

28 May 2025

**MEDIA RELEASE****Burstone Group FY25:  
A year of strategic transformation delivers strengthened balance sheet and new revenue opportunities.**

Burstone Group today announced full-year (FY25) results in line with guidance, reporting significant progress in the roll-out of its funds and asset management strategy during a year of accelerated strategic transformation.

Following an internalisation process which was concluded in 2023, Burstone Group has established itself as a fully integrated international real estate business and built a hybrid model of traditional real estate assets stapled with a fund and asset management model to drive enhanced returns.

During the financial year the business strengthened its balance sheet, reducing LTV from 44% to c.36% while maintaining stable operations across South Africa, Europe and Australia.

Burstone Group CEO, Andrew Wooler said:

*"The building blocks are in place. We have a sound balance sheet and have built a solid foundation from which to grow."*

Results for the period ended 31<sup>st</sup> March 2025 were in line with expectations:

- Cash dividend up 3.1% to 92.22cps (Mar 24: 89.46cps),
- Distributable earnings per share ("DIPS") down 3.0% to 102.5cps (March-24: 105.7cps)
- Like-for-like Net Operating Income (NOI) up 0.2% in SA and up 0.5% (in Euros), respectively.
- Fee revenue grew by c.40% amounting to 10.7% of distributable earnings (Mar-24: 7.3%).
- Third-party assets under management ("AUM") increased 2.6 times to c.R23.4 billion.

Burstone Group CEO, Andrew Wooler, continued:

*"Our results clearly reflect the significant strides we've made in the strategic transformation of the business and positioning ourselves for long-term growth. These efforts have given us a solid foundation to navigate an operating environment that remains complex and requires thoughtful, disciplined execution. Given the strength of our pipeline and the momentum we are seeing, we are confident that the next 12 to 24 months will be an exciting and pivotal period for the business."*

Burstone concluded several transformative transactions during the period.

The deals included the formation of a strategic partnership with Burstone's Pan-European Logistics (PEL) platform and Blackstone, the world's largest alternative asset manager, with Burstone taking the role of asset manager of the portfolio and retaining a 20% investment in the platform.

Burstone Group's Australian joint venture (JV) with Irongate Group has entered into a strategic agreement with TPG Angelo Gordon, establishing a new industrial programmatic JV in Australia. This partnership has already completed a series of acquisitions, further advancing Burstone's industrial and logistics fund management strategy in the region. TPG Angelo Gordon, a diversified credit and real estate investing platform within TPG, brings the backing of one of the world's leading alternative asset management firms.



### South Africa Performance

Burstone's South African portfolio is mature and stable, and supported a sustainable level of earnings with effective capital recycling executed. The portfolio showed a marginal increase in base LFL NOI of +0.2% YoY.

The South African macroeconomic backdrop has improved. The property sector faces challenges, but there are signs of marginal improvements in the region.

- Strong letting across the portfolio with notable long dated leasing and early renewals in industrial sector
- Negative reversions persist, particularly in the office sector, but significant improvement year-over year.
- Disciplined cost management.
- Maintained a stable WALE of 3.0 years.
- Concluded sales of c.R1.0 billion at c.2.5% discount to book value.

### Pan-European Logistics (PEL) Portfolio

The Group's PEL's performance was driven by a strong, defensive portfolio that has consistently benefited from favourable sector dynamics.

- 0.5% base LFL NOI growth in Euros (Mar-24: 6.2%) with growth in contracted rent offset by an increase in vacancies.
- Blackstone transaction successfully completed on 12 November 2024.
- Strategic launch of Burstone's European funds and asset management strategy.

### Australia Performance

Burstone's Australian operations saw a significant increase in equity AUM to \$624 million (up 27% YoY) and solid growth in fee revenue (up 16.7% YoY) while the Irongate Group, remains well positioned to capitalise on a strong pipeline of opportunities.

- New industrial platform with TPG Angelo Gordon: A\$280 million of industrial logistics assets in New South Wales and Queensland. Burstone's equity investment into this platform, alongside TPG Angelo Gordon, is c.A\$20 million (15%).
- Co-investment with Phoenix Property Investors is performing well, with the Smithfield asset value up c.11% driven by rental uplifts and full occupancy.
- To date, Burstone have deployed c.A\$52 million /R0.7 billion alongside capital partners in the region.

Wooler commented on the Group's Australian performance:

*"Australia is a good case study of what we're replicating in SA and Europe. The acceleration of earnings we're seeing coming out of Australia is proof that our model works. We are adding more partners, we're putting more equity in, and in the years to come, we will see the flywheel turning with greater acceleration."*



## Prospects and guidance

Ongoing global uncertainty and volatility are slowing capital deployment, reinforcing a cautious outlook and supporting measured growth expectations over any near-term boom.

The Group foresees anticipated earnings growth of 2% to 4% for FY26, driven by quality assets, platform scalability, and ongoing strategy execution.

- **Active portfolio management:** Continued focus on asset recycling, cost efficiency, and capital expenditure to maintain portfolio quality.
- **South Africa outlook:** Modest earnings growth expected, led by retail; office remains challenging albeit with improving metrics; while industrial shows positive momentum.
- **European expansion:** Strategic partnership with Blackstone launched the European funds platform. The PEL portfolio will continue to benefit from positive rental reversions, albeit that the occupier market is subdued. The Group will focus on creating and executing new platforms and strategies.
- **Australian growth:** Strong performance expected ahead, with solid investment income growth expected and Australian management earnings set to at least double.

In closing Wooler said:

*"We are pleased with the progress made across the business and we believe that our integrated international hybrid business model will be a key differentiator as we continue to implement our strategic plan over the next few years."*

**ENDS**

## About Burstone Group Limited

Burstone is a fully integrated international real estate business with c.R42 billion (€2.1 billion) gross asset value (GAV) under management and c.R23.4 billion (€1.2 billion) third-party capital under management. The Group invests in best-in-class assets focusing on fund management; investment management; asset management and development management. Burstone listed on the Johannesburg Stock Exchange (South Africa) in 2011 and currently operates in South Africa, select European markets and Australia. About 68% of the Group's asset base is comprised of foreign investments. The Group has a strong management track record of more than 30 years operating in both local and international markets. Burstone strives to deliver purposeful and authentic client experiences with agility, speed and passion. The Group has the unique ability to identify potential that lies within something and then transform it into something of real value. Across all regions in which the Group operates, the manager has a presence on-the-ground with in-country expertise and adopts a hands-on approach to managing its properties. For more information, visit: <https://www.burstone.com>.

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