Vukile enters Italy, launching specialist retail real estate platform Esperia Properties

JOHANNESBURG, 13 July 2026 — Vukile Property Fund (JSE: VKE), the specialist retail real estate REIT which has built a dominant Iberian platform from its South African base, has entered the Italian market, acquiring an inaugural €115m portfolio of three shopping centres. It has established Esperia Properties as its new Italian holding company, with strong partners and experienced local leadership in place.

Vukile has established the SICAF Esperia Properties as a platform for further growth, targeting a portfolio in excess of €500m over time. It has made its inaugural investment in the Italian market with the acquisition of three nodally dominant shopping centres: Le Due Valli in Turin, Le Centurie in Padua and Quarto Nuovo in Naples. The portfolio was acquired for €115m at an attractive initial yield of 10%. Two further Italian acquisitions totalling a combined €200m are already in advanced stages, at an expected cash-on-cash yield of 9%.

Laurence Rapp, Chief Executive of Vukile Property Fund, comments: *"What Vukile is doing in Italy follows the same approach that served us so well in Spain and Portugal. We enter* *markets with conviction, add value through active management, build scale over time and always stay firmly focused on our retail specialisation. Italy's fundamentals are genuinely attractive, the assets we have acquired are strong, and we have the right team and partners in place."*

Building from strong foundations

Vukile is a specialist retail REIT listed on the Johannesburg Stock Exchange. It is ranked among South Africa's three largest REITs. Vukile's total assets stand at R63.7bn, with close to 70% of the portfolio in Iberia.

In South Africa, its R19.5bn portfolio of shopping centres continues to serve some of the country's most compelling consumer markets. It was from that South African base that Vukile began its European expansion in 2017, entering Spain through Castellana Properties, its 99.7%-owned subsidiary. The group initially acquired a portfolio of smaller retail parks and added value through focused asset management and operational improvement. Net operating income across those original assets increased by around 23% under Vukile's stewardship.

Through disciplined capital allocation, strategic asset rotation, and its specialist, value-adding asset management model, Vukile expanded the portfolio into larger, dominant shopping centres in primary and secondary Spanish cities and into Portugal, reshaping and strengthening Castellana's portfolio into one of the strongest in Iberia.

Castellana's current portfolio of €2.2bn spans both Spain and Portugal, with prime assets in Spain's three largest cities: Madrid, Barcelona and Valencia, strengthening its position in one of the strongest regions in Europe. Recent acquisitions include Berceo in Logroño, Islazul in Madrid, and a 50% stake in Splau in Barcelona in partnership with Unibail-Rodamco-Westfield.

Italy: growing with strong assets, partners, people and platform

Prior to entering the Italian market, Vukile acquired a 35% stake in Pradera Limited, a specialist pan-European retail property asset manager with a 25-year track record and approximately €5bn of assets under management. The investment, which became effective on 18 December 2025, materially de-risked further expansion in Europe for the group.

Leveraging Pradera's track record managing assets in Italy, Pradera will continue to carry out the asset management of Esperia’s first three shopping centres, which it has managed for a decade.

Roberto Limetti, Managing Director of Pradera, adds, "The transition to Esperia's ownership is seamless from an operational standpoint. We know these assets extremely well and are already progressing a clear asset management strategy aligned with Vukile’s shopper-centric approach to active ownership. The Italian market is underappreciated by many international investors and Vukile's entry at this stage of the cycle is well-timed."

Alongside its Italian market entry, Vukile appointed Omar Khan as Group Chief Investment Officer. In his expanded role, Khan, a longstanding member of the Vukile team who has been based in Madrid leading investment activity across the Iberian portfolio, assumes group-wide responsibility for investment activity, with an immediate focus on building Esperia Properties in Italy and leading investment activity across the group.

The appointment is an important signal about where Vukile is headed. Khan has been central to what Vukile has built in Iberia, and the group aims to replicate its proven Iberian model in a new and compelling European market.

Omar Khan, Group Chief Investment Officer of Vukile Property Fund, comments: *"The Castellana journey has shown what focused, specialist retail property investment can deliver. In Iberia, Vukile has acquired smartly, managed with discipline, rotated capital and built a portfolio that performs. The Italian opportunity carries many of the same characteristics that* *drew us to Spain in the first place — strong consumer fundamentals, undersupplied dominant centres, attractive yields and meaningful scope to grow income.”*

Khan explains that Italy offers a compelling investment backdrop. Italian households carry exceptionally high net wealth and low debt. The country has a deep-rooted consumer culture with strong discretionary spending on fashion, food and beverage, and experiential retail. E-commerce penetration stands at just 10%, which is the lowest in Europe. Italy ranks second for cumulative tenant sales growth since 2019. With limited new supply and strong trading metrics across the shopping centre sector, market dynamics are favourable.

Rapp concludes, “With P*radera's on-the-ground knowledge and Vukile’s own experience of building investment platforms from the ground up, I am confident in what Esperia can become."*

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