

Oryx Properties Limited

(Incorporated in the Republic of Namibia)  
 (Registration number 2001/673) (Oryx or the Group)  
 (NSX Share code: ORY) (ISIN code: NA 0001574913)  
 www.oryxprop.com

REVIEWED CONSOLIDATED RESULTS AND DISTRIBUTION ANNOUNCEMENT  
 for the year ended 30 June 2022

- Distribution yield 9.9% (2021: 8.7%)
- Gearing 36.5% (2021: 38.2%)
- Vacancy factor (excluding residential) 5.4% (2021: 5.9%)
- Distribution (cents per linked unit) 101.75 (2021: 99.75)
- Tenant Retention 97% (2021: 91%)

Reviewed Condensed Consolidated Statement of Comprehensive Income (N\$'000)

	Notes	Year ended 30 June	
		Reviewed 2022	Audited 2021
Revenue	3.1	355,886	336,482
Rental - operating income		335,408	340,252
Rental - straight-line adjustment		20,478	(3,770)
Property expenses		(113,661)	(108,968)
Net rental income		242,225	227,514
Investment income		100	180
Dividends received		751	319
Share of profit from associate after tax	3.2	18,398	19,381
Amortisation of debenture premium		21,413	37,167
Changes in fair value of investment property		26,345	(90,275)
As per valuations	2.6	46,823	(94,045)
Straight-line adjustment		(20,478)	3,770
Changes in fair value of derivative instruments		29,045	10,027
Changes in fair value of listed investments		(21)	2,569
Exchange differences on foreign loan	3.2	1,208	39,806
Other expenses		(34,154)	(60,631)
Operating profit before finance costs and debenture interest		305,310	186,057
Less: Finance costs		(85,421)	(81,304)
Operating profit before debenture interest		219,889	104,753
Less: Debenture interest	3.1	(88,721)	(87,160)
Profit before taxation		131,168	17,593
Taxation		(26,116)	(7,586)
Profit for the year		105,052	10,007
Other comprehensive income / (loss) - items that may be reclassified subsequently to profit or loss	3.2	804	(42,112)
Total comprehensive profit /(loss) for the year		105,856	(32,105)
Basic and diluted earnings per share (cents)	2.2	120.52	11.46
Basic and diluted earnings per linked unit (cents)	2.2	222.31	111.28

Reviewed Condensed Consolidated Statement of Financial Position (N\$'000)

		As at 30 June	
	Notes	Reviewed 2022	Audited 2021
<b>ASSETS</b>			
Non-current assets			
Investment properties		2,763,340	2,775,091
At valuation	2.6	2,839,545	2,830,818
Straight-line adjustment		(76,205)	(55,727)
Furniture and equipment		888	707
Investment in associate	3.2	290,111	288,029
Deferred expenditure		6,641	5,805
Rental receivable - straight-line adjustment		71,724	52,129
Derivative asset	2.8	15,104	1,438
		3,147,808	3,123,199
Current assets			
Receivables		28,117	24,004
Trade and other receivables		23,636	20,406
Rental receivable - straight-line adjustment		4,481	3,598
Dividend receivable		3,955	-
Deferred expenditure		2,868	3,335
Tax receivable		2,461	2,393
Investment in listed shares		-	14,174
Derivative asset	2.8	2,862	1,740
Cash and cash equivalents		18,127	7,569
		58,390	53,215
Non-current assets held for sale			
Investment property held for sale	2.6	70,000	-
		70,000	-
<b>TOTAL ASSETS</b>		<b>3,276,198</b>	<b>3,176,414</b>
<b>EQUITY AND LIABILITIES</b>			
Capital and reserves		1,281,698	1,175,845
Non-current liabilities			
Debentures		391,061	392,008
Debenture premium		252,560	274,636
Interest-bearing borrowings	2.7	947,352	1,122,615
Derivative liability	2.8	-	6,686
Deferred taxation		57,817	33,025
		1,648,790	1,828,970
Current liabilities			
Trade and other payables		42,691	32,831
Derivative liability	2.8	1,896	9,465
Deferred income		1,381	1,288
Interest-bearing borrowings	2.7	174,106	90,000
Linked unitholders for distribution	4	50,636	38,015
		270,710	171,599
Liabilities directly associated with non-current Assets classified as held for sale			
Non-current liabilities held for sale	2.7	75,000	-
		75,000	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,276,198</b>	<b>3,176,414</b>

Reviewed Condensed Consolidated Statement of Cash Flows (N\$'000)

	Notes	Year ended 30 June	
		Reviewed 2022	Audited 2021
Net cash from operating activities		31,515	(2,398)
Cash generated by operations		194,887	191,881
Investment income		100	180
Finance costs		(85,980)	(82,340)
Distribution paid to linked unitholders		(76,100)	(110,135)
Taxation paid		(1,392)	(1,984)
Net cash from investing activities		(3,679)	40,983
Additions		(32,468)	(10,887)
Dividends received from listed shares		751	319
Dividends received from associate	3.2	13,165	17,381
Proceeds from share buy-back from associate	3.2	-	34,170
Disposal of Investment in listed shares		14,873	-
Net cash from financing activities		(17,278)	(58,504)
Additional facilities drawn	3.3	12,761	104,644
Repayment of loans		(27,712)	(163,148)
Repurchase of linked units		(2,327)	-
Net movement in cash and cash equivalents		10,558	(19,919)
Cash and cash equivalents at beginning of the year		7,569	28,298
Foreign exchange differences on cash balances		-	(810)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		18,127	7,569

Summarised consolidated statement of changes in equity (N\$'000)

	Share capital	Distributable reserves	Non- distributable reserves	Total
Audited balance at 30 June 2020	874	55,250	1,151,826	1,207,950
Total comprehensive loss	-	(32,105)	-	(32,105)
Transfer loss to non-distributable reserves	-	50,877	(50,877)	-
Audited balance at 30 June 2021	874	74,022	1,100,949	1,175,845
Total comprehensive profit	-	105,856	-	105,856
Transfer loss to non-distributable reserves	-	(82,167)	82,167	-
Share buyback	(3)	-	-	(3)
Reviewed balance at 30 June 2022	871	97,711	1,183,116	1,281,698

Reviewed Results - Auditors' Review Opinion

The Group's independent auditors, Deloitte & Touche, has reviewed these condensed consolidated financial statements. The auditors' review report does not necessarily report on all of the information contained in these reviewed preliminary annual results. Unitholders are therefore advised that in order to obtain a full understanding of the nature of the auditors' engagement they should obtain a copy of the auditors' report together with the accompanying financial information from the issuer's registered office.

1. Other information

	Notes	2022	2021
Linked units in issue		87,378,835	87,378,835
Net asset value (NAV) on a non-IFRS basis (cents per linked unit (cpu))		2,203	2,109
Realisable NAV (before distributions)			

payable)		2,261	2,152
Listed market price (cpu)		1,026	1,146
Discount to NAV (%)		(53.44)	(45.65)
Commercial vacancy factor (based on lettable area)		5.4%	5.9%
Residential vacancy factor (average)		1.9%	11.2%
Capital commitments (incl. approved but not contracted)		N\$48m	N\$29m
Earnings per linked unit (cents)	2.2	222.31	111.28
Distribution per linked unit (cents) as declared	2.3	101.75	99.75

## 2. Notes to the financial results

### 2.1 Basis of preparation

The Group prepares its condensed consolidated financial statements in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) and the Companies Act of Namibia, 28 of 2004. The principal accounting policies and methods of computation are consistent in all material aspects with those applied as at 30 June 2021. The estimates and judgements made in applying the accounting policies are consistent with those applied and disclosed in the Annual Financial Statements for the year ended 30 June 2021. These reviewed condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 Interim Financial Reporting.

The condensed consolidated financial statements do not include the information required under paragraph 16A(i) of IAS 34, although it is pursuant to the NSX Listings Requirements. There were no revised or new standards adopted in the current year that affected the Group's reported earnings, financial position or reserves or had a material impact on the accounting policies. The directors take full responsibility and confirm that this information has been correctly extracted from the consolidated financial statements from which the summarised consolidated financial statements were derived.

Mrs Francis Heunis CA(NAM) supervised the preparation of the condensed consolidated financial results. The Group's Integrated Annual Report will be published on its website on or about 23 September 2022.

### 2.2 Earnings and headline earnings per share and linked unit

The weighted average number of issued linked units for the year ended 30 June 2022 is 87,163,072 (June 2021: 87,320,147) in issue at the end of the respective distribution period. This has been adjusted for the 282,761 (2021: 71,949) units held by the Oryx Long Term Share Incentive Trust for the period, and is calculated as follows:

	Reviewed 2022		Audited 2021	
	N\$'000	cpu	N\$'000	cpu
Profit for the year	105,052	120.52	10,007	11.46
Debenture interest	88,721	101.79	87,160	99.82
Earnings attributable to linked units	193,773	222.31	97,167	111.28
Adjustments for:				
Amortisation of debenture premium	(21,413)	(24.57)	(37,167)	(42.56)
Fair value gain associate investment property (net of deferred taxation)	(4,100)	(4.70)	3,529	4.04
Capital (gains)/deficits (net of deferred taxation)*	(40,290)	(46.22)	93,126	106.65

- Fair value adjustments on investment property	(46,823)	(53.72)	94,045	107.70
- Loss on sale of property	-	-	287	0.33
- Deferred tax on straight-line adjustments	6,533	7.50	(1,206)	(1.38)
- Rental straight-line adjustment	(20,478)	(23.49)	3,770	4.32
- Rental straight-line adjustment to revaluation	20,478	23.49	(3,770)	(4.32)
Headline earnings attributable to linked units	127,970	146.82	156,655	179.41
Debt interest	(88,721)	(101.75)	(87,160)	(99.75)
Headline earnings (note 2.3)	39,249	45.07	69,495	79.66

\* Headline earnings circular 01/2021 applied.

^ An amendment to the Debenture Trust Deed to extend the redeemable date from 2 December 2027 to 2 December 2052 resulted in a change in the calculation for amortisation of debenture premium in the current year, effective 22 November 2021.

### 2.3 Distribution attributable to linked unitholders

The distribution per linked unit is based on the actual number of units in issue at the end of the respective distribution period and is calculated as follows:

	Reviewed 2022		Audited 2021	
	N\$'000	cpu	N\$'000	cpu
Headline earnings (Note 2.2)	39,249		69,495	
Adjusted for:				
Debt interest	88,721		87,160	
Distributable earnings	127,970	146.45	156,655	179.28
Adjusted for:				
Dividends received from investment in associate	17,120	19.59	17,380	19.89
Fair value gain associate investment property (net of deferred taxation)	4,100	4.69	(3,529)	(4.04)
Share of profit from associate after Tax	(18,398)	(21.06)	(19,381)	(22.18)
Deferred tax	8,964	10.26	3,589	4.11
Capital surpluses not included in headline earnings	(20,937)	(23.96)	(49,192)	(56.29)
Adjusted distributable income	118,819	135.97	105,522	120.77
1st half distribution	(38,447)	(44.00)	(49,369)	(56.50)
2nd half distribution	4 (50,461)	(57.75)	(37,791)	(43.25)
Undistributed income for the year and distributable reserves (Note 4)	29,911	34.22	18,362	21.02

### 2.4 Primary business segments for the year ended 30 June 2022 (N\$'000) (Reviewed)

	Retail	Industrial	Office	Residential	Fund	Group
Rental - operating income	216,051	73,367	35,070	10,920	-	335,408
Rental - straight-line adjustment	18,061	3,084	(718)	51	-	20,478
Revenue	234,112	76,451	34,352	10,971	-	355,886

Profit for the year^	120,745	80,842	38,035	10,160	(144,730)	105,052
Properties as per valuations (excluding investment property held for sale)	1,833,295	630,610	244,640	131,000	-	2,839,545
Sectoral spread	65%	22%	8%	5%	-	100%
Total assets	1,861,623	636,764	312,482	132,468	332,861	3,276,198
Total liabilities	(47,091)	(14,628)	(5,550)	(6,325)	(1,920,906)	(1,994,500)

Comparative primary business segments for the year ended 30 June 2021 (Audited N\$'000)

	Retail	Industrial	Office	Residential	Fund	Group
Rental - operating income	228,434	68,686	33,197	9,935	-	340,252
Rental - straight-line adjustment	1,452	(5,761)	539	-	-	(3,770)
Revenue	229,886	62,925	33,736	9,935	-	336,482
Profit for the year^	26,351	45,023	21,644	(8,701)	(74,310)	10,007
Properties as per valuations	1,800,600	601,358	301,100	127,760	-	2,830,818
Sectoral spread	64%	21%	10%	5%	-	100%
Total assets	1,818,101	607,935	301,003	129,121	320,254	3,176,414
Total liabilities	(30,883)	(16,774)	(5,988)	(6,541)	(1,940,383)	(2 000,569)

^ The increase in the profit recognised from the prior year is mainly attributed to the N\$47 million positive fair value adjustment on investment property recognised in the current year, compared to a N\$94 million negative fair value adjustment recognised in the previous year.

## 2.5 Secondary business segments (N\$'000)

	Reviewed 2022			Audited 2021		
	Namibia	Non-Namibian	Group	Namibia	Non-Namibian	Group
Rental - operating income	325,150	10,258	335,408	329,677	10,575	340,252
Rental - straight-line adjustment	20,079	399	20,478	(1,805)	(1,965)	(3,770)
Revenue	345,229	10,657	355,886	327,872	8,610	336,482
Share of profit from associate after tax	-	18,398	18,398	-	19,381	19,381
Profit for the year	79,029	26,023	105,052	2,513	7,494	10,007
Properties as per valuations (excluding						

investment property held for sale)	2,779,045	60,500	2,839,545	2,770,818	60,000	2,830,818
Sectoral spread	98%	2%	100%	98%	2%	100%
Total assets	2,918,775	357,423	3,276,198	2,841,838	334,576	3,176,414
Total liabilities	(1,755,608)	(238,892)	(1,994,500)	(1,746,029)	(254,540)	(2,000,569)

## 2.6 Property portfolio

The portfolio, including investment property held for sale, was independently valued at N\$2.9 billion (2021: N\$2.8 billion) by Mills Fitchet Magnus Penny with a positive fair value adjustment of N\$47 million (2021: negative N\$94 million).

The positive fair value adjustment is mainly attributed to the industrial and office segments increasing by 2% and 4% respectively in value. The industrial portfolio value increase was underpinned by positive rental growth and lease terms where solid tenancies are in place. The offices portfolio value increase was mainly attributed to A-grade offerings, such as Maerua Mall, where rental levels increased with a low vacancy outlook expectancy. The Channel Life building was classified as investment property held for sale during the year, given its probability to sell the asset in the next 12 months.

Total capital expenditure amounted to N\$32 million (2021: N\$11 million). Capital expenditure incurred during the year included a N\$7 million solar project to Maerua Mall, Gustav Voigts Centre and Elisenheim, N\$5 million incurred on upgrading the Gustav Voigts Checkers offering and N\$2 million incurred as part of our Maerua Mall revitalisation project.

The property portfolio is classified as a level 3 asset. Level 3 fair value measurements are those derived from valuation techniques that include inputs for an asset or liability that are not based on observable market data. Discount rates, capitalisation rates, market rental growth rates and vacancy rates are key inputs into the models.

## 2.7 Interest-bearing borrowings

	Reviewed 2022		Audited 2021	
	Utilised facility	Weighted average interest rate	Utilised facility	Weighted average interest rate
Expiry				
Non-current liabilities				
2023	-	-	193,306	4.3
2024	319,980	7.3	283,746	6.1
2025	387,372	7.0	494,041	5.6
2026	240,000	6.9	151,522	5.5
Total	947,352	7.1	1,122,615	5.6
Current liabilities				
Maturing within one year (including non-current liabilities held for sale)	249,106	5.9	90,000	5.8
Total	249,106	5.9	90,000	5.8
GRAND TOTAL	1,196,458	6.8	1,212,615	5.6

Total available unutilised facilities, excluding the DMTNP of N\$416.7 million (June 2021: N\$416.7 million), unutilised foreign facilities and cash balances, amounted to N\$173 million (June 2021: N\$183 million) at year-end. The unutilised foreign facilities amounted to €5.3 million (June 2021: €4.8 million) at year-end.

## 2.8 Derivative (liability)/asset

	Total fair value N\$'000	Non-current fair value N\$'000	Current fair value N\$'000	Nominal value N\$'000	Average fixed interest rate*
2022 Reviewed	16,070	15,104	966	610,000	5.9%
Asset	17,966	15,104	2,862		
Liability	(1,896)	-	(1,896)		
2021 Audited	(12,973)	(5,248)	(7,725)	610,000	5.9%
Asset	3,178	1,438	1,740		
Liability	(16,151)	(6,686)	(9,465)		

\* Floating rate is the three-month Johannesburg Inter-bank Average Rate (JIBAR).

The interest rate swaps are classified as level 2 financial instruments which are derived from inputs other than quoted prices (unadjusted) in active markets for identical assets and liabilities, that are observable for the asset and liability, either directly or indirectly. The valuation technique used is the discounted cash flow model, with the discount rates being a key input.

## 3. Directors' commentary

### 3.1 Financial results and distribution

The Group's distribution per linked unit for the year ended 30 June 2022 amounts to 101.75cpu (June 2021: 99.75cpu), being interest of N\$89 million (June 2021: N\$87 million). The interest distribution for the 2022 financial year was based on 75% of total distributable income, whereas the 2021 interim and final interest distributions were based on 90% and 75% respectively. On a 100% pay-out basis, distribution per linked unit increased from 120.44cpu in 2021 to 135.67cpu in 2022, which represents an increase of 12.6% from the prior year.

Performance in the latter part of the financial year went particularly well and better than anticipated, which was the result of proactive initiatives to reduce tenant debtor balances, including restructuring significant tenancy lease terms. COVID-19-related rent concessions were suspended during the year and our average debtors collection improved to 96% (2021: 89%). The outcome was a reduction of other expenses, which includes receivable impairments, to N\$34 million (2021: N\$61 million).

Rental operating income declined by 1.4% from the previous year, which was mainly due to the impact that COVID-19 continued to have on our tenants operating in the retail and tourism industry, with negative rental reversions ending at 7.3% (2021: 9.14%) for the year. The core portfolio and residential vacancy factors improved to 5.4% (June 2021: 5.9%) and 1.9% (June 2021: 11.2%) respectively.

### 3.2 Investment in associate

The investment in associate cash yield was 7.3% (June 2021: 6.7%) for the year of which Oryx's 26% share amounts to N\$17 million (June 2021: N\$17 million). The translation of the loan from Euro to Namibian Dollar resulted in a foreign exchange gain of N\$1.2 million (June 2021: N\$40 million). The translation of



the associate in turn resulted in a foreign exchange gain of N\$804 thousand (June 2021: loss of N\$42 million), using a spot rate of N\$17.02 as at 30 June 2022 (June 2021: N\$17.04). The significant gain on translation of the foreign loan and loss on translation of the foreign investment in the prior year, relates to the strengthening of the exchange rate from N\$19.45/€ at 30 June 2020 to N\$17.04/€ at 30 June 2021.

### 3.3 Interest-bearing borrowings

The weighted average interest rate at year-end was 7.3% (2021: 6.7%), which increased due to repo rate increases during the year which was expected given the global rise in inflation. 51% (2021: 57%) of total debt drawn was fixed at year-end, with the maturity dates being at the longer end of the swap curve between our 2024 and 2026 financial years.

### 3.4 The market and prospects

The Namibian economy is estimated to have recovered moderately during the 2021 calendar year, and is projected to improve during 2022 and 2023, which is supported by the growth in the mining and most tertiary industries. Namibia's domestic growth remains constrained by the after effects of the COVID-19 pandemic and high energy prices for fuel and gas coupled by supply disruptions globally.

The rise in inflation and interest rates is expected to have an impact on our business. Initiatives such as the hedges taken out during the 2021 financial year mitigates our exposure to this risk.

The Board approved the group's strategy for the next three years until 2025, with the aim to grow the total asset base to N\$4.5 billion. Management is excited about the new strategy and sees a lot of opportunity within the current market. In the short to medium term, management is focused on growing the fund geographically across Namibia, repositioning the portfolio to exit high-risk sectors and reducing the concentration risk of Maerua Mall.

### 3.5 Subsequent events

Subsequent to year end, the Group refinanced the N\$85 million Standard Bank facility which expired in August 2022 at three-month JIBAR plus 2% for a two-year tenure.

### 3.6 Going concern

During the year stricter debt collection methods and the decision to reduce the distribution to unitholders to 75% improved our liquidity and gearing levels.

The Board continued with its focus on scrutinising the budgets and scenarios prepared during the year under review. Stress test scenarios were prepared to address market conditions which might impact financiers' risk appetite and limit access to liquidity. Additionally, stress test scenarios included covenant measurements for covenants that are at higher risks of breach.

During August 2022, a N\$85 million revolving credit facility with Standard Bank expired. This was refinanced at three-month JIBAR plus 2% for a two-year term.

The directors are of the opinion that Oryx will remain a going concern for the foreseeable future from the date of this results announcement. The going concern basis was therefore applied in preparing these results.

### 3.7 Appreciation from Chairperson

After six years with Oryx, I will be stepping down from the Board in November 2022. I am confident that I leave the Group in the capable hands of the Board

and management team. I express my appreciation to my fellow Board members for their steady guidance and camaraderie over the past few years, which have been challenging years for Namibia and Oryx. Thank you also to the executive management team and Oryx's dedicated and talented employees. It is through your commitment and grit, that we are starting to see a more positive path ahead. To our unitholders, tenants and service providers, thank you for your ongoing partnership.

I trust that 2023 will be a year of continued progress for Oryx and our valued stakeholders.

#### 4. Declaration of distribution number 38

Notice is hereby given of the declaration of Distribution Number 38, amounting to interest of 57.75cpu, in respect of the six months ended 30 June 2022.

Last date to trade cum distribution	Friday, 16 September 2022
Units will trade ex-distribution	Monday, 19 September 2022
Record date to participate in the distribution	Friday, 23 September 2022
Payment of debenture interest	Friday, 7 October 2022

By order of the Board  
Mr PM Kazmaier - Chairperson  
02 September 2022

Registered office  
Maerua Mall Office Tower, 2nd Floor  
Corner of Jan Jonker and Robert Mugabe Avenue, Windhoek  
PO Box 97723, Maerua Park, Windhoek, Namibia

Company secretary  
Bonsai Secretarial Compliance Services  
Transfer secretaries  
Transfer Secretaries (Proprietary) Limited  
4 Robert Mugabe Avenue, Windhoek  
PO Box 2401, Windhoek, Namibia

Sponsor  
Member of the Namibian Stock Exchange  
4th Floor 1@Steps, c/o Grove and Chasie Street  
Kleine Kuppe, Windhoek  
PO Box 186, Windhoek, Namibia

Directors  
PM Kazmaier (Chairperson)#, A Angula# (Deputy Chairperson), JJ Comalie#, B Jooste^, RMM Gomachas\$, MH Muller\*#, VJ Mungunda#, FK Heunis^  
(\*South African, #Independent, ^Executive, \$Non-executive)