



Group interim
unaudited results and
dividend distribution
declaration

2025 for the six months ended
31 December



Highlights

DISTRIBUTION DATA

Distribution per share
("DPS") (cents)

66,11

(2024: 56,84)

DPS growth

↑ 16,3%

Distributable income

R211,058 million

(2024: R181,453 million)

Distributable income growth

↑ 16,3%

Payout ratio

100%

(2024: 100%)

INVESTMENT PROPERTY DATA*

Investment property
valued at

R13,137 billion

(2024: R12,361 billion)

Investment property growth

↑ 6,3%

** Includes assets held for sale and
property under development*

NET ASSET VALUE ("NAV") DATA

NAV per share

R22,90

(2024: R18,96)

NAV per share growth

↑ 20,7%

NET PROPERTY OPERATING INCOME ("NOI") DATA

NOI

R510,147 million

(2024: R481,067 million)

NOI growth

↑ 6,0%

RENTAL DATA

Rental

R618,970 million

(2024: R583,209 million)

Rental growth

↑ 6,1%

LOAN-TO-VALUE ("LTV") DATA

LTV

43,36%

(2024: 41,09%)

LTV increase

↑ 2,27%

DEBT DATA

Weighted average cost
of debt ("WACD")

8,88%

(2024: 9,99%)

Basis point reduction

↓ -111

Total debt

R6,006 billion

(2024: R5,338 billion)

% increase in debt

↑ 12,5%

SHAREHOLDINGS IN COMPANIES

Safari

100%

(2024: 59,2%)

Texton (excluding treasury
shares)

21,7%

(2024: 21,7%)

PORTFOLIO VACANCY

Portfolio vacancy

2,4%

(2024: 1,5%)

TOTAL AVAILABLE CASH

Cash and cash equivalents

R194,218 million

(2024: R145,127 million)

Unutilised debt facilities

R250,517 million

(2024: R344,883 million)

Total cash resources
available

R444,735 million

(2024: R490,010 million)

Board commentary

Profile

Heriot REIT Limited (“**Heriot**” or “**the Company**”) is a property holding and investment company listed in the Diversified REITs sector on the Alternative Exchange of the JSE Limited (“**JSE**”). Together with its subsidiaries (“**the Group**”), Heriot is primarily invested in retail and industrial properties located in areas with strong growth potential.

Strategic focus

The Group’s strategy is centred on growing and streamlining its asset base through the acquisition of high-quality properties, the redevelopment of existing assets and the disposal of holdings identified as non-core. In line with this strategy, Heriot increased its shareholding in Safari Investments RSA Limited (“**Safari**”) to 100% on 22 December 2025 and continues to hold its 100% interest in Thibault Holdings Limited (“**Thibault**”). In addition, Heriot maintains a strategic stake of 21,7% (excluding treasury shares) in Texton Property Fund Limited (“**Texton**”), reinforcing its diversified exposure across the sector.

Main performance metrics

The Group’s key performance metrics remain DPS and NAV per share, which together reflect both income distribution capacity and long-term capital growth. NOI is also regarded as a key operational measure, providing direct insight into portfolio performance and asset management effectiveness.

Group financial results

Despite persistent volatility in both local and global markets, the South African property sector and Heriot in particular have continued to outperform most sectors. The first and second quarters delivered exceptional growth, underpinned by lower interest rates, disciplined investment strategies and the strong performance of the Group’s diversified property portfolio. This achievement reflects the management team’s expertise, the resilience of a portfolio anchored by blue-chip national tenants and the effectiveness of Heriot’s strategic approach. Looking ahead, the Group remains focused on identifying and pursuing investment opportunities across its core sectors of retail, industrial and residential/aparthotels.

Distributable earnings and dividend declaration

The Group has delivered record distributable earnings growth, increasing by 16,3% to R211,058 million for the six months ended 31 December 2025 (2024: R181,453 million). This sustained growth demonstrates the Group’s ability to consistently translate operational performance into positive financial outcomes. Supported by disciplined cash management and robust operating cash flows, the Group reaffirmed its commitment to shareholder value by maintaining its policy of distributing 100% of distributable earnings. On this basis, the Company is declaring an interim dividend of 66,11 cents per share for the six months ended 31 December 2025, representing a 16,3% increase compared to 56,84 cents per share in the prior period. This outcome highlights Heriot’s capacity to deliver reliable, growing distributions, reinforcing investor confidence in the sustainability of its dividend policy and the strength of its earnings base.

Positive factors driving distributable earnings growth

- **Heriot NOI:** NOI increased by 9,4% (R22,9 million), reflecting the full contribution of aparthotels now being operational for the entire reporting period and robust 8,6% growth in the retail portfolio. This uplift was reinforced by strong tenant demand, positive trading conditions across key retail centres and proactive asset management initiatives that ensured high occupancy levels and stable rental escalations.
- **Lower financing costs:** The WACD declined by 111bps to 8,88%, reflecting the full benefit of the 100bps prime lending rate reduction in the prior period and partial benefit of the additional 50bps reduction in the current period. With all debt linked to floating rates, the Group captured 74% of repo rate reductions during the reporting period, materially supporting distributable earnings growth.
- **Investment in Thibault:** The Thibault portfolio delivered enhanced earnings following the completion of Helderberg Phase 2 in December 2024, which added new income streams. Reduced administration costs and lower interest expenses further strengthened profitability.
- **Sustained low vacancies:** Vacancies increased marginally from 1,6% (June 2025) to 2,4%,

remaining well below sector averages. This reflects disciplined leasing strategies and strong tenant retention, ensuring stable rental income.

Negative factors impacting growth

- **Rising operating costs:** The property portfolio’s operations experienced significant cost inflation, particularly in utilities, staffing and maintenance, which placed pressure on operating margins.
- **Absence of prior period once-off adjustments:** The prior reporting period included R8,1 million in net proceeds from the sale of 38 townhouses in Newcastle and R4,4 million in dividends received from Safari by Thibault. These once-off items, attributable to accounting and tax timing differences, did not recur in the current period, reducing comparative growth.
- **Safari NOI reduction:** The disposal of Platz am Meer on 30 June 2025 reduced Safari’s earnings base, limiting NOI growth and constraining the distributable earnings contribution from this portfolio.
- **Safari buyout costs:** Safari incurred R8,0 million in buyout-related expenses, comprising R4,5 million in accelerated settlement of the employee share scheme reserve, R2,1 million in securities transfer tax and R1,0 million in professional fees. These costs were non-recurring but affected current period distributable earnings.

Safari minority share buyback

Heriot has successfully advanced its strategic vision by increasing its stake in Safari from 59,2% in 2024 to full ownership in 2025, thereby consolidating control of the portfolio. This milestone was achieved through Safari’s scheme of arrangement, a decisive step that enabled the buyout of all remaining minority shareholders.

At the general meeting on 21 November 2025, shareholders overwhelmingly endorsed the proposal, approving the buyback at R8,00 per share and a clean-out distribution, with 85,58% participation and 98,57% support, well above the statutory 75% threshold. The transaction was implemented on 22 December 2025, with Safari acquiring 104 320 987 of its own shares for R834,568 million. The consideration comprised a return of capital of R6,18 and a dividend of R1,82 per share,

supplemented by a clean-out distribution of 37,60 cents per share (R39,220 million).

Funding was secured through a two-year term facility at three-month JIBAR plus 1,17%, underscoring strong banking support for the transaction. Importantly, the Group recognised a bargain purchase gain of R383,405 million through the statement of changes in equity, as the fair value of the shares acquired (R1,217 billion or R12,07 per share) exceeded the consideration paid (R834,568 million, or R8,00 per share).

Safari’s delisting became effective on 23 December 2025, marking the culmination of a five-year journey to achieve full ownership, and positioning Heriot to unlock enhanced strategic and financial benefits from the Safari portfolio.

Group NOI analysis

NOI increased by 6,0% for the six months ended 31 December 2025, led by strong performances from the retail, industrial, office and residential/aparthotel portfolios. Retail, which comprises 73% of Group NOI, grew by 5% despite the impact of the Platz am Meer disposal on 30 June 2025, supported by strong tenant trading and low vacancies. Industrial, contributing 17% of NOI, grew by 3%, with growth impacted by higher operating costs in the current period. Office assets delivered 16% growth (4% of NOI), driven by improved leasing and cost management, while hospitality/aparthotels achieved 66% growth (6% of NOI) on the back of full operational trading and improved occupancies in the current reporting period.

NAV analysis

As at 31 December 2025, Heriot’s NAV per share rose to R22,90, an increase of R3,94 or 20,7% from R18,96 in the prior period. The growth has been driven by:

- an increase in the value of the Group’s property portfolio that is supported by positive rental escalations on renewals and re-lets across the portfolio during the period; and
- a bargain purchase gain of R383,405 million that was recognised through the statement of changes in equity as a result of the Safari minority share buyback during the reporting period.

Operational performance analysis

The Group's main reporting segments are Sectoral and Group components, consistent with the operating segments reviewed by management and the Board. Group components consist of Heriot, Safari and Thibault, which are assessed within the sectoral framework, providing clear visibility into their operational and financial contribution. This structure ensures performance is evaluated on a comparable basis and supports effective resource allocation across the portfolio.

Group component NOI contributions:

Group component	Current period R'000	Prior period R'000	Variance R'000	%
Heriot	267 156	244 204	22 952	9,4
Safari	167 881	171 740	(3 859)	(2,2)
Thibault	75 110	65 123	9 987	15,3
Group	510 147	481 067	29 080	6,0

Group component distributable earnings contributions:

Group component	Current period R'000	Prior period R'000	Variance R'000	%
Heriot	122 159	102 057	20 102	19,7
Safari	56 039	51 847	4 192	8,1
Thibault	32 860	27 549	5 311	19,3
Distributable earnings total	211 058	181 453	29 605	16,3
DPS (cents)	66,11	56,84	9,27	16,3

Heriot's operational performance, excluding Safari and Thibault

Heriot's financial highlights

- **Investment property¹:** Valued at R6,609 billion (June 2025: R6,472 billion).
- **Distributable earnings contribution:** Increased by 19,7%, reaching R122,159 million (December 2024: R102,057 million).
- **NOI:** Increased by 9,4%, reaching R267,156 million (December 2024: R244,204 million).
- **WACD:** 8,84%, a 112bps decrease from the prior period (December 2024: 9,96%)².
- **Vacancy rate:** Remains low at 2,2% (June 2025: 1,5%).

¹ Includes properties under development and held for sale.

² The Heriot Group WACD is presented solely for analytical purposes.

Heriot's property portfolio performance

Retail

Emerging market retail continues to rank among South Africa's top-performing property sectors. Food and banking tenants delivered resilient growth, offsetting pressure on clothing retailers from reduced consumer disposable income. Rental growth of 8,9% was achieved, with average rentals increasing to R198/m² (2024: R182/m²).

The retail portfolio generated net operating income of R148,8 million (2024: R137,0 million), reflecting both strong tenant performance and disciplined asset management. Vacancy levels remain low at 1,1% (2024: 1,2%), underscoring the defensive nature of Heriot's retail assets.

Industrial

The Western Cape industrial market continues to benefit from limited space availability and efficient municipal management, driving rental growth. Heriot's operational team has delivered strong outcomes across the portfolio, retaining tenants at comparable rates and successfully filling vacancies despite challenging trading conditions in other regions.

The industrial segment generated net operating income of R89,2 million (2024: R86,6 million), representing a 3% increase. Average rentals rose to R62/m² (2024: R59/m²). Vacancy levels increased to 2,7% (2024: 1,3%), primarily due to a 3 069m² distribution centre in Centurion becoming vacant in December 2025, where redevelopment opportunities are currently being explored.

Office

The office sector has begun to show signs of recovery, with a noticeable pick-up in demand evidenced by Heriot's office portfolio being fully let at the end of the reporting period. While rental rates remain under pressure, operational performance has strengthened. Net operating income rose to R8,8 million (2024: R8,4 million), a 5,4% increase, despite the disposal of 60 Adderley Proprietary Limited ("60 Adderley"), a 7 116m² office property in Wynberg, Cape Town, on 30 November 2025. Average rentals reduced to R146/m² (2024: R159/m²), reflecting prevailing market conditions. Vacancy levels improved materially from 4,4% at 30 June 2025 to 0% at the reporting date, highlighting the sector's gradual recovery and management's success in tenant retention.

Residential/aparthotel

The Cape Town hospitality market has remained a standout performer within the South African property sector. Strategic upgrades addressing operational and system challenges, together with the transition of asset management to external hotel operators, have driven notable performance improvements. The residential/aparthotel segment generated net operating income of R22,629 million (2024: R12,8 million), representing a 76,9% increase, supported by the launch of the rebranded aparthotel HAVN (formerly The Heriot) on 30 November 2024. Average rentals rose to R562/m² (2024: R275/m²), while occupancy strengthened to 79% (2024: 73%), reflecting strong demand despite competitive market conditions and pressure on average daily rates.

Specialised

The timber plantations have been identified as non-core assets within the portfolio. Two farms were classified as held for sale during the reporting period following lease expiries, reducing the earnings base. These assets are expected to be disposed of within the next 12 months at book value. Net operating income decreased by 30,9% to R3,3 million (2024: R4,8 million). The sector remains immaterial to the Group's overall performance.

Investment in Safari

Safari's financial highlights

- **Investment property¹:** Valued at R4,323 billion (June 2025: R4,192 billion).
- **Distributable earnings contribution:** Increased by 8,1%, reaching R56,039 million (December 2024: R51,847 million).
- **NOI:** Decreased by 2,2% to R167,881 million (December 2024: R171,240 million).
- **WACD:** 8,91%, a 112bps decrease from the prior period (December 2024: 10,03%)².
- **Vacancy rate:** Remains low at 3,7% (June 2025: 2,1%).

¹ Includes properties held for sale.

² The Safari Group WACD is presented solely for analytical purposes.

Safari delivered solid results, achieving an 8,1% increase in distributable earnings compared to the prior period. Growth was supported by lower borrowing costs, driven by a 112bps reduction in the WACD following interest rate cuts, and by reduced debt levels for most of the reporting period. Proceeds of R290,0 million received on 1 July 2025 from the sale of the Platz am Meer shopping centre were applied as follows: R190,0 million to debt facilities and R100,0 million retained in cash accounts. These actions, together with rate reductions, delivered meaningful savings and strengthened earnings.

While net operating income decreased following the disposal of the Platz am Meer property on 30 June 2025, the benefit of reduced funding costs more than offset the impact. The R835,0 million debt

advanced on 22 December 2025 to finance the Safari buyout had an immaterial effect on borrowing costs during the reporting period, ensuring distributable earnings growth remained intact.

Investment in Thibault

Thibault's financial highlights

- **Investment property:** Valued at R2,205 billion (June 2025: R2,135 billion).
- **Distributable earnings contribution:** Increased by 19,3%, reaching R32,860 million (December 2024: R27,549 million).
- **NOI:** Increased by 15,3%, reaching R75,110 million (December 2024: R65,123 million).
- **WACD:** 8,94%, reflecting a 115bps decrease from December 2024 (10,09%)¹.
- **Vacancy rate:** Remains low at 0,9% (June 2025: 1,1%).

¹ The Thibault Group WACD is presented solely for analytical purposes.

Thibault property portfolio performance

Retail

The retail sector maintained an occupancy rate of nearly 100% during the reporting period, generating net operating income of R51,6 million (2024: R45,7 million). Performance was supported by the successful launch of the Helderberg Mall Phase 2 extension in December 2024. Average rentals increased to R159/m² (2024: R147/m²), while vacancy levels remained low at 0,4%, underscoring the resilience of Thibault's retail portfolio.

Aparthotel/residential

The aparthotel component of One Thibault reported an average occupancy of 72% during the reporting period, up from 62% in the prior period. Strong demand from the Saudi market supported performance during the off-peak season, delivering an 18% revenue increase in the first quarter. Despite softer sales between 1 and 15 December, second-quarter revenue grew by 8%, resulting in an overall increase of R2,8 million (13%). NOI rose to R9,5 million (2024: R7,9 million), with average rentals increasing to R509/m² (2024: R451/m²).

Office

The office component of One Thibault, located in the Cape Town CBD, delivered strong results during the reporting period. Net operating income increased by 22,5% to R14,0 million (2024: R11,5 million), driven by a reduction in vacancies from 5,4% to 3,0% following the letting of the annex to a food operator. Average rentals rose to R204/m² (2024: R200/m²).

Texton dividend non-IFRS[®] Accounting Standards distributable earnings adjustment

On 30 October 2025, Texton paid a final dividend of 63,74 cents per share for the year ended 30 June 2025. The dividend was treated as a return of capital and excluded from the statement of comprehensive income.

Of the R41,172 million declared, R14,447 million was recognised as a non-IFRS[®] Accounting Standards distributable earnings adjustment, to mirror historical final dividends declared by Texton that are recognised through the statement of comprehensive income.

Investment in Texton

Through its wholly owned subsidiary, Thibault, the Group has a strategic interest in Texton of 21,7% (excluding treasury shares).

At the reporting date, the following significant judgements were applied to conclude that the Group did not have significant influence over Texton:

- The Group cannot appoint a director to the Texton board;
- The Group is not permitted to participate in any policy-making processes, including decisions about dividends or other distributions;
- To date, the only material transactions between the entities are the Texton shares acquired by Thibault and the dividends received from Texton;
- There is no interchange of managerial personnel between the companies; and
- The Group only has access to publicly available information as released by Texton.

On this basis, the investment in Texton has been classified as a non-current financial asset, measured at fair value through profit or loss under IFRS 9.

At the reporting date, Heriot's 64,5 million Texton shares were revalued at R3,75 per share, increasing the investment's value by R57,3 million to R242,3 million. Texton declared a final dividend of 63,74 cents per share for the year ended 30 June 2025, which was paid on 30 October 2025. The dividend was treated as a return of capital and excluded from the statement of comprehensive income. Of the R41,172 million declared, R14,447 million was recognised as a non-IFRS[®] Accounting Standards distributable earnings adjustment, with cash returned to shareholders.

Group investment property

The Group's investment property portfolio, including non-current assets held for sale and properties under development, comprises 51 properties (2024: 54) across all major sectors in South Africa. On 31 December 2025, Peter Parfitt of Quadrant Properties Proprietary Limited, a registered valuer in terms of Section 19 of the Property Valuers Profession Act No 47 of 2000, independently valued the Group portfolio at R13,137 billion (2024: R12,361 billion) using discounted cash flow and comparable sales methods.

Property valuations increased by 6,3% for the six months ended 31 December 2025, driven by rising property income, lower interest rates and stabilised inflation, which reduced capitalisation and exit capitalisation rates. The value of investment property was adversely affected by the disposal of the Platz am Meer shopping centre and the Wynberg offices. Overall, investment property increased by R775,8 million to the comparative period, supported by positive rental escalations on renewals and re-lets across the portfolio.

Investment property and property under development capital expenditure

The material capital expenditure movements for the reporting period were as follows:

Heriot: Incurred capital expenditure of R66,6 million during the reporting period, comprising the following material items:

- **Horizon development:** R42,3 million on the Horizon development, including capitalised interest of R5,7 million.
- **Burgersfort Mall:** R4,7 million for the second of four tranches for the R18,8 million Burgersfort Mall land acquisition.
- **The Fibonacci development:** R12,6 million on The Fibonacci development, primarily comprising professional fees and foundation costs.

Thibault: Incurred capital expenditure of R5,3 million during the reporting period, comprising the following material items:

- **One Thibault improvements:** A total of R3,2 million was spent on the One Thibault office upgrade and the new food operator's restaurant and bar.
- **Helderberg extension:** Helderberg Phase 2 snagging was completed during the reporting period for R1,0 million.

Safari: Incurred capital expenditure of R53,9 million during the reporting period, comprising the following material items:

- **Atlyn Mall revamp:** R39,0 million was allocated to a comprehensive upgrade of the mall, aimed at improving the overall shopping experience and strengthening tenant appeal.
- **Nkomo Mall improvements:** R8,0 million was spent on upgrades to selected stores, ensuring modernised facilities and improved customer flow.
- **Thornhill Mall improvements:** R4,0 million was directed towards store enhancements and infrastructure upgrades, including the installation of a new borehole to support sustainability initiatives.

Property under development

The Mowbray (The Fibonacci) and Finsbury Court (Horizon) properties are classified as under development.

Finsbury Court – Horizon

The Horizon development, comprising 50 keys across 11 floors, has had its timeline revised. The opening, initially scheduled for December 2025, has been deferred to May 2026 due to delays in completing the additional floors. Management has resolved not to open the first five floors in isolation, but to launch the entire development upon completion to ensure consistent presentation and operational efficiency. To date, total development costs incurred amount to R84,0 million. The projected final development cost is R98,0 million, including capitalised interest, but excluding the property's purchase price of R76,1 million. Based on current projections, the development is expected to deliver a starting yield of approximately 12%.

Mowbray – The Fibonacci

The Fibonacci development officially broke ground in October 2025. The project will comprise a ground-floor retail section anchored by Shoprite, together with a seven-storey student accommodation complex comprising 574 units, of which the majority will be one-bedroom units. The total development cost is projected at R530 million, with an anticipated starting yield of 13,49%. The R530,0 million development facility will carry an interest rate of prime minus 1,8%. To de-risk the project, 174 units were sold for approximately R200 million, which will be used to reduce the facility to R330 million and convert it to a three-year term loan bearing interest at three-month JIBAR plus 1,475%. During the current reporting period, capital expenditure of R12,6 million was incurred, primarily relating to legal, professional and marketing fees.

Vacancies and letting activity

The Group's tenancies remained relatively stable during the reporting period. Group portfolio vacancies increased from 1,6% on 30 June 2025 to 2,4% by 31 December 2025, primarily due to an industrial property in Centurion measuring 3 069m² becoming vacant in December 2025 and an increase in vacancies at Atlyn shopping centre during the refurbishment.

The vacancy table below excludes the following gross lettable area ("GLA"):

- The specialised property portfolio comprising 8 382ha of timber plantations;
- Aparthotel assets, measuring 20 550m², as the preferred metrics to report on are average daily rates and occupancies; and
- Vacant land and property under development measuring 21 165m².

Sector	Group					
	31 December 2025			30 June 2025		
	Total m ²	m ² vacant	%	Total m ²	m ² vacant	%
Industrial	268 705	7 354	2,7	268 705	3 346	1,2
Retail	358 459	7 587	2,1	358 459	5 772	1,6
Office	23 357	495	2,1	30 496	1 499	4,9
Residential	2 430	194	8,0	3 446	18	0,5
	652 951	15 630	2,4	661 106	10 635	1,6

Heriot significant letting and renewal activity

Heriot concluded several notable leasing transactions during the reporting period, reinforcing portfolio stability and rental growth:

- **Mount Edgecombe, 18 135m² (re-let):** The distribution centre was re-let effective 1 October 2025 at R78,6/m² for a three-year term. The rental represents a marginal increase from the prior expiry rate of R78,2/m².
- **4 Clarke Alrode, Johannesburg, 11 930m² (re-let):** The distribution centre was re-let effective 1 July 2025. The five-year lease was concluded at R70/m², escalating annually by 6%, representing an 18,71% uplift from the prior rate of R58,97/m².
- **Melrose Arch, 4th floor, 992m² (renewal):** A lease renewal was concluded for a further three years, effective 1 October 2025, at a flat rental of R231,5/m². Occupied space reduced from 1 256m² to 992m², resulting in a 21% decrease in rental income.

Safari significant letting and renewal activity

Safari's leasing activity showed steady progress during the reporting period, with renewals across key malls helping to keep the portfolio stable and income secure.

- **Selected Safari malls:** A total of 8 520m² of leases were renewed. The agreements were signed at an average rental of R201,6/m², with an average lease term of six years and annual escalations of 6,5%.

Thibault significant letting and renewal activity

Thibault's leasing activity reflected proactive management of renewals and rental reversions:

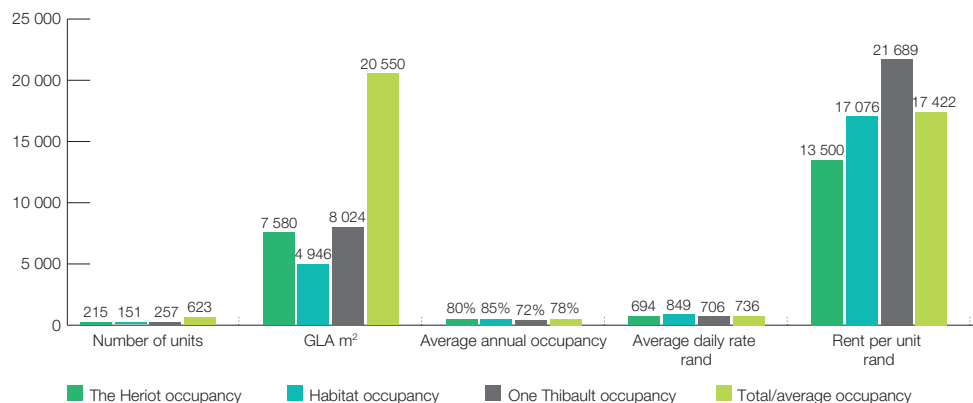
- **Sun Valley Mall, 4 552m² (renewals):**
 - A 3 000m² renewal was agreed for five years, effective 1 December 2025, at R170/m², down from R240/m² (29% reduction). The lease includes a 6% annual escalation and a tenant installation allowance of R2,25 million.
 - A 1 522m² renewal was concluded for five years, commencing 1 December 2025, at R220/m² with a 6% escalation. Tenant installation allowances of R2,5 million were provided.
- **One Thibault, 5 665m² (renewal):** A two-year lease was concluded effective 1 July 2025 for 5 665m², including 50 parking bays. The first-year rental reverted from R183/m² to R176/m² (a 3,9% reduction), with parking rentals set at R1 582 per bay. The lease includes a 6% annual escalation, with no tenant installation allowances.

Group aparthotel occupancy analysis

The aparthotel sector comprises three properties in the Cape Town CBD with a combined GLA of 20 550m² or 623 units. These assets are included in the aparthotel/residential sector for segmental reporting purposes.

Seasonal trends influence occupancy levels in the sector. The first quarter saw lower occupancy due to reduced demand during the off-peak period, while the second quarter experienced an increase, driven by higher demand leading into the festive season. For the reporting period, the average annual occupancy rate was 78% (2024: 68,0%), with an average daily rate of R818 (2024: R736) per night.

Aparthotel occupancy analysis (%)



Assets and liabilities held for sale

Safari

Platz am Meer (sold):

In the prior period, the company that owned the asset was sold for R300,0 million. The transaction became effective on 30 June 2025, at which point all related assets and liabilities were transferred to the new owner. The R290,0 million in outstanding proceeds was paid on 1 July 2025, with the balance of R10,0 million contingent on achieving a specified 12-month annualised yield.

Mnandi Shopping Centre (removed):

The asset has been withdrawn from the disposal list to allow management to address vacancies, strengthen food-anchor turnover and develop a drive-through facility, thereby maximising the eventual selling price.

Soweto Hospital (looking for a buyer):

Safari continues to look for a buyer for the property.

Heriot

Fixtrade 605 Proprietary Limited – sectional title sales (sold)

In the prior period, 38 units were sold, generating R18,2 million in proceeds and R15,0 million in cash profit, which was declared and distributed to shareholders. In the current period, a further 13 units transferred, realising R5,4 million in proceeds and R4,2 million in cash profit. These profits will not be distributed to shareholders, and management proposes retaining all current proceeds for Group capital expenditure projects.

60 Adderley (sold)

In early November 2025, Heriot received an offer of R76 million to acquire the company 60 Adderley, in which it held a 60% interest. The offer was structured to include the company's issued share capital, loans and claims, and was accepted and finalised on 30 November 2025. Payment was received on 17 December 2025.

New assets classified as held for sale

As part of Heriot's de-gearing strategy following the Safari acquisition, management has reviewed selected non-core assets, with several properties currently being tested for disposal.

Hinze farm (not sold)

The Hinze farm was placed on the market following the expiry of the Mondi lease. A forestry management team has been appointed to oversee operations while Heriot continues to seek a buyer.

Bushmans Bend farm (in transfer process)

Following the expiry of the lease on Bushmans Bend farm on 12 December 2025, Heriot accepted a private offer of R36,0 million for the property. Transfer is expected to be completed in April 2026. The property has been classified as held for sale and recognised at fair value less costs to sell, equating to a net selling price of R33,84 million.

Inventory

The Fibonacci: Following the successful pre-sale of 174 units and the commencement of the project, the *pro rata* costs of R26,1 million were reclassified from investment property to inventory. As the net realisable value exceeds the cost, no impairment was recognised.

Total cash available

The Group's available cash reserves decreased from R490,010 million in 2024 to R444,735 million at the reporting date. This balance comprised:

- Cash and cash equivalents: Increased from R145,127 million to R194,218 million; and
- Unutilised debt facilities: Reduced from R344,883 million to R250,517 million.

The overall decrease was mainly due to the utilisation of debt facilities to fund capital expenditure on both new acquisitions and improvements to existing properties.

Funding

WACD analysis

The WACD for the period was 8,88% (December 2024: 9,99%), reflecting a 111bps reduction. This improvement was driven by favourable lending rates secured through the refinancing of debt facilities, as well as a 150bps rate cut between 30 September 2024 and 31 December 2025. However, 99% of the Group's facilities are linked to the three-month JIBAR rate, which delays the full benefit of the rate cuts.

Refinancing and new facilities:

Heriot

- Heriot renewed debt facilities amounting to R215,57 million, on expiry in August 2025. The new three-year facility offers a rate of three-month JIBAR plus 1,58%, representing a 22bps reduction from the previous facility rate.
- Heriot renewed the R62,0 million Nedbank facility on 60 Adderley in August 2025 for a further 24 months at prime less 0,5%, with no prepayment penalties. The facility was fully settled on 30 November 2025 through the disposal of 60 Adderley.
- On 18 September 2025, the Board approved The Fibonacci development, together with a R530,0 million development facility. The facility carries interest at prime less 1,8%. After deducting R200,0 million in anticipated sales proceeds, the facility will convert into a R330,0 million three-year term loan, priced at three-month JIBAR plus 1,475%. The facility is expected to be in place by April 2026.

Safari

- On 1 July 2025, Safari settled its R200,0 million revolving facility, previously attracting a rate of prime less 1,5%.
- Safari converted R200,0 million of its remaining facilities to revolving accounts to ensure it retains sufficient cash reserves for capital projects and deployment of excess cash for distributions.

- Safari approved a R835,0 million funding facility, selected based on its competitive pricing to finance the share buyback from minority shareholders, which was drawn down on 22 December 2025. The facility comprises a two-year term at a rate of three-month JIBAR plus 1,17%, together with a R500 000 guarantee issue fee and a 10bps facility-raising fee. This arrangement provides cost-effective funding while ensuring flexibility for the Group's capital requirements.

Thibault

- The R209,5 million Sun Valley facility, currently priced at three-month JIBAR plus 1,85% and maturing on 30 September 2028, carries no prepayment penalties. It will be settled and replaced by a new three-year facility at three-month JIBAR plus 1,40%, providing the additional security required to finance The Fibonacci development.
- Thibault Investments refinanced its R250,0 million facility with a new three-year tenor, priced at three-month JIBAR plus 1,51%. The refinancing delivered a 22bps saving compared to the previous facility, which had been priced at prime less 1,5%.

LTV analysis

The Group LTV ratio increased to 43,36% from 38,95% in June 2025, driven by the R835 million debt advanced to finance the Safari buyout. Importantly, the ratio remains comfortably below the bank's 50% covenant limit, underscoring the Group's strong balance sheet position and capacity to pursue future developments.

Interest cover ratio ("ICR") analysis

The Group ICR improved to 2,35 times as at 31 December 2025. Benefits from repo rate cuts and favourable refinancing terms are supporting upward momentum. Importantly, projections indicate the Group will maintain an ICR above 2,00 times post the Safari buyout, underscoring covenant compliance and financial resilience. Management will continue to monitor developments and reassess as necessary.

Debt expiry profile

As at the reporting date, the Group's weighted average remaining debt expiry was 1,92 years. Renewal negotiations have commenced for facilities totalling R803,0 million that are scheduled to mature within the next 12 months, with a planned renewal date of 30 June 2026.

New debt special purpose vehicle ("SPV") update

In January 2026, Heriot launched its strategy to transition to a Group SPV debt structure. The new structure will align all lenders under a common security pool, fostering competitive tension and securing favourable pricing on future debt tenders. Management has designed a two-phased plan to implement the SPV:

- **Phase 1:** Conclude the common terms agreement ("CTA"), transfer mortgage bonds, align interest payment dates, renew R803 million of debt expiring by 30 June 2026 and streamline facilities by merging those with similar maturities; and
- **Phase 2:** Tender two tranches each in 2027 and 2028 to renew the balance of debt facilities.

Implementation of the CTA and bond registrations are targeted for 30 June 2026, alongside the early renewal of R803 million debt due in November 2026. Legal and registration costs are estimated at R5,0 million.

This initiative reflects proactive capital management and positions the Group to secure better financing terms through a more efficient, competitive debt structure.

Financial assets

Other financial assets include the following related party balances:

- The share scheme loan comprises 900 000 shares issued at R10 per share, repayable in June 2027 and recognised at amortised cost. As at 31 December 2025, the balance decreased from R33,9 million to R33,6 million, reflecting R803 000 in accrued interest and R1,1 million in repayments

from share participants.

- The loan to Heriot Investments Proprietary Limited, held at amortised cost, represents the unpaid net proceeds from the sale of Hagley 3865 Proprietary Limited. It accrues interest at the three-month JIBAR rate plus 1,85% and is repayable by 31 December 2027. During the reporting period, Heriot advanced R8,7 million, increasing the balance from R19,6 million to R29,0 million, and accrued R757 000 in interest.

The balance of the other financial assets comprises Thibault's investment in Texton. As at the reporting date, Thibault held 64,5 million shares in Texton, valued at the closing market price of R3,75 per share. The investment is recognised at fair value through profit or loss in accordance with IFRS 9.

Share capital

There were no changes to the issued share capital during the reporting period. As of 31 December 2025, the Company had 319 261 982 (December 2024: 319 261 982) shares in issue, excluding the 900 000 (2024: 900 000) treasury shares owned by the Group.

Conditional Share Plan ("CSP")

The Remuneration and Nomination Committee ("Remco") and management presented the new CSP to the Board on 26 September 2025. The Board, in principle, approved the new CSP on the same date, which is based on achieving the following performance conditions on a rolling three-year period of assessment:

- Absolute growth in distributable income per share; and
- Absolute total (NAV-based) return per share.

On 8 December 2025, a general meeting was held to vote on the CSP, and the shareholders unanimously approved it.

Following the general meeting, Remco approved the first set of performance conditions.

Remco further approved the first allocation of shares to selected participants using the volume-weighted average share price ("VWAP") over the previous 30-day period. 525 000 shares were allocated at the VWAP of R20,88, equating to R10,872 million. Allocation of shares: Performance conditions are weighted at 80%, with retention at 20%.

On 23 December 2025, Heriot confirmed that the participants had fully accepted the awards. As at 31 December 2025, no amount has been accrued through the employee share scheme reserve, as the weighted eight-day expense accrual was deemed immaterial.

Subsequent events

On 25 March 2026, the Heriot Board approved a gross interim cash distribution of 66,11 cents per ordinary share for the six months ended 31 December 2025. The distribution will be paid to shareholders on 20 April 2026.

In January 2026, the Group commenced restructuring its debt portfolio. Safari's existing SPV will be converted into the Group's debt treasury vehicle under a new CTA, with Heriot's and Thibault's bonds allocated to the structure. Implementation is projected before 30 June 2026, together with R803,0 million of expiring debt facilities, which are scheduled to be renewed within the new SPV on the same date.

On 26 January 2026, Heriot announced the appointment of Pieter van Niekerk as the new Company Secretary, effective 20 March 2026, replacing CIS Company Secretaries Proprietary Limited.

On 27 January 2026, Heriot announced a related party transaction with the Chief Financial Officer (Daniel Snoyman), who acquired a unit in The Fibonacci development at a market-related price of R1,234 million.

The Directors are unaware of any other material event that occurred after the reporting date or up to the date of this report.

Sustainability

Due to the country's power constraints, unreliable infrastructure and climate change, Heriot has continued to invest in renewable energy projects and water-harvesting systems.

The Group has installed solar plants at major retail centres with a combined installed capacity of 13,71MWp. By the end of 2027, the Group plans to increase the current solar roll-out by 1,7MWp.

Fourteen groundwater harvesting plants are currently operational, with additional plants in the exploration phase.

Prospects

Heriot's results for the reporting period underscore the resilience of its portfolio, particularly the strength of its emerging market retail, industrial and hospitality assets. Challenging local and global macroeconomic conditions have persisted and were further exacerbated by the outbreak of war in the Middle East in March 2026. This conflict has driven oil prices higher as supply constraints have filtered through global markets, creating significant inflationary risks and negating prospects for near-term rate cuts. Heriot's property portfolio remains well positioned to withstand these effects.

The Group will continue to pursue initiatives to unlock value from its existing portfolio while expanding its asset base through the acquisition of high-yielding properties in target markets. On this basis, management is targeting a 14,0% to 17,0% increase in the dividend per share for the year ending 30 June 2026. This guidance has been revised upward from the previous range of 10,0% to 15,0%, reflecting the property portfolio's performance exceeding initial forecasts, along with lower gearing and reduced debt levels, resulting in lower interest costs than originally anticipated.

The forecast supporting this guidance has been prepared using the following key assumptions:

- Prime and JIBAR rates remain at 10,25% and 6,68%, respectively, throughout the period;
- Forecast property income reflects contractual rental escalations and market-related renewals;
- Adequate provisions are made for vacancies and rental reversions; and
- No major corporate or tenant failures occur.

This guidance has not been reviewed or reported on by the Company's auditor and remains the responsibility of the Board.

Going concern

The Directors are satisfied that the Group is in a sound financial position with access to sufficient facilities to meet foreseeable cash requirements. Although the Group's current liabilities exceed its current assets due to maturing facilities as of the reporting date, refinancing discussions with new and existing lenders are at an advanced stage. Furthermore, the Group has unutilised debt facilities of R250,517 million as of the reporting date, which can be used to meet financial obligations as of the date of this report. On this basis, the Directors believe that the Group has adequate cash resources

to continue operating in the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis. This is based on the following:

- The strong current and projected cash flows of the Group;
- The Group meeting debt covenant ratios;
- The NAV of R22,90 per share reflects the Group's favourable solvency position at the reporting date;
- The Group has sufficient borrowing facilities to meet its foreseeable cash requirements for operational activities and capital commitments; and
- This is supported by the fact that negotiations for the refinancing of maturing facilities were concluded on favourable terms during the reporting period and to the date of this report.

Responsibility statement

The Directors of Heriot accept responsibility for the information in this announcement and certify that, to the best of their knowledge and belief, the information contained herein is accurate and does not omit anything likely to affect the importance of such information.

Condensed consolidated statement of financial position

as at 31 December 2025

	Unaudited 31 December 2025 R'000	Unaudited 31 December 2024 R'000	Audited 30 June 2025 R'000
Assets			
Non-current assets			
Investment property	12 784 140	11 671 090	12 379 190
Property under development	273 930	193 141	238 412
Property, plant and equipment	60 909	58 911	56 115
Investment in associate and joint ventures	13 545	63	318
Right-of-use assets	758	1 263	1 010
Financial assets	269 368	311 027	244 159
	13 402 650	12 235 495	12 919 204
Current assets			
Trade and other receivables	110 273	102 448	375 833
Inventories	26 100	–	–
Financial assets	10 000	–	10 000
Taxation receivable	438	828	457
Cash and cash equivalents	194 218	145 127	121 445
	341 029	248 403	507 735
Non-current assets held for sale	78 840	496 869	181 136
Total assets	13 822 519	12 980 767	13 608 075

	Unaudited 31 December 2025 R'000	Unaudited 31 December 2024 R'000	Audited 30 June 2025 R'000
Equity and liabilities			
Equity and reserves			
Stated capital	3 468 665	3 468 665	3 468 665
Retained earnings	3 954 653	2 653 141	3 220 971
Shareholders' interest	7 423 318	6 121 806	6 689 636
Non-controlling interests	66 690	1 180 937	1 289 767
Total equity	7 490 008	7 302 743	7 979 403
Liabilities			
Non-current liabilities			
Interest-bearing borrowings	5 256 228	5 059 880	4 989 318
Lease liabilities	600	1 674	1 171
Deferred taxation	97 686	113 510	92 908
	5 354 514	5 175 064	5 083 397
Current liabilities			
Interest-bearing borrowings	749 927	277 783	312 745
Trade and other payables	212 604	212 060	216 082
Lease liabilities	1 074	897	982
Dividend payable to non-controlling shareholders	14 392	12 220	15 466
	977 997	502 960	545 275
Total liabilities	6 332 511	5 678 024	5 628 672
Total equity and liabilities	13 822 519	12 980 767	13 608 075

Condensed consolidated statement of profit or loss and other comprehensive income

for the six months ended 31 December 2025

	Unaudited six months ended 31 December 2025 R'000	Unaudited six months ended 31 December 2024 R'000	Audited year ended 30 June 2025 R'000
Revenue	862 429	836 581	1 706 944
Contractual rental income	618 970	583 209	1 183 361
Dividends received	–	13 001	–
Operating cost recoveries	228 069	222 783	471 596
Revenue from sale of inventory	–	10 033	10 033
Straight-line rental income accrual	15 390	7 555	41 954
Operating costs	(336 892)	(324 925)	(678 608)
Cost of inventory sold	–	(11 132)	(11 132)
Net property income	525 537	500 524	1 017 204
Investment and other income	37 791	9 968	43 121
Loss on sale of property, plant and equipment	–	(392)	(392)
Profit on sale of subsidiary	3 817	–	12 283
Administration costs	(63 904)	(53 259)	(95 500)
Profit from operations	503 241	456 841	976 716
Finance income	11 722	9 771	15 072
Finance charges	(228 604)	(254 684)	(489 961)
Profit before fair value adjustments	286 359	211 928	501 827
Fair value adjustments	353 156	518 111	1 120 688
Investment properties and property under development	300 693	475 859	1 109 908
Listed shares	57 321	43 930	27 697
Investment properties held for sale	(4 858)	(1 515)	(16 754)
Derivative financial instrument	–	(163)	(163)
Profit before taxation	639 515	730 039	1 622 515
Taxation	(6 845)	(9 596)	(5 442)
Total comprehensive income for the period	632 670	720 443	1 617 073
Attributable to:			
Equity holders of the Company	557 897	629 840	1 379 124
Non-controlling interests	74 773	90 603	237 949
	632 670	720 443	1 617 073

	Unaudited six months ended 31 December 2025 R'000	Unaudited six months ended 31 December 2024 R'000	Audited year ended 30 June 2025 R'000
Reconciliation of earnings and headline earnings			
Profit attributable to equity holders of the Company	557 897	629 840	1 379 124
Adjustments attributable to:	(265 424)	(464 260)	(946 413)
Fair value adjustment on investment properties	(300 693)	(475 859)	(1 109 908)
Non-controlling shareholder portion of fair value adjustments	34 228	53 622	158 632
Loss on sale of property, plant and equipment	–	392	392
Profit on sale of subsidiary	(3 817)	–	(12 283)
Fair value adjustment on listed shares	–	(43 930)	–
Fair value adjustment on non-current assets held for sale	4 858	1 515	16 754
Headline earnings attributable to equity holders	292 473	165 580	432 711
Number of shares in issue at the reporting date ¹	319 261 982	319 261 982	319 261 982
Weighted average number of shares in issue	319 261 982	319 261 982	319 261 982
Basic and diluted earnings per share (cents)	174,75	197,28	431,97
Basic and diluted headline earnings per share (cents)	91,61	51,86	135,53
Distribution per share (cents)	66,11	56,84	121,91

¹ Excluding 900 000 (2024: 900 000) treasury shares.

Condensed consolidated statement of cash flows

for the six months ended 31 December 2025

	Unaudited six months ended 31 December 2025 R'000	Unaudited six months ended 31 December 2024 R'000	Audited year ended 30 June 2025 R'000
Cash generated from operations	728 772	456 947	958 727
Finance charges	(229 372)	(262 712)	(510 851)
Finance income	9 452	5 130	8 576
Dividends received	–	13 001	–
Taxation paid	(2 047)	(1 044)	(993)
Net cash flows from operating activities	506 805	211 322	455 459
Acquisitions/improvements to investment property	(125 928)	(257 796)	(284 204)
Proceeds from disposal of property, plant and equipment	–	1 456	1 456
Acquisition of property, plant and equipment	(8 839)	(7 799)	(10 932)
Proceeds from disposal of investment property held for sale	5 440	12 943	18 177
Acquisition of shares in associate and joint ventures	(13 227)	(63)	(318)
Acquisition of listed shares	–	(1 579)	(1 579)
Return of capital from listed shares	41 172	–	51 591
Cash disposed of on deconsolidation of subsidiary (Safari Namibia Investments Proprietary Limited)	–	–	(618)
Cash received on disposal of subsidiary (60 Adderley)	6 385	–	–
Cash disposed of on deconsolidation of subsidiary (60 Adderley)	(2 707)	–	–
Dividend received from listed investments	–	–	26 004
Loan repaid by related party	–	85 060	103 170
Loan advanced to related party	(8 655)	(33 783)	(52 784)
Share scheme debt repaid	1 865	1 804	3 594
Net cash used in investing activities	(104 494)	(199 757)	(146 443)

	Unaudited six months ended 31 December 2025 R'000	Unaudited six months ended 31 December 2024 R'000	Audited year ended 30 June 2025 R'000
Dividends paid to Heriot shareholders	(207 620)	(181 383)	(362 837)
Dividends paid to non-controlling shareholders	(42 802)	(51 559)	(87 129)
Safari share buyback return of capital	(644 987)	–	–
Safari share buyback dividend portion	(189 581)	–	–
Safari share buyback clean-out distribution	(39 220)	–	–
Acquisition of additional shares in subsidiary (Safari)	–	825	–
Subscription by minority for additional shares in subsidiary	–	–	1 125
Proceeds from disposal of minority interest	1 071	–	–
Interest-bearing borrowings raised	935 000	564 265	914 615
Interest-bearing borrowings repaid	(140 921)	(267 215)	(721 555)
Payment of lease liabilities	(478)	(396)	(815)
Net cash generated (used in)/from financing activities	(329 538)	64 537	(256 596)
Net movement in cash and cash equivalents	72 773	76 102	52 420
Cash and cash equivalents at the beginning of the period	121 445	69 025	69 025
Cash and cash equivalents at the end of the period	194 218	145 127	121 445

Condensed consolidated statement of changes in equity

for the six months ended 31 December 2025

	Stated capital R'000	Reserves R'000	Non-controlling interests R'000	Total R'000
Unaudited				
Balance at 1 July 2024	3 468 665	2 204 684	1 107 228	6 780 577
Total comprehensive income for the period	–	629 840	90 603	720 443
Subscription by minority for additional shares in subsidiary	–	–	825	825
Dividends	–	(181 383)	(17 719)	(199 102)
Balance at 31 December 2024	3 468 665	2 653 141	1 180 937	7 302 743
Audited				
Balance at 1 July 2024	3 468 665	2 204 684	1 107 228	6 780 577
Total comprehensive income for the year	–	1 379 124	237 949	1 617 073
Subscription by minority for additional shares in subsidiary ¹	–	–	1 125	1 125
Dividends ²	–	(362 837)	(56 535)	(419 372)
Balance at 30 June 2025	3 468 665	3 220 971	1 289 767	7 979 403
Unaudited				
Balance at 1 July 2025	3 468 665	3 220 971	1 289 767	7 979 403
Total comprehensive income for the period	–	557 897	74 773	632 670
Safari share buyback – return of capital component ³	–	572 986	(1 217 973)	(644 987)
Safari share buyback – distribution component ³	–	(189 581)	–	(189 581)
Safari share buyback clean-out distribution ³	–	–	(39 220)	(39 220)
Disposal of minority share in 60 Adderley ⁴	–	–	1 071	1 071
Dividends ⁵	–	(207 620)	(41 728)	(249 348)
Balance at 31 December 2025	3 468 665	3 954 653	66 690	7 490 008

30 June 2025 notes:

¹ During the previous reporting period, Moditouch Proprietary Limited, a subsidiary of Heriot, issued additional shares equally to both its shareholders, and, therefore, the ownership percentage remained the same. The minority shareholder paid R1,125 million in cash to acquire the additional shares issued.

² On 23 October 2024, Heriot paid its final distribution to shareholders, totalling R181,383 million or 56,81 cents per share, for the six months ended 30 June 2024.

- On 22 April 2025, Heriot paid its interim distribution to shareholders, totalling R181,456 million or 56,84 cents per share, for the six months ended 31 December 2024.
- On 18 October 2024, Safari paid its final distribution to shareholders, totalling R43,464 million or 17,0 cents per share, for the six months ended 30 June 2024. At the Group level, R17,719 million was paid to minority shareholders.
- On 24 March 2025, Safari paid its final distribution to shareholders, totalling R86,928 million or 34,0 cents per share, for the six months ended 31 December 2024. At the Group level, R35,439 million was paid to minority shareholders.

31 December 2025 notes:

³ On 22 December 2025, Safari concluded its scheme of arrangement to acquire the remaining issued share capital from minority shareholders. Safari acquired 104,321 million shares for a total consideration of R8,00 per share, equating to R834,568 million, which was allocated and paid as follows:

- R6,18271 per share, totalling R644,987 million, was paid to minority shareholders as a return of capital; and
- R1,81729 per share, totalling R189,581 million, was paid as a cash dividend.

On this basis, the Group realised a bargain gain of R383,405 million, as the value of the Safari minority interest of R1,217 billion exceeded the consideration paid of R834,568 million.

Further, under the terms of the scheme of arrangement, a clean-out distribution of 37,6 cents per share was paid to shareholders, amounting to R39,220 million on 22 December 2025.

⁴ On 30 November 2025, the Group concluded the sale of 60 Adderley via the sale of shares and claims in the company. Heriot's 60% share resulted in a R3,817 million profit, with the minority's share equating to R1,071 million.

⁵ On 20 October 2025, Heriot paid its final distribution to shareholders, totalling R207,620 million or 65,07 cents per share, for the six months ended 30 June 2025.

- On 13 October 2025, Safari paid its final distribution to shareholders, totalling R102,268 million or 40,0 cents per share, for the six months ended 30 June 2025. At the Group level, R41,728 million was paid to minority shareholders.

Notes to the financial statements

1. Basis of preparation

The consolidated unaudited interim financial statements for the six-month period ended 31 December 2025 have been prepared in accordance with the JSE Listings Requirements for interim results and the requirements of the Companies Act 71 of 2008 of South Africa. In terms of paragraph 11.33 of the JSE Listings Requirements, these interim financial results must be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS[®] Accounting Standards, the South African financial reporting requirements and must contain the information required by IAS 34 *Interim Financial Reporting*. The accounting policies applied in the preparation of these financial statements are in terms of IFRS[®] Accounting Standards and are consistent with those applied in the previous consolidated financial statements for the year ended 30 June 2025.

The preparation of the Group's interim results for the six months ended 31 December 2025 was the responsibility of the Chief Financial Officer, Daniel Snoyman CA(SA). The results have not been audited or reviewed by the Group's auditor, BDO South Africa Incorporated.

The Directors are not aware of any matters or circumstances arising subsequent to 31 December 2025, other than those disclosed in this announcement, that require any additional disclosure or adjustment to the financial statements.

The consolidated unaudited interim financial statements were approved by the Board on 25 March 2026.

2. Non-IFRS[®] Accounting Standards measure – distributable earnings

	Six months ended 31 December 2025 R'000	Six months ended 31 December 2024 R'000	Year ended 30 June 2025 R'000
Contractual rental income and recoveries, excluding straight-line rental income and revenue from sale of inventory	847 039	805 992	1 654 957
Dividends received	–	13 001	–
Property expenses	(336 892)	(324 925)	(678 608)
Other income	9 608	9 968	43 121
Administrative expenses and corporate costs	(63 651)	(53 005)	(94 996)
Per statement of comprehensive income	(63 904)	(53 259)	(95 500)
<i>Adjust for:</i> Depreciation charged on owner-occupied property	253	254	504
Net finance costs	(216 882)	(244 913)	(474 889)
Finance income	11 722	9 771	15 072
Finance charges	(228 604)	(254 684)	(489 961)
Income tax	(2 066)	(151)	(471)
Profit from disposal of non-current assets held for sale ¹	–	8 055	15 000
Safari dividend relating to Thibault's pre-acquisition earnings ²	–	4 412	4 412
Texton return of capital – distributed to shareholders ³	14 447	–	–
Non-controlling interest	(40 545)	(36 981)	(79 317)
Total distributable earnings	211 058	181 453	389 209
Number of shares in issue at the reporting date ⁴	319 261 982	319 261 982	319 261 982
Total distribution (R'000)	211 058	181 453	389 209
Total distribution per share (cents)	66,10803	56,83543	121,90909

¹ The assets sold were recognised at fair value, the same as their selling price. On this basis, no accounting profit on the sale was recognised. The amount included in the distribution for the period represents the sale proceeds less the cost of the assets disposed.

² Heriot's share of pre-acquisition earnings paid as a dividend to Heriot.

³ On 30 October 2025, Texton paid a special dividend of R0,6374 per share as a return of capital. Accordingly, the dividend was not recognised in the statement of comprehensive income. The Group received cash proceeds of R41,172 million, of which R14,447 million was distributed to shareholders and recorded as a non-IFRS[®] Accounting Standards distributable earnings adjustment in line with budget assumptions.

⁴ Excluding the 900 000 treasury shares in issue (2024: 900 000).

3. Segmental analysis

The Group's portfolio is organised into three operating categories: Sectoral, Group components and Geographical. These categories are aligned with the Group's operating segments, which are consistent with the internal reporting reviewed by management and the Board. This structure enables management to evaluate performance, allocate resources and assess each segment's contribution to the Group as a whole.

The Sectoral and Group components categories represent the Group's primary reportable segments, for which discrete financial information is available and regularly assessed by management and the Board.

Sectoral

The Sectoral category comprises six segments: **Retail, industrial, office, specialised, residential/aparthotel** and **other**.

Retail: 23 properties (2024: 24), primarily retail shopping centres, supplemented by stand-alone single-tenanted properties. The portfolio is weighted towards rural market retail centres, with the balance comprising community and neighbourhood centres.

Industrial: 14 properties (2024: 14), including warehousing, logistics facilities, and industrial parks.

Office: 4 properties (2024: 5), comprising high-rise and low-rise offices in Johannesburg and Cape Town, as well as a mixed-use property in the Cape Town CBD that includes both office and aparthotel components.

Specialised: 4 properties (2024: 4), comprising 8 farms with a combined area of 8 382 hectares of paper plantations, leased to Mondi South Africa Proprietary Limited.

Residential/aparthotel: 3 aparthotel properties (2024: 3) in the Cape Town CBD (20 550m² GLA, 623 units), reported within the residential sector for segmental purposes. In addition, the Group holds a 50% interest in 100 residential units in Johannesburg.

Other: 4 properties (2025), comprising 2 properties under development, the Group's head office, and vacant land in Pretoria.

Group components

The Group components category comprises three segments: Heriot, Safari, and Thibault.

Heriot: 38 properties (2024: 40) including 14 industrial, 12 retail, 4 specialised, 3 office, 3 residential/aparthotel and 2 under development.

Safari: 8 (2024: 8) retail centres and 1 parcel of vacant land.

Thibault: 3 (2024: 3) retail centres and 1 (2024: 1) mixed-use building comprising offices and an aparthotel.

Geographical

In addition to the main reportable segments, the Group provides a geographical analysis of investment property and revenue by province within South Africa and in Namibia.

3. Segmental analysis continued

The contribution of each segment to the Group's overall performance is presented in the tables that follow.

Sectoral	Six months ended 31 December 2025						
	Retail ¹	Industrial	Office	Specialised ²	Residential	Other ³	Total
Total GLA (m²)	358 459	268 705	23 357	–	2 430	–	652 951
Total GLA	358 459	268 705	23 357	–	22 980	21 165	694 666
Vacant land and under development	–	–	–	–	–	(21 165)	(21 165)
Aparthotel GLA	–	–	–	–	(20 550)	–	(20 550)
Vacancy (m ²)	7 587	7 354	495	–	194	–	15 630
% Vacant	2,1	2,7	2,1	Refer to note 4	8,0	–	2,4

¹ The reduction in the retail sector GLA is predominantly due to the sale of the Platz am Meer shopping centre on 30 June 2025.

² The specialised property comprises 8 382ha of timber farms and the inclusion of this, measured by hectare, in the analysis by GLA would not provide meaningful analysis of the portfolio as a whole.

³ The other sector comprises property under development, vacant land and the head office.

⁴ Mondi vacated the Hinze and Bushmans Bend farms during the reporting period following the expiry of their respective leases. This resulted in a 21% vacancy within the specialised sector at the reporting date. Both properties were immediately classified as held for sale. Subsequent to year-end, the Bushmans Bend farm was sold for R33,4 million and is in the process of transfer. Marketing of the Hinze farm continues, with several parties having expressed interest.

3. Segmental analysis continued

Statement of comprehensive income

Sectoral	Six months ended 31 December 2025						
	Retail R'000	Industrial R'000	Office R'000	Specialised R'000	Residential R'000	Other R'000	Total R'000
Contractual rental income	406 657	100 682	32 359	3 926	74 889	457	618 970
Recoveries	182 004	33 979	10 370	420	1 258	38	228 069
Straight-line rental accrual	18 150	(2 860)	254	–	(142)	(12)	15 390
Total revenue	606 811	131 801	42 983	4 346	76 005	483	862 429
Property expenses	(214 666)	(45 651)	(19 808)	(1 035)	(45 561)	(10 171)	(336 892)
Commission costs	–	(329)	(477)	–	(5 299)	–	(6 105)
Cleaning costs	(9 890)	–	(860)	–	(121)	–	(10 871)
Depreciation	(10 140)	(350)	(101)	–	(3 308)	(403)	(14 302)
Management fees	(238)	–	(687)	(145)	(16 369)	–	(17 439)
Municipal charges	(153 750)	(35 834)	(9 142)	(270)	(8 531)	(196)	(207 723)
Repairs and maintenance	(4 903)	(1 648)	(955)	(76)	(1 663)	(31)	(9 276)
Security costs	(17 764)	(891)	(440)	–	(1 233)	(242)	(20 570)
Other property-related expenses	(17 981)	(6 599)	(7 146)	(544)	(9 037)	(9 299)	(50 606)
Net property income	392 145	86 150	23 175	3 311	30 444	(9 688)	525 537
Other income and equity-accounted profit/(losses)	–	–	–	–	–	37 791	37 791
Administration expenses	–	–	–	–	–	(63 904)	(63 904)
Audit fees and non-assurance services	–	–	–	–	–	(4 407)	(4 407)
Non-executive Director fees	–	–	–	–	–	(1 911)	(1 911)
Staff costs	–	–	–	–	–	(50 501)	(50 501)
Other administrative expenses	–	–	–	–	–	(7 085)	(7 085)
Net finance charges	–	–	–	–	–	(216 882)	(216 882)
Change in fair value of listed shares	–	–	–	–	–	57 321	57 321
Change in fair value of properties	247 297	18 231	17 512	(5 174)	16 999	970	295 835
Profit on sale of subsidiary	3 817	–	–	–	–	–	3 817
Net profit before taxation	643 259	104 381	40 687	(1 863)	47 443	(194 392)	639 515
Property cost-to-income ratio (operating expenses/rental and recoveries) (%)	36	34	46	24	60	N/A	40

3. Segmental analysis continued**Statement of financial position**

Sectoral	Six months ended 31 December 2025						
	Retail R'000	Industrial R'000	Office R'000	Specia- lised R'000	Resi- dential R'000	Other R'000	Total R'000
Investment property	9 122 640	2 023 200	624 300	161 000	819 000	34 000	12 784 140
Non-current assets held for sale	9 000	–	–	69 840	–	–	78 840
Property under development	–	–	–	–	–	273 930	273 930
Property, plant and equipment	2 820	–	66	–	29 608	28 415	60 909
Trade and other receivables	63 204	11 183	1 766	–	17 154	16 966	110 273
Other assets	–	–	–	–	–	514 427	514 427
Total assets	9 197 664	2 034 383	626 132	230 840	865 762	867 738	13 822 519
Trade and other payables	155 602	18 002	7 827	2 303	4 713	38 549	226 996
Other liabilities	–	–	–	–	–	6 105 515	6 105 515
Total liabilities	155 602	18 002	7 827	2 303	4 713	6 144 064	6 332 511

3. Segmental analysis continued

Sectoral	Six months ended 31 December 2024						Total
	Retail	Industrial	Office	Specia- lised ¹	Resi- dential	Other ²	
Total GLA (m²)	380 082	268 705	30 496	–	6 478	–	685 761
Total GLA	380 082	268 705	30 496	–	27 028	21 165	727 476
Vacant land and under development	–	–	–	–	–	(21 165)	(21 165)
Aparthotel GLA	–	–	–	–	(20 550)	–	(20 550)
Vacancy (m ²)	5 511	3 434	1 177	–	177	–	10 299
% Vacant	1,4	1,3	3,9	–	2,7	–	1,5

¹ The specialised property comprises 8 382ha of timber farms and the inclusion of this, measured by hectare, in the analysis by GLA would not provide meaningful analysis of the portfolio as a whole.

² The other sector comprises property under development, vacant land and the head office.

3. Segmental analysis continued

Statement of comprehensive income

Sectoral	Six months ended 31 December 2024						Total R'000
	Retail R'000	Industrial R'000	Office R'000	Specialised R'000	Residential R'000	Other R'000	
Contractual rental income	394 372	95 302	31 224	4 744	56 623	944	583 209
Recoveries	174 877	36 017	9 567	310	1 919	93	222 783
Dividends received	–	–	–	–	–	13 001	13 001
Revenue from sale of inventory	–	–	–	–	10 033	–	10 033
Straight-line rental income	9 191	(1 243)	(118)	(263)	(23)	11	7 555
Total revenue	578 440	130 076	40 673	4 791	68 552	14 049	836 581
Property expenses	(214 690)	(45 071)	(20 980)	(260)	(40 147)	(3 777)	(324 925)
Commission costs	–	–	(341)	–	(912)	(133)	(1 386)
Cleaning costs	(10 175)	–	(836)	–	(83)	–	(11 094)
Depreciation	(4 161)	(373)	(161)	–	(3 102)	(653)	(8 450)
Management fees	–	–	(682)	–	(12 551)	–	(13 233)
Municipal charges	(150 336)	(34 831)	(10 344)	(260)	(8 183)	–	(203 954)
Repairs and maintenance	(6 310)	(1 330)	(1 141)	–	(1 627)	(65)	(10 473)
Security costs	(16 562)	(755)	(485)	–	(824)	–	(18 626)
Other property-related expenses	(27 146)	(7 782)	(6 990)	–	(12 865)	(2 926)	(57 709)
Cost of inventory sold	–	–	–	–	(11 132)	–	(11 132)
Net property income	363 750	85 005	19 693	4 531	17 273	10 272	500 524
Other income and equity-accounted profit/(losses)	–	–	–	–	–	9 968	9 968
Loss on sale of property, plant and equipment	–	–	–	–	(392)	–	(392)
Administration expenses	–	–	–	–	–	(53 259)	(53 259)
Audit fees and non-assurance services	–	–	–	–	–	(6 267)	(6 267)
Non-executive Director fees	–	–	–	–	–	(1 385)	(1 385)
Staff costs	–	–	–	–	–	(44 824)	(44 824)
Other administrative expenses	–	–	–	–	–	(783)	(783)
Net finance charges	–	–	–	–	–	(244 913)	(244 913)
Change in fair value of listed shares	–	–	–	–	–	43 930	43 930
Change in fair value of derivative instrument	–	–	–	–	–	(163)	(163)
Change in fair value of properties	348 220	85 379	20 773	13 863	6 122	(13)	474 344
Net profit before taxation	711 970	170 384	40 466	18 394	23 003	(234 178)	730 039
Property cost-to-income ratio (operating expenses/rental and recoveries) (%)	38	34	51	5	69	N/A	40

3. Segmental analysis continued**Statement of financial position**

Sectoral	Six months ended 31 December 2024						
	Retail R'000	Industrial R'000	Office R'000	Specia- lised R'000	Resi- dential R'000	Other R'000	Total R'000
Investment property	8 089 200	1 931 690	621 200	215 000	780 000	34 000	11 671 090
Non-current assets held for sale	483 500	–	–	–	13 369	–	496 869
Property under development	–	–	–	–	–	193 141	193 141
Property, plant and equipment	2 474	–	73	–	34 284	22 080	58 911
Trade and other receivables	66 699	12 741	713	–	7 733	14 562	102 448
Other assets	–	–	–	–	–	458 308	458 308
Total assets	8 641 873	1 944 431	621 986	215 000	835 386	722 091	12 980 767
Trade and other payables	137 435	29 008	10 456	2 056	4 750	40 575	224 280
Other liabilities	–	–	–	–	–	5 453 744	5 453 744
Total liabilities	137 435	29 008	10 456	2 056	4 750	5 494 319	5 678 024

3. Segmental analysis continued

Sectoral	Year ended 30 June 2025						Total
	Retail	Industrial	Office	Specia- lised ¹	Resi- dential	Other	
Total GLA (m²)	358 459	268 705	30 496	–	3 446	–	661 106
Total GLA	358 459	268 705	30 496	–	23 996	21 165	702 821
Vacant land and under development	–	–	–	–	–	(21 165)	(21 165)
Aparthotel GLA	–	–	–	–	(20 550)	–	(20 550)
Vacancy (m ²)	5 772	3 346	1 499	–	18	–	10 635
% Vacant	1,6	1,2	4,9	–	0,5	–	1,6

¹ The specialised property comprises 8 382ha of timber farms and the inclusion of this, measured by hectare, in the analysis by GLA would not provide meaningful analysis of the portfolio as a whole.

3. Segmental analysis continued

Statement of comprehensive income

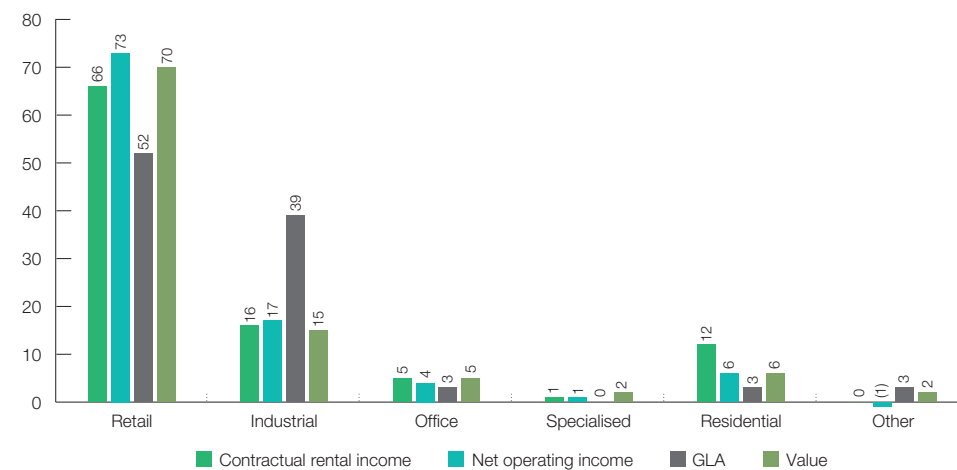
Sectoral	Year ended 30 June 2025						
	Retail R'000	Industrial R'000	Office R'000	Specialised R'000	Residential R'000	Other R'000	Total R'000
Contractual rental income	806 340	179 949	63 046	9 555	123 384	1 087	1 183 361
Recoveries	383 040	64 821	19 594	756	3 259	126	471 596
Revenue from sale of inventory	–	–	–	–	10 033	–	10 033
Straight-line rental income	45 134	(2 608)	85	(527)	(130)	–	41 954
Total revenue	1 234 514	242 162	82 725	9 784	136 546	1 213	1 706 944
Property expenses	(464 176)	(73 906)	(41 222)	(780)	(85 586)	(12 938)	(678 608)
Commission costs	–	(659)	(1 711)	–	(10 033)	(200)	(12 603)
Cleaning costs	(20 425)	–	(1 618)	–	(178)	–	(22 221)
Depreciation	(17 720)	(948)	(376)	–	(7 181)	(1 052)	(27 277)
Management fees	(459)	–	(1 346)	–	(28 037)	–	(29 842)
Municipal charges	(309 107)	(62 755)	(19 242)	(780)	(15 770)	(306)	(407 960)
Repairs and maintenance	(16 098)	(3 164)	(1 780)	–	(2 802)	(97)	(23 941)
Security costs	(32 560)	(853)	(988)	–	(1 882)	(464)	(36 747)
Other property-related expenses	(67 807)	(5 527)	(14 161)	–	(19 703)	(10 819)	(118 017)
Cost of inventory sold	–	–	–	–	(11 132)	–	(11 132)
Net property income	770 338	168 256	41 503	9 004	39 828	(11 725)	1 017 204
Other income and equity-accounted profit/(losses)	–	–	–	–	–	43 121	43 121
Loss on sale of property, plant and equipment	–	–	–	–	(392)	–	(392)
Administration expenses	–	–	–	–	–	(95 500)	(95 500)
Audit fees and non-assurance services	–	–	–	–	–	(4 533)	(4 533)
Non-executive Director fees	–	–	–	–	–	(2 323)	(2 323)
Staff costs	–	–	–	–	–	(87 177)	(87 177)
Other administrative expenses	–	–	–	–	–	(1 467)	(1 467)
Net finance charges	–	–	–	–	–	(474 889)	(474 889)
Change in fair value of listed shares	–	–	–	–	–	27 697	27 697
Change in fair value of derivative instrument	–	–	–	–	–	(163)	(163)
Change in fair value of properties	790 672	160 590	66 191	34 627	23 186	17 888	1 093 154
Profit on sale of subsidiary	12 283	–	–	–	–	–	12 283
Net profit before taxation	1 573 293	328 846	107 694	43 631	62 622	(493 571)	1 622 515
Property cost-to-income ratio (operating expenses/rental and recoveries) (%)	39	30	50	8	68	N/A	41

3. Segmental analysis continued

Statement of financial position

Sectoral	Year ended 30 June 2025						
	Retail R'000	Industrial R'000	Office R'000	Specialised R'000	Residential R'000	Other R'000	Total R'000
Investment property	8 634 790	2 007 500	669 400	235 500	798 000	34 000	12 379 190
Non-current assets held for sale	173 000	–	–	–	8 136	–	181 136
Property under development	–	–	–	–	–	238 412	238 412
Property, plant and equipment	3 103	–	41	–	31 110	21 861	56 115
Trade and other receivables	344 189	11 091	1 732	–	6 590	12 231	375 833
Other assets	–	–	–	–	–	377 389	377 389
Total assets	9 155 082	2 018 591	671 173	235 500	843 836	683 893	13 608 075
Trade and other payables	157 375	7 865	10 056	5 150	4 212	46 890	231 548
Other liabilities	–	–	–	–	–	5 397 124	5 397 124
Total liabilities	157 375	7 865	10 056	5 150	4 212	5 444 014	5 628 672

Sectoral (%) (as at 31 December 2025)



3. Segmental analysis continued

Geographical	Six months ended 31 December 2025								
	Gauteng R'000	Western Cape R'000	KwaZulu- Natal R'000	North West R'000	Mpumalanga R'000	Limpopo R'000	Free State R'000	Namibia R'000	Total R'000
Total GLA (m²)	382 968	114 988	42 002	27 231	26 459	27 897	17 906	13 500	652 951
Total GLA ¹	396 101	143 570	42 002	27 231	26 459	27 897	17 906	13 500	694 666
Vacant land and under development	(13 133)	(8 032)	-	-	-	-	-	-	(21 165)
Aparthotel GLA	-	(20 550)	-	-	-	-	-	-	(20 550)
Vacancy (m ²)	13 651	946	-	382	456	195	-	-	15 630
% Vacant	3,6	0,8	-	1,4	1,7	0,7	-	-	2,4
Investment property	7 390 940	2 606 500	385 000	466 700	670 000	870 000	215 000	180 000	12 784 140
Property under development	-	273 930	-	-	-	-	-	-	273 930
Non-current assets held for sale	9 000	-	69 840	-	-	-	-	-	78 840
Total property portfolio	7 399 940	2 880 430	454 840	466 700	670 000	870 000	215 000	180 000	13 163 910
Contractual rental income	329 918	159 193	17 052	27 694	30 190	37 669	9 784	7 470	618 970
Recoveries	136 257	48 245	4 023	9 697	11 720	13 131	4 996	-	228 069
	466 175	207 438	21 075	37 391	41 910	50 800	14 780	7 470	847 039
	Six months ended 31 December 2024								
Total GLA (m²)	383 180	122 127	46 050	27 232	26 459	27 889	17 906	34 918	685 761
Total GLA ¹	396 313	150 709	46 050	27 232	26 459	27 889	17 906	34 918	727 476
Vacant land and under development	(13 133)	(8 032)	-	-	-	-	-	-	(21 165)
Aparthotel GLA	-	(20 550)	-	-	-	-	-	-	(20 550)
Vacancy (m ²)	6 127	1 360	-	894	262	1 500	-	156	10 299
% Vacant	1,6	1,1	-	3,3	1,0	5,4	-	0,4	1,5
Investment property	6 257 490	2 457 500	428 200	439 900	614 000	793 000	209 000	472 000	11 671 090
Property under development	-	193 141	-	-	-	-	-	-	193 141
Non-current assets held for sale	483 500	-	13 369	-	-	-	-	-	496 869
Total property portfolio	6 740 990	2 650 641	441 569	439 900	614 000	793 000	209 000	472 000	12 361 100
Contractual rental income	310 101	134 173	17 781	25 946	27 396	35 224	9 101	23 487	583 209
Recoveries	128 466	44 210	4 211	10 443	9 774	12 553	4 421	8 705	222 783
	438 567	178 383	21 992	36 389	37 170	47 777	13 522	32 192	805 992

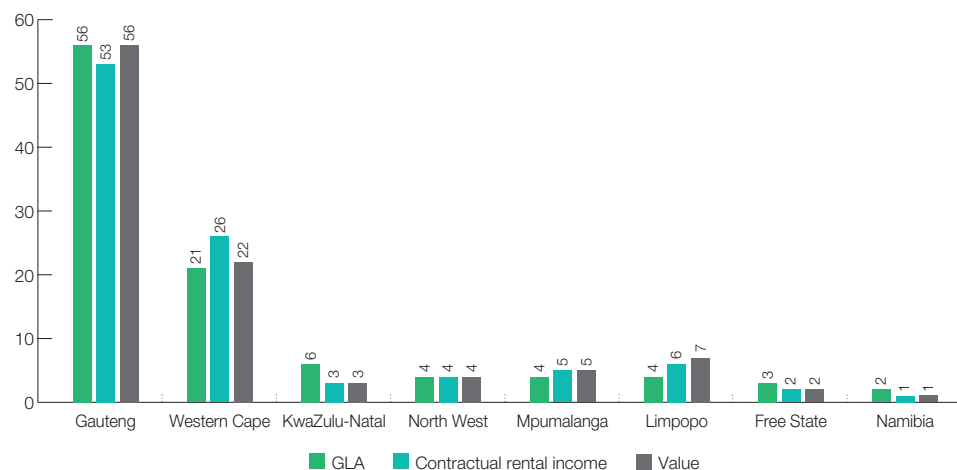
¹ The specialised property comprises 8 382ha of timber farms and the inclusion of this, measured by hectare, in the analysis by GLA would not provide meaningful analysis of the portfolio as a whole.

3. Segmental analysis continued

Geographical	Year ended 30 June 2025								
	Gauteng R'000	Western Cape R'000	KwaZulu- Natal R'000	North West R'000	Mpumalanga R'000	Limpopo R'000	Free State R'000	Namibia R'000	Total R'000
Total GLA (m²)	382 968	122 127	43 018	27 231	26 459	27 897	17 906	13 500	661 106
Total GLA ¹	396 101	150 709	43 018	27 231	26 459	27 897	17 906	13 500	702 821
Vacant land and under development	(13 133)	(8 032)	–	–	–	–	–	–	(21 165)
Aparthotel GLA	–	(20 550)	–	–	–	–	–	–	(20 550)
Vacancy (m ²)	6 724	2 391	–	894	281	345	–	–	10 635
% Vacant	1,8	2,0	–	3,3	1,1	1,2	–	–	1,6
Investment property	7 017 490	2 603 500	457 000	442 700	638 500	830 000	215 000	175 000	12 379 190
Property under development	–	238 412	–	–	–	–	–	–	238 412
Non-current assets held for sale	173 000	–	8 136	–	–	–	–	–	181 136
Total property portfolio	7 190 490	2 841 912	465 136	442 700	638 500	830 000	215 000	175 000	12 798 738
Contractual rental income	616 474	283 290	35 452	52 646	55 942	71 333	18 203	50 021	1 183 361
Recoveries	282 223	87 265	9 330	20 222	19 648	25 502	8 694	18 712	471 596
	898 697	370 555	44 782	72 868	75 590	96 835	26 897	68 733	1 654 957

¹ The specialised property comprises 8 382ha of paper farms and the inclusion of this, measured by hectare, in the analysis by GLA would not provide meaningful analysis of the portfolio as a whole.

Geographical (%) (as at 31 December 2025)



3. Segmental analysis continued

Corporate entity	Six months ended 31 December 2025			
	Heriot	Safari	Thibault	Group total
Total GLA (m²)	414 073	157 608	81 270	652 951
Total GLA	434 631	170 741	89 294	694 666
Vacant land and under development	(8 032)	(13 133)	–	(21 165)
Aparthotel GLA	(12 526)	–	(8 024)	(20 550)
Vacancy (m ²)	9 027	5 870	733	15 630
% Vacant	2,2	3,7	0,9	2,4

3. Segmental analysis continued

Statement of comprehensive income

Corporate entity	Six months ended 31 December 2025			
	Heriot R'000	Safari R'000	Thibault R'000	Group total R'000
Contractual rental income	328 734	183 794	106 442	618 970
Recoveries	92 942	98 142	36 985	228 069
Straight-line rental income	(133)	9 854	5 669	15 390
Total revenue	421 543	291 790	149 096	862 429
Property expenses	(154 520)	(114 055)	(68 317)	(336 892)
Commission costs	(5 875)	–	(230)	(6 105)
Cleaning costs	(3 113)	(5 448)	(2 310)	(10 871)
Depreciation	(5 634)	(3 621)	(5 047)	(14 302)
Management fees	(9 922)	–	(7 517)	(17 439)
Municipal charges	(91 147)	(78 270)	(38 306)	(207 723)
Repairs and maintenance	(6 724)	(731)	(1 821)	(9 276)
Security costs	(9 254)	(8 216)	(3 100)	(20 570)
Other property-related expenses	(22 851)	(17 769)	(9 986)	(50 606)
Net property income	267 023	177 735	80 779	525 537
Other income and equity-accounted profit/(losses)	31 861	5 923	7	37 791
Administration expenses	(33 608)	(24 094)	(6 202)	(63 904)
Audit fees and non-assurance services	(1 935)	(1 818)	(654)	(4 407)
Non-executive Director fees	(883)	(1 028)	–	(1 911)
Staff costs	(24 500)	(21 248)	(4 753)	(50 501)
Other administrative expenses	(6 290)	–	(795)	(7 085)
Net finance charges	(113 421)	(52 958)	(50 503)	(216 882)
Change in fair value of listed shares	–	–	57 321	57 321
Change in fair value of properties	162 586	70 596	62 653	295 835
Profit on sale of subsidiary	3 817	–	–	3 817
Net profit before taxation	318 258	177 202	144 055	639 515
Property cost-to-income ratio (operating expenses/rental and recoveries) (%)	37	40	48	40

3. Segmental analysis continued

Statement of financial position

Corporate entity	Six months ended 31 December 2025			
	Heriot R'000	Safari R'000	Thibault R'000	Group total R'000
Investment property	6 264 790	4 314 350	2 205 000	12 784 140
Non-current assets held for sale	69 840	9 000	–	78 840
Property under development	273 931	–	–	273 931
Property, plant and equipment	48 582	1 907	10 420	60 909
Trade and other receivables	45 179	45 667	19 427	110 273
Other assets	255 473	46 786	212 167	514 426
Total assets	6 957 795	4 417 710	2 447 014	13 822 519
Trade and other payables	99 967	95 514	31 515	226 996
Other liabilities	2 873 187	2 173 962	1 058 366	6 105 515
Total liabilities	2 973 154	2 269 476	1 089 881	6 332 511

Corporate entity	Six months ended 31 December 2024			
	Heriot	Safari	Thibault	Group total
Total GLA (m²)	425 260	179 231	81 270	685 761
Total GLA	445 818	192 364	89 294	727 476
Vacant land and under development	(8 032)	(13 133)	–	(21 165)
Aparthotel GLA	(12 526)	–	(8 024)	(20 550)
Vacancy (m ²)	5 482	3 761	1 056	10 299
% Vacant	1,3	2,1	1,3	1,5

3. Segmental analysis continued

Statement of comprehensive income

Corporate entity	Six months ended 31 December 2024			
	Heriot R'000	Safari R'000	Thibault R'000	Group total R'000
Contractual rental income	296 308	191 108	95 793	583 209
Recoveries	92 041	97 867	32 875	222 783
Dividends received	–	–	13 001	13 001
Revenue from sale of inventory	–	10 033	–	10 033
Straight-line rental income	(3 221)	8 362	2 414	7 555
Total revenue	385 128	307 370	144 083	836 581
Property expenses	(144 145)	(117 235)	(63 545)	(324 925)
Commission costs	(1 206)	–	(180)	(1 386)
Cleaning costs	(2 986)	(6 067)	(2 041)	(11 094)
Depreciation	(5 075)	(522)	(2 853)	(8 450)
Management fees	(6 223)	–	(7 010)	(13 233)
Municipal charges	(87 752)	(77 932)	(38 270)	(203 954)
Repairs and maintenance	(6 745)	(2 309)	(1 419)	(10 473)
Security costs	(8 392)	(7 534)	(2 700)	(18 626)
Other property-related expenses	(25 766)	(22 871)	(9 072)	(57 709)
Cost of inventory sold	–	(11 132)	–	(11 132)
Net property income	240 983	179 003	80 538	500 524
Other income and equity-accounted profit/(losses)	6 565	3 403	–	9 968
Loss on sale of property, plant and equipment	(392)	–	–	(392)
Administration expenses	(27 882)	(18 964)	(6 413)	(53 259)
Audit fees and non-assurance services	(3 826)	(2 035)	(406)	(6 267)
Non-executive Director fees	(725)	(660)	–	(1 385)
Staff costs	(23 170)	(16 126)	(5 528)	(44 824)
Other administrative expenses	(161)	(143)	(479)	(783)
Net finance charges	(127 877)	(68 538)	(48 498)	(244 913)
Change in fair value of listed shares	–	–	43 930	43 930
Change in fair value of derivative instrument	–	(163)	–	(163)
Change in fair value of properties	262 819	118 258	93 267	474 344
Net profit before taxation	354 216	212 999	162 824	730 039
Property cost-to-income ratio (operating expenses/rental and recoveries) (%)	37	41	49	40

3. Segmental analysis continued**Statement of financial position**

Corporate entity	Six months ended 31 December 2024			
	Heriot R'000	Safari ¹ R'000	Thibault R'000	Group total R'000
Investment property	5 956 790	3 719 800	1 994 500	11 671 090
Non-current assets held for sale	13 369	483 500	–	496 869
Property under development	193 141	–	–	193 141
Property, plant and equipment	45 401	1 498	12 012	58 911
Trade and other receivables	40 425	38 952	23 071	102 448
Other assets	163 128	30 802	264 378	458 308
Total assets	6 412 254	4 274 552	2 293 961	12 980 767
Trade and other payables	109 605	83 615	31 060	224 280
Non-current liabilities held for sale	–	–	–	–
Other liabilities	2 938 969	1 446 333	1 068 442	5 453 744
Total liabilities	3 048 574	1 529 948	1 099 502	5 678 024

¹ The comparative period for Safari is the six-month period ended 30 September 2023.

Corporate entity	Year ended 30 June 2025			
	Heriot	Safari	Thibault	Group total
Total GLA (m²)	422 228	157 608	81 270	661 106
Total GLA	442 786	170 741	89 294	702 821
Vacant land and under development	(8 032)	(13 133)	–	(21 165)
Aparthotel GLA	(12 526)	–	(8 024)	(20 550)
Vacancy (m ²)	6 476	3 243	916	10 635
% Vacant	1,5	2,1	1,1	1,6

3. Segmental analysis continued**Statement of comprehensive income**

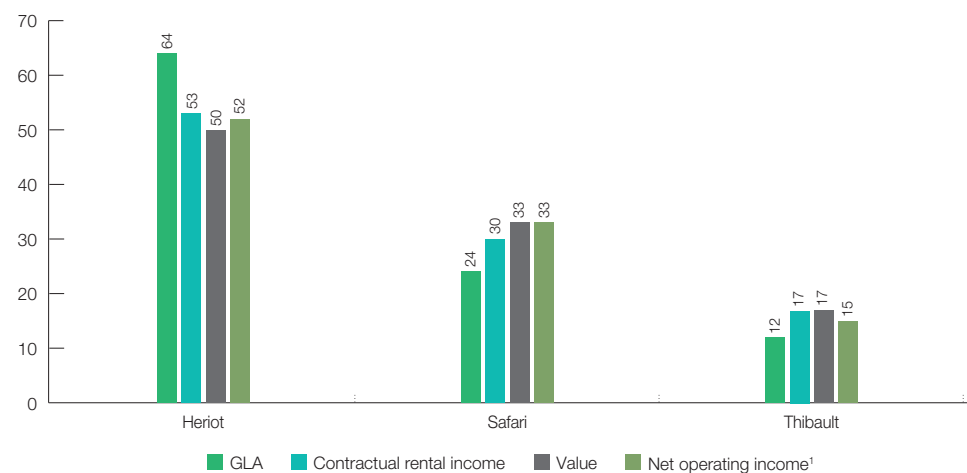
Corporate entity	Year ended 30 June 2025			
	Heriot R'000	Safari R'000	Thibault R'000	Group total R'000
Contractual rental income	596 639	388 215	198 507	1 183 361
Recoveries	197 617	205 641	68 338	471 596
Revenue from sale of inventory	–	10 033	–	10 033
Straight-line rental income	(1 927)	13 857	30 024	41 954
Total revenue	792 329	617 746	296 869	1 706 944
Property expenses	(302 054)	(248 241)	(128 313)	(678 608)
Commission costs	(11 492)	–	(1 111)	(12 603)
Cleaning costs	(5 910)	(12 155)	(4 156)	(22 221)
Depreciation	(12 020)	(7 163)	(8 094)	(27 277)
Management fees	(15 978)	–	(13 864)	(29 842)
Municipal charges	(166 027)	(167 467)	(74 466)	(407 960)
Repairs and maintenance	(12 127)	(8 439)	(3 375)	(23 941)
Security costs	(15 704)	(15 367)	(5 676)	(36 747)
Other property-related expenses	(62 796)	(37 650)	(17 571)	(118 017)
Cost of inventory sold	–	(11 132)	–	(11 132)
Net property income	490 275	358 373	168 556	1 017 204
Other income and equity-accounted profit/(losses)	10 123	6 890	26 108	43 121
Loss on sale of property, plant and equipment	(392)	–	–	(392)
Administration expenses	(50 471)	(32 769)	(12 260)	(95 500)
Audit fees and non-assurance services	(2 266)	(1 860)	(407)	(4 533)
Non-executive Director fees	(1 523)	(800)	–	(2 323)
Staff costs	(46 537)	(29 552)	(11 088)	(87 177)
Other administrative expenses	(145)	(557)	(765)	(1 467)
Net finance charges	(247 906)	(132 251)	(94 732)	(474 889)
Change in fair value of listed shares	–	–	27 697	27 697
Change in fair value of derivative instrument	–	(163)	–	(163)
Change in fair value of properties	542 304	352 650	198 200	1 093 154
Profit on sale of subsidiary	–	12 283	–	12 283
Net profit before taxation	743 933	565 013	313 569	1 622 515
Property cost-to-income ratio (operating expenses/ rental and recoveries) (%)	38	42	48	41

3. Segmental analysis continued

Statement of financial position

Corporate entity	Year ended 30 June 2025			
	Heriot R'000	Safari R'000	Thibault R'000	Group total R'000
Investment property	6 225 190	4 019 000	2 135 000	12 379 190
Non-current assets held for sale	8 136	173 000	–	181 136
Property under development	238 412	–	–	238 412
Property, plant and equipment	42 805	2 162	11 148	56 115
Trade and other receivables	34 442	329 640	11 751	375 833
Other assets	120 377	61 863	195 149	377 389
Total assets	6 669 362	4 585 665	2 353 048	13 608 075
Trade and other payables	110 667	95 008	25 873	231 548
Other liabilities	2 829 966	1 480 609	1 086 549	5 397 124
Total liabilities	2 940 634	1 575 617	1 112 422	5 628 672

Group (%) (as at 31 December 2025)



¹ Contractual rent and recoveries less property operating costs.

4. Investment property

The properties were valued by Peter Parfitt of Quadrant Properties Proprietary Limited who is a registered valuer in terms of Section 19 of the Property Valuers Profession Act No 47 of 2000. The properties were valued using the discounted cash flow and comparable sales methods, which methods value the properties by discounting the cash flows of future income streams of the properties, taking into account expected rental and expense growth rates, vacancies and costs not recoverable from tenants. The discounted cash flow valuations are tested for reasonableness by benchmarking against recent comparable sales activity and available market surveys and by comparing the discounted cash flow values to the capitalised cash flow values. The capitalised cash flow values are calculated by applying appropriate capitalisation rates to the future earnings potential of the properties. The capitalisation rates are dependent on a number of factors such as location, the condition of the property, lease covenants and current market conditions.

Inter-relationship between key unobservable inputs and fair value measurement

The fair value of investment properties would be affected by:

- change in expected market rental growth;
- change in expected expense growth;
- change in discount and capitalisation rates; and
- current comparable selling rates.

	Unaudited 31 December 2025 %	Unaudited 31 December 2024 %	Audited 30 June 2025 %
The average capitalisation rate per sector was:	8,78	8,88	8,81
Retail	8,71	8,88	8,80
Industrial	9,29	9,29	9,00
Office	8,35	8,69	8,59
Specialised	8,87	8,50	8,50
Residential/aparthotel	8,53	9,00	8,57

4. Investment property continued

	Unaudited 31 December 2025 R'000	Unaudited 31 December 2024 R'000	Audited 30 June 2025 R'000
Value per sector			
Retail	9 122 640	8 089 200	8 634 790
Industrial	2 023 200	1 931 690	2 007 500
Office	624 300	621 200	669 400
Specialised	161 000	215 000	235 500
Residential	819 000	780 000	798 000
Other	34 000	34 000	34 000
	12 784 140	11 671 090	12 379 190

Split between Heriot, Safari and Thibault assets as at 31 December 2025:

Group component	Heriot R'000	Safari R'000	Thibault R'000	Total R'000
Retail ¹	3 447 290	4 280 350	1 395 000	9 122 640
Industrial	2 023 200	–	–	2 023 200
Office	187 300	–	437 000	624 300
Specialised ²	161 000	–	–	161 000
Residential	446 000	–	373 000	819 000
Other	–	34 000	–	34 000
	6 264 790	4 314 350	2 205 000	12 784 140

¹ Excludes assets held for sale of R9,0 million.

² Excludes assets held for sale of R68,9 million.

4. Investment property continued

Split between Heriot, Safari and Thibault assets as at 31 December 2024:

Group component	Heriot R'000	Safari R'000	Thibault R'000	Total R'000
Retail ¹	3 134 900	3 685 800	1 268 500	8 089 200
Industrial	1 931 690	–	–	1 931 690
Office	252 200	–	369 000	621 200
Specialised	215 000	–	–	215 000
Residential	423 000	–	357 000	780 000
Other	–	34 000	–	34 000
	5 956 790	3 719 800	1 994 500	11 671 090

¹ Excludes assets held for sale of R496,9 million.

Split between Heriot, Safari and Thibault assets as at 30 June 2025:

Group component	Heriot R'000	Safari R'000	Thibault R'000	Total R'000
Retail ¹	3 287 790	3 985 000	1 362 000	8 634 790
Industrial	2 007 500	–	–	2 007 500
Office	252 400	–	417 000	669 400
Specialised	235 500	–	–	235 500
Residential ²	442 000	–	356 000	798 000
Other	–	34 000	–	34 000
	6 225 190	4 019 000	2 135 000	12 379 190

¹ Excludes assets held for sale of R173,0 million.

² Excludes assets held for sale of R8,1 million.

5. Subsequent events

On 25 March 2026, the Heriot Board approved a gross interim cash distribution of 66,11 cents per ordinary share for the six-month period ended 31 December 2025. The distribution will be paid to shareholders on 14 April 2026.

In January 2026, the Group commenced restructuring its debt portfolio. Safari's existing SPV will be converted into the Group's debt treasury vehicle under a new CTA, with Heriot's and Thibault's bonds allocated to the structure. Implementation is projected before 30 June 2026, together with R803,0 million of expiring debt facilities, which are scheduled to be renewed within the new SPV on the same date.

On 26 January 2026, Heriot announced the appointment of Pieter van Niekerk as the new Company Secretary, effective 20 March 2026, replacing CIS Company Secretaries Proprietary Limited.

On 27 January 2026, Heriot announced a related party transaction with the Chief Financial Officer (Daniel Snoyman), who acquired a unit in The Fibonacci development at a market-related price of R1,234 million.

The Directors are not aware of any other material reportable events that occurred after the reporting period.

6. Going concern

The Directors have satisfied themselves that the Group is in a sound financial position and has access to sufficient facilities to meet foreseeable cash requirements. As a result of maturing facilities, the Group's current liabilities exceed its current assets. Refinancing discussions with new and current financial institutions are at an advanced stage, and the Group's financial performance and position have been taken into consideration. To date, the Group has successfully secured new or renewed facilities with its current lenders. The Group has unutilised debt facilities of R250,517 million at the reporting date, which can be accessed to meet financial obligations at the date of this report. On this basis, the Directors believe that the Group has adequate cash resources to continue operating for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

7. Related parties and related party transactions

Parties are considered related if one party has the ability to exercise control or significant influence over another party in making financial or operational decisions.

Relationships are as follows:

- Beneficial ownership – African Property Investments Limited and One Property Management Services Limited – Controlled by Steven Herring;
- Majority shareholder – Heriot Investments Proprietary Limited;
- Shareholder – JCB Herring;
- Chief Executive Officer – Richard Herring; and
- Other – Employees not in executive or prescribed officer positions.

7. Related parties and related party transactions continued

Related parties with whom the Company transacted during the year were as follows:

	Six months ended 31 December 2025 R'000	Six months ended 31 December 2024 R'000	Year ended 30 June 2025 R'000
Amount included in other financial assets			
Heriot Investments Proprietary Limited	29 029	18 448	19 617
Loans to participants of the employee share scheme	33 637	34 201	33 989
RL Herring (<i>Chief Executive Officer</i>)	28 623	29 098	28 920
Other employees	5 014	5 103	5 069
Total amount included in other financial assets	62 666	52 649	53 606
Amount included in trade and other receivables/ (payables)			
JCB Herring – shareholder	–	340	–
Related party transactions			
Interest received			
Heriot Investments Proprietary Limited	757	2 900	3 178
Loans to participants of the employee share scheme	1 513	1 741	3 318
RL Herring	1 287	1 481	2 823
Other	226	260	495
JCB Herring	–	–	(3)
	2 270	4 641	6 493
Other income (management fees and letting commission)			
African Property Investments Limited	600	600	1 200
One Property Management Services Limited	3 180	3 180	6 360
	3 780	3 780	7 560

8. Capital commitments

	Six months ended 31 December 2025 R'000	Six months ended 31 December 2024 R'000	Year ended 30 June 2025 R'000
The summary of capital commitments is as follows:	643 046	214 023	246 301
Heriot	576 000	102 235	117 101
Safari	62 546	107 038	124 450
Thibault	4 500	4 750	4 750

As at 31 December 2025, the Group's capital commitments of R643,046 million comprise improvements to investment properties. Heriot's capital commitments include the R530,0 million Fibonacci development. These commitments have been authorised and committed by the Board. These costs will be funded by the Group's cash reserves together with unutilised, committed and future credit facilities.

9. Investment in financial assets

Investments in listed shares

Investments in listed shares are classified as a Level 1 financial asset which is recognised at fair value through profit or loss.

Equity price risk refers to the risk that the fair value of the future cash flows of listed investments will fluctuate due to changes in market prices.

Financial assets comprise Thibault's investment in Texton. Thibault holds 64,5 million shares in Texton, valued at the closing market price of R3,75 per share, resulting in a total valuation of R242,3 million at 31 December 2025.

The fair value hierarchy has the following levels:

The investments are valued at fair value at the reporting date using the following hierarchy:

Level 1 – fair value is determined from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – fair value is determined through the use of valuation techniques based on observable inputs, either directly or indirectly.

Level 3 – fair value is determined through the use of valuation techniques using significant inputs and assumptions applied to the valuation of investment property and property under development.

	Six months ended 31 December 2025	Six months ended 31 December 2024	Year ended 30 June 2025
The summary of investment in Texton is as follows:			
Number of shares held	64 594 305	64 594 305	64 594 305
Closing share price (R)	3,75	4,00	2,95
Market value (R'000)	242 229	258 377	190 553

Payment of dividend

The Board has declared an interim gross cash dividend of 66,10803 cents per share out of the Company's distributable income for the six-month period ended 31 December 2025.

The dividend is payable to Heriot shareholders in accordance with the timetable set out below.

2026

Declaration date	Wednesday, 25 March
Last date to trade <i>cum</i> dividend	Tuesday, 14 April
Shares trade ex dividend	Wednesday, 15 April
Record date	Friday, 17 April
Payment date	Monday, 20 April

Share certificates may not be dematerialised or rematerialised between Wednesday, 15 April 2026 and Friday, 17 April 2026, both days inclusive.

The dividend will be transferred to dematerialised shareholders' Central Securities Depository Participant ("CSDP") or broker accounts on Monday, 20 April 2026. Certificated shareholders' dividend payments will be paid to certificated shareholders' bank accounts on or about Monday, 20 April 2026.

In accordance with Heriot's status as a REIT, shareholders are advised that the dividend meets the requirements of a "qualifying distribution" for the purposes of Section 25BB of the Income Tax Act No 58 of 1962 ("Income Tax Act"). The dividend on the shares will be deemed to be a dividend, for South African tax purposes, in terms of Section 25BB of the Income Tax Act.

The dividend received by or accrued to South African tax residents must be included in the gross income of such shareholders and will not be exempt from income tax (in terms of the exclusion to the general dividend exemption, contained in paragraph (aa) of Section 10(1)(k)(i) of the Income Tax Act) because it is a dividend distributed by a REIT.

This dividend is, however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that such shareholders provide the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

- A declaration that the dividend is exempt from dividends tax; and
- A written undertaking to inform the CSDP, broker or the Company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner ceases to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Shareholders are advised to contact their CSDP, broker or the Company, as the case may be, to arrange for the above-mentioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in Section 10(1)(k)(i) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 52,88643 cents per share.

A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

- A declaration that the dividend is subject to a reduced rate as a result of the application of DTA; and
- A written undertaking to inform their CSDP, broker or the Company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner ceases to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Non-resident shareholders are advised to contact their CSDP, broker or the Company, as the case may be, to arrange for the above-mentioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted, if applicable.

Shares in issue at the date of the dividend:
319 261 982 (excluding 900 000 treasury shares)

Heriot's income tax reference number:
9541295185

Where the transfer secretaries do not have the banking details of any certificated shareholders, the cash dividend will be held in trust by the transfer secretaries pending receipt of the relevant certificated shareholder's banking details whereafter the cash dividend will be paid via electronic transfer into the personal bank accounts of certificated shareholders.

By order of the Board

25 March 2026

Additional disclosures in terms of SA REIT Best Practice Recommendations (“SA REIT BPR”)

1. SA REIT BPR FUNDS FROM OPERATIONS (“FFO”)

	31 December 2025 R'000	31 December 2024 R'000	30 June 2025 R'000
Profit per IFRS® Accounting Standards statement of comprehensive income attributable to equity holders of the Company	557 897	629 840	1 379 124
<i>Adjusted for:</i>			
Accounting/specific adjustments			
Fair value adjustment to investment properties	(300 693)	(475 859)	(1 109 908)
Fair value adjustment to investment properties held for sale	4 858	1 515	16 754
Fair value adjustment to listed shares	(57 321)	(43 930)	(27 697)
Gain on loan modification	(28 183)	–	–
Straight-line rental income adjustment	(15 390)	(7 555)	(41 954)
Depreciation of owner-occupied property	254	254	504
Loss on sale of assets	–	392	392
Net impairment losses	–	–	–
Loss on sale of inventory	–	1 099	1 099
Texton return of capital – distributed to shareholders	14 447	–	–
Profit from disposal of non-current assets held for sale	–	8 055	15 000
Safari dividend relating to Thibault's pre-acquisition earnings	–	4 412	4 412
Deferred taxation movement	4 778	9 446	4 971
Profit on sale of subsidiary	(3 817)	–	(12 283)
Hedging items			
Fair value adjustment to derivative instruments	–	163	163
Other adjustments			
Non-controlling interests in respect of the above adjustments	34 228	53 621	158 632
Total distributable earnings	211 058	181 453	389 209
Number of shares in issue at the reporting date ¹	319 261 982	319 261 982	319 261 982
Total distribution per share (cents)	66,10803	56,83543	121,90909

¹ Excluding the 900 000 (2024: 900 000) treasury shares in issue.

2. SA REIT BPR COST-TO-INCOME RATIO

	31 December 2025 R'000	31 December 2024 R'000	30 June 2025 R'000
Expenses			
Per IFRS® Accounting Standards income statement			
Property expenses including municipal expenses and depreciation	336 892	324 925	678 608
Administrative expenses and corporate costs	55 369	48 839	87 436
Per statement of comprehensive income	63 904	53 259	95 500
<i>Adjust for:</i>			
Salary recoveries included in sundry income	(3 780)	(3 780)	(7 560)
Once-off salary costs	(4 501)	–	–
Depreciation charged on owner-occupied property	(254)	(640)	(504)
Total operating expenses	392 261	373 764	766 044
Rental income			
Contractual rental income and utility and operating recoveries, excluding straight-line rental income	847 039	805 992	1 654 957
Gross rental income	847 039	805 992	1 654 957
Cost-to-income ratio (%)	46,31	46,37	46,29
Administrative cost-to-income ratio (%)	6,54	6,06	5,28

3. SA REIT BPR VACANCY RATE

	31 December 2025	31 December 2024	30 June 2025
GLA of property portfolio (m ²)	652 951	685 761	661 106
Total GLA	694 666	727 476	702 821
Vacant land and under development	(21 165)	(21 165)	(21 165)
Aparthotel GLA	(20 550)	(20 550)	(20 550)
Vacant GLA (m ²)	15 630	10 299	10 635
Vacancy rate (%)	2,4	1,5	1,6

Vacancy % – The increase is mainly due to a distribution centre in Louwlandia, Centurion, which measures 3 096m², becoming vacant in December 2025.

GLA movement – The reduction in the retail sector GLA is predominantly due to the sale of the Wynberg Mews office park and the remaining Newcastle townhouses.

The aparthotels are not included in the vacancy analysis above as the preferred metrics to report on for these assets are the occupancy levels and average daily rates. The aparthotels which are included in the residential/aparthotel sector comprise three properties located in the Cape Town CBD with a combined GLA of 20 550m² or 623 units.

4. SA REIT BPR LTV

	31 December 2025 R'000	31 December 2024 R'000	30 June 2025 R'000
Interest-bearing borrowings	6 006 155	5 337 663	5 302 063
Less: Cash and cash equivalents	(194 218)	(145 127)	(121 445)
Net debt	5 811 937	5 192 536	5 180 618
Investment property	12 784 140	11 671 090	12 379 190
Property under development	273 930	193 141	238 412
Disposal consideration receivable	–	–	290 000
Non-current assets and liabilities held for sale	78 840	496 869	181 136
Inventory	26 100	–	–
Owner-occupied property	20 956	21 553	21 174
Investment in listed shares	206 702	258 377	190 553
Investments in associates	13 545	63	318
Carrying amount of property-related assets	13 404 213	12 641 093	13 300 783
LTV (%)	43,36	41,08	38,95

5. SA REIT BPR NAV

	31 December 2025 R'000	31 December 2024 R'000	30 June 2025 R'000
Reported NAV	7 423 318	6 121 806	6 689 636
<i>Adjusted for:</i>			
Dividend to be declared	(211 058)	(181 453)	(207 757)
Fair value of derivative financial instruments	–	–	–
Deferred taxation	97 686	113 510	92 908
SA REIT BPR NAV	7 309 946	6 053 863	6 574 787
Number of shares in issue	319 261 982	319 261 982	319 261 982
NAV per share (cents)	2 289,64	1 896,21	2 059,37

6. SA REIT BPR COST OF DEBT

	31 December 2025 %	31 December 2024 %	30 June 2025 %
<i>Variable interest rate borrowings</i>			
Floating reference rate plus weighted average margin	8,76	9,86	9,58
<i>Fixed interest rate borrowings</i>			
Weighted average fixed rate	–	–	–
Pre-adjusted WACD	8,76	9,86	9,58
Amortised transaction costs imputed into the effective interest rate	0,12	0,13	0,15
All-in WACD	8,88	9,99	9,73

Corporate information

Heriot REIT Limited

(Incorporated in the Republic of South Africa)
(Registration number: 2017/167697/06)
JSE share code: HET
ISIN: ZAE000246740
(Approved as a REIT by the JSE)

Company Secretary

Pieter van Niekerk, LLB
410 Lynnwood Road, Lynnwood, Pretoria 0081

Postal: As above

Directors

SB Herring (*Chairman*)^{1, 2}
RL Herring (*Chief Executive Officer*)
D Snoyman (*Chief Financial Officer*)
SJ Blieden^{1, 3}
GJ Heron^{1, 3}
R Lockhart-Ross^{1, 3}
A Mazwai¹

¹ Non-executive

² British

³ Independent

Transfer secretaries

Computershare Investor Services
Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196

PO Box 61051, Marshalltown 2107

Designated advisor

Valeo Capital Proprietary Limited
Unit G02, Skyfall Building
De Beers Avenue
Paardevelei
Somerset West 7130

Postnet Suite 272, Private Bag X29
Somerset West, 7129

Auditor

BDO South Africa Incorporated
52 Corlett Drive
Wanderers Office Park
Illovo 2196

Private Bag X60500, Houghton 2041