REVIEWED CONDENSED CONSOLIDATED RESULTS AND DISTRIBUTION ANNOUNCEMENT
for the year ended 30 June 2023

ORYX PROPERTIES LIMITED

Distribution yield	Loan-to-Value (LTV)	Rental reversions	Interest distribution (cents per linked unit)	Rental operating income growth
9.6%	35.0%	3.7%	105.25	6%
(2022: 9.9%)	(2022: 36.2%)	(2022: (7.3%))	(2022: 101.75)	(2022: (1%))

Reviewed Condensed Consolidated Statement of Comprehensive Income (N$'000)
for the year ended 30 June

	Notes	Reviewed 2023	Audited 2022
Revenue	3.1	356,330	355,886
Rental – operating income		356,907	335,408
Rental – straight-line adjustment		(577)	20,478
Property expenses		(120,898)	(113,661)
Net rental income		235,432	242,225
Investment income		214	100
Dividends received		–	751
Share of profit from associate after tax	3.2	53,464	18,398
Amortisation of debenture premium		8,300	21,413
Changes in fair value of investment property		100,322	26,345
As per valuations	2.6	99,745	46,823
Straight-line adjustment		577	(20,478)
Changes in fair value of derivative instruments		1,519	29,045
Changes in fair value of listed investments		(652)	(21)
Exchange differences on foreign loan	3.2	(14,118)	1,208
Other expenses		(26,755)	(34,154)
Operating profit before finance costs and debenture interest		357,726	305,310
Less: Finance costs		(102,703)	(85,421)
Operating profit before debenture interest		255,023	219,889
Less: Debenture interest	3.1	(91,966)	(88,721)
Profit before taxation		163,057	131,168
Taxation		(4,546)	(26,116)
Profit for the year		158,511	105,052
Other comprehensive income – Items that may be reclassified subsequently to profit	3.2	32,412	804
Total comprehensive profit for the year		190,923	105,856
Basic and diluted earnings per share (cents)	2.2	182.14	120.52
Basic and diluted earnings per linked unit (cents)	2.2	287.82	222.31

Reviewed Condensed Consolidated Statement of Financial Position (N$'000)
as at 30 June

	Notes	Reviewed 2023	Audited 2022
ASSETS			
Non-current assets			
Investment properties		3,019,424	2,763,340
At valuation	2.6	3,095,052	2,839,545
Straight-line adjustment		(75,628)	(76,205)
Furniture and equipment		625	888
Investment in associate	3.2	359,046	290,111
Deferred expenditure		6,912	6,641
Rental receivable – straight-line adjustment		70,107	71,724
Derivative asset	2.8	7,424	15,104
		3,463,538	3,147,808
Current assets			
Trade and other receivables		31,128	28,117
Trade and other receivables		25,607	23,636
Rental receivable – straight-line adjustment		5,521	4,481
Dividend receivable		4,260	3,955
Deferred expenditure		3,337	2,868
Tax receivable		2,478	2,461
Derivative asset	2.8	10,166	2,862
Cash and cash equivalents		17,033	18,127
		68,402	58,390
Non-current assets held for sale			
Investment property held for sale		–	70,000
		–	70,000
TOTAL ASSETS		3,531,940	3,276,198
EQUITY AND LIABILITIES			
Capital and reserves		1,472,619	1,281,698
Non-current liabilities			
Debentures		390,057	391,061
Debenture premium		230,133	252,560
Interest-bearing borrowings	2.7	781,263	947,352
Deferred taxation		61,329	57,817
Lease liability		6,943	–
		1,469,725	1,648,790
Current liabilities			
Trade and other payables		67,319	42,691
Derivative liability	2.8	–	1,896
Deferred income		1,486	1,381
Interest-bearing borrowings	2.7	461,273	174,106
Linked unitholders for distribution	4	58,789	50,636
Lease liability		729	–
		589,596	270,710
Liabilities directly associated with non-current assets classified as held for sale			
Non-current liabilities held for sale		–	75,000
		–	75,000
TOTAL EQUITY AND LIABILITIES		3,531,940	3,276,198

Reviewed Condensed Consolidated Statement of Cash Flows (N$'000)
for the year ended 30 June

	Notes	Reviewed 2023	Audited 2022
Net cash from operating activities		31,103	31,515
Cash generated by operations		235,551	194,887
Investment income		214	100
Finance costs		(106,324)	(85,980)
Distribution paid to linked unitholders		(97,287)	(76,100)
Taxation paid		(1,051)	(1,392)
Net cash from investing activities		(61,721)	(3,679)
Additions/acquisitions of investment property		(72,358)	(32,468)
Dividends received from listed shares		–	751
Dividends received from associate	3.2	16,637	13,165
Disposal of Investment in listed shares		–	14,873
Purchase of Notarial Agreement of Lease		(6,000)	–
Net cash from financing activities		29,524	(17,278)
Additional facilities drawn		262,560	12,761
Repayment of loans		(230,600)	(27,712)
Repurchase of linked units		(2,307)	(2,327)
Payment of principal portion of lease liabilities		(129)	–
Net movement in cash and cash equivalents		(1,094)	10,558
Cash and cash equivalents at beginning of the year		18,127	7,569
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		17,033	18,127

Summarised Consolidated Statement of Changes in Equity (N$'000)

	Share capital	Distributable reserves	Non-Distributable reserves	Total
Audited balance at 30 June 2021	874	74,022	1,100,949	1,175,845
Net profit attributable to linked unitholders	–	105,052	–	105,052
Other comprehensive income	–	804	–	804
Transfer profit to non-distributable reserves		(82,167)	82,167	–
Share repurchase	(3)	–	–	(3)
Audited balance at 30 June 2022	871	97,711	1,183,116	1,281,698
Net profit attributable to linked unitholders	–	158,511	–	158,511
Other comprehensive income	–	32,412	–	32,412
Transfer profit to non-distributable reserves	–	(160,218)	160,218	–
Share repurchase	(2)	–	–	(2)
Reviewed balance at 30 June 2023	869	128,416	1,343,334	1,472,619

Reviewed results – auditors' review opinion

The Group's independent auditors, Deloitte & Touche, has reviewed these condensed consolidated financial statements and their unmodified review conclusion is available at the Group's registered office. The auditors' review report does not necessarily report on all of the information in these reviewed preliminary annual results. Therefore, unitholders are advised that, 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. Any reference to future financial performance has not been reviewed or reported on by the Group's auditors.

1. Other information

	Notes	2023 Unaudited	2022 Unaudited
Linked units in issue		87,378,835	87,378,835
Net asset value (NAV) on a non-IFRS basis (cents per linked unit (cpu))		2,395	2,203
Realisable NAV (before distributions payable)		2,462	2,261
Listed market price (cpu)		1,100	1,026
Discount to NAV (%)		(54.07)	(53.44)
Commercial vacancy factor (based on lettable area)		6.8%	5.4%
Residential vacancy factor (average)		1.4%	1.9%
Capital commitments (incl. approved but not contracted)		N$73m	N$48m
Earnings per linked unit (cents)	2.2	287.82	222.31
Distribution per linked unit (cents) as declared	2.3	105.25	101.75

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 the 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 2022. The estimates and judgements made in applying the accounting policies are consistent to those applied and disclosed in the Annual Financials Statements for the year ended 30 June 2022. 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 pursuant to paragraph 16A(i) of IAS 34, although it being allowed by the NSX Listings Requirements. There were no revised or new standards adopted in the current year that had an effect on the Group's reported earnings, financial position or reserves or a material impact on the accounting policies. The directors take full responsibility for the preparation of the reviewed condensed consolidated financial statements.

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 22 September 2023.

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 2023 is 87,025,304 (2022: 87,163,072) in issue at the end of the respective distribution period. This has been adjusted for the 434,386 (2022: 282,761) units held by the Oryx Long Term Share Incentive Trust for the period and is calculated as follows:

	Reviewed 2023 N$'000	Reviewed 2023 cpu	Audited 2022 N$000	Audited 2022 cpu
Profit for the year	158,511	182.14	105,052	120.52
Debenture interest	91,966	105.68	88,721	101.79
Earnings attributable to linked units	250,477	287.82	193,773	222.31
Adjustments for:				
Amortisation of debenture premium	(8,300)	(9.54)	(21,413)	(24.57)
Fair value gain associate investment property	(41,121)	(47.25)	(4,100)	(4.70)
Capital (gains)/deficits (net of deferred taxation)*	(99,919)	(114.82)	(40,290)	(46.22)
- Fair value adjustments on investment property	(99,745)	(114.62)	(46,823)	(53.72)
- Deferred tax on straight-line adjustments	(174)	(0.20)	6,533	7.50
- Rental straight-line adjustment to operating income	577	0.66	(20,478)	(23.49)
- Rental straight-line adjustment to revaluation	(577)	(0.66)	20,478	23.49
Headline earnings attributable to linked units	101,137	116.21	127,970	146.82
Debenture interest	(91,966)	(105.25)	(88,721)	(101.75)
Headline earnings (Note 2.3)	9,171	10.96	39,249	45.07

* Headline earnings circular 01/2023 applied.

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:

	Notes	Reviewed 2023 N$'000	Reviewed 2023 cpu	Audited 2022 N$000	Audited 2022 cpu
Headline earnings (Note 2.2)		9,171		39,249	
Adjusted for:					
Debenture interest		91,966		88,721	
Distributable earnings		101,137	115.75	127,970	146.45
Adjusted for:					
Dividends received from investment in associate		16,942	19.39	17,120	19.59
Fair value gain associate investment property		41,121	47.06	4,100	4.69
Share of profit from associate after tax		(53,464)	(61.19)	(18,398)	(21.06)
Deferred tax		3,200	3.66	8,964	10.26
Capital surpluses not included in headline earnings		13,737	15.73	(20,937)	(23.96)
Adjusted distributable income		122,673	140.40	118,819	135.97
1st half distribution		(47,403)	(54.25)	(38,447)	(44.00)
2nd half distribution*	4	(44,563)	(51.00)	(50,461)	(57.75)
Undistributed income for the year and distributable reserves (Note 4)		30,707	35.15	29,911	34.22

* This excludes the antecedent distribution of 50cpu totalling N$13.5 million.

2.4 Primary business segments for the year ended 30 June 2023 (Reviewed N$'000)

	Retail	Industrial	Office	Residential	Fund	Group
Rental – operating income	229,097	79,562	36,790	11,458	–	356,907
Rental – straight-line adjustment	(71)	448	(953)	(1)	–	(577)
Revenue	229,026	80,010	35,837	11,457	–	356,330
Profit/(loss) for the year ^	229,125	73,111	29,889	10,842	(184,456)	158,511
Properties as per valuations	1,969,761	672,641	317,460	135,190	–	3,095,052
Sectoral spread	64%	22%	10%	4%	–	100%
Total assets	1,984,040	679,586	315,078	136,145	417,091	3,531,940
Total liabilities	(62,854)	(13,053)	(5,826)	(6,161)	(1,971,427)	(2,059,321)

Comparative primary business segments for the year ended 30 June 2022 (Audited N$'000)

	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/(loss) for the year ^	120,745	80,842	38,035	10,160	(144,730)	105,052
Properties as per valuations	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)

^ The increase in the profit recognised from the prior year is mainly attributed to the N$100 million positive fair value adjustment on investment property recognised in the current year, compared to a N$47 million positive fair value adjustment recognised in the previous year.

(Incorporated in the Republic of Namibia)

(Registration number 2001/673)
("Oryx" or "the Group")

(NSX Share code: ORY) (ISIN code: NA0001574913)

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2. Notes to the financial results (continued)

2.5 Secondary business segments (N$'000)

	Reviewed 2023 Namibian	Reviewed 2023 Non-Namibian	Reviewed 2023 Group	Audited 2022 Namibian	Audited 2022 Non-Namibian	Audited 2022 Group
Rental – operating income	**346,012**	**10,895**	**356,907**	325,150	10,258	335,408
Rental – straight-line adjustment	**(370)**	**(207)**	**(577)**	20,079	399	20,478
Revenue	**345,642**	**10,688**	**356,330**	345,229	10,657	355,886
Share of profit from associate after tax	**–**	**53,464**	**53,464**	–	18,398	18,398
Profit for the year	**127,331**	**31,180**	**158,511**	79,029	26,023	105,052
Properties as per valuations (including investment property held for sale)	**3,048,652**	**46,400**	**3,095,052**	2,779,045	60,500	2,839,545
Sectoral spread	**99%**	**1%**	**100%**	98%	2%	100%
Total assets	**3,119,455**	**412,485**	**3,531,940**	2,918,775	357,423	3,276,198
Total liabilities	**(1,923,052)**	**(136,269)**	**(2,059,321)**	(1,755,608)	(238,892)	(1,994,500)

2.6 Property portfolio

The portfolio was independently valued at N$3.1 billion (2022: N$2.8 billion) by Mills Fitchet Magnus Penny with a positive fair value adjustment of N$100 million (2022: N$47 million).

The positive fair value adjustment is mainly attributed to the retail segment, with Maerua Mall and Baines Centre increasing by N$40 million and N$21 million respectively. The increases are underpinned by solid tenancies in place where positive rental growth and reversions, and specifically those of the anchor tenancies, realised during the year.

Total capital expenditure amounted to N$72 million (2022: N$32 million). Capital expenditure incurred during the year included a N$4 million solar project to Maerua Mall, Gustav Voigts Centre, Erf 135 Scania and Urban Village at Elisenheim. N$22 million was incurred to upgrade the Gustav Voigts Checkers offering. In addition, N$30 million was incurred on Erf 3519 Iscor Street by building a new industrial warehouse. The Group also entered into a lease agreement acquiring the Maerua Crossings right-of-use investment property to the amount of N$6 million.

Total capital commitments for the year ended 30 June 2023 amounts to N$73 million (2022: N$48 million).

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

Expiry	Reviewed 2023 Utilised facility N$'000	Reviewed 2023 Weighted average interest rate %	Audited 2022 Utilised facility N$'000	Audited 2022 Weighted average interest rate %
Non-current liabilities				
2024	**–**	**–**	319,980	7.3
2025	**292,763**	**10.5**	387,372	7.0
2026	**488,500**	**10.7**	240,000	6.9
Total	**781,263**	**10.6**	947,352	7.1
Current liabilities				
Maturing within one year (including non-current liabilities held for sale)	**461,273**	**9.5**	249,106	5.9
Total	**461,273**	**9.5**	249,106	5.9
GRAND TOTAL	**1,242,536**	**10.2**	1,196,458	6.8

Total available unutilised facilities, excluding the Domestic Medium Term Note Programme (DMTNP) of N$252 million (2022: N$417 million), unutilised foreign facilities, Maerua development loan and cash balances, amounted to N$409 million (2022: N$173 million) at year-end. The unutilised foreign facilities amounted to €3.0 million (2022: €5.3 million) at year-end.

2.8 Derivative asset/(liability)

	Total fair value N$'000	Non-current fair value N$'000	Current fair value N$'000	Nominal value N$'000	Average fixed interest rate*
2023 Reviewed	**17 590**	**7 424**	**10 166**	**610 000**	**5.9%**
Asset	**17 590**	**7 424**	**10 166**		
2022 Audited	16 070	15 104	966	610 000	5.9%
Asset	17 966	15 104	2 862		
Liability	(1 896)	–	(1 896)		

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

The interest rate swaps are classified as level 2 financial instruments 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 2023 amounts to 105.25cpu (2022: 101.75cpu) to existing unitholders, being interest of N$92 million (2022: N$89 million). The debenture interest declaration for the year also includes antecedent interest of 50cpu, payable to new unitholders that participated in the rights issue, which closed on 14 July 2023, representing interest of N$13.5 million.

Overall, notable improvements were made to the Group's operational metrics, including rental reversions increasing to 3.7% (2022: (7.3%)) and debtors collections improving to 101% (2022: 96%). However, the challenge was to retain tenants where a decrease to 84% (2022: 97%) was noted. Similarly, finance costs increased by 20% during the year mainly due to interest rate hikes.

3.2 Investment in associate

The investment in associate's cash yield was 6.5% (2022: 7.3%) for the year, of which Oryx's 26% share amounts to N$17 million (2022: N$17 million). The share of profit from associate includes changes in fair value of investment property amounting to N$41 million (2022: N$4 million). The translation of the Group's Euro-denominated loan from Euro to Namibia Dollar resulted in a foreign exchange loss of N$14 million (2022: gain of N$1 million). The translation of the associate, in turn, resulted in a foreign exchange gain of N$32 million (2022: N$804 thousand), using a spot rate of N$20.38/€ as at 30 June 2023 (2022: N$17.02/€).

3.3 Interest-bearing borrowings

The weighted average interest rate at year-end was 8.9% (2022: 7.3%), which increased due to repo rate increases during the year despite holding floating to fixed interest rate swaps for 49% (2022: 51%) of total debt drawn at year-end. The weighted derivative maturity profile was 1.5 years (2022: 2.5 years) at year-end.

3.4 The market and prospects

According to Bank of Namibia's June 2023 Quarterly Bulletin Report, year-on-year real GDP growth came to a sturdy 5% in the first quarter of 2023. In the secondary industries, growth slowed due to a contraction in the manufacturing sector, offsetting the buoyant growth in the electricity and water sector and a slight recovery in the construction sector. In the tertiary industries, contractions were recorded in the financial services sectors. Still strong growth was recorded in the wholesale, retail, tourism and transport sectors, which was evident in the tenant turnover numbers recorded for the year.

The high interest rate environment is expected to continue affecting the Group, however, rental escalations, including that of Dunes Mall acquired subsequent to year end, are expected to boost turnover in the short to medium term.

With the Group concluding the acquisition of Dunes Mall (Pty) Ltd subsequent to year-end, it has taken the first steps towards its growth strategy. The strategy aims to grow the total asset base to N$4.5 billion over a three-year period ending 2025. Management is excited to fully onboard Dunes Mall into the Oryx stable, and is seeing a lot of potential for growth at the coastal region of Namibia. Furthermore, Management is investigating various other acquisition opportunities within Namibia.

3.5 Subsequent events

Subsequent to year end, on 1 August 2023, the Group concluded the acquisition of the Dunes Mall (Proprietary) Limited amounting to N$628.25 million, which is the registered owner of the Dunes Mall located in Walvis Bay. 49% of the acquisition price was funded from equity through the rights issue. The remainder of the acquisition price was settled from the proceeds of a N$500 million bridge facility which will be converted to a preference share facility with RMB. The facility has a four-year tenure and is priced at 3M JIBAR plus 1.39%. A portion of the remainder of the facility was used to repay the Nedbank N$75 million facility priced at 3M JIBAR plus 2.75% on 31 August 2023, whereas the RMB N$100 million facility priced at 3M JIBAR plus 2.98% is expected to be repaid during September 2023.

3.6 Going concern

The directors have assessed the Group's ability to continue as a going concern. As at 30 June 2023, the Group's net asset value amounted to N$1,473 million, and available funding of N$409 million excluding its DMTNP and Maerua Mall Development Loan. The following were considered as part of the Group's going concern assessment:

- Refinancing of facilities maturing during the next 12 months
- Access to liquidity
- Covenant compliance

After due consideration, the directors have concluded that the Group has adequate resources to continue operating for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing these results.

3.7 Appreciation

Thank you to my fellow Board members for their continued support. A special appreciation goes to the Oryx Executive team and to every employee for their commitment to the implementation of the Oryx 2025 corporate strategy. Thank you to our stakeholders for their continued support as we celebrated our 20 year anniversary.

4. Declaration of distribution number 40

Notice is hereby given of the declaration of distribution number 40, amounting to interest of 51.00cpu to unitholders in existence at 30 June 2023 and 50.00cpu for all units issued on 14 July 2023, in respect of the six month period ended 30 June 2023.

Last date to trade cum distribution Friday, 15 September 2023
Units will trade ex-distribution Monday, 18 September 2023
Record date to participate in the distribution Friday, 22 September 2023
Payment of debenture interest Friday, 6 October 2023

By order of the Board

B Jooste – Chief Executive Officer

1 September 2023

ORYX PROPERTIES LIMITED

#17003