

Pre-Close Presentation

for the six months ending 31 March 2024



Agenda

- Operational update
- Fairvest portfolio
- Office portfolio
- Industrial portfolio
- Retail portfolio
- Financial update
- Q&A



Operational update to Feb-24



Darren Wilder
CEO

Fairvest at a glance

Diverse portfolio of
R11.7bn

Market Cap
R6.3bn

1 062 718m²
of GLA



Retail

69.4%

51.5%



Office

18.8%

20.4%



Industrial

11.8%

28.1%

Sectoral split
by revenue

Sectoral by
GLA

Investments
5.0% in Dipula

Gearing levels expected
below **34%**



Highlights to February 2024

Vacancy of **5.3%**

(Sep'23 – 4.5%)

Overall tenant retention

88.7%

(Sep'23 – 86.5%)

LTV expected to be below

34%

Positive rental
reversions of

2.5%

Disposals of 3 assets
transferred at value of

R269.5 million

Guided distribution per B

shares of between **41.5**

and **42.5** cents

reaffirmed

Total disposals since merger

| Asset | Class | Date transferred | Sales value (R'm) | Book value (R'm) | Premium to book value | Average yield | GLA (m ²) |
|----------------------------|----------------------------|------------------|-------------------|------------------|-----------------------|---------------|-----------------------|
| 2022 Financial Year | | | | | | | |
| Property disposals (4) | Office, Retail, Industrial | | 41.4 | 39.1 | 5.9% | 11.1% | 11 184 |
| 2023 Financial Year | | | | | | | |
| Property disposals (7) | Office, Retail | | 338.0 | 327.4 | 3.2% | 10.5% | 39 134 |
| Indluplace | Residential | | 651.4 | | | 9.7% | |
| 2024 Financial year | | | | | | | |
| Urban Brew | Office | 19 Oct 23 | 31.5 | 31.5 | 0.0% | -6.5% | 8 248 |
| Isle of Houghton | Office | 19 Mar 24 | 185.0 | 174.0 | 6.3% | 4.3% | 28 554 |
| 2Twenty Madiba | Office | 20 Mar 24 | 53.0 | 53.0 | 0.0% | -7.1% | 12 093 |
| 2024 Total | | | 269.5 | 258.5 | 4.3% | 0.8% | 48 895 |
| Total disposals | | | 1 300.3 | | | 8.1% | |

Sales to be transferred

| Asset | Class | Sales value (R'm) | Expected transfer date | Selling yield |
|-----------------------|------------|-------------------|------------------------|---------------|
| Thohoyandou Ellerines | Retail | 9.3 | 31 Mar 24 | 13.6% |
| The Main Change | Industrial | 9.5 | 30 Sept 24 | 4.6% |
| | | 18.8 | | 9.0% |

Pick n Pay & Boxer – Low Risk

- 5.7% of the total portfolio GLA is occupied by Pick n Pay and Boxer (Boxer 3.7%, PnP 1.8% and PnP Liquor/Clothing 0.2%)
- 6.0% of the total portfolio gross revenue is generated from Pick n Pay and Boxer (Boxer 3.9%, PnP 1.8% and PnP Liquor/Clothing 0.3%)
- The Pick n Pay tenancy consist of 10 corporate leases and 4 franchise leases.
 - 6 of the corporate leases are operated by franchisees
- Low risk to the business



Fairvest portfolio



Darren Wilder
CEO

Fairvest portfolio highlights

131 assets

1 062 718 m²
of GLA

Tenant retention
88.7%
(Sept'23 – 86.5%)

Vacancy at
5.3%
(Sept'23 – 4.5%)

Reversions positive at
2.5%
(Sept'23 – 2.8%)

Average gross
rental per m²
R122.70
(Sept'23 – R118.27)

Weighted average
built in escalation
6.6%
(Sept'23 – 6.6%)

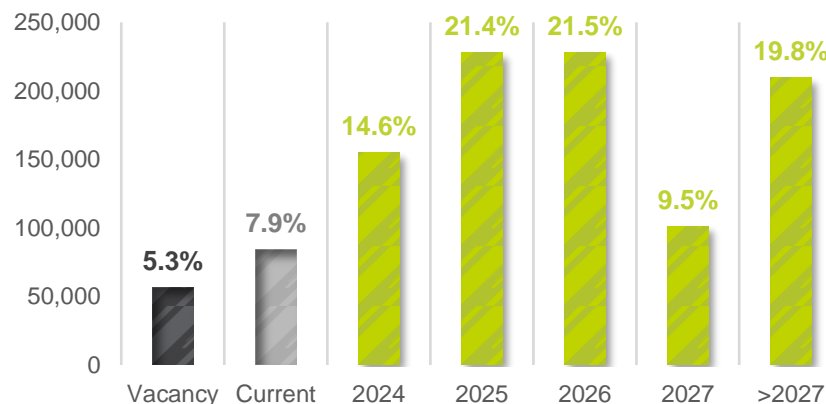
WALE
28.5 months
(Sept'23 – 29.0 months)

Portfolio leasing activity

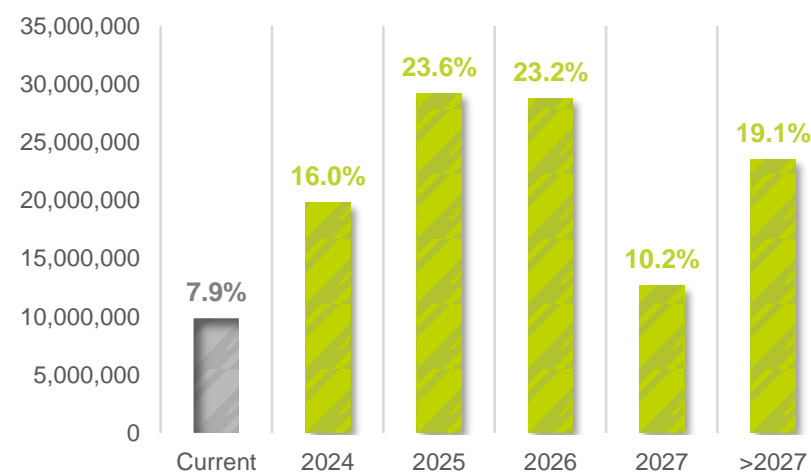
| New deals | Feb '24 | Feb '23 |
|---|----------------|---------|
| Number of leases | 209 | 159 |
| Total GLA m ² | 53 173 | 41 613 |
| Average gross rental achieved (R/m ²) | 94.02 | 111.01 |
| Weighted average escalations | 7.1% | 6.6% |
| WALE (months) | 37.3 | 37.7 |

| Renewals | Feb '24 | Feb '23 |
|---|----------------|---------|
| Number of leases | 128 | 204 |
| Total GLA m ² | 62 855 | 72 075 |
| Average gross rental expiry (R/m ²) | 109.20 | 107.56 |
| Average gross rental achieved (R/m ²) | 111.93 | 108.88 |
| Budget vs actual achieved | 1.5% | 2.6% |
| Average growth | 2.5% | 1.2% |
| Weighted average escalation | 6.7% | 6.7% |
| WALE (months) | 38.6 | 28.9 |

Fairvest Lease expiry profile by GLA



Fairvest Lease expiry profile by revenue





Office portfolio



Darren Wilder
CEO



Office portfolio highlights

29 assets

216 725 m²
of GLA

Tenant retention
80.1%
(Sept'23 – 86.4%)

Vacancy at
12.8% / 27 769 m²
(Sept'23 – 9.7% / 28 331 m²)

% of total portfolio
GLA – **20.4%**
Revenue – **18.8%**

Average gross
rental per m²
R121.71
(Sept'23 – R106.89)

Weighted average
built in escalation
6.7%
(Sept'23 – 6.9%)

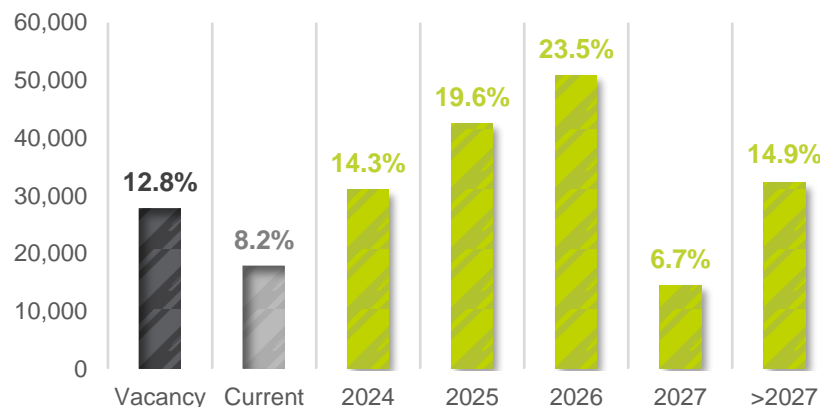
WALE
24.6 months
(Sept'23 – 24.9 months)

Office leasing activity

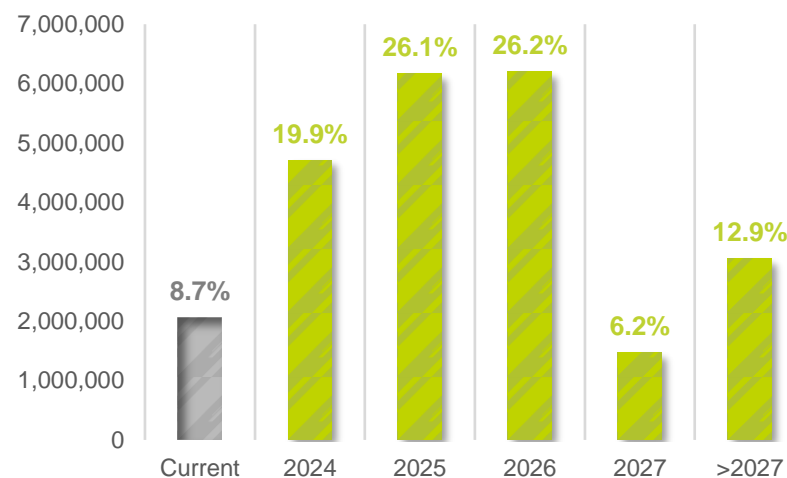
| New deals | Feb '24 | Feb '23 |
|---|----------------|---------|
| Number of leases | 56 | 38 |
| Total GLA m ² | 16 160 | 20 678 |
| Average gross rental achieved (R/m ²) | 113.87 | 87.78 |
| Weighted average escalations | 7.2% | 6.8% |
| WALE (months) | 43.9 | 40.1 |

| Renewals | Feb '24 | Feb '23 |
|---|----------------|---------|
| Number of leases | 22 | 38 |
| Total GLA m ² | 8 295 | 22 173 |
| Average gross rental expiry (R/m ²) | 132.77 | 90.95 |
| Average gross rental achieved (R/m ²) | 129.90 | 89.90 |
| Budget vs actual achieved | (1.0%) | (4.0%) |
| Average reversion rate | (2.2%) | (1.2%) |
| Weighted average escalation | 7.0% | 6.7% |
| WALE (months) | 36.1 | 25.5 |

Fairvest Lease expiry profile by GLA



Fairvest Lease expiry profile by revenue





Office objectives

- Focus on improving lease length and built-in escalations, as we move into a more sustainable environment.
- Successful “retailing” of space by implementing flexible office , storage solutions and the continued implementation of FairSpecing.
- A strong focus on creating a mixed-use environment to extract value.
- Strategic focus on the disposal of non-core assets.
- Improving the quality of the tenant mix in certain assets, where the opportunity arises.
- Continued strategic investment into refurbishments to extract additional value.





Industrial portfolio



Darren Wilder
CEO



Industrial portfolio highlights

28 assets

298 621 m²
of GLA

Tenant retention
90.7%
(Sept'23 – 84.3%)

Vacancy at
2.1%
(Sept'23 – 0.95%)

% of total portfolio
GLA – **28.1%**
Revenue – **11.8%**

Average gross
rental per m²
R52.60
(Sept'23 – R49.93)

Weighted average
built in escalation
7.0%
(Sept'23 – 7.0%)

WALE
26.9 months
(Sept'23 – 24.1 months)

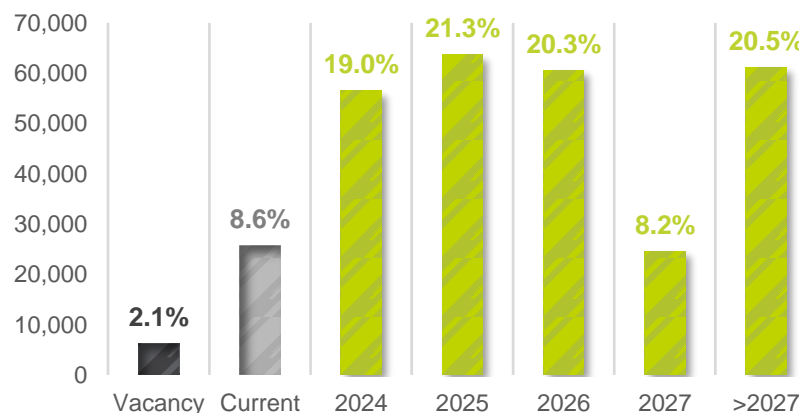


Industrial leasing activity

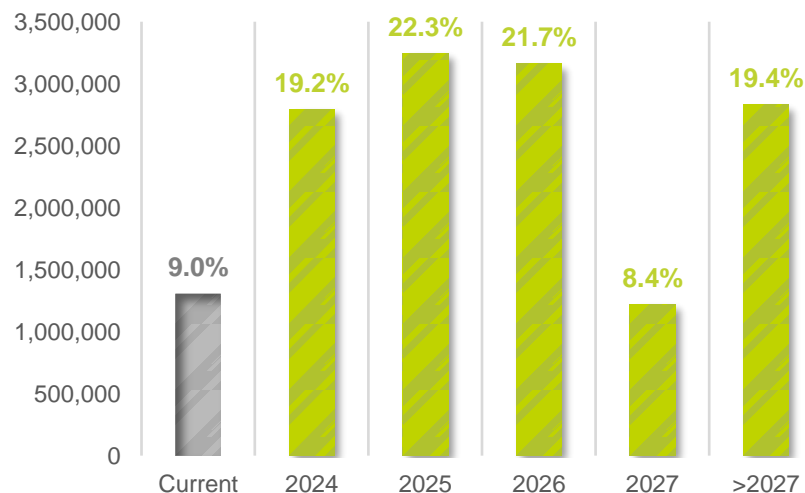
| New deals | Feb '24 | Feb '23 |
|---|----------------|---------|
| Number of leases | 42 | 19 |
| Total GLA m ² | 20 735 | 6 954 |
| Average gross rental achieved (R/m ²) | 48.17 | 61.33 |
| Weighted average escalations | 7.5% | 7.2% |
| WALE (months) | 28.3 | 35.3 |

| Renewals | Feb '24 | Feb '23 |
|---|----------------|---------|
| Number of leases | 25 | 36 |
| Total GLA m ² | 29 838 | 21 751 |
| Average gross rental expiry (R/m ²) | 44.39 | 56.15 |
| Average gross rental achieved (R/m ²) | 47.40 | 58.23 |
| Budget vs actual achieved | 7.0% | 4.7% |
| Average growth | 6.8% | 3.7% |
| Weighted average escalation | 7.0% | 6.7% |
| WALE (months) | 36.3 | 25.1 |

Fairvest Lease expiry profile by GLA



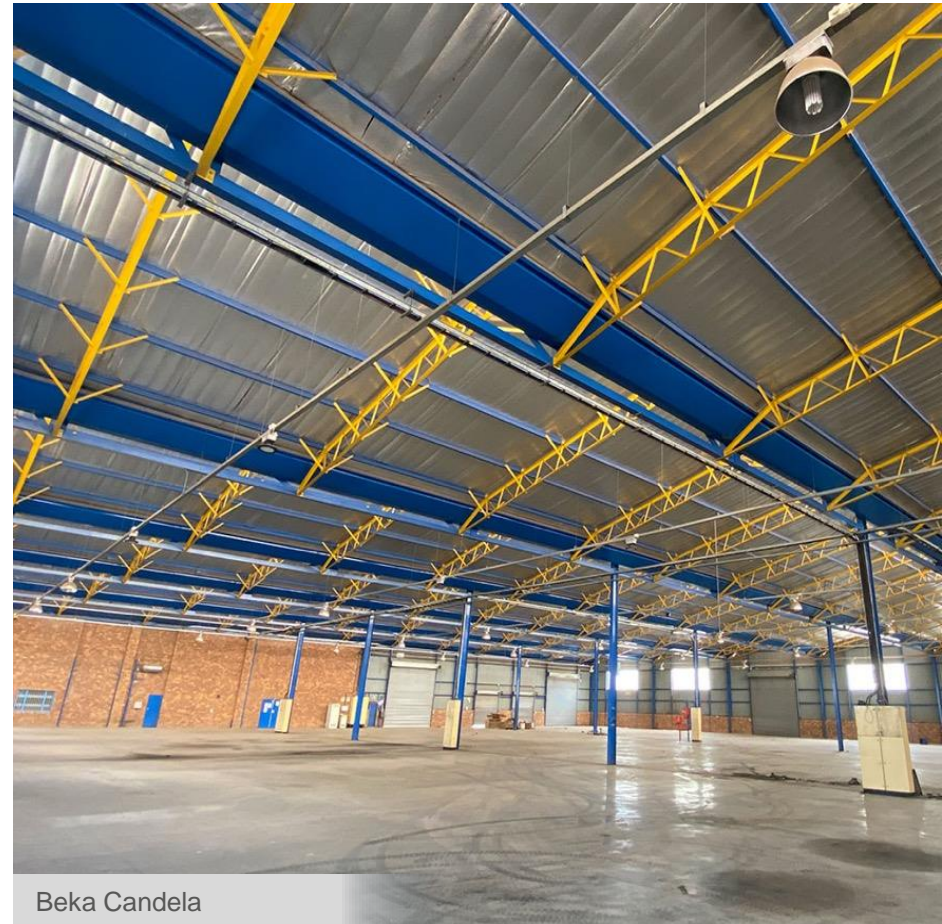
Fairvest Lease expiry profile by revenue





Industrial objectives

- Tenant retention at 90%.
- Increase core portfolio growth.
- Improve coverage of back up power and water across the portfolio.
- Constant engagement with CID / Council to maintain the sustainability of the node surrounding our asset.
- Target a 1% vacancy rate.
- Focus on non-core value extraction across the multi-let parks.





Retail portfolio



Darren Wilder
CEO



Retail portfolio highlights

74 assets

547 372m²
of GLA

Tenant retention
89.1%
(Sept'23 – 88.1%)

Vacancy at
4.1%
(Sept'23 – 3.7%)

% of total portfolio
GLA – **51.5%**
Revenue – **69.4%**

Average gross
rental per m²
R161.84
(Sept'23 – R158.41)

Weighted average
built in escalation
6.5%
(Sept'23 – 6.5%)

WALE
30.7 months
(Sept'23 – 33.8 months)

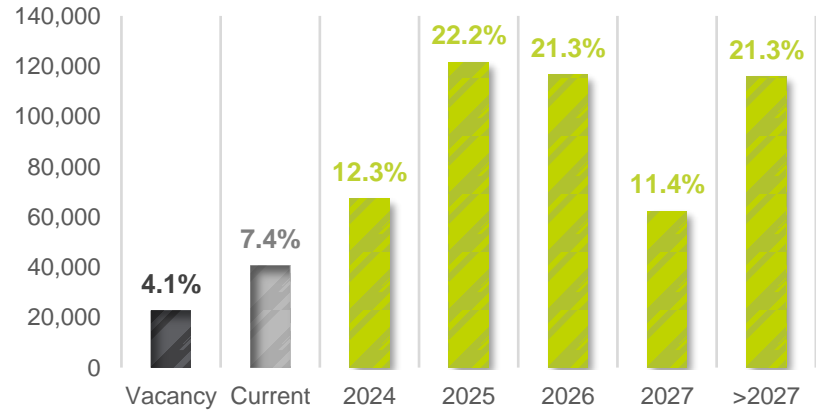


Retail leasing activity

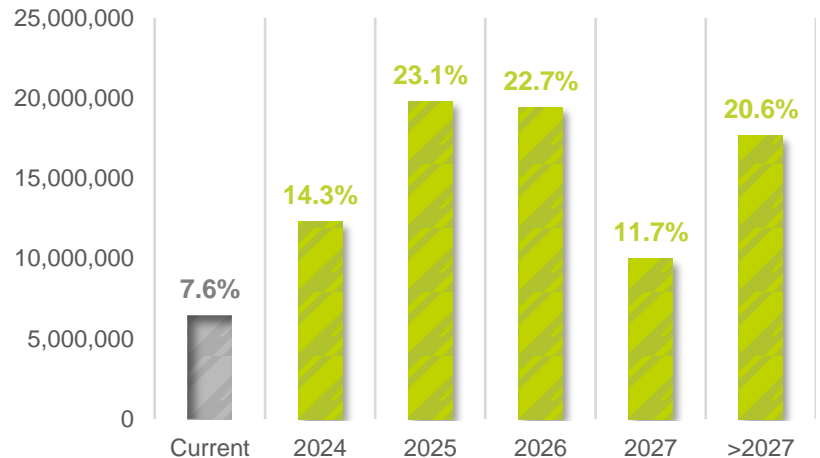
| New deals | Feb '24 | Feb '23 |
|---|----------------|---------|
| Number of leases | 111 | 102 |
| Total GLA m ² | 16 278 | 13 981 |
| Average gross rental achieved (R/m ²) | 132.71 | 170.08 |
| Weighted average escalations | 6.6% | 6.4% |
| WALE (months) | 41.0 | 37.1 |

| Renewals | Feb '24 | Feb '23 |
|---|----------------|---------|
| Number of leases | 81 | 130 |
| Total GLA m ² | 24 722 | 28 151 |
| Average gross rental expiry (R/m ²) | 179.52 | 160.35 |
| Average gross rental achieved (R/m ²) | 183.78 | 162.97 |
| Budget vs actual achieved | 0.5% | 5.2% |
| Average growth | 2.4% | 1.6% |
| Weighted average escalation | 6.6% | 6.6% |
| WALE (months) | 42.2 | 36.7 |

Fairvest Lease expiry profile by GLA



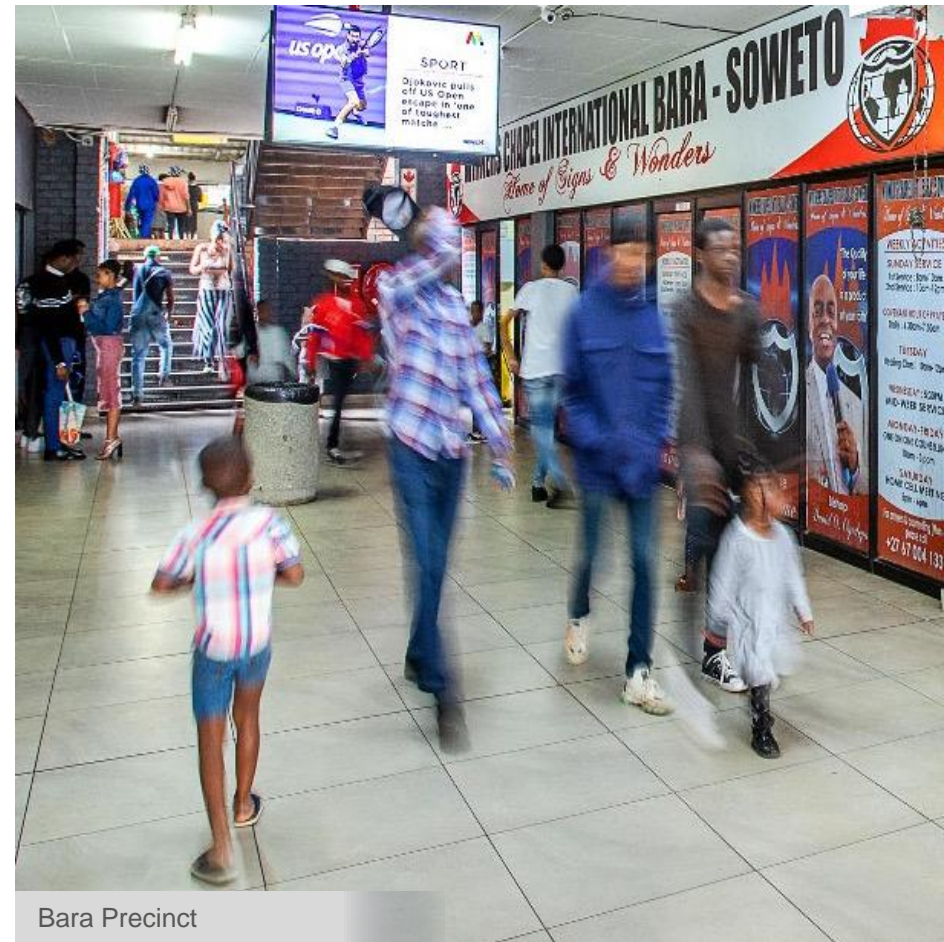
Fairvest Lease expiry profile by revenue





Retail objectives

- Sustained low vacancy.
- Continued positive community engagements around our centers.
- Extract letting opportunities from M&A and unbundling within the SA retail environment. Brands looking to secure new market share.
- Feasibilities concluded on the installation of additional back-up electricity and water solutions at certain properties.
- Maintain strong positive retail reversions.
- Continued focus on tenant retention and improving the quality of the tenant mix.



Bara Precinct

Financial update



Jacques Kriel
CFO



Financial update

- Expect LTV to be below 34% at 31 March 2024
- Fixed debt at above 70% at 31 March 2024
- All bank covenants expected to be comfortably met
- Debt facilities of R501 million settled outright during the period
- R1.5 billion of unencumbered assets available allowing flexibility
- Discount to NAV per B-share reducing, with significant improvement in liquidity
- Confirmation of guidance for the year of between 41.5 and 42.5 cents per B-share

Q & A

