



ORYX PROPERTIES LIMITED

1H25 Initial Impression

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Oryx Properties Limited

1H25 Initial Impression

Current Price (c)

1350

Year End 30 June	1H23	FY23	1H24	FY24	1H25	Recommendation*	HOLD
Revenue (N\$ m)	175.0	356.3	225.0	451.2	237.2	NSX Code	ORY
Commercial Vacancies (%)	6.1	6.8	5.4	4.2	2.0	Market Cap (N\$ m)	1,542
HEPU (c)	31.5	116.2	75.7	107.5	65.3	Shares in Issue (m)	114.3
HEPU growth (%)	91.0	-20.8	-11.8	-7.5	-13.8	Free Float (%)	100
DPU (c)	54.25	105.25	51.5	103.0	52.5	52-Week High (c)	1350
DY (%)	9.4	9.3	8.6	8.0	8.2	52-Week Low (c)	1200
P/E (x)	6.7	9.7	7.9	11.9	10.3		
D/A (%)	36.7	35.2	37.1	34.4	35.6		

Source: Oryx Properties Limited, IJG Securities

1H25 Initial Impression

Oryx Properties Limited (Oryx) has released its interim results for the six-month period ending 31 December 2024 (1H25). Profit after tax declined by 66.0% y/y compared to the same period the previous year. This significant decline is primarily due to non-recurring income of N\$33.0 million in the prior period. However, distributable earnings per linked unit increased to 70.67 cents per unit (cpu), up from 69.21cpu in 1H24. Oryx announced an interim distribution of 52.50cpu, representing a 1.9% y/y increase. Adjusted headline earnings attributable to linked units (HEPU) fell by 13.8% y/y to 65.25cpu, while Oryx's distribution yield stood at 8.2% at the end of 31 December 2024.

Net rental income increased by 5.3% y/y to N\$162.4 million from N\$154.3 million in 1H25. **Revenue** grew by 5.4% y/y to N\$237.2 million, in line with the growth in net rental income. This positive performance was largely driven by a significant reduction in **vacancy rates** (excluding the residential sector), which improved to 2.0% in 1H25 from 5.4% in 1H24. All segments of the portfolio reported revenue growth. The retail segment saw a 6.2% y/y increase in revenue, reaching N\$166.5 million. The office segment recorded an 8.9% y/y rise in revenue to N\$21.1 million, while the industrial segment experienced a modest 1.0% y/y increase in revenue, totalling N\$43.3 million. Revenue from the residential segment rose by 5.4% y/y, amounting to N\$6.3 million.

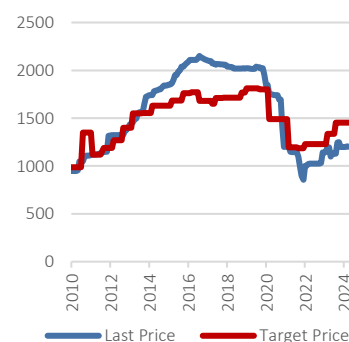
Positive **rental reversions**, together with a notable improvement in average **tenant collections**, rising to 101%, indicate that Oryx is effectively managing its property portfolio. Additionally, the company successfully reduced **other expenses** by 28.9% y/y to N\$16.9 million.

Property portfolio: Oryx's property portfolio was valued at N\$4.24 billion as of 31 December 2024, reflecting a modest 1.8% increase in value compared to 30 June 2024. Oryx reported a positive fair value adjustment of N\$1.8 million, and management expressed satisfaction with maintaining the current fair values, factoring in only further capital additions. Total capital expenditure for the period amounted to N\$74.0 million, which includes N\$38.0 million for the Maerua Mall development and N\$19.0 million for the Goreangab development.

Interest-bearing borrowings increased from N\$1.59 billion to N\$1.67 billion during the six-month period, representing a 5.2% rise. This increase is primarily due to the short-term portion of interest-bearing liabilities, which grew from N\$198,000 to N\$338.6 million during the period under review. In contrast, the long-term portion of interest-bearing borrowings decreased by 16.2%. The weighted average interest rate declined by 0.6 percentage points to 9.3% compared to the same period last year, on the back of the 75-basis point reduction in the repo rate, from 7.75% in December 2023 to 7.00% in December 2024.

Oryx's **interest cover ratio** slightly weakened to 2.2 times, down from 2.3 times as reported for 30 June 2024. Management attributes the decline in the interest cover ratio to the capital-intensive projects undertaken during the period. **Finance costs** for the period rose by 7.0% y/y, or N\$5.1 million, to N\$78.1 million by the end of December 2024. Oryx reported a **gearing ratio** of 36.1% for the year ending 31 December 2024, a notable decrease from 37.3% from December 2023. This ratio remains well below the 45% strategic threshold. Oryx's **debt-to-assets ratio** also marginally declined from 37.1% in December 2023 to 35.6% in December 2024, reflecting an improving balance sheet.

ORY Share Price vs Target Price (c)



Dividends

Oryx declared a final distribution of 52.5 cents per linked unit to unitholders.

- Last day to trade cum distribution: 20 March 2025
- First day to trade ex-distribution: 24 March 2025
- Record date: 28 March 2025
- Payment date: 11 April 2025





0,0005	4,85%
0,0003	13,04%
0,001	50,00%
0,0003	14,29%
0,0005	12,50%

Net Asset Value (NAV) improved to 2,438cpu in 1H25 from 2,157cpu in 1H24. The realisable NAV of Oryx as of 31 December 2024 was 2,492cpu from 2,209cpu in 1H24. As a result, Oryx is currently trading at a price to book of 0.51x, lower than the price to book of 0.54x in 1H24.

Oryx Properties' interim results for the six-month period ending 31 December 2024 reflected both strengths and vulnerabilities in its operations. Despite profit after tax delivering disappointing results, net rental income and revenue reported a favourable increase. Furthermore, an improvement in the Oryx's vacancy rates, tenant collections, positive rental reversions and reduced expenses underscores Oryx's efficacy in managing its property portfolio. Despite a slight weakening in the interest cover ratio and a rise in borrowings, management provided a positive update, highlighting encouraging balance sheet growth. The company presented an improvement in both its NAV and gearing ratio. While the capital expenditures during the period, particularly related to the Goreangab and Maerua Mall developments have placed some financial burden on Oryx, these strategic investments position Oryx for favourable long-term prospects.

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