

Transform potential



# An introduction to Burstone

FEBRUARY 2024

# Burstone at a glance

**We are a fully integrated international real estate business**

With a strong track record of delivering attractive and sustainable risk adjusted total returns for our investors and partners

**30 years +**  
track record

**R37bn**  
**(€1.8bn)**  
on-balance sheet  
assets

**R5.4bn**  
**(€270m)**  
third-party capital  
under management

**50+**  
real estate  
professionals

**9**  
countries

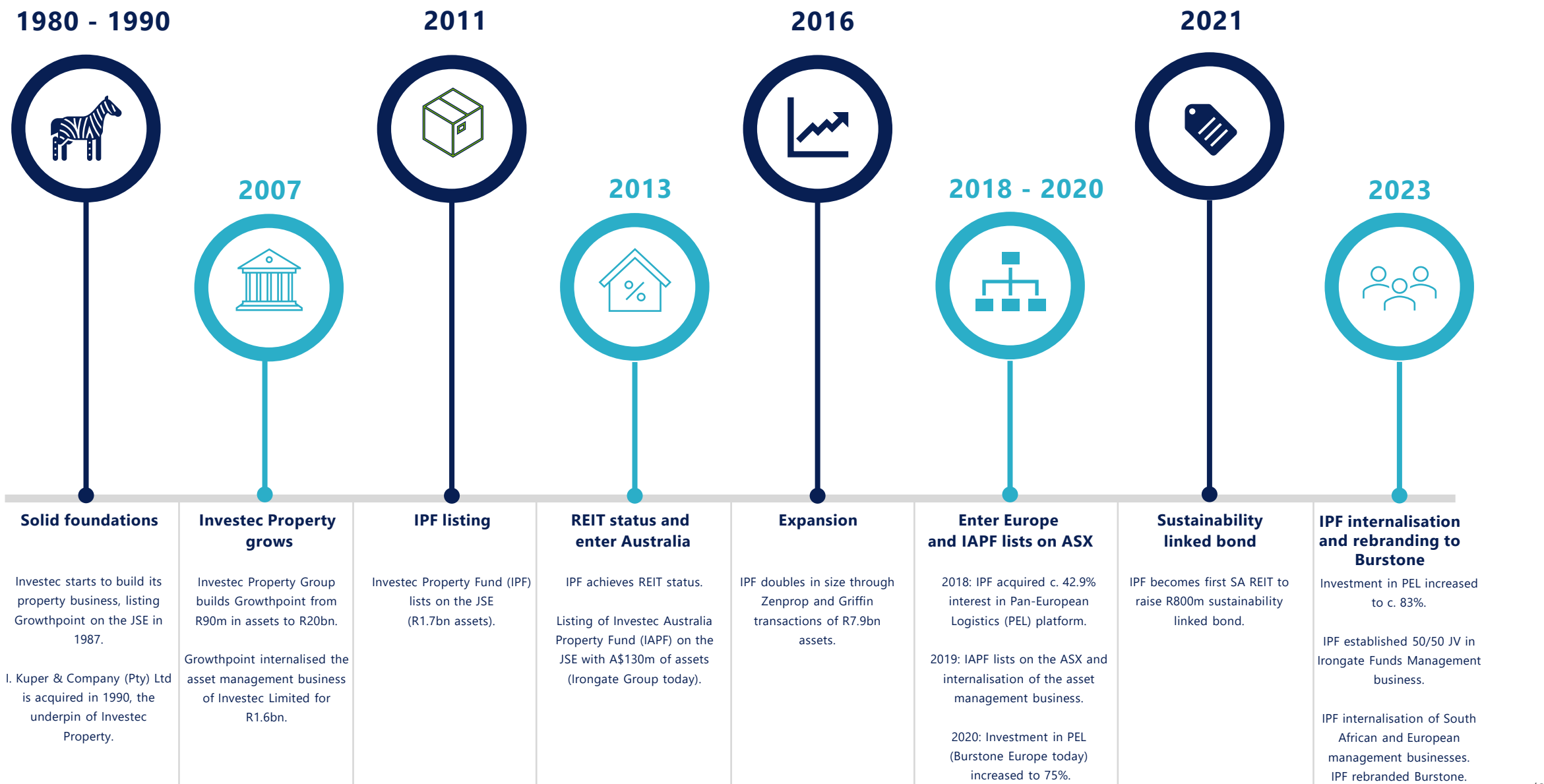
**Investing in best of breed assets in select markets**

**Fund and Investment  
Management**

**Asset Management**

**Development Management**

# Burstone – a journey of growth



# Global reach with local presence

€1.1bn GAV

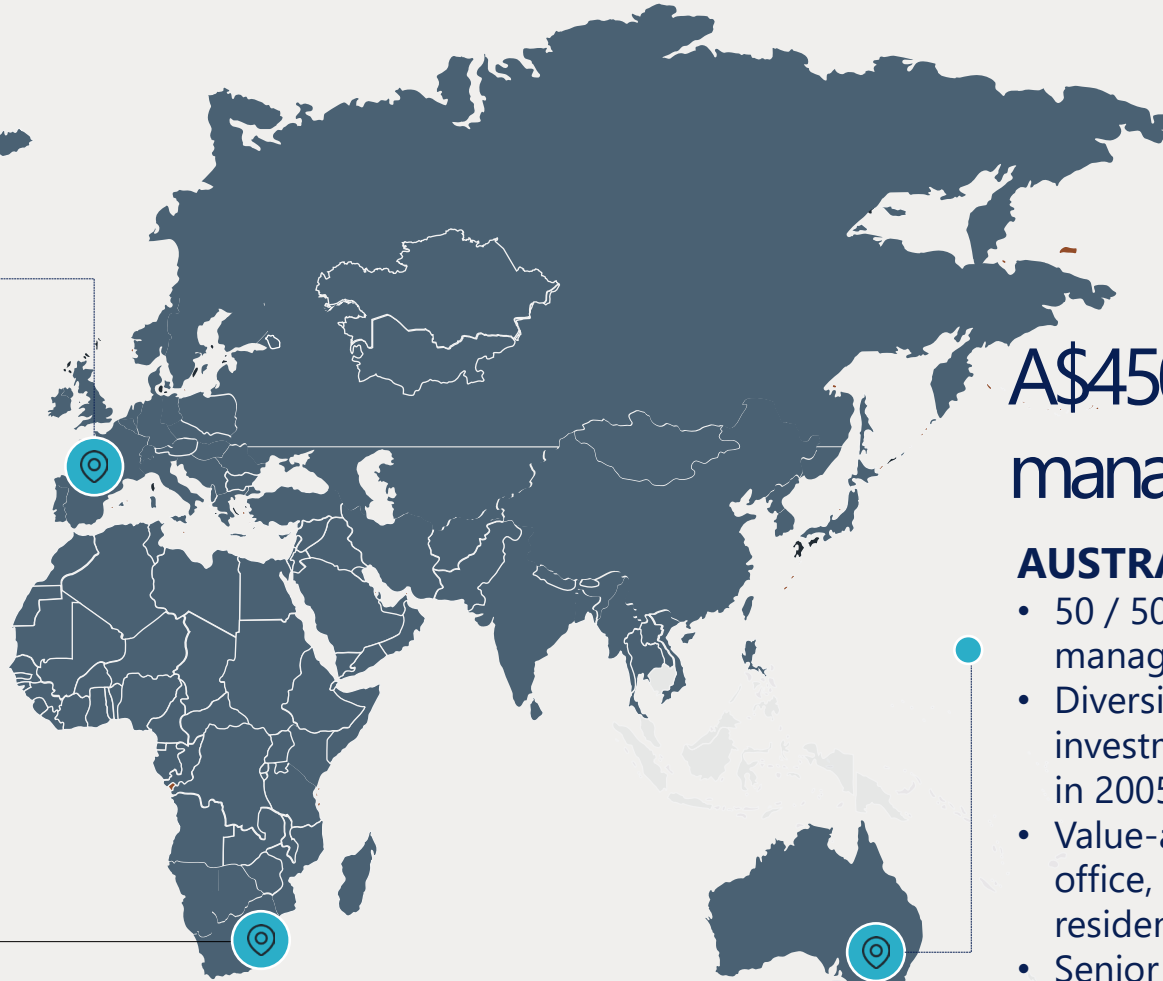
## EUROPE

- Logistics and industrial portfolio across 7 countries
- Platform established in 2017
- Proven track record of buying, working and profitably selling logistics real estate

R14.5bn GAV

## SOUTH AFRICA

- Diversified real estate manager and investor since 1999
- September 2023 - renamed Burstone (previously Investec Property Fund)
- South African portfolio invested across retail, office and industrial



A\$450m equity under management

## AUSTRALIA

- 50 / 50 JV in Irongate funds management platform
- Diversified real estate investment manager founded in 2005
- Value-add investments across office, retail, industrial and residential
- Senior executives with business since inception, with offices in Sydney and Melbourne
- Previously listed on the JSE and ASX

# We transform potential into value

**A R120bn (€6bn) 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**

# Accomplished and dynamic global leadership...

## Selected non-executive leadership



### Moses Ngoasheng

*Burstone Chairman*

- Economic advisor to former President Mbeki
- Deputy chairman and CEO of Safika Holdings
- Serves on the boards of Sephaku Holdings Ltd, The Nelson Mandela Children's Hospital and other unlisted subsidiaries and associates of Safika Holdings



### Samuel Leon

*Burstone Founder and advisor to the Group*

- Over 45 years of experience across all sectors of the property industry
- Instrumental in building and growing Growthpoint into South Africa's largest listed property REIT (and was a director up to the point Investec sold its interests in 2007).
- Retired from the Burstone board November 2023



### Stephen Koseff

*Investment Committee Chairman (Irongate)*

- Former chief executive officer of Investec Group
- Board member of Investec Ltd, Investec plc and various other Investec subsidiaries
- Former non-executive director of the South African Banking Association

## Executive leadership (Global)



### Andrew Wooler

*Chief Executive Officer*

- Over 20 years' corporate and real estate experience
- Burstone executive management since August 2012 and CEO since 2018 (previously CFO)
- Responsible for leading the growth across South Africa, Europe and Australia
- BBusSci (Finance Hons), FCA



### Jenna Sprenger

*Chief Financial Officer*

- Over 15 years' experience
- Joined Burstone in August 2014 becoming CFO in 2023
- Responsible for all aspects of financial reporting and balance sheet management
- CA(SA) (BACC Rhodes; Post Graduate Diploma in Accounting)

## Executive leadership (Regional)



### Paul Rodger

*Managing Director, Burstone UK*

- Over 20 years' real estate experience
- Presided over €5bn of property acquisitions and disposals across 7 European countries
- Previously European Property Director for Hansteen Holdings Plc
- Established UREP in 2017



### Graeme Katz

*Managing Director, Irongate*

- Over 25 years' real estate experience
- Instrumental in launching and running the Investec Australia Property Fund, which would later become Irongate
- Led the A\$1.7bn exit of Irongate to Charter Hall in 2022



### Graham Hutchinson

*Managing Director, Burstone South Africa*

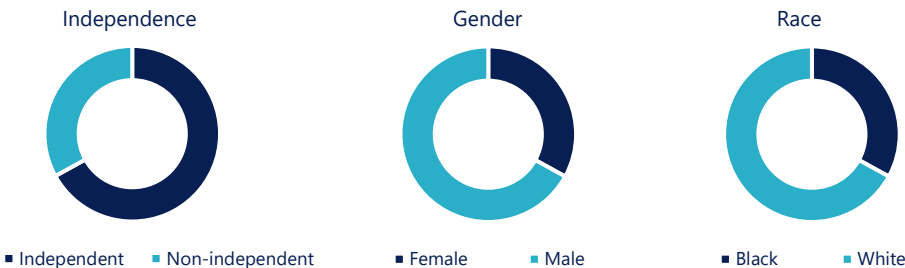
- Over 14 years' real estate experience
- Responsible for defining and driving asset management strategies across the South African market
- Concluded over R25bn in asset acquisitions, letting and disposals, across logistics, light industrial, retail and commercial



# ...Supported by a strong governance structure

## The Board

Two executive directors and seven non-executive directors (majority independent) representing a diverse and complementary blend of knowledge, skill and experience



### Board sub-committees

Various sub-committees of the Board constituted to comply with legal obligations and global governance best-practice

Audit and Risk Committee

Social and Ethics Committee

Investment Committee

Remuneration and Nominations Committee

### Executive committees

Global and regional strategy

Treasury

Brand and marketing


Capital allocation

People and culture

Investments / divestments



# A demonstrable track record of delivering attractive and sustainable risk adjusted returns for our investors and partners



Maasvlakte, Netherlands

2017

Team responsible for the managed exit of Hansteen PLC's €1.3bn LSE listed European logistics, light industrial and warehousing portfolio

2021

Exited €230m light industrial portfolio

**59%**  
Realised IRR

**2.1x**  
Equity return to investors



Church Street, Cremorne, Victoria

2022

Exited A\$1.7bn diversified portfolio to PGGM / Charter Hall delivering a 60% return to ASX shareholders | 287% return to JSE shareholders

**#1 JSE**  
Total shareholder return since IPO among index constituents

**#3 ASX**  
Total shareholder return since IPO among index constituents

**17%**  
Annualised total return since IPO

**16%**  
Annualised out-performance vs. property indices since IPO



Jellicoe Ave, Rosebank, Gauteng

A trusted partner to South African institutional capital since listing in 2011

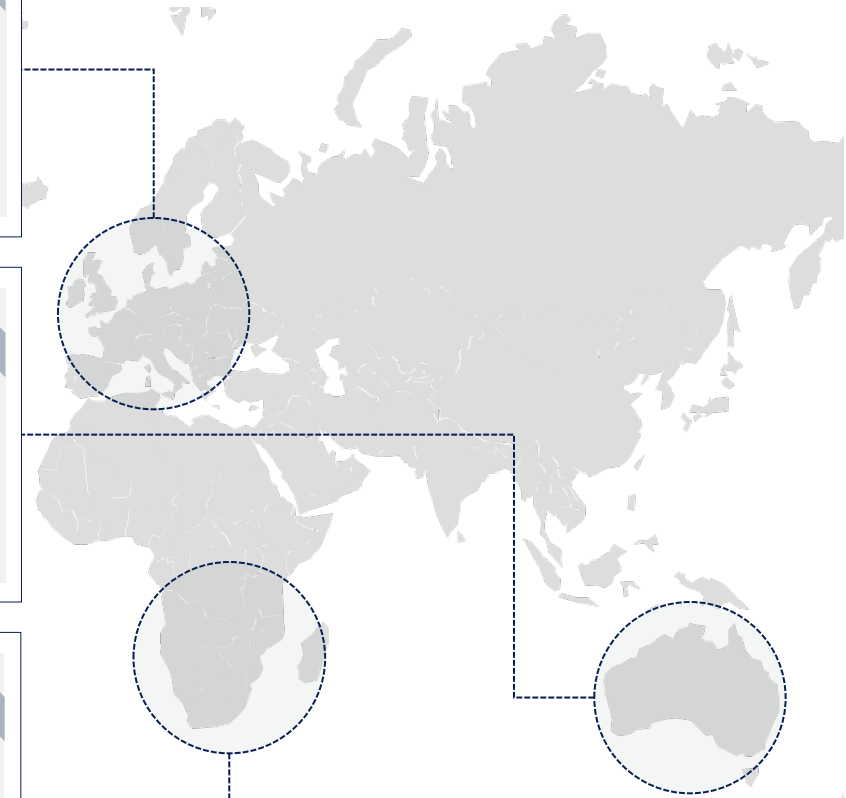
**R35bn**  
of AUM grown from R1.7bn on listing

**Top quartile**  
Investor total return since IPO

Ongoing

R1.2bn assets sales programme

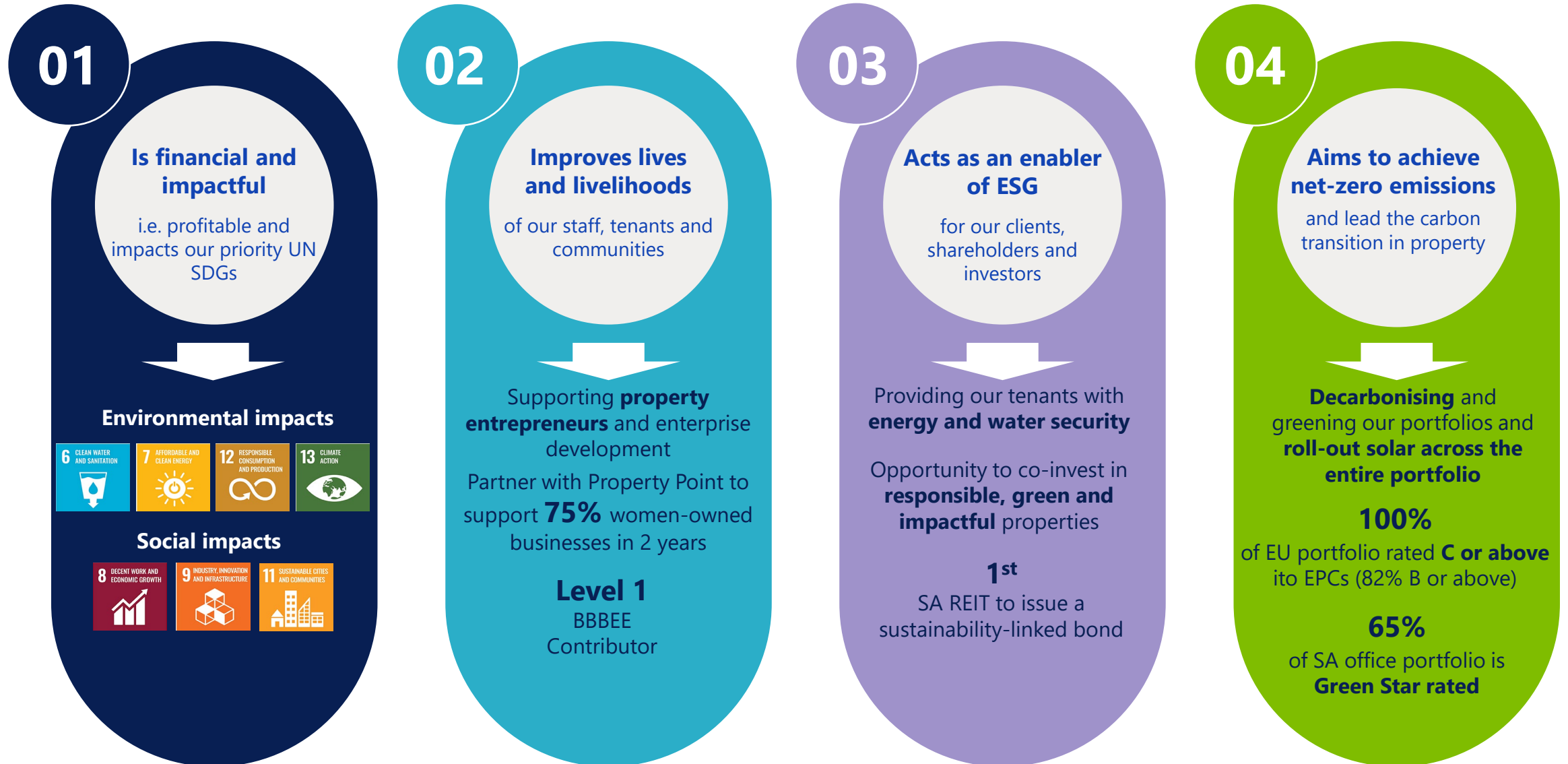
**28%**  
Realised annualised total return





# An ethos of sustainability

We aim to **create broader long-term stakeholder value** that:



# Our approach to sustainability

## Positioning and strategy

### Sustainability positioning

We aim to **create stakeholder value** that:

- 1 **Positively impacts our planet**
- 2 **Acts as an enabler of ESG within our clients' businesses**
- 3 **Improves the lives of our staff, tenants and the communities in which we operate.**

Our **commitment is to:**

- Create broader stakeholder value – financial and non-financial
- Embed ESG considerations into our investment process
- Manage and mitigate ESG risks including climate risks
- Achieve net-zero emissions by 2050, or earlier
- Contribute to sustainability opportunities aligned to the UN SDGs

### Sustainability strategy

#### Direct

Use our direct impact and control to:

- Manage our carbon footprint and decarbonize the portfolio
- Eliminate greenhouse gas emissions in line with the Paris agreement
- Increase the use of renewable energy
- Reduce and manage water usage
- Reduce and manage waste across the portfolio
- Protect biodiversity and incorporate nature-related considerations
- Invest in / support the development of our communities
- Invest in meaningful learning opportunities for our employees

#### Indirect

Use our influence to:

- Provide healthy, safe and efficient green buildings
- Partner with clients/tenants and our supply chain to implement ESG strategies
- Provide reliable data to enable clients/property managers to promote efficiency
- Engage with communities to assist with energy, water and waste initiatives

### Alignment with the UN Sustainable Development Goals (SDGs)

Our primary SDGs are those most relevant to our business and include the unique contexts of the regions in which we invest



The greatest impact we can have is through the development of our people and the communities in which we operate; partnerships with clients; and environmental and climate actions

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



## Integration

- Management internalisation: full alignment of management team with shareholders
- Internal focus on: international integration, collaboration and brand roll-out
- Active investor and stakeholder engagement



## 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 in EU platform
- Consider broader cost and operational synergies



## Growth

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



## Maintain a robust balance sheet

- Clear path to reducing LTV
- Capital recycling to create capacity
- Actively manage refinance and interest rate risk
- Maintain an appropriate dividend policy that supports our long-term strategy



## Holistic sustainability

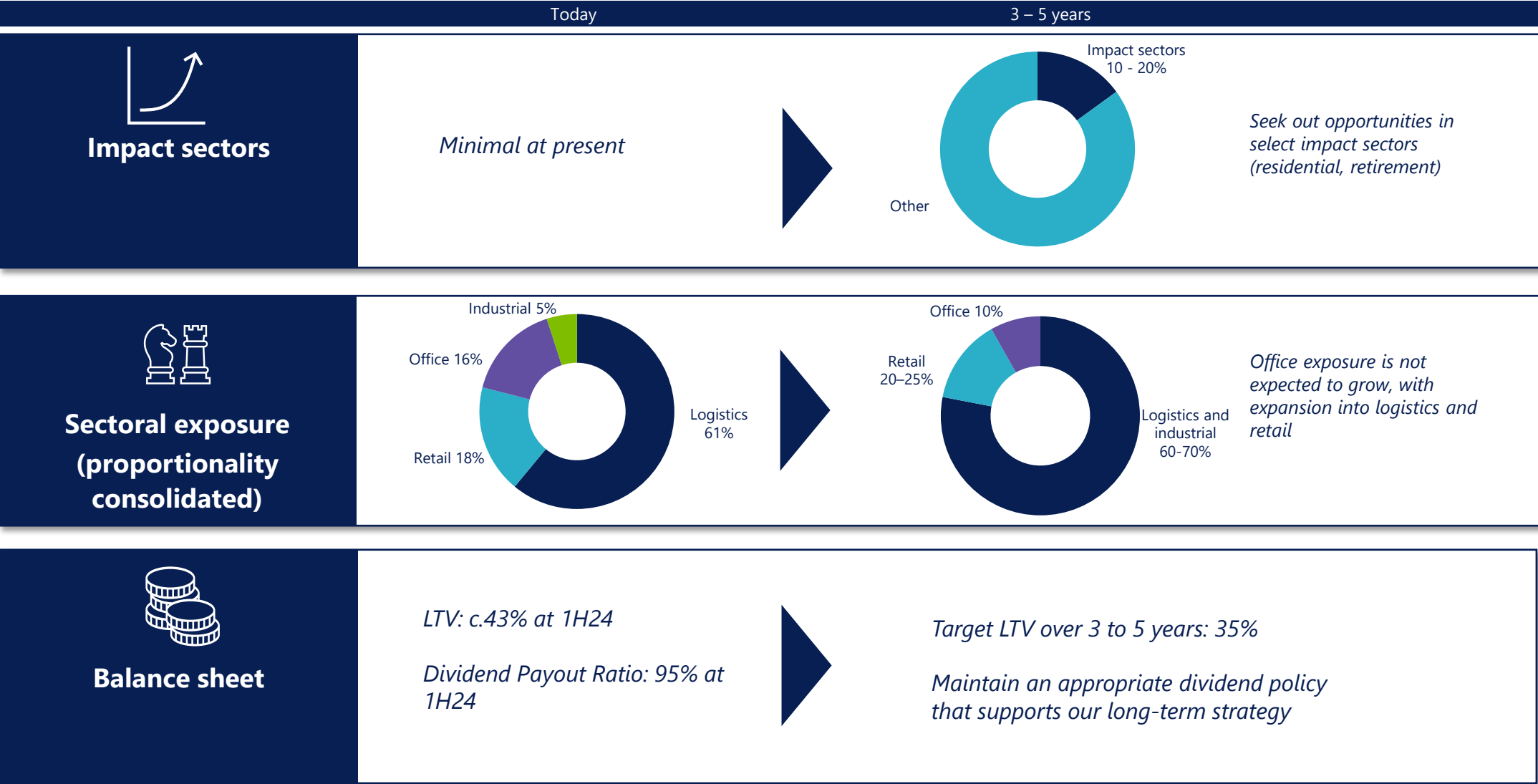
- Further embed ESG principles and processes across our business
- Focus on initiatives that can meaningfully impact our priority UN SDGs
- Further develop solar roll out strategy
- Aim to achieve net-zero emissions

Creating long-term sustainable value

# We are aiming to evolve our investment strategy over the next 3-5 years



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