Spark Schools	Industrial	30.0	31 Jan 26	14.1%
		275.8		3.7%

Fairvest portfolio



Darren Wilder
CEO

Fairvest portfolio highlights

134 assets

1 126 191 m²
of GLA

Tenant retention
86.5%
(Sep'22 – 87.4%)

Vacancy at
4.5%
(Sep'22 – 5.9%)

Reversions positive at
2.8%
(Sep'22 – -6.4%)

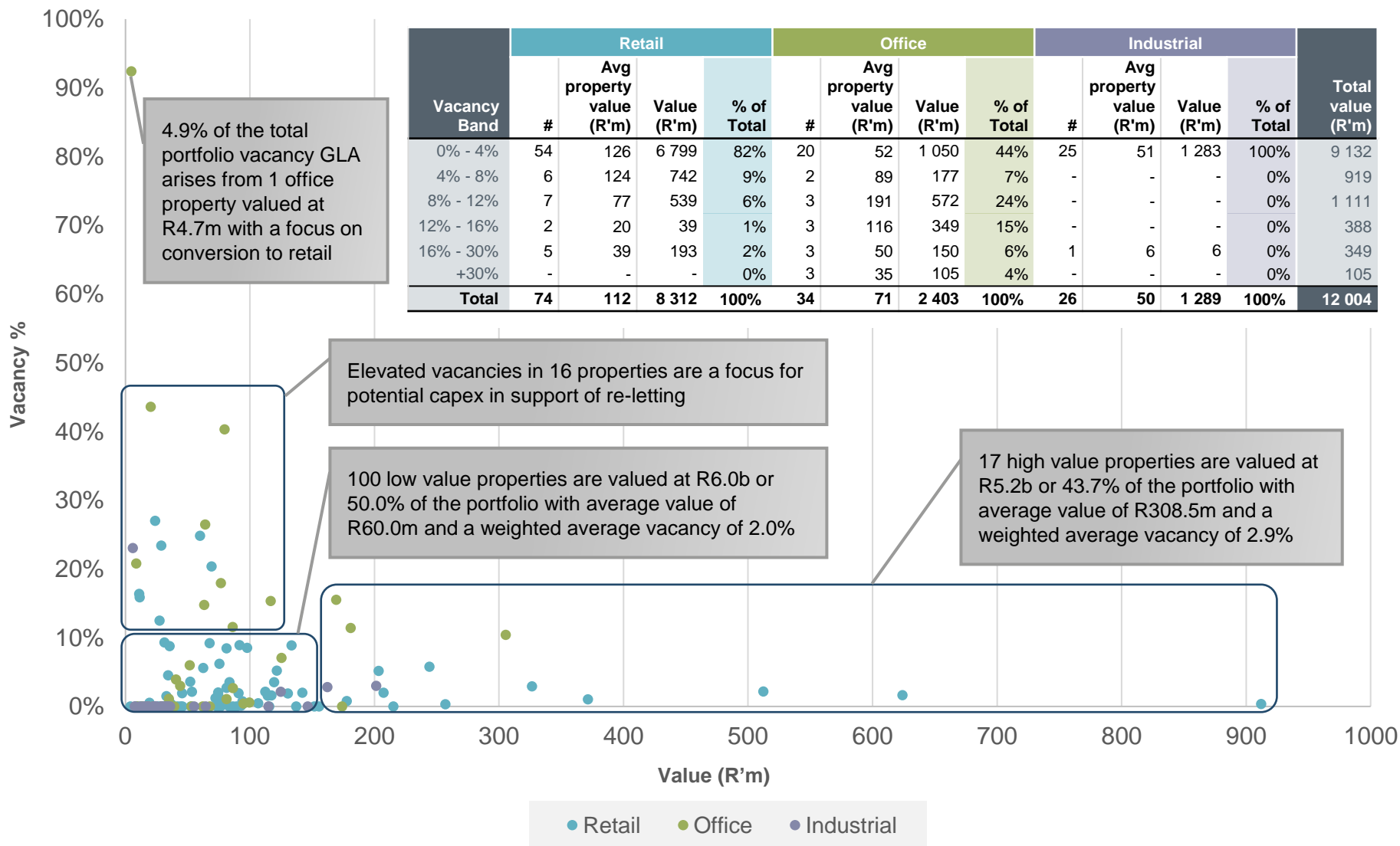
Capex
Expenditure of **R190.3m**
1.6% of value spend

Average gross
rental per m²
R118.27
(Sep'22 – R113.09)

Weighted average
built in escalation
6.6%
(Sep'22 – 6.4%)

WALE
29.0 months
(Sep'22 – 28.6 months)

PORTFOLIO COMPOSITION

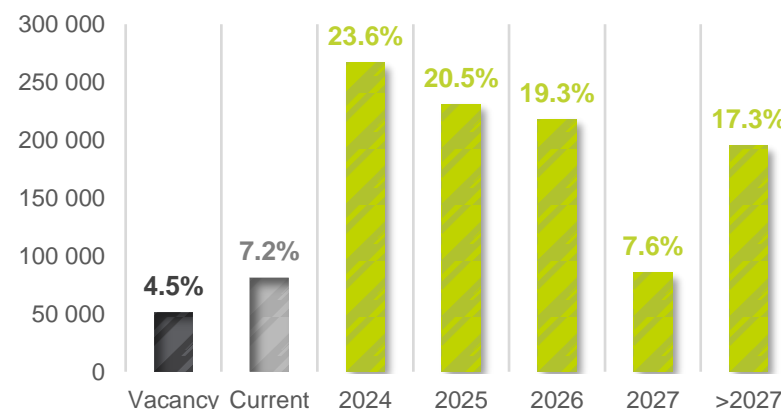


Portfolio leasing activity

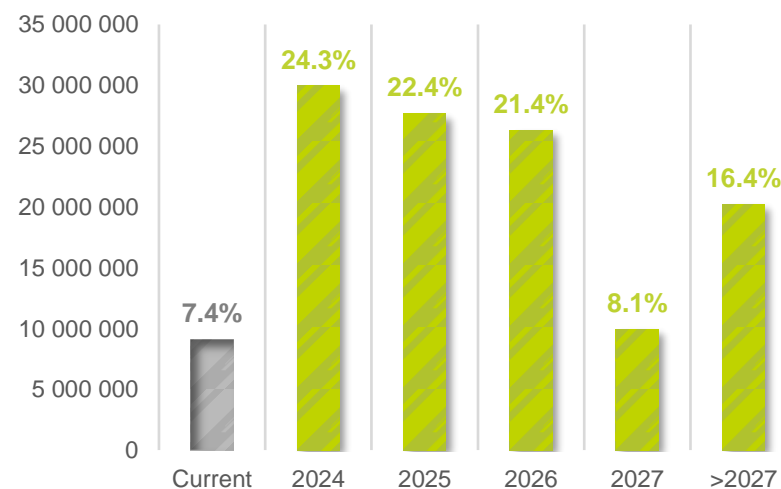
New deals	Sep '23	Sep '22
Number of leases	426	404
Total GLA m ²	102 145	76 472
Average gross rental achieved (R/m ²)	99.17	103.24
Weighted average escalations	7.1%	6.9%
WALE (months)	32.3	26.4

Renewals	Sep '23	Sep '22
Number of leases	494	488
Total GLA m ²	171 184	179 222
Average gross rental expiry (R/m ²)	107.72	127.50
Average gross rental achieved (R/m ²)	110.75	119.36
Budget vs actual achieved	2.6%	10.5%
Average growth/ (reversion rate)	2.8%	(6.4%)
Weighted average escalation	6.8%	5.9%
WALE (months)	30.5	34.7

Fairvest Lease expiry profile by GLA

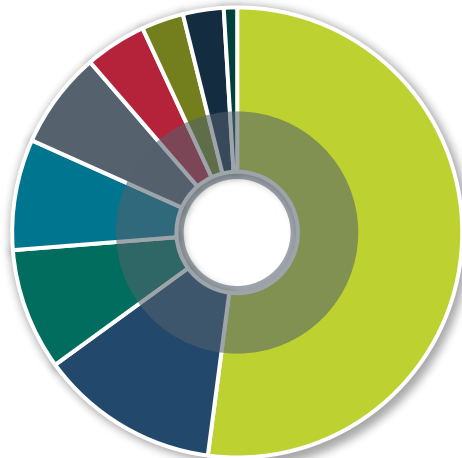


Fairvest Lease expiry profile by revenue



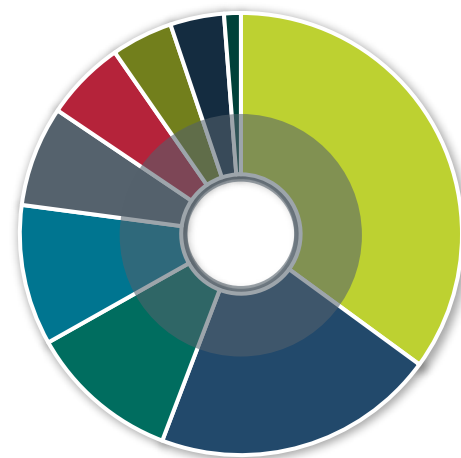
REGIONAL & SECTORAL SPLIT

Total GLA per region



52%	Gauteng	35%
13%	Western Cape	21%
9%	KwaZulu-Natal	11%
8%	Eastern Cape	10%
7%	Limpopo	7%
4%	North West	6%
3%	Free State	5%
3%	Northern Cape	4%
1%	Mpumalanga	1%

Total revenue per region

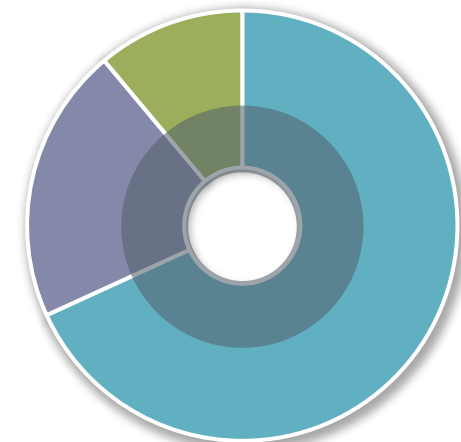


Total GLA per sector



49%	Retail	68%
26%	Office	21%
25%	Industrial	11%

Total revenue per sector





Office portfolio



Riaz Kader
COO



Office portfolio highlights

34 assets

291 146 m²
of GLA

Tenant retention
86.4%
(Sep'22 – 85.0%)

Vacancy at
9.7%
(Sep'22 – 13.6%)

% of total portfolio
GLA – **25.9%**
Value – **20.0%**

Capex
Expenditure of **R95.0m**
4.0% of value spend

Average gross
rental per m²
R106.89
(Sep'22 – R112.50)

Weighted average
built in escalation
6.9%
(Sep'22 – 6.3%)

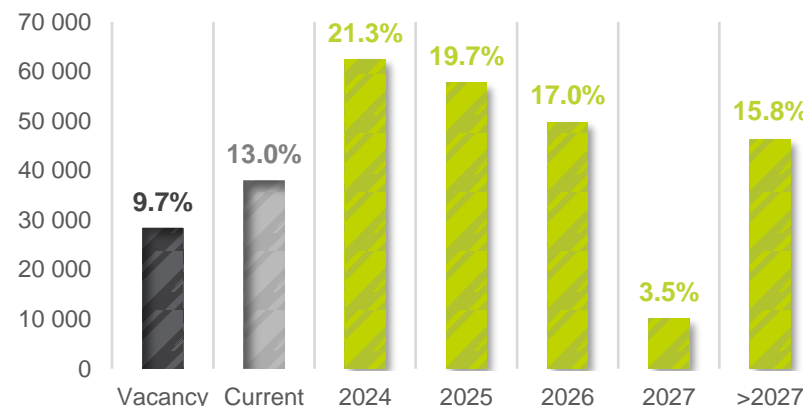
WALE
24.9 months
(Sep'22 – 25.0 months)

Office leasing activity

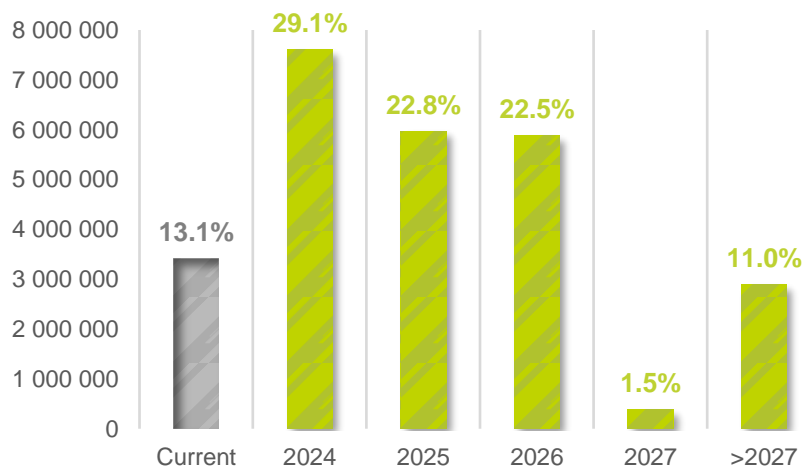
New deals	Sep '23	Sep '22
Number of leases	108	101
Total GLA m ²	37 003	17 249
Average gross rental achieved (R/m ²)	93.18	81.36
Weighted average escalations	7.2%	7.4%
WALE (months)	36.5	18.8

Renewals	Sep '23	Sep '22
Number of leases	86	81
Total GLA m ²	41 544	49 942
Average gross rental expiry (R/m ²)	101.56	132.00
Average gross rental achieved (R/m ²)	101.12	110.20
Budget vs actual achieved	(3.9%)	13.8%
Average growth/ (reversion rate)	(0.4%)	(16.6%)
Weighted average escalation	6.8%	2.9%
WALE (months)	22.7	29.6

Fairvest Lease expiry profile by GLA



Fairvest Lease expiry profile by revenue





Office renewals

Significant lease renewals over the past 12 months

Building Name	Lettable Area
Urban Brew	5 670
Sandton Sunninghill Place	4 845
Sanlynn	3 432
Urban Brew	2 578
Sandton Sunninghill Place	1 923
Bridge On Bond	1 420
127 Bethlehem Street	1 261
The District	1 167
St Andrews Office Park	1 099
1 Sturdee Avenue	1 093



Office new deals

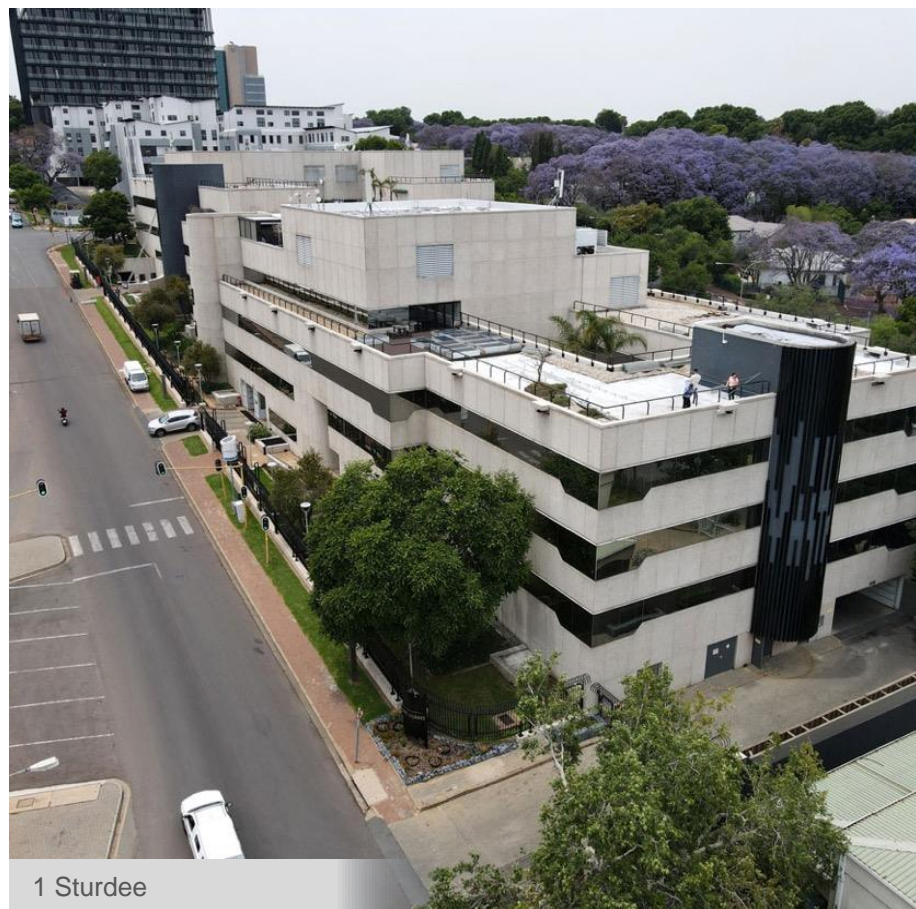
Significant lease new deals over the past 12 months

Building Name	Lettable Area
2Twenty Madiba	2 806
Media Shop	2 522
Jhb Rosebank 158 Offices	1 954
Lakeview Terrace	1 677
The District	1 534
Bridge On Bond	1 061
Bridge On Bond	1 043
Sandton Sunninghill Place	891
Tijger Park	871
Sanlynn	864



Office strategic objectives

- Successful “retailing” of space by implementing flexible office solutions, storage solutions and FairSpec`ing thus creating ready to move in opportunities
- Continued value extraction on every asset to maximize returns of potential disposals of non-core buildings
- Maintain vacancy under 10%
- Focus on improving the average lease length as we move into a more stable environment
- Strategic investment into refurbishments and repositioning of assets to extract value
- Introduction of specific retail into traditional office environments to create a mixed-use environment



1 Sturdee



Industrial portfolio



Riaz Kader
COO



Industrial portfolio highlights

26 assets

287 363 m²
of GLA

Tenant retention
84.3%
(Sep'22 – 88.6%)

Vacancy at
0.95%
(Sep'22 – 1.0%)

% of total portfolio
GLA – **25.5%**
Value – **10.7%**

Capex
Expenditure of **R12.5m**
1.0% of value spend

Average gross
rental per m²
R49.93
(Sep'22 – R49.16)

Weighted average
built in escalation
7.0%
(Sep'22 – 6.8%)

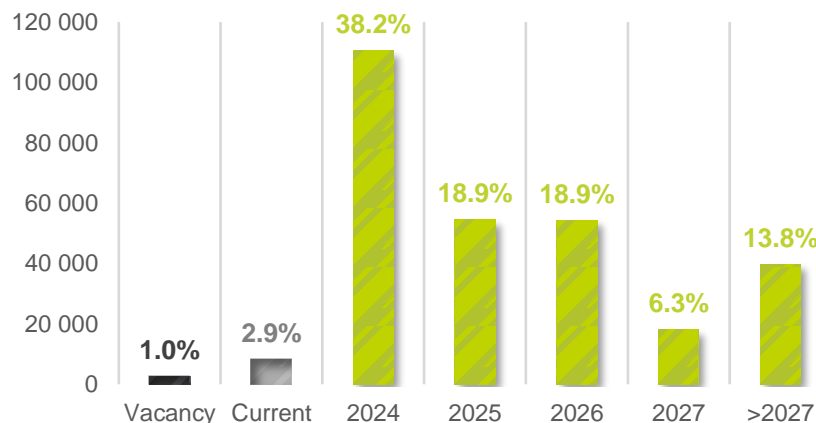
WALE
24.1 months
(Sep'22 – 24.4 months)



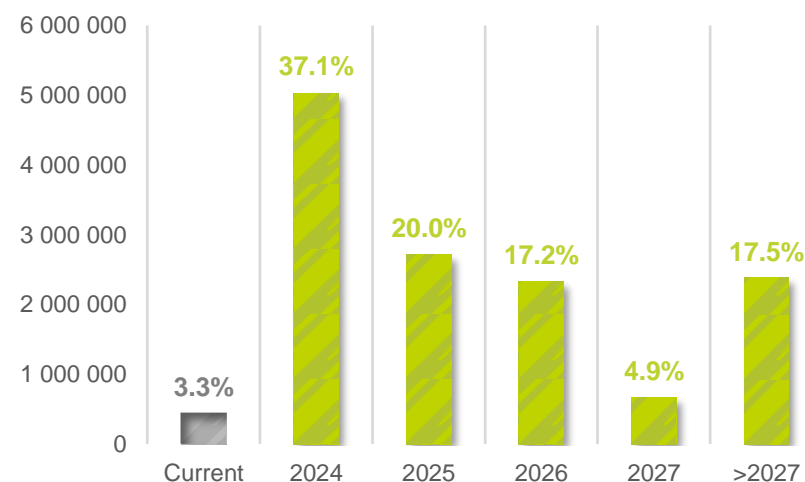
New deals	Sep '23	Sep '22
Number of leases	66	56
Total GLA m ²	31 822	23 245
Average gross rental achieved (R/m ²)	49.88	39.53
Weighted average escalations	7.6%	7.0%
WALE (months)	27.7	15.0

Renewals	Sep '23	Sep '22
Number of leases	77	59
Total GLA m ²	54 490	37 597
Average gross rental expiry (R/m ²)	51.82	48.97
Average gross rental achieved (R/m ²)	54.83	49.20
Budget vs actual achieved	7.8%	5.7%
Average growth/ (reversion rate)	5.8%	0.4%
Weighted average escalation	7.1%	6.2%
WALE (months)	31.0	23.2

Fairvest Lease expiry profile by GLA



Fairvest Lease expiry profile by revenue





Industrial strategic objectives

- Increase tenant retention to above 90%
- Maintain core portfolio growth
- Improve back up power supply % across the portfolio
- Constant engagement with CID / Council to maintain the sustainability of the assets
- Maintain vacancy at 1% or below
- Focus on non-core value extraction across the multi let parks





Retail portfolio



Riaz Kader
COO



Retail portfolio highlights

74 assets

547 682m²
of GLA

Tenant retention
88.1%
(Sep'22 – 88.0%)

Vacancy at
3.7%
(Sep'22 – 4.3%)

% of total portfolio
GLA – **48.6%**
Value – **69.3%**

Capex
Expenditure of **R82.7m**
1.0% of value spend

Average gross
rental per m²
R158.41
(Sep'22 – R147.17)

Weighted average
built in escalation
6.5%
(Sep'22 – 6.4%)

WALE
33.8 months
(Sep'22 – 31.7 months)

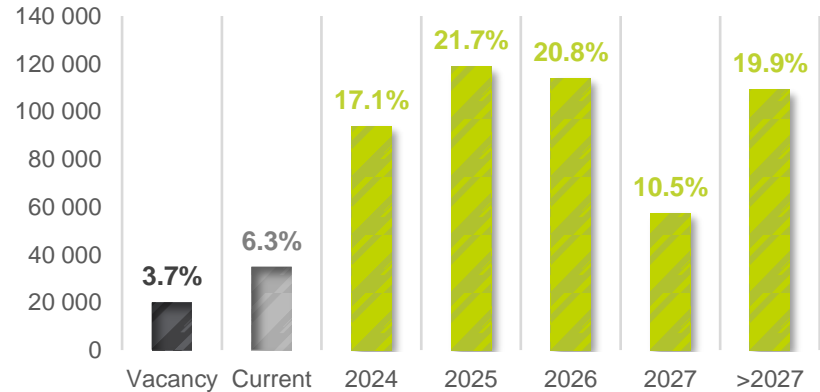


Retail leasing activity

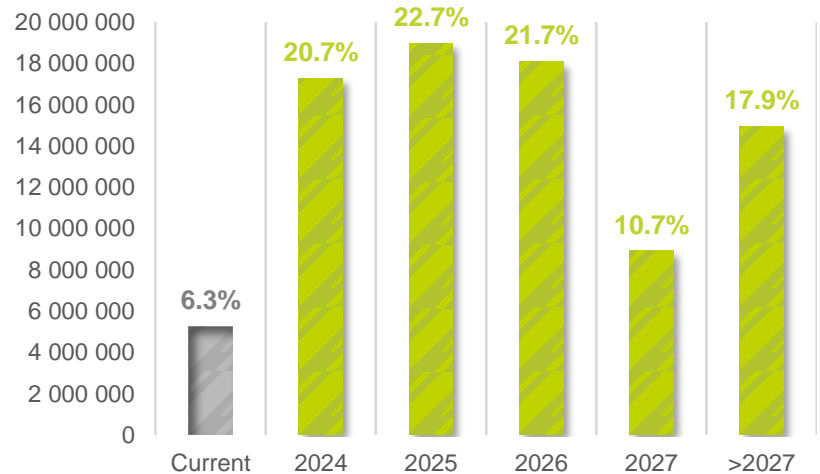
New deals	Sep '23	Sep '22
Number of leases	252	247
Total GLA m ²	33 320	35 979
Average gross rental achieved (R/m ²)	152.90	154.89
Weighted average escalations	6.5%	6.8%
WALE (months)	36.9	37.3

Renewals	Sep '23	Sep '22
Number of leases	331	348
Total GLA m ²	75 150	91 683
Average gross rental expiry (R/m ²)	151.65	157.00
Average gross rental achieved (R/m ²)	156.61	153.00
Budget vs actual achieved	3.8%	9.9%
Average growth/ (reversion rate)	3.3%	(2.6%)
Weighted average escalation	6.8%	7.0%
WALE (months)	38.8	40.6

Fairvest Lease expiry profile by GLA



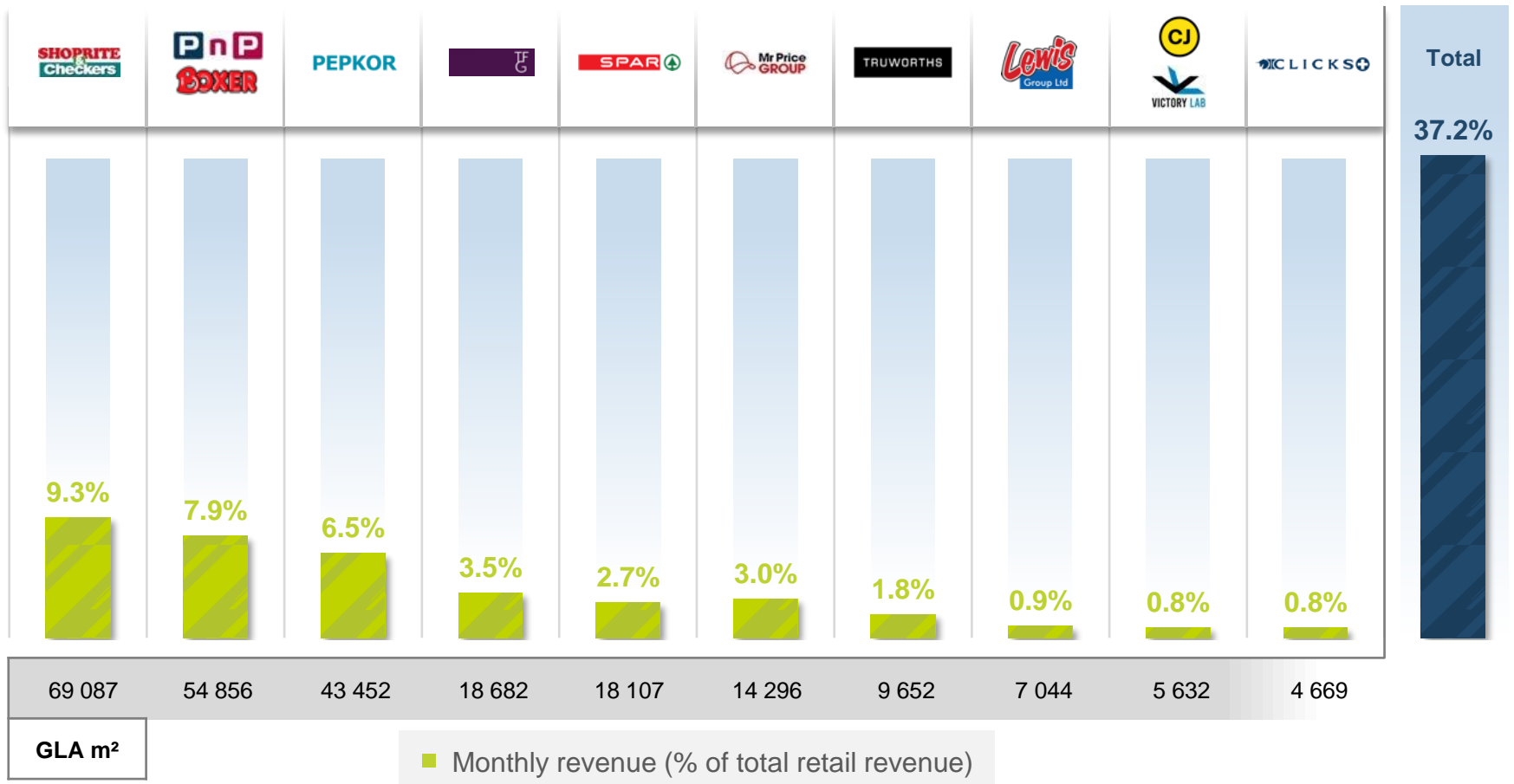
Fairvest Lease expiry profile by revenue





Retail top 10 tenant exposure by GLA and revenue

By revenue & GLA





Retail new deals and renewals

Significant lease renewals over the past 12 months

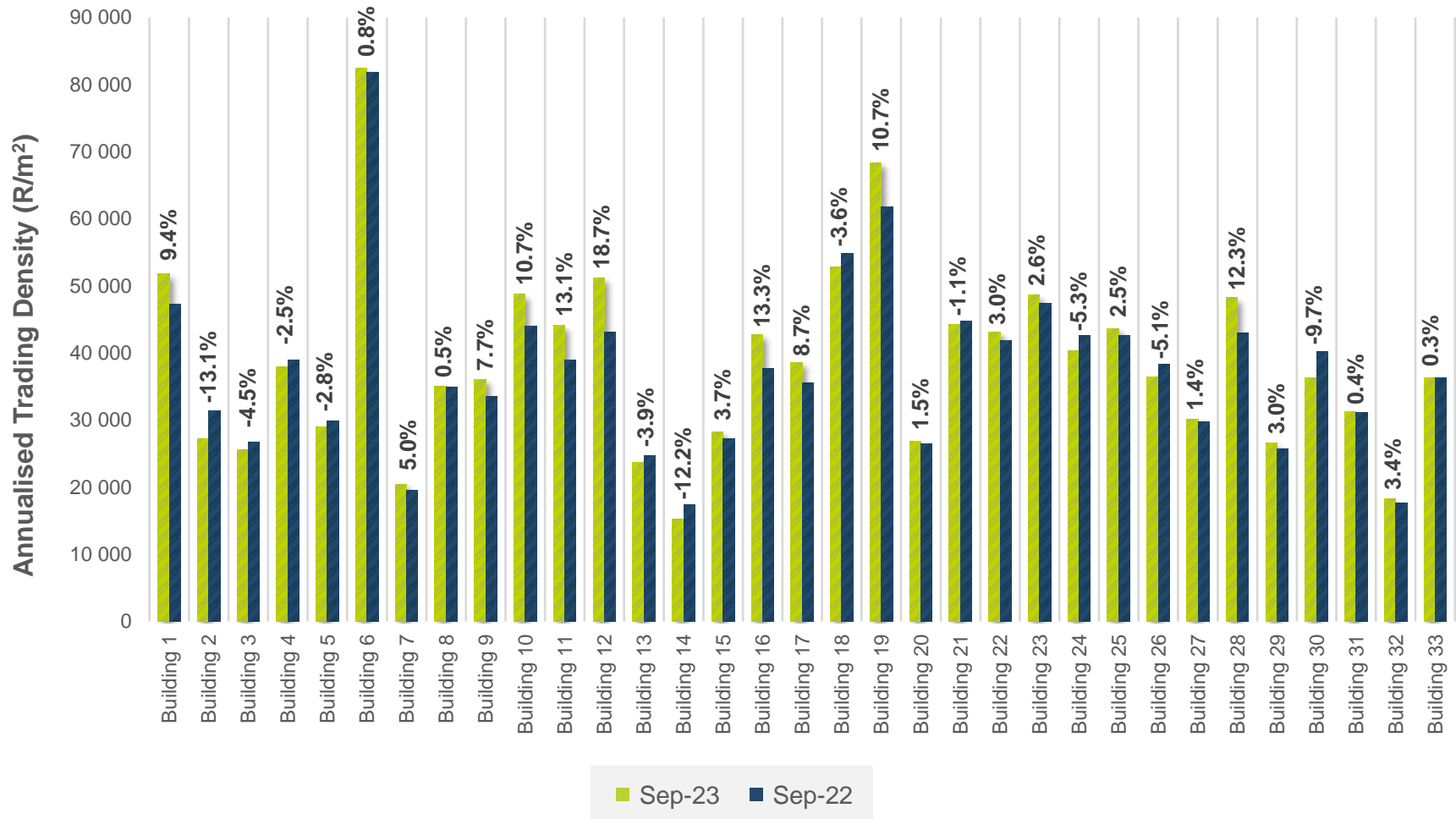


Significant lease new deals over the past 12 months



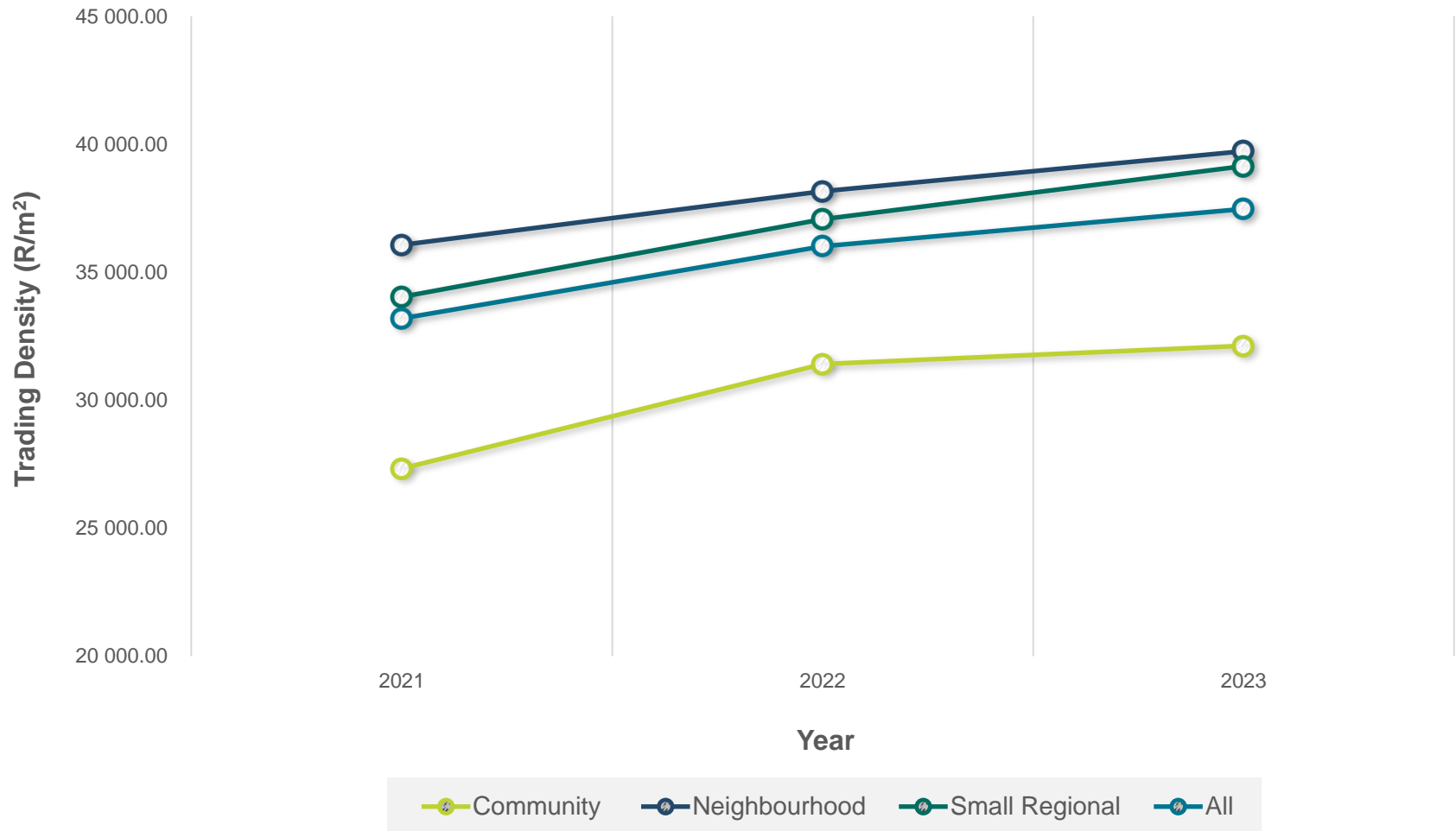
Trading densities

Overall growth year on year 4.1%



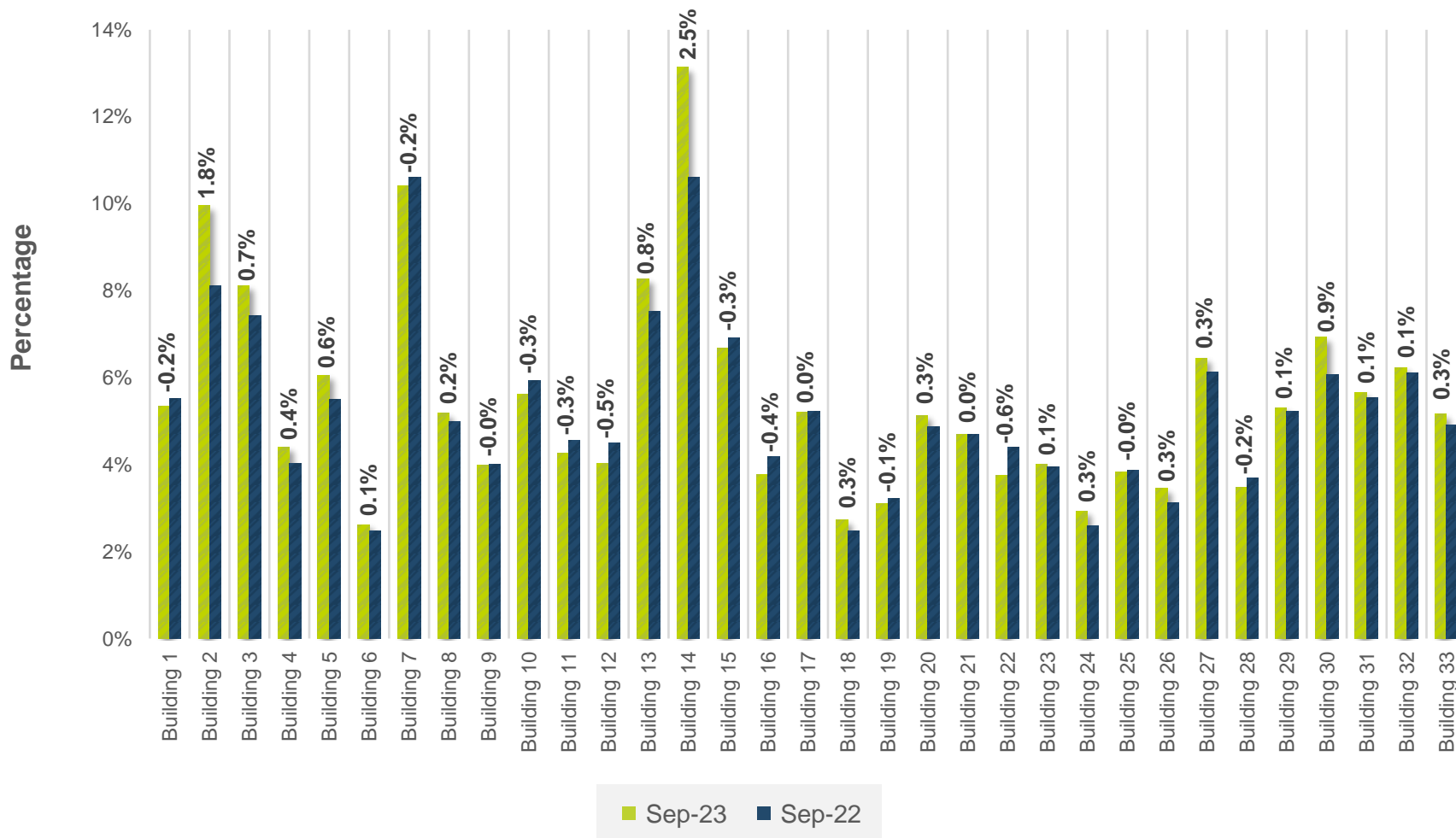
Trading densities per segment

Year on year growth



Rent to sales ratio

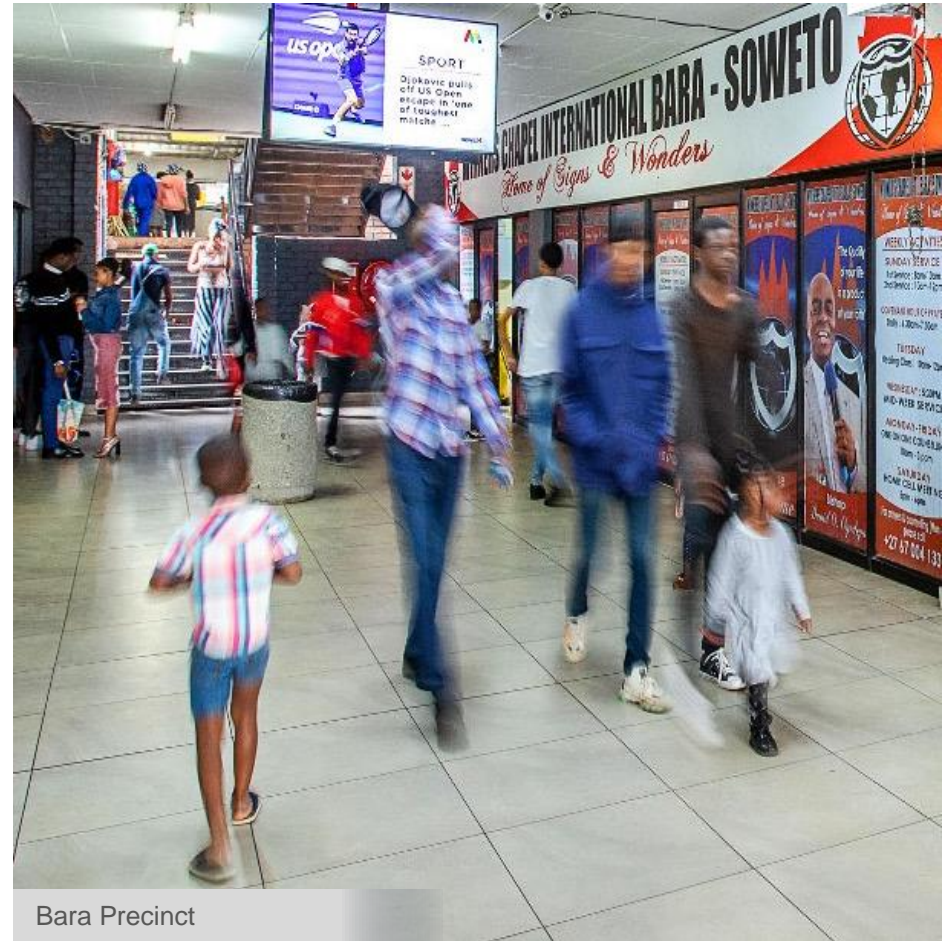
Overall rent to sales stable year on year





Retail strategic objectives

- Continued management of expense optimization through supplier engagement
- Exploring yield enhancing opportunities
- Approx 41% of portfolio by number, has renewable energy capacity
- Increasing our utility independence across the country on electricity and water
- National retailers continue to expand their footprint within the portfolio
- Maintain strong positive retail reversions
- Continuously improving the tenant mix applicable to changing environments
- Continued focus on leasing and tenant retention



Bara Precinct

Financial update



Jacques Kriel
CFO

Distributable income analysis

R'000 Unaudited	12 months ended 30 September 2023	12 months ended 30 September 2022*#
Revenue (excluding straight-line rental income)	1 923 237	1 886 063
Sundry income	4 942	25 873
Property expenses	(794 843)	(786 996)
Administration and corporate costs	(100 549)	(104 320)
Finance charges	(452 882)	(403 069)
Finance income	24 330	32 885
Non-controlling interest share in distributable income [^]	(3 264)	(33 395)
Distributable income from Fairvest's operations	600 971	617 041
Dividend received from Indluplace	49 176	61 224
Dividend receivable from Dipula	23 367	33 363
Distributable income	673 514	711 628
A share – distributable income for the 12 month period	83 122	79 165
B share – distributable income for the 12 month period	590 392	632 463
Total amount available for distribution	673 514	711 628
Distributable income per A share (cents) for the 12 month period	132.53	126.22
Distributable income per B share (cents) for the 12 month period	41.29	43.29

* The prior period was updated to deconsolidate Indluplace and disclose the dividend received separately.

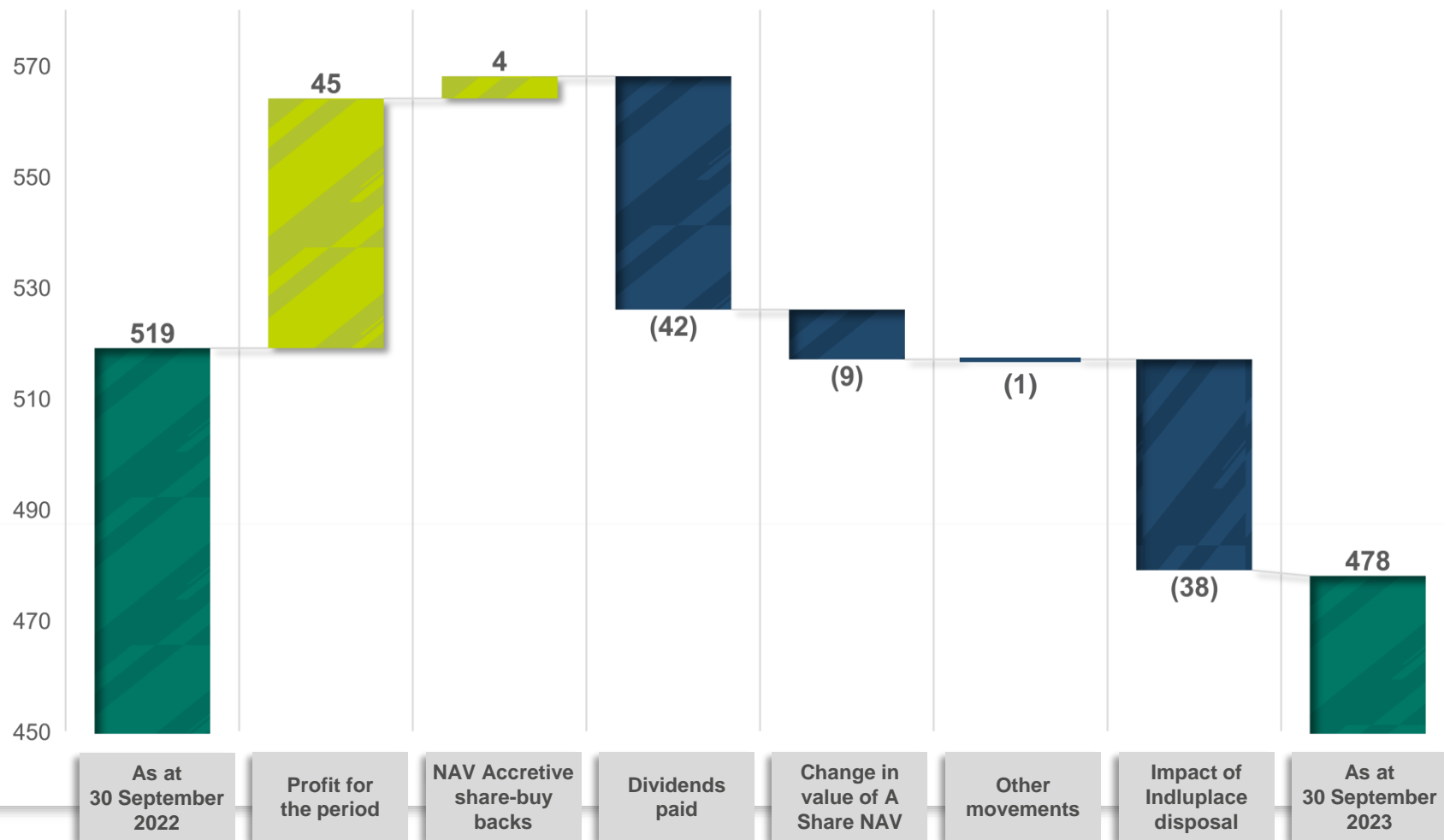
For purposes of providing meaningful disclosure, the comparatives reflect a combination of those of Arrowhead and Old Fairvest for the 12 months ended 30 September 2022, excluding Indluplace which is disclosed separately.

[^] During the current and previous period, the Group acquired all the remaining non-controlling shares in various subsidiaries resulting in the reduction in the non-controlling interest share in distributable income.

Condensed consolidated statement of financial position




R'000	Audited at 30 September 2023	Audited at 30 September 2022
Assets		
Investment property	12 004 066	12 100 924
Financial assets	199 054	196 816
Trade and other receivables	185 579	175 148
Loans receivable and amounts owing by non-controlling interests	38 788	156 643
Cash and cash equivalents	106 763	74 892
Derivatives	35 222	23 691
Loans to participants of group share purchase option schemes	62 409	61 239
Indluplace disposal group held for sale	-	3 521 721
Remaining assets	2 605	3 668
Total assets	12 634 486	16 314 742
Equity		
Shareholders' interest	7 713 474	8 409 164
Non-controlling interest	32 828	984 874
Total equity	7 746 302	9 394 038
Liabilities		
Secured financial liabilities	4 201 821	4 764 945
Derivatives	-	4 269
Trade and other payables including tenant deposits	584 269	569 378
Amounts owing to non-controlling interests	55 427	48 826
Lease liabilities	42 752	82 712
Indluplace disposal group held for sale	-	1 446 659
Remaining liabilities	3 915	3 915
Total liabilities	4 888 184	6 920 704
Net asset value per share (Rand) - at period end		
- Fairvest A shares	14.07	13.19
- Fairvest B shares	4.78	5.19

NAV Bridge per B share






■ Increase ■ Decrease ■ Total




Arrears and bad debts

R'000	Total arrears	Total provision	Total net arrears	% of revenue on an annualised basis
 Retail	54 103	26 842	27 261	1.9%
 Office	51 622	34 928	16 694	3.3%
 Industrial	17 821	9 859	7 962	3.1%
	123 546	71 629	51 917	2.3%

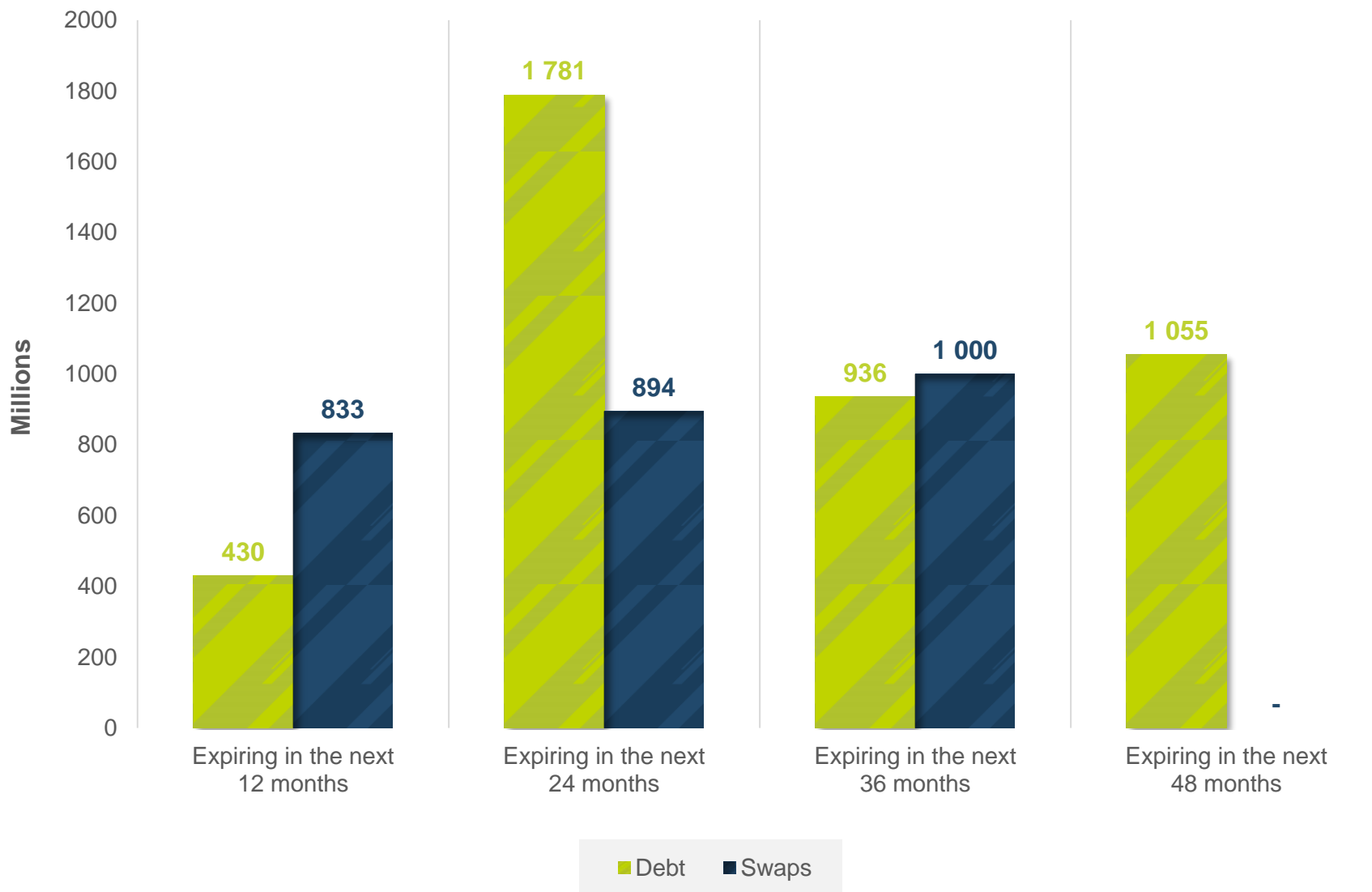
Property portfolio valuations

	Value R'million	2023 Discount Rates	2023 Exit Cap Rate	Like-for- like (decrease)/ increase	Rate per m ² (R/m ²)
 Office	2 403	14.7%	10.5%	(3.1%)	8 253
 Retail	8 312	14.1%	9.9%	3.5%	15 177
 Industrial	1 289	14.5%	10.3%	2.8%	4 487
Total	12 004	14.3%	10.1%	2.0%	10 659

Capital expenditure

	Capital expenditure R'000	Property Value R'000	% of Value Spend
Total	190 265	12 004 066	1.6%
 Retail	82 740	8 311 910	1.0%
 Industrial	12 549	1 289 313	1.0%
 Office	94 976	2 402 843	4.0%

Debt and maturity hedge profile



Debt facilities

		30 September 2023	30 September 2022
Loan to value (SA REIT BP)	%	33.3%	38.1%
% of debt fixed	%	64.8%	65.6%
Weighted average cost of funding	%	9.74%	8.97%
Interest cover	Times	2.5	2.5
WA maturity of debt	Months	26	18
WA maturity of swaps	Months	20	13
Total Debt	R'm	4 210.8	4 764.6
Total facilities	R'm	5 127.9	5 141.5
Undrawn Facilities	R'm	917.1	377.3
Available cash + undrawn facilities	R'm	1 023.8	438.4

Prospects for 2024



Darren Wilder
CEO



Sanlynn

- Differentiate ourselves by performance not size
- Guidance 2024 – Distributable earnings per B share of between 41.50 – 42.50 cents per share
- Maintain 100% pay-out ratio
- Simplify the business
- Maintain LTV at below 35%
- Conservative balance sheet
- Acquisitions only at the right price

THANK YOU





Q & A