GCR RATINGS

RATING ANNOUNCEMENT

GCR affirms Oryx Properties Limited's national scale ratings at BBB+(NA) / A2(NA). The Outlook is Stable

Rating action

Johannesburg, 29 April 2026 – GCR Ratings (GCR) has affirmed the national scale long and short term Issuer ratings on Oryx Properties Limited at BBB+(NA) and A2(NA), respectively. The Outlook remains Stable.

Rated Entity / Issue	Rating class	Rating scale	Rating	Outlook / Watch
Oryx Properties Limited	Long Term Issuer	National	BBB+(NA)	Stable Outlook
	Short Term Issuer	National	A2(NA)	

Rating rationale

Oryx Properties Limited's (Oryx or the fund) ratings reflect its larger and more diverse portfolio from ongoing capex activity and rebalancing strategies. Solid property performance metrics have increased rental income and operating profit, but this is balanced against higher debt utilisation that has seen gearing metrics rise above historical levels and relatively weak, albeit sufficient, liquidity coverage over the next 12 to 18 months.

Our assessment of portfolio quality takes cognisance of the growth in the property portfolio to NAD4.7 billion USD285 million) at 30 December 2025 (1H financial 2026), from NAD3 billion in financial 2023, following the acquisitions of The Dunes Centre (Walvis Bay) and Platz am Meer (Swakopmund), as well as ongoing capex related to Maerua Mall and the new Gorengab Mall. While the portfolio remains concentrated around Windhoek, the acquisitions do provide some geographic diversification. Concentration to Maerua Mall remains high at 37% of portfolio value, albeit down from 48% in financial 2022. Oryx's investment in Croatia, valued at NAD295 million at 1H financial 2026, provides some international exposure, although it now accounts for just 6% of portfolio value.

A strong focus on asset management, combined with refurbishments, has supported improved property performance metrics. The vacancy rate fell to 2.4% in financial 2025 (30 June 2025), due largely to improvements in its key retail centres. Although overall vacancies increased to 5% in 1H financial 2026, this was largely due to a single vacancy in an industrial property held for sale. Tenant retention continues to improve and average rental rates are higher, although there has been some pressure on rental reversions in the office and industrial portfolios as long-term leases have matured. Like-for-like rental income rose 8.8% in FY2025 and by 8.9% in 1H 2026. Having declined to 31.9% in financial 2025, the net property expense ratio (GCR Calculated) increased to 33.7% in 1H financial 2026 due to a reallocation of expenses. GCR's overall operating margin registered around 69.8%, above the 55.4% in financial 2025, where it was impacted by a reported non-cash loss on the European portfolio.

GCR notes the higher gearing levels from increased debt utilisation as a rating weakness, although this is expected to moderate over the next 18 months as capex reduces and as revaluations and completed projects support growth in the portfolio. Certain asset sales of non-core properties may also be forthcoming. The net LTV ratio rose to 41.9% in financial 2025 and 42.8% in 1H financial 2026 (financial 2024: 36.3%), albeit within the board's comfort range of 45% and well below the minimum group LTV covenant of 50%. As per the covenant calculations, net interest cover was reported at 2.3x in financial 2025 and strengthened to 2.5x at 1H financial 2026, as income from new acquisitions contributed for the period. Strong funding relationships and diversification amongst five financial institutions in Namibia have enabled ongoing refinancing activity, and its NAD359.9 million bond issuance in November 2025 was 2.1x oversubscribed.

GCR's Liquidity coverage remains adequate at around 1.2x over a 12-month period due to ongoing capex activity, but we have also considered the large debt redemption in 2027 that heightens refinancing risk. Capex spend is likely to remain high in 2H financial 2026 due to the completion of Gorengab Mall but should decrease thereafter. Debt redemption over the next 18 months amounts to around NAD923 million, comprising mainly of the NAD500 million preference share facility maturing in July 2027. Against this, the fund has almost NAD596 million in unutilised debt facilities, with the intention to refinance the preference share in smaller tranches. Oryx has also reduced its distribution to 75% of distributable earnings up until the end of financial 2027 to retain cash, but this could be extended if required. Around 95% of the property portfolio is currently encumbered, reducing financial flexibility.

Outlook statement

The Stable Outlook reflects the successful implementation of Oryx's portfolio growth strategy. GCR expects the improved asset quality will continue to augment cash flows. This should enable the fund to prudently manage liquidity and the higher gearing levels.

Rating triggers

Positive rating action could derive from an improvement in liquidity resulting to a GCR liquidity coverage ratio above 1.5x and conservative leverage on a sustained basis, with the LTV around 35% and interest coverage around 3x could also drive an upgrade. Over the medium term, the continued expansion and diversification of Oryx's asset portfolio, while maintaining strong performance would be positively considered.

Negative rating action could derive from weakening of operational metrics, or if the LTV sustains between 43%-45% or the interest coverage ratio nears the 2.0x covenant level. Downward rating pressure would also result if the GCR liquidity coverage ratio drops below 1.0x.

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Related criteria and research

Criteria for the GCR Ratings Framework, May 2024
GCR Rating Scales, Symbols and Definitions, May 2023
Criteria for Rating Real Estate Investment Trusts and Other Commercial Property Companies, May 2024
GCR's Commercial Property Sector Risk Scores, July 2025
GCR's Country Risk Scores, March 2026

Ratings history

Oryx Properties Limited					
Rating class	Review	Rating scale	Rating	Outlook/Watch	Date
Long Term Issuer	Initial	National	BBB+(NA)	Stable Outlook	February 2015
Short Term Issuer	Initial	National	A2(NA)		
Long Term Issuer	Last	National	BBB+(NA)	Stable Outlook	April 2025
Short Term Issuer	Last	National	A2(NA)		

Risk score summary

Rating Components & Factors	Score
Operating environment	**10.75**
Country risk score	5.75
Sector risk score	5.00
Business profile	**0.25**
Portfolio quality	0.25
Sustainability Assessment	0.00
Financial profile	**(1.50)**
Leverage & capital structure	(0.75)
Liquidity	(0.75)
Comparative profile	**0.00**
Group support	0.00
Peer analysis	0.00
Total Risk Score	**9.50**

Glossary

Covenant	A provision that is indicative of performance. Covenants are either positive or negative. Positive covenants are activities that the borrower commits to, typically in its normal course of business. Negative covenants are certain limits and restrictions on the borrowers' activities.
Credit Risk	The possibility that a bond issuer or any other borrowers (including debtors/creditors) will default and fail to pay the principal and interest when due.
Interest Cover	Interest cover is a measure of a company's interest payments relative to its profits. It is calculated by dividing a company's operating profit by its interest payments for a given period.

Interest	Scheduled payments made to a creditor in return for the use of borrowed money. The size of the payments will be determined by the interest rate, the amount borrowed or principal and the duration of the loan.
Issuer Ratings	See GCR Rating Scales, Symbols and Definitions.
Issuer	The party indebted or the person making repayments for its borrowings.
Liquidity	The speed at which assets can be converted to cash. It can also refer to the ability of a company to service its debt obligations due to the presence of liquid assets such as cash and its equivalents. Market liquidity refers to the ease with which a security can be bought or sold quickly and in large volumes without substantially affecting the market price.
Loan To Value (LTV)	Principal balance of a loan divided by the value of the property that it funds. LTVs can be computed as the loan balance to most recent property market value, or relative to the original property market value.
Long Term Rating	See GCR Rating Scales, Symbols and Definitions.
Maturity	The length of time between the issue of a bond or other security and the date on which it becomes payable in full.
Portfolio	A collection of investments held by an individual investor or financial institution. They may include stocks, bonds, futures contracts, options, real estate investments or any item that the holder believes will retain its value.
Property	Movable or immovable asset.
Rating Horizon	The rating outlook period
Rating Outlook	See GCR Rating Scales, Symbols and Definitions.
Short Term Rating	See GCR Rating Scales, Symbols and Definitions.

Salient points of accorded rating

GCR affirms that a.) no part of the rating process was influenced by any other business activities of the credit rating agency; b.) the ratings were based solely on the merits of the rated entity, security or financial instrument being rated; and c.) such ratings were an independent evaluation of the risks and merits of the rated entity, security or financial instrument.

The credit ratings have been disclosed to the rated entity.

The ratings above were solicited by, or on behalf of, the rated entity.

The rated entity participated in the rating process via in person interaction and/or via online virtual interaction and/or via electronic and/or verbal communication and correspondence. Furthermore, the quality of information received was considered adequate and has been independently verified where possible. The information received from the rated entity and other reliable third parties to accord the credit ratings included:

- Exchange Rate Source: https://www.bloomberg.com/markets/currencies NAD16.64/USD as of 24 April 2026
- 2025 audited annual financial statements;
- Unaudited consolidated results for the six months ending December 2025;
- Facility schedules and property schedules;
- Analyst presentations and market announcements.