Transform potential

Results for the six months ended 30 September 2024

NOVEMBER 2024

Burstone
REAL ESTATE PARTNERS

Burstone at a glance as at 30 September 2024

We are a fully integrated international real estate business

30 years +	c.R42bn	c.R10bn	50+	9
track record	Total portfolio (GAV)*	third-party assets under management^	real estate professionals	countries

Investing in best of breed assets in select markets

Fund Management	Investment Management	Asset Management	Development Management

** Based on the gross asset value (GAV) of the underlying properties..^Comprises 50% of A$1.1bn third-party AUM in Australia and our Equity Partner's proportionate share of GAV for PEL.*

1H25 financial highlights

First half results in line with guidance
DIPS down 3.0% to 49.53cps
(Sep-23: 51.07cps)

Stable operational performance
SA LFL NOI: down 1.2%
EU LFL NOI: up 1.1% (EUR)

Fund and asset management business transition taking shape
R34m in fee revenue

Contributing 8.5% to earnings (5.4% in 1H24)

Cost savings
of R7m (5%)

Group operating expenses remain well controlled

Increased funding costs due to rate increases as expected
Total across regions and Group c.R40m

NAV: down 9.7% to R13.95ps
(Mar-24: R15.45ps)

Decrease in PEL of c.R1bn due to impairment and derecognition of portfolio premium and strength of ZAR

Continued capital recycling
delivered c.R0.6bn SA asset sales with a pipeline of sales of c.R1.0bn to R1.2bn

Pro-forma LTV is c.33.5%*
(Mar-24: 44.0%)
Post asset sales and Blackstone Transaction

Dividend payout ratio: 90%
Total dividend of 44.58cps (Sep-23: 48.52cps)

Maintain 85% - 90% payout ratio

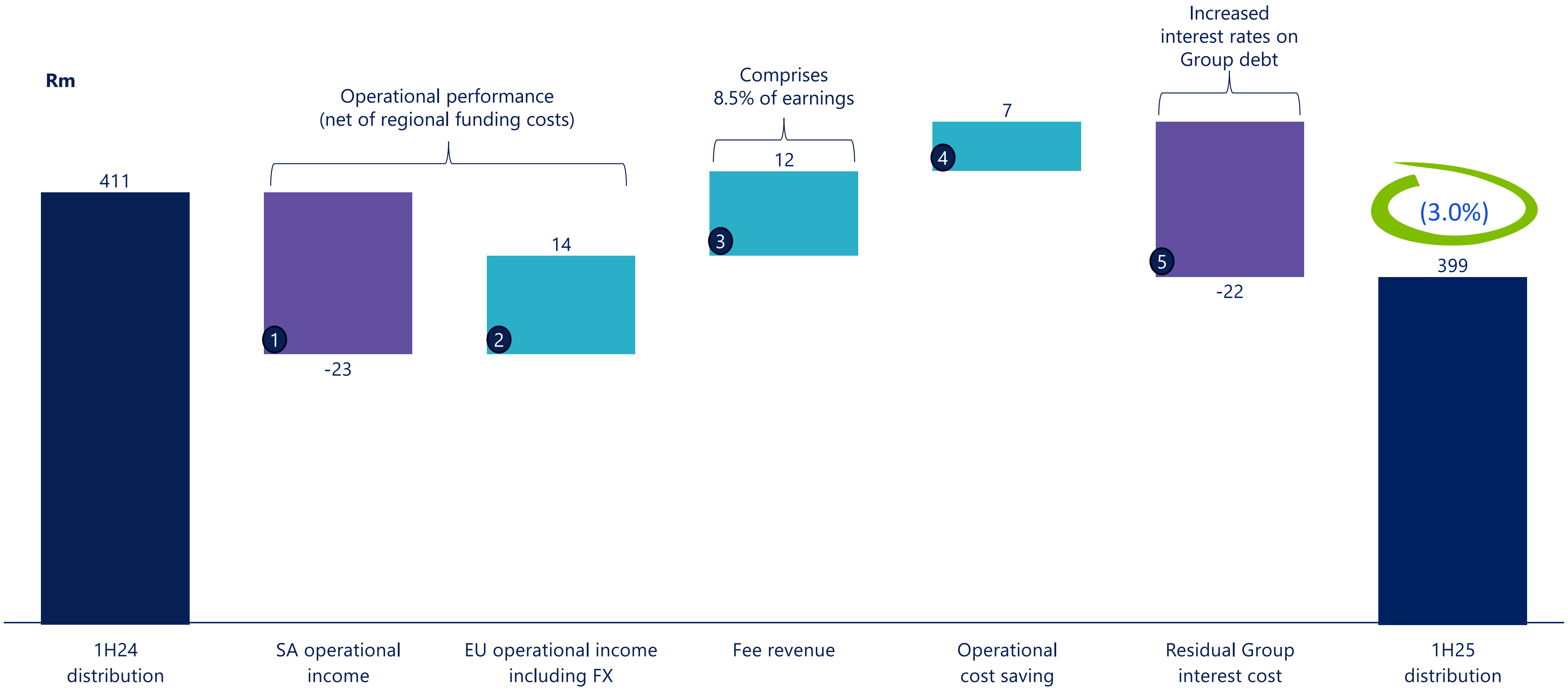
**Pro-forma calculation considers asset sales and the Blackstone Transaction which are unconditional.*

01
Overview of results

Transform potential

Burstone
REAL ESTATE PARTNERS

Distributable earnings bridge



Notes:

1. The SA portfolio remains stable but NOI has declined marginally YoY. SA performance has been impacted by the funding of additional capex and project expenditure.
2. The European PEL business reported an increase of 1.1% in NOI in EUR with total distributable earnings (in EUR) being in line with the prior period due to increased funding costs. The net distribution from PEL increased by 6.9% in ZAR due to ZAR appreciation over the period.
3. Fee revenue is made up of fees from SA, PEL, new German management contract and Australia. Strong growth achieved over the period.
4. Year on year saving as a result of internalisation, specifically saving on Investec Management fee.
5. Higher rates on roll-off and refinance of hedging book.

Distributable earnings statement reconciliation

Rm	6 months ended 30-Sep-24	6 months ended 30-Sep-23
IFRS (loss)/profit after taxation	(810)	467
Adjusted for:		
Straight-line rental revenue adjustment	16	2
Fair value, foreign exchange (gains)/losses and other adjustments[1]	1 020	(101)
Fair value adjustment on investment property[2]	71	-
Loss/(profit) on disposal of investment property	25	8
Unwinding of interest in deferred consideration[3]	3	-
Interest capitalised on developments[4]	26	11
Amortisation and depreciation[5]	48	24
Available H1 distributable earnings	**399**	**411**
Number of shares	805	805
Distributable income per share (DIPS)	**49.53**	**51.07**

DIPS in line with guidance

IFRS profit adjusted for non-cash accounting adjustments including fair value movements and FX

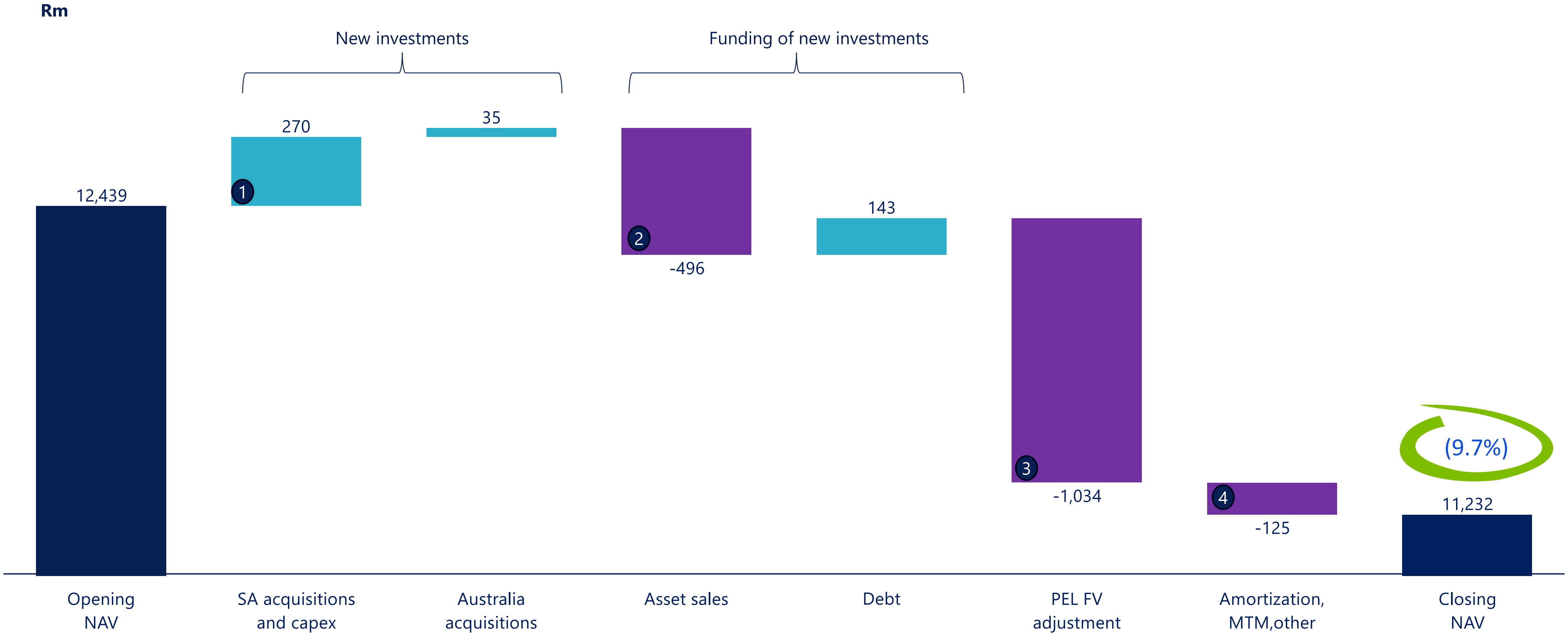
▼ **(3%)**

Notes:

1. Impairment and derecognition of the portfolio premium for PEL and further impacted by strong ZAR (R19.36 v R20.48 at Mar-24). In the prior year this related to fair value and FX movements on PEL of R114m and fair value adjustment on the Izandla Mezzanine loan of R12m
2. Relates to the write down on sale of the SA assets sold during the period.
3. Relates to unwinding of deferred consideration in respect of the internalization.
4. Interest capitalised on development portfolio in the Australian investment.
5. Relates to the amortization of the intangible asset for the full 6 months compared to the prior year which was 3 months as the internalization was completed on 6 July 2023.

Net asset value bridge

NAV per share down 9.7% to R13.95 (FY24: R15.45), driven by decrease in PEL investment value (derecognition of portfolio premium) and strengthening of ZAR



Notes:
1. The Neighbourhood Square, R190m and capex, R80m.
2. These assets on a net basis have been sold at a marginal discount to book value.
3. Impairment of PEL portfolio premium (R0.6bn) and ZAR appreciation (R.04bn). ZAR strengthened against the Euro: from R20.48 at 31-Mar-24 to R19.36 at 30-Sep-24.
4. Amortization of the intangible asset and MTM on derivatives.

02

Significantly bolstered the Group's balance sheet

Transform potential

Burstone
REAL ESTATE PARTNERS

Key highlights

Group refinancing completed in August 2024, alongside Blackstone Transaction which completed and returned €250m cash to settle debt

Liquidity risk reduced

- Post the Blackstone Transaction, **the Group has c.R1.9bn of committed available facilities** to settle short debt expiries
- Group refinance (including EUR debt) of R6.6bn
- Tenor improved from 2.2 years to 3.5 years

PEL liquidity risk reduced

- PEL refinance completed on 12 November 2024 on closing of Transaction – similar terms to existing debt

Concentration risk reduced

- Introduced new lenders

Flexibility improved

- Single security pool
- Aligned covenants
- Favourable exit penalties

Interest rate risk and cost of interest reduced

- **SA ZAR swap book restructured**
- Profile blended and extended from 2 years to **3 years**
- Savings: **5bps** on R3.5bn (reduced cost from 7.34% to 7.29%)

Covenant headroom

- **LTV 33.5%** (post Blackstone Transaction) (50% covenant)
- ICR 2.8x, expected to improve to **c.4.5 – 5x** post Blackstone Transaction
- Investment grade **credit rating** A+$_{(za)}$

EUR CCIRs settled with Blackstone proceeds

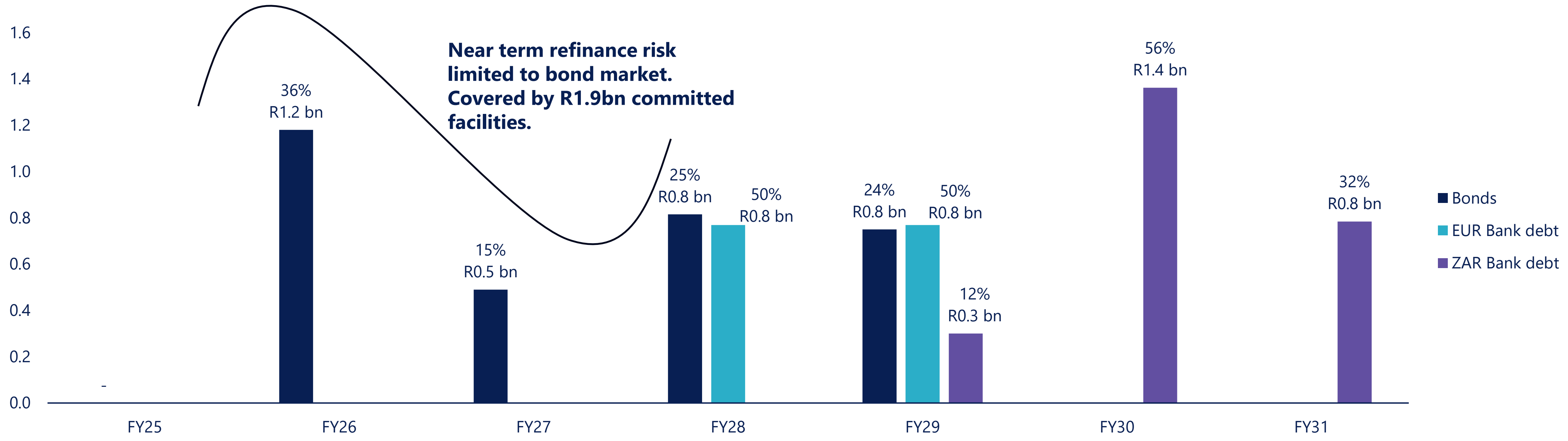
- EUR CCIRs will be settled post the Blackstone transaction

Group funding profile and liquidity post Blackstone Transaction

Limited risk with opportunistic refinance completed

- No near term refinancing required
- Healthy expiry profile with **R1.9bn of committed undrawn debt**
- Post-Blackstone Transaction debt expiry of 3.5 years

Group debt expiry post-Blackstone (Rbn)



Note:
Commercial paper is usually shown within the short expiry pool (FY25), all CP will however be settled with the Blackstone proceeds.

Group ZAR and Euro swap expiry

Profile proactively managed, staggered with limited risk in any one year

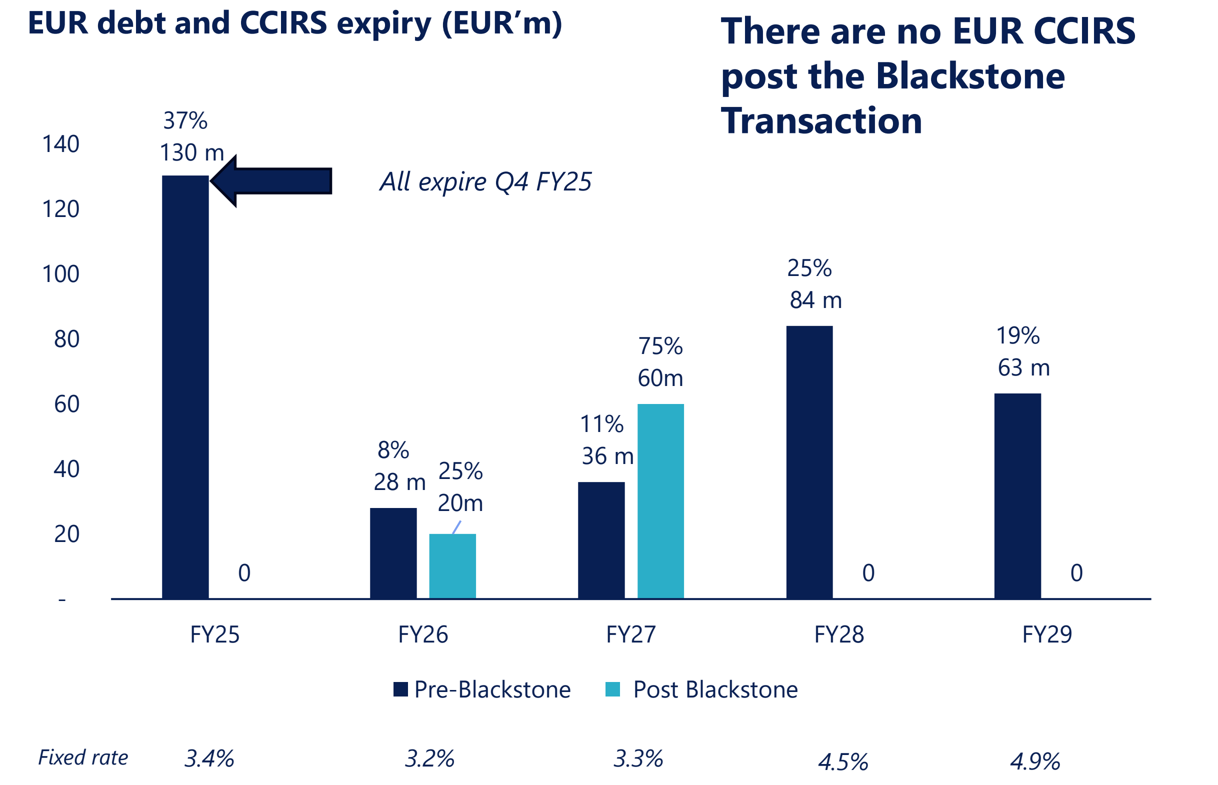
Saved 5bps on R3.5bn

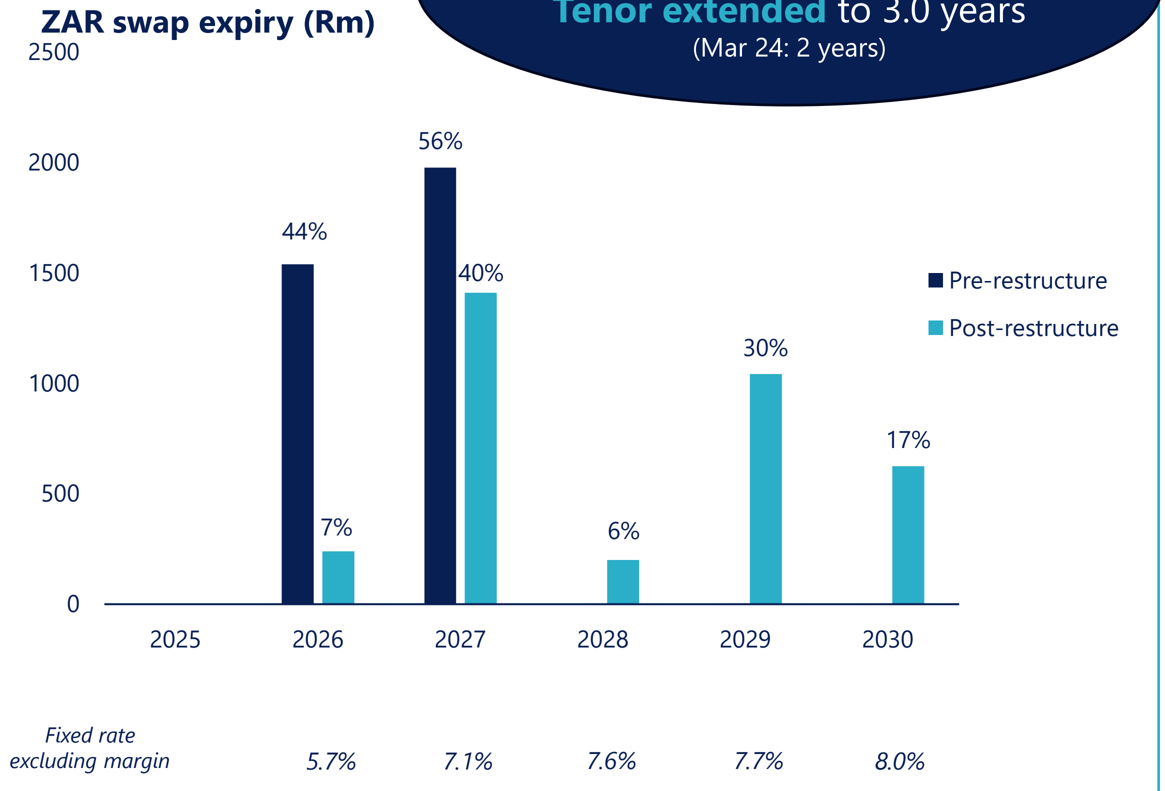
7.29% swap rate (Mar 24: 7.34%)

Tenor extended to 3.0 years

(Mar 24: 2 years)

There are no EUR CCIRS post the Blackstone Transaction





03
Effective capital allocation

Transform potential

Burstone
REAL ESTATE PARTNERS

Effective capital allocation is a key component of our strategy

- **Ensure we deploy/recycle capital into the best international/local opportunities that will support our longer-term strategic plan and continue to create shareholder value**

- **We will continue to invest in our platforms as we build out our funds and asset management strategy** and ensure that investment opportunities are considered in line with the Group's capital allocation framework and overall leverage

- **We will continue to internally generate capital through select asset disposals to support our growth strategy:**
  - c.R0.3bn of sales unconditionally concluded during 1H25 and a further c.R0.3bn are awaiting transfer
  - The Group expects further asset sales to amount to between c.R1.0bn to c.R1.2bn over the next 12 months

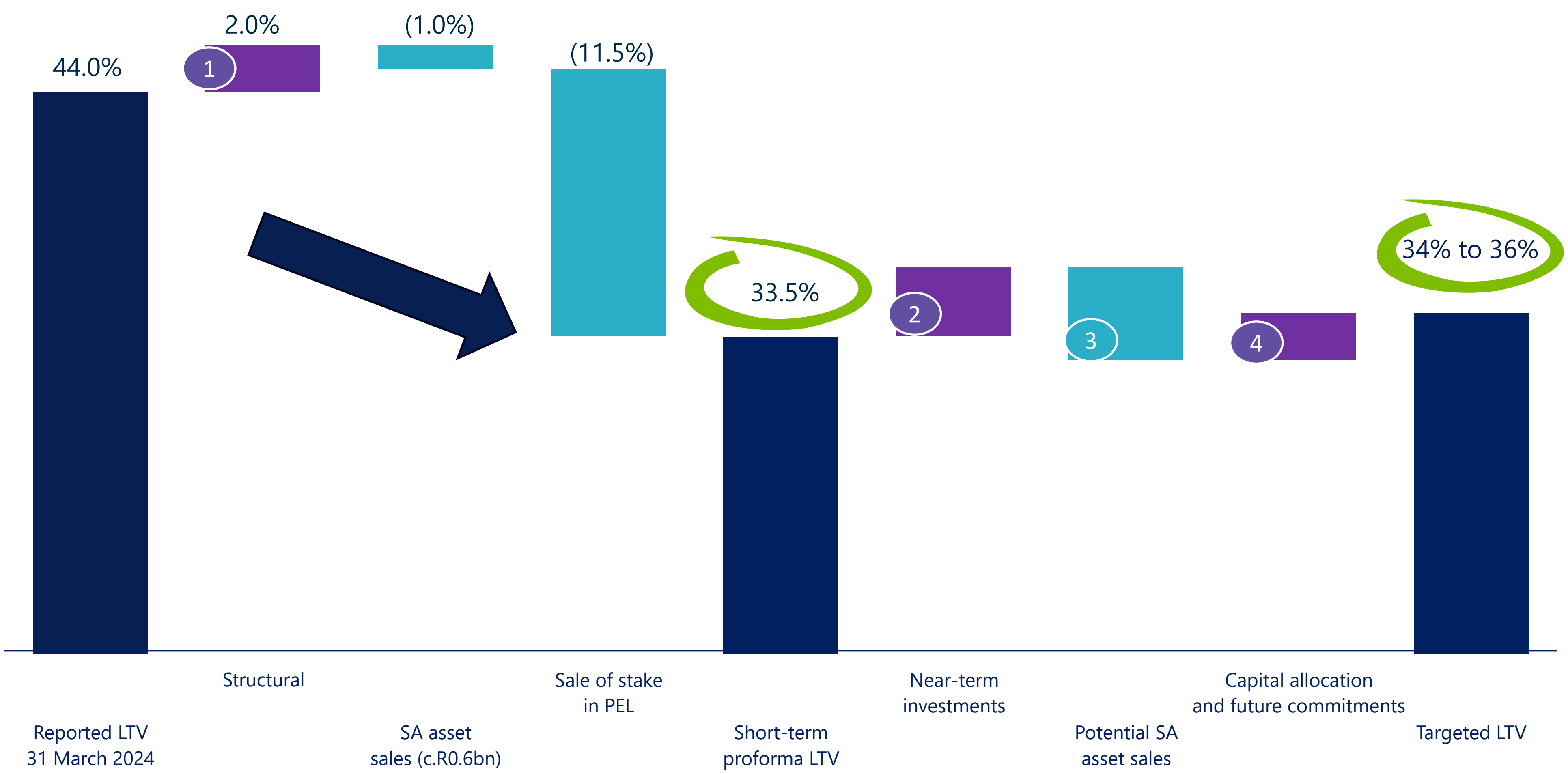
- **The Group will seek to target a longer-term leverage ratio below 35% with a medium-term LTV between 34% to 36%**

The Group will continue to assess several opportunities to fund its growth strategy and decrease reliance on its balance sheet including continued asset recycling; the development of its South African fund management strategy and the introduction of LP capital partners to co-invest alongside Burstone

Expected LTV over the next 12 to 18 months*

Clear deleveraging path through reduction of stake in PEL and execution of South African asset sales. Near term capital requirements to grow the funds and asset management business to support enhanced returns.

1. Acquisition of TNS completed in July 2024, deferred consideration for management company, capex, amortization of intangibles, PEL fair value adjustment etc
2. Potential next twelve-month equity investments in new Australian JV and German light industrial strategies
3. Capital recycling of additional c.R1.0bn to R1.2bn of SA assets
4. Net impact of future investment alongside Blackstone and other investments which will be assessed in line with Burstone's capital allocation framework, balanced with capital generation and recycling



*Ignores impacts such as valuations, FX movements etc.

04
Strategic overview

Transform potential

Burstone
REAL ESTATE PARTNERS

We have a clear strategic focus in the short and medium term

Integration

- Unlock distribution synergies and capability across geographies
- **Active international investor and stakeholder engagement**
- **Leverage cross-border skills, knowledge, experience and expertise**
- Leverage processes and systems to maximise efficiencies and drive best practices

Optimise current portfolios

- Maintain stability
- Client retention and experience
- Enhance quality of recurring earnings
- Reduce cost of occupation
- **Exit non-core assets**
- **Extract cost savings across the Group**
- **Consider broader cost and operational synergies**

Maintain a robust balance sheet

- **Maintain a medium-term LTV ratio of 34% to 36%**
- **Capital recycling to create capacity**
- Introduction of LP capital to invest alongside Burstone (where appropriate)
- **Actively manage refinance and interest rate risk**
- **Maintain an appropriate dividend policy that supports our long-term strategy**

Growth

- **Funds management roll-out in all regions**
- Seek value-add / core plus opportunities

Holistic sustainability

- Further embed ESG principles and processes across our business
- Focus on initiatives that can meaningfully impact our priority UN SDGs
- Further develop solar roll out strategy
- Aim to achieve net-zero emissions

Creating long-term sustainable value

1H25 strategic highlights

Significant progress made in executing our stated strategy
With many of these initiatives expected to start delivering results in 2H25 and beyond

- Accelerated the expansion of the Group's fund and asset management strategy across all regions in which the Group operates
- Stability of the underlying portfolios in South Africa and Europe was maintained
- The balance sheet was significantly bolstered during the period
- Continued to effectively recycle capital

Building our hybrid model:
traditional real estate integrated with fund and asset management
Driving enhanced returns

4.1
Funds and asset management strategy

Transform potential

Burstone
REAL ESTATE PARTNERS

Growth of our funds and asset management strategy

The Group has made significant progress in accelerating its funds and asset management strategy

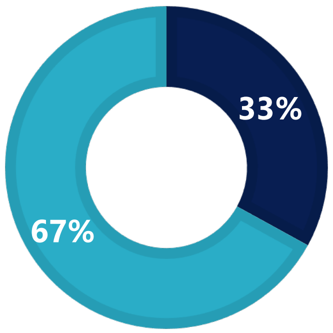
The Group is well positioned to execute this strategy, underpinned by management teams who have a successful track record of aggregating and realising value for multiple third-party capital investors

- Strategic partnership with Blackstone in Europe
- Management mandate and co-investment opportunity into a light industrial portfolio in Germany
- New industrial platform in Australia backed by a leading global alternative asset management firm
- Currently in exclusive discussions with cornerstone investors to build a core+ fund in South Africa

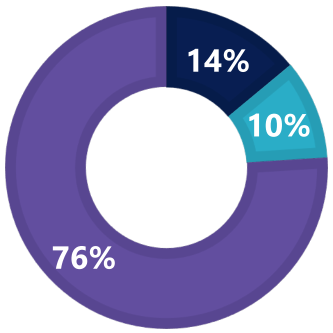
Group portfolio snapshot as at 30 September 2024

Total portfolio (GAV) of c.R42bn with 24% third-party AUM

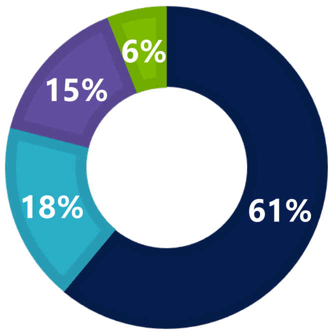
GAV: Location



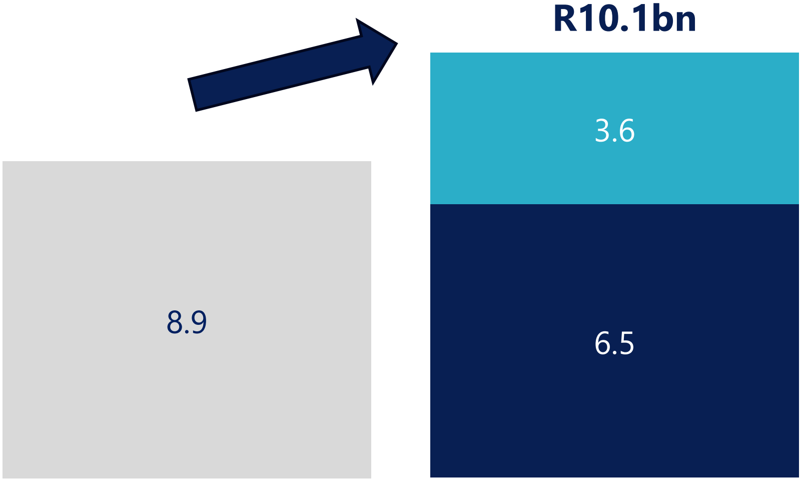
GAV: Capital Allocation



GAV: By Sector



Third-party AUM* (Rbn)



Majority of portfolio in core+
67% of GAV offshore with 100% of third-party AUM offshore

Fund and asset management fees

- R34m at 1H25 comprising 8.5% of earnings

* Comprises 50% of A$1.1bn third-party AUM in Australia and our Equity Partner's proportionate share of GAV for PEL.. **Relates to Burstone's investment in the ITAP Fund in Australia.

Strategic partnership with Blackstone

- Approved by shareholders on 28 October 2024; completed on 12 November 2024
- **Launches Burstone's European funds and asset management strategy**
- **Burstone retains a 20% co-investment** in PEL and asset management of the c.€1bn PEL portfolio
- Net proceeds to Burstone of c.€250m (R5bn)
- The earnings impact of the Transaction is expected to be marginally accretive in the short-term and is expected to be increasingly earnings enhancing in the medium term due to:
  - Reduced impact of higher funding costs through lower Group leverage;
  - Increased fee revenue and operational leverage through scale; and
  - Accretive capital deployment over time
- **The strategic partnership will look to further aggregate industrial and logistics properties across Burstone's core European markets**
- A strong pipeline of opportunities has already been identified

Marseille Park, Marseille

Logistics Court Schiphol, Netherlands

Light industrial portfolio in Germany

- **Asset management mandate for c.€170m of a light industrial portfolio in Germany**
- Contributed R11m to earnings in 1H25
- Currently in negotiations on a co-invest opportunity and ongoing management; undergoing due diligence
- Strategic rationale:
    - Strategic alignment with Burstone's current strategy and historical transactions
    - Diversification of income streams
    - Scalable platform with a strong track record
    - Would replicate successful PELI and Hansteen platforms

Significant momentum in our European funds and investment management strategy

Düsseldorf Nördlicher Zubringer 15


Potsdam Am Buchhorst 33

Irongate Group JV

New opportunity

- **Agreement to establish a new industrial platform backed by a leading global alternative asset management firm**
- **An initial soft commitment of A$200m of equity has been earmarked with the aim to upsize upon successful deployment**
- Burstone, through Irongate, will have a minority co-investment in the new joint venture and the Irongate JV will provide the investment and asset management functions
- Initial portfolio of industrial assets located in Queensland - total purchase consideration of c.A$140m and equity commitment from the new joint venture of c.A$80m
- Strong acquisition pipeline already identified and is far progressed.

The Irongate Group platform continues to show strong growth on the foundation of a well-defined strategy

Post the current identified pipeline, third-party equity AUM increases to c.A$628m (up 40% since Mar-23) in a portfolio of assets with a current value c.A$1.2bn

Brendale, Queensland

Narangba, Queensland

South Africa

- The Group **has built the foundation for a third-party fund management platform** in which institutional capital can invest

- Currently in exclusive discussions with cornerstone investors to build a core+ platform:
  - Will utilize a portion of existing SA assets as seed portfolio with Burstone acting as fund and asset manager
  - Transaction expected to be executed over 6 to 12 months


The FIRS – Rosebank, Johannesburg


Design Quarter – Fourways, Johannesburg

4.2
Optimise current portfolios: stability maintained

Transform potential

Burstone
REAL ESTATE PARTNERS

4.2.1 Performance – South Africa

SA snapshot of performance

Mature portfolio which supports a sustainable level of earnings

- **Stable portfolio with marginal reduction in base LFL NOI of -1.2% YoY**
- 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 we are seeing some rental growth return and reversion levels are starting to reduce
- Disciplined cost management
- Extended WALE by 0.5 years overall
- The base portfolio yield remained stable on a LFL basis at 8.5% (Mar-24: 8.7%)
- Concluded sales of R0.3bn fully transferred and R0.3bn unconditional (awaiting transfer); at a c.9% discount to book value

Financial performance

- -1.2% negative base LFL NOI growth (Sep-23: +2.0%)
- 25.5% CTI ratio (Sep-23: 24.2%)
- Arrears at 3.0% of collectibles (Mar-24: 2.6%) (increase influenced by office and industrial sector)
- 62 properties: 896,583m^2

Letting performance

- 99.7% of space expiring let - 223,312m^2 of GLA including early lets
- 86.2% tenant retention
- -8.4% negative reversion driven by office sector and long dated leases in industrial
- 1.8% incentives – remain low

Operational performance

- 4.6% vacancy (Mar-24: 4.5%)
- 3.5 year WALE (Mar-24: 3.0 years)
- 6.4% escalation (Mar-24: 6.8%)

Continued focus on:

- Client experience
- Reduce cost of occupation
- Energy security and ESG initiatives
- Quality of the portfolio
- Asset disposal programme
- Launching our FM strategy
- Operational real estate opportunities lead by the right management teams

SA office portfolio

Sector still facing oversupply and negative reversionary pressure in the short term but stabilising

Sector trends

- Outlook for sector is cautiously optimistic, driven mainly by demand for P-Grade and A-Grade offices
- Vacancy rates are trending downwards, suggesting the market is reaching a new equilibrium
- The Group's vacancy rates remain amongst the lowest in the sector

Financial and operational metrics

Gross income growth (Sep-23: -8.9%)	**(6.7%)**	Arrears (% of collectibles) (Mar-24: 3.2%)	**3.0%**
LFL NOI growth (Sep-23: -7.8%)	**(5.9%)**	Vacancy (by GLA) (Mar-24: 8.4%) (Sep-23: 5.7%)	**7.2%**
Cost-to-income (Sep-23: 31.8%)	**31.4%**	Reversion on leases^	**Total: (25.8%)** **Long-dated: (31.4%)** **Short-dated: (8.4%)**

24 properties: 221,252m^2 R4.7bn

Achievements

5,464m^2 letting year to date at 30 Jellicoe from tenant expansions, lease extensions and new leasing for periods of c.5 years

2,576m^2 letting at 4 SDV for a period of 5 years

5-year lease at 34 Ingersol for 2,376m^2

^Long-dated refers to renewal of leases 5 years or longer and short-dated refers to renewal of leases that were less than 5 years from initial term.

SA industrial portfolio

Stable portfolio delivering strong returns

Sector trends

- Positive supply-demand dynamics remain
- Market rental growth in short-to-medium term remains strong
- Increased infrastructure investments spurring demand

Financial and operational metrics

LFL NOI growth (Sep-23: 11.5%)	**1.5%**	Arrears (% of collectibles) (Mar-24: 0.8%)	**3.2%**
Cost-to-income (Sep-23: 18.0%)	**18.6%**	Vacancy (by GLA) (Mar-24: 3.0%) (Sep-23: 2.2%)	**3.1%**
WALE (Mar-24: 2.8 years)	**4.7 years**	Reversion on leases^	**Total: (11.6%)** **Long-dated: (15.8%)** **Short-dated: (2.4%)**

22 properties: 389 785m^2 R3.0bn

Achievements

Three 10-year deals on 21,831m^2 of GLA at WACO, Benoni Multipark and 6 Nywerheid

Seven 5-year deals on 68,346m^2 of GLA of which 27,675m^2 was on ongoing escalations

^Long-dated refers to renewal of leases 5 years or longer and short-dated refers to renewal of leases that were less than 5 years from initial term.

SA retail portfolio

Retailer trading performance still optimistic in a challenging economic environment

Sector trends

- Consumer confidence and consumer debt still a concern
- Positive political and economic shifts post elections
- Trading activity has shown growth

Financial and operational metrics

LFL NOI growth (Sep-23: 6.0%)	1.8%	Arrears (% of collectibles) (Mar-24: 3.1%)	2.7%
Cost-to-income (Sep-23: 20.4%)	24.0%	Vacancy (by GLA) (Mar-24: 3.7%) (Sep-23: 4.5%)	4.6%
WALE (Mar-24: 2.8 years)	2.9 years	Reversion on leases	5.8%

16 properties: 285,546m² R6.1bn

Trading stats*

Average turnover (Mar-24: +4.6%)	+4.3%
Trading density (Mar-24: R2,901/m²)	R2,928/m²
Cost of occupation (Mar-24: 6.1%)	6.5%

Achievements

Zewenwacht: Checkers replaced Woolworths as the second anchor for an initial period of 10 years and additional line shops added. Extended lease with Spar for further 10 years.

Completed the letting of the remaining restaurant at DQ Mall post the refurb with Salsa introduced as a tenant

Completed borehole project at Balfour

Successful letting at Nicol Grove – Danny Home 3,759m²

*12-month averages; year on year growth excluding developments and acquisitions.

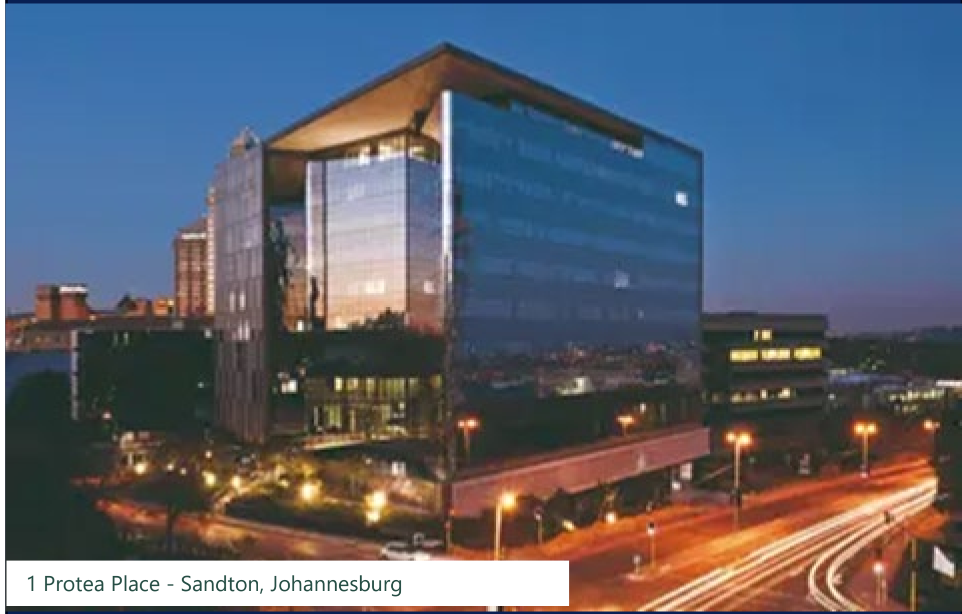
Integrating ESG – South Africa

Driving down cost of occupation for our clients and transforming the society in which we operate

	Strategy	Description
Climate and energy	***Solar***	• 14.8MWp solar PV
	Energy Performance Certificates	• 29 buildings
	Carbon Disclosure Project	• B-rating
	Reducing cost of occupation	• 70% of properties (by GLA) with back-up power • Supporting clients through loadshedding • Reducing cost of occupation through energy assessments, wheeling considerations, interfacing solar to generators
Sustainable buildings	***Green star ratings and green leases***	• Total 35 buildings (82% office; 18% industrial portfolio) • Market leader – Burstone piloted the rollout of industrial certifications and achieved 4-star Industrial Green Star certification for 5 of our buildings. • Achieved 3 new 4-star ratings in our office portfolio, and recertification on 9 4-star ratings • Multiple green leases with clients on solar shared savings models
Water	***Water***	• Exploring borehole as alternative source to reduce reliance on municipal supply • 5 Borehole projects implemented with very good results and feasibility studies being undertaken on a further 3 sites • Pilot study of waterless flush toilets have been implemented at Dihlabeng with positive results, further role out being investigated.
Transformation	***Social***	• Level 2 B-BBEE status • Continue to support several enterprise, supplier and social development and several other CSI initiatives – total spend continues to be more than R7m p.a. • Scatterlings Early Childhood Development centre at Balfour Mall opened in Feb-23 • Partner with Property Point on an enterprise and supplier development program to support AMP tenants over a 2-year period – 9 candidates in first intake

SA portfolio outlook

- **In South Africa the Group has a stable and mature portfolio which supports a sustainable level of earnings**
- However, growth expectations remain low given the domestic GDP growth profile and global macro-economic volatility and uncertainty continues
- The South African portfolio is **expected to deliver flat LFL NOI growth** relative to FY24
- Supporting clients through continued initiatives **focused on reducing the cost of occupation** remains a key focus



1 Protea Place - Sandton, Johannesburg

4.2.2 Performance – Pan-European Logistics (PEL) Portfolio

Burstone
REAL ESTATE PARTNERS

EU market overview

- **The European logistics sector remains solid,** driven by strong demand and limited new supply; **however, the landscape is evolving**
- **Rental growth and indexation are slowing** across European markets, despite a recent easing in interest rates
- **Occupier demand is declining in certain areas,** bringing to the forefront the need for active and front-footed asset management
- Meanwhile, new supply is entering the market as development costs have stabilized and developers are tapping into fresh funding sources
- Historically, significant interest rate hikes have introduced pricing volatility, negatively affecting long-term asset valuations**. However, with rates now beginning to decline in FY25, the sector could see improved earnings prospects**
- **Debt and equity markets are strengthening, breathing new life into investment activity**


Toussieu Park, Lyon

PEL snapshot

Growth in contracted rent offset by an increase in vacancies and adverse interest rate environment

- **Portfolio delivered rental reversion of c.10.2% on renewals and new lettings demonstrating the ability to capture positive ERV growth**
- Increased vacancy over the period from 0.9% at Sep-23 to 3.1%
- €0.5m of cost savings extracted
- Higher interest costs (€0.8m) largely absorbed through these initiatives
- 1.3% decrease in EUR distributable earnings
- Arrears of €3.2m (Mar-24: €2.9m)

Financial performance

- 1.1% base LFL NOI growth (Sep-23: 7.9%)
- 8.5% CTI ratio (Sep-23: 8.7%)
- 32 properties: 1,124,555m^2
- Arrears at 2.2% of collectibles (Mar-24: 1.4%)

Letting performance

- 95% of space expiring let in 1H25 – 46,554m^2
- 52.3% tenant retention
- +10.2% reversion
- 8.5% incentives

Operational performance

- 3.1% vacancy (Mar-24: 2.2%)
- 4.9 year WALE (Mar-24: 5.3 years)
- Indexation of c.3.4% on 19% of portfolio income indexed during the period

Continued focus on:

- Acquisition pipeline to capitalise on Blackstone investment appetite
- Disposal plans for first loss assets
- Implement sustainability and ESG plan in conjunction with Blackstone

PEL income statement

Positive current year performance offset by increases in interest rates and increase in vacancies

€m	6 months ended 30-Sep-24	6 months ended 30-Sep-23	% change
Net rental income	28.9	28.6	1.0%
Property expenses	(2.5)	(2.5)	-
Net property income	**26.4**	**26.1**	**1.1%**
Asset management fees[1]	(4.0)	(3.9)	(2.6%)
Other operating expenses	(2.1)	(2.6)	19.2%
Tax	(0.9)	(0.9)	-
Interest	(11.8)	(11.0)	(7.3%)
Distributable earnings	**7.6**	**7.7**	**(1.3%)**
Cost-to-income ratio (excluding bad debts)	8.5%	8.7%	
Arrears as % of collectables	2.2%	2.0%	

Reconciliation of PEL earnings to Burstone income:

PEL total earnings before management fee (€m)	11.6	11.6	-
Earnings before management fee attributable to Burstone (€m)	9.6	9.6	-
Asset management fee (Burstone earns on third-party funds) (€m)	0.7	0.7	-
Translation rate	22.6	21.1	7.1%
PEL distributable earnings attributable to Burstone reflected in investment income (Rm)	218	204	6.9%
Fee income earned (Rm)	15	14	7.6%

LFL NOI growth

ERV unlock, indexation offset by increase in vacancy

+1.1% ▲

Lower costs

Restructuring initiatives reaping benefits

▼ **19.2%**

Higher interest

Driven by 60bps increase in average Euribor and increase in capex facility

(7.3%) ▲

Like for like net income growth

(in EUR)

6.9% growth in ZAR

(1.3%) ▼

Notes:

1. 83.15% relates to Burstone and the remainder to outside interests.

Delivering ESG – Europe

Continue to assess initiatives to further embed ESG into business practices

	Strategy	***Description***
Climate and energy	***Solar***	• The business has planned to deliver a photovoltaic roll-out which will produce around 4.5MWp across the portfolio over the next 12 to 18 months • Engaging with our new capital partner (Blackstone) on strategy and alignment
	LED lighting	• Over past 3 years invested over €1m, and continuing to invest into LED lighting, thereby enhancing the sustainability of our portfolio and reducing costs for our clients
	Energy Performance Certificates	• All buildings have EPC certificates
	Smart-metering	• Smart meters installed across the entire portfolio
Sustainable buildings	**BREEAM ratings**	• The European business performed BREEAM In-USE pre-assessments across the entire portfolio – 82% of assets by contracted rent reported ratings C or above – 64% of assets by contracted rent have a B or above (or equivalent) energy rating – 22% of assets by contracted rent have an A (or equivalent) energy rating

PEL portfolio outlook

- The **PEL portfolio continues to deliver stable operating metrics** and is well positioned to leverage current market dynamics as interest rates stabilize at lower levels

- A key strategic priority remains maximizing stakeholder value through our partnership with Blackstone

- **Together, Burstone and Blackstone will grow the PEL portfolio by focusing on aggregating industrial and logistics properties across core European markets**

Venlo - Southeastern Netherlands

05
Looking ahead

Transform potential

Burstone
REAL ESTATE PARTNERS

Reflecting on the past 6 months

- **Significant strides made to reposition from a property investment business into an integrated international real estate fund and asset management company**
- We believe that an integrated international offering will be a key differentiator as we implement our strategic plan over the next few years
- Results for the half-year have been supported by stable underlying operational performances both in South Africa and the EU
- **We have a strong balance sheet and financial headroom to capitalise on potential future growth opportunities**

30 Jellicoe – Rosebank, Johannesburg

In conclusion

Guidance*

- **Looking ahead to FY25, performance will be underpinned by:**
  - A stable South African portfolio which is performing in line with expectations, with LFL NOI growth expected to be flat relative to FY24
  - Further operational efficiencies;
  - Growth in fee revenue, driven by our asset and funds management strategy;
  - The completion of the Blackstone Transaction (effective from 12 November 2024);
  - Higher average interest rates over the year, combined with increased capital expenditure, will lead to a rise in funding costs.

- **Taking the above into account the Group believes that FY25 earnings will deliver to the upper end of market guidance previously given of between negative 2% and negative 4%.**

With an underlying quality asset base and a strong balance sheet,
Burstone has strong foundations for future growth

*The above guidance assumes that current normalised trading conditions will persist and does not consider the impact of any unforeseen circumstances, potential business failures or the occurrence of any other factors that are beyond the Group's control.

We transform potential into value

A successful history of creating, building and managing real estate businesses

Real estate purists

Hands on asset management and best of breed assets underpin all our decisions

Dynamic capital allocation

Disciplined capital allocation and continued capital rotation to meet risk-adjusted targets

Pro-active management

Specialist management with the right asset strategy and a track record of value creation and operational excellence

Entrepreneurial yet disciplined

Providing sustainable outcomes for all stakeholders, supported by agility and nimbleness

Client centric

Deliver purposeful and authentic client experiences with agility, speed and passion

Holistic sustainability

We aim to create broader long-term stakeholder value that is profitable and impactful in the areas where we operate

Partnership focused

Transform potential

Burstone’s hybrid business model – generating enhanced returns on capital deployed

NOVEMBER 2024

Burstone
REAL ESTATE PARTNERS

01
Introduction – overview of our business model

Transform potential

Burstone
REAL ESTATE PARTNERS

Hybrid model: fully integrated international real estate business

Two distinct businesses operating in tandem to drive significantly increased value

INVESTMENT

On-balance sheet real estate investments

Balance sheet	c.R16bn*
NAV	c.R11bn*
Annualised net earnings	R730m^

FUNDS AND ASSET MANAGEMENT

Off-balance sheet fund and asset management platforms

Third-party AUM	c.R23bn*
NAV	-
Expected annualised gross fees	c.R120m*

On-the ground management teams with demonstrable track records

Scalable integrated international business

Investing significant capital alongside our capital partners

Delivering enhanced returns on capital deployed

** Post the Blackstone transaction and the current identified pipeline in Australia, following the establishment of the new industrial JV. ^Annualised using 1H25 reported numbers: NOI plus investment income, after operating costs and funding costs.*

Global reach with local presence

Integrated real estate investor, acting as manager across all platforms

Europe

GAV: c.€1.2bn

Third-party AUM: c.€0.8bn

BTN investment: c.€80mn

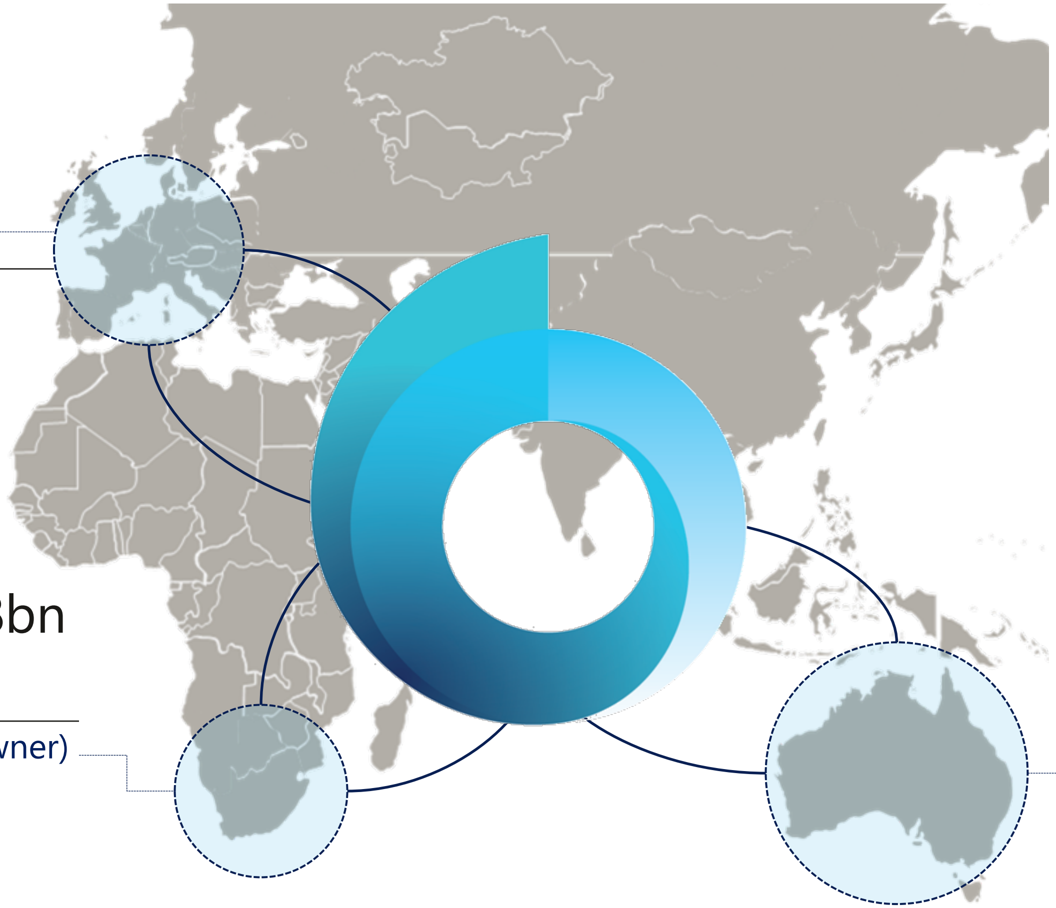
- c.€1.0bn (GAV) PEL portfolio: 20% ownership (partner Blackstone)*
- €170m (GAV) German light industrial platform management contract

South Africa

BTN investment/GAV: c.R13.8bn

Third-party AUM: Nil

- Diversified real estate manager (100% owner)
- Retail: niche assets or those that are the dominant offering within their respective locations
- Office: multi-tenanted, well-located, with strong amenitisation
- Industrial: good-quality functional space in established nodes with consistent / stable demand



Australia^

GAV: c.A$1.2bn

Third-party AUM: c.A$1.1bn

BTN investment: c.A$60mn

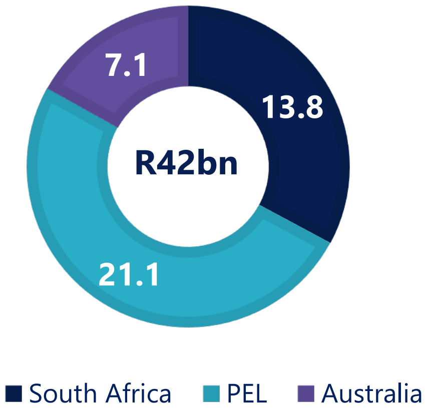
- 50 / 50 JV in Irongate Group
- Institutional partners Ivanhoe Cambridge, Phoenix Property Investors, Metrics, Frasers
- LP investment in ITAP Fund
- Co-investment in industrial platform (Phoenix Property Investors)
- Co-investment in new industrial platform (a leading global alternative asset management firm)
- Irongate has c.A$628m third-party equity AUM

** Transaction approved by shareholders on 28 October 2024 and completed on 12 November 2024. ^Post the current identified pipeline, following the establishment of the new industrial JV.*

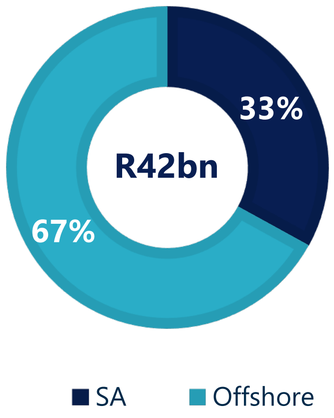
Group portfolio snapshot*

TOTAL PORTFOLIO (GAV): c.R42bn; 67% offshore

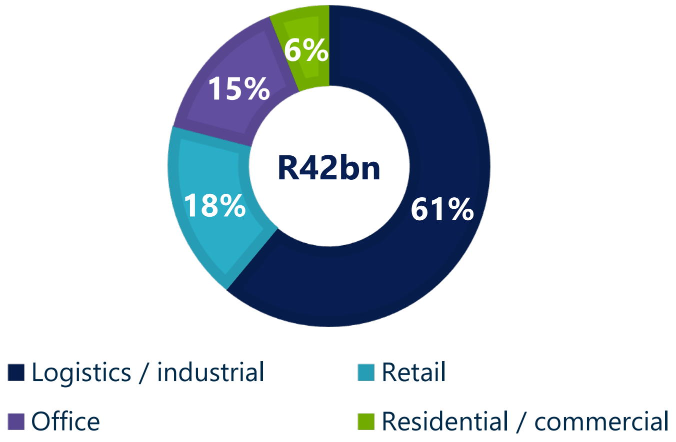
Total



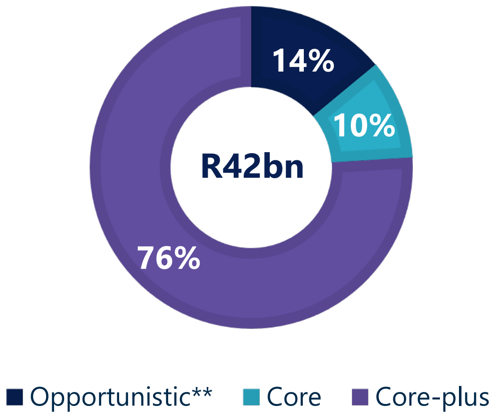
Location



By Sector



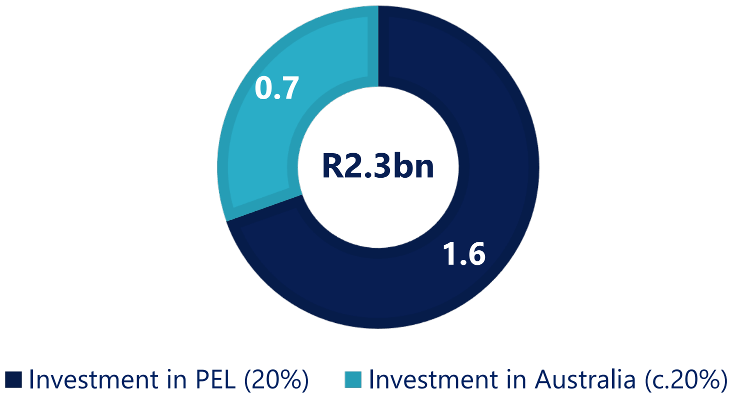
Capital Allocation



ON-BALANCE SHEET INVESTMENT: c.R16bn

100% owned

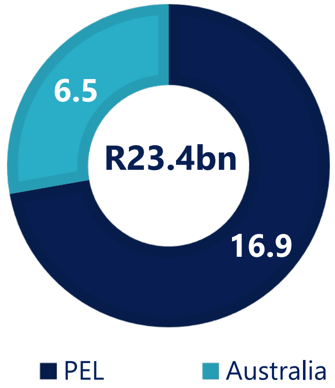
Equity investment in partnerships



THIRD-PARTY AUM^: c.R23bn

Third-party AUM^

56% of total portfolio



** Post the Blackstone transaction and the current identified pipeline in Australia, following the establishment of the new industrial JV. ^Comprises 50% of A$1.1bn third-party AUM in Australia and our Equity Partner's proportionate share of GAV for PEL.*
***Relates to Burstone's investment in the ITAP Fund in Australia*

02
Capital allocation and growth

Transform potential

Burstone
REAL ESTATE PARTNERS

Burstone's capital allocation framework

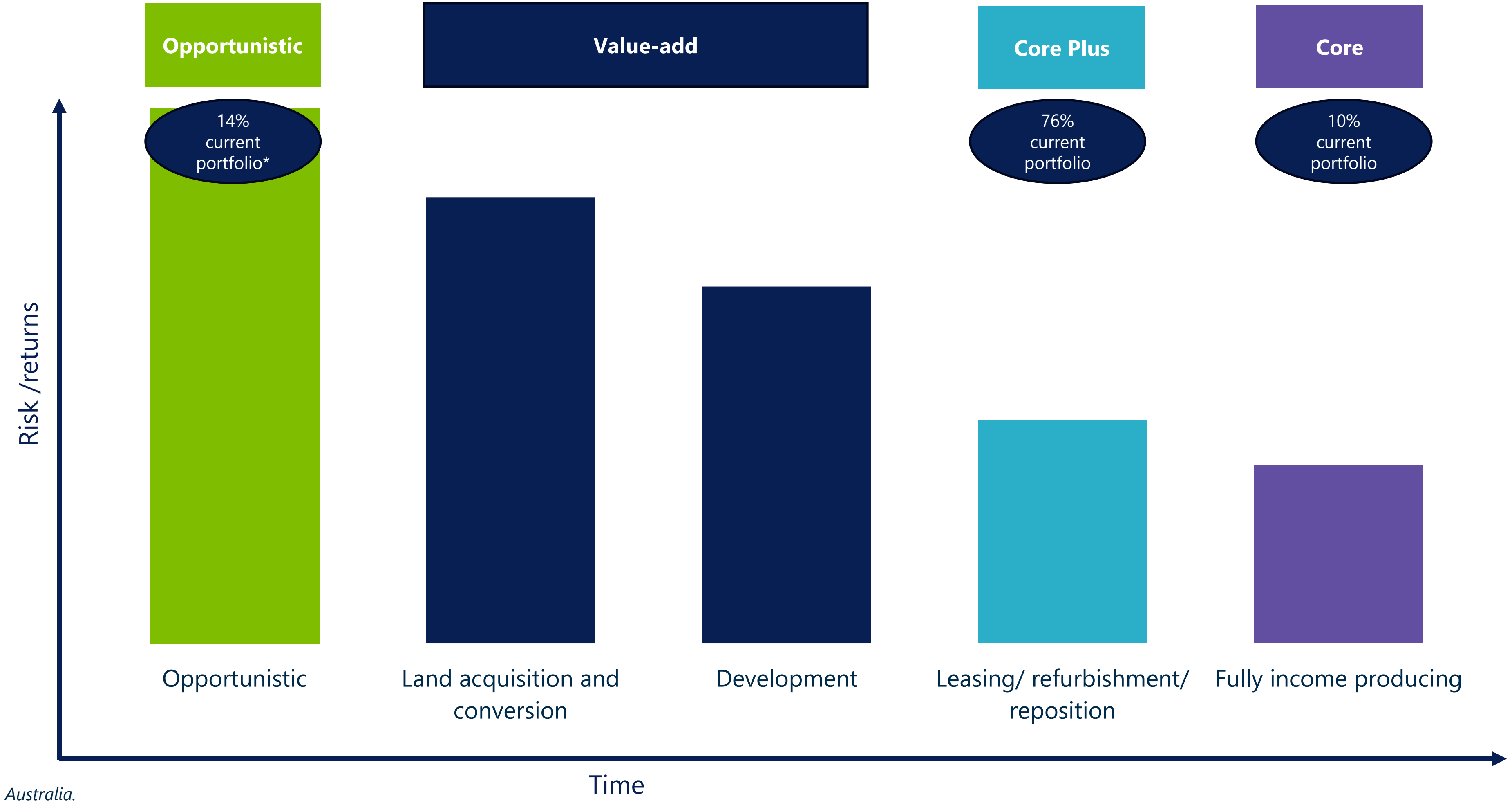
Our model allows us to:

- ***Invest in all risk and return profiles across the full lifecycle of real estate***
- ***Integrated approach in terms of fund management, investment management, asset management and development management to enhance return and decrease balance sheet requirements***

Capital allocation strategy: percentage allocation

Partner with the right capital for the risk/return profile of any opportunity

Ability to leverage different cost of capital – not only beholden to Burstone cost of capital



* *Relates to Burstone's investment in the ITAP Fund in Australia.*

Utilisation of the Group's balance sheet

Shift from 100% direct ownership to co-investment in Burstone managed third-party fund and asset management platforms

INVESTMENT

- Support existing and new co-investments / growth (co-invest 15% to 25%)
- Take risk:
  - Development
  - Land conversion
  - Distressed assets

Convert risk →trade: into market or into existing platforms

- Seed new platforms or warehouse assets/equity – ahead of third-party equity

FUNDS AND ASSET MANAGEMENT

- Predominantly an off-balance sheet strategy
- Co-invest alongside partners, providing alignment
- Build track record
- Introduce LP capital

Currently c.R16bn total investments

c.R13.8bn 100% direct investment	c.R2.3bn equity investment in funds platforms

Capital sources: funding our strategy

JSE	• Dependent on market conditions
JV capital	• Blackstone • LCP • Phoenix • Ivanhoe Cambridge • F&G • New partner in Australia
LP capital	• SA: partners in core-plus platform • EU/AUS: Capital pools in EU, Aus, Middle East, Canada, US, Asia, South Africa Cross-sell / Global distribution potential
Recycling investments	• Asset sales • Platform exits
Platform refinancing	• As and when valuation allows

03
Funds and asset management model

Transform potential

Burstone
REAL ESTATE PARTNERS

Our funds and asset management strategy

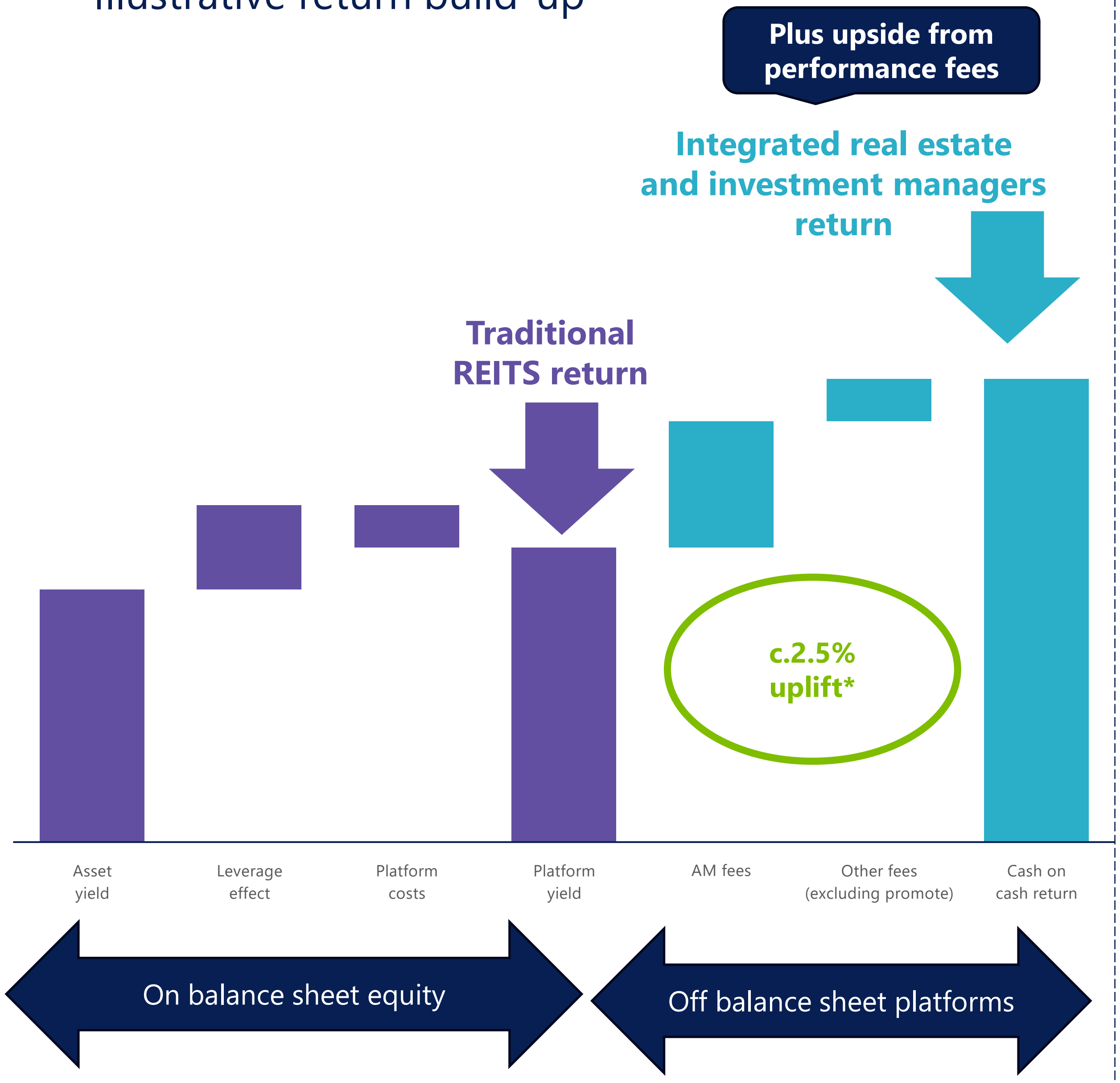
Growth of the funds and asset management model

- Strong progress made on the funds and asset management strategy:
    I. Strategic partnership with Blackstone in Europe
    II. New industrial platform in Australia backed by a leading global alternative asset management firm
    III. Management mandate and ongoing discussion regarding co-investment opportunity into a light industrial portfolio in Germany
    IV. Currently in exclusive discussions with cornerstone investors to build a core+ fund in South Africa

- **The funds and asset management model will have numerous benefits for Burstone:**
    - **Releases capital and serves as a de-gearing mechanism** for the Group, as Burstone sells into and seeds new portfolios
    - **Diversifies the investment base** and capitalises on operational synergies
    - **Operational and financial leverage**
    - **Access to capital** to facilitate growth
    - **Creates new revenue streams** for the Group, through fund management fees (and potential performance fees) and enhancing the return on Burstone's deployment of capital

The funds and asset management opportunity

Illustrative return build-up



*Refer to illustrative example.

1	**Aim to grow our funds and asset management platform** as we continue to build our capabilities as a fund and asset manager
2	Alignment of interests through **c.15-25% co-investment in our management platforms**
3	**Significant upside** as we build out our funds and asset management platforms by partnering with credible capital partners
4	**Opportunity to introduce LP capital to co-invest alongside or behind Burstone**, further increasing asset management and performance fees
5	Target high single digit cash on cash returns and mid-teen IRRs (per Burstone capital allocation framework)
6	**Underpinned by management teams who have a successful track record of aggregating and realising value for multiple third-party capital investors**

Impact of investment strategy: 250bps uplift

Illustrative scenario

For every €100m (R2bn) GAV acquired*

ON-BALANCE SHEET INVESTMENT	
Burstone investment (c.20%)	R160m
Platform equity yield^ (investment income)	↑ R10.8m
LTV	↑ 0.6%

FUNDS AND ASSET MANAGEMENT	
Third-party AUM	↑ R1.6bn
Fees** Operating margin: 50%	Gross ↑ R8m Net ↑ R4m
Performance fees on (third-party equity)	R640m of equity

Results in a Burstone total net equity return after costs on capital invested of c.9.3% v c.6.8%^
EUR IRR +15% / ZAR IRR + 20%
Enhanced returns over and above a traditional platform return

** Assuming platform is 60% geared; Burstone hold of 20%.*
***Gross fees of 50bps on third-party AUM. Operating margin 50%.*
^Return on Burstone equity investment. Determined with reference to an asset yield of 5.5% and post funding and other costs.

04
Income drivers

Transform potential

Burstone
REAL ESTATE PARTNERS

Hybrid model: income drivers

INVESTMENT	FUNDS AND ASSET MANAGEMENT
On-balance sheet real estate investments	**Off-balance sheet fund and asset management platforms**
• Net property income • Investment income • Stable returns	• Annual asset, investment and fund management fees • Upside through performance fees
Annualised net earnings: R730m^	**Expected annualised gross fees: c.R120m***

Ability to achieve enhanced integrated real estate returns by combining traditional real estate asset yields with additional upside from operating a funds, investment, and asset management model

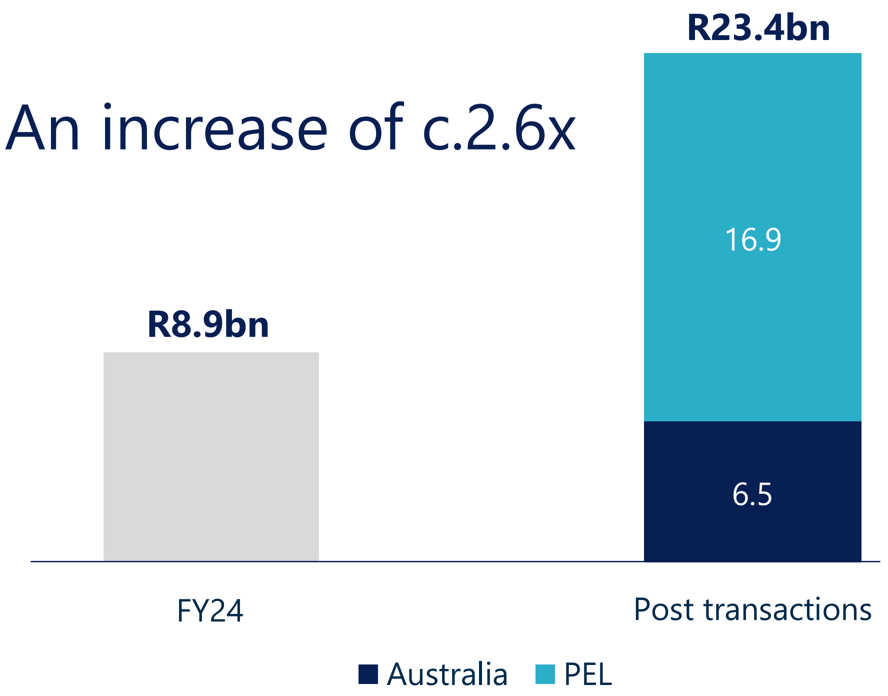
____

** Post the Blackstone transaction and the current identified pipeline in Australia, following the establishment of the new industrial JV. ^Annualised using 1H25 reported numbers: NOI plus investment income, after operating costs and funding costs.*

Group portfolio snapshot*

Third-party AUM^(Rbn)

An increase of c.2.6x



Fund and asset management fees

Driving increased returns on capital deployed

Fund and asset management fees:

- R61m at FY24 comprising c.7% of earnings
- **Fund and asset management fees are expected to more than double over next two years**

Total GAV of c.R42bn with 56% third-party AUM

Total GAV 67% offshore with 100% of third-party AUM offshore

** Post the Blackstone transaction and the current identified pipeline in Australia, following the establishment of the new industrial JV. ^Comprises 50% of A$1.1bn third-party AUM in Australia and our Equity Partner's proportionate share of GAV for PEL.*

05
Overview of our portfolio

Transform potential

Burstone
REAL ESTATE PARTNERS

Hybrid model: fully integrated international real estate business

INVESTMENT

On-balance sheet real estate investments

- Net property income
- Investment income
- Stable returns

Annualised net income: R730m^

- **SA portfolio**
- **Equity investments EU and Australia**

c.R16bn*

85% SA

NAV of c.R11bn

On-the ground management teams with demonstrable track records

FUNDS MANAGEMENT

Off-balance sheet fund and asset management platforms

- Fee revenue
- Enhanced returns
- Upside through performance fees

Expected annualised gross fees: c.R120m*

c.R23bn*

100% offshore

- **PEL: partnership with Blackstone**
- **Irongate JV**

Scalable integrated international business
Investing significant capital alongside our capital partners
Delivering enhanced returns on capital deployed

** Post the Blackstone transaction and the current identified pipeline in Australia, following the establishment of the new industrial JV. ^Annualised using 1H25 reported numbers: NOI plus investment income, after operating costs and funding costs.*

06
Closing

Transform potential

Burstone
REAL ESTATE PARTNERS

Burstone investment proposition

Fully integrated, international real estate business

- Traditional South African REIT delivering stable returns
- Globally diversified with capability to invest across all aspects of the real estate life cycle

Ability to generate enhanced returns on capital deployed

- A hybrid model of traditional real estate investment, integrated with expertise across fund management, investment management, asset management, development management
- We invest across all aspects of the real estate life cycle, partnering with specific capital partners for specific opportunities
- Supporting our strategy of delivering enhanced returns on capital deployed
- Significant upside from growing funds and asset management business

Hands-on and highly skilled management teams with strong local knowledge

- Scalable platform with ability to capitalise on existing infrastructure to create operational leverage
- Demonstrable track record, having previously successfully aggregated portfolios and crystallised value for third-party capital investors

Strong balance sheet with capacity to fund future growth initiatives

- Longer-term target leverage <35%
- Dividend payout ratio of 85-90%

30 Jellicoe – Rosebank, Johannesburg

Annexures

Transform potential

Burstone
REAL ESTATE PARTNERS

Transform potential

Results for the six months ended 30 September 2024

NOVEMBER 2024

Burstone
REAL ESTATE PARTNERS

Financial review

Burstone
REAL ESTATE PARTNERS

Distributable earnings statement

Rm	6 months ended 30-Sep-24	6 months ended 30-Sep-23	% change
SA portfolio[1]	**432**	**461**	**(6.3%)**
Net property income	533	582	(8.4%)
Finance costs	(101)	(121)	(16.5%)
Investment income	**238**	**218**	**9.2%**
Europe – PEL[2]	218	204	6.9%
Izandla[3]	20	14	42.9%
Fee income	**34**	**22**	**54.5%**
SA	6	4	50.0%
Europe[4]	26	14	85.7%
Australia[5]	2	4	(50.0%)
Expenses	**(128)**	**(135)**	**5.2%**
Fund expenses	(20)	(18)	(11.1%)
Operating expenses[6]	(20)	(33)	39.4%
People costs	(88)	(84)	(4.8%)
Profit from operations	**576**	**566**	**1.8%**
Residual finance costs[7]	(177)	(155)	14.2%
Net distributable earnings	**399**	**411**	**(3.0%)**
Number of shares	805	805	
Distributable income per share (DIPS)	**49.53**	**51.07**	**(3.0%)**

DIPS in line with guidance

(3%)

- Stable operational performance
- Results impacted by higher interest costs as hedges rolled off
- Costs well managed following internalisation

Strong growth in fee income

54%

- Amounts to 8.5% of earnings (1H24: 5.4%)

Notes:

1. SA portfolio remains stable but NOI has declined marginally. Whilst the loss in income from asset sales has largely been offset by interest savings, YoY SA performance has been impacted by the funding of additional capex and project expenditure.
2. The European PEL business reported an increase of 1.1% in NOI in EUR with total distributable earnings (in EUR) being in line with the prior period due to increased funding costs. The net distribution from PEL increased by 6.9% in ZAR due to ZAR appreciation over the period.
3. Izandla includes a recovery in 1H25.
4. Asset management fee income is paid from PEL to the management company in Europe and R11m received from the new German management contract.
5. Fee income for 1H25 is lower than 1H24 due to one off fee income of c.$1m earned in 1H24.
6. Year on year saving as a result of internalisation, specifically saving on the Investec Management fee.
7. Interest costs increased due to 60bps increase in fixed rate on EUR refinancings.

Summarised balance sheet

Rm	As at 30-Sep-24	As at 31-Mar-24	% change
Property related investments			
South Africa	14,008	14,450	(3.1%)
Europe - PEL[1]	7,250	8,289	(12.5%)
Australia	488	491	(0.6%)
Goodwill and intangible assets[2]	763	787	(3.0%)
Total investments	**22,509**	**24,017**	**(6.3%)**
Property, plant and equipment	2	12	(83.3%)
Trade and other receivables	395	313	26.2%
Cash[3]	451	284	58.8%
Total assets	**23,357**	**24,626**	**(5.2%)**
Shareholder interest	11,232	12,439	(9.7%)
Total funding	**12,125**	**12,187**	**(0.5%)**
Long term borrowings	11,320	11,203	1.0%
Derivative financial instruments	109	199	(45.2%)
Other liabilities	696	785	(11.3%)
Total equity and liabilities	**23,357**	**24,626**	**(5.2%)**
Net asset value per share (cents)	**1,395**	**1,545**	**(9.7%)**

Notes:
1. Includes capex facility loaned to PEL.
2. Comprises of goodwill and other intangible assets net of amortisation which arose as part of the internalisation of the management company.
3. Increased cash due to receipts from the sale of properties.

SA valuations stable

Stable portfolio; disposals during the period

PEL portfolio FV adjustment

On-balance sheet EUR value declined by 12.5%: largely due to impairment and derecognition of portfolio premium and further impacted by strong ZAR (R19.36 v R20.48 at Mar-24)

NAV per share

NAV down 9.7%. Driven by decrease in PEL investment value and strengthening of ZAR

(9.7%)

SA REIT BPR ratios

	Note	SA REIT BPR	Burstone methodology
FFO per share (cps)		49.53	49.53
NAV per share (cps)	1	1 263	1 395
LTV	2	34.0%*	33.5%*
Cost of debt	3	8.3%	8.97%
SA cost-to-income ratio	4	42.3%	19.6%
SA vacancy	5	4.6%	4.6%

**Pro-forma calculation considers asset sales and the Blackstone Transaction which are unconditional.*

Notes:

1. SA REIT NAV per share adjusts NAV by the H2 FY24 dividend declared.
2. MTM on derivative instruments is included in SA REIT LTV and not included in Burstone's calculation.
3. Total cost of funding at Burstone Group level – includes ZAR debt, EUR debt and CCS used to fund offshore investments.
4. SA REIT cost-to-income ratio is based on a gross income and expense basis. Burstone calculates this ratio using like-for-like net NOI (i.e., netting off recoveries against expenses).
5. SA vacancy is based on the SA Portfolio (Office, Industrial, Retail), this is based on the vacancy rates during the financial period.

Performance – South African property portfolio

Total SA portfolio

	TOTAL			OFFICE			INDUSTRIAL			RETAIL		
Portfolio	**30-Sep-24**	31-Mar-24	30-Sep-23	**30-Sep-24**	31-Mar-24	30-Sep-23	**30-Sep-24**	31-Mar-24	30-Sep-23	**30-Sep-24**	31-Mar-24	30-Sep-23
Number of properties	**62**	73	77	**24**	27	29	**22**	28	30	**16**	18	18
Asset value (R'bn)	**13.8**	14.2	14.2	**4.7**	5.0	5.1	**3.0**	3.3	3.3	**6.1**	5.9	5.8
GLA (m²)	**896 583**	971 331	996 100	**221 252**	235 277	237 000	**389 785**	446 979	475 500	**285 546**	289 075	283 600
Base NOI growth	**(1.2%)**	1.5%	2.0%	**(5.9%)**	(7.5%)	(7.8%)	**1.5%**	9.5%	11.5%	**1.8%**	5.9%	6.0%
Cost to income (excl. bad debts)	**25.5%**	22.7%	24.2%	**31.4%**	28.5%	31.8%	**18.6%**	18.2%	18.0%	**24.0%**	19.4%	20.4%
Arrears as a percentage of collectibles	**3.0%**	2.6%	2.8%	**3.0%**	3.2%	2.8%	**3.2%**	0.8%	2.0%	**2.7%**	3.1%	3.4%
Vacancy (by GLA)	**4.6%**	4.5%	3.7%	**7.2%**	8.4%	5.7%	**3.1%**	3.0%	2.2%	**4.6%**	3.7%	4.5%
WALE (years)	**3.5**	3.0	2.8	**3.4**	3.3	2.8	**4.7**	2.8	2.5	**2.9**	2.8	3.1
Reversions on new leases	**(8.4%)**	(9.3%)	(12.2%)	**(25.8%)**	(31.6%)	(27.4%)	**(11.6%)**	(7.1%)	(3.7%)	**5.8%**	1.5%	2.6%
In-force escalations	**6.4%**	6.8%	6.8%	**6.7%**	7.0%	6.8%	**6.2%**	7.0%	7.2%	**6.2%**	6.2%	6.2%

SA income statement

Mature portfolio which supports a sustainable level of earnings

Rm	6 months ended 30-Sep-24	6 months ended 30-Sep-23	% change
Gross income	633	639	(0.9%)
Net expense	(158)	(158)	-
Base net property income	**475**	**481**	**(1.2%)**
Office	176	187	(5.9%)
Industrial	132	130	1.5%
Retail	167	164	1.8%
Developments	25	26	(3.8%)
Acquisitions and disposals	33	75	(56.0%)
Net property income (excluding straight lining)	**533**	**582**	**(8.4%)**
South African finance costs	(101)	(121)	16.5%
South African distribution	**432**	**461**	**(6.3%)**
Property base net cost to income ratio (excluding bad debts)	25.5%	24.2%	
Arrears as % of collectibles	3.0%	2.8%	

LFL NOI growth

(1.2%)

- Strong letting activity across all sectors
- Negative reversions persist in office sector

Lower interest

16.5%

- Due to disposals
- Offset by increased capex and development spend of c.R300m spent over the past year

SA office portfolio

Continued market oversupply resulting in negative reversions

Rm	6 months ended 30-Sep-24	6 months ended 30-Sep-23	% change
Gross income	251	269	(6.7%)
Net expense	(75)	(82)	8.5%
Base net property income	**176**	**187**	**(5.9%)**
Acquisitions and disposals	4	15	(73.3%)
Net property income (excluding straight lining)	**180**	**202**	**(10.9%)**
Property base net cost to income ratio (excluding bad debts)	31.4%	31.8%	
Arrears as % of collectibles	3.0%	2.8%	

Key portfolio metrics

	Sep 2024	Mar 2024
No. of properties	24	27
Property asset value	R4.7bn	R5.0bn
GLA (m^2)	221 252	235 277
Vacancy (by GLA)	7.2%	8.4%
WALE (years)	3.4	3.3
In-force escalation	6.7%	7.0%

- The sector reported a decrease of 5.9% in LFL NOI for the period, primarily due to ongoing negative rent reversions due to the lack of short-term market rental growth
- Net expenses remain well controlled, with the sector's cost-to-income ratio remaining in line with the prior period at 31.4% (Sep-23: 31.8%)
- Arrears as a percentage of collectibles amounted to 3.0% (Mar-24: 3.2%)
- Office vacancies were well-managed at 7.2% by GLA (Mar-24: 8.4%; Sep-23: 5.7%). The Group's vacancy rates are one of the lowest across the sector
- Letting statistics remain strong as a result of strong management skills and execution of our strategy which has been centred on enhancing the client experience

3 SDV- Sandton, Johannesburg

SA industrial portfolio

Stable portfolio delivering strong returns

Rm	6 months ended 30-Sep-24	6 months ended 30-Sep-23	% change
Gross income	162	158	2.5%
Net expense	(30)	(28)	7.1%
Base net property income	**132**	**130**	**1.5%**
Acquisitions and disposals	6	29	(79.3%)
Net property income (excluding straight lining)	**138**	**159**	**(13.2%)**
Property base net cost to income ratio (excluding bad debts)	18.6%	18.0%	
Arrears as % of collectibles	3.2%	2.0%	

- The industrial property sector has experienced a strong comeback as evidenced by good demand for the Group's industrial assets resulting in strong letting activity and the emergence of market rental growth in the sector
- Vacancies by GLA remained in line with the FY24 year-end at 3.1% (Mar-24: 3.0%; Sep-23: 2.2%)
- Negative reversions of 11.6% (Sep-23: negative 3.7%) impacted results, however portfolio WALE was notably improved from 2.8 years in Mar-24 to 4.7 years
- The industrial sector therefore delivered base LFL NOI growth for the period at 1.5%
- The cost-to-income ratio of the sector amounted to 18.6% (Sep-23: 18.0%)
- Arrears as a percentage of collectibles increased to 3.2% (Mar-24: 0.8%) due to two tenants

Key portfolio metrics

	Sep 2024	Mar 2024
No. of properties	22	28
Property asset value	R3.0bn	R3.3bn
GLA (m^2)	389 785	446 979
Vacancy (by GLA)	3.1%	3.0%
WALE (years)	4.7	2.8
In-force escalation	6.2%	7.0%

Benoni Multipark – Benoni, Ekurhuleni

SA retail portfolio

Continued improvement in trading metrics and growth momentum maintained

Rm	6 months ended 30-Sep-24	6 months ended 30-Sep-23	% change
Gross income	220	212	3.8%
Net expense	(53)	(48)	(10.4%)
Base net property income	**167**	**164**	**1.8%**
Developments	25	26	(3.8%)
Acquisitions and disposals	23	31	(25.8%)
Net property income (excluding straight lining)	**215**	**221**	**(2.7%)**
Property base net cost to income ratio (excluding bad debts)	24.0%	20.4%	
Arrears as % of collectibles	2.7%	3.4%	

- The segment remains an attractive asset class within the Group's portfolio with LFL NOI growing 1.8% during the period, driven by contractual escalations, and positive reversions
- Despite the headwinds faced by high inflation and elevated interest rates, a consistent improvement in trading metrics illustrates the defensive nature of the sector and consumer resilience
- The cost-to-income ratio for the sector increased to 24.0% (Sep-23: 20.4%) as a result of higher net council utilities on various buildings
- Arrears as a percentage of collectibles amounted to 2.7% (Mar-24: 3.1%)
- Vacancy increased to 4.6% (Mar-24: 3.7%), largely due to vacancies at Bryanston Boulevard which materialised in Q1 of FY25
- Results were impacted by the vacancy at Zewenwacht as a result of the replacement of the second anchor

Key portfolio metrics

	Sep 2024	Mar 2024
No. of properties	16	18
Property asset value	R6.1bn	R5.9bn
GLA (m^2)	285 546	289 075
Vacancy	4.6%	3.7%
WALE (years)	2.9	2.8
In-force escalation	6.2%	6.2%


Zevenwacht Mall, Western Cape

SA letting activity

Strong letting performance across all sectors with 99.7% of expiring space (and early letting) re-let at -8.4% negative reversion

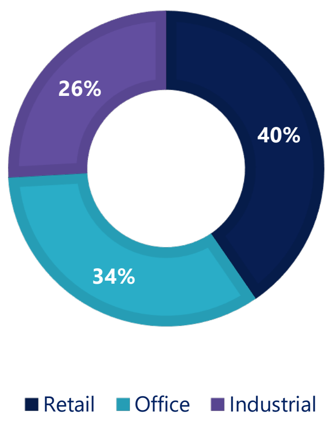
As at 30 September 2024	Expiries and cancellations	Renewals and new lets	Weighted average gross expiry rental	Weighted average gross new rental	Rental reversion	Average escalation	Incentive	Retention	WALE
	GLA (m²)	GLA (m²)	R/m²	R/m²	%	%	% lease value	%	years
Office	15 394	14 711	258	186	(27.8%)[1]	7.4%	7.6%[4]	60.2%	4.0
Industrial [3]	128 036	123 958	104	94	(10.2%)[2]	7.4%	1.4%	77.3%	4.0
Retail	32 155	36 235	226	244	7.8%	6.3%	1.2%	97.3%	4.3
Subtotal	175 585	174 904	142.3	132.4	(6.9%)	7.1%	1.9%	83.3%	4.0
Early letting	47 728	47 728 [3]	122.3	107.5	(12.1%)	7.0%	1.3%	100.0%	4.9
Subtotal	223 313	222 632	143.2	131.2	(8.4%)	7.1%	1.8%	86.2%	4.2
Opening vacancy	43 694	7 570							
Total letting	267 007	230 203							

Notes:

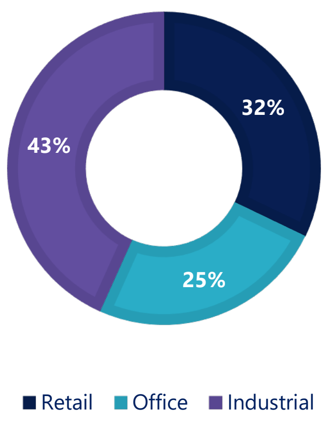
1. Largest reversions arising from new letting in Rosebank, at the end of a 10 year developmental lease. Long-dated leases (i.e. leases of 5 years or longer) have reversions of approximately negative 31%; whilst short-dated leases (i.e. leases of less than 5 years) have reversions of approximately negative 8%.
2. Long-dated leases (i.e. leases of 5 years or longer) have reversions of approximately negative 16%; whilst short-dated leases (i.e. leases of less than 5 years) have reversions of approximately negative 2%.
3. Early letting driven by industrial sector GLA of 37 043m².
4. Incentives have largely comprised tenant installations.

SA portfolio composition

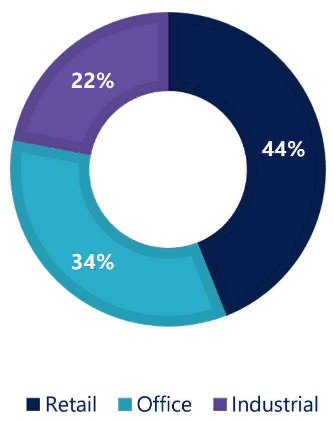
Sectoral spread by NOI



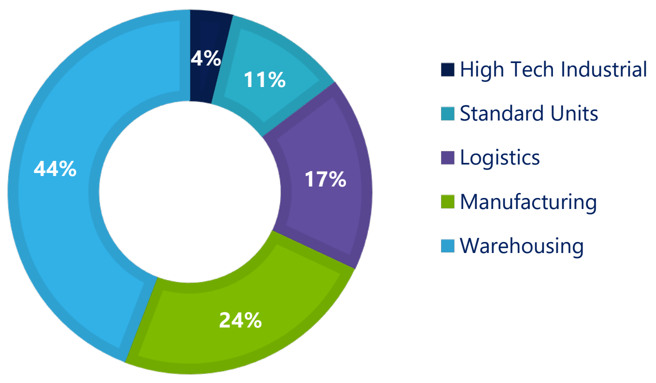
Sectoral spread by GLA



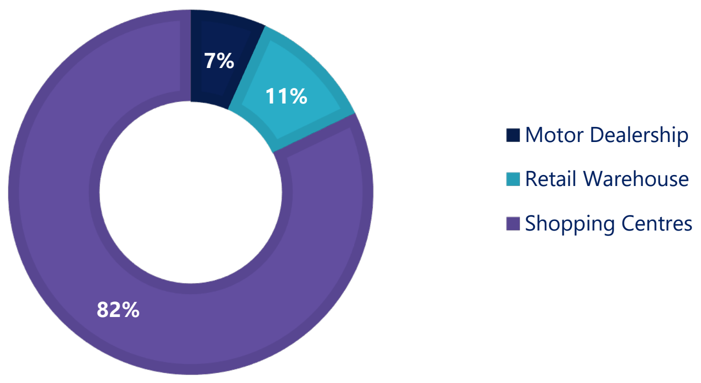
Sectoral spread by asset value



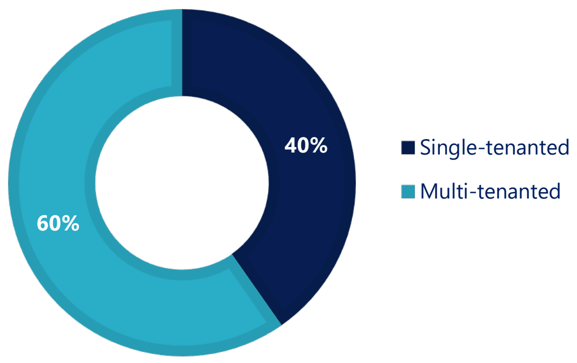
Industrial



Retail

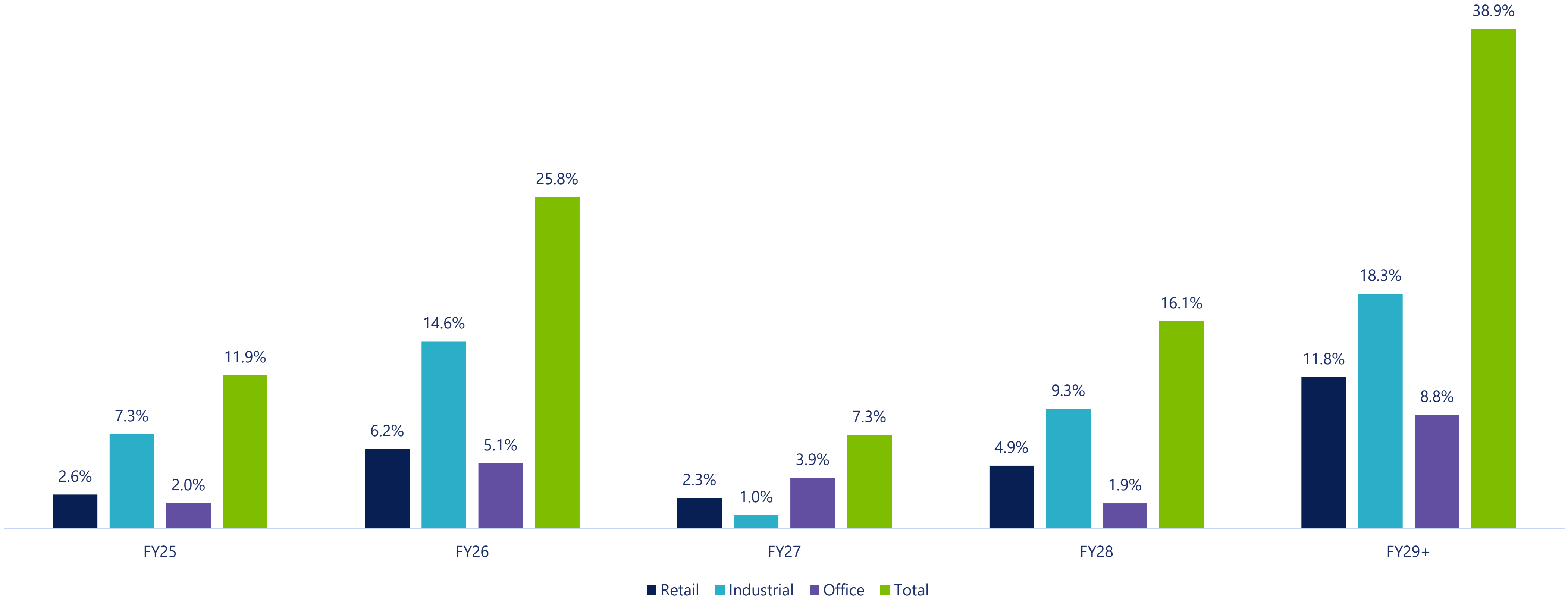


Office



SA lease expiry profile

The Group maintains a well-staggered lease expiry profile with 88.1% of leases expiring in FY26 and beyond



SA top 10 clients

Based on gross revenue and as % of total SA portfolio

Retail %		Office %		Industrial %	
Shoprite Checkers	5.6%	Woolworths	3.2%	RTT Group (Pty) Ltd	2.1%
Foschini Retail Group	2.9%	Clidet No 887 (Pty) Ltd	2.6%	Reload Aquarius Shipping International	1.9%
Mr Price Group	2.7%	Clover SA	1.5%	Sumitomo Rubber South Africa	1.4%
Pepkor Trading	1.9%	Samsung Electronics SA	1.4%	Motus Aftermarket Parts	1.3%
Pick 'N Pay Retailers	1.7%	The Maisels Group	1.3%	SMD Technologies	1.3%
Masstores	1.7%	Webhelp SA Outsourcing	1.0%	Anchor Park Investments 48	1.2%
Woolworths	1.3%	OFP Finance Africa	1.0%	Kees Beyers Chocolate	1.2%
Clicks Retailers	1.1%	Iress MD RSA	0.8%	Adcock Ingram Healthcare	1.2%
Builders, A Division Of Massmart Retail	1.0%	Investec Bank Limited	0.8%	Waco Africa	1.1%
McCarthy	0.9%	Joe Public	0.7%	AGCO	1.0%

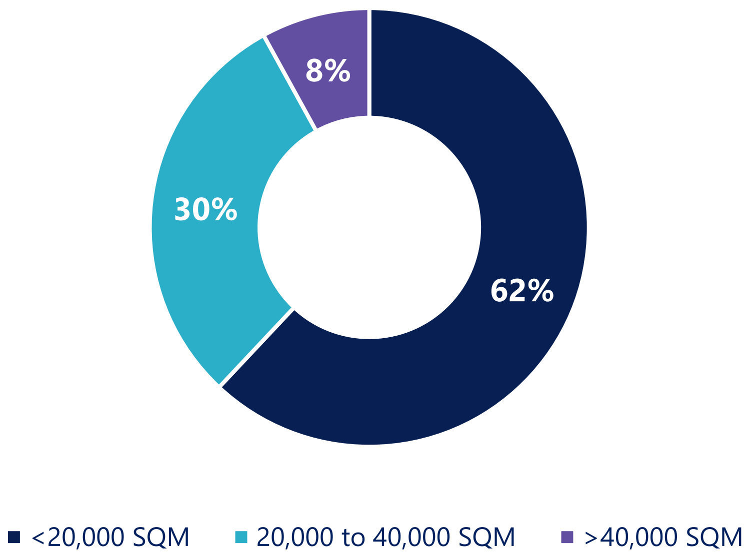
Performance – PEL

Burstone
REAL ESTATE PARTNERS

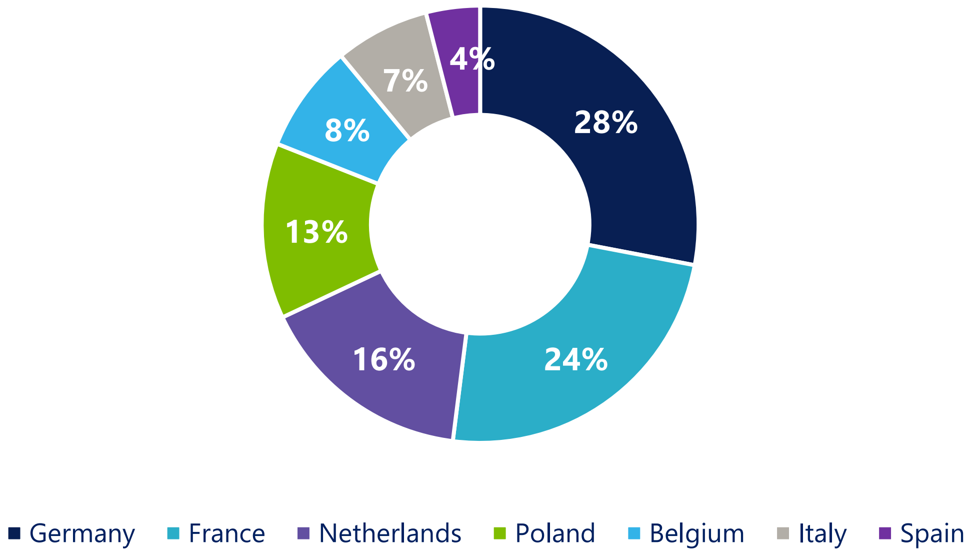
PEL portfolio

Portfolio	30-Sep-24	31-Mar-24	30-Sep-23
Number of properties	**32**	32	32
Asset value (€'bn)	**1.1**	1.1	1.1
LFL base NOI growth	**1.1%**	6.2%	7.9%
Cost to income (excl. bad debts)	**8.5%**	8.5%	8.7%
Arrears as a percentage of collectibles	**2.2%**	1.4%	2.0%
GLA (m^2)	**1,124,555**	1,124,555	1,124,649
Vacancy (by GLA)	**3.1%**	2.2%	0.9%
Average vacancy (by GLA)	**2.9%**	1.3%	1.1%
WALE (years)	**4.9**	5.3	5.2
Average positive reversions on renewals and new leases	**10.2%**	5.2%	5.7%
Indexation	**3.4%**	7.8%	7.6%

Asset Sizing by GLA (SQM)



Country Exposure by Contracted Rent € p.a.



PEL summarised balance sheet

€m	30-Sep-24	31-Mar-24	% change
Investment property	1 055	1 055	0.0%
Derivative financial instruments	9	17	(47.1%)
Trade and other receivables	42	36	16.7%
Cash	19	20	(5.0%)
Total assets	**1 125**	**1 128**	**(0.3%)**
Shareholder interest	399	417	(4.3%)
Total equity	399	417	(4.3%)
Long term borrowings	578	563	2.7%
Other liabilities	148	148	-
Total liabilities	726	711	2.1%
Total equity and liabilities	**1 125**	**1 128**	**(0.3%)**

Investment property

Valuation remained stable

Interest rate cap MTM

Hedge valuation decreased due to lower interest rate expectations affecting EURIBOR curve and the unwind of the cap over time

(47.1%)

PEL LTV

54%

PEL portfolio letting

Strong start to leasing with 96% of space expiring re-let at positive 5.2% reversion

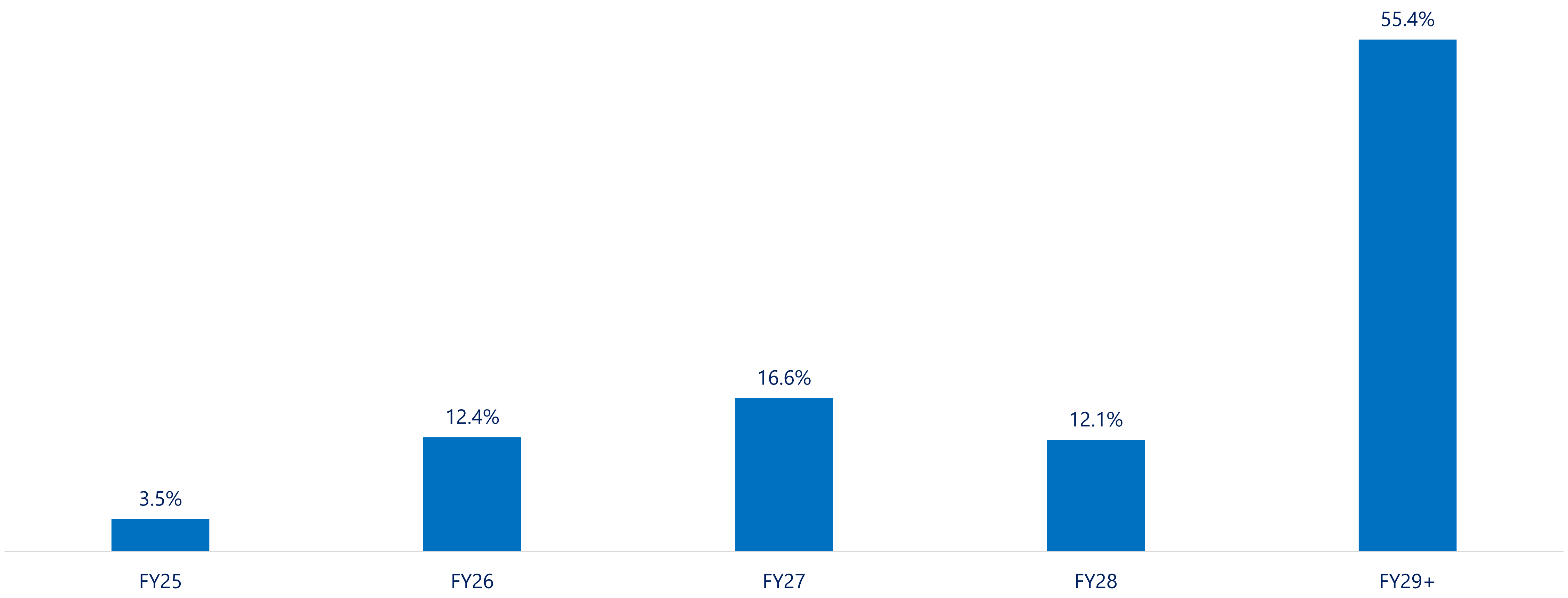
As at 30 September 2024	Expiries and cancellations GLA (m²)	Renewals and new lets GLA (m²)	Weighted average gross expiry rental €/m²	Weighted average gross new rental €/m²	Rental reversion (renewals) %	Incentive % lease value	Retention %	WALE Years
Germany	2 498	2 498	67.7	67.7	0%	0.0%	100.0%	1.0
France	41 633	41 633[1]	48.4	54.1	11.8%[1]	8.3%[2]	49.7%[2]	3.3
Poland	4 846	2 423	55.2	61.2	10.9%	11.1%[3]	50.0%	5.1
Subtotal	48 977	46 554	50.9	56.1	10.2%[1]	8.5%	52.3%	3.2
Opening vacancy	34 804							
Total letting	**83 781**							

Notes:

1. Excluding a 21.5% uplift achieved on newly let space (20,936m²).
2. The remaining 51.3% that was expiring was let to a new tenant at a 21.5% uplift in rent. Incentives equated to 8.3% of the total value of the lease.
3. The tenant incentive for leases (renewals and new-lets) in Poland are generally higher compared to other markets.

PEL lease expiry profile (by SQM)

Extended lease expiry profile with 44.6% of leases expiring between FY25 to FY28



Note:
WAULTe (Weighted Average Unexpired Lease term to Expiry) equates to 4.90 years (WAULTb (Weighted Average Unexpired Lease term to Break) equals 3.77 years).
24.2% of the portfolio income based in France, where leases are typically governed by 3/6/9-year lease structure.

PEL top 10 clients

Based on contracted rent and showing as % of total portfolio income

Client name	%
Rhenus	10.1%
LT Foods Europe	4.6%
Geodis Logistics	4.5%
CHI Deutschland Cargo Handling GmbH	4.3%
Empik	3.6%
Tiesse S.p.a.	3.3%
Neele-Vat Air B.V.	3.1%
H.Essers Logistics Company N.V.	3.0%
AF Logistik & Speditions GmbH	2.8%
Procter & Gamble	2.7%

Balance sheet and treasury

Balance sheet metrics

	Post the Blackstone Transaction				As at 31 March 2024			
	Group			PEL	Group			PEL
	ZAR debt	EUR debt	Total Group	Europe	ZAR debt	EUR debt	Total Group	Europe
Quantum	R4.9bn	R1.5bn	R6.4bn	€611m	R9.9bn	R2.0bn	R11.9bn	€566m
Debt maturity (years)	3.6	3.3	3.5	5.0	2.8	2.4	2.2	1.3
Swap maturity (years)	3.0	1.0	2.3	5.0[4]	2.0	1.8	2.0	2.5
Hedge percentage	88%	100%	96%	100%	95%	100%	98%	93%
Gearing %	-	-	c.33.5%	56%	-	-	44%	53%
Look-through gearing			c.41%				58%	
Average all-in cost of funding	8.9%	3.6%	5.7%	5.4%	9.2%	3.2%	5.3%	3.9%
Average debt margin (local currency)	1.5%	1.9%	1.6%	2.4%	1.7%	2.1%	1.7%	2.2%
Average swap rate	7.3%	1.9%	6.4%	3.0%[4]	7.3%	1.9%	4.6%	1.4%
Encumbrance ratio[1]	-	-	52%	100.0%	-	-	48%	100.0%
% debt secured[2]	-	-	48%	100.0%	-	-	55%	100.0%
% Foreign debt and CCS of EUR investment[3]	-	-	100%	-	-	-	75%	-

Notes:
1. Secured assets as a percentage of total investments.
2. Secured debt as a percentage of total debt facilities.
3. Cross currency swaps are considered synthetic EUR funding.
4. On assumption that Blackstone put in place a 5-year interest rate cap.

Glossary

Glossary

Term	Definition
Board	Board of directors of Burstone Group Limited
Burstone or The Group	Burstone Group Limited including its subsidiaries, investments in joint-ventures and any other investments
CCIRS	Cross currency interest rate swaps
CGT	Capital gains tax
Cps	Cents per share
DIPS	Distributable income per share
DPS	Dividend per share
ESG	Environmental, social and governance
EV	Enterprise value
FEC	Foreign exchange contract
Gross income	Revenue from all investments aggregated on a proportionally consolidated basis
IAP	Investec Australia Property Fund
Investment yield	Income (earnings) and capital return over balance sheet equity value
IRS	Interest rate swap
ITAP	Irongate Templewater Australia Property
IWI	Investec Wealth and Investments
Izandla or Izandla Property Fund	Izandla Property Fund Proprietary Limited
Like-for-like or LFL	Comparable measure of growth
LTV	Loan to value, calculated as net debt / total investments net of minority interests
MTM	Mark to market
NAV	Net asset value
NOI	Net property income
PEL	Pan-European logistics
PELI	Pan-European light industrial
REIT	Real estate investment trust
SA	South Africa / South African
UK	United Kingdom
WALE	Weighted average lease expiry
WHT	Withholding tax
yoy	Year on year

Disclaimer