

HEARTWOOD PROPERTIES

Property Entity Investors Report



What's ours, is yours.

2026



INVESTMENT POLICY & STRATEGY

Future wealth.
Built smartly.
With heart.

Heartwood Properties develops **high-quality sustainable buildings** underpinned by solid property fundamentals to achieve **superior returns for our shareholders**. Our strategy and business model are shaped by the following focus areas:



Sector Focus

Concentrating on office and industrial warehouse developments, primarily in the Western Cape.



Sustainable Development

Creating environmentally responsible buildings of exceptional quality, with defined exit strategies for tenants.



Value Realisation

Selling assets within 3–5 years to unlock capital for reinvestment or distribution to shareholders.



Collaborative Growth

Partnering in joint venture developments with tenants and landowners to unlock shared opportunities.

What's ours, is yours.

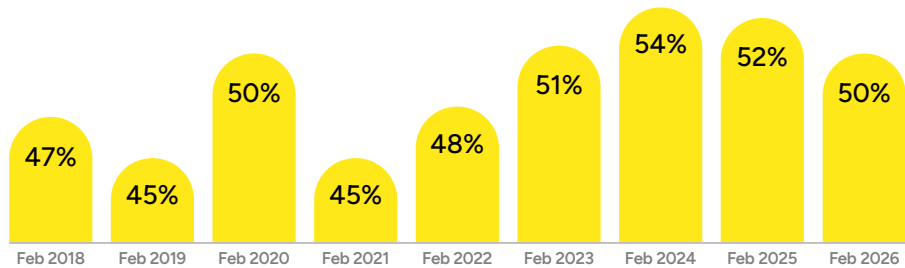
heartwoodproperties.co.za



Key Performance Metrics

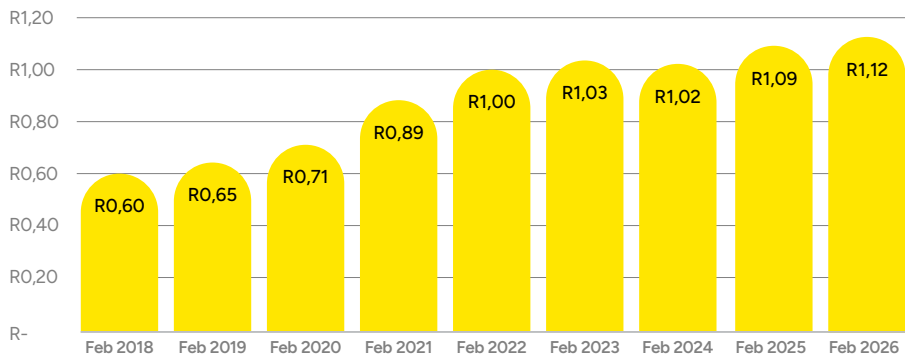
Loan to Value Ratio

The loan to value ratio is calculated by dividing the total borrowings by the fair value of the portfolio. The ratio excludes value added tax loans which are repayable in the short term.

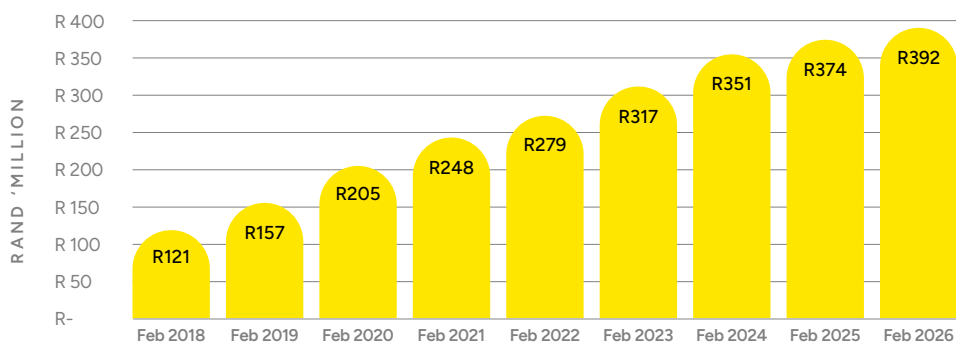


Net Asset Value (NAV) per Share

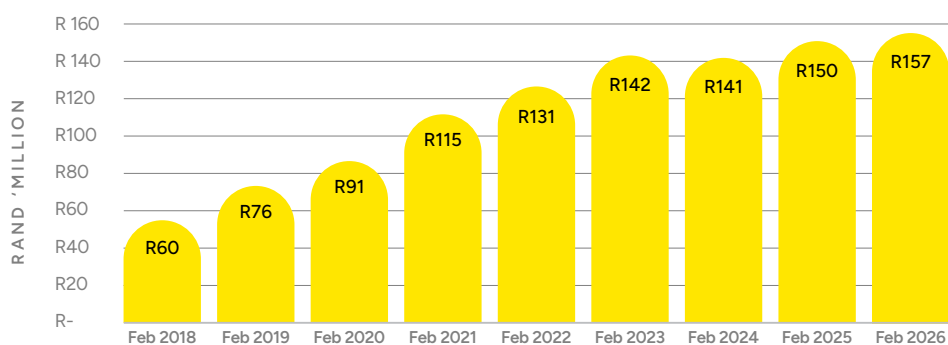
Growth since listing: 91%



Portfolio Value



Net Asset Value





Our Team

DETAILS & EXPERIENCE OF THE DIRECTORS

→ John Whall

CHIEF EXECUTIVE OFFICER

John has a BSc Civil Engineering degree from the University of Cape Town and is a qualified Chartered Accountant.

John was the Financial Director of Group Five Construction for a number of years, before moving into the Property Development Division. He has twenty years of property development experience – at Group Five and then in his own business working with Montagu Property Group and other partners.



→ Koba Dumas

CHIEF FINANCIAL OFFICER

Koba has a BCom honours degree in Accounting from Stellenbosch University and qualified as a Chartered Accountant in 2003.

Koba spent her early audit career at the BDO Group, both in Cape Town and San Francisco. She later joined Business Partners as a Portfolio Manager, with clients in the commercial property, manufacturing and retail sectors.



→ Andrew Utterson

EXECUTIVE DIRECTOR

Andrew formed The Business Centre Group in 2005 as one of three founding shareholder members.

He was responsible for developing and implementing the group's growth strategy and is a self-confessed lover of contemporary architecture and beautiful design.



→ Julian Scher

CHAIRMAN | NON-EXECUTIVE DIRECTOR

Julian graduated with a BCom LLB from the University of the Witwatersrand, Johannesburg, and is the founding partner and senior director of Strauss Scher Attorneys.

Founded in 1994, Strauss Scher Attorneys is a boutique legal practice, specialising in all aspects of real estate, with a particular focus on property development.



→ Martin Evans

NON-EXECUTIVE DIRECTOR

Martin has a BSc Town & Regional Planning degree from the University of the Witwatersrand, Johannesburg, as well as an MBA degree.

Martin has been involved in the property industry for over 30 years. Martin worked for a leading developer prior to forming his own company, Brydens Property Group, with a partner. Together they have built numerous A grade commercial developments in Gauteng.



→ Peter Gent

NON-EXECUTIVE DIRECTOR

Peter holds a BSc Mining Engineering degree from the University of the Witwatersrand, Johannesburg, and an MBA degree from the University of Michigan (USA).

Peter is currently an independent management consultant. Prior to becoming an independent consultant, he was the Chief Operating Officer and a member of the Management Board of Rand Merchant Bank for 7 years. Peter was also a director for First National Bank (Corporate and Investment Banking Group).



→ Bernard Seeff

NON-EXECUTIVE DIRECTOR

Bernard holds a Master's degree in Industrial Engineering, a Higher Diploma in Computer Science from the University of the Witwatersrand, Johannesburg, and an MBA degree from the University of California in Los Angeles.

Bernard has served as director on numerous company boards, specialising in property ownership and management. Bernard is a member of the Young Presidents' Organization (YPO), a global leadership organisation of more than 30,000 business leaders.



→ Geoff Jennett

INDEPENDENT | NON-EXECUTIVE DIRECTOR

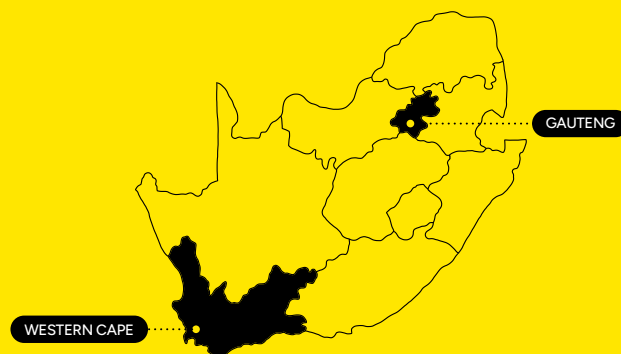
Geoff has a B.Com Hons (Accounting) from Rhodes University, Grahamstown and is a qualified Chartered Accountant.

Geoff has 35 years of experience in financial management, strategy, and leadership. His experience includes 10 years as the Chief Executive Officer of Emira Property Fund Limited, from 2015 – 2025.





Our Properties in Numbers



R392 m

Portfolio value

11

Number of properties

4.32 years

Weighted average lease expiry ("WALE")

AVERAGE PROPERTY VALUATION PER M²

R24 308 / m²

Office

R20 750 / m²

Retail warehouse

R12 558 / m²

Warehouse

6.78%

Average escalations

8.51%

Gross average yield

100%

Current occupancy rate (May 2026)

22 293 m²

Rentable area ("GLA")

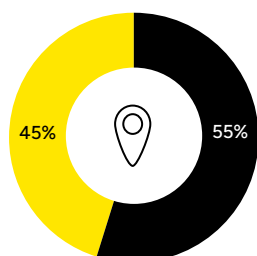
R144

Average rental rate per m²

0%

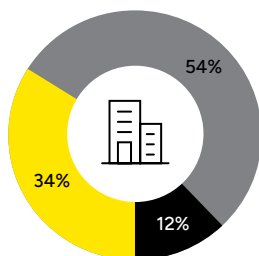
Distribution yield

MARKET VALUE BY AREA



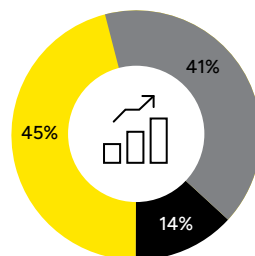
● Gauteng ● Western Cape

GLA BY SECTOR



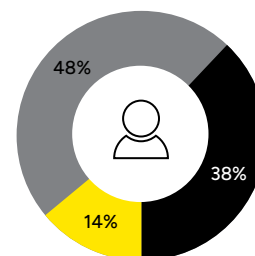
● Office ● Warehouse ● Retail

REVENUE BY SECTOR



● Office ● Warehouse ● Retail

TENANT PROFILE



● Large ● Medium ● Small

MARKET OUTLOOK

Demand for warehouse and office space in the Cape Town market remains robust, and Heartwood is well positioned to capitalise on these opportunities. We have secured two large warehouse developments and a new office development with funding in place to implement in the next 12-18 months.

DISTRIBUTION POLICY

The Company's dividend policy is to consider an interim and a final dividend in respect of each financial year. In light of the Company's intended strategy to dispose of the Heartwood Logistics property portfolio within five years from the implementation date of the Subscription Agreement (01 August 2025) and return the proceeds back to shareholders as a dividend, The Board believes that it would be more appropriate for the Group to conserve cash to take advantage of new Cape Town warehouse development opportunities. Therefore, The Board has resolved not to declare a dividend for the year ended 28 February 2026 (2025: Rnil).

BUILDING	MARKET VALUE AS AT 28 FEB 2026 *NOTE 1	LOCATION	SECTOR	CONSTRUCTION COMPLETION DATE	GLA	TENANT PROFILE	VACANCY	YIELD	ESCALATION	MAJOR TENANT	WALE	AVG RENTAL RATE PER M²
OFFICE												
Willow Wood Office Park Block A	R76,800,000	Fourways, Gauteng	Office	Dec 2012	3 194	A	0%	8.37%	6%	Spaces	1.25	R167.75
Willow Wood Office Park Block B	R17,600,000	Fourways, Gauteng	Office	Sept 2017	730	C	0%	6.13%	6.5%-8%	Multi- Tenanted	1.38	R123.12
Willow Wood Office Park Block C	R24,600,000	Fourways, Gauteng	Office	Dec 2013	1 023	C	0%	10.76%	8%	Econet	0.58	R215.56
Willow Wood Office Park Block D	R19,500,000	Fourways, Gauteng	Office	Mar 2019	810	C	0%	8.06%	6.5%-8%	Multi- Tenanted	1.64	R161.73
Erf20, Lyme Park	R43,300,000	Bryanston, Gauteng	Office	Mar 2020	1 714	C	0%	9.76%	5%-8%	Multi- Tenanted	1.64	R205.37
RETAIL WAREHOUSE												
Erf 20774, Somerset West	R54,200,000	Somerset West, Western Cape	Retail Warehouse	August 2021	2 612	C	0%	8.71%	7.5%	Noola	7.58	R150.59
WAREHOUSE												
Erf 862 & 863, Firgrove	R67,200,000	Somerset West, Western Cape	Warehouse	Feb 2023	4 963	B	0%	9.52%	7%	Blue Nova	1.92	R107.43
Erf4132, Hagley - Phase 1	R56,700,000	Hagley, Cape Town, Western Cape	Warehouse	Dec 2023	4 926	B	0%	8.98%	5%	RB & Son	8.08	R86.48
Erf4132, Hagley - Phase 2 (land)	R18,000,000	Hagley, Cape Town, Western Cape	Land	N/A	8 000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Erf 697, Firgrove (50% interest in joint venture)	R28,000,000	Somerset West, Western Cape	Warehouse	Oct 2022	2 227	C	0%	9.27%	8%	Alveo Water	7.67	R97.12
Unit 8 Tonquani House	R2,450,000	Paardevlei, Somerset West, Western Cape	Office	N/A	115	N/A	0%	N/A	N/A	N/A	N/A	N/A

Note 1: All the Group's properties are revalued annually by independent valuers. Refer Note 3 - Investment Property in the Financial Statements for details on valuation methodology and assumptions. The Company is not aware of any town planning restrictions or qualifications in respect of the valuations, nor of any statutory contraventions or options over the properties.

Note 2: Tenant Profile Definitions:

- A. Large national tenants, large listed tenants, government and major franchises. "Large" refers to top tier nationals and listed tenants. "Major" refers to top tier franchises recognised as industry leaders (1 tenant).
- B. Medium national tenants, listed tenants, franchises, medium to large professional firms. "Medium" refers to industry leaders in their respective fields (law, accounting and advertising) (5 tenants).
- C. Small and medium-sized tenants, non-listed tenants and privately held small to medium-sized businesses (11 tenants).

Note 3: Refer Note 17 of the financial statements for details on all outstanding debt.

Note 4: The above table is dated 29 May 2026.



Timeline

2011



April 2011

Incorporation of private development company.

December 2012

Completion of Willow Wood Office Park (Block A) for the Business Centre.



2012

2013



December 2013

Completion of Willow Wood Office Park (Block C) for Cronimet SA.

September 2015

Completion of warehouse and office for The Media Connection in Lanseria Corporate Estate.



2015

2017



September 2017

Completion of Willow Wood Office Park (Block B).

March 2018

Heartwood Properties Limited listed on the Cape Town Stock Exchange (previously called the 4 Africa Exchange).



2018

November 2018

Completion of warehouse and office for D4 Electrical in Lanseria Corporate Estate.



LISTED ON THE
CAPE TOWN
STOCK
EXCHANGE

March 2019

Completion of Willow Wood Office Park (Block D) with Genesys as the anchor tenant.



2019

2020



March 2020

Completion of Soleil multi-tenanted office in Bryanston.

September 2021

Completion of Buildit 2 600m² showroom. Started Alveo Water development.



2021

2022



October 2022

Completed Alveo Water development.

February 2023

Completed Blue Nova development.



2023

2024



December 2024

Completed RB & Son development.

October 2025

Construction starts on new commercial development in Paardevlei, Somerset West.



2025



November 2025

Geoff Jennett appointed to the board as an independent non-executive director.

All heart. All in.
From day one.

CONTACT

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Incorporated in the Republic of South Africa
Registration Number: 2017/654253/06
ISIN: ZAE400000044
CTSE Share Code: 4AHWP

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