DELTA
PROPERTY FUND

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
28 FEBRUARY 2023

WHO WE ARE

Delta is a JSE main board listed Real Estate Investment Trust ("REIT") with an independently valued property portfolio of R6.9 billion.

The Company is substantially black managed and continues to be the dominant sovereign listed property fund in South Africa. Delta offers access to a unique portfolio of mainly government and parastatal tenanted buildings providing secure income streams and large single tenant occupancy.

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DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the financial period 2023 then ended, in conformity with International Financial Reporting Standards as issued by the Accounting Standards Board ('IFRS Standards") and Financial Pronouncements as issued by the Financial Reporting Standards Council and Companies Act of South Africa. The external auditors are engaged to express an independent opinion on the Group financial statements.

The consolidated and separate financial statements are prepared in accordance with IFRS Standards and Financial Pronouncements as issued by the Financial Reporting Standards Council and Companies Act of South Africa and are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the year from the date of approval of this report and, in light of this review and the current financial position (refer note 4), they are satisfied that the Group has or has access to adequate resources to continue in operational existence for the foreseeable future.

IN OUR PROCESS OF VALUE CREATION, WE CONSIDER THE RELATIONSHIPS AND REQUIRED RESOURCES FOR THE SIX CAPITALS WE HAVE EMPLOYED.

Bongi Masinga

Interim Chief Executive Officer
Authorised director
12 June 2023

Marelise de Lange

Chief Financial Officer
Authorised director
12 June 2023

Consolidated and Separate Financial Statements

CHIEF EXECUTIVE OFFICER AND FINANCIAL DIRECTOR RESPONSIBILITY STATEMENT

The directors, whose names are stated below, hereby confirm that:

a) The consolidated and Company annual financial statements set out on pages 8 to 139, fairly present in all material respects the consolidated and Company financial position, financial performance and cash flows of Delta Property Fund Limited and its consolidated subsidiaries in terms of International Financial Reporting Standards;

b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated and Company annual financial statements false or misleading;

c) Internal financial controls have been put in place to ensure that material information relating to Delta Property Fund Limited and its consolidated subsidiaries have been provided to effectively prepare the consolidated and Company annual financial statements of Delta Property Fund Limited;

d) The internal financial controls are adequate and effective and can be relied upon in compiling the consolidated and Company annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls.

e) Where we are not satisfied, we have disclosed to the Audit, Risk and Compliance Committee and the auditor the deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and

f) We are not aware of any fraud involving directors.

Bongi Masinga
Interim Chief Executive Officer
12 June 2023

Marelise de Lange
Chief Financial Officer and designated Financial Director
12 June 2023

DECLARATION BY GROUP COMPANY SECRETARY

Declaration by the Group Company Secretary in respect of section 88(2)(e) of the Companies Act.

In terms of section 88(2)(e) of the Companies Act of South Africa, as amended, I certify that the Group has lodged with the Commissioner all 2022 returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.

These consolidated and separate financial statements have been audited in compliance with section 30(ii)(a) of the Companies Act of South Africa and were prepared under the supervision of the CFO, Ms Marelise de Lange CA(SA).

Tebogo Moshakga

Company Secretary

12 June 2023

Consolidated and Separate Financial Statements

DIRECTORS' REPORT

MAIN BUSINESS AND OPERATIONS

Delta is a listed REIT. As a REIT, the Company derives rental income from investments in office and retail properties, and distributions from other listed property securities. The Group has 92 properties valued at R6.9 billion situated in all nine provinces throughout South Africa. Three assets are held indirectly through wholly owned subsidiaries.

Delta is the dominant sovereign-listed property fund in South Africa. The primary focus of the Fund is long-term investment in quality rental income-generating properties situated in strategic nodes attractive to sovereign entities. Delta is a majority black owned and managed property fund.

GOVERNANCE

The Board remains aligned with the King IV recommendations and as previously reported continues to embed the six capitals (financial, manufactured, human, intellectual, natural and social and relationship) into the organisation's activities.

THE YEAR IN REVIEW

The year has seen significant geopolitical and economic headwinds. The war in Ukraine has exerted upward pressure on energy and food prices worldwide spurring global inflation and abruptly interrupting an already lacklustre post-COVID financial recovery. Global growth forecasts continue to revert downward, more so for emerging markets.

Continued loadshedding, high cost of energy, rising overall costs coupled with low economic growth, illiquid financial markets, and higher interest rates will continue to put the Fund under pressure. This environment brutally exposes capital and income mismatches, which forces us to rethink how we effectively allocate capital, while operating in an environment of higher operating costs and a very competitive rental market. Despite this, the Group continues to focus on achieving its strategic objectives.

Portfolio optimisation through disposals is a key strategic focus to address the reduction of debt and the concomitant reduction of SA REIT Loan to value ("LTV"). We successfully disposed of seven assets with a combined GLA of 47 025m² for a cumulative amount of R208.9 million (net of selling costs). After the reporting date we have transferred an additional asset of 14 188m² for a purchase consideration of R42.0 million (net of commission) and received a positive vote from shareholders to dispose of Capital Towers for R57.0 million. Sale agreements for a further five properties were concluded to the value of R71.8 million.

We are delighted to have achieved an average collection rate of 101.0% in a period that has proven challenging for tenants in this difficult economic circumstances.

We thank the Board for its support and our teams for their dedication and commitment.

FINANCIAL RESULTS

Rental income decreased by R159.6 million from R1.39 billion to R1.23 billion, largely driven by a decline in contractual rental income due to rental reversions mainly relating to the rebasing of a number of government tenanted properties to market-related rentals.

Property operating expenses (excluding bad debt provisions included in the prior year and now separately disclosed under ECL's) increased by 1.0% from R478.0 million to R482.9 million. The main contributor to property operating expenses relate to utility costs, which increased by R10.0 million from R324.5 million to R334.5 million. In addition, bad debts written off and provided for reduced by R14.2 million from R93.3 million to R79.1 million.

Administrative costs increased by 11.6%. This is largely due to the increased costs resulting from staff costs due to the filling of vacancies and increases, marketing expenses, IT expenses and travel expenses. Over the reporting period the local currency has deteriorated by R15.55 per USD to R18.60 per USD. This resulted in a foreign exchange gain of R15.8 million which was however offset by the decrease in the share price of GRIT by 15 USD Cents, as reflected in the fair value adjustment of R35.5million.

Finance costs are 11.3% higher than the prior financial year; the Fund felt the full impact of increasing interest rates. The prime rate increased by 4.25% since the beginning of the Financial year, which had a similar impact on the JIBAR rate. The interest rate increase is somewhat offset by the reduction in the overall level of debt due to capital repayments from disposal proceeds and mandatory capital payments. The overall repayment of debt was R352.9 million.

PROPERTY PORTFOLIO

At the end of the year, Delta's property portfolio consisted of 92 properties with a total investment value of R6.9 billion and a gross lettable area of 857 506m^2. In line with the Company's policy, the portfolio is independently valued on an annual basis.

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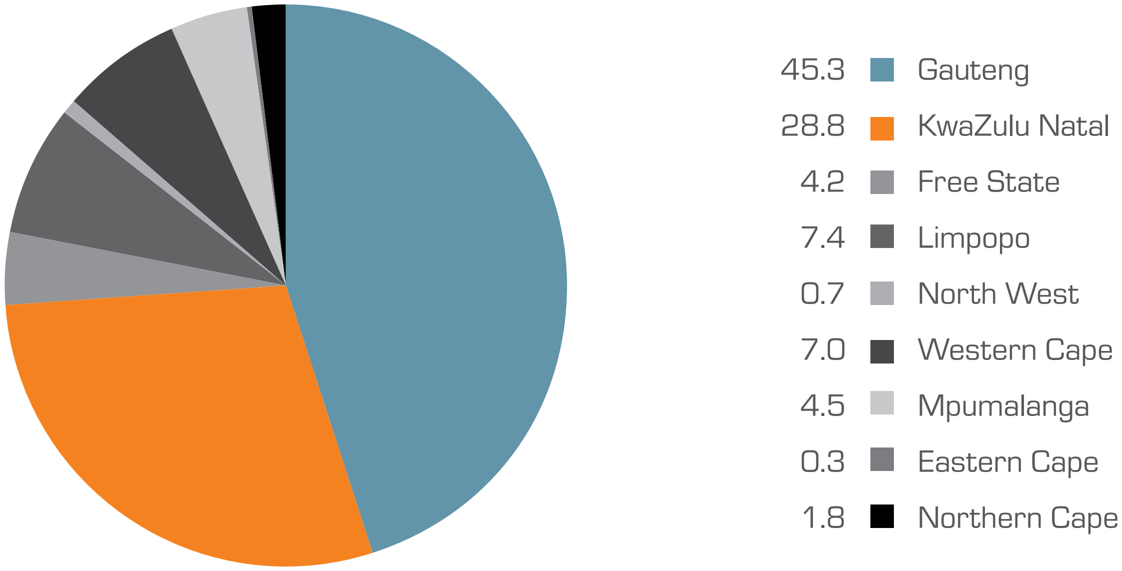
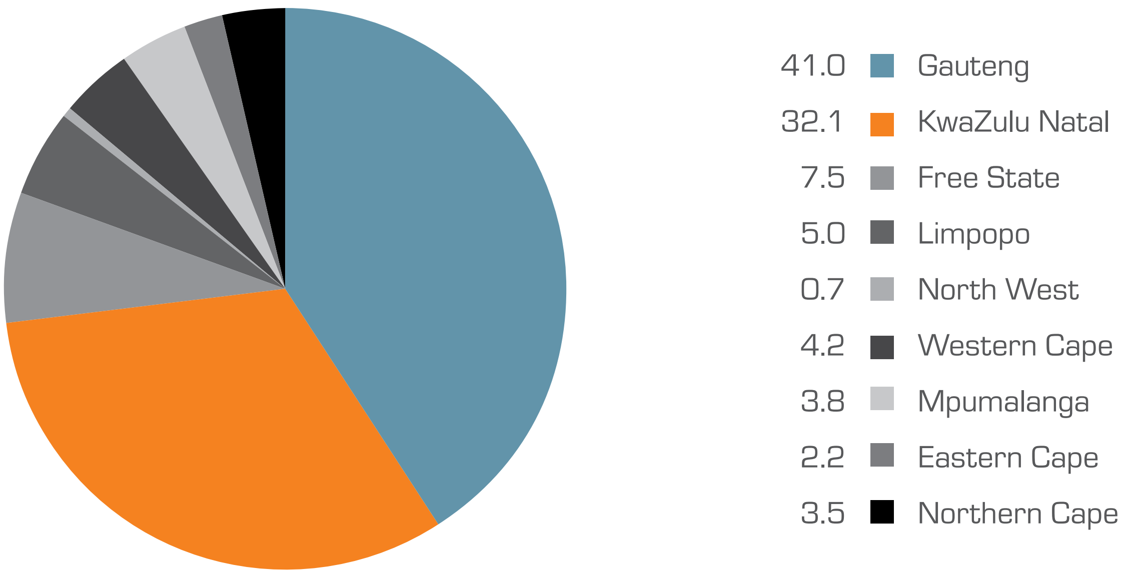
DIRECTORS' REPORT Cont.

The segmental and geographic breakdown of the portfolio (per tenant) at the reporting date was as follows:

Geographical profile by Revenue



Geographical profile by GLA



MAJOR CAPITAL PROJECTS

Capital expenditure continues to be a strategic objective of the Group. During the year, R79.0 million (28 February 2022: R112.8 million including accrued capex) was spent on capital projects. This was funded from operating cash apart from R11.3 million, which is funded by a Nedbank facility specifically earmarked for the capital project at Poyntons in Pretoria.

LETTING

Delta renewed 81 leases totalling 194 545m^2 of which the majority relate to the National Department of Public Works and Infrastructure ("DPWI") followed by State Owned Entities and private commercial and retail tenants. Of the number of leases signed, 45.7% had a tenure of 12 months, 11.1% had a tenure between 12 and 36 months and 43.2% had a tenure greater than 36 months. We are in advanced negotiations with DPWI to renew the leases that expired at the end of February 2023 for periods in excess of 12 months.

A total GLA of 13 312m^2, comprising of 137 leases, were concluded. The majority of new leases were entered into with private commercial tenants followed by state-owned entities.

Vacancies have increased during the year from 31.3% as at 28 February 2022 to 32.9% at year end. Disposals during the current year, reduced vacancies by 29 143m^2, whilst new lettings reduced the vacancies by a further 13 312m^2. There was however a negative result in overall vacancies due to lease terminations.

The weighted average rental across the portfolio decreased to R104.05/m^2 from R107.0/m^2 in the prior financial year due to reversions which was marginally offset by contractual escalations.

FUNDING

The extension of the Group's debt facilities continues to be top of mind and a priority. Continuous engagement with our funders allows us to cultivate a working relationship and improve pricing of our debt portfolio. After year end Nedbank agreed to reduce the margin on their facility to 3.0% from 3.5%. The facilities with Standard Bank mature at the end of November 2024. The Investec facilities are in the process of being finalised with the one facility extended for 18 months and the other 24 months.

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DIRECTORS' REPORT Cont.

The increase in interest rates has significantly impacted the Group's weighted average cost of funding which increased from 7.4% as at 28 February 2022 to 8.8% as at 28 February 2023. This has negatively impacted the Group's interest cover ratio ("ICR"), which has reduced from 1.9 times as of 28 February 2022 to 1.4 times. The impact of the increased finance costs was partially offset by the continuing amortisation of debt, the proceeds from disposals and a positive impact from the interest rate swaps. Finance costs were R457.9 million for the year compared to R411.5 million in the prior year.
The LTV has increased from 57.0% as at 28 February 2022 to 61.4%. This is mainly a function of the reduction in fair value of the portfolio by R833.6 million. This is expected to improve as the disposal programme continues to progress.

DIVIDEND

Delta's SA REIT Funds from operations per share amount to 11.12 cents for the year ended 28 February 2023 (28 February 2022: 36.91 cents per share). The reduction is mainly attributable to the reduced revenue following the reversions coupled with the significant increase in interest rates. In performing the Solvency and Liquidity Test conducted in terms of section 46 of the Companies Act, which takes into consideration the working capital cash flow forecast, expected working capital requirements, capital expenditure requirements and contracted tenant installations relating to historic lease renewals, the Board resolved not to declare a dividend for the year ended 28 February 2023 (28 February 2022: Nil).

OUR STRATEGIC PRIORITIES

To address our liquidity and asset portfolio, ensuring an optimum gearing level, and covenants in line with agreed ratios, we have spent a lot of effort analysing the portfolio, identifying those assets that are more of a cash drain and have a negative ICR. Further disposals have therefore been earmarked.

Our strategic priorities include:

- Asset disposals;
- Reduction of debt;
- Reduction of vacancies; and
- Satisfy covenant requirements.

The strategy is to have targeted disposal of the properties with negative ICR's and those that are in regions we have previously highlighted as areas we wish to exit. These earmarked properties will be sold and the net proceeds used to reduce the debt exposure of the fund. Delta Property Fund has widened its pool of potential buyers from the traditional purchasers to others who might have a different use for the assets.

There is a targeted time frame of a 24 months in which to align our LTV and ICR to covenant levels. Within this time frame the portfolio should be right sized, and the Fund should be in a position to secure more capital and diversify their exposure.

DIRECTORS' REPORT Cont.

DIRECTORATE

At the date of this report, Delta has a unitary Board consisting of eight directors in total, two Executive Directors and six non-executive directors, four of whom are independent. Notwithstanding the fact that two non-executive directors are considered non-independent, the Board's conclusion is that they nonetheless act and exercise their minds independently in their roles on the Board and respective committees.

On 30 November 2022, Ms N Khan retired from the Board as a non-executive director after serving on the Board for 10 years since the Company's listing. The board thanks Ms. Khan for tireless contribution during her tenure. On 2 December 2022, Mr S Mbanjwa resigned as the CEO, Ms B Masinga was re-appointed as the Interim CEO while Mr C Rampheri entered into a consultancy agreement with a specific purpose of driving the Company's disposal programme. On 2 May 2023, Ms Marelise de Lange resigned as the CFO of the Company and will remain in her position until 25 July 2023. Ms P Stock resigned from the Board effective 30 June 2023 (due to her Company's policy) and Ms S Zilwa, an independent non-executive director, was appointed on 1 June 2023.

As at the date of this report, the Board composition is as follows:

Executive directors	Date appointed
B Masinga – Interim CEO	6 July 2020
M de Lange – CFO	9 April 2019

Non-executive directors	Date appointed
P Langeni – Chairman	6 July 2020
MJN Njeke* Lead independent director	1 April 2017
DN Motau*	5 November 2014
P Stock*	7 July 2021
MCR Rampheri^	1 June 2017
S Zilwa*	1 June 2023

* Independent

^ Mr Rampheri is no longer considered independent due to the Consultancy agreement entered into with the Company.

The interest of the directors in the shares of the Company at the date of this report is as follows:

	DIRECT BENEFICIAL HOLDING	INDIRECT BENEFICIAL HOLDING	TOTAL 2023	DIRECT BENEFICIAL HOLDING	INDIRECT BENEFICIAL HOLDING	TOTAL 2022
Executive directors						
S Masinga[2]	-	11 065 158	11 065 158	-	11 065 158	11 065 158
Non-executive directors						
P Langeni[2]	500 000	11 065 158	11 565 158	500 000	11 065 158	11 565 158
N Khan[1]	-	-	-	550 000	32 408 616	32 958 616
DN Motau	1 860	-	1 860	1 860	-	1 860
MCR Rampheri	322 580	-	322 580	-	-	-
	824 440	**22 130 316**	**22 954 756**	**1 051 860**	**54 538 932**	**55 590 792**

[1] Ms N Khan retired as a director of the company on 30 November 2022. At the time Ms Khan held 550 000 shares directly and 32 408 616 shares indirectly through Cornwall. During the year, Mr S Mbanjwa acquired 35 720 shares at R0.28 per share as a direct beneficial interest. At the date of this report Mr S Mbanjwa was no longer a director on the Board.

[2] As part of a B-BBEE transaction Cornwall Crescent Proprietary Limited ("Cornwall"), purchased Delta shares from Redefine Properties Limited (off market) utilising a vendor loan. All of the shares held by Cornwall are held under guarantee for the facility. The number of shares held by Cornwall per the share register is 162 043 079.

[2]Afropulse Group Proprietary Limited is a shareholder of Cornwall with Ms B Masinga and Ms P Langeni being shareholders of Afropulse Group.

There were no changes in the directors' interests between financial year-end and the date of approval of the consolidated and separate financial statements have been recorded above.

Consolidated and Separate Financial Statements

DIRECTORS' REPORT Cont.

DIRECTORS' EMOLUMENTS AND SERVICE CONTRACTS

The Executive Directors have service contracts with the Company which include a three-month notice period. The non-executive directors sign a formal letter of appointment on acceptance of their Board position. All the directors' emoluments are disclosed on pages 85 to 86 of this report.

DIRECTORS' INTERESTS IN CONTRACTS

Asset Management

The fee payable by Delta to Delta Property Asset Management ("DPAM") for asset management services is a monthly fee equal to 1/12 of 0.35% of the aggregate of the market capitalisation and the borrowings of Delta ("enterprise value").

Property management

From 1 September 2015, property management services have been provided by DPAM. A management fee is payable to DPAM by Delta equal to 1.85% of monthly collections from tenants.

As at the date of this report none of the Board members have an interest in the Asset Management contract.

FINANCIAL SNAPSHOT

	2023	2022	YEAR-ON-YEAR MOVEMENT	% CHANGE YEAR-ON-YEAR
Rental income including recoveries (R'000)	1 229 121	1 388 704	(159 583)	(11.5%)
Net property income (R'000)	733 722	817 880	(84 158)	(10.3%)
SA REIT Funds from operations per share (cents)	11.12	36.91	(25.79)	(69.6%)
Investment property at fair value (including held for sale) (R'000)	6 912 041	7 888 200	(976 159)	(12.4%)
Net Asset Value ("NAV") per share (rands)	3.64	4.76	(1.1)	(23.5%)

The above table indicate summarised relevant information relating to the Group.

LITIGATION

MPI Property Asset Management Proprietary Limited

In December 2020, MPI Property Asset Management Proprietary Limited ("MPI PAM") instituted two claims totalling R400 million against Delta. On 26 January 2022, during a pre-arbitration meeting, the original claims of R400 million were withdrawn and set aside. MPI PAM filed a new statement of claim against Delta for a revised amount of R147.4 million. The Board has appointed TWB Incorporated to oppose the claims and represent Delta in the dispute. All necessary action will be taken to defend the matter. The matter remains pending at year-end.

Somnipoint

During the 2015 financial year Delta entered into an option agreement with Somnipoint to acquire the asset held in Somnipoint (known as Absa Towers). A R40 million refundable deposit was agreed to be paid to Somnipoint. The asset (Absa Towers) was presented to the Investment Committee which was subsequently declined. The deposit was not refunded. The common directors in Somnipoint and Delta at the time were Messrs. S Nomvete (former CEO), JB Magwaza (former Chairman) of Delta Property Fund and J Mriga (a former employee of DPAM). In February 2020, the asset held in Somnipoint was disposed of and as a result the loan to Somnipoint was impaired. The Board has instituted legal proceedings to recover the amounts due from Somnipoint. The liquidators of Somnipoint have filed a notice to defend the claim instituted by Delta.

Somnipoint's liquidators subsequently filed a counterclaim against Delta seeking the sum of R91,3 million. Delta raised an exception to the counterclaim. The matter remains pending at year-end.

DIVIDEND

No dividends were declared during the 2023 financial year.

EVENTS AFTER THE REPORTING PERIOD

On 31 March 2023 shareholders voted favourably to dispose of the property known as Capital Towers for a consideration of R57 million. The disposal of a further 5 properties were announced on 13 April 2023 for a combined consideration of R71.8 million. The properties are as follows:

- SARS Kimberley
- Tivoli building
- Thuto House
- CCMA Building and
- Die Meendt building.

On 30 May 2023 the disposal of 5 Walnut Road, Durban was announced for a consideration of R46 million.

The Company is in the process of finalising an extension of one of the Investec facilities for 18 months and the other of the Investec facilities for 24 months.

The Bank of China syndicated facility was extended to 31 December 2023 and the Nedbank facilities were extended to 21 June 2023. The Company is in the process of extending these Nedbank facilities for a longer period.

DIRECTORS' REPORT Cont.

GOING CONCERN

The Board has carried out a thorough review of the going concern assessment of the Group and Company, as disclosed in the going concern note in the financial statements. Having considered the solvency and liquidity, scenario analysis, the business plans and the key assumptions utilised, the Board concluded that the Group is in a sound financial position to meet its foreseeable cash requirements and accordingly is able to continue trading as a going concern (refer note 4 of the consolidated and separate financial statements).

COMPANY SECRETARY AND REGISTERED OFFICE

On 4 January 2023, Ms Tebogo Moshakga was appointed as the Company Secretary and Fluidrock Co. Sec. Proprietary Limited resigned with effect from 31 January 2023. The address of the Company Secretary is that of the Company's registered office, which is Silver Stream Office Park, 10 Muswell Road South, Bryanston, Johannesburg, 2021.

SPECIAL RESOLUTIONS

No additional special resolutions were passed during 2023 financial year other than those passed at Delta's AGM held on 30 August 2022.

PREPARATION OF FINANCIAL STATEMENTS

The consolidated and separate financial statements have been audited in compliance with section 30(ii)(a) of the Companies Act of South Africa and the Company's Memorandum of Incorporation and were prepared under the supervision of the CFO, Ms M de Lange CA(SA).

To be a pre-eminent sovereign underpinned property fund offering sustainable returns whilst being the landlord and employer of choice.

VISION

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AUDIT COMMITTEE REPORT

ROLE AND MANDATE

The committee's primary objective is the provision to the Board of additional assurance regarding the efficacy and reliability of the financial information used by the directors in the discharge of their duties. The committee has and will continue to assist the Board to ensure that adequate and appropriate financial and operating controls are in place, that significant business, financial and other risks have been identified and are being suitably managed, and that satisfactory standards of governance, reporting and compliance are in operation.

The Audit Committee is an independent statutory committee. The Committee was previously the Audit, Risk and Compliance Committee. With effect from 19 August 2022, Audit, Risk and Compliance Committee was separated into two committees being the Audit Committee and the Risk and Compliance Committee.

MEETINGS

The committee met five times prior to the end of the financial year.

The number of meetings held during the year and attendance thereat was as follows:

MEMBER / INVITEE	AUDIT AND RISK COMMITTEE	AUDIT COMMITTEE
Ms P Stock (Chairman)	3/3	2/2
Mr MJN Njeke (Member)	3/3	2/2
Ms D Motau (Member)	-	1/1
Mr MCR Ramperi (Member)	-	1/1

During the year there were a joint sitting of the Audit Committee and the Asset, Liability and Investment Committee to review valuations and a joint sitting of the Audit Committee and Board to approve financial statements.

COMMITTEE COMPOSITION

At the date of this report, the committee consists of three independent non- executive directors. Members are appointed by the shareholders of the Company at each AGM, on the recommendation of the Nomination Committee and the Board.

At the date of this report, the Audit Committee comprises the following directors:

Director	Period served
Ms P Stock (Chairman)	7 July 2021 - current
Mr MJN Njeke (Member)	25 May 2017 - current
Ms D Motau (Member)	15 December 2022 - current
Mr MCR Rampheri (Member)	19 August 2022 - 15 December 2022

With effect from 19 August 2022, Mr MJN Njeke stepped down as Chairman of the committee and Ms P Stock assumed the role of Chairman. Mr MJN Njeke remains a committee member. Mr MCR Rampheri joined the Audit Committee as a member on even date and stepped down from the committee on 15 December 2022 due to his change in independence.

The interim CEO, CFO and senior financial management of the asset manager and representatives from the external and internal auditors attend the committee meetings by invitation. The internal and external auditors have unrestricted access to the committee.

ACTIVITIES AND AREAS OF FOCUS DURING THE YEAR

In the execution of its statutory duties relating to the financial year under review, the Audit Committee carried out its duties by reviewing the following on a quarterly basis:

- Internal audit reports
- External audit reports
- Financial management reports
- Key financial, property and operational metrics driving the business and decision making
- Risk management reports and confirmed that the risk management policy has been complied with in all material respects (prior to splitting the committee into an audit committee and risk committee)
- Tax governance and compliance as well as tax opinions
- Annual returns
- Legal reports
- Nomination and recommendation of external auditors for re-appointment as external auditor of the Group under section 90 of the Companies Act; a registered auditor who, in the opinion of the committee, is independent

Consolidated and Separate Financial Statements

AUDIT COMMITTEE REPORT Cont.

- Nomination and recommendation of new external auditor of the Group following the rotation of the previous external auditor
- Received and dealt appropriately with any concerns or complaints, whether from within or outside the Company, or on its own initiative, in relation to the matters as set out in the Companies Act
- Made submissions to the Board on any matter concerning the Company's accounting policies, financial controls, records and reporting
- Reviewed the effectiveness of the internal financial controls
- Considered matters relating to the reports received through the Group's ethics line
- Monitored compliance with REIT requirements, in accordance with the JSE Listings Requirements

Furthermore, the committee is satisfied:

- with the independence of the external auditor;
- with the terms, nature, scope, quality and proposed fee of the external auditor for the financial year ended 28 February 2023;
- with the consolidated and separate financial statements and the accounting policies implemented, as well as the significant matters considered in the preparation thereof and have recommended the consolidated and separate financial statements for approval to the Board;
- with the Group continuing as a going concern;
- that it has considered the findings of the JSE's report on proactive monitoring of financial statements;
- that the Group's Chief Financial Officer was appropriately qualified and had the necessary expertise and experience to carry out her duties;
- that the finance department was appropriately staffed and qualified during the financial year. vacancies that arose after year-end are in the process of being filled;
- with the independence and effectiveness of the internal audit function;
- with the effectiveness of collaboration between the external auditor and internal auditor;
- with the integrity of the integrated annual report of the prior year and that it addresses all material issues and fairly presents the integrated performance of the organisation.

Regulatory compliance

The committee has complied with all the applicable regulatory and legal responsibilities.

External audit

Based on processes followed by the committee and assurances received from the external auditor, nothing has come to our attention regarding the independence of the external auditor.

The committee has requested that the auditor provide it with any decision letters and explanations issued by IRBA or any other regulator and any summaries relating to monitoring procedures and deficiencies issued by the audit firm's quality control reviewers.

The committee requested from KPMG Incorporated ("KPMG") the information contained in JSE Listings Requirements paragraph 22.15(h) to assess suitability for the appointment of KPMG and the designated individual partner.

The committee follows a comprehensive process to discuss and assess all audit findings.

KPMG was appointed as the external auditor of the Group effective 1 July 2022 following a tender process for mandatory firm rotation in which BDO South Africa incorporated was replaced. The engagement partner is Mr. Zola Beseti.

The committee noted the following matters set out in the independent auditor's report, which were carefully considered by the committee:
The valuation of investment property has been identified as a key audit matter for the 28 February 2023 reporting period.

The emphasis of matter resulting from going concern uncertainty has been fully dealt with in the going concern commentary in the Directors' report going concern section included below and in note 4 in the consolidated and separate financial statements.

Internal audit

The committee oversees the internal audit function which is performed by Mazars.

The committee approved a revised three-year rolling internal audit plan with an enhanced focus on key risk areas identified by the Group during a risk assessment process. Mr. Muren Naidoo, Senior Manager: Internal Audit & Risk Control at Mazars, has fulfilled the role of Chief Audit Executive ("CAE"). The CAE is invited to participate in all the Audit Committee meetings, as well as participate in the annual detailed risk workshop that the committee holds.

Finance function

The committee has reviewed the consolidated and separate financial statements of the Group and Company and is satisfied that they comply with IFRS.

The committee and the Delta Board are satisfied that Ms Marelise de Lange, the Chief Financial Officer, has the appropriate expertise and experience to meet her responsibilities in that position as required by the JSE.

The committee is further satisfied with the expertise and adequacy of resources within the finance function and the experience of the senior financial team during the financial year. The vacancies that arose after year-end are in the process of being filled. In making these assessments, the committee has obtained feedback from the external auditor.

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AUDIT COMMITTEE REPORT Cont.

Going concern

The committee reviewed the going concern assessment of the Group and Company, as disclosed in the going concern note in the financial statements and concurred with management's assessment that the financial statements for the Group and Company be prepared on the going concern basis. The committee considered the following aspects in reviewing the going concern assessment:

- The liquidity and solvency tests as required by the Companies Act.
- That the Company and Group is able to generate sufficient cash flows to meet its obligations for the following 12 months.
- That the forecast cash flow projections for the 2023/2024 financial year are based on a detailed assessment and with reasonable assumptions applied.
- That management has engaged in consultations with the principal senior funders of the Group particularly with regard to interest-bearing borrowings and facilities with a short tenure.
  - The Group and Company reported a net loss of R749.7 million and R723.9 million for the 2023 year, respectively. This loss is mainly attributed to the revaluation of investment property to its fair values and negative reversions experienced on some Government tenanted assets. This position deteriorated from the prior year with a net loss of R149.0 million and R102.9 million for the Group and Company respectively.
  - The Group and Company's total assets of R7.2 billion and R7.3 billion exceed the total liabilities by R2.6 billion and R2.8 billion at 28 February 2023, respectively.
  - The Group and Company had a LTV ratio of 61.4% and 59.7% respectively in comparison to 57.0% and 55.7% in the prior year These ratios have exceeded the covenants set by the lenders of 50%. The Group and Company had an interest cover ratio of 1.4 and 1.7 times respectively in comparison to 1.9 and 2.1 times in the prior year. The Group and Company's interest cover ratio is below the covenants set by the lenders of 2.0 times.
  - The Group's and Company's current liabilities of R3.6 billion and R3.6 billion respectively, exceeded its current assets (including non-current assets held-for-sale) by R2.5 billion and R2.6 billion respectively. This is mainly due to the structural tenure of the Group's funding facilities and as such the ability of the Group and Company to meet its obligations to lenders in the short term will be constrained. Management has engaged with lenders in this regard and the following actions have been agreed:
    - The Group is committed to reduce its debt exposure to acceptable levels being an LTV of 50% by disposing of assets that are non-core to the business.
    - Assets that reduce the overall liquidity of the Fund are carefully selected that will lead to overall positive changes in the Fundamental metrics to return to LTV of 50% and ICR covenants of 2.0 times.
    - The funders remain supportive of the business and is confirmed through the continued renewal of short term facilities and the reduction of monthly capital amortisations.
    - The expedited filling of increased vacancies and the extension of expiring leases.
    - A strategic plan to support the above initiatives and increased disposal plan.

The strategy of the Fund is to continue to be the landlord of choice for government tenanted buildings. The Company's cash flow is carefully monitored to ensure the optimal use of available cash. The committee and the directors have satisfied themselves that the Group continues to enjoy the support of its funders and thus is expected to have adequate resources to continue its operations in the foreseeable future and meet its obligations as they fall due. Facilities are renewed on a rolling basis as they reach maturity. The committee recognises the material uncertainty relating to the sale of non-core assets and the extension of facilities by the lenders. These unforeseen events or conditions may affect the execution of the business plans of the Group and Company which may cast significant doubt on the Group and Company's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

COMMITTEE PERFORMANCE

The committee assesses its performance every two years to determine whether or not it has delivered on its mandate and continuously enhanced its contribution to the Board. The assessment takes the form of a questionnaire, by way of a self-assessment and peer review, which is independently completed by each member of the committee.

The Company Secretary then collates and presents the results of the assessment to the Nominations Committee.

KEY FOCUS AREAS FOR FY 2024

The committee's key focus areas for the next financial year include the following:

- Continued going concern review and assessment.
- Monitoring of the debt reduction through disposals.
- Improvement of funding covenants.
- Restructure of the capital structure through disposals.

On behalf of the Committee

Ms P Stock
Chairman of Committee
12 June 2023

Consolidated and Separate Financial Statements

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the shareholders of Delta Property Fund Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Delta Property Fund Limited (the Group and Company) set out on pages 34 to 141, which comprise the statements of financial position as at 28 February 2023, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Delta Property Fund Limited as at 28 February 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Standards) and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 4 in the financial statements. The conditions disclosed in Note 4, indicate a material uncertainty exists that may cast significant doubt on the Group and Company's ability to continue as a going concern. As stated in note 4, the group and company's ability to repay debt as it becomes due is dependent inter alia on the ability to reallise cash through the sale of properties identified as non-core to the business and the ability thereof to extend loan facilities beyond scheduled maturity dates.

These conditions, along with other matters as set out in note 4 in the consolidated and separate financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the group and company's ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matter

Key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. In addition to the matter described in the material uncertainty related to going concern section we have determined a matter described below to be a key audit matter to be communicated in our report.

Valuation of Investment properties (This key audit matter applies to the consolidated and separate financial statements) Accounting policy Note 1.4 Investment property and 1.18.1 Investment property valuations Note 5: Investment property	
Key audit matter	How the matter was addressed in our audit
Investment properties is a significant portion of assets as it constitutes 84.3% of the total assets of the group and 80.4% of the total assets of the company and are measured at fair value. A panel of independent external valuers are appointed to conduct the Group and Company's year-end market valuations. The valuation involves making significant judgements and assumptions such as expected market rental growth, expected expense growth, vacancy period, rent-free periods, discount rate and market capitalisation rate. The independent valuations were performed using the discounted cash flow and income capitalisation methodology. These methods are based on open market values with consideration given to future earnings potential and applying an appropriate discount rate to the property.	Our audit procedures included the following: We evaluated the professional competence, capabilities and objectivity of the external independent valuers engaged by the Group and Company to determine the fair value of the properties by assessing their professional qualifications, experience and independence. With the assistance of our property valuation specialist; - We obtained an understanding from the external independent valuers of the valuation process and methodologies adopted, the significant assumptions used and critical judgements applied in the valuation process. - We compared the valuation techniques used by the independent valuers against the requirements of IAS 40, Investment Property ("IAS 40") and IFRS 13, Fair Value Measurement ("IFRS 13") and industry norms to confirm that the methodology was appropriate under the circumstances.

Consolidated and Separate Financial Statements

INDEPENDENT AUDITOR'S REPORT

Valuation of Investment properties (This key audit matter applies to the consolidated and separate financial statements) Accounting policy Note 1.4 Investment property and 1.18.1 Investment property valuations Note 5: Investment property	
Key audit matter	How the matter was addressed in our audit
Our audit focused on the valuation of investment property due to the significance in its value on the financial statements, the significance of the judgements and estimation uncertainty involved in the determination of the valuation and the additional work effort required by the audit team, together with our own valuation specialist. Accordingly, the valuation of investment properties is determined to be a key audit matter.	- We assessed the reasonability of the following significant inputs and assumptions used in the discounted cash flows valuation and income capitalisation valuation by comparing the inputs to observable market related data: ○ Rental growth rate ○ Expected expense growth ○ Vacancy period ○ Capitalisation rates ○ Discount rates - We compared the valuation recorded in the financial statements to the valuation ranges suggested by the independent valuers using the discount cash flow and the income capitalisation method and found the recorded value to be within an acceptable range - We tested a sample of data inputs used in the independent valuations, including actual and projected future cash flows, to rental agreements and evaluated historical performance against actual performance for reasonableness. We assessed the accuracy of rental revenue by selecting a sample of tenants per property and: ○ inspecting that a lease contract exists for the tenant; and ○ inspecting the lease contract details are accurately recorded. We evaluated the adequacy and completeness of the disclosures in accordance with IAS 40 Investment Property, associated with investment property valuation and IFRS 13 Fair value measurement

KPMG

Other matter

The consolidated and separate financial statements of the Group and Company as at and for the period ended 28 February 2022, were audited by another auditor who expressed an unmodified opinion on those consolidated and separate financial statements on 24 May 2022.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Delta Property Fund consolidated and separate Financial Statements for the year ended 28 February 2023", which includes the Directors' report, the Audit Committee report and the Declaration by Group Company Secretary as required by the Companies Act of South Africa and which we obtained prior to the date of this report, and the Integrated Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Integrated Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Standards) and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to

Consolidated and Separate Financial Statements

INDEPENDENT AUDITOR'S REPORT

liquidate the group and/or company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that KPMG Inc. has been the auditor of Delta Property Fund Limited for 1 year.

KPMG Inc.
Registered Auditor

Per Z.A. Beseti
Chartered Accountant (SA)
Registered Auditor
Director
13 June 2023

KPMG Crescent
85 Empire Road
Parktown
2193

Consolidated and Separate Financial Statements

STATEMENTS OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2023

		GROUP		COMPANY	
	Notes	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Assets					
Non-current assets					
Investment property		6 073 071	7 101 110	5 883 771	6 902 610
Fair value of investment property	5	6 006 973	7 001 462	5 817 748	6 803 186
Straight line rental income accrual	6	66 098	99 648	66 023	99 424
Property, plant and equipment	7	7 470	10 280	1 695	2 101
Investment in subsidiaries	8	-	-	62 273	62 274
Investment in listed security	10	91 267	110 984	91 267	110 984
Loans due from subsidiaries	11	-	-	308 078	351 095
Derivative financial instruments	17	354	-	354	-
Non-current assets		**6 172 162**	**7 222 374**	**6 347 438**	**7 429 064**
Current assets					
Loans receivable	12	5 663	12 563	5 663	12 563
Derivative financial instruments	17	7 043	-	7 043	-
Trade and other receivables	13	172 774	334 133	168 052	329 109
Cash and cash equivalents	14	7 020	7 820	5 135	5 100
Current assets		**192 500**	**354 516**	**185 893**	**346 772**
Non-current assets held-for-sale	15	838 970	787 090	781 970	717 090
Total assets		**7 203 632**	**8 363 980**	**7 315 301**	**8 492 926**

	Notes	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Equity					
Share capital	16	4 868 461	4 868 461	4 868 461	4 868 461
Non-controlling interest		(32 237)	(10 831)	-	-
Accumulated loss		(2 237 667)	(1 509 394)	(2 117 018)	(1 393 099)
Total equity		**2 598 557**	**3 348 236**	**2 751 443**	**3 475 362**
Liabilities					
Non-current liabilities					
Derivative financial instruments	17	-	49 562	-	49 562
Interest-bearing borrowings	18	987 067	1 351 718	987 067	1 351 718
Lease liabilities	26	26 576	34 203	2 439	2 786
Loans due to subsidiaries	11	-	-	-	51 560
Deferred taxation liability	29	8 688	-	8 688	-
Other financial liabilities	19	3 330	4 916	3 330	4 916
Non-current liabilities		**1 025 661**	**1 440 399**	**1 001 524**	**1 460 542**
Current liabilities					
Interest-bearing borrowings	18	3 206 930	3 193 372	3 206 930	3 193 372
Lease liabilities	26	7 558	3 991	622	562
Loans from subsidiaries	11	-	-	4 205	-
Trade and other payables	27	197 885	246 178	181 250	233 325
Current tax payable	32	89 767	124 033	92 053	122 367
Bank overdraft	14	77 274	7 771	77 274	7 396
Current liabilities		**3 579 414**	**3 575 345**	**3 562 334**	**3 557 022**
Total liabilities		**4 605 075**	**5 015 744**	**4 563 858**	**5 017 564**
Total equity and liabilities		**7 203 632**	**8 363 980**	**7 315 301**	**8 492 926**

Consolidated and Separate Financial Statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2023

	Notes	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Revenue					
Rental income	20	1 229 121	1 388 704	1 225 072	1 367 359
Straight line rental income accrual	6	(12 401)	521	(12 206)	678
		1 216 720	1 389 225	1 212 866	1 368 037
Property operating expenses		(482 997)	(571 345)	(502 698)	(582 992)
Other income		6 717	1 205	6 954	1 490
Dividend income	25	5 109	9 023	5 109	9 023
Gain on foreign exchange movements		15 705	2 579	15 705	2 579
Administration expenses		(109 168)	(97 824)	(65 246)	(68 570)
Fair value adjustments	23	(812 217)	(412 624)	(783 938)	(394 207)
ECL provisions		(65 965)	928	(134 630)	(10 377)
Profit from operations*	**21**	**(226 096)**	**321 167**	**(245 878)**	**324 983**
Finance costs	24	(457 878)	(411 473)	(454 732)	(407 600)
Interest income	25	5 510	23 078	47 906	60 710
Loss before taxation		**(678 464)**	**(67 228)**	**(652 704)**	**(21 907)**
Taxation	28	(71 215)	(81 773)	(71 215)	(81 086)
Loss for the year		**(749 679)**	**(149 001)**	**(723 919)**	**(102 993)**
Other comprehensive loss:					
Total comprehensive loss for the year		(749 679)	(149 001)	(723 919)	(102 993)
Loss for the year attributable to:					
Owners of the parent		(728 273)	(144 970)	(723 919)	(102 993)
Non-controlling interest		(21 406)	(4 031)	-	-
		(749 679)	(149 001)	(723 919)	(102 993)
Basic and diluted loss per share:					
Basic and diluted loss per share (cents)	31	(101.97)	(20.30)		

* In the prior year we distinguished between net property rental and related income which included revenue and property operating expenses and further had net operating profit being items that included net property rental and related income with other income, dividend income and administrative expenses and finally profit from operations that subsequently includes for value adjustments and ECL provisions. We now only state profit from operations which included all operating items.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2023

GROUP (R'000)	SHARE CAPITAL	ACCUMULATED LOSS	NON-CONTROLLING INTEREST	TOTAL EQUITY
Balance as at 1 March 2021	4 868 461	(1 364 424)	(6 800)	3 497 237
Total comprehensive loss for the year		(144 970)	(4 031)	(149 001)
Loss for the year		(144 970)	(4 031)	(149 001)
Balance at 28 February 2022	4 868 461	(1 509 394)	(10 831)	3 348 236
Total comprehensive loss for the year		(728 273)	(21 406)	(749 679)
Loss for the year		(728 273)	(21 406)	(749 679)
Balance at 28 February 2023	**4 868 461**	**(2 237 667)**	**(32 237)**	**2 598 557**
Note	16		8	

COMPANY (R'000)			
Balance as at 1 March 2021	4 868 461	(1 290 106)	3 578 355
Total comprehensive loss for the year		(102 993)	(102 993)
Loss for the year		(102 993)	(102 993)
Balance as at 28 February 2022	4 868 461	(1 393 099)	3 475 362
Total comprehensive loss for the year		(723 919)	(723 919)
Loss for the year		(723 919)	(723 919)
Balance as at 28 February 2023	**4 868 461**	**(2 117 018)**	**2 751 443**
Note	16		

Consolidated and Separate Financial Statements

STATEMENTS OF CASH FLOW

FOR THE YEAR ENDED 28 FEBRUARY 2023

		GROUP		COMPANY	
	Notes	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Cash flows from operating activities					
Cash generated from operations	30	695 640	773 017	714 534	761 377
Interest received	25	5 510	1 652	47 906	1 652
Dividend received	25	5 109	-	5 109	-
Interest paid		(457 878)	(400 453)	(454 734)	(393 593)
Taxation paid		(99 272)	(119 477)	(95 320)	(118 339)
Net cash inflow from operating activities		**149 109**	**254 739**	**217 495**	**251 097**
Cash flows from investing activities					
Acquisition of property, plant and equipment	7	(469)	(439)	(118)	-
Capital expenditure on investment property and non-current assets held-for-sale		(79 005)	(93 340)	(72 594)	(92 836)
Proceeds on disposal of non-current assets held-for-sale	15	208 989	-	208 989	-
Loans advanced to subsidiaries		-	-	(235 712)	(37 849)
Repayment of loans from subsidiaries		-	-	201 917	39 521
Settlement of loans receivable		-	5 000	-	5 000
Net cash inflow/(outflow) from investing activities		**129 515**	**(88 779)**	**102 482**	**(86 164)**

	Notes	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Cash flows from financing activities					
Repayment of lease liabilities		(7 273)	(3 738)	(662)	(1 124)
Repayments of loan to subsidiaries		-	-	(47 506)	-
Repayment of interest-bearing borrowings*	15, 33	(352 938)	(285 407)	(352 937)	(285 407)
Advance of interest-bearing borrowings		11 284	81 060	11 284	81 060
Net outflow from financing activities		**(348 927)**	**(208 085)**	**(389 821)**	**(205 471)**
Net movement in cash and cash equivalents		(70 303)	(42 126)	(69 844)	(40 538)
Cash at the beginning of the year		49	42 175	(2 295)	38 243
Total cash at the end of the year		**(70 254)**	**49**	**(72 139)**	**(2 295)**

* Proceeds on disposal of investment property was disclosed against the repayment of interest-bearing borrowings in the prior year as the proceeds were paid directly into the facilities.

Consolidated and Separate Financial Statements

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

ACCOUNTING POLICIES

1. PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The consolidated financial statements are prepared in accordance with IFRS Standards and the interpretations adopted by the International Accounting Standards Board ("IASB") and the IFRS Standard Interpretations Committee of the IASB. The consolidated and separate financial statements comply with the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act of South Africa.

The financial statements are prepared on the historic cost basis, except for investment property and certain financial instruments which are carried at fair value and incorporate the principal accounting policies set out below.

The accounting policies are consistent with those applied in the prior year. The financial statements are prepared on a going concern basis. They are presented in rand and all values are rounded to the nearest thousand (R'000) except where otherwise indicated.

1.1 Basis of consolidation

The consolidated and separate financial statements incorporate the annual financial statements of the Company and all entities which are controlled by the Company.

The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The results of the subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal. On acquisition, the Group recognises the subsidiary's identifiable assets, liabilities and contingent liabilities at fair value.

1.2 Investment in subsidiaries

Subsidiaries are entities over which the Company has the ability to control the financial and operating activities so as to obtain benefit from the activities. In the separate financial statements of the Company, investments in subsidiaries are carried at cost less any accumulated impairment.

1.3 Interest in joint operation

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement which exists when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly.
- Its liabilities, including its share of any liabilities incurred jointly.
- Its revenue from the sale of its share of the output arising from the joint operation.
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRS applicable to the particular assets, liabilities, revenues and expenses.

1.4 Investment property

Investment property consists of land and buildings and installed equipment held to earn rental income for the long term and subsequent capital appreciation. Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the Company and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost, including transaction costs and subsequently at fair value with any change therein recognised in profit or loss. Cost includes initial costs, costs incurred subsequently to extend or refurbish investment property, as well as the cost of any development rights.

Initial direct costs incurred in negotiating and arranging operating leases are capitalised to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. Rental income is recognised in profit or loss on a straight-line basis over the term of the lease.

Consolidated and Separate Financial Statements

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

Investment properties are valued at financial year-end, unless circumstances have materially changed during the period, that indicate a material change from the previous valuation and are adjusted to fair value as at the reporting date. Valuations are done on the open market value basis and the valuers use either the discounted cash flow method or the capitalisation of net income method or a combination of the methods.

The discounted cash flow model generates a net present value for each property by discounting forecast future cash flows and a residual value at the end of the cash flow projection period by the discount rate of each property. The residual value is calculated by capitalising the net income forecast for the 12-month period immediately following the final year of the cash flow at the exit capitalisation rate. The discount rate applied by each valuator is determined by adding a growth rate per property, based on forecast market-related rental increases, to the determined capitalisation rate per property. The discount rate is then tested for reasonableness by benchmarking the rate against recent comparable sales and surveys prepared by the Morgan Stanley Capital International Index ("MSCI") and the South African Property Owners Association ("SAPOA"). The capitalisation rate is dependent on a number of factors such as location, the condition of the property, current market conditions, the lease covenants and the risk inherent in the property and is also tested for reasonableness by benchmarking against comparable recent sales and surveys prepared by MSCI/SAPOA.

The capitalisation approach determines the net normalised annual income of the property, assuming the property is fully let at market-related rentals and market escalations, with an allowance made for vacancies (where applicable). Market related operating expenses are subtracted resulting in a net annual income, which is then capitalised into perpetuity at a market-related rate. The capitalisation rate is best determined, where possible, by referring to market transactions of comparable properties as it is based on information derived from market analysis. The capitalisation rate must consider the prevailing interest rate. The higher the interest rate, the better return an investor will require. Similarly, risk is another factor that will influence the capitalisation rate. The higher the risk factor, the better the return an investor will require. The risk inherent to income-producing properties is the degree of certainty that the income stream will be realised despite the uncertainty of the future.

Any gain or loss arising from a change in fair value is included in profit or loss for the period in which the fair value adjustments arises.

Gains and losses on the disposal of investment properties are recognised in profit or loss as fair value adjustments and are calculated as the difference between the proceeds received and the carrying value of the property.

1.5 Property, plant and equipment

Property, plant and equipment is initially measured at cost. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to or replace part of it.

Property, plant, and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

ITEM	AVERAGE USEFUL LIFE
Furniture and fittings	6 -25
Right-of-use assets	Lease period
Motor vehicles	5
Computer equipment	3

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

1.6 Non-current assets held-for-sale

A non-current asset or a disposal group comprising assets and liabilities is classified as held-for-sale if it is expected that its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale and the sale is highly probable to occur within one year. For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset or disposal group.

Where the Group is committed to a sale plan involving the loss of control of a subsidiary, it classifies all the assets and liabilities of that subsidiary as held-for-sale when the criteria set out above and detailed in IFRS 5: Non-current Assets Held-for- Sale and Discontinued Operations are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups held-for-sale are measured at the lower of their carrying amount and fair value less costs of disposal, with any impairment losses recognised in profit or loss. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets on a pro rata basis. However, certain items, such as financial assets within the scope of IFRS 9: Financial Instruments, deferred tax assets and investment property, continue to be measured in accordance with the Group's accounting policies.

Assets classified as held-for-sale are not depreciated or amortised, and any equity accounted investee, or a portion thereof is no longer equity-accounted. Non-current assets held-for-sale are presented separately from other assets and liabilities on the statement of financial position. Prior periods are not reclassified.

1.7 Financial instruments

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. IFRS 9 specifies how an entity should classify and measure financial assets, financial liabilities, and some contracts to buy or sell non-financial items.

Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured at amortised cost; or
- Those to be measured subsequently at fair value through profit or loss.

The classification is based on the business model for managing the asset and the asset's contractual cash flow characteristics as follows:

- Amortised cost – a financial asset is measured at amortised cost if both of the following conditions are met:
  - the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Fair value through profit or loss ("FVTPL") – any financial assets that are not held at amortised cost are measured at fair value through profit or loss.

All affected financial assets are only reclassified when the business model for managing financial assets changes.

(ii) Recognition and derecognition

Financial assets are recognised when the Group becomes a party to the contractual provisions of the arrangement. Regular purchases and sales of financial assets are recognised on the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Consolidated and Separate Financial Statements

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

The following accounting policies apply to the subsequent measurement of financial assets:

- Financial assets at amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest is measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- Financial assets at FVTPL: Assets that do not meet the criteria for amortised cost are measured at FVTPL. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss in the period in which it arises.

(iv) Impairment

At each reporting date, the Group recognises loss allowances for expected credit losses ("ECL") on financial assets measured at amortised cost. For trade receivables, the Group applies the simplified impairment approach, and therefore measures the loss allowance at an amount equal to lifetime ECLs. Loss allowances for all other receivables, inter-company and related party loans were valued based on the risk of the counterparty under the general approach.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that Delta expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

The Group assesses on a forward-looking basis the ECL associated with its debt instruments carried at amortised cost.

The methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Significant increase in credit risk

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1) the financial instrument has a low risk of default;
2) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
3) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are not at default stage.

Trade receivables

For trade receivables, the Group applies the simplified approach permitted by IFRS 9: Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Trade receivables are generally collected within 30 days of invoice, which are standard credit terms.

A specific provision is made for all debtors in the following circumstances where:

- A debtor has vacated and is in arrears.
- Legal action has been taken and the assessment of recovering the debt is doubtful.
- Debtors that are active and in arrears greater than 90 days.

The ECL (general) provision is applied to all remaining balances that are not subject to a specific provision.

The expected loss rates are based on the payment profiles of trade receivables and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the tenants to settle the receivable. Such forward looking information would include:

- changes in economic, regulatory, technological and environmental factors (such as industry outlook, GDP, employment and politics);
- external market indicators; and
- COVID-19 impact on tenants.

Financial guarantees

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the following factors:

- Financial performance.
- Market-related information.
- Regional macro-economic factors.
- Credit rating agencies.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Default

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower;
b) a breach of contract, such as a default or past due event (see (ii) above);

c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficult having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e) the disappearance of an active market for that financial asset because of financial difficulties.

The Group considers trade and other receivables to be unrecoverable and are derecognised (written off) when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor.

Loan receivables
Loan receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less ECL. The Group holds the loan receivables with the objective to collect the contractual cash flows.

Investment in listed investments
At initial recognition, the Group recognises equity instruments at fair value. After initial recognition, changes in fair value are recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss as investment income when the Group's right to receive payment is established.

Cash and cash equivalents
Cash and cash equivalents are recognised initially at fair value and include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the consolidated statement of financial position.

Financial liabilities
The Group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract. All financial liabilities are initially recognised at fair value minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are subsequently measured at amortised cost, unless the Group opted to measure a liability at FVTPL.

Consolidated and Separate Financial Statements

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

Financial liabilities are derecognised when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings denominated in a foreign currency are recognised on the transaction date at the ruling rand equivalent spot rate. The carrying amount is then translated to the rand equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss.

Financial liabilities included in trade and other payables are recognised initially at fair value plus transaction costs, if any, and subsequently measured at amortised cost using the effective interest method. If the due date of the liability is less than one year, discounting is omitted.

Derivative financial assets and liabilities are classified as financial assets or liabilities at FVTPL. Derivative financial assets and liabilities comprise mainly interest rate swaps for hedging purposes (economic hedge). Recognition of the derivative financial instruments takes place when the economic hedging contracts are entered into. They are measured initially and subsequently at fair value; transaction costs are included directly in finance costs. Gains or losses on derivatives are recognised in profit or loss in changes in fair values of financial instruments. The Group does not apply hedge accounting in accordance with IFRS 9.

1.8 Taxation

1.8.1 Current taxation

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the year.

The charge for current taxation includes expected tax payable or receivable on the taxable income or loss for the year and any adjustment for taxation payable or receivable for previous years.

Current taxation liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/(recovered from) the taxation authorities, using the taxation rates and taxation laws that have been enacted or substantively enacted by the reporting date.

1.8.2 Deferred taxation

Deferred taxation is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxation is not recognised for the following temporary differences:

- The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.
- Differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

1.9 Leases

1.9.1 The Group as a lessor

As a lessor, the Group classifies its leases as operating leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset and classified as an operating lease if it does not.

Properties leased to third parties under operating leases are included in investment properties in the statement of financial position.

The Group provides certain incentives for the lessee to enter into lease agreements. Initial periods of the lease term may be agreed to be rent-free or at a reduced rent. All incentives are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of the payments.

Initial direct costs incurred in negotiating and arranging operating leases are capitalised to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Rental income (net of any incentives given to lessees) is recognised on a straight-lining basis over the lease term.

1.9.2 The Group as a lessee

At initial recognition

The ROU asset is measured at its cost, which includes:

- The amount of the initial measurement of the lease liability.
- Any lease payments made at or before the commencement date (less any lease incentives received).
- Any initial direct costs incurred by the group.

The lease liability is measured at the present value of future lease payments at commencement date, which are expected to be paid over the lease term.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives.
- Variable lease payments that depend on an index or rate, initially measured at the applicable index or rate at the lease commencement date.
- The exercise price of a purchase option, if the group is reasonably certain to exercise that option, or the penalty payable on the exercise of a termination option unless the group is reasonably certain not to exercise the option.
- Any amounts expected to be payable under residual value guarantees

The group's variable lease payments are not dependent on an index or a rate. As such, these lease payments are not included in the measurement of the lease liability.

The group recognises the lease payments associated with short-term leases and leases for which the underlying asset is of low value as an expense on the accrual basis of accounting.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in a number of property leases across the group. These are used to maximise operational flexibility in terms of managing the investment properties used in the group's leasing activities. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar terms and conditions.

Subsequent measurement

The group measures the ROU assets that meet the definition of investment property using the fair value model applied to its investment property accounting policy (refer to note 5: Investment property).

The lease liability is measured as follows:

- Increasing the carrying amount to reflect interest on the lease liability.
- Reducing the carrying amount to reflect the lease payments made.
- Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Where the group is exposed to potential future increases in variable lease payments based on an index or rate, these are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the ROU asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

1.10 Share capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds.

1.11 Dividends paid

Dividends and other distributions to the holders of equity instruments, in their capacity as owners, are recognised directly in equity on the date of declaration.

1.12 Income

1.12.1 Revenue recognition

Revenue includes contractual rental income, non-gross lettable income, tenant installations, parking income, operating cost recovery and investment income.

Income received in advance shall be separately presented as part of trade and other payables.

As per IFRS 16: Leases, rental income from operating leases is recognised on a straight-line basis over the lease term. When the group provides incentives to its tenants, the cost of the incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

As per IFRS 15: Revenue from Contracts with Customers, revenue from service and property management charges is recognised in the accounting period in which control of the services is passed to the customer, which is when the service is rendered over time. For certain service contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Some property management contracts may include multiple elements of service that are provided to tenants. The group assesses whether individual elements of service in the contract are separate performance obligations. Where the contracts include multiple performance obligations and/or lease and non-lease components, the transaction price will be allocated to each performance obligation (lease and non-lease component) based on the relative standalone selling prices. Where these selling prices are not directly observable, they are estimated based on an expected cost-plus margin. In the case of fixed price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Revenue is measured at the transaction price agreed under the contract. Amounts disclosed as revenue are net of variable consideration and payments to customers, which are not for distinct services. This consideration may include discounts, trade allowances, rebates and amounts collected on behalf of third parties. For arrangements that include deferred payment terms that exceed 12 months, the group adjusts the transaction price for the financing component, with the impact recognised as interest income using the effective interest rate method over the period of the financing.

A receivable is recognised when services are provided and control passes to the customer, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. When the group acts as an agent, the commission rather than gross income is recorded as revenue.

The group pays lease commissions in order to secure certain contracts; these lease commissions are assessed to be an incremental cost of obtaining a contract. For lease commissions paid in relation to revenue contracts, which are for a period greater than one year, the lease commissions is capitalised as an other non-current asset and amortised over the period of the revenue contract to which it relates. Investment income is recognised when the group and company's right to the income is established.

1.12.2 Operating expenses

Property operating expenses comprise of utility charges, assessment rates, cleaning , insurance, security, repairs and maintenance and direct property related expenses.

1.12.3 Finance income

Interest earned on cash invested with financial institutions is recognised as it accrues using the effective interest method.

1.12.4 Dividend income

Dividends are recognised, in profit or loss, when the Group's right to receive payment has been established.

1.13 Employee benefits

1.13.1 Short term benefits

The cost of short-term employee benefits is recognised as an expense during the period in which the employees render the related service.

Short-term employee benefits are measured on an undiscounted basis. The accrual for employee entitlements to salaries, incentives and annual leave represents the amount which the Group has a present legal or constructive obligation to pay as a result of the employees' services provided up to the reporting date.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

1.14 Share-based payments

The Group implemented a long-term incentive plan effective March 2018 with the primary intention to attract, retain, motivate and reward employees on a basis which aligns their interests with those of its shareholders.

Participants will be allocated units that will be eligible to vest on the third anniversary of the date on which such units were allocated ("vesting date"). The number of units that vest is subject to performance conditions. The performance conditions are set by the Board on allocation and are aligned to the strategy of the Group. At below threshold performance zero units vest. At target performance the target units vest. There is a cap on the number of units that can vest. All units determined to be eligible to vest by the Board shall be referred to as "eligible units" and will be deemed to have vested on the vesting date.

On the date on which a unit is deemed to vest, a participant shall be entitled to be settled with shares based on the 30-day volume weighted average price on the Johannesburg Stock Exchange ("JSE") immediately prior to the date of vesting using a cash amount ("due amount"). The Board may, instead of settling a participant as aforesaid, determine that he shall be paid a cash amount equal to the due amount. In any event, the employer company shall be obliged (or, where appropriate, shall be obliged to procure) the settlement of a participant.

Where the total number of shares to be settled is not a whole number, the number of shares shall be rounded downwards to the nearest whole number. A unit/eligible unit which has not vested shall be deemed to have been cancelled, and accordingly not entitle a participant to settlement of any shares or cash.

All share-based remuneration is ultimately recognised as an expense over the vesting period in profit or loss, with a corresponding increase in equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of shares expected to vest.

1.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

The Group determines and presents operating segments based on information that is provided internally to the Executive Management Committee ("Exco") and to the Board of directors. The Exco reviews internal management reports of each segment monthly, while the Board reviews internal management reports in respect of each segment at least quarterly.

The operations are arranged into five business segments: Retail, Office-Sovereign, Office other, Industrial and Administration and corporate costs. The property classification is a function of the majority of tenants occupying the premises.

1.16 Foreign currency

Foreign currency transactions are translated to the respective presentation currency of the Group which are presented in rand, at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to rand at the exchange rates at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the presentation currency at the exchange rates at the dates that the fair values were determined and presented separately in the Statement of Profit or Loss and Other Comprehensive Income.

1.17 Earnings, headline earnings and SA REIT funds from operations (previously distributable earnings) per share, SA REIT net asset value and SA REIT loan to value.

Earnings per share are calculated based on the weighted average number of shares in issue for the year and profit attributable to shareholders. Headline earnings per share are calculated in terms of the requirements set out in Circular 01/2021 issued by SAICA. SA REIT funds from operations (previously distributable earnings) per share, SA REIT net asset value and SA REIT loan to value are calculated based on the recommendation provided by the SA REIT's best practice guideline. These measures are Non-IFRS Financial Information and has been compiled to provide investors with performance metrics that are commonly used in the industry to enable direct comparison with South African Real Estate Investment Trusts.

1.18 Significant judgements and estimation uncertainties

Estimates and assumptions are an integral part of financial reporting and as such have an impact on the amounts reported for the Group's income, expenses, assets and liabilities. Judgements are opinions and decisions about substance, facts and circumstances relating to a transaction and event. Estimates in these areas are based on historical experience and reasonable expectations relating to future events. Information on the key estimations and uncertainties that have the most significant effect on amounts recognised are set out on the next page.

1.18.1 Investment property valuations

The valuation of investment properties requires judgement in determination of the future cash flows and appropriate discount rates. See note 5.

1.18.2 Impairment of trade and other receivables

Management assesses impairments of trade and other receivables on an ongoing basis. See policy note 1.7 (iv) above and notes 11, 12 and 13. In determining the recoverability of the trade receivables, judgement on the current economic environment and COVID-19 is taken into account.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

The following indicators are especially assessed:

- Actual or expected significant adverse changes in business, financial or economic conditions due to COVID-19 restrictions that are expected to cause a significant change to the tenants' ability to meet its rental obligations.

1.18.3 Fair value of derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to interest rate risk arising from its financing activities. The fair value of interest rate swaps is the estimated amount that the entity would receive or pay to terminate the swap at the reporting date, taking into account current interest rate yield curve and the current creditworthiness of the swap counterparties.

1.18.4 Controlled entities

DPAM is the managing agent of the Group's property assets. While the Group does not own any of the ordinary shares of DPAM, management has concluded that the Group exercises control over DPAM as a result of common directorship and the ability to control the variability of returns of DPAM. DPAM is therefore consolidated into the Group as a subsidiary however 100% of DPAM is reflected as a non-controlling interest.

Significant judgements

1.18.5 Operating segments

Judgement is applied in aggregating the operating segments within the Group.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses. The Group identifies and presents operating segments based on the information that is provided internally to the Exco. An operating segment's operational results are reviewed regularly by the Exco to make decisions about resources to be allocated to the segments and assess its performance for which discrete financial information is available.

The Group comprises five segments, namely, Industrial, Office -Sovereign, Office other, Retail and Head Office.

2. STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE AS AT 28 FEBRUARY 2023

The Group applies all applicable IFRS as issued by the International Accounting Standards Board in preparation of the financial statements. Consequently, all IFRS statements that were effective at the date of issuing these financial statements, and are relevant to the Group's operations, have been applied.

New standards and interpretations adopted by the Group

During the current financial year, the below standards and interpretations were adopted by the Group.

- Definition of material – amendment to IAS 1: Presentation of Financial Statements and IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.
- COVID-19-related rent concessions – amendment to IFRS 16: Leases.
  Interest rate benchmark interbank offered rate ("IBOR") reform (phase 2) – amendments to IFRS 9: Financial Instruments, IAS 39: Financial Instruments: Recognition and Measurement and IFRS 7: Financial Instruments: Disclosure, IFRS 16: Leases. As at yearend, there have been no liabilities affected by the transition.

  Disclosure: The above standards had no material impact during the current financial year.
  At the date of authorisation of these financial statements, the following applicable standards were in issue but not yet effective:

IFRS	DESCRIPTION	EFFECTIVE DATE	IMPACT ON FINANCIAL STATEMENTS
IAS1	Amendments to IAS1 - Classification of Liabilities as Current or Non-Current Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies. The key amendments to IAS 1 include: • Requirement for companies to disclose their material accounting policies rather than their significant accounting policies; • clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and • clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.	Annual periods beginning on or after 1 January 2023	Not expected to materially impact the group.
IAS8	Amendments to IAS 8 – Definition of Accounting Estimates. The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty	Annual periods beginning on or after 1 January 2023	Not expected to materially impact the group.
IAS12	Amendments to IAS12 – Deferred tax related to assets and liabilities arising from a single transaction.	Annual periods beginning on or after 1 January 2023	Not expected to materially impact the group.
IAS28	Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – Sale or contribution of assets between an Investor and its Associates or Joint Venture	The effective date is still to be determined.	Not expected to materially impact the group.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

3. EVENTS AFTER THE REPORTING PERIOD

The subsequent events below were carefully assessed to ensure that all material events have been disclosed.

On the 6th of March 2023 Standard Bank Greyville with a GLA of 14 188 transferred at the deeds office.

Disposal of Capital Towers

On 31 March 2023 shareholders voted favourably to dispose of the property known as Capital Towers for a consideration of R57 million. The disposal of a further 5 properties were announced on 13 April 2023 for a combined consideration of R71.8 million. The properties are as follows:

- SARS Kimberley
- Tivoli building
- Thuto House
- CCMA Building and
- Die Meendt building

On 30 May 2023, the disposal of 5 Walnut Road, Durban was announced for a consideration of R46 million.

The Company is in the process of finalising an extension of one of the Investec facilities for 18 months and the other Investec facilities for 24 months.

The Bank of China syndicated facility was extended to 31 December 2023 and the Nedbank facilities were extended to 21 June 2023. The Company is in the process of extending these Nedbank facilities.

4. GOING CONCERN

The preparation of financial statements in accordance with IFRS requires, based on the Conceptual Framework of IFRS, that the financial statements be prepared on the underlying assumption that the entity ("entity" being the Company and the Group) is a going concern. This assumption presumes that an entity will continue in operation in the foreseeable future or, if that presumption is not valid, disclosure and a different basis of reporting are required. The Board of directors ("Board") believes that as of the date of this report, this presumption is still appropriate and accordingly the financial statements have been prepared on the going concern basis. The Board has based this assumption on the considerations more fully explained throughout this note.

Ability of the Company and Group to continue as a going concern

IAS 1 Preparation of Financial Statements requires management to make an assessment of the

Company and Group's ability to continue as a going concern. To this extent, IAS 1 states that when management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, such uncertainties should be disclosed. In conducting this assessment, management has taken into consideration the following factors:

- The Group and Company reported a net loss of R750.0 million and R724.0 million for the 2023 reporting period, respectively. This loss is mainly attributed to the revaluation of investment property to its fair values and reverted rental income experienced on some Government tenanted assets. The position deteriorated from the prior year's net loss of R149.0 million and R102.9 million for the Group and Company respectively.
- The Group and Company's total assets of R7.2 billion and R7.3 billion (2022:R8.4 billion and R8.5 billion respectively) exceed the total liabilities by R2.6 billion and R2.8 billion as at 28 February 2023, respectively (2022:R2.4 billion and R2.5 billion respectively).
- The Group and Company had a LTV ratio of 61.4% and 59.7% respectively in comparison to 57.0% and 55.7% in the prior year. These ratios have exceeded the covenants set by the lenders of 50%. The Group and Company had an interest cover ratio of 1.4 and 1.7 times respectively in comparison to 1.9 and 2.1 times in the prior year. The Group and Company's interest cover ratio is below the covenants set by the lenders of 2.0 times.
- The Group's and Company's current liabilities of R3.6 billion and R3.6 billion respectively (2022:R3.6 billion and R3.5 billion respectively), exceeded its current assets (including non-current assets held-for-sale) by R2.5 billion and R2.6 billion respectively as at 28 February 2023 (2022:R2.4 billion and R2.5 billion respectively). This is mainly due to the structural tenure of the Group's funding facilities. Management has engaged with lenders in this regard and the following actions have been agreed:
  - The Group will reduce its debt exposure to acceptable levels being an LTV of 50% by disposing of assets that are non-core to the business. The non-core portfolio has been increased to expedite and facilitate the reduction.
  - The funders remain supportive of the business and is confirmed through the continued renewal of short term facility and the reduction of monthly capital amortisations.
  - The expedited filling of increased vacancies and the extension of expiring leases.
  - A strategic plan to support the above initiatives and increased disposal plan.

Solvency

At 28 February 2023, independent valuations of the investment property portfolio indicate that their fair values exceed the external debt of the Group. The LTV ratio of 61.4% indicates that should the Group needs to increase its disposal programme and dispose of properties to lower its external debt levels; the quantum of required disposals is considered achievable in the current market conditions.

Consolidated and Separate Financial Statements

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

Liquidity

In assessing the Group's liquidity, management prepared a cash flow forecast up until 31 May 2024, taking into consideration its turnaround plan and other initiatives which, if successfully implemented, indicate that the Group will have sufficient cash resources for the foreseeable future which is defined as 12 months from the date of publishing these financial statements. Operational cash flows are strong and evident from the cash flow statement.

Cash flows and liquidity are monitored on a daily basis by management with oversight from the Board. Management has considered a number of estimates, judgements and assumptions in performing the liquidity assessments, the most significant of which are listed and expanded upon below:

- Continued positive engagement and support from the Group's lenders including amending and extending repayment terms of facilities beyond scheduled maturity dates despite exceeding certain loan covenant ratios.
- The Standard Bank facility comprising two tranches, which matures in November 2024.
- Nedbank agreed to extend facilities for a further month to June 2023 while negotiating renewal of facilities together with an increased disposal programme to reduce debt and increase interest cover ratios to acceptable levels. Current engagements are ongoing to extend facilities for an even longer period.
- Investec facility comprise three facilities. The share facility of approximately R134 million extended for 18 months to November 2024 and the balance of R488.2 million extended for 24 months to June 2025. The extensions are in the process off being finalised.
- The reduction in debt through the sale of properties. These have been earmarked as indicated in note 15.
- In light of deteriorating markets we strive to reduce vacancies to below existing levels.

Conclusion

The Board is of the view that given the significant headroom in the fair value of the assets over the fair value of the liabilities of R2.6 billion for the Group and R2.8 billion for the Company, the Group and Company remain solvent as at 28 February 2023 and at the date of this report.

The ability of the Group to repay debt as it becomes due is dependent on the timing and quantum of cash flows from operations according to forecasts prepared by management, including scenario analyses, the ability to realise cash through the sale of properties identified as non-core to the business and the ability to extend loan facilities beyond scheduled maturity dates.

The Board has no intention to cease trading, curtail operations or liquidate properties in excess of those already earmarked for sale, other than the orderly disposals that may be necessary to reduce debt. The Board remains focused on and committed to the operations of the Group and Company and the repayment of debt.

The Board acknowledges the material uncertainty related to the sale of non-core assets and the extension of facilities by external lenders. These uncertain events or conditions may affect the execution of the business plans of the Group and Company, which may cast significant doubt on the Company and Group's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the acknowledgement of these material uncertainties and having considered the validity of the principal assumptions set out above including continued support from the Group's principal financiers, the Board has concluded that the Company and Group are able to discharge liabilities in the normal course of business and is therefore of the opinion that the going concern assumption is appropriate in the preparation of the financial statements.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

5. INVESTMENT PROPERTY

	Notes	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Carrying amount					
Cost		7 310 037	8 326 200	7 014 156	8 036 301
Fair value adjustments		(1 303 064)	(1 324 738)	(1 196 408)	(1 233 115)
Balance at the end of the year		**6 006 973**	**7 001 462**	**5 817 748**	**6 803 186**
Movement for the year:					
Balance at the beginning of the year		7 001 462	8 123 987	6 803 186	7 830 715
Fair value adjustments		(464 936)	(428 237)	(451 309)	(409 820)
Disposals^		-	(24 671)	-	(24 671)
Capital expenditure		66 437	112 787	61 861	119 412
Transfer to non-current assets held-for-sale	15	(595 990)	(782 404)	(595 990)	(712 450)
Balance at the end of the year		**6 006 973**	**7 001 462**	**5 817 748**	**6 803 186**
Reconciliation to valuations:					
Fair value of investment property		6 006 973	7 001 462	5 817 748	6 803 186
Straight-line rental income accrual	6	66 098	99 648	66 023	99 424
Valuations at the end of the year		**6 073 071**	**7 101 110**	**5 883 771**	**6 902 610**

^ The proceeds (in the prior year) from the disposal are not reflected on the statement of cash flows as the amount was paid directly into the Group's debt facility.

Direct property operating expenses including repairs and maintenance arising from properties that did not generate rental income during the period amounts to R13.1 million. Direct property operating expenses including repairs and maintenance arising from properties that generated rental income during the period amounts to R483.2 million. The Investment Property includes one right-of-use asset, being Hestitrix Proprietary Limited (Block G DTI) with a value of R120.0 million.

Investment properties have been encumbered as security for interest-bearing borrowings (refer note 18) as follows;

	2023 R'000	2022 R'000
Standard Bank of South Africa		
Investment property pledged as security	961 420	1 260 330
Investment property held-for-sale pledged as security	231 550	224 260
Facilities	(700 903)	(807 813)
Nedbank Limited *		
Investment property pledged as security	4 274 961	4 861 070
Investment property held-for-sale pledged as security	366 580	176 390
Facilities	(2 749 875)	(2 903 674)
Investec Limited		
Investment property pledged as security	836 690	979 710
Investment property held-for-sale pledged as security	240 840	386 440
Facilities	(622 164)	(737 138)
Bank of China#		
Facilities	(123 918)	(149 625)

* Included in the Nedbank facility are loans syndicated to State Bank of India and Bank of China. Likewise, these funders share in the Nedbank security pool.

Bank of China, in addition to the syndicated loan, provide a direct facility to the Group. The security over this facility is included in the Nedbank security pool.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

Investment property valuation

A detailed register of investment property owned by the Group is available for inspection by shareholders at the registered office of the Company. Investment property is leased to tenants (mainly sovereign) on an operating lease basis for a fixed term period with fixed annual escalations and subject to fair value assessment on an annual basis.

A panel of independent external valuers are appointed to conduct the Group's year-end market valuations. The Group provided the valuers with property and other information required in the valuation of the properties. Among other inputs, the independent valuers applied current market-related assumptions to the risks in rental streams of properties. The valuations are then reviewed internally and presented at various forums within the Group. The Asset, Liability and Investment Committee, a sub-committee of the Board of directors, recommend the valuations to the Board who then provide final approval.

The valuers have recent experience valuing properties in both the relevant geographic location and the relevant property category.

All the valuers are registered valuers in terms of Section 19 of the Property Valuers Professional Act (Act No 47 of 2000). The independent valuers are as follows:

COMPANY NAME	LEAD VALUER	QUALIFICATION OF VALUER
HDV Valuations	Heather Fouché	NDip Real Estate – Professional Valuer (MRICS) (without restrictions)
Valuation DNA	Hendrik JP Fouché	Professional Valuer (without restrictions), ND Real Estate (Property Valuation), NHD
Realworx Property Valuations	Stanton Alberts	Professional Associate Valuer (without restrictions)
Real Insight	Theuns Behrens	NDip (Prop Val), Professional Associate Valuer (without restrictions)
CBRE Excellerate	Riaan Fourie (Senior Valuer)	MSc Real Estate, Professional Associated Valuer, RICS Registered Valuer (without restrictions)
JLL	Shaun Crous	MRICS/RICS Registered Valuer (without restrictions)

JLL was a valuer of Delta's properties during the previous financial year however JLL advised that they are not continuing with valuations during the current financial year due to changes in their organisation. HDV Valuations and DNA Valuations merger during the year.

Properties allocated to valuers are rotated every three years.

The independent valuations were performed using the discounted cash flow and income capitalisation methodology. These methods are based on open market values with consideration given to future earnings potential and applying an appropriate discount rate to the property (refer to note 1.4).

At the reporting date, the key assumptions and unobservable inputs used in determining fair value were in the following ranges for the Group's portfolio of properties:

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
All sectors				
Expected market rental growth	2.5%-6.0%	2.5%-5.0%	2.5%-6.0%	2.5%-5.0%
Expected expense growth	7.0%	5.0%-7.0%	7.0%	5.0%-7.0%
Vacancy period	0-18 months	0-18 months	0-18 months	0-18 months
Rent-free periods	0-18 months	0-18 months	0-18 months	0-18 months
Office – sovereign				
Number of buildings	50	79	48	77
Discount rate	13.5%-16.5%	12.0%-17.8%	13.5%-16.5%	12.0%-17.8%
Market capitalisation rate	9.5%-14.0%	9.0%-13.0%	9.5%-14.0%	9.0%-13.0%
Office – other				
Number of buildings	9	15	9	15
Discount rate	14.8%-15.5%	10.0%-19.0%	14.8%-15.5%	10.0%-19.0%
Market capitalisation rate	10.0%-11.8%	8.8%-13.0%	10.0%-11.8%	8.8%-13.0%
Retail				
Number of buildings	1	3	1	3
Discount rate	15.0%	14.3%-16.0%	15.0%	14.3%-16.0%
Market capitalisation rate	11.0%	10.0%-11.5%	11.0%	10.0%-11.5%
Industrial				
Number of buildings	1	2	1	2
Discount rate	15.0%	13.0%-16.0%	15.0%	13.0%-16.0%
Market capitalisation rate	11.0%	10.0%-11.0%	11.0%	10.0%-11.0%

The fair value adjustments on investment property (refer to note 23), which are excluded from the calculation of SA REIT funds from operations, are included in profit and loss and categorised as level 3 under the fair value hierarchy (refer to note 39) based on the inputs to the valuation technique used. Capital commitments are set out in note 34.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

The valuations of the investment properties are sensitive to changes in the unobservable inputs used in such valuations. Changes to one of the unobservable inputs, while holding the other inputs constant, would have the following effects on the fair value of investment property and fair value adjustment in profit or loss:

	% Change	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Increase in discount rate	0.25	(112.6)	(179.0)	(109.6)	(172.4)
Decrease in discount rate	0.25	116.4	185.5	113.3	180.6
Increase in market capitalisation rate	0.25	(151.8)	(124.7)	(147.8)	(120.1)
Decrease in market capitalisation rate	0.25	158.8	128.8	154.6	124.1

The Group's leasehold land held as lessee meets the definition of investment property per IAS 40 and is subsequently measured at fair value.

The fair value of investment property held by the Group as leasehold land reflects expected cash flows including variable lease payments that are expected to become payable.

IFRS 16 requires a lessor to disclose information about how it manages its risk associated with any rights that it retains in leased assets. Residual value risk is the possibility that investment property can only be resold or re-leased at a price below its residual value. The Group manages such risk by performing independent valuations annually, as disclosed above, which considers risks associated in the assessment of fair market value. Accordingly, the independent valuation exercise performed mitigates the residual risk associated with investment property.

6. STRAIGHT-LINE RENTAL INCOME ACCRUAL

		GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Investment Property					
Balance at the beginning of the year		99 648	103 813	99 424	103 385
Straight-line lease adjustment for the year	A	(11 260)	521	(11 111)	679
Investment property		(11 260)	850	(11 111)	1 008
Disposal of non-current assets held-for-sale		-	(329)	-	(329)
Transfer to non-current assets held-for-sale		(22 290)	(4 686)	(22 290)	(4 640)
Balance at the end of the year		**66 098**	**99 648**	**66 023**	**99 424**
Non-current assets held-for-sale					
Balance at the beginning of the year		4 686	-	4 640	-
Straight-line adjustment for the year	B	(1 141)	-	(1 095)	-
Non-current asset held-for-sale		32	-	77	-
Straight-line on disposal		(1 173)	-	(1 173)	-
Transfer from investment property		22 290	4 686	22 290	4 640
Balance at the end of the year		**25 835**	**4 686**	**25 835**	**4 640**
Total balance at the end of the year		**91 933**	**4 686**	**91 858**	**4 640**
Total straight-line adjustments for the year	A+B	**(12 401)**	**521**	**(12 206)**	**679**

7. PROPERTY, PLANT AND EQUIPMENT

R'000	RIGHT-OF USE ASSET*	COMPUTER EQUIPMENT	FURNITURE AND FITTINGS	MOTOR VEHICLES	TOTAL
Group – 2023					
Carrying amount					
Cost	15 291	3 074	3 918	1 368	23 651
Accumulated depreciation	(9 486)	(2 415)	(3 546)	(734)	(16 178)
Balance at the end of the year	**5 805**	**659**	**372**	**634**	**7 470**
Movement for the year:					
Balance at the beginning of the year	**8 434**	**588**	**406**	**852**	**10 280**
Additions	-	469	-	-	469
Scrapping	-	(23)	-	-	(23)
Depreciation	(2 629)	(375)	(34)	(218)	(3 256)
Balance at the end of the year	**5 805**	**659**	**372**	**634**	**7 470**
Group – 2022					
Carrying amount					
Cost	15 291	3 074	3 918	1 368	23 651
Accumulated depreciation	(6 857)	(2 486)	(3 512)	(516)	(13 371)
Balance at the end of the year	**8 434**	**588**	**406**	**852**	**10 280**
Movement for the year:					
Balance at the beginning of the year	**9 263**	**384**	**477**	**1 105**	**11 229**
Additions	1 565	439	-	-	2 004
Depreciation	(2 394)	(235)	(71)	(253)	(2 953)
Balance at the end of the year	**8 434**	**588**	**406**	**852**	**10 280**
Company – 2023					
Carrying amount					
Cost	1 561	2 643	3 918	280	8 402
Accumulated depreciation	(387)	(2 494)	(3 546)	(280)	(6 703)
Balance at the end of the year	**1 174**	**149**	**372**	**-**	**1 695**
Movement for the year:					
Balance at the beginning of the year	**1 482**	**213**	**406**	**-**	**2 101**
Additions	-	118	-	-	118
Scrapping	-	(10)	-	-	(10)
Depreciation	(308)	(172)	(34)	-	(514)
Balance at the end of the year	**1 174**	**149**	**372**	**-**	**1 695**
Company – 2022					
Carrying amount					
Cost	1 561	2 643	3 918	280	8 402
Accumulated depreciation	(79)	(2 430)	(3 512)	(280)	(6 301)
Balance at the end of the year	**1 482**	**213**	**406**	**-**	**2 101**
Movement for the year:					
Balance at the beginning of the year	**-**	**391**	**477**	**35**	**903**
Additions	1 561	-	-	-	1 561
Depreciation	(79)	(178)	(71)	(35)	(363)
Balance at the end of the year	**1 482**	**213**	**406**	**-**	**2 101**

* Right-of-use asset relates to the lease between Delta Property Asset Management ("DPAM") and the joint operation between Silverstream Office Park and Redefine (refer to note 9).

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

8. INVESTMENT IN SUBSIDIARIES

NAME OF COMPANY		SHAREHOLDING 2023 %	SHAREHOLDING 2022 %	CARRYING AMOUNT^ 2023 R'000	CARRYING AMOUNT^ 2022 R'000
Choice Decisions 300 Proprietary Limited#^	South Africa	100	100	-	-
Hendisa Investments Proprietary Limited#^	South Africa	100	100	-	-
Atterbury Parkdev Consortium Proprietary Limited#^	South Africa	100	100	-	-
Phamog Properties Proprietary Limited#^	South Africa	100	100	-	-
Hestitrix Proprietary Limited^	South Africa	100	100	-	-
K2014000273 Proprietary Limited^	South Africa	100	100	-	-
277 Vermeulen Street Properties Proprietary Limited	South Africa	100	100	62 273	62 273
Delta Property Asset Management Proprietary Limited	South Africa	-	-	-	-
				62 273	62 273

During 2015, these subsidiaries distributed their respective investment properties to Delta as in specie distributions in terms of section 23K of the Income Tax Act prior to their anticipated liquidation. Delta is in the process of deregistering these subsidiaries in terms of section 47 of the Income Tax Act and all four entities have been placed in voluntary liquidation. We await conclusion on the matter from the liquidators and the regulators.

^ The investments in these subsidiaries are held at a nominal value of R100 each.

Hestitrix is the owner of Block G, K2014000273 is the owner of Capital Towers and 277 Vermeulen Street is the owner of Regents Place, with Block G being a government tenanted building. After year end, shareholders voted in favour of the disposal of the Capital Towers property. The entity known as K2014000273 will be retained by the Group. The Regents Place property is currently 84.1% vacant however the retail component of the building is occupied.

The carrying amount for 277 Vermeulen Street relates to the acquisition of the property known as Regents place in the entity.

Delta Property Asset Management ("DPAM") is the managing agent of the Group's assets. While the Group does not own any of the ordinary shares of DPAM it does exercise control via common directorship. Delta makes decisions on behalf of DPAM and funds the shortfall of operating expenses of DPAM who earns asset and property management fees from Delta. The non-controlling interest which relates to DPAM included in the total equity as at end of the financial period is R32.2 million (2022: R10.8 million). The non-controlling interest included in the total comprehensive loss for the year is R21.4 million loss (2022: R4.0 million loss).

9. INTEREST IN JOINT OPERATION

The Company and Redefine Properties Limited entered into a co-ownership agreement (50:50) with joint control in respect of Building 3 located in Silver Stream Office Park in Bryanston. This co-ownership is classified as a joint operation in terms of IFRS 11 and the Group recognises its 50% proportionate share of the assets, liabilities, income and expenses of the entity.

The portion of the rental paid by DPAM to the joint operation is eliminated against the rental income received by the Company.

Summarised financial information of the 50% portion of Delta.

	GROUP		COMPANY	
SILVER STREAM OFFICE PARK – 50% SHARE	**2023 R'000**	**2022 R'000**	**2023 R'000**	**2022 R'000**
Rental income	5 974	11 243	5 974	11 243
Property expenses	(2 099)	(2 649)	(2 099)	(2 649)
Net property income	3 875	8 594	3 875	8 594
Investment property value	49 750	47 400	49 750	47 400

The investment property value is included in note 5.

10. INVESTMENT IN LISTED SECURITY

	GROUP		COMPANY	
	2023 R'000	**2022 R'000**	**2023 R'000**	**2022 R'000**
Grit Real Estate Income Group Limited	91 267	110 984	91 267	110 984
Reconciliation of investment in Grit				
Balance at the beginning of the year	110 984	157 072	110 984	157 072
Current year fair value adjustment	(35 539)	(48 667)	(35 539)	(48 667)
Unrealised foreign exchange gain	15 822	2 579	15 822	2 579
Balance at the end of the year	91 267	110 984	91 267	110 984
Share information				
USD/ZAR	18.60	15.55	18.60	15.55
Share price (USD)	0.33	0.48	0.33	0.48
Dividends per share (USD)	0.02	0.025	0.02	0.025
Dividend income (R000's)	5 109	9 023	5 109	9 023
Percentage holding	3.00%	3.11%	3.00%	3.11%
Number of shares held	14 869 210	14 869 210	14 869 210	14 869 210
Number of Grit shares in issue	495 092 339	477 577 858	495 092 339	477 577 858

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Grit is an African-focused property income fund listed on the Stock Exchange of Mauritius ("SEM") and London Stock Exchange ("LSE"). All Dividends received from Grit are applied to the Investec facilities.

During the year Grit raised capital by issuing additional shares. Delta did not participate in the capital raise. This resulted in the lower holding observed.

The changes in fair value to the carrying value of this investment is recognised in profit and loss according to the requirements of IFRS 9. This investment is categorised as level 1 under the fair value hierarchy in note 39.

11. LOANS DUE TO/(FROM) SUBSIDIARIES

		GROUP		COMPANY	
SUBSIDIARIES	**Note**	**2023 R'000**	**2022 R'000**	**2023 R'000**	**2022 R'000**
Choice Decisions 300 Proprietary Limited		-	-	(2 177)	(2 177)
Hestitrix Proprietary Limited*		-	-	267 482	242 756
Hendisa Investments Proprietary Limited		-	-	(15)	34
Atterbury Parkdev Consortium Proprietary Limited		-	-	(1 917)	(1 917)
Phamog Properties Proprietary Limited		-	-	(96)	(96)
K2014000273 Proprietary Limited*		-	-	216 915	196 585
277 Vermeulen Street Properties Proprietary Limited*		-	-	20 532	16 213
Delta Property Asset Management Proprietary Limited		-	-	40 346	16 677
Balance at the end of the year		-	-	541 070	468 075
Expected credit loss allowance		-	-	(237 197)	(168 540)
		-		303 873	299 535
Non-current assets		-	-	308 078	351 095
Non-current liabilities		-	-	-	(51 560)
Current liabilities		-	-	(4 205)	-
				303 873	**299 535**

* Loans are secured by investment property.

Loans to wholly owned subsidiaries bear interest at a fixed rate of 7.5% (2022: 7.5%) and are repayable within 30 years from November 2012.

12. LOANS RECEIVABLE

	GROUP		COMPANY	
	2023 R'000	**2022 R'000**	**2023 R'000**	**2022 R'000**
Educor Property Holdings Proprietary Limited ("Educor")	16 751	16 751	16 751	16 751
Expected credit loss allowance	(11 088)	(4 188)	(11 088)	(4 188)
Educor	5 663	12 563	5 663	12 563

This vendor loan arose on the sale of a portfolio of assets comprising 1 and 3 Ferreira Street, Damelin House and Presidia to the Educor Holdings Group. The total transaction value was for a consideration of R208 million with a vendor loan of R46 million. This vendor loan includes interest accrued at the ruling prime overdraft rate plus 2% and was repayable by the end of May 2019. The Group commenced legal litigation in 2020 for the recovery of the amount outstanding. On the strength of the case, management believes the litigation will be successful in the recovery of the net amount due.

The credit risk on the loan due from Educor remained on Stage 3 based on the performance assessment. The movement in ECL is impacted by the net expected recovery.

	GROUP		COMPANY	
	2023 R'000	**2022 R'000**	**2023 R'000**	**2022 R'000**
Somnipoint	20 988	20 988	20 988	20 988
Expected credit loss allowance	(20 988)	(20 988)	(20 988)	(20 988)
Somnipoint	-	-	-	
Balance at the end of the year	**5 663**	**12 563**	**5 663**	**12 563**

During the 2015 financial year Delta entered into an option agreement with Somnipoint to acquire the asset held in Somnipoint (known as Absa Towers). A R40 million refundable deposit was agreed to be paid to Somnipoint. The asset (Absa Towers) was presented to the Investment Committee which was subsequently declined. The deposit was not refunded. A loan Agreement was subsequently entered into for the repayment of the R40 million. Repayments were made against the loan over time. The common directors in Somnipoint and Delta at the time were Messrs. S Nomvete (former CEO), JB Magwaza (former Chairman) of Delta Property Fund and J Mriga (a former employee of DPAM). In February 2020, the asset held in Somnipoint was disposed of and as a result the loan was impaired. The Board has instituted legal proceedings to recover the amounts due from Somnipoint.

The credit risk on the loan due from Somnipoint remained on Stage 3 based on the performance assessment.

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13. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Trade receivables at amortised cost	61 195	185 575	65 217	181 880
Trade receivables	140 897	283 283	144 816	279 480
Expected credit loss allowance	(79 702)	(97 708)	(79 599)	(97 600)
Amounts due from vendors at amortised cost ^	426	11 101	426	11 101
Amounts due from vendors	426	25 390	426	25 390
Expected credit loss allowance	-	(14 289)	-	(14 289)
Other receivables at amortised costs#	22 123	44 499	21 753	44 241
Other receivables	22 123	48 673	21 753	48 415
Expected credit loss allowance	-	(4 174)	-	(4 174)
Value added taxation	24 562	16 880	19 991	16 956
Accrued income*	39 923	47 791	36 355	46 962
Deposits paid	24 545	28 287	24 310	27 969
	172 774	334 133	168 052	329 109

^ Includes receivables relating to adjustment accounts.

Includes prepayments and accrued reinstatement costs and dividend income accrued.

* Relates to municipal recoveries accrued.

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9:

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
At amortised cost	142 668	309 807	142 540	304 758
Non-financial instruments	30 106	24 326	25 512	24 351
	172 774	334 133	168 052	329 109

Movement in expected credit loss allowance – trade receivables

	GROUP		COMPANY	
	2023 R'000	**2022 R'000**	**2023 R'000**	**2022 R'000**
Balance at the beginning of year	(97 708)	(197 714)	(97 600)	(197 217)
Bad debts written off	97 121	170 112	97 121	168 660
Increase in allowance	(79 115)	(70 106)	(79 120)	(69 043)
Balance at the end of the year	**(79 702)**	**(97 708)**	**(79 599)**	**(97 600)**

Trade receivables have been assessed in terms of IFRS 9 simplified approach, which entailed formulating a matrix provision that applied historical performance (bad debt write-offs applied to appropriate groupings of receivables based on shared credit risk characteristics) over a three-year period as well as forward looking economic and company-specific risk assessments such as: credit rating, public debt % of GDP, economic growth, political risk and property sector outlook. Risks were weighted against low/ medium/high assessment, resulting in a cumulative ECL risk percentage which has been applied to trade receivables net of VAT and any security held.

14. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2023 R'000	**2022 R'000**	**2023 R'000**	**2022 R'000**
Cash at bank	7 020	7 820	5 135	5 100
Bank overdraft utilised	(77 274)	(7 771)	(77 274)	(7 396)
	(70 254)	49	(72 139)	(2 295)
Current assets	7 020	7 820	5 135	5 100
Current liabilities	(77 274)	(7 771)	(77 274)	(7 396)
	(70 254)	49	(72 139)	(2 295)

The Group has available working capital facilities with The Standard Bank of South Africa Limited and Nedbank Limited totalling R105 million (2022: R105 million), bearing interest at prime less 1% and prime respectively.

Bank rating

Nedbank ZaAA

Standard Bank Ba1

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15. NON-CURRENT ASSETS HELD-FOR-SALE

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Carrying Amount				
Cost	2 182 733	1 606 012	2 045 022	1 469 999
Fair value adjustments	(1 369 598)	(823 608)	(1 288 887)	(757 549)
Balance at the end of the year	813 135	782 404	756 135	712 450
Movement for the year				
Balance at the beginning of the year	782 404	-	712 450	-
Capital expenditure	12 569	-	10 733	-
Fair value adjustments	(368 839)	-	(354 049)	-
Transfer from investment property	595 990	782 404	595 990	712 450
Cost	869 432	1 514 586	869 432	1 389 023
Fair value adjustments	(486 610)	(823 608)	(486 610)	(757 549)
Capital expenditure	213 168	91 159	213 168	79 302
Lease commission costs	-	267	-	1 674
Disposals^	(208 989)	-	(208 989)	-
Balance at the end of the year	813 135	782 404	756 135	712 450
Reconciliation to valuations				
Fair value of non-current assets held-for-sale	813 135	782 404	756 135	712 450
Straight-line rental income accrual	25 835	4 686	25 835	4 640
Valuation at the end of the year	838 970	787 090	781 970	717 090

The amounts relating to cost, fair value adjustment, capital expenditure and lease commission costs represent the re-allocated amounts from Investment Property to Non-current Assets held-for-sale at year-end and not merely the movement in those categories for the year.

Non-current assets held-for-sale includes one right-of-use assets, being K2014000273 Proprietary Limited (Capital Towers). The disposal of this asset was voted favourably by shareholders following the issue of a circular.

The following properties have been classified as non-current assets held-for-sale.

BUILDING	LOCATION	GLA
101 de Korte	Johannesburg	6 610
13 Elliot Street	Kimberley	4 400
22 and 24 George Lubbe – SAPS Vehicle	Bloemfontein	6 200
5/7 Elliot	Kimberley	2 300
ABSA United	Bloemfontein	6 129
African Life	Bloemfontein	8 567
Anchor House	Bloemfontein	2 645
Beacon Hill	King Williams Town	13 648
Beaconsfield	Kimberley	5 801
Campus Building	Kimberley	4 700
Cape Road	Gqeberha	5 135
Capital Towers	Pietermaritzburg	11 102
Chambers of Change	Gauteng	7 915
CMH Building	Durban	13 091
Die Meendt building	Potchefstroom	3 705
Domitek	Bloemfontein	1 729
Du Toitspan	Kimberley	9 485
Enterprise Park – Leeuwkop	Johannesburg	11 860
Fairweather Corner	Kroonstad	5 968
Laboria	Bloemfontein	3 995
Nedbank	Bloemfontein	2 746
Old Mutual	Bloemfontein	3 055
Protea Coin Pretoria	Pretoria	2 090
SA Eagle	Bloemfontein	3 689
SARS Kimberley	Kimberley	2 950
Sediba Fountains Towers and VLU	Bloemfontein	10 947
Smartxchange	Durban	13 677
Standard Bank Greyville (transferred 6 Mar 2023)	Durban	14 188
Thuto House	Bloemfontein	2 111
Tivoli	Klerksdorp	2 075
Trustfontein	Bloemfontein	6 369
Unisa building	Johannesburg	10 055

The assets held-for-sale was expanded in August 2022 to include further properties. During the year various offers were received, however only some were accepted. The most notable reason for transactions not being concluded relate to the difficult economic climate and the inability in some instances to raise the required funding. Management remains committed to disposing the properties.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

The following properties were disposed of during the financial year and proceeds of R208.9 million were used to settle interest bearing borrowings.

BUILDING	FUNDER	PROCEEDS (LESS COSTS) R'000
C.N.A	Investec	3 800
Delta House	Standard Bank	72 949
Ford Drury	Investec	51 500
Katleho	Investec	12 500
WB Centre	Nedbank	31 000
Lobedu House	Investec	22 070
3 Simba Road	Nedbank	15 170
		208 989

At the reporting date, the key assumptions and unobservable inputs used in determining fair value were in the following ranges for the Group's non-current assets held-for-sale:

	GROUP		COMPANY	
CAPITALISATION AND DISCOUNT RATE BREAKDOWN BY SECTOR	**2023 R'000**	**2022 R'000**	**2023 R'000**	**2022 R'000**
All sectors				
Expected market rental growth	2.5%-6.0%	2.5%-5.0%	2.5%-6.0%	2.5%-5.0%
Expected expense growth	7.0%	5.0%-7.0%	7.0%	5.0%-7.0%
Vacancy periods	0-18 months	0-18 months	0-18 months	0-18 months
Rent-free periods	0-18 months	0-18 months	0-18 months	0-18 months
Office – Sovereign				
Number of properties	24	24	23	23
Discount rate	14.0%-16.0%	12.0%-17.8%	14.0%-16.0%	12.0%-17.8%
Market capitalisation rate	10.5%-13.0%	9.0%-13.0%	10.5%-13.0%	9.0%-13.0%
Office – Other				
Number of properties	6	1	6	1
Discount rate	15.0%-20.0%	10.0%-19.0%	14.8%-20.0%	10.0%-19.0%
Market capitalisation rate	10.5%-14.0%	8.8%-13.0%	10.5%-14.0%	8.8%-13.0%
Retail				
Number of properties	1	1	1	1
Discount rate	15.0%	14.3%-16.0%	15.0%	14.3%-16.0%
Market capitalisation rate	11.0%	10.0%-11.5%	11.0%	10.0%-11.5%
Industrial				
Number of properties	1	-	1	-
Discount rate	14.0%	-	14.0%	-
Market capitalisation rate	10.0%	-	10.0%	-

The investment properties classified as held-for-sale are properties that the directors have decided will be recovered through sale rather than through continuing use. Disposal proceeds will be applied against debt settlement and capital investment into the core portfolio.

Non-current assets held-for-sale have been pledged as security for interest-bearing borrowings per note 18 and were fair valued at financial year-end in terms of IAS 40. The fair value adjustments on investment property, which are excluded from the calculation of distributable earnings, are included in profit and loss and categorised as level 3 under the fair value hierarchy in note 38 based on the inputs to the valuation technique used.

The directors are committed to the disposal of non-current assets held-for-sale and envisage conclusion of sale agreements within 12 months following financial year-end.

The requirements of IFRS 5 have been met in appropriately classifying these assets as held-for-sale.

16. SHARE CAPITAL

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Authorised				
3 000 000 000 ordinary shares of no-par value				
Issued				
714 229 718 ordinary shares of no-par value (2022: 714 229 718 ordinary shares of no-par value)	4 868 461	4 868 461	4 868 461	4 868 461
Movement for the year				
Balance at the beginning of the year	4 868 461	4 868 461	4 868 461	4 868 461
Balance at the end of the year	4 868 461	4 868 461	4 868 461	4 868 461

The unissued shares are under the control of the directors. This authority remains in force until the next AGM of the Company.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

17. DERIVATIVE FINANCIAL INSTRUMENTS

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Standard Bank of South Africa Limited				
Current assets				
Interest rate swap	988	-	988	-
Non-current assets				
Interest rate swap	354	-	354	-
Non-current liabilities				
Interest rate swap	-	(40 236)	-	(40 236)
Nedbank Limited				
Current assets				
Interest rate swap	6 055	-	6 055	-
Current liabilities				
Interest rate swap	-	(9 326)	-	(9 326)
	7 397	(49 562)	7 397	(49 562)

Interest rate swap – future cash flows are discounted using the Johannesburg Interbank Agreed Rate ("JIBAR") swap curve.

The Financial Stability Board ("FSB) initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial financial market participants. This review seeks to replace existing Interbank Offered Rates ("IBORS") with Alternative Risk Free Rates ("ARRS") to improve market efficiency and mitigate systemic risk across financial markets.

The Group uses a combination of interest rate swaps to hedge its exposure to interest rate risk. The Group pays the nominal interest rate and receives three-month JIBAR as the floating rate (refer note 18). As at year-end, the Group does not expect the bank loans to transition to alternative interest rate benchmarks. The table below reflects the Group's interest rate swaps at financial year-end:

			GROUP		COMPANY	
	NOMINAL INTEREST RATE %	MATURITY	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Standard Bank interest rate swap	7.64	Mar 2024	350 000	350 000	350 000	350 000
Standard Bank interest rate swap	7.65	Jan 2024	650 000	650 000	650 000	650 000
Nedbank interest rate swap	4.95	Aug 2023	200 000	200 000	200 000	200 000
Nedbank interest rate swap	5.84	Aug 2023	200 000	200 000	200 000	200 000
Nedbank interest rate swap	6.81	Aug 2023	460 000	460 000	460 000	460 000
			1 860 000	1 860 000	1 860 000	1 860 000

18. INTEREST-BEARING BORROWINGS

	INTEREST RATE %	MATURITY	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Nedbank	3 m JIBAR + 3.5%	7 Apr 2023	1 074 813	1 103 660	1 074 813	1 103 660
Nedbank	3 m JIBAR + 3.5%	7 Apr 2023	458 815	518 350	458 815	518 350
Nedbank	3 m JIBAR + 3.5%	7 Apr 2023	351 854	351 285	351 854	351 285
Nedbank$	3 m JIBAR + 3.75%	7 Jun 2024	165 108	178 260	165 108	178 260
Nedbank	3 m JIBAR + 3.5%	7 Apr 2023	150 976	150 712	150 976	150 712
Nedbank	3 m JIBAR + 3.5%	7 Apr 2023	150 803	150 706	150 803	150 706
Nedbank	3 m JIBAR + 3.5%	7 Apr 2023	125 101	124 882	125 101	124 882
Nedbank	3 m JIBAR + 3.5%	7 Apr 2023	124 403	124 184	124 403	124 184
Nedbank^	3 m JIBAR + 3.5%	7 Jun 2023	84 533	96 464	84 533	96 464
Nedbank	3 m JIBAR + 3.5%	12 Jan 2023	63 469	52 022	63 469	52 022
Standard Bank	3 m JIBAR + 2.65%	30 Nov 2024	525 117	523 727	525 117	523 727
Standard Bank#	3 m JIBAR + 3.0%	30 Nov 2024	175 786	284 087	175 786	284 087
Investec Facility#	Prime	31 Mar 2023	202 167	302 765	202 167	302 765
Investec Facility#	Prime – 0.25%	30 June 2023	293 273	293 702	293 273	293 702
Investec Facility	Prime – 0.25%	31 Mar 2023	126 724	140 671	126 724	140 671
Bank of China#	3 m JIBAR + 2.5%	31 Dec 2026	123 918	149 613	123 918	149 613
			4 196 860	4 545 090	4 196 860	4 545 090
Fees			(2 863)	-	(2 863)	-
			4 193 997	4 545 090	4 193 997	4 545 090

\# Facilities are reducing balance facilities with a total average monthly amortisation of R7.2 million.

^ The facility is a syndicated loan shared with Bank of China. This facility was subsequently renewed to 12 January 2024.

$ The facility is a syndicated loan shared with State Bank of India.

Subsequent to year-end the Nedbank facilities were renewed to 21 June 2023 and Investec facilities to 30 June 2023.

For all financial instruments carried at amortised cost interest is market related, therefore the amortised cost approximates the fair value.

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Non-current liabilities				
At amortised cost	987 067	1 351 718	987 067	1 351 718
Current liabilities				
At amortised cost	3 206 930	3 193 372	3 206 930	3 193 372
	4 193 997	4 540 061	4 193 997	4 540 061

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS Cont.

Interest-bearing borrowings are secured over investment properties (refer to note 5), non-current assets held-for-sale (refer to note 15) and Investment in listed security (refer note 10) with a carrying value of R7.0 billion (2022: R8.0 billion).

The Group has made significant progress in respect of extending and refinancing its expiring debt facilities, with negotiations as follows:

- Extending R2.5 billion in expiring facilities with Nedbank to 21 June 2023 while negotiating renewal of facilities together with an increased disposal programme to reduce debt and increase interest cover ratios to acceptable levels. Current engagements are ongoing to extend facilities for an even longer period.
- Investec facility comprise three facilities. The share facility of approximately R134 million have been extended post year end for 18 months to November 2024 and the balance of R488.2 million extended for 24 months to June 2025. The extensions are being finalised in June 2023.

A strategy has been put in place to reduce debt further with disposals in order to cure the loan-to-value covenant to acceptable levels. The Group's funders continue to be very supportive and negotiations continue to be positive and transparent.

19. OTHER FINANCIAL LIABILITIES

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Financial guarantee liability	3 330	4 916	3 330	4 916
Reconciliation of financial guarantee liability				
Liability at the beginning of year	4 916	5 844	4 916	5 844
ECL gain on guarantee	(1 586)	(928)	(1 586)	(928)
Balance at the end of the year	3 330	4 916	3 330	(4 916)

A guarantee has been provided to Investec Bank Limited ("Investec") in respect of the debt obligations of Freedom Property Fund SARL and Grit Property Holdings Limited (as "Borrower") for the lower of EUR30 million or 58% of the outstanding debt of Grit to Investec Bank Limited South Africa. Negotiations have progressed well between Grit and Delta for the release from this guarantee. The guarantee has no term (it is perpetual) but is linked to the borrowing facilities provided by Investec to Freedom Properties for GRIT. The Company applied a 10-year term at each measurement date based on the typical term of long-term commercial property finance. Where facilities have no term or are rolling short-term facilities, it is common to apply a likely term based on the expectation of life of the facility. This is typically based on the facility type. Each additional year has a lesser impact on the lifetime ECL's of the loan. This is as a result of the term structure of Probability of Defaults ("PD") (the PD for year two assumes a survival during year one, a PD for year three assumes a survival for years one and two) plus the impact of the discounting of future probability weighted cash flows. At the end of the reporting period, the directors of the Company have assessed the past due status of the debts under guarantee, the financial position of the debtors, as well as the economic outlook of the industries in which Grit and Freedom Property Fund SARL operate and concluded that there was a decrease in the credit risk since initial recognition of the financial guarantee contract. Accordingly, the loss allowance for financial guarantee contract issued by the Group is measured at an amount equal to lifetime ECL – not credit-impaired, which corresponds to the doubtful category. The below table contains the credit risk rating grades applied to this financial guarantee contract.

CATEGORY	DESCRIPTION	BASIS OF RECOGNITION
Performing	The counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Doubtful	The counterparty has defaulted on interest payments to Investec Bank Limited and rectified the payments but not on a timeous basis	Lifetime ECL – not credit impaired
In default	The counterparty has defaulted on interest payments to Investec Bank Limited with no plan of rectifying the payments	Lifetime ECL – credit impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

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20. RENTAL INCOME

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Contractual rental income	919 349	1 016 930	916 799	1 002 822
Recoveries	198 893	244 467	198 157	238 901
Parking	93 531	100 992	93 080	99 723
Storage	13 600	20 602	13 438	20 354
Antennae	4 291	4 714	4 141	4 560
Turnover rental	(751)	781	(751)	781
Signage	208	218	208	218
	1 229 121	1 388 704	1 225 072	1 367 359

Rental income comprises gross rental income and recoveries from tenants net of value added tax. Recoveries includes recoveries for utility charges, marketing expenses, insurance expenses and operating cost expenses.

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Lease Maturity Analysis				
Operating Lease payments receivable as lessor				
– Year one	490 490	472 280	487 656	465 946
– Year two	282 771	348 272	281 972	346 004
– Year three	204 915	171 596	204 687	171 538
– Year four	93 804	112 929	93 560	112 866
– Year five	71 424	74 367	71 186	74 299
– Later than five years	332 972	258 467	332 972	258 362
	1 476 376	1 437 911	1 472 033	1 429 015

Minimum lease payments receivable comprises contractual rental income due in terms of signed lease agreements on investment property. This excludes the straight-line rental income accrual adjustments.

21. PROFIT FROM OPERATIONS

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Profit from operations is stated after recognising:				
Dividend income from listed investment	5 109	9 023	5 109	9 023
Profit from operations is stated after charging:				
Fair value adjustments	812 217	412 624	783 938	394 207
Municipal expenses	334 524	331 394	326 282	325 855
Service contracts	90 084	91 254	87 101	88 457
Repairs and maintenance	28 260	32 376	27 249	31 915
Asset management fees	682	-	16 343	16 767
Property management services	199	3 354	23 002	24 047
Depreciation of property, plant and equipment	3 256	2 952	519	286
Directors' emoluments	11 298	7 999	11 298	7 999
Commissions	3 372	3 389	2 068	4 537
External audit fees	5 390	5 478	4 609	5 478
Tax services	188	484	188	484
Internal audit fees	997	625	997	625
ECL provisions – subsidiary loans	-	-	68 657	11 305
ECL provisions – financial guarantee	(1 586)	(928)	(1 586)	(928)
ECL provisions – loan receivable	(11 563)	(7 190)	(11 563)	(7 190)
ECL provision – trade receivables	79 115	(75 864)	79 120	(75 475)

22. DIRECTORS' EMOLUMENTS AND SHARE-BASED PAYMENT

EXECUTIVE DIRECTORS

2023 (R'000)	SALARY	OTHER BENEFITS	RETIREMENT BENEFITS	SHORT TERM INCENTIVES#	LONG TERM INCENTIVES^	TOTAL
S Mbanjwa*	5 046	90	179	-	-	5 315
S Masinga$	2 513	-	-	-	-	2 513
M de Lange	3 267	-	203	-	-	3 470
	10 826	90	382	-	-	11 298

No short-term incentive ("STI") payments were awarded for year ended 28 February 2023.

^ No long-term incentives ("LTI") were awarded for year ended 28 February 2023.

$ The directors' fees paid to B Masinga have been paid in terms of a secondment agreement between Delta and Afropulse Group. Ms B Masinga was re-appointed as Interim CEO on 2 December 2022.

* Mr S Mbanjwa resigned on 2 December 2022.

Ms B Masinga and Ms M de Lange are directors of the subsidiaries of Delta and no further remuneration is paid for services rendered as directors of those entities.

The executive directors and the Company Secretary are the only employees of Delta Property Fund Limited.

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2022 (R'000)	SALARY	OTHER BENEFITS	RETIREMENT BENEFITS	SHORT TERM INCENTIVES#	LONG TERM INCENTIVES^	TOTAL
S Mbanjwa (Appointed 1 February 2022)	272	10	18	-	-	300
S Masinga[$]	4 130	-	-	-	-	4 130
M de Lange	3 135	-	165	-	-	3 300
	7 537	10	183	-	-	7 730

\# No short-term incentive ("STI") payments were awarded for year ended 28 February 2022.

^ No long-term incentives ("LTI") were awarded for year ended 28 February 2022.

$ The directors' fees paid to Ms. B Masinga have been paid in terms of a secondment agreement between Delta and Afropulse Group.

The Group operates a full value performance unit plan, with rights being granted annually to the executives and vesting on the third anniversary of grant date. The award is settled in either shares or cash at the discretion of the Board. Accordingly, the plan is accounted for as equity settled. The grant date fair value of awards made and expected to vest are amortised over the period to vesting date. Vesting is subject to the achievement of performance measures.

An estimate is required at each reporting date of the number of units that are expected to vest on vesting date.

There were no awards made during the 2023 or 2022 financial years.

	GROUP		COMPANY	
NON-EXECUTIVE DIRECTORS	2023 R'000	2022 R'000	2023 R'000	2022 R'000
P Langeni	1 031	991	1 031	991
MJN Njeke	705	684	705	684
N Khan (retired 30 November 2022)	485	622	485	622
DN Motau	567	520	567	520
MCR Rampheri[#]	987	553	987	553
P Stock (Appointed 7 July 2021)	445	244	445	244
N Afolayan (Resigned 5 July 2021)	-	166	-	166
B Masinga*	127	-	127	
	4 347	3 780	4 347	3 780

* Ms B Masinga served as a non-executive director from 1 August 2022 to 1 December 2022 after which she was re-appointed as the Interim CEO.

\# Mr MC Rampheri's fees include consulting fees of R450,000.

23. FAIR VALUE ADJUSTMENTS

	Note	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Investment property and non-current assets held-for-sale	5, 15	(833 639)	(428 837)	(804 995)	(410 420)
Investment in listed security	10	(35 539)	(48 667)	(35 539)	(48 667)
Derivative financial instruments	17	56 959	64 880	56 959	64 880
		(812 217)	(412 624)	(783 938)	(394 207)

24. FINANCE COSTS

	Note	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Interest-bearing borrowings	18	390 471	335 985	390 471	335 985
Interest – swaps		31 419	64 626	31 419	64 626
Debt structuring fees amortised		17 450	6 615	17 450	6 615
Interest on lease liabilities		3 521	4 169	375	301
Other		15 017	78	15 017	73
		457 878	411 473	454 732	407 600

25. INVESTMENT INCOME

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Dividend income				
Dividend income from listed investment	5 109	9 023	5 109	9 023
	5 109	9 023	5 109	9 023
Interest income				
Bank and cash guarantee	613	1 644	615	1 653
Loans to subsidiaries	-	-	42 518	37 955
Trade receivables (tenants)	4 896	21 432	4 772	21 100
Bank and cash deposits	1	2	1	2
	5 510	23 078	47 906	60 710

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26. LEASE LIABILITIES

		GROUP		COMPANY	
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Investment property	5	28 329	27 658	1 887	1 821
Property, plant and equipment	7	5 805	10 536	1 174	1 527
Balance at the end of the year		34 134	38 194	3 061	3 348
Non-current liabilities					
Lease liabilities		26 576	34 203	2 439	2 786
Current liabilities					
Lease liabilities		7 558	3 991	622	562
		34 134	38 194	3 061	3 348
Reconciliation of lease liability					
Balance at the beginning of the year		38 194	40 072	3 348	2 901
Addition to lease liability		-	1 565	-	1 565
Repayment of lease liability		(7 273)	(3 738)	(662)	(1 124)
Accrued interest		3 213	295	375	6
Balance at the end of the year		34 134	38 194	3 061	3 348

The Group has leasehold land as investment property at Capital Towers, Block G, Treasury House and Pine Parkade. The lease liabilities on leasehold land have been disclosed separately from investment properties and non-current assets held-for-sale during the current year.

The addition to the lease liability in the prior year relates to a new lease agreement entered into for the use of printers by Delta Property Fund Limited.

Lease liabilities have been measured at the present value of the lease payments discounted using the Group's incremental borrowing rate. The Group amortises lease liabilities over the remaining lease term by recognising an interest expense in the statement of profit or loss and repayment of capital in the statement of cash flows. The Group is not potentially exposed to future cash outflows not reflected in the measurement of the lease liability.

The lease expiry dates are as follows:

- Block G – 1 November 2030
- Capital Towers – 1 March 2048
- Pine Parkade – 31 January 2022*
- Treasury House – 31 July 2025
- Delta Property Asset Management – 28 February 2025

* The lease expired in January 2022. Negotiations are ongoing and management is confident the lease will be extended for a further period, by August 2023.

	GROUP		COMPANY	
LEASE MATURITY ANALYSIS	**2023 R'000**	**2022 R'000**	**2023 R'000**	**2022 R'000**
Lease payments payable as lessee				
– Year one	4 048	7 752	622	948
– Year two	4 453	7 997	684	1 023
– Year three	4 460	8 687	313	1 145
– Year four	4 561	4 990	-	844
– Year five	5 017	5 002	-	441
– Later than five years	15 968	21 532	-	-
	38 507	55 960	1 619	4 401

27. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2023 R'000	**2022 R'000**	**2023 R'000**	**2022 R'000**
Trade payables	35 990	40 602	37 558	41 068
Income received in advance	32 470	77 053	31 333	76 802
Accrued expenses	106 738	104 704	90 002	92 295
Accrual for audit fees	3 330	709	3 090	384
Tenant deposits	19 357	23 110	19 267	22 776
	197 885	246 178	181 250	233 325

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28. TAXATION

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Major components of the tax expense				
Current tax expense	51 050	81 773	51 050	81 086
Under provision-prior years	11 477	-	11 477	-
Deferred tax expense	8 688	-	8 688	-
	71 215	**81 773**	**71 215**	**81 086**
Reconciliation of the current tax expense				
Reconciliation between accounting (loss)/profit and tax expense:				
Accounting loss before tax	(678 465)	(67 228)	(652 704)	(21 904)
Tax at the applicable tax rate of 28% (2022: 28%)	(189 970)	(18 824)	(182 757)	(6 133)
Tax effect of adjustments on taxable income:				
Fair Value Movement	227 420	125 513	219 503	110 378
Fair value adjustment to investment property and non-current assets held for sale	233 418	130 052	225 501	114 917
Fair value adjustment to investment in Grit	9 951	13 627	9 951	13 627
Fair value adjustment to investment in derivative financial instruments	(15 949)	(18 166)	(15 949)	(18 166)
ECL Provision movement	10 502	(38 041)	10 502	(37 932)
Non-taxable income - dividend received	(409)	(722)	(409)	(722)
Non-taxable income - other	(2 194)	-	(2 194)	-
Non-deductible expenditure - legal, structuring fees and interest	6 462	5 257	7 219	5 255
Other provisions	883	-	883	-
Doubtful debt allowance	2 016	8 589	2 016	10 239
Income received in advance	(12 732)	-	(12 732)	-
Future expenditure	5 946	-	5 946	-
Straight-line lease adjustments	3 470	-	3 417	-
Pre-paid expenses	51	-	51	-
Lease liabilities	(395)	-	(395)	-
Under provision - prior years	11 477	-	11 477	-
Tax expense	**62 527**	**81 772**	**62 527**	**81 086**

The Company did not distribute dividends for the year ending February 2023 or 2022.

29. DEFERRED TAXATION

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Deferred taxation				
Deferred taxation asset	-	-	-	-
Deferred taxation liability	8 688	-	8 688	-
	8 688	-	8 688	-
Reconciliation of deferred taxation				
Balance at the beginning of the year	-	-	-	-
Leased assets and liabilities	177	-	177	-
Provisions	12 995	-	12 995	-
Income received in advance	(8 460)	-	(8 460)	-
Future expenditure	3 976	-	3 976	-
Balance at the end of the year	**8 688**	**-**	**8 688**	**-**

The Company has no assessed loss and therefore no deferred taxation asset is recognised on any tax losses..

In South Africa, capital gains taxation is not applicable on the sale of investment property and shares in a REIT or property company, in terms of Section 25BB of the Income Tax Act applicable to REITs. Consequently, no deferred tax was raised on the fair value adjustments recognised in respect of investment property.

Allowances relating to immovable property can no longer be claimed by a REIT and if a REIT sells immovable property, any allowances claimed on properties prior to becoming a REIT will be recouped. To the extent that taxation is payable in future as a result of no qualifying distribution being paid, a deferred taxation was raised on temporary differences calculated on items such as the straight-line rental income accrual.

During the budget speech on 23 February 2022, the Minister of Finance announced the reduction of the company tax rate to 27% for companies with years of assessment commencing on or after 31 March 2023. The Company applied the 27% company tax rate in determining the deferred tax amount.

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30. CASH GENERATED FROM OPERATIONS

	Note	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Cash generated from operations					
Loss before taxation		(678 464)	(67 228)	(652 704)	(21 907)
Adjustments – non-cash flow items:					
Depreciation of property, plant and equipment	7	3 256	2 952	519	363
Unrealised loss on foreign exchange differences		(15 822)	(2 579)	(15 822)	(2 579)
Dividend income from subsidiaries and listed investment	25	(5 109)	(9 023)	(5 109)	(9 023)
Interest income	26	(5 510)	(23 078)	(47 906)	(60 710)
Finance costs	24	457 878	411 473	454 733	407 600
Fair value adjustments	23	812 217	412 624	783 938	394 207
ECL allowances		65 965	6 262	134 630	17 567
Straight-line rental income accrual	6	12 401	(521)	12 206	(678)
Amortisation		3 539	(3 389)	2 233	(4 537)
Deferred tax		-	2 252	-	-
Operating profit before working capital changes		650 351	729 745	666 718	720 303
Changes in working capital:		45 289	43 272	47 816	41 074
Decrease/(increase) in trade and other receivables		91 567	(3 962)	94 001	(7 485)
(Decrease)/increase in trade and other payables		(46 279)	47 234	(46 185)	48 559
Cash generated from operations*		**695 640**	**773 017**	**714 534**	**761 377**

31. EARNINGS AND HEADLINE EARNINGS

	GROUP 2023 R'000	GROUP 2022 R'000
Loss attributable to owners of the parent	(728 273)	(144 970)
Change in fair values of investment properties	833 639	428 837
Headline earnings attributable to owners of the parent	**105 366**	**283 867**
Shares in issue at the beginning and end of the year	714 229 718	714 229 718
Number of shares in issue	714 229 718	714 229 718
Weighted average number of shares in issue	714 229 718	714 229 718
Basic and diluted loss and headline earnings per share (cents)		
Basic and diluted loss per share	(101.97)	(20 30)
Basic and diluted headline earnings per share	14.75	39 74

The Group has no dilutionary instruments in issue. No shares were issued during the year.

32. TAXATION PAID

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Taxation payable at the beginning of the year	(124 033)	(161 737)	(122 367)	(160 959)
Current tax for the year recognised in profit or loss	(51 050)	(81 773)	(51 050)	(81 086)
Under provision - prior years	(11 477)	-	(11 477)	-
Other	(2 479)	-	(2 479)	-
Taxation payable at the end of the year	89 767	124 033	92 053	122 367
Tax paid	**(99 272)**	**(119 477)**	**(95 320)**	**(118 339)**

Section 25BB of the Income Tax Act provides for the flow-through principle whereby investors are subject to tax on income received from the REIT and the REIT is taxed on the taxable income retained at the standard corporate rate. Due to the retention of distributable earnings, the Group has paid provisional tax and provided for the necessary tax obligation at the standard corporate tax rate of 28%. Refer to note 28.

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

GROUP (R'000) 2023	INTEREST BEARING BORROWINGS	BANK OVERDRAFT	LEASE LIABILITIES	OTHER FINANCIAL LIABILITIES	TOTAL
Balance at the beginning of the year	4 545 090	7 771	38 194	4 916	4 595 971
Cash flows:					
– Repayment	(352 937)	-	(7 273)	-	(360 210)
– Proceeds	11 284	69 503	-	-	80 787
Non-cash:					
– ECL adjustment	-	-	-	(1 586)	(1 586)
– Interest charges	(9 440)	-	3 213	-	(6 227)
Balance at the end of the year	**4 193 997**	**77 274**	**34 134**	**3 330**	**4 308 735**

GROUP (R'000) 2022	INTEREST BEARING BORROWINGS	BANK OVERDRAFT	LEASE LIABILITIES	OTHER FINANCIAL LIABILITIES	TOTAL
Balance at the beginning of the year	4 755 582	7 387	40 072	5 844	4 808 885
Cash flows:					
– Repayment	(285 407)	384	(3 738)	-	(288 761)
– Proceeds	81 060	-	-	-	81 060
Non-cash:					
– ECL adjustment	-	-	-	(928)	(928)
– Additions	17 710	-	1 565	-	19 275
– Fees capitalised	2 148	-	-	-	2 148
– Reduction of facilities*	(27 414)	-	-	-	(27 414)
– Interest charges	1 411	-	295	-	1 706
Balance at the end of the year	**4 545 090**	**7 771**	**38 194**	**4 916**	**4 595 971**

* These were direct payments made to the bank from the purchaser.

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COMPANY (R'000) 2023	INTEREST BEARING BORROWINGS	BANK OVERDRAFT	LEASE LIABILITIES	OTHER FINANCIAL LIABILITIES	TOTAL
Balance at the beginning of the year	4 545 090	2 295	3 348	4 916	4 555 649
Cash flows:					
– Repayment	(352 937)	-	(662)	-	(353 599)
– Proceeds	11 284	74 979	-	-	86 263
Non-cash:					
– ECL adjustment	-	-	-	(1 586)	(1 586)
– Additions	-	-	-	-	-
– Fees capitalised	-	-	-	-	-
– Interest charges	(9 440)	-	375	-	(9 065)
Balance at the end of the year	**4 193 997**	**77 274**	**3 061**	**3 330**	**4 277 662**

COMPANY (R'000) 2022	INTEREST BEARING BORROWINGS	BANK OVERDRAFT	LEASE LIABILITIES	OTHER FINANCIAL LIABILITIES	TOTAL
Balance at the beginning of the year	4 755 582	7 947	2 901	5 844	4 772 274
Cash flows:					
– Repayment	(285 407)	(5 652)	(1 124)	-	(292 183)
– Proceeds	81 060	-	-	-	81 060
Non-cash:					
– ECL adjustment	-	-	-	(928)	(928)
– Additions	17 710	-	1 565	-	19 275
– Fees capitalised	2 148	-	-	-	2 148
– Reduction of facilities*	(27 414)	-	-	-	(27 414)
– Interest charges	1 411	-	6	-	1 417
Balance at the end of the year	**4 545 090**	**2 295**	**3 348**	**4 916**	**4 555 649**

* These were direct payments made to the bank from the purchaser.

34. COMMITMENTS

	GROUP		COMPANY	
CAPITAL COMMITMENTS	**2023 R'000**	**2022 R'000**	**2023 R'000**	**2022 R'000**
– Approved and committed	46 487	33 600	46 487	33 600
– Approved but not yet committed	10 917	7 341	10 917	7 341
	57 404	40 941	57 404	40 941

35. RELATED PARTIES

Parties are considered related if one party has the ability to exercise control or significant influence over the other party in making financial or operational decisions. All transactions with related parties are at arm's length.

RELATIONSHIPS	
Subsidiaries	Delta Property Asset Management ("DPAM") Choice Decisions 300 Proprietary Limited Hendisa Investments Proprietary Limited Atterbury Parkdev Consortium Proprietary Limited K2014000273 Proprietary Limited Phamog Properties Proprietary Limited 277 Vermeulen Street Properties Proprietary Limited Hestitrix Proprietary Limited
Board of Directors	S Masinga – Interim Chief Executive Officer (re-appointed 2 December 2022) M de Lange – Chief Financial Officer P Langeni - Chairman* D Motau* P Stock* JJ Njeke* C Rampheri*
Common directors	Afropulse Group Proprietary Limited Cornwall Crescent Proprietary Limited

* Non-executives.

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	GROUP		COMPANY	
RELATED PARTY	**2023 R'000**	**2022 R'000**	**2023 R'000**	**2022 R'000**
Atterbury Parkdev Consortium				
Loan payable	-	-	(1 917)	(1 917)
Choice Decisions 300				
Loan payable	-	-	(2 177)	(2 177)
Hendisa Investments				
Loan receivable/(payable)	-	-	(15)	34
Hestitrix				
Loan receivable	-	-	267 482	246 436
Interest income	-	-	(19 852)	(17 816)
K2014000273				
Loan receivable	-	-	216 915	196 855
Interest income	-	-	(15 179)	(14 167)
Phamog Properties				
Loan payable	-	-	(96)	(96)
277 Vermeulen Street Properties				
Loan receivable	-	-	20 532	63 312
Interest income	-	-	(5 137)	(4 505)
Delta Property Asset Management				
Loan receivable	-	-	40 346	16 679
Trade and other receivables	-	-	12 285	43
Trade and other payables	-	-	(6 022)	(1 398)
Interest income	-	-	(2 350)	(1 467)
Asset management fees paid*	-	-	16 343	16 767
Property management fees paid*	-	-	23 655	21 144
Recoveries and letting commission	-	-	12 720	18 820
Afropulse				
Secondment Fee – Executive	2 513	4 130	2 513	4 130

* The fees are not paid in cash but reduced against the loan

36. FINANCIAL RISK MANAGEMENT

The Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Audit, Risk and Compliance Committee reviews management's compliance with the Group's risk policies and procedures and assesses the adequacy of the risk management framework. The committee reports regularly to the Board of directors.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Risk Management Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Risk Management Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to both the Audit Committee and the Risk Management Committee.

The Group has exposure to liquidity, market and credit risk from its use of financial instruments, which consist primarily of deposits with banks, interest-bearing liabilities, derivatives, trade and other receivables and trade and other payables.

36.1 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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The tables below set out the maturity analysis of the Group and Company's financial assets and liabilities based on the undiscounted contractual cash flows.

Group (R'000) 2023	INTEREST RATE %^	LESS THAN ONE YEAR	ONE TO FIVE YEARS	MORE THAN FIVE YEARS	TOTAL
Financial assets					
Trade and other receivables (excluding VAT)	-	148 212	-	-	148 212
Cash and cash equivalents	5.0 - 7.5	7 020	-	-	7 020
Loan receivable	10.2 – Prime + 2	5 663	-	-	5 663
Derivative financial instruments	6.95	7 043	354	-	7 397
		167 938	354	-	168 292
Financial liabilities					
Interest-bearing borrowings*	9.2	3 206 930	987 067	-	4 193 997
Trade and other payables#	-	165 415	-	-	165 415
Financial guarantee liability	-	3 330	-	-	3 330
Bank overdraft	Prime	77 274	-	-	77 274
		3 452 949	987 067	-	4 440 016

* Represents undiscounted future settlement of capital and interest.

\# Excludes income received in advance and VAT.

^ Weighted average effective interest rate.

Group (R'000) 2022	INTEREST RATE %^	LESS THAN ONE YEAR	ONE TO FIVE YEARS	MORE THAN FIVE YEARS	TOTAL
Financial assets					
Trade and other receivables (excluding VAT)	-	269 397	-	-	269 397
Cash and cash equivalents	3.5 – 4.45	7 820	-	-	7 820
Loan receivable	9.2 – Prime + 2.0	12 563	-	-	12 563
		289 780	-	-	289 780
Financial liabilities					
Interest-bearing borrowings*	7.52	3 522 808	1 507 982	-	5 030 790
Trade and other payables#	-	169 125	-	-	169 125
Financial guarantee liability	-	4 916	-	-	4 916
Bank overdraft	Prime – 1.0	7 771	-	-	7 771
Derivative financial instruments	6.95	63 831	28 018	-	91 849
		3 768 451	1 536 000	-	5 304 451

Company (R'000) 2023	INTEREST RATE %^	LESS THAN ONE YEAR	ONE TO FIVE YEARS	MORE THAN FIVE YEARS	TOTAL
Financial assets					
Trade and other receivables (excluding VAT)		148 061	-	-	148 061
Cash and cash equivalents	5.0 - 7.5	5 135	-	-	5 135
Loan receivable	Prime + 2	5 663	-	-	5 663
Loans to subsidiaries	8.5	308 078	-	-	308 078
Derivative financial instruments	6.95	7 043	354	-	7 397
		473 980	354	-	474 334
Financial liabilities					
Loans from subsidiaries	-	4 205	-	-	4 205
Interest-bearing borrowings*	10.6	3 206 930	987 067	-	4 193 997
Trade and other payables#	-	149 917	-	-	149 917
Financial guarantee liability	-	3 330	-	-	3 330
Bank overdraft	Prime	77 274	-	-	77 274
		3 441 656	987 067	-	4 428 723

* Represents undiscounted future settlement of capital and interest.

\# Excludes income received in advance and VAT.

^ Weighted average effective interest rate.

Company (R'000) 2022	INTEREST RATE %^	LESS THAN ONE YEAR	ONE TO FIVE YEARS	MORE THAN FIVE YEARS	TOTAL
Financial assets					
Trade and other receivables (excluding VAT)	-	265 007	-	-	267 007
Cash and cash equivalents	3.5 – 4.45	5 100	-	-	5 100
Loan receivable	Prime + 2.0	12 563	-	-	12 563
Loans to subsidiaries	7.5	-	351 095	-	351 095
		282 670	351 095	-	633 765
Financial liabilities					
Loans from subsidiaries	7.5	-	51 560	-	51 560
Interest-bearing borrowings*	7.52	3 522 808	1 507 982	-	5 030 790
Trade and other payables#	-	156 526	-	-	156 526
Financial guarantee liability	-	4 916	-	-	4 916
Bank overdraft	Prime – 2.0	7 396	-	-	7 396
Derivative financial instruments	6.95	63 831	28 018	-	91 849
		3 755 477	1 587 560	-	5 343 037

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36.2 Market Risk

Interest Rate Risk

The Group is exposed to interest rate risk through its variable rate cash balances, receivables and interest-bearing borrowings. The Group reduces its exposure to changes in interest rates by fixing interest rates in respect of its local borrowings. This is achieved by entering into swap agreements to receive variable and pay fixed interest rates. At year-end, interest rates in respect of 41% (2022: 44%) of total borrowings, excluding revolving facilities, were hedged. See note 17 for disclosure regarding the interest rate swaps.

The all-in weighted average cost of interest-bearing borrowings (including debt derivatives) is 8.8% (2022: 7.4%).

Interest rate sensitivity analysis

	CHANGE	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Increase in interest rate	1.00%	(42 713)	(43 985)	(42 713)	(43 985)
Decrease in interest rate	1.00%	42 713	46 917	42 713	46 917
Increase in swap fair value	0.25%	(18)	6 599	(18)	6 599
Decrease in swap fair value	0.25%	18	(6 599)	18	(6 599)

Equity price risk

The Group is exposed to equity securities price risk because of an investment in a listed property security held by the Group and classified on the Group statement of financial position as an investment in Grit. Equity investments are held for strategic purposes and the Group does not actively trade these instruments.

Equity price sensitivity analysis

	CHANGE IN SHARE PRICE	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Increase in share price	10.00%	9 127	11 098	9 127	11 098
Decrease in share price	10.00%	(9 127)	(10 089)	(9 127)	(10 089)

Currency risk

The Group and Company is exposed to currency risk through the investment in Grit shares, which are denominated in US currency. The shares have been valued at an exchange rate of R18.60 (2022: R15.55) at year-end with a dollar exposure of USD4 906 839 (2022: 7 137 221)

Currency risk sensitivity analysis

		GROUP		COMPANY	
	CHANGE ZAR	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Increase in exchange rate	R1.00	4 907	7 137	4 907	7 137
Decrease in exchange rate	R1.00	(4 907)	(7 137)	(4 907)	(7 137)

36.3 Credit Risk

Credit risk is the risk of financial loss to the Group or Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from loans to related parties, loan receivable, trade receivables, cash and cash equivalents and other financial assets. There is no significant concentration of credit risk as exposure is spread over a large number of counterparties.

The Group and Company's maximum exposure to credit risk by class of financial asset other than derivatives is as follows:

	GROUP		COMPANY	
FINANCIAL INSTRUMENTS	2023 R'000	2022 R'000	2023 R'000	2022 R'000
	-	-	308 078	354 775
Loans due from subsidiaries	-	-	545 275	523 315
ECL allowance	-	-	(237 197)	(168 540)
	5 663	12 563	5 663	12 563
Loan receivable	37 739	37 738	37 739	37 738
ECL allowance	(32 076)	(25 175)	(32 076)	(25 175)
	172 774	334 133	168 052	329 109
Trade and other receivables	252 476	431 841	247 651	426 709
ECL allowance	(79 702)	(97 708)	(79 599)	(97 600)
Cash and cash equivalents	7 020	49	5 135	2 295

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36.4 Credit risk management

Loans and other receivables

The credit risk attached to loans due from subsidiaries, loans due from related parties, loan receivable and other receivables were assessed in terms of the general approach per IFRS 9.

The Group assesses on a forward-looking basis the expected credit losses associated with loans and other receivable carried at amortised cost. This entails the assessment of credit risk since initial recognition, probability of default (PD), loss given default (LGD) and exposure at default (EAD) [i.e. PD x LGD x EAD = ECL].

The credit risk is measured by assessing the status of performance during the financial year i.e. performing (stage 1) – loans whose credit risk is in line with original expectations; underperforming (stage 2) – loans for which a significant increase in credit risk has occurred compared to original expectations i.e. a significant increase in credit risk is presumed if interest and/or principal payments are 90 days past due; and non-performing (stage 3) – interest and/or principal repayments are 120 days past due or it becomes probable a customer will enter business rescue or bankruptcy. This assessment summarises the credit risk and how the expected credit loss (ECL) provision is determined for each of those categories.

Loans and other receivables are segmented into counterparty type (i.e. income generating property entity, property management, corporate, contractual property income) which assists with risk assessment. The probability of a loan defaulting has been determined using historical data up to 36 months from inception together with other pertinent information that is available. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

CATEGORY	DEFINITION OF CATEGORY	RECOGNITION OF ECL PROVISION
Performing	Loans whose credit risk is in line with original expectations	12-month expected credit losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1)
Underperforming	Loans for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal payments are 90 days past due	Lifetime expected losses (stage 2)
Non-performing	Interest and/or principal repayments are 120 days past due or it becomes probable a customer will enter business rescue or bankruptcy	Lifetime expected losses (stage 3)

36.4.1 Loans due from subsidiaries and loans receivable

The credit risk associated with 277 Vermeulen Street Properties Proprietary Limited has been assessed as significant, stage 2, as the subsidiary has an income generating asset , which is 81.4% vacant.

There is a significant increase in the risk (stage 2) associated with Hestitrix Proprietary Limited and K2014000273 Proprietary Limited given the revaluation of the underlying assets resulting in technical insolvency that increases risk of default.

Delta Property Asset Management Proprietary Limited's risk increased significantly to stage 3 due to the technical insolvency of the entity.

The Company raised an ECL provision based on the assessment below.

At 28 February 2023, the exposure to credit risk for loans due from connected parties by counterparty was as follows:

The following table presents an analysis of the credit quality of loans due from subsidiaries. It indicates whether assets were subject to a 12-month ECL or lifetime ECL allowance and, in the latter case, whether they were credit-impaired.

	2023		2022	
COMPANY	**LOAN BALANCE R'000**	**12-MONTH ECL / LIFETIME ECL – NOT CREDIT IMPAIRED**	**LOAN BALANCE R'000**	**12-MONTH ECL / LIFETIME ECL – NOT CREDIT IMPAIRED**
277 Vermeulen Street Proprietary Limited#	20 532	187	16 213	5^
Hestitrix Proprietary Limited#	267 482	53 406	242 756	43 180#
K2014000273 Proprietary Limited#	216 915	150 604	196 585	125 355#
Delta Property Asset Management Property Limited#	40 346	33 000	16 679	-
Gross carrying amount	545 275	237 197	472 233	168 540
Loss allowance	(237 197)	-	(168 540)	-
Carrying amount	308 078	-	303 693	-

^ 12 month ECL.

Lifetime ECL – not credit-impaired.

The movement in the allowance for impairment for loans due from subsidiaries during the year was as follows.

	2023 R'000	2022 R'000
Balance as at 1 March	168 540	157 234
Net remeasurement of loss allowance	68 657	11 306
Balance at 28 February	237 197	168 540

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The following table provides an explanation of how significant changes in the gross carrying amount of financial instruments during the period contributed to changes in loss allowance.

	2023				
R'000	**OPENING BALANCE**	**IMPACT: INCREASE/(DECREASE)**			**CLOSING BALANCE**
		STAGE 1	**STAGE 2**	**STAGE 3**	
Increase/(decrease) in loans advanced for the year					
277 Vermeulen Street Proprietary Limited	16 213		4 319		20 532
Hestitrix Proprietary Limited	242 756		24 726		267 482
K2014000273 Proprietary Limited	196 585		20 330		216 915
Delta Property Assets Management Property Limited	16 679			23 667	40 346

	2022				
R'000	**OPENING BALANCE**	**IMPACT: INCREASE/(DECREASE)**			**CLOSING BALANCE**
		STAGE 1	**STAGE 2**	**STAGE 3**	
Increase/(decrease) in loans advanced for the year					
277 Vermeulen Street Proprietary Limited	16 551	(338)			16 213
Hestitrix Proprietary Limited	235 391		7 365		242 756
K2014000273 Proprietary Limited	178 493		18 092		196 585
Delta Property Assets Management Property Limited	15 521	1 158			16 679

The Company raised an ECL provision based on the assessment below:

2023 COUNTERPARTY	LOCATION	PERFORMANCE CATEGORY	GROSS CARRYING AMOUNT R'000	PROBABILITY OF DEFAULT (PD)	LOSS GIVEN DEFAULT (LGD)	EXPECTED CREDIT LOSS (ECL)
277 Vermeulen Street Proprietary Limited	South Africa	Under-performing	20 532	7.21%	5.00%	0.91%
Hestitrix Proprietary Limited	South Africa	Under-performing	267 482	6.23%	79.30%	19.97%
K2014000273 Proprietary Limited	South Africa	Under-performing	216 915	100.00%	73.49%	69.43%
Delta Property Asset Management Proprietary Limited	South Africa	Non-performing	40 346	100.00%	81.79%	81.79%

EXPECTED CREDIT LOSS ALLOWANCE (R'000)	PERFORMING	UNDER PERFORMING	NON-PERFORMING	TOTAL
Balance at the beginning of the year	43 185	125 355	-	168 540
Current year ECL provision	(43 185)	78 842	33 000	68 657
Balance at the end of the year	-	204 197	33 000	237 197

2022 COUNTERPARTY	LOCATION	PERFORMANCE CATEGORY	GROSS CARRYING AMOUNT R'000	PROBABILITY OF DEFAULT (PD)	LOSS GIVEN DEFAULT (LGD)	EXPECTED CREDIT LOSS (ECL)
277 Vermeulen Street Proprietary Limited	South Africa	Performing	16 213	0.75%	5.00%	0.03%
Hestitrix Proprietary Limited	South Africa	Performing	242 756	6.37%	73.88%	17.77%
K2014000273 Proprietary Limited	South Africa	Under-performing	196 585	100.00%	63.76%	63.76%
Delta Property Asset Management Proprietary Limited	South Africa	Performing	16 679	1.00%	1.00%	0.00%

EXPECTED CREDIT LOSS ALLOWANCE (R'000)	PERFORMING	UNDER PERFORMING	NON-PERFORMING	TOTAL
Balance at the beginning of the year	42 810	114 425	-	157 235
Current year ECL provision	375	10 930	-	11 305
Balance at the end of the year	43 185	125 355	-	168 540

The credit risk attached to the loan due from DPAM increased and accordingly an ECL provision was rasied to reflect the increased risk. The loan has been assessed as non-performing on stage 3. The credit risk on loans due from Somnipoint Property Limited and Educor Property Holdings Group has remained on stage 3 based on the performance assessment.

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2023 COUNTERPARTY	LOCATION	PERFORMANCE CATEGORY	GROSS CARRYING AMOUNT R'000	PROBABILITY OF DEFAULT (PD)	LOSS GIVEN DEFAULT (LGD)	EXPECTED CREDIT LOSS (ECL) R'000
Somnipoint	South Africa	Non-performing	20 988	100%	100%	20 988
Educor	South Africa	Non-performing	16 751	100%	66%	11 087

Expected credit loss allowance (R'000)	PERFORMING	UNDER PERFORMING	NON-PERFORMING	TOTAL
Balance at the beginning of the year	-	-	25 175	25 175
Additional loss allowance	-	-	6 900	6 900
Balance at the end of the year	-	-	32 075	32 075

2022 COUNTERPARTY	LOCATION	PERFORMANCE CATEGORY	GROSS CARRYING AMOUNT R'000	PROBABILITY OF DEFAULT (PD)	LOSS GIVEN DEFAULT (LGD)	EXPECTED CREDIT LOSS (ECL) R'000
Somnipoint	South Africa	Non-performing	20 988	100%	100%	20 988
Educor	South Africa	Non-performing	16 750	50%	50%	4 187

EXPECTED CREDIT LOSS ALLOWANCE (R'000)	PERFORMING	UNDER PERFORMING	NON-PERFORMING	TOTAL
Balance at the beginning of the year	-	-	32 365	32 365
Loss allowance reversed	-	-	(7 190)	(7 190)
Balance at the end of the year	-	-	25 175	25 175

36.4.2 Trade receivables

Credit risk arises from the risk that a tenant may default or not meet its obligations timeously. Management has established a credit policy under which each new tenant is analysed individually for creditworthiness before the Group's standard payment terms and conditions are offered, which include in certain cases the provision of a deposit. The financial position of the tenants is monitored on an ongoing basis. Allowance is made for specific doubtful debts and credit risk is therefore limited to the carrying amount of the financial assets at financial year-end. There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

Trade receivables was assessed in terms of IFRS 9 simplified approach, which entailed formulating a matrix that applied historical performance (bad debt write offs applied to appropriate groupings of receivables based on shared credit risk characteristics) over a three-year period to forward looking economic and company-specific risk assessments (credit rating, public debt % of GDP, economic growth, political risk, property sector outlook). Risks were weighted against low/medium/high assessment, resulting in a cumulative ECL risk percentage which was applied to trade receivables net of specific doubtful debt allowances. An expected credit loss allowance of R79.7 million was raised in terms of IFRS 9.

GROUP 2023	CURRENT	30 DAYS	60 DAYS	OVER 90 DAYS	TOTAL
Gross trade receivables (R'000)*	35 662	26 351	16 318	110 064	188 395
Expected loss %	0.14%	0.44%	0.64%	1.76%	-
Expected credit loss (R'000)	(50)	(117)	(105)	(1 942)	(2 214)
Net trade receivables (R'000)	35 612	26 234	16 214	108 121	186 181
Expected credit loss allowance specifically identified (R'000)	(2 432)	(747)	(305)	(76 218)	(79 702)

* The Gross trade receivables excludes credit balances and VAT. Deposits received from tenants were appropriated.

GROUP 2022	CURRENT	30 DAYS	60 DAYS	OVER 90 DAYS	TOTAL
Gross trade receivables (R'000)*	6 189	15 319	33 152	184 151	238 811
Expected loss %	0.22%	0.44%	0.18%	0.22%	-
Expected credit loss (R'000)	(14)	(67)	(60)	(403)	(544)
Net trade receivables (R'000)	6 175	15 252	33 092	183 748	238 268
ECL allowance for specific debtor identified (R'000)	(1 815)	(1 914)	(5 913)	(87 523)	(97 165)

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GROUP	2023 R'000	2022 R'000
Balance as at 1 March	97 708	309 948
Net remeasurement of loss allowance	(18 006)	(212 240)
– Utilised	(97 121)	(170 112)
– Raised/Reversed	79 115	(42 128)
Balance as at 28 February	79 702	97 708

COMPANY 2023	CURRENT	30 DAYS	60 DAYS	OVER 90 DAYS	TOTAL
Gross trade receivables (R'000)*	35 662	26 351	16 318	110 064	188 395
Expected loss %	0.14%	0.44%	0.64%	1.76%	-
Expected credit loss (R'000)	(50)	(117)	(105)	(1 941)	(2 213)
Net trade receivables (R'000)	35 612	26 234	16 213	108 122	186 182
Expected credit loss allowance specifically identified (R'000)	(2 432)	(747)	(305)	(76 115)	(79 599)

* The Gross trade receivables excludes credit balances and VAT. Deposits received from tenants were appropriated.

COMPANY 2022	CURRENT	30 DAYS	60 DAYS	OVER 90 DAYS	TOTAL
Gross trade receivables (R'000)*	6 189	15 319	33 152	181 449	236 109
Expected loss %	0.22%	0.44%	0.18%	0.22%	-
Expected credit loss (R'000)	(14)	(67)	(60)	(391)	(532)
Net trade receivables (R'000)	6 175	15 252	33 092	181 058	235 577
ECL allowance for specific debtor identified (R'000)	(1 815)	(1 914)	(5 913)	(87 427)	(97 063)

The movement in the allowance for impairment for trade and other receivables during the year was as follows:

COMPANY	2023 R'000	2022 R'000
Balance as at 1 March	97 601	197 217
Net remeasurement of loss allowance	(18 002)	(99 616)
– Utilised	(97 122)	(168 660)
– Raised	79 120	69 043
Balance as at 28 February	79 599	97 601

At 28 February the credit risk exposure for the trade receivables per sectoral profile is as follows:

TENANT TYPE	2023 CARRYING AMOUNT R'000	2023 ECL R'000	2022 CARRYING AMOUNT R'000	2022 ECL R'000
Municipalities	26 726	-	29 163	4 975
National Government	53 112	10 228	105 440	24 420
National Retail	7 184	3 115	6 097	1 892
Provincial Government	6 386	1 543	5 458	142
State Owned Entities	6 441	570	9 286	638
Small to Medium Enterprises	88 546	64 246	83 367	65 098
	188 395	79 702	238 811	97 165

Other receivables and amounts due from vendors

Other receivables and amounts due from vendors related to Educor, Orthotouch and reinstatement costs due from customers. The expected credit loss allowance was utilsed during the year due to the time lapsed and the inability to collect these long outstanding amounts. All options have been exhausted.

The following ECL provision was utilised during the year:

2023 COUNTERPARTY	LOCATION	PERFORMANCE CATEGORY	GROSS CARRYING AMOUNT R'000	PROBABILITY OF DEFAULT (PD)	LOSS GIVEN DEFAULT (LGD)	EXPECTED CREDIT LOSS (ECL) R000
Educor	South Africa	Non-performing	-	-	-	-
Orthotouch	South Africa	Non-performing	-	-	-	-
Delta Heights – reinstatement costs	South Africa	Non-performing	-	-	-	-
Forum Building – reinstatement costs	South Africa	Non-performing	-	-	-	-

EXPECTED CREDIT LOSS ALLOWANCE (R'000)	PERFORMING	UNDER PERFORMING	NON-PERFORMING	TOTAL
Balance at the beginning of the year	-	-	18 463	18 463
Loss allowance utilised	-	-	(18 463)	(18 463)
Balance at the end of the year	-	-	-	-

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2022 COUNTERPARTY	LOCATION	PERFORMANCE CATEGORY	GROSS CARRYING AMOUNT R'000	PROBABILITY OF DEFAULT (PD)	LOSS GIVEN DEFAULT (LGD)	EXPECTED CREDIT LOSS (ECL) R000
Educor	South Africa	Non-performing	5 683	50%	50%	1 421
Orthotouch	South Africa	Non-performing	12 868	100%	100%	12 868
Delta Heights – reinstatement costs	South Africa	Non-performing	8 429	25%	100%	2 107
Forum Building – reinstatement costs	South Africa	Non-performing	8 268	25%	100%	2 067

EXPECTED CREDIT LOSS ALLOWANCE (R'000)	PERFORMING	UNDER PERFORMING	NON-PERFORMING	TOTAL
Balance at the beginning of the year	-	-	18 463	18 463
Balance at the end of the year	-	-	18 463	18 463

37. FINANCIAL INSTRUMENTS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

FINANCIAL ASSETS

GROUP 2023 (R'000)	AT AMORTISED COST	AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Listed security	-	91 267	91 267
Loan receivable	5 663	-	5 663
Trade and other receivables (excluding VAT)	227 914	-	227 914
Derivative financial instruments	-	7 397	7 397
Cash and cash equivalents	7 020	-	7 020
	240 597	98 664	339 261

GROUP 2022 (R'000)	AT AMORTISED COST	AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Listed security	-	110 984	110 984
Loan receivable	12 563	-	12 563
Trade and other receivables (excluding VAT)	238 811	-	238 811
Cash and cash equivalents	7 820	-	7 820
	259 194	110 984	370 178

FINANCIAL ASSETS

COMPANY 2023 (R'000)	AT AMORTISED COST	AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Listed security	-	91 267	91 267
Loans due from subsidiaries	308 078	-	308 078
Loan receivable	5 663	-	5 663
Trade and other receivables (excluding VAT)	227 661	-	227 661
Derivative financial instruments	-	7 397	7 397
Cash and cash equivalents	5 135	-	5 135
	546 537	98 664	645 201

COMPANY 2022 (R'000)	AT AMORTISED COST	AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Listed security	-	110 984	110 984
Loans due from subsidiaries	351 095	-	351 095
Loan receivable	12 563	-	12 563
Trade and other receivables (excluding VAT)	236 109	-	236 109
Cash and cash equivalents	5 100	-	5 100
	604 867	110 984	715 851

FINANCIAL LIABILITIES

GROUP 2023 (R'000)	AT AMORTISED COST	AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Interest-bearing borrowings	4 193 997	-	4 193 997
Trade and other payables#	165 417	-	165 417
Grit guarantee liability	3 330	-	3 330
Bank overdraft	77 274	-	77 274
	4 440 018	-	4 440 018

GROUP 2022 (R'000)	AT AMORTISED COST	AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Interest-bearing borrowings	4 545 090	-	4 545 090
Trade and other payables#	169 125	-	169 125
Grit guarantee liability	4 916	-	4 916
Bank overdraft	7 771	-	7 771
Derivative financial instruments	-	49 562	49 562
	4 726 902	49 562	4 776 464

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FINANCIAL LIABILITIES

COMPANY 2023 (R'000)	AT AMORTISED COST	AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Interest-bearing borrowings	4 193 997	-	4 193 997
Trade and other payables#	149 916	-	149 916
Grit guarantee liability	3 330	-	3 330
Bank overdraft	77 274	-	77 274
	4 424 517	-	4 424 517

COMPANY 2022 (R'000)	AT AMORTISED COST	AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Interest-bearing borrowings	4 545 090	-	4 545 090
Trade and other payables#	156 526	-	156 526
Grit guarantee liability	4 916	-	4 916
Loans due to subsidiaries	4 190	-	4 190
Bank overdraft	7 396	-	7 396
Derivative financial instruments	-	49 562	49 562
	4 718 118	49 562	4 767 680

Excludes income received in advance and VAT.

38. CAPITAL MANAGEMENT

The Group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably. In order to effectively manage the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

		GROUP		COMPANY	
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Gross debt		4 220 573	4 583 284	4 196 436	4 548 438
Add Overdraft/(Less cash and cash equivalents)	14	77 274	(7 771)	77 274	(7 396)
Net debt	A	4 297 847	4 575 513	4 273 710	4 541 042
Total assets		7 203 632	8 363 980	7 315 301	8 492 926
Less cash and cash equivalents	14	(7 020)	(7 820)	(5 135)	(5 100)
Less trade and other receivables	13	(172 774)	(334 133)	(168 052)	(329 109)
Carrying amount of property-related assets	B	7 203 838	8 022 027	7 142 114	8 158 717
Loan-to-value (%)	A/B	61.2%	57.0%	59.8%	55.8%

Gross debt is the sum of all interest-bearing financial liabilities, whether through bank loans or any other means, and lease liabilities as reflected in the statement of financial position.

The Board is committed to reducing the current LTV and maintaining an LTV ratio for the Group of 50% of Delta's property portfolio including listed property securities and loans receivable. The Group's LTV ratio is above the bank covenants of 50% and yet remains above the JSE Listings Requirements of a REIT being a maximum of 60%.

The difference between the SA REIT LTV (refer page 121) and the above LTV is the exclusion of derivatives that are held to maturity and therefore excluded from the calculation.

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39. FAIR VALUE HIERARCHY

IFRS 13 requires that an entity disclose, for each class of financial instrument and investment property measured at fair value, the level in the fair value hierarchy into which the fair value measurements are categorised in their entirety.

The fair value hierarchy reflects the significance of the inputs used in making fair value measurements.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2023 (R'000)	Note	LEVEL 1	LEVEL 2	LEVEL 3	FAIR VALUE
ASSETS					
Investment property	5	-	-	6 073 071	6 073 071
Listed Security	10	91 267	-	-	91 267
Derivative financial instruments	17	-	7 397	-	7 397
Non-current assets held-for sale	15	-	-	838 970	838 970
		91 267	7 397	6 912 041	7 010 705

LEVEL 3 RECONCILIATION		BALANCE AT THE BEGINNING OF THE YEAR	ADDITIONS/ (DISPOSALS)	LOSS IN PROFIT OR LOSS FOR THE YEAR	BALANCE At the end of the year
ASSETS					
Investment propertyss	5	7 101 110	(571 782)	(456 257)	6 073 071
Non-current assets held-for- sale	15	787 090	429 260	(377 380)	838 970
		7 888 200	(142 522)	(821 237)	6 912 041

2022 (R'000)	Note	LEVEL 1	LEVEL 2	LEVEL 3	FAIR VALUE
ASSETS					
Investment property	5	-	-	7 101 110	7 101 110
Listed Security	10	110 984	-	-	110 984
Non-current assets held-for sale	15	-	-	787 090	787 090
		110 984	-	7 888 200	7 999 184
LIABILITIES					
Derivative Financial Instruments	17	-	49 562	-	49 562
		-	49 562	-	49 562

LEVEL 3 RECONCILIATION		BALANCE AT THE BEGINNING OF THE YEAR	ADDITIONS/ (DISPOSALS)	LOSS IN PROFIT OR LOSS FOR THE YEAR	BALANCE At the end of the year
ASSETS					
Investment property	5	8 227 800	(698 453)	(428 237)	7 101 110
Non-current assets held-for- sale	15	-	787 090	-	787 090
		8 227 800	88 637	(428 237)	7 888 200

There have been no transfers between level 1, level 2 and level 3 during the year.

40. CONTINGENT LIABILITY

Orthotouch Proprietary Limited (in business rescue) ("Orthotouch") has previously instituted a second action against Delta Property Fund Limited ("Delta") out of the High Court of South Africa, following the dismissal in April 2021 of an initial action that was instituted by Orthotouch in 2019. The action was dismissed with costs. Delta will seek to recover the legal costs from Orthotouch. Uncertainty exist as to the recoverability of these costs, as Orthotouch is in business rescue.

There is no longer a contingent liability following the dismissal of the action.

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41. SEGMENTAL INFORMATION

The Group has five reportable segments based on the type of property, i.e. Retail, Office-Sovereign, Office other and Industrial. Where a property has more than one tenant, the segment is classified based on the majority tenant type. For each strategic business segment, the entity's executive management team reviews internal management reports on a monthly basis. All operating segments are located in South Africa.

The accounting policies of the segments are the same as those applied in the Group. There were no inter-segment sales during the period.

The following summary describes the operations in each of the entity's reportable segments:

2023 R'000) REVENUE	HEAD OFFICE	INDUSTRIAL	OFFICE SOVEREIGN	OFFICE – OTHER	RETAIL	TOTAL
Rental income	-	761	943 743	254 235	30 382	1 229 121
Straight-line rental income accrual	-	(61)	(7 854)	(4 982)	496	(12 401)
Property Expense	2 945	(4 323)	(293 931)	(169 706)	(17 982)	(482 997)
	2 945	(3 623)	641 958	79 547	12 896	733 723
Other income	5 575	-	696	311	135	6 717
Dividend income	5 109	-	-	-	-	5 109
Gain on foreign exchange movements	15 705	-	-	-	-	15 705
Administration expenses	(108 712)	(11)	(246)	(171)	(28)	(109 168)
Fair value adjustments	-	(5 889)	(448 633)	(294 579)	(63 117)	(812 217)
ECL Provisions	(5 402)	(1 032)	(28 873)	(28 490)	(2 168)	(65 965)
(Loss)/Profit from operations	(84 780)	(10 555)	164 902	(243 382)	(52 282)	(226 096)
Finance costs	(457 878)	-	-	-	-	(457 878)
Interest income	(1 634)	188	(3 109)	9 527	538	5 510
(Loss)/profit before taxation	(544 292)	(10 367)	161 793	(233 855)	(51 744)	(678 464)
Taxation	(71 215)	-	-	-	-	(71 215)
(Loss)/profit for the year	(615 507)	(10 367)	161 793	(233 855)	(51 744)	(749 679)
Reportable segments assets and liabilities						
Assets						
Fair value investment property	-	49 000	4 610 869	1 254 444	92 660	6 006 973
Straight-line rental accrual	-	-	52 082	13 777	239	66 098
Non-current assets held-for-sale	-	5 100	404 280	339 590	90 000	838 970
Other assets	149 281	68 287	63 876	1 295	8 853	291 591
Total assets	149 281	122 387	5 131 107	1 609 105	191 753	7 203 632
Total liabilities	4 391 429	3 497	165 374	47 480	(2 706)	4 605 074

The following summary describes the operations in each of the entity's reportable segments:

2022 R'000) REVENUE	**HEAD OFFICE**	**INDUSTRIAL**	**OFFICE SOVEREIGN**	**OFFICE – OTHER**	**RETAIL**	**TOTAL**
Rental income	-	1 470	1 076 822	276 831	33 581	1 388 704
Straight-line rental income accrual	-	111	(751)	(121)	1 282	521
Property operating expenses	20 930	(5 257)	(381 799)	(179 253)	(25 966)	(571 345)
	20 930	(3 676)	694 272	97 457	8 897	817 880
Other income	16	-	632	150	406	1 205
Dividend income	9 023	-	-	-	-	9 023
Gain on foreign exchange movements	2 579	-	-	-	-	2 579
Administration expenses	(82 823)	(21)	(8 835)	(6 056)	(89)	(97 824)
Fair value adjustments	15 699	(10 994)	(300 457)	(122 920)	6 048	(412 624)
ECL Provisions	928	-	-	-	-	928
(Loss)/profit from operations	(33 648)	(14 691)	385 613	(31 369)	15 262	321 167
Finance costs	(409 368)	-	(1 764)	(115)	(226)	(411 473)
Interest income	1 605	81	16 817	3 495	1 080	23 078
(Loss)/profit before taxation	(441 411)	(14 610)	400 666	(27 989)	16 116	(67 228)
Taxation	(81 773)	-	-	-	-	(81 773)
(Loss)/profit for the year	(523 184)	(14 610)	400 666	(27 989)	16 116	(149 001)
Reportable segments assets and liabilities						
Assets						
Fair value investment property	-	59 939	5 020 233	1 738 965	182 325	7 001 462
Straight-line rental accrual	-	111	59 667	20 295	19 575	99 648
Non-current assets held-for-sale			528 910	184 440	73 740	787 090
Other assets	155 915	(1 481)	982 446	(700 724)	39 621	475 780
Total assets	155 915	58 569	6 591 256	1 242 976	315 261	8 363 980
Total liabilities	4 954 058	716	7 521	48 593	4 856	5 015 744

Consolidated and Separate Financial Statements

REIT DISCLOSURES

AS AT 28 FEBRUARY 2023

The second edition of the SA REIT Association's best practice recommendations was issued in November 2019 and is effective for reporting periods commencing on or after 1 January 2020.

The information set out below includes the calculation of SA REIT Funds from Operations (FFO), Funds from operations per share (FFOPS) and other non-IFRS information (collectively referred to as "Non-IFRS Financial Information"). Non-IFRS Financial Information constitutes non-IFRS measures and is pro forma financial information in terms of the JSE Listings Requirements.

Basis of preparation: Non-IFRS Financial information

The Non-IFRS Financial Information has been compiled to provide investors with performance metrics that are commonly used in the industry to enable direct comparison of South African Real Estate Investment Trusts. Due to its nature the Non-IFRS Financial Information may not fairly present the results of operations of the Group and Company.

The Directors are responsible for compiling the Non-IFRS Financial Information on the basis of the Applicable Criteria specified in the JSE Listings Requirements, including the JSE Guidance Letter: Presentation of pro forma financial information, dated 4 March 2010.

SA REIT FUNDS FROM OPERATIONS (SA REIT FFO)

AS AT 28 FEBRUARY 2023

		GROUP	
		2023 R'000	**2022 R'000**
Profit or loss per IFRS Statement	**A**	(728 273)	(144,970)
Adjusted for: **Accounting Specific Adjustments**			
Fair value adjustment loss/(gain) to:		869 176	476 990
- Investment property		833 637	428 323
- Debt and equity instruments held at fair value		35 539	48 667
Straight-lining operating lease adjustments		12 401	(521)
Depreciation of property, plant and equipment		3 256	-
ECL Provision on loans and Financial guarantee		(13 150)	-
Deferred tax movement recognised in profit or loss		8 688	-
	B	**880 371**	**476 469**
Adjustments arising from investing activities **Gains or losses on disposal of:**			
Investment property, plant and equipment		-	514
Foreign exchange and hedging activities	**C**	-	**514**
Fair value adjustments on derivative financial instruments employed solely for hedging purposes		(56 959)	(64 879)
Foreign exchange gains or losses relating to capital items – realised and unrealised		(15 705)	(2 579)
	D	**(72 664)**	**(67 458)**
Other adjustments			
Tax impact of the above adjustments		-	-
Adjustments made from equity-accounted entities		-	(928)
Non-controlling interest in respect of above adjustments		-	-
	E	**-**	**(928)**
SA REIT: A + B + C + D + E		79 434	263 627
Number of shares in issue ('000)		714 230	714 230
SA REIT funds from operations per share		**11.12**	**36.91**

Consolidated and Separate Financial Statements

SA REIT NET ASSET VALUE ("SA REIT NAV")

AS AT 28 FEBRUARY 2023

	GROUP	
	2023 R'000	2022 R'000
Reported NAV attributable to the parent	2 598 557	3 359 067
Adjustments:		
- Fair value of derivative financial instruments	(7 397)	49 562
- Deferred tax	8 688	-
SA REIT NAV	**2 599 848**	**3 408 629**

Shares outstanding		
Number of shares in issue at period end (net of treasury shares)	714 230	714 230
Effect of dilutive instruments (options, convertibles, and equity interests)	-	-
Dilutive number of shares in issue	**714 230**	**714 230**
SA REIT NAV per equity share (Rand)	**3.64**	**4.77**

SA REIT LOAN-TO-VALUE ("SA REIT LTV")

AS AT 28 FEBRUARY 2023

	GROUP	
	2023 R'000	**2022 R'000**
Gross debt	4 228 131	4 583 284
(Less)/add:		-
- Cash and Cash equivalents/overdraft	77 274	(7 771)
Net debt	**4 305 405**	**4 575 513**
Total assets per statement of financial position	7 203 632	8 363 980
Less:		-
- Cash and Cash equivalents	(7 020)	(7 820)
- Trade and other receivables	(172 774)	(3 841 133)
- Derivative financial instruments	(7 397)	-
Carrying amount of property-related assets	**7 016 441**	**8 022 027**
SA REIT LTV (%)	**61.4**	**57.0%**

Consolidated and Separate Financial Statements

SA REIT COST-TO-INCOME RATIO

AS AT 28 FEBRUARY 2023

	GROUP	
	2023 R'000	**2022 R'000**
Expenses		
Operating expenses per IFRS income statement (includes municipal expenses)	482 997	571 345
Bad debt expenses and ECL allowances associated with rental income*	79 115	-
Administrative expenses per IFRS income statement	109 168	97 824
Exclude: Depreciation expense in relation to property plant and equipment	(3 256)	(2 955)
Operating costs	**668 024**	**666 214**
Rental Income		
Contractual rental income per IFRS income statement (excluding straight-lining)	1 030 228	1 144 237
Utility and operating recoveries per IFRS income statement	198 893	244 467
Gross rental Income	**1 229 121**	**1 388 704**
SA REIT cost -to-income ratio (%)	**54.3%**	**48.0%**

In the prior year, the bad debt expense and ECL allowances relating to debtors were included in the property operating expense and split act in the current year as part of ECL allowances.
Exclude:
Depreciation expense in relation to property, plant and equipment of an administrative nature
The following summary describes the operations in each of the entity's reportable segments:

SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO

AS AT 28 FEBRUARY 2023

	GROUP	
	2023 R'000	**2022 R'000**
Expenses		
Administrative expenses per IFRS income statement	109 168	97 824
Administrative costs	**109 168**	**97 824**
Rental income		
Contractual rental income per IFRS income statement (Excluding straight-lining)	1 030 228	1 144 237
Utility and operating recoveries per IFRS income statement	198 893	244 467
Gross rental income	**1 229 121**	**1 388 704**
SA REIT administrative cost-to-income ratio (%)	**8.9%**	**7.0%**

SA REIT GLA VACANCY RATE

AS AT 28 FEBRUARY 2023

	GROUP	
	2023	**2022**
GLA of vacant space	282 119	283 145
GLA of total property portfolio	857 506	904 531
SA REIT GLA vacancy rate (%)	**32.9%**	**31.3%**

WEIGHTED AVERAGE COST OF DEBT

AS AT 28 FEBRUARY 2023

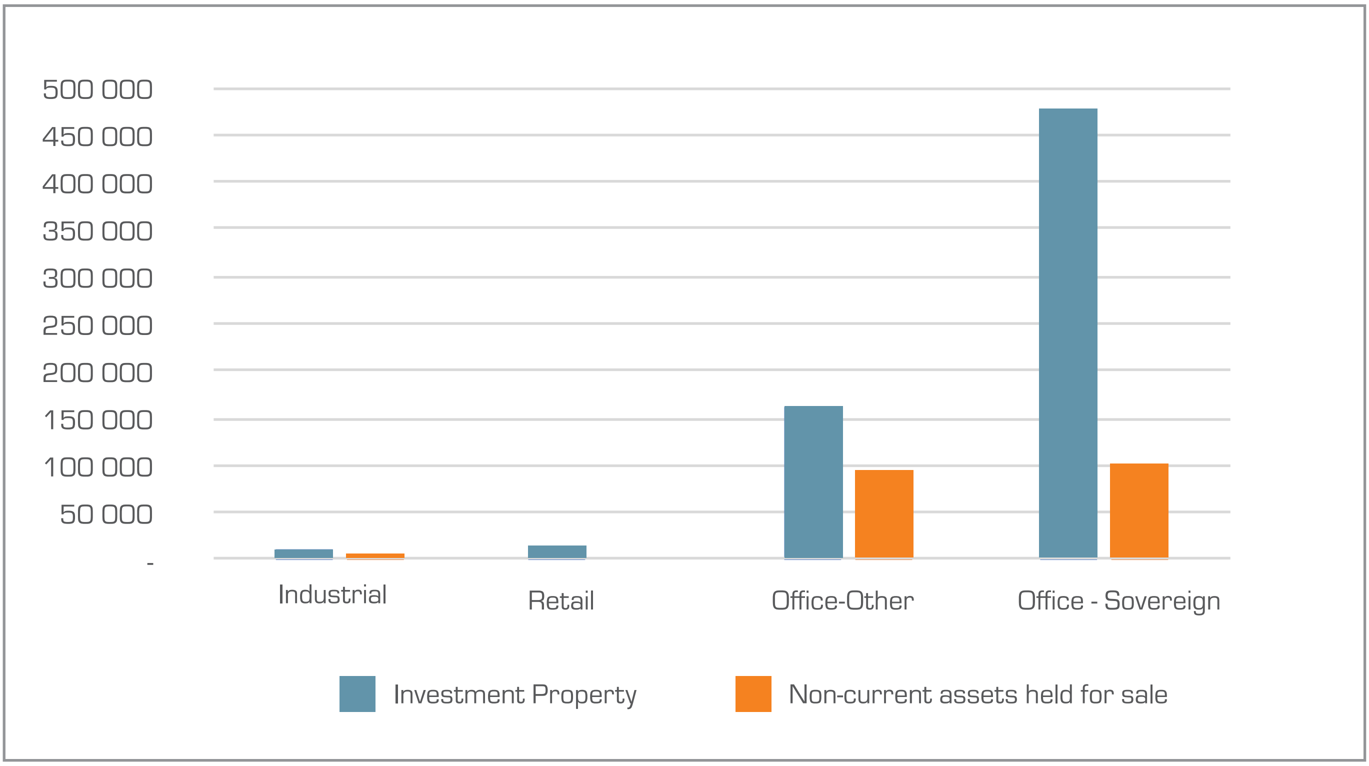
	GROUP	
	2023 R'000	**2022 R'000**
	%	%
Variable interest rate borrowings		
Floating reference rate plus weighted average margin	10.6%	7.5%
Fixed interest rate borrowings		
Weighted average fixed rate	7.0%	7.0%
All-in weighted average cost of debt	**8.8%**	**7.4%**

Consolidated and Separate Financial Statements

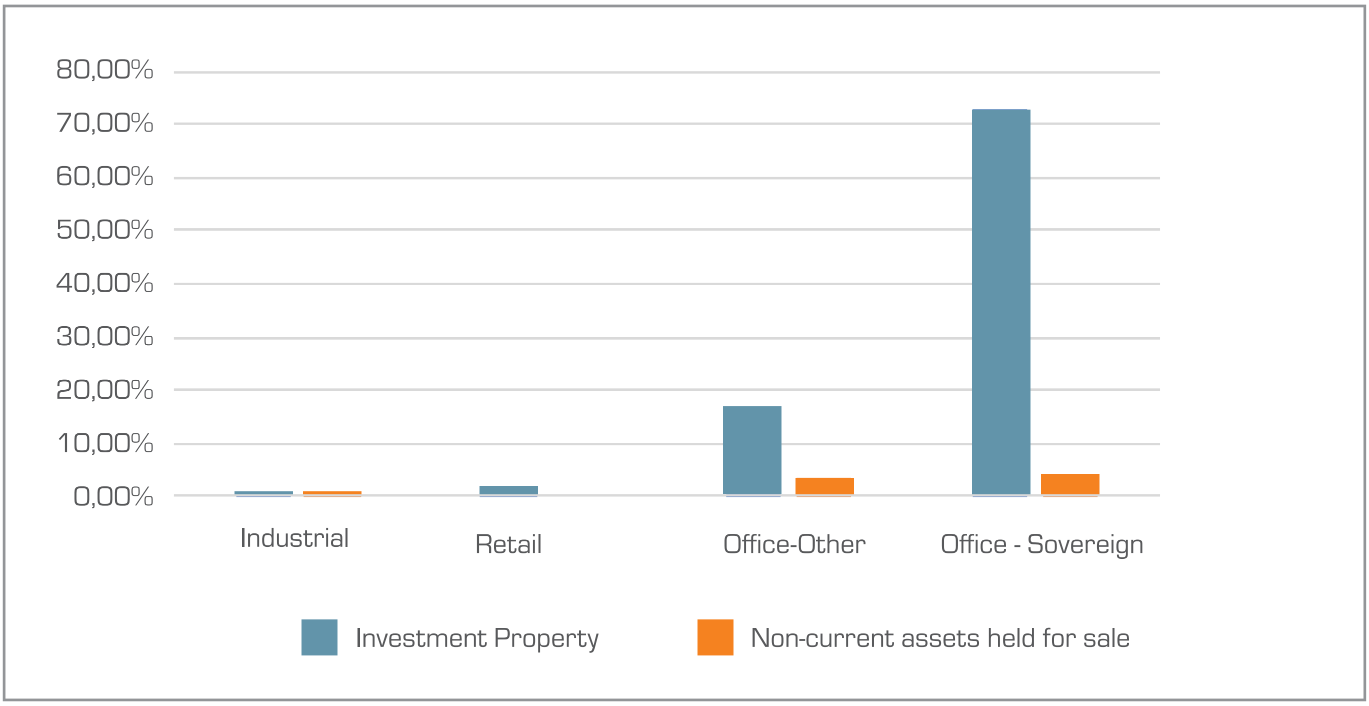
PROPERTY STATISTICS

AS AT 28 FEBRUARY 2023

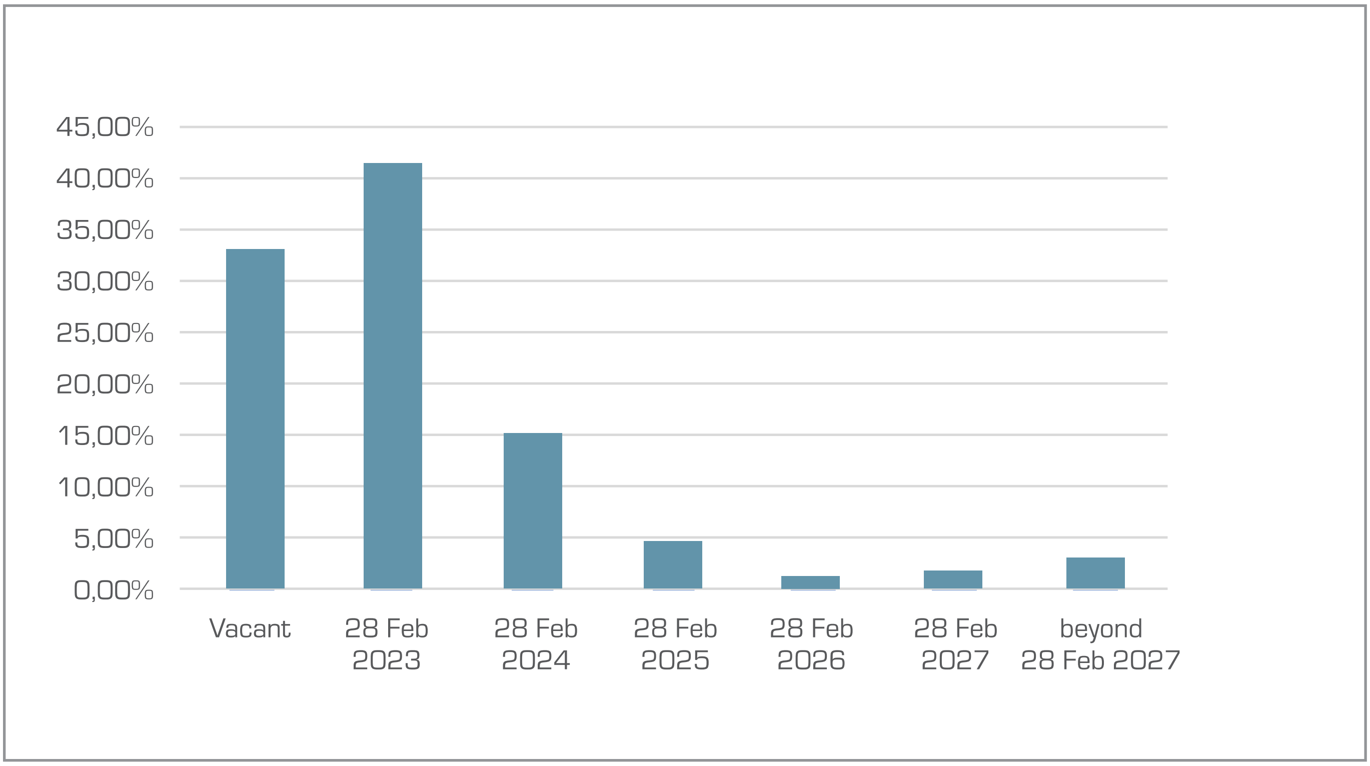
GLA by Sector



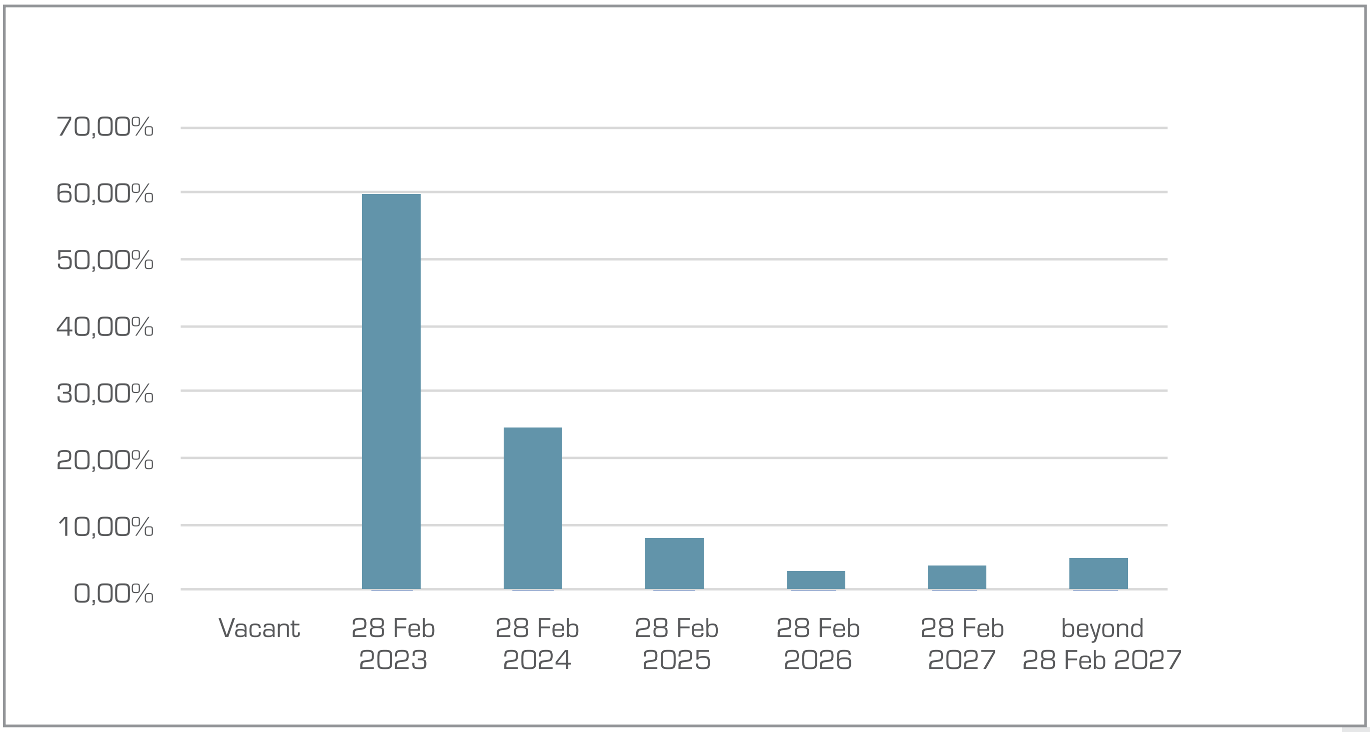
Revenue by Sector



Lease expiry - TOTAL by GLA



Lease expiry - TOTAL by REV

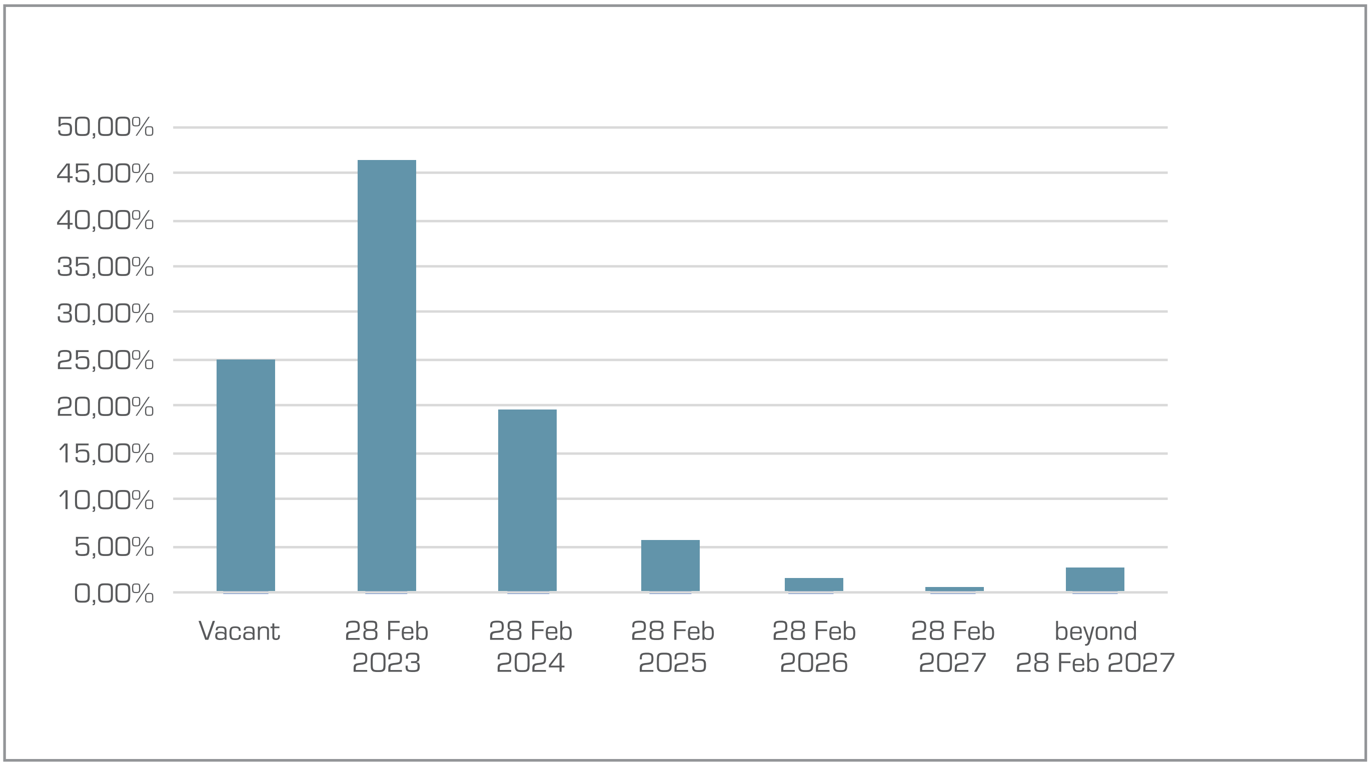


Consolidated and Separate Financial Statements

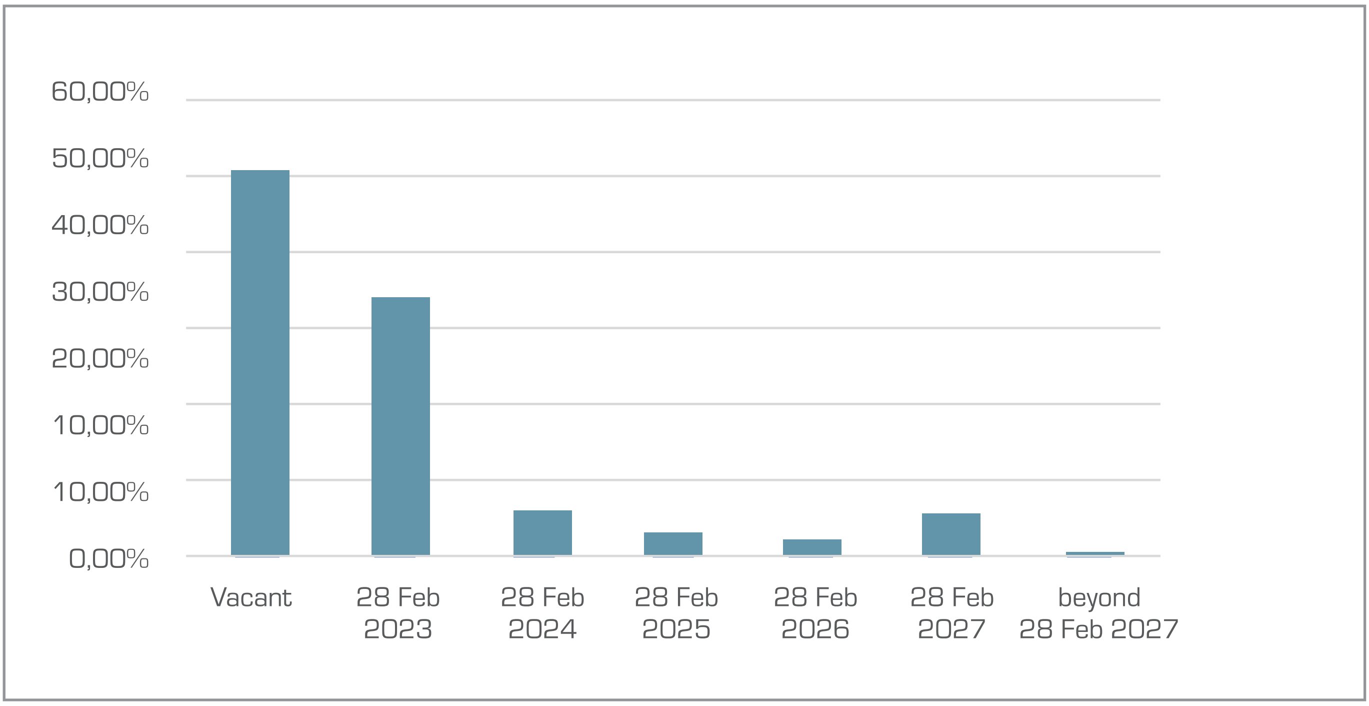
PROPERTY STATISTICS

AS AT 28 FEBRUARY 2023

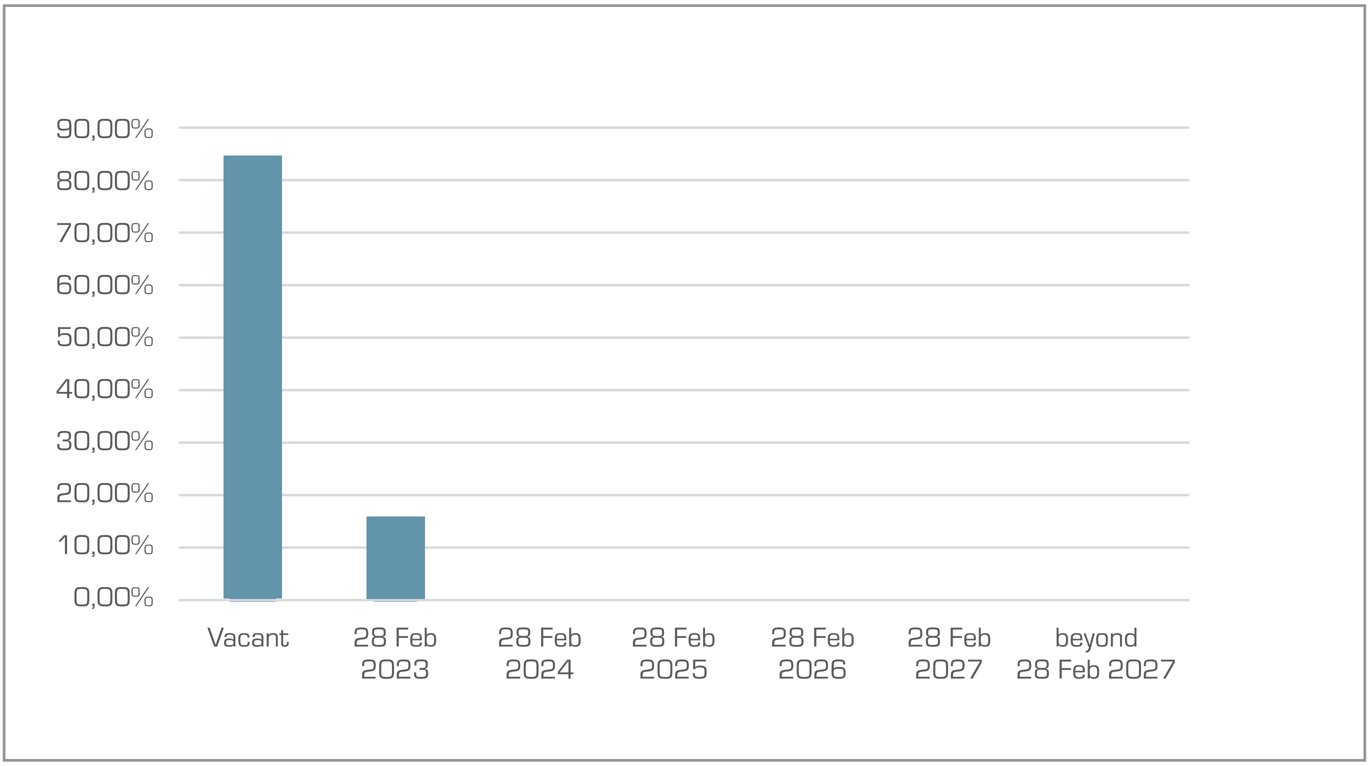
Lease expiry GLA - Office Sovereign



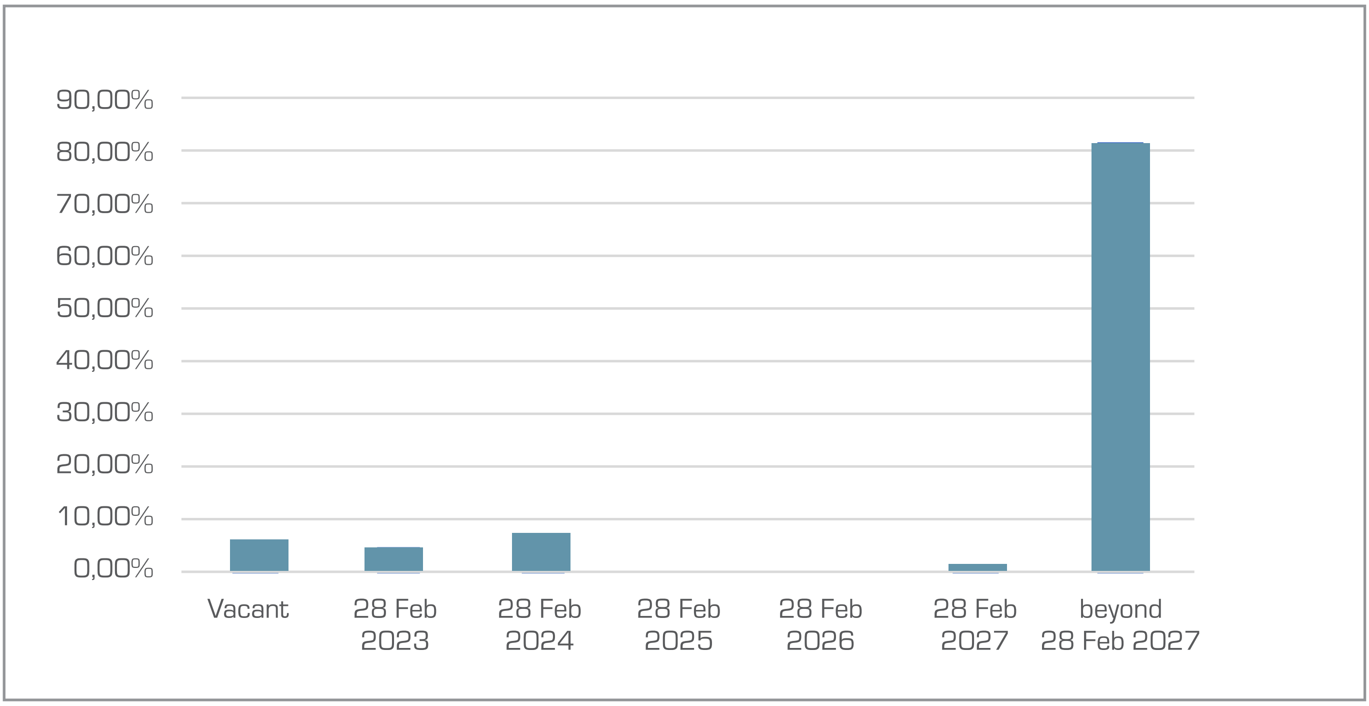
Lease expiry GLA - Office Other



Lease expiry GLA - Industrial



Lease expiry GLA - Retail



Consolidated and Separate Financial Statements

PROPERTY STATISTICS

AS AT 28 FEBRUARY 2023

Vacancy Profile

Proptype	IP	NCAHFS
Retail	0,3%	0,0%
Industrial	4,0%	0,0%
Office - Other	20,7%	24,5%
Office - Sovereign	31,0%	19,5%

Weighted Ave Rental per square per Sector

Proptype	R/m²
Industrial	14,1
Office - Sovereign	140,2
Office - Other	100,3
Retail	90,2

Weighted ave Escalations per Sector

Proptype	%
Industrial	-
Office - Sovereign	6,5
Office - Other	6,9
Retail	6,6

Sum of Occupied Tenant Grade

Row Labels	(% GLA)
A	86.38%
B	2.48%
C	11.14%
Grand Total	**100.0%**

Tenants are classified as follows:

A: Large national, large listed, government and major franchisee tenants

B: National tenants, listed tenants, franchisees

C: Other (297 tenants)

Delta regards “large and major” tenants in category A as blue-chip tenants

The average annualised property yield for the portfolio is 9.6%.

Consolidated and Separate Financial Statements

PROPERTY PORTFOLIO

AS AT 28 FEBRUARY 2023

	Property Name	Physical address	Province
1.	101 de Korte	101 De Korte Street, Braamfontein	Gauteng
2.	110 Hamilton	110 Hamilton Street, Pretoria	Gauteng
3.	13 Elliot Street	13 Elliot Street, Kimberley	Northern Cape
4.	Parkmore building	142-144 4th Street, Parkmore	Gauteng
5.	17 Harrison Street and Kay Street Parkade	17 Harrison Street and Kay Street, Johannesburg	Gauteng
6.	2 Devonshire Place	2 Devonshire Place, Durban	KwaZulu Natal
7.	George Lubbe	22 and 24 George Lubbe Street, Hamilton, Bloemfontein	Free State
8.	Smartxchange	5 Walnut Road, Durban	KwaZulu Natal
9.	5/7 Elliot Street	7 Elliot Street, Kimberley	Northern Cape
10.	Structura building	539 Church Street, Arcadia, Pretoria	Gauteng
11.	Barrack Street	56 Barrack Street, Cape Town	Western Cape
12.	88 Field Street	88 Field Street, Durban	KwaZulu Natal
13.	Goldman Street	18E and 20 Goldman Street, Florida	Gauteng
14.	Absa United	64 Maitland Street, Bloemfontein	Free State
15.	African Life Building	Corner of St Andrew and Church Street Bloemfontein,	Free State
16.	Anchor House	63 Maitand Street, Bloemfontein	Free State
17.	Auditor General Polokwane	32 Dimitri Crescent, Platinum Park, Polokwane	Limpopo

Description	Building sector	Tenancy	Acquisition date	Total GLA (m^2)	Weighted average rent/ m^2	Vacancy %
7 storey office	Office - Other	V	2013/12/19	6 610	-	100.0
6 storey – single tenant office	Office - Government	S	2012/08/01	4 511	303.8	-
1 storey – single tenant office	Office - Government	S	2013/05/01	4 400	37.1	48.5
Two 2 -storey office buildings	Office - Government	V	2015/04/29	2 812	95.0	56.8
12 storey – single tenant office building	Office – Government	S	2016/04/01	12 379	252.4	94.1
5 storey multi-tenanted office building	Office – Government	M	2016/04/01	8 122	109.7	16.7
1 storey single tenant office	Office – Government	S	2015/06/01	6 200	50.0	-
6 storey multi-tenant office	Office – Other	M	2012/11/02	13 677	81.8	46.0
1 storey office	Office – Government	V	2013/05/01	2 300	-	100.0
7 storey single tenant office	Office – Government	S	2013/03/01	4 488	146.2	69.1
7 storey multi-tenant office	Office – Government	M	2015/08/01	4 309	227.0	-
27 storey multi-tenant office tower with arcade and high street retail	Office – Government	M	2012/11/06	21 793	130.7	34.3
3 storey multi-tenant office	Office – Government	M	2015/03/10	6 531	229.5	7.7
7 storey multi tenant office	Office – Government	M	2015/06/01	6 129	96.9	6.3
5 storey multi-tenanted office building	Office – Government	M	2015/06/01	8 567	77.8	75.9
6 storey single tenant office	Office – Government	S	2013/03/01	2 645	-	100.0
2 storey single tenant office	Office – Government	S	2014/10/13	2 130	196.6	-

Consolidated and Separate Financial Statements

PROPERTY PORTFOLIO

AS AT 28 FEBRUARY 2023

Property Name		Physical address	Province
18.	Azmo Place	49 Joubert Street, Polokwane	Limpopo
19.	Beacon Hill	Corner of Hargreaves and Hockley Close, Buffalo Industrial Area, King Williams Town	Eastern Cape
20.	Beaconsfield building	28 Central Road, Kimberley	Northern Cape
21.	Bestmed Building	36 Hamilton Street, Arcadia	Gauteng
22.	Block G	Corner of Schoeman Street, Nelson Mandela Drive and Meintjies Street, Pretoria	Gauteng
23.	Campus Building	14 Abbitor Road, Kimberley	Northern Cape
24.	Cape Road	Corner of CJ Langenhoven Drive and Cape Road, Gqeberha	Eastern Cape
25.	Capital Towers	121 Chief Albert Luthuli Road, Pietermaritzburg	KwaZulu Natal
26.	CCMA House	192 Hans van Rensburg, Polokwane	Limpopo
27.	Chambers of Change	62 – 72 Pritchard Street, Johannesburg CBD	Gauteng
28.	CMH Building	196-206 West Street/119 – 123 Proes Street, Durban	KwaZulu Natal
29.	Commission House	566 Ziervogel Street, Pretoria	Gauteng
30.	Commissioner House, Bellville	Rem Ext of Erf 10877, Bellville	Western Cape
31.	Continental Building	Corner of Bosman and Visagie Steet, Pretoria	Gauteng
32.	Defence Force — Old Pretoria Road	16 Old Pretoria Road, Nelspruit	Mpumalanga

Description	Building sector	Tenancy	Acquisition date	Total GLA (m²)	Weighted average rent/ m²	Vacancy %
Part 3 and 4 storey single tenant office	Office – Government	S	2013/09/16	5 339	123.0	-
3 storey single tenant office	Office – Government	V	2012/11/06	13 648	-	100.0
Single tenant complex of five office buildings	Office – Government	S	2013/12/01	5 801	123.3	39.9
3 storey single tenant office	Office – Government	S	2013/03/25	3 684	244.2	-
4 storey multi-tenant office	Office – Government	M	2012/11/02	7 992	151.0	68.9
Single tenant complex of nine office buildings	Office – Government	V	2013/12/01	4 700	-	100.0
5 storey multi-tenant office	Office – Government	M	2012/11/05	5 135	101.6	69.3
14 storey single tenant office	Office – Government	V	2013/12/01	11 102	-	100.0
Single storey single tenant office	Office – Government	S	2013/09/16	1 063	164.1	-
4 adjacent multi-storey buildings	Office – Other	M	2015/12/18	7 915	100.3	59.9
Motor showroom and parkade	Retail	S	2013/05/17	13 091	73.0	-
5 storey office	Office – Government	S	2013/09/13	6 011	130.4	-
4 and 5 storey single tenanted office building with ground floor retail	Office – Government	M	2016/04/01	4 019	103.3	8.6
10 storey single tenant office	Office – Government	S	2013/05/02	4 133	102.8	-
1 storey single tenant office and industrial structure	Office – Government	S	2014/02/11	2 504	90.7	-

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PROPERTY PORTFOLIO

AS AT 28 FEBRUARY 2023

Property Name		Physical address	Province
33.	Defence Force Headquarters	8 Spruit Street, Nelspruit	Mpumalanga
34.	Defence Force Logistics	15 – 17 Cruse Circle, Nelspruit	Mpumalanga
35.	Defence Force Transport	2 – 4 Davie Street, Nelspruit	Mpumalanga
36.	Delta Heights	167 Andries Street, Pretoria	Gauteng
37.	Delta Towers	City block bounded by Doctor Pixley Kaseme Street, Dorothy Nyembe Street, Anton Lembede Street and Mercury Lane, Durban	KwaZulu Natal
38.	Stats House	11 Samora Machel (ex-Louis Trichardt Street), Nelspruit	Mpumalanga
39.	Die Meendt	123 Peter Mokaba Street, Potchefstroom	North West
40.	Domitek Building	Corner of De Kaap and Ryk Street, Welkom, CBD, Welkom	Free State
41.	Du Toitspan	95 Du Toitspan Street, Kimberley	Northern Cape
42.	Fairweather Corner	Corner of Brand and Murray Street, CBD,	Free State
43.	Embassy Building	Corner of Anton Lembede and Samora Machel Streets, Durban	KwaZulu-Natal
44.	Enterprise Park	15 Simba Road, Sunninghill, Johannesburg	Gauteng
45.	Forum Building	Bosman Street, Pretoria	Gauteng
46.	Hallmark Building	233 Proes Street, Pretoria	Gauteng
47.	Harlequins Office Park	164 Tortius Street, Groenkloof, Pretoria	Gauteng
48.	Hatfield Forum East	1077 Arcadia Street, Hatfield, Pretoria	Gauteng

Description	Building sector	Tenancy	Acquisition date	Total GLA (m²)	Weighted average rent/ m²	Vacancy %
4 storey single tenant office	Office – Government	S	2014/02/11	2 174	116.0	-
1 storey single tenant office and industrial structure	Office – Government	S	2014/02/11	2 430	84.5	-
1 storey single tenant office and parking structures	Office – Government	S	2014/02/11	841	85.4	-
21 storey multi-tenant office tower with high street retail	Office – Government	S	2013/05/02	19 122	137.6	1.7
33 storey multi-tenant office tower with ground floor retail	Office – Other	M	2014/09/26	41 713	108.8	43.7
4 storey multi-tenant office with ground floor retail	Office – Government	M	2014/02/11	2 827	131.8	57.7
4 storey single tenant office	Office – Government	S	2014/11/25	3 705	97.6	14.4
4 storey multi-tenant office	Office – Government	M	2015/06/01	1 729	83.3	43.4
13 storey multi-tenant office	Office – Government	M	2013/05/01	9 485	107.1	57.9
4 storey multi-tenant office	Office – Government	M	2015/06/01	5 968	57.8	38.4
29 storey multi-tenant office tower with high street retail	Office – Government	M	2013/05/23	32 723	56.6	9.8
Office park of four 2-storey buildings	Office – Government	S	2013/12/13	11 860	75.3	83.7
6 storey single tenant office	Office – Government	M	2010/02/04	35 905	255.0	0.3
25 storey single tenant office tower with ground floor	Office – Government	S	2013/05/02	26 255	223.8	-
2 storey multi-tenant office	Office – Government	M	2013/07/01	5 450	114.9	49.6
6 storey multi-tenanted office building with ground floor retail	Office – Government	M	2016/04/01	6 390	129.3	44.2

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PROPERTY PORTFOLIO

AS AT 28 FEBRUARY 2023

Property Name		Physical address	Province
49.	Hensa Towers	Corner of Landros Mare and Rabie Streets, Polokwane	Limpopo
50.	Hollard House and Parkade	Corner of Sauer and Marshall Streets, Marshallstown	Gauteng
51.	In 2 Fruit Building	67 Middle Road, Bartlett, Boksburg	Gauteng
52.	Isivunyo House	135 Van Der Walt Street, Pretoria	Gauteng
53.	Laboria House	43 Maitland Street, Bloemfontein	Free State
54.	Land Claims Court Nelspruit	30 Samora Machel (ex Louis Trichardt) Street, Nelspruit	Mpumalanga
55.	Liberty Towers	214 Dr Pixley Kaseme Street, Durban	KwaZulu-Natal
56.	Mayors Walk	174 Mayors Walk, Pietermaritzburg	KwaZulu-Natal
57.	Military Hospital	21 Bell Street, Nelspruit	Mpumalanga
58.	Nedbank Building	36 Maitland Street, CBD, Bloemfontein	Free State
59.	North Ridge Road	215 Peter Mokaba Road, Morningside, Durban	KwaZulu-Natal
60.	Nosa	508 Proes Street, Arcadia, Pretoria	Gauteng
61.	NPA Cape Town	115 Buitengracht Street, Cape Town	Western Cape
62.	Old Mutual Building	27 – 29 Maitland Street, Bloemfontein	Free State
63.	Phomoko Towers	37 Kerk Street, Polokwane	Limpopo

Description	Building sector	Tenancy	Acquisition date	Total GLA (m²)	Weighted average rent/ m²	Vacancy %
8 storey single tenant office	Office – Government	S	2013/03/15	13 675	145.1	-
9 storey single tenanted office building with ground floor retail and connected 8 storey parking structure	Office – Government	S	2016/04/01	10 415	92.3	2.9
Single tenant food processing complex	Industrial	V	2013/05/10	11 177	-	100.0
22 storey single tenanted office building with ground floor retail	Office – Government	M	2016/04/01	23 694	197.3	90.1
7 storey single tenant office	Office – Government	M	2015/06/01	3 995	68.6	-
5 storey single tenant office	Office – Government	S	2014/02/11	2 910	202.7	-
14 and 11 storey offices with ground floor retail	Office – Other	M	2012/10/31	40 078	105.5	49.4
2 storey multi-tenant office	Office – Government	M	2013/12/01	5 507	144.5	-
5 storey single tenant office	Office – Government	S	2014/02/11	3 000	116.4	-
6 storey multi-tenanted, office building	Office – Government	M	2015/06/01	2 746	97.8	74.2
4 storey single tenant office	Office – Government	S	2012/11/06	3 354	-	100.0
6 storey single tenanted office building	Office – Government	S	2016/04/01	3 770	126.2	-
4 storey single tenant office	Office – Government	S	2012/08/01	10 552	223.9	-
5 storey single tenant office	Office – Other	M	2012/11/05	3 055	90.6	85.1
7 storey single tenant office	Office – Government	S	2013/09/18	13 058	140.4	-

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PROPERTY PORTFOLIO

AS AT 28 FEBRUARY 2023

Property Name		Physical address	Province
64.	Pine Parkade	260 Monty Naicker Road, Durban	KwaZulu-Natal
65.	Poyntons	Church Street, Pretoria	Gauteng
66.	Protea Coin Pretoria	20 Vonkprop Street, Samcore Park, Silverton, Pretoria East	Gauteng
67.	Manco	73 Biccard Street, Polokwane	Limpopo
68.	Regents Place	277 Madiba Street (formerly Vermeulen Street), Pretoria	Gauteng
69.	SA Eagle	136 Maitland Street, Bloemfontein	Free State
70.	SAPS — Ferreira Street	4 Ehmke Street and 9 Ferreira Street, Nelspruit	Mpumalanga
71.	SAPS Flying Squad	19 Danie Joubert Street, White River	Mpumalanga
72.	SARS Bellville	Corner of Voortrekker Road and Durban Road, Bellville, Cape Town	Western Cape
73.	SARS Kimberley	14 – 16 Bean Street and 6 – 10 Crossman Road, Kimberley	Northern Cape
74.	SARS Randburg	Corner of Hill and Kent Street, Randburg	Gauteng
75.	SARS Springs	20 8th Street, Springs	Gauteng
76.	Sediba, Fountain and VLU Building	Corner of Markgraaf and Zastron, Bloemfontein	Free State
77.	Servamus Building	15 – 19 Bram Fischer Road, Durban	KwaZulu-Natal
78.	Shell House	221 Smith Street, Durban	KwaZulu-Natal
79.	Shorburg	429 Church Street, Arcadia, Pretoria	Gauteng

Description	Building sector	Tenancy	Acquisition date	Total GLA (m²)	Weighted average rent/ m²	Vacancy %
7 storey parking structure with retail	Retail	M	2016/04/11	2 986	200.3	31.7
Office, parking and ancillary structures of between 2 and 33 storeys with ground floor retail	Office — Government	M	2016/04/01	73 396	130.9	14.8
2 storey office and warehouse	Industrial	S	2013/05/07	2 090	14.1	-
4 storey multi-tenant office	Office — Other	M	2012/10/02	1 951	132.6	34.4
14 storey multi-tenant office with ground floor retail	Office — Government	M	2014/12/09	10 289	50.5	81.4
7 storey single tenant office	Office — Government	M	2015/06/01	3 689	64.5	-
7 storey single tenant linked offices	Office — Government	S	2014/02/1	4 637	123.3	-
Single storey single tenant office	Office — Government	S	2014/02/11	1 125	160.2	-
3 storey single tenant office with ground floor retail	Office — Government	S	2013/07/01	17 309	117.0	-
2 storey single tenant office	Office — Government	S	2012/08/01	2 950	121.0	-
4 storey single tenant office	Office — Government	S	2013/08/30	8 496	87.3	30.9
2 storey single tenant office	Office — Government	S	2012/08/01	1 922	95.0	-
5 storey, 3 storey and 7 storey offices	Office — Government	M	2015/06/01	10 947	86.1	78.5
22 storey single tenant office tower	Office — Government	S	2014/04/24	13 788	104.5	2.7
16 storey single tenant office building	Office — Government	S	2016/04/01	13 828	87.0	-
9 storey multi-tenanted office building with ground floor retail	Office — Government	M	2016/04/01	14 015	133.7	29.6

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PROPERTY PORTFOLIO

AS AT 28 FEBRUARY 2023

Property Name		Physical address	Province
80.	Silver Stream Office Park	10 Muswell Rd South, Bryanston	Gauteng
81.	Sleepy Hollow	9 Armitage Road, Pietermaritzburg	KwaZulu-Natal
82.	Standard Bank Greyville	96 First Avenue, Greyville, Durban	KwaZulu-Natal
83.	Standard Bank Nelspruit	29 Brown Street, Nelspruit	Mpumalanga
84.	Standard Bank Unisa	31 Brown Street, Nelspruit	Mpumalanga
85.	Temo Towers	67 Biccard Street, Polokwane	Limpopo
86.	The Marine Building	22 Dorothy Nyembe (ex-Gardiner Street), Durban	KwaZulu-Natal
87.	Thuto House	155 St Andrews Street, Bloemfontein	Free State
88.	Tivoli	58 OR Tambo Street, Klerksdorp	North West
89.	Treasury House	145 Commercial Road, Pietermaritzburg	KwaZulu-Natal
90.	Trustfontein/Transtel	149 – 151 St Andrews Street, Bloemfontein	Free State
91.	Unisa House	29 Rissik Street, Johannesburg	Gauteng
92.	Veritas Building	275 Volkstem Road, Pretoria	Gauteng

Description	Building sector	Tenancy	Acquisition date	Total GLA (m^2)	Weighted average rent/ m^2	Vacancy %
2 storey office building with basement and outdoor parking	Office — Other	M	2016/05/03	2 333	203.49	8.1
3 storey multi-tenant linked office buildings	Office — Other	M	2013/12/01	6 360	126.2	8.4
8 storey multi-tenant office	Office — Other	M	2013/12/13	14 188	63.5	64.5
4 storey multi–tenanted office with ground floor retail	Office — Other	M	2016/04/01	2 213	140.5	63.6
3 storey multi-tenanted office building with ground floor retail	Office — Other	M	2015/06/01	5 589	107.2	23.8
9 storey single tenant office	Office — Government	S	2013/09/18	7 668	198.4	-
21 storey multi-tenant office tower with ground floor retail	Office — Other	M	2014/09/26	24 676	102.7	40.5
6 storey single tenant office	Office — Government	S	2012/08/01	2 111	147.1	0.4
5 storey single tenant office	Office — Government	S	2012/08/01	2 075	116.3	-
10 storey single tenanted office with ground floor retail	Office — Government	S	2016/05/01	8 874	131.8	2.3
7 storey single tenant office	Office — Government	S	2015/06/01	6 369	80.6	95.4
10 storey single tenant office with ground floor retail	Office — Other	M	2013/05/17	10 055	170.6	96.9
8 storey single tenant office	Office — Government	S	2015/04/29	8 272	175.4	-

Consolidated and Separate Financial Statements

SUPPLEMENTARY AND SHAREHOLDER'S INFORMATION

Consolidated and Separate Financial Statements

ANALYSIS OF ORDINARY SHAREHOLDERS

AS AT 28 FEBRUARY 2023

Shareholder spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1 – 1000	4 360	71.55	475 892	0.07
1 001 – 10 000	761	12.49	3 075 697	0.43
10 001 – 100 000	613	10.06	23 302 474	3.26
100 001 – 1 000 000	285	4.68	95 140 061	13.32
Over 1 000 000	75	1.23	592 235 594	82.92
Total	**6 094**	**100.00**	**714 229 718**	**100.00**
Distribution of shareholders				
Assurance companies	5	0.08	1 809 372	0.25
Close corporations	27	0.44	17 631 301	2.47
Collective investment schemes	27	0.44	128 523 266	17.99
Control accounts	1	0.02	1	0.00
Custodians	5	0.08	92 044 780	12.89
Foundations and charitable funds	9	0.15	1 367 470	0.19
Investment partnerships	7	0.11	659 860	0.09
Managed funds	4	0.07	77 499	0.01
Organs of state	3	0.05	13 670 193	1.91
Private companies	88	1.44	221 947 062	31.08
Public companies	1	0.02	150	0.00
Retail shareholders	5 783	94.90	174 330 965	24.41
Retirement benefit funds	30	0.49	30 500 965	4.27
Scrip lending	1	0.02	214	0.00
Stockbrokers and nominees	8	0.13	5 824 122	0.82
Trusts	94	1.54	25 630 604	3.59
Unclaimed scripts	1	0.02	212 000	003
Total	**6 094**	**100.00**	**714 229 718**	**100.00**
Shareholder type				
Non-public shareholders	**10**	**0.16**	**276 969 252**	**37.78**
Directors and associates of the Company (direct holdings)	5	0.08	1 410 160	0.20
Directors and associates of the Company (indirect holdings)	3	0.05	22 384 816	3.13
Holders holding more than 10%				
Cornwall Crescent (Pty) Ltd	1	0.02	162 043 079	22.69
Saxo Bank	1	0.02	91 131 197	12.76
Public shareholders	**6 087**	**99.84**	**437 260 466**	**61.22**
Total	**6 094**	**100.00**	**714 229 718**	**100.00**

Consolidated and Separate Financial Statements

ANALYSIS OF ORDINARY SHAREHOLDERS

AS AT 28 FEBRUARY 2023

Fund managers with a holding greater than 3% of the issued shares	Number of shares	% of issued capital
Merchant West Investments	97 739 462	13.68
Camissa Asset Management	31 980 881	4.48
Total	**129 720 343**	**18.16**
Beneficial shareholders with a holding greater than 3% of the issued shares		
Cornwall Crescent (Pty) Ltd	162 043 079	22.69
Saxo Bank	91 138 197	12.76
Nedbank Group	66 156 106	9.26
Merchant West Investments	30 539 462	4.28
James Lennard Subrayadoo	22 032 845	3.08
Total	**371 909 689**	**52.07**

Total number of shareholdings	**6 094**
Total number of shares in issue	**714 229 718**

Share price performance	
Opening price 1 March 2022	R0.60
Closing price 28 February 2023	R0.24
Closing high for period	R0.60
Closing low for period	R0.24
Number of shares in issue	714 229 718
Volume traded during period	149 224 724
Ratio of volume traded to shares issued	20.89%
Rand value traded during the period	R56 072 999
Price/earnings ratio as at 28 February 2023	0.85
Earnings yield as at 28 February 2023	118.25
Dividend yield as at 28 February 2023	0.00
Market capitalisation at 28 February 2023	R171 415 132

SHAREHOLDERS' DIARY

	Date
Financial year-end	28 February 2023
Announcement of annual results	12 June 2023
Integrated annual report posted	30 June 2023
Annual general meeting	31 August 2023
Announcement of interim results	21 November 2023

Payment date	Distribution date	Distribution number	Cents
For the period 2 November 2012* to 28 February 2013	27 May 2013	1	23.69
For the period 1 March 2013 to 31 August 2013	25 November 2013	2	32.51
For the period 1 September 2013 to 28 February 2014	26 May 2014	3	40.18
For the period 1 March 2014 to 31 August 2014	10 November 2014	4	40.01
For the period 1 September 2014 to 28 February 2015	15 June 2015	5	44.06
For the period 1 March 2015 to 31 August 2015	23 November 2015	6	42.89
For the period 1 September 2015 to 28 February 2016	13 June 2016	7	47.90
For the period 1 March 2016 to 31 August 2016	21 November 2016	8	45.93
For the period 1 September 2016 to 28 February 2017	26 June 2017	9	51.31
For the period 1 March 2017 to 31 August 2017	27 November 2017	10	46.40
For the period 1 September 2017 to 28 February 2018	2 July 2018	11	50.84
For the period 1 March 2018 to 31 August 2018	10 December 2018	12	39.40
For the period 1 September 2018 to 28 February 2019	24 June 2019	13	15.99
For the period 1 March 2019 to 31 August 2019	23 December 2019	14	12.19

* Date of listing.

Delta has adopted distribution per share for trading statement purposes.

DELTA
PROPERTY FUND

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