

19 November 2025

MEDIA RELEASE

Burstone Group's interim results highlight strong real estate performance and growing momentum of funds & asset management business

Burstone Group, a fully integrated international real estate investor and funds and asset management business, today reported strong underlying real estate performance and growing fee income for the six months ended 30 September 2025 ("1H26").

The period saw Burstone consolidating its strategy, marking a period of stability and disciplined execution. The Group reported significant growth in like-for-like net operating income from its South African portfolio and consistent performances from its co-investment into real estate portfolios across Europe and Australia.

Burstone Group CEO, Andrew Wooler said: *"These results reflect the resilience of the underlying portfolios and the benefits of Burstone's diversified earnings model. Additionally, the Group's proactive asset recycling, continued platform expansion, and cost discipline has supported overall earnings quality and balance sheet resilience."*

Results for the period ended 30th September 2025 were in line with expectations:

- DIPS increased by 3.0% to 51.07cps (1H25: 49.53 cents), supported by strong underlying real estate performance.
 - Strong like-for-like net operating income ("NOI") growth from its South African portfolio of 5.3%, driven by improved vacancies and lower negative reversions.
 - Stable performance from its European investment as the strategy prioritised capturing rental reversions over short-term vacancy – evidenced by 16.3% positive reversions.

- Australian investment strategy starting to deliver, with meaningful contributions to Group earnings as asset management initiatives take effect.
- Burstone grew its fee income from 3rd party funds management activities by 70.6% to R58 million, now representing 14.1% of distributable earnings (1H25: 8.5%).
 - New equity commitments from Australian capital partners of A\$170m to deploy into growth opportunities .
- The Group reduced total operating overheads by 5.5%.
- Overall DIPS performance was partially offset by marginally dilutive South African disposals in FY25, the impact of funding capital expenditure, offshore investments and transactional cash flow timing.
- Balance sheet stable with pro forma LTV of 39.0% - the Group has earmarked R1.0 – R1.5bn of assets for disposal over the next 18 months to support future co-investment activity that would support up to R10bn of 3rd party GAV potential.
- The Board will apply a consistent payout ratio of 90%, declaring a dividend of 45.96cps (1H25: 44.58cps) for the period.

Hybrid business model is driving enhanced returns and significantly increases value

The Group manages total gross asset value ("GAV") of approximately R42.4 billion across South Africa, Europe and Australia, of which R23.8 billion represents third-party GAV.

Approximately 67% of the Group's total GAV is offshore in Europe and Australia as Burstone is well positioned to grow equity under management ("EUM") across new and existing platforms.

Burstone's strategic focus remains on building a capital-efficient international business that generates diversified and sustainable returns from underlying real estate investments; combined with additive fee income from funds and asset management activities. The Group continues reshaping its business, from a traditional property owner into an internationally recognised real estate investor and asset manager - co investing, managing, and scaling opportunities in partnership with leading institutional investors.

South African Portfolio Performance

The South African portfolio reflected improving property fundamentals, delivering strong operational performance across a diversified asset base. The South African portfolio remains a key creator of balance sheet liquidity and necessary capacity to support both local and international platform growth.

- SA like-for-like (“LFL”) net operating income (“NOI”) increased by 5.3% year-on-year, driven by strong retail growth and recovery in the office sector, partially offset by a tenant-specific default in the industrial portfolio.
- Retail performance (+11.5% LFL NOI) was led by Zevenwacht Mall, following partial redevelopment in 2H25, and improved trading conditions across key centres.
- The office sector (+4.1% LFL NOI) benefited from lower negative reversions and improved tenant retention, while the Industrial sector (negative 3.8% LFL NOI) experienced a short-term decline due to a tenant business default but remained underpinned by solid leasing activity.
- Strong leasing activity led to an improved vacancy across the total portfolio of 4.7% (FY25: 6.7%), with portfolio reversions improving to negative 2.5% (1H25: negative 8.5%).
- The Group invested R143 million in value enhancing capital expenditure and has committed to an additional solar rollout of 8MW (+60%) within the next 12 months.

European real estate performance

The partnership with Blackstone (signed last year) on the Pan European Logistics platform (“PEL”) marks a cornerstone European platform that stands, as a clear example of its strategic roll-out of the funds and asset management strategy in the region as the Group considers new and alternative growth strategies.

Burstone’s 20% co-investment and retained management mandate provides long-term alignment and earnings potential as the platform matures.

Operationally, the portfolio delivered stable returns, underpinned by strong positive rental reversions of 16.3%, offset by increased vacancy to 14.8% as the strategy prioritises maximising rental growth over short-term income.

Australian real estate performance

Burstone has, through its Irongate partnership, co-invested. R330m into two industrial platforms alongside TPG Angelo Gordon and Phoenix Property Investors ("Phoenix"). The total GAV of these platforms is c. A\$400m / R4.5bn.

The Group's investments were made at low initial yields, but with strong reversionary potential. During the period, these platforms returned R14 million (1H25: nil) to the Group as the benefit asset management initiatives take effect and positive rental reversions are captured.

The Group still retains its effective 18.67% ownership stake in the ITAP Fund Australia "(ITAP)", which will realise returns over the medium-term.

Fund management activities

Irongate, the Group's fund management platform in Australia in which it holds 50%, continues to provide a pivotal platform for Burstone to grow its funds management business and acts as a demonstrative framework for the Group's funds and asset management strategy.

During the period, Australian 3rd party equity under management ("EUM") grew to A\$668 million (7% increase) driven by increased equity deployment alongside TPG AG into two recent acquisitions, with a combined asset value of A\$85.6m.

Irongate has successfully attracted additional 3rd-party EUM, with existing capital partners committing a further A\$170 million of growth equity - which when deployed will increase Group equity under management by 11%.

Additionally, Irongate is actively bidding for industrial core plus opportunities in the region.

In Europe, the Group aims to leverage its existing European footprint to expand its industrial and logistics exposure and continues evaluating additional opportunities to launch new fund platforms that will attract 3rd party capital.

In South Africa, the Group remains committed to the launch of the SA Funds platform, catalysing Burstone's fund management model locally. The launch of this platform remains subject to final approvals from cornerstone institutional capital partners.

Prospects and guidance

The Group continues to execute its strategy, transitioning from a traditional property owner to an integrated international real estate funds and asset management business. The Group's performance reaffirms Burstone's progress over the past year in achieving operational stability and scaling its funds and asset management business across its respective regions.

As a result, earnings momentum is building as underlying real estate performance strengthens and funds management activities gain traction. Renewed focus on strategic operational alignment across geographies is expected to yield cost efficiencies over the short-to-medium term. Balance sheet strength remains critical to support Burstone's growth ambitions and fund platform scalability.

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About Burstone Group Limited

Burstone is a fully integrated international real estate business with R42.4 billion gross asset value under management. Burstone listed on the Johannesburg Stock Exchange (South Africa) in 2011 and currently operates in South Africa, select European markets and Australia. The Group has a strong management track record of more than 30 years' operating in both local and international markets. The Group is globally diversified and has the capability to invest across all aspects of the real estate life cycle, partnering with specific capital partners for specific opportunities. The Group operates a hybrid model of traditional real estate investment, stapled with expertise across fund management, investment management, asset management and development management. This approach supports the Group's strategy of delivering enhanced returns on capital deployed and maximising operational leverage from its scalable platform. Burstone strives to deliver purposeful and authentic client experiences with agility, speed and passion. The Group has the ability to identify potential that lies within something and then transform it into something of real value. Across all regions in which the Group operates, the manager has a presence on-the-ground with in-country expertise and adopts a hands-on approach to managing its properties.

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