



ORYX PROPERTIES LIMITED
Resilient Performance with Promising
Growth Prospects
March 2026



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Oryx Properties Limited

1H26 Initial Impression

Current Price (c)

1351

| Interim Year End 31 Dec | 1H24 | FY24 | 1H25 | FY25 | 1H26 | | |
|--------------------------|-------|-------|-------|--------|-------|---------------------|-------|
| Revenue (N\$ m) | 225.0 | 451.2 | 237.2 | 492.2 | 286.0 | NSX Code | ORY |
| Commercial Vacancies (%) | 5.4 | 4.2 | 2.0 | 2.4 | 5.0 | Market Cap (N\$ m) | 1,545 |
| HEPU (c) | 75.7 | 107.5 | 65.3 | -124.2 | 96.5 | Shares in Issue (m) | 114.3 |
| DPU (c) | 51.5 | 103.0 | 52.5 | 108.0 | 58.5 | Free Float (%) | 100 |
| DY (%) | 8.6 | 8.0 | 8.2 | 8.1* | 8.7* | 52-Week High (c) | 1351 |
| E/Y (%)** | 12.7 | 8.4 | 9.7 | -9.3* | 14.3* | 52-Week Low (c) | 1320 |
| D/A (%) | 37.1 | 34.4 | 35.6 | 40.1 | 40.8 | | |

Source: Oryx Properties Limited, IJG Securities

*Based on current share price (c)

**Earnings Yield

1H26 Initial Impression

Oryx Properties Limited (Oryx) released a very positive set of interim results for the period ending 31 December 2025. The results reflect strong organic revenue growth and an efficient capital allocation strategy. The 2024 income tax amendments which revised legislation on intergroup interest deductibility and introduced a five-year cap on deferred tax carry forwards, presented notable challenges for the Group's operations given Oryx's business model. Despite these headwinds, Oryx has successfully navigated the changes and delivered stellar results. PAT for the period more than doubled, rising from N\$22.7m in the prior period to N\$50.8m in 1H26. Oryx's distributable earnings per linked unit increased by 10.6% y/y to 78.2 cents per unit (cpu), up from 70.7cpu in 1H25. Oryx announced an interim distribution of 58.5cpu, which represents an 11.4% y/y increase from 52.5cpu in 1H25.

Net rental income recorded strong growth, increasing by 16.8% y/y to N\$189.6m. This performance was supported by robust operating rental income, which rose by 20.6% y/y to N\$286.0m, partly reflecting the revenue contribution from the Platz am Meer acquisition in 2025. Excluding this acquisition, same-store (organic) revenue growth rose 8.9% y/y, highlighting solid underlying property and portfolio management. Property expenses, however, increased by 28.8% y/y to N\$96.3m, largely due to the reclassification of property management staff costs from other expenses to property expenses. As a result, the cost-to-income ratio deteriorated slightly to 33.7% (1H25: 31.5%). Commercial vacancies also increased, rising from 2.0% to 5.0% in 1H26. Management attributed the higher vacancy rate primarily to the vacant Roodepoort facility in South Africa. The facility is large and its vacancy reflects the recent slowdown in South African industrial activity as well as the relocation of the main motor hub to a new area. Consequently, the property has not yet been sold, as Oryx indicated that it is not a forced seller and is waiting for a favourable disposal opportunity. The disposal process is progressing well, with a sale anticipated by the end of the second half of the year. Accordingly, the vacancy rate is expected to normalise toward year-end.

By segment, the retail portfolio delivered the strongest performance, with revenue increasing by 29.4% y/y to N\$215.6m, largely reflecting the Platz am Meer acquisition. The office segment recorded modest growth, with revenue increasing by 1.4% y/y to N\$21.4m. Looking ahead, we expect stronger revenue growth from the office portfolio following a negative rental reversion during the period. One of the Group's larger office lease tenants, have historically been priced above market levels, necessitating a downward adjustment to align the rental with prevailing market rates upon renewal. The lease has since been renewed and includes escalation clauses linked to future rental increase. In addition, the Group incurred capital expenditure related to renovations at the building, with further costs associated with its conversion into Oryx's first green office building. By contrast, the industrial portfolio experienced a slight revenue decline of 1.7% y/y to N\$42.5m. This was mainly due to a negative rental reversion with one of Oryx's larger industrial tenants. The lease had been in place for several years at above-market rental rates, and a new five-year lease has now been agreed at rates more in line with prevailing market levels, with escalation linked to inflation. This adjustment is considered a once-off, and industrial revenue contributions are expected to resume steady growth going forward. Finally, the residential segment, whilst the smallest contributor, recorded revenue growth of 3.0% y/y to N\$6.5m.

Property portfolio: Oryx's property portfolio was valued at N\$4.82bn as at 31 December 2025, representing a 13.7% y/y increase from the N\$4.24bn that was recorded on 31 December 2024. The Board indicated that there were no material fair value adjustments across the portfolio during the

ORY Share Price



Dividends

Oryx declared an interim distribution of 58.5 cents per linked unit to unitholders.

- Last day to trade cum distribution: 20 March 2026
- First day to trade ex-distribution: 23 March 2026
- Record date: 27 March 2026
- Payment date: 09 April 2026





| | |
|--------|--------|
| 0,0005 | 4,85% |
| 0,0003 | 13,04% |
| 0,301 | 50,00% |
| 0,0003 | 14,29% |
| 0,0005 | 12,50% |

period, with the increase in value largely attributable to capital expenditure. Capital expenditure totalled N\$125.0m, up 67.1% y/y with N\$90.0m allocated to the development of Goreangab Mall. The project is expected to be completed and open for trading by the end of May this year. Importantly, Goreangab Mall represents a meaningful milestone for Oryx in terms of community upliftment, as the development is positioned as a social impact project.

Oryx's offshore exposure through its investment in TPF International generated a cash yield of 6.9%, in line with the prior comparative period. The Croatia-based portfolio performed well, contributing 12.0% to the Group's distribution despite representing only 6.0% of the total portfolio value. This underscores the Group's strategic capital allocation approach, prioritising higher-yielding segments. Oryx expects the TPF International investment to continue delivering solid contributions going forward.

Interest-bearing borrowings increased from N\$1.67bn to N\$2.15bn over the reporting period, reflecting a 29.1% y/y rise. Despite the increase in debt, the **loan-to-value (LTV) ratio** remained at a manageable 45.4%, comfortably below the covenant thresholds of 50.0% - 55.0% required by the Group's banking facilities. Oryx's debt-to-assets ratio rose from 35.6% in December 2024 to 40.8% in December 2025. The Group successfully raised N\$359.9m under its Domestic Medium-Term Note Programme (DMTNP), which further strengthened their funding capacity. Under the DMTNP, Oryx issued two new floating rate notes. The ORYJ28 raised N\$304.9m at a spread of 190bps above 3-month JIBAR, while the ORYJ30 raised N\$55.0m at a spread of 210bps above 3-month JIBAR. These issuances were priced at more favourable levels compared to the ORYJ25 (which matured on 18 November 2025), previously issued at a wider spread of 250bps above 3-month JIBAR. The bond auction attracted strong investor demand and was oversubscribed across both instruments.

Oryx's debt maturity profile indicates that a relatively large portion of its debt falls due in 2027, including the N\$500.0m RMB Namibia preference share facility. Management indicated that this obligation will be managed by refinancing the amount into two separate tranches in order to reduce the concentration in the Group's debt maturity profile.

Finance costs increased by 14.2% y/y from N\$78.1m in 1H25 to N\$89.2m in 1H26. The **interest-cover ratio** stood at 2.2x, above the minimum threshold of 2.0x and indicates adequate capacity to service interest obligations. Oryx managed to successfully lower its **weighted average interest rate** on borrowings from 9.3% in December 2024 to 8.1% in December 2025, a significant relief in its cost of debt and reflects the lower market interest rates over the period.

Net Asset Value (NAV) per unit slightly fell to 2,283cpu in 1H26 from 2,438cpu in 1H25, with the current share price trading at a discount of 40.8%. This decline in NAV per unit is primarily attributed to the quicker increase in debt than the fair value of investment properties, as well as an increase in the weighted number of units during the financial year.

Our Take

Oryx delivered strong interim results, supported by robust organic revenue growth and further boosted by the acquisition of Platz am Meer. The Group's offshore exposure, also contributed positively to overall performance. Oryx remains well positioned to achieve its strategic objective of expanding its property portfolio value to N\$6.9bn and attaining mid-cap status by 2028. Achieving this milestone would unlock further economies of scale, benefits which the Group is already beginning to realise, strengthening its ability to absorb costs and navigate operational challenges. Despite headwinds arising from the recent income tax amendments, once-off restructuring costs related to an office building, and negative rental reversions, the Group demonstrated notable resilience and still delivered strong results. Management indicated that progress is being made in addressing the tax amendment legislation related to intergroup interest deductibility, which previously increased tax liabilities of Group subsidiaries by restricting the deductibility of intergroup interest payments. Ongoing discussions between management and the relevant authorities have led to the potential development of legislation to establish a permanent restructuring framework without the company incurring tax implications. This is expected to be finalised by the end of September before proceeding through the parliamentary process. As a result, further earnings tailwinds could materialise once clarity on the legislative framework is achieved.





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

Nevertheless, risks warrant consideration. The Namibian government is currently revisiting the long-delayed Rent Control Bill, which proposes the regulation of rental rates. While the residential segment represents only a small portion of Oryx's overall portfolio, the implementation of such legislation could have a detrimental effect on market rental rates on a broad-based level. In response, the Namibia Property Association is actively engaging with policymakers. In addition, escalating geopolitical tensions, including the ongoing conflict in the Middle East could introduce inflationary pressures and potentially push market interest rates higher. This may place upward pressure on capitalisation rates and, in turn, negatively affect property valuations.

Overall, Oryx appears well positioned for continued growth, supported by a disciplined management team with a clear focus on efficient capital allocation – an approach that is already translating into tangible results. The Goreangab Mall development is particularly encouraging, delivering an attractive development yield of approximately 10% and already achieving 86% occupancy, with a further 7.0% of space currently in final lease negotiations.

A valuation update will be provided in due course.

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