



**Fairvest Limited and its subsidiaries**  
(Registration number 2007/032604/06)  
Consolidated and separate financial statements  
for the year ended 30 September 2023

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Fairvest is a diversified South African REIT focused on creating long-term sustainable shareholder value.
<b>Directors</b>	LW Andrag ML Buya FC Futwa BJ Kriel N Mkhize KR Nkuna NN Shange JF du Toit Adv. JD Wiese DM Wilder
<b>Registered office</b>	3rd Floor Upper Building 1 Sturdee Avenue Rosebank Johannesburg 2196
<b>Business address</b>	3rd Floor Upper Building 1 Sturdee Avenue Rosebank Johannesburg 2196
<b>Postal address</b>	PO Box 685 Melrose Arch 2076
<b>Bankers</b>	ABSA Group Limited First National Bank, a division of FirstRand Bank Limited Investec Limited Nedbank Group Limited RMB Holdings Limited, a division of First Rand Bank Limited The Standard Bank of South Africa Limited
<b>Auditors</b>	BDO South Africa Incorporated Chartered Accountants (SA) Registered Auditors
<b>Secretary</b>	FluidRock Co Sec Proprietary Limited
<b>Level of assurance</b>	These financial statements have been audited in compliance with section 30(2)(a) of the Companies Act of South Africa, No. 71 of 2008.
<b>Preparer</b>	The financial statements were internally compiled by: CC Müller under supervision of BJ Kriel Chartered Accountants (SA)
<b>Issued</b>	29 November 2023

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

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# Fairvest Limited and its subsidiaries

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## Audit and Risk Committee Report

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The Audit and Risk Committee ("the committee") takes pleasure in presenting its report for the period ended 30 September 2023.

The committee is an independent statutory committee and, in addition to having specific statutory responsibilities to the shareholders in terms of the Companies Act of South Africa, also assists the Board through advising and making recommendations on financial reporting, risk management and internal financial controls, the external and internal audit functions as well as the statutory and regulatory compliance of the group.

Responsibilities of the committee include:

- Reviewing the effectiveness of the group's system of internal financial controls.
- Reviewing and recommending the integrated report and annual financial statements and any other financial information presented to shareholders and ensuring compliance with International Financial Reporting Standards, the JSE Listings Requirements (including consideration given to the JSE's "Reporting back on proactive monitoring of financial statements") and the requirements of the Companies Act of South Africa.
- Monitoring the risk management framework adopted by the group.
- Reviewing management's assessment of the group's ability to continue as a going concern which includes a cash flow and liquidity review.

The committee has adopted formal terms of reference of its scope and responsibilities, delegated to it by the Board. The committee follows an annual work plan to ensure all of its duties and responsibilities as set out in its terms of reference are dealt with. The committee confirms that it has discharged its functions and complied with its terms of reference for the period ended 30 September 2023.

The committee comprises of four independent non-executive directors and is chaired by Ms NN Shange. The appointment of members of the committee requires the approval of the shareholders at the Annual General Meeting ("AGM") each year. The Company Secretary acts as secretary to the committee. The executive directors and the external auditors attended audit committee meetings by invitation.

The terms of reference require an annual evaluation of the performance of the committee and its members, as well as confirmation of the members' independence in terms of King IV™ and the Companies Act of South Africa. A formal evaluation of the committee was performed during the year and the outcomes were satisfactory. Certain areas for improvements were identified and these will be incorporated during the next financial year. All members of the committee are independent.

### External audit

The Company's incumbent external auditor, BDO South Africa Inc. have continued to serve as the Company's external auditor in respect of the current financial year ended 30 September 2023.

BDO South Africa Inc. have been the auditors of the group since 15 March 2015. The current audit partner, Mr S Vittone, has been the engagement partner for five reporting periods, including the 2023 reporting period.

The committee has assessed the independence, expertise and objectivity of BDO South Africa Inc. as the external auditor, as well as approved the fees paid to BDO South Africa Inc. The committee has received confirmation from the external auditor that the partners and staff responsible for the audit comply with all legal and professional requirements with regard to independence. The committee assessed the key audit matters as presented by BDO South Africa Inc. and agree that these items are the most significant for the audit.

The committee has reviewed the information detailed in paragraph 22.15(h) of the JSE Listings Requirements and concluded that the external auditor and the engagement audit partner are suitable and have the requisite competence, expertise and experience to discharge their responsibilities.

BDO South Africa Inc.'s fee for the 2023 external audit amounts to R4 150 000.

The Audit and Risk Committee has recommended, and the Board has endorsed, the proposed appointment of Mazars as the external auditor of the Company, with Ms. S Truter as the designated audit partner, for the financial year ending 30 September 2024. The change is due to the Company's decision to implement audit firm rotation on a voluntary basis, in spite of the recent ruling against mandatory audit firm rotation as proposed by the Independent Regulatory Board for Auditors.

Shareholders will be requested to approve the above appointment at the Company's next annual general meeting, which appointment, if approved by shareholders, will be effective from the date of the 2024 AGM.

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Audit and Risk Committee Report

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### Non-audit services

The group has a policy on non-audit services which can be provided by the appointed auditing firm, BDO South Africa Inc., and may only be appointed for non-audit services with the approval of the committee. During the period under review R13 745 of non-audit services were provided by BDO South Africa Inc.

### Internal audit

The committee continues to assess the requirement for an independent internal audit function as the group grows. At this point in time, the committee is satisfied that the size and complexity of the group does not warrant an independent internal audit function.

### Internal control

The committee is satisfied that an adequate system of internal control is in place to reduce significant financial risks faced by the group to an acceptable level and that these controls have been effective throughout the period under review.

### Evaluation of the Chief Financial Officer


The committee satisfied itself as to the appropriateness of the expertise and experience of the group's chief financial officer, Mr BJ Kriel. This is based on the qualifications, levels of experience, continuing professional development, education and the board's assessment of the financial knowledge of the chief financial officer.

The committee is satisfied that the board has performed a solvency and liquidity test on the group and has concluded that the group will satisfy the test after payment of the final distribution. The committee can also confirm that the test was performed for the interim distribution.

The committee will again evaluate the integrity of the Integrated Annual Report for 2023 and ensure that it is prepared using the appropriate reporting standards, which meet the requirements of King IV<sup>TM</sup> and the JSE Listings Requirements in order to recommend it to the Board for approval.

The committee has evaluated the consolidated and separate financial statements of Fairvest Limited for the period ended 30 September 2023 and, based on the information provided to the committee, considers that the group has appropriate financial reporting procedures and that those procedures are operating and comply, in all material respects, with the requirements of the Companies Act of South Africa, and International Financial Reporting Standards.

On behalf of the Audit and Risk Committee



\_\_\_\_\_  
NN Shange

Audit and Risk Committee Chairman

29 November 2023

## Certification by the Company Secretary

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In terms of section 88(2)(e) of the Companies Act of South Africa, I declare on behalf of FluidRock Co Sec Proprietary Limited that, since our appointment as company secretary on 14 October 2022 and to the best of our knowledge, the company has filed all such returns and notices as are required of a public company in terms of the Companies Act of South Africa, and that all such returns and notices appear to be true, correct and up to date.



\_\_\_\_\_  
FluidRock Co Sec Proprietary Limited

29 November 2023

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Directors' Responsibilities and Approval

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The directors are required in terms of the Companies Act of South Africa, No. 71 of 2008 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 period then ended, in conformity with International Financial Reporting Standards and Companies Act of South Africa. The external auditors are engaged to express an independent opinion on the financial statements.

The consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards and are based upon 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 set 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 to 30 September 2024 and, in light of this review and the current financial position, they are satisfied that the group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the group's consolidated and separate financial statements. The consolidated and separate financial statements have been examined by the group's external auditors and their report is presented on pages 9 to 12.

The consolidated and separate financial statements set out on pages 13 to 87, which have been prepared on the going concern basis, were approved by the board of directors on 29 November 2023 and were signed on their behalf by:



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**N Mkhize - Chairman**



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**DM Wilder - Chief Executive Officer**

## CEO and CFO responsibility statement

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Each director, whose names are stated below, hereby confirms that:

- the consolidated and separate financial statements set out on pages 13 to 87, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated and separate financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the consolidated and separate financial statements of the issuer; and
- the internal financial controls are adequate and effective and can be relied upon in compiling the consolidated and separate financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls; and
- where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.



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**DM Wilder - Chief Executive Officer**



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**BJ Kriel - Chief Financial Officer**

29 November 2023

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Directors' Report

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The directors have pleasure in submitting their report on the consolidated and separate financial statements of Fairvest Limited and its subsidiaries for the year ended 30 September 2023.

### 1. Nature of business

Fairvest Limited ("Fairvest") is a diversified South African Real Estate Investment Trust ("REIT") focused on creating long-term shareholder value.

#### Merger

The merger between Arrowhead Properties Limited ("Arrowhead") and Fairvest Property Holdings Limited ("Old Fairvest") was implemented during the prior reporting period (the "merger"). Arrowhead, the legal acquiring entity, was renamed Fairvest Limited.

The acquisition date in terms of the International Financial Reporting Standards ("IFRS") was 26 January 2022 as this was the date the accounting acquirer, Old Fairvest, obtained control of the accounting acquiree, Arrowhead. The merger is accounted for as a reverse acquisition in terms of IFRS 3. The comparative prior period results were therefore a continuation of Old Fairvest and represent the reporting period from 1 July 2021 to 30 September 2022, being a period of 15 months. Arrowhead was consolidated into the comparative prior period results from the IFRS acquisition date of 26 January 2022.

The company results presented in these financial statements are those of Fairvest Limited.

#### Disposal of Indluplace

On 14 March 2023, Fairvest Limited provided an irrevocable undertaking to SA Corporate Real Estate Limited ("SA Corporate") in terms of which Fairvest Limited undertook to vote in favour of a scheme of arrangement in terms of which SA Corporate will make an offer to acquire the entire issued share capital of Indluplace for a cash consideration of R3.40 per Indluplace share. Fairvest, through a wholly owned subsidiary, was the majority shareholder of Indluplace and held 191 581 362 Indluplace shares, or circa 60.9% at that time.

The scheme was concluded on 31 July 2023 with the group's investment in Indluplace being disposed of at this effective date.

### 2. Review of financial results and activities

The consolidated and separate financial statements have been prepared in accordance with IFRS and the requirements of the Companies Act of South Africa, No. 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated and separate financial statements.

### 3. Share capital

The Company's authorised share capital comprises of 1 000 000 000 (2022: 1 000 000 000) A ordinary shares and 2 000 000 000 (2022: 2 000 000 000) B ordinary Fairvest shares of no par value. The Company's ordinary shares trade on the JSE and A2X.

As at 30 September 2023, there were 62 718 658 (2022: 62 718 658) A shares in issue and 1 495 747 091 (2022: 1 494 142 831) B shares in issue.

During the year under review 1 604 260 new Fairvest B shares were issued on 29 December 2022 pursuant the Conditional Share Plan.

### 4. Dividends

On 29 November 2022 the Board had resolved to declare a final dividend of 64.70 cents per A share and 21.96 cents per B share. The total final dividend of R361.4 million was paid on 28 December 2022.

On 31 May 2023 the Board had resolved to declare an interim dividend of 64.60 cents per A share and 20.97 cents per B share. The total interim dividend of R340.4 million was paid on 26 June 2023.

On 28 November 2023 the Board has resolved to declare a final dividend of 67.94 cents per A share and 20.32 cents per B share. The total final dividend of R319.3 million will be paid after year end.

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Directors' Report

### 5. Directorate

The directors in office at the date of this report are as follows:

Name	Title	Executive / Non-executive	Changes
LW Andrag		Independent non-executive	
AI Basserabie		Independent non-executive	Resigned 30 September 2023
ML Buya		Independent non-executive	Appointed 01 October 2023
FC Futwa		Independent non-executive	Appointed 01 October 2023
BJ Kriel	Chief Financial Officer	Executive	
N Mkhize	Chairman	Independent non-executive	
KR Nkuna		Independent non-executive	
NN Shange		Independent non-executive	
JF du Toit		Independent non-executive	
Adv. JD Wiese		Independent non-executive	
DM Wilder	Chief Executive Officer	Executive	

### 6. Directors' interests in shares

As at 30 September 2023, the directors of the company held direct and indirect beneficial interests in its issued ordinary shares, as set out below.

#### Interests in shares

		2023 Direct	2022 Direct	2023 Indirect	2022 Indirect
<b>Executive directors</b>					
DM Wilder	B Shares	-	-	8 289 424	7 619 424
BJ Kriel	B Shares	-	-	12 820 389	12 820 389
<b>Non-executive directors</b>					
AI Basserabie	A Shares	170 000	215 000	-	-
AI Basserabie	B Shares	2 243	2 243	-	-
NN Shange	B Shares	22 239	22 239	-	-
		<b>194 482</b>	<b>239 482</b>	<b>21 109 813</b>	<b>20 439 813</b>

There have been no changes in beneficial interests that occurred between the end of the reporting period and the date of this report.

### 7. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the group had an interest and which significantly affected the business of the group.

### 8. Going concern

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated and separate financial statements have been prepared on a going concern basis. The directors are satisfied that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

At face value the current liabilities are higher than the current assets. However all debt facilities expiring for the 2024 financial year are expected to be refinanced or outright settled given the group's strong undrawn unrestricted debt facilities on hand of R917.1 million at 30 September 2023. Furthermore the group has concluded property sales agreements in excess of R307.3 million of which one to the value of R31.5 million has already transferred subsequent to year end with the balance expected to transfer in the next 12 months.

### 9. Auditors

BDO South Africa Incorporated continued in office as auditors for the company and its subsidiaries for 2023.

The Audit and Risk Committee has recommended, and the Board has endorsed, the proposed appointment of Mazars as the external auditor of the Company, with Susan Truter as the designated audit partner, for the financial year ending 30 September 2024. The change is due to the Company's decision to implement audit firm rotation on a voluntary basis in spite of the recent ruling against mandatory audit firm rotation as proposed by the Independent Regulatory Board for Auditors.

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Directors' Report

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### 10. Secretary

FluidRock Co Sec Proprietary Limited was appointed as the company secretary on 14 October 2022.

Business address: Unit 5, Berkley Office Park  
8 Bauhinia St, Highveld Techno Park  
Centurion  
0169

### 11. Group Structure

The Company's major direct and indirect subsidiaries are listed in the table below:

Name of subsidiary	Ownership %
Arrowgem Limited	100.0
Cumulative Properties Limited	100.0
Fairvest Property Holdings Limited	100.0
Vividend Income Fund Limited	100.0

The investment in Indluplace Properties Limited was disposed of in the current financial year.

### 12. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa No. 71 of 2008, and have satisfied themselves with the following:

- the company is liquid, that is, able to cover its short-term obligations as they fall due over the next 12 months, and
- solvent, that is, the assets of the company, as fairly valued, exceed the liabilities of the company, as fairly valued.

### 13. Special resolutions

The following special resolutions were passed at the annual general meeting of Fairvest shareholders held on 28 February 2023:

- Share repurchases by Fairvest and its subsidiaries
- Financial assistance in terms of section 45 of the Companies Act
- Approval of fees payable to non-executive directors
- Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company

Refer 2022 notice of annual general meeting for further details of these resolutions.

### 14. Events after the reporting period

#### Dividends

On 28 November 2023 the Board has resolved to declare a final dividend of 67.94 cents per A share and 20.32 cents per B share. The total final dividend of R319.3 million will be paid after year end.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

## Independent Auditor's Report To the Shareholders of Fairvest Limited and its subsidiaries

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### Report on the Audit of the Consolidated and Separate Financial Statements

#### Opinion

We have audited the consolidated and separate financial statements of Fairvest Limited and its subsidiaries (the group and company) set out on pages 13 to 87, which comprise the consolidated and separate statements of financial position as at 30 September 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and the consolidated and separate 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 Fairvest Limited and its subsidiaries as at 30 September 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 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 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were 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 these matters.



Key audit matter	How our audit addressed the key audit matter
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**Valuation of Investment Property (Group and Company) - Note 4**

Investment property is the group's and company's most significant asset and is fair valued on an annual basis.

Valuations are prepared by either management or independent valuers, using the discounted cash flow methodology.

These valuations are reviewed by the respective directors of the group.

Forecasting future cash flows, or net operating income and applying an appropriate discount inherently involves a high degree of estimation uncertainty and judgement.

Due to the significance of the balance to the financial statements, combined with judgement and estimates associated with calculating the fair value, this has been determined to be a matter of most significance in our audit of the consolidated and separate financial statements of the current year.

Our audit procedures performed included, among others, the following:

- We identified key controls implemented over the investment property valuations and assessed the design and implementation of these controls;
- We assessed the competence, capabilities, and objectivity of the independent valuers through discussions, inspection of their qualifications, as well as through obtaining signed declarations confirming their objectivity ;
- We assessed the competence and capabilities of management and the respective directors who perform and/or review the internal valuations with reference to their qualifications and experience in property valuation;
- We selected a sample of property valuations and, with the support of our internal and external valuation expertise:
  - Evaluated the significant inputs and assumptions applied by the external valuers and management, in particular those relating to the discount and growth rates, by comparing to historical information, independent market data and our knowledge of the client and industry;
  - Evaluated the reasonability of the forecast financial information used for the various properties by comparing the forecast 2024 net income to actual net income achieved in 2023;
  - Assessed vacancy assumptions against current and historical vacancies levels of the property;
  - Assessed forecast rental escalations against published industry information obtained from the latest South African Property Owners Association ("SAPOA") reports as well as escalation clauses per current lease agreements; and
  - Made enquiries on all significant differences with management and noted valid reasons for significant differences for which corroborative evidence was obtained;
- We assessed the adequacy of the disclosures in the financial statements in relation to the requirements of International Financial Reporting Standards.



### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled “Fairvest Limited and its subsidiaries Consolidated and Separate Financial Statements for the year ended 30 September 2023”, which includes the Directors’ Report, the Audit and Risk Committee’s Report and the Certification by the Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the “Integrated Annual Report 2023”, 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 and will 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.

### **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 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’s and the 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 liquidate the group and / or the 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 the 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’s and the 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 the 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 to 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 BDO South Africa Incorporated has been the auditor of Fairvest Limited and its subsidiaries for 10 years.

A handwritten signature in black ink that reads "BDO South Africa Inc".

**BDO South Africa Incorporated**  
Registered Auditors

**Sergio Vittone**  
Director  
Registered Auditor

29 November 2023

Wanderers Office Park  
52 Corlett Drive  
Illovo, 2196

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Statement of Financial Position as at 30 September 2023

Figures in Rand thousand	Note(s)	Group		Company	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Non-Current Assets</b>					
Investment property		11 654 335	14 872 881	2 043 718	2 095 881
Investment property - Fair value of property portfolio	4	11 517 452	14 679 221	2 033 211	2 078 824
Investment property - Straight line rental income accrual	5	136 883	193 660	10 507	17 057
Right-of-use assets	6	1 897	2 740	-	-
Deferred tax	7	-	2 568	-	-
Property, plant and equipment	9	705	4 446	403	308
Loans to participants of group share purchase option schemes	10	62 409	105 642	23 918	23 470
Financial assets	11	199 054	196 816	4 599	4 599
Investments in subsidiaries	12	-	-	6 150 482	6 799 523
Derivative financial instruments	13	23 477	36 102	19 636	5 015
Loans receivable	14	12 784	13 780	-	-
		<b>11 954 661</b>	<b>15 234 975</b>	<b>8 242 756</b>	<b>8 928 796</b>
<b>Current Assets</b>					
Loans to group companies	12	-	-	2 292 070	1 317 234
Trade and other receivables	16	228 060	218 252	36 661	32 177
Derivative financial instruments	13	11 745	-	-	-
Current tax receivable		3	9	-	9
Loans receivable	14	26 004	118 677	-	-
Amounts owing by non-controlling interests	15	-	24 186	-	-
Cash and cash equivalents	17	106 763	134 569	25 713	15 414
		<b>372 575</b>	<b>495 693</b>	<b>2 354 444</b>	<b>1 364 834</b>
Non-current assets held for sale	8	307 250	584 074	227 000	168 000
<b>Total Assets</b>		<b>12 634 486</b>	<b>16 314 742</b>	<b>10 824 200</b>	<b>10 461 630</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
<b>Equity Attributable to Equity Holders of Parent</b>					
Share capital	18	5 169 939	5 269 499	6 572 900	6 572 393
Share-based payments reserves	19	22 882	14 564	22 882	11 506
Retained income		2 520 653	3 125 101	1 036 180	1 747 273
		<b>7 713 474</b>	<b>8 409 164</b>	<b>7 631 962</b>	<b>8 331 172</b>
Non-controlling interest	48	32 828	984 874	-	-
		<b>7 746 302</b>	<b>9 394 038</b>	<b>7 631 962</b>	<b>8 331 172</b>
<b>Liabilities</b>					
<b>Non-Current Liabilities</b>					
Deferred tax	7	3 915	3 915	-	-
Interest-bearing borrowings	20	3 771 559	3 549 738	2 379 054	517 006
Lease liabilities	21	40 465	71 649	-	31 672
Derivative financial instruments	13	-	884	-	-
Deposits received	22	82 000	64 052	23 490	17 245
Amounts owing to non-controlling interests	23	25 374	22 807	-	-
		<b>3 923 313</b>	<b>3 713 045</b>	<b>2 402 544</b>	<b>565 923</b>

## Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

### Statement of Financial Position as at 30 September 2023

Figures in Rand thousand	Note(s)	Group		Company	
		2023	2022	2023	2022
<b>Current Liabilities</b>					
Loans from group companies	12	-	-	671 586	869 491
Interest-bearing borrowings	20	430 262	2 570 313	-	570 281
Derivative financial instruments	13	-	3 385	-	-
Lease liabilities	21	2 287	11 063	-	8 449
Trade and other payables	24	502 269	596 879	118 108	116 314
Amounts owing to non-controlling interests	23	30 053	26 019	-	-
		<b>964 871</b>	<b>3 207 659</b>	<b>789 694</b>	<b>1 564 535</b>
<b>Total Liabilities</b>		<b>4 888 184</b>	<b>6 920 704</b>	<b>3 192 238</b>	<b>2 130 458</b>
<b>Total Equity and Liabilities</b>		<b>12 634 486</b>	<b>16 314 742</b>	<b>10 824 200</b>	<b>10 461 630</b>

## Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

### Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand thousand	Note(s)	Group		Company	
		12 Months ended 30 September 2023	Restated 15 Months ended 30 September 2022 #	12 Months ended 30 September 2023	12 Months ended 30 September 2022
<b>Continuing operations</b>					
Revenue	25	1 920 938	1 584 901	351 170	345 929
Straight line rental income accrual	5	(11 056)	(19 578)	(652)	(18 090)
Sundry income		4 942	19 329	-	-
<b>Property income</b>		<b>1 914 824</b>	<b>1 584 652</b>	<b>350 518</b>	<b>327 839</b>
Operating costs		(789 878)	(653 639)	(137 280)	(139 384)
Administration costs		(114 793)	(95 371)	(105 116)	(79 650)
Contract cancellation fees	26	-	(133 873)	-	-
<b>Profit from operations</b>	27	<b>1 010 153</b>	<b>701 769</b>	<b>108 122</b>	<b>108 805</b>
Finance income	28	24 330	38 549	4 448	4 474
Finance charges	28	(456 696)	(332 556)	(147 420)	(85 639)
Dividends received	29&30	25 901	24 167	724 500	710 217
Changes in fair values and impairments	31	63 977	425 327	(677 495)	166 584
Gain on bargain purchase	38	-	1 406 658	-	-
Capital expenses	32	(411)	(74 556)	(411)	(51 656)
<b>Profit (loss) before taxation</b>		<b>667 254</b>	<b>2 189 358</b>	<b>11 744</b>	<b>852 785</b>
Income tax expense	33	-	1 445	-	(22 848)
<b>Profit from continuing operations</b>		<b>667 254</b>	<b>2 190 803</b>	<b>11 744</b>	<b>829 937</b>
<b>Discontinued operations</b>					
Loss from discontinued operations	34	(539 462)	(27 563)	-	-
<b>Profit for the year</b>		<b>127 792</b>	<b>2 163 240</b>	<b>11 744</b>	<b>829 937</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income (loss) for the year</b>		<b>127 792</b>	<b>2 163 240</b>	<b>11 744</b>	<b>829 937</b>

# The group comparative reporting period has been restated pursuant to the disposal of the group's investment in Indluplace Properties Limited which has been reclassified as a discontinued operation. This restatement also applies to the notes, as applicable.

## Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

### Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand thousand	Note(s)	Group		Company	
		2023	2022	2023	2022
<b>Profit attributable to:</b>					
Equity shareholders of Fairvest Limited		115 360	2 109 617	11 744	829 937
Non-controlling interest	48	12 432	53 623	-	-
		<b>127 792</b>	<b>2 163 240</b>	<b>11 744</b>	<b>829 937</b>
<b>Total comprehensive income attributable to:</b>					
Equity shareholders of Fairvest Limited		96 307	2 120 367	11 744	829 937
Non-controlling interest	48	31 485	42 873	-	-
		<b>127 792</b>	<b>2 163 240</b>	<b>11 744</b>	<b>829 937</b>
<b>From continuing operations:</b>					
Basic earnings per A share in issue*	35	120.19	206.28		
Basic earnings per B share in issue*	35	40.12	193.49		
Diluted earnings per A share in issue*	35	120.19	206.28		
Diluted earnings per B share in issue*	35	39.49	191.16		
<b>From discontinued operations:</b>					
Basic (loss) earnings per A share in issue*	35	(31.07)	0.61		
Basic loss per B share in issue*	35	(37.33)	(1.66)		
Diluted (loss) earnings per A share in issue*	35	(31.07)	0.61		
Diluted loss per B share in issue*	35	(37.33)	(1.66)		
<b>In total:</b>					
Basic earnings per A share in issue*	35	89.12	206.89		
Basic earnings per B share in issue*	35	2.80	191.84		
Diluted earnings per A share in issue*	35	89.12	206.89		
Diluted earnings per B share in issue*	35	2.75	189.52		

\* Refer to note 35: Restatement of earnings per share, diluted earnings per share, headline earnings per share and diluted headline earnings per share for details of the restatement.

# The group comparative reporting period has been restated pursuant to the disposal of the group's investment in Indluplace Properties Limited which has been reclassified as a discontinued operation. This restatement also applies to the notes, as applicable.

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Statement of Changes in Equity

	Share capital	Share-based payments reserve	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Figures in Rand thousand						
<b>Group</b>						
<b>Balance at 1 July 2021</b>	<b>750 474</b>	-	<b>1 524 458</b>	<b>2 274 932</b>	<b>166 592</b>	<b>2 441 524</b>
Profit for the year	-	-	2 120 367	2 120 367	42 873	2 163 240
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>2 120 367</b>	<b>2 120 367</b>	<b>42 873</b>	<b>2 163 240</b>
Shares issued	41 782	-	-	41 782	-	41 782
Issue of shares as a result of reverse acquisition of Arrowhead	4 477 243	-	-	4 477 243	-	4 477 243
Reserves acquired as a result of the reverse acquisition of Arrowhead	-	9 250	-	9 250	845 971	855 221
Acquisition of non-controlling interest	-	-	-	-	(30 124)	(30 124)
Employee share schemes – value of employee services	-	5 314	-	5 314	915	6 229
Dividends paid	-	-	(519 724)	(519 724)	(41 353)	(561 077)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>4 519 025</b>	<b>14 564</b>	<b>(519 724)</b>	<b>4 013 865</b>	<b>775 409</b>	<b>4 789 274</b>
<b>Balance at 30 September 2022</b>	<b>5 269 499</b>	<b>14 564</b>	<b>3 125 101</b>	<b>8 409 164</b>	<b>984 874</b>	<b>9 394 038</b>
Profit for the year	-	-	96 307	96 307	31 485	127 792
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>96 307</b>	<b>96 307</b>	<b>31 485</b>	<b>127 792</b>
Share buy-backs	(100 067)	-	-	(100 067)	-	(100 067)
Employee share schemes – value of employee services (net of leavers)	-	14 246	-	14 246	-	14 246
Employee share schemes – shares vested	507	(2 870)	-	(2 363)	-	(2 363)
Acquisition of non-controlling interest	-	-	1 878	1 878	(126 636)	(124 758)
Dilution of shareholding in subsidiary	-	-	(907)	(907)	2 037	1 130
Disposal of interest in Indluplace (note 34)	-	(3 058)	-	(3 058)	(797 815)	(800 873)
Dividends paid	-	-	(701 726)	(701 726)	(61 117)	(762 843)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>(99 560)</b>	<b>8 318</b>	<b>(700 755)</b>	<b>(791 997)</b>	<b>(983 531)</b>	<b>(1 775 528)</b>
<b>Balance at 30 September 2023</b>	<b>5 169 939</b>	<b>22 882</b>	<b>2 520 653</b>	<b>7 713 474</b>	<b>32 828</b>	<b>7 746 302</b>
Note(s)	18	19			48	

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Statement of Changes in Equity

	Share capital	Share-based payments reserve	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Figures in Rand thousand						
<b>Company</b>						
<b>Balance at 01 October 2021</b>	<b>4 570 278</b>	<b>8 572</b>	<b>1 804 055</b>	<b>6 382 905</b>	<b>-</b>	<b>6 382 905</b>
Profit for the year	-	-	829 937	829 937	-	829 937
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>829 937</b>	<b>829 937</b>	<b>-</b>	<b>829 937</b>
Shares issued	2 002 115	-	-	2 002 115	-	2 002 115
Employee share schemes – value of employee services	-	2 934	-	2 934	-	2 934
Dividends paid	-	-	(886 719)	(886 719)	-	(886 719)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>2 002 115</b>	<b>2 934</b>	<b>(886 719)</b>	<b>1 118 330</b>	<b>-</b>	<b>1 118 330</b>
<b>Balance at 01 October 2022</b>	<b>6 572 393</b>	<b>11 506</b>	<b>1 747 273</b>	<b>8 331 172</b>	<b>-</b>	<b>8 331 172</b>
Profit for the year	-	-	11 744	11 744	-	11 744
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>11 744</b>	<b>11 744</b>	<b>-</b>	<b>11 744</b>
Employee share schemes – value of employee service	-	14 246	-	14 246	-	14 246
Employee share scheme – shares vested during the period	507	(2 870)	-	(2 363)	-	(2 363)
Dividends paid	-	-	(722 837)	(722 837)	-	(722 837)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>507</b>	<b>11 376</b>	<b>(722 837)</b>	<b>(710 954)</b>	<b>-</b>	<b>(710 954)</b>
<b>Balance at 30 September 2023</b>	<b>6 572 900</b>	<b>22 882</b>	<b>1 036 180</b>	<b>7 631 962</b>	<b>-</b>	<b>7 631 962</b>
Note(s)	18	19				

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Statement of Cash Flows

Figures in Rand thousand	Note(s)	Group		Company	
		12 Months ended 30 September 2023	Restated 15 Months ended 30 September 2022 #	12 Months ended 30 September 2023	12 Months ended 30 September 2022
<b>Cash flows from operating activities</b>					
Cash generated from operations	36	1 033 564	714 241	115 551	54 274
Cash generated from operations – discontinued operations	34	161 379	99 217	-	-
Finance charges		(451 126)	(325 169)	(139 579)	(83 232)
Finance income received		17 743	5 550	2 003	2 833
Dividends received		25 901	24 167	-	-
Tax received	37	6	604	9	623
Dividends paid - non-controlling interest		(32 534)	(16 126)	-	-
Dividends paid		(701 726)	(519 724)	(722 837)	(886 719)
<b>Net cash from / (used in) operating activities</b>		<b>53 207</b>	<b>(17 240)</b>	<b>(744 853)</b>	<b>(912 221)</b>
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment	9	(282)	(782)	(267)	(284)
Acquisition of and improvements to investment property	4	(190 265)	(92 334)	(45 902)	(35 216)
Proceeds from disposal of investment property (incl. held for sale)	4&8	334 370	65 546	-	(1 010)
Disposal of Indluplace	34	537 561	-	-	-
Business combinations	38	-	133 109	-	-
Loans to group companies repaid		-	-	1 552 834	608 675
Loans advanced to group companies		-	-	(1 892 170)	-
Advances paid to loans receivable		(1 286)	(30 433)	-	-
Proceeds from repayments of loans receivable		9 050	164 087	-	-
Amounts owing by non-controlling interests raised		(508)	(16 192)	-	-
Repayment of amounts owing by non-controlling interests		-	1 742	-	-
Net cash outflow from investing activities – discontinued operations	34	(13 401)	(16 221)	-	-
<b>Net cash from / (used in) investing activities</b>		<b>675 239</b>	<b>208 522</b>	<b>(385 505)</b>	<b>572 165</b>
<b>Cash flows from financing activities</b>					
Buy back of share capital		(100 008)	-	-	-
Proceeds from loans from group companies	39	-	-	476 572	233 997
Repayment of loans from group companies	39	-	-	(585 476)	-
Proceeds from borrowings	39	3 625 770	2 479 646	2 903 461	788 589
Repayment of borrowings	39	(4 196 217)	(2 387 203)	(1 613 779)	(738 697)
Amounts owing to non-controlling interests raised	39	417	402	-	-
Amounts owing to non-controlling interests repaid	39	(11 575)	(59 207)	-	-
Payment on lease liabilities	39	(40 842)	(6 133)	(40 121)	-
Proceeds from other borrowings	39	-	-	-	25 884
Repayment of other borrowings	39	-	-	-	(6 953)
Net cash outflow from financing activities – discontinued operations	34	(10 486)	(71 767)	-	-
Acquisition of additional interest in subsidiary	40	(23 311)	(27 713)	-	-
<b>Net cash (used in) / from financing activities</b>		<b>(756 252)</b>	<b>(71 975)</b>	<b>1 140 657</b>	<b>302 820</b>

## Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

### Statement of Cash Flows

Figures in Rand thousand	Note(s)	Group		Company	
		2023	2022	2023	2022
<b>Total cash movement for the period</b>		<b>(27 806)</b>	<b>119 307</b>	<b>10 299</b>	<b>(37 236)</b>
Cash at the beginning of the period		134 569	15 262	15 414	52 650
<b>Total cash at end of the period</b>	17	<b>106 763</b>	<b>134 569</b>	<b>25 713</b>	<b>15 414</b>

# The group comparative reporting period has been restated pursuant to the disposal of the group's investment in Indluplace Properties Limited which has been reclassified as a discontinued operation. This restatement also applies to the notes, as applicable.

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Accounting Policies

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### 1. Significant accounting policies

The consolidated and separate financial statements are prepared on the historical cost basis, except for investment properties, investment property held for sale and certain financial instruments which are carried at fair value, and incorporate the principal accounting policies, which conform with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC) and the requirements of the Companies Act of South Africa, No. 71 of 2008 and the JSE Listings Requirements.

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with IFRS, the JSE Listings Requirements, SA REIT Association Best Practice Recommendations and the requirements of the Companies Act of South Africa, No. 71 of 2008.

These accounting policies are consistent with the previous period.

The merger between Arrowhead Properties Limited ("Arrowhead") and Fairvest Property Holdings Limited ("Old Fairvest") was implemented during the prior reporting period and has been accounted for as a reverse acquisition of Arrowhead by Old Fairvest. The prior period results are therefore a continuation of Old Fairvest and represent the reporting period from 1 July 2021 to 30 September 2022, being a period of 15 months. Arrowhead has been consolidated into the prior period results from the IFRS acquisition date of 26 January 2022.

#### 1.2 Consolidation

##### Basis of consolidation

The group financial statements include those of the holding company and enterprises controlled by the company. Control is achieved when the company has the power to govern the financial and operating policies of an investee enterprise.

An investor controls an investee when it is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, an investor controls an investee if and only if the investor has all the following:

- (a) power over the investee;
- (b) exposure or rights to variable returns from its involvement with the investee; and
- (c) the ability to use its power over the investee to affect the amount of the investor's returns

The consolidated financial statements incorporate the assets, liabilities, income, expenses and cash flows of the group and all entities controlled by the group. Inter company transactions, balances and unrealised profits or losses between group companies are eliminated on consolidation.

In the separate financial statements of the company, investments in subsidiaries are accounted for at cost and adjusted for impairment if applicable.

##### Subsidiaries

Subsidiaries are entities over which the company has the power to govern the financial and operating policies of the entities so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account.

The consolidated financial statements incorporate the assets, liabilities, income, expenses and cash flows of the group and all entities controlled by the group. The results of the subsidiaries acquired or disposed of during the year are included in the consolidated profit or loss from the date of acquisition or up to the date of disposal. Inter-Company transactions, balances and unrealised profits or losses between group companies are eliminated on consolidation.

Business combinations are accounted for using the acquisition method as at acquisition date, which is the date on which control is transferred to the group. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

# Fairvest Limited and its subsidiaries

(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Accounting Policies

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### 1.2 Consolidation (continued)

#### Reverse acquisition accounting

In a business combination effected primarily by exchanging equity interests, the acquirer is usually the entity that issues its equity interests. However, in some business combinations, commonly called 'reverse acquisitions', the issuing entity is the acquiree.

Pertinent facts and circumstances that have been considered in identifying the acquirer in a business combination effected by exchanging equity interests, which included:

- (a) the relative voting rights in the combined entity after the business combination
- (b) the existence of a large minority voting interest in the combined entity if no other owner or organised group of owners has a significant voting interest
- (c) the composition of the governing body of the combined entity
- (d) the composition of the senior management of the combined entity
- (e) the terms of the exchange of equity interests

The consolidated financial statements prepared following a reverse acquisition are issued under the name of the legal parent (accounting acquiree, Arrowhead) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer, Old Fairvest), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree.

The following judgemental factors were considered in identifying the acquirer:

- The acquirer is usually the combining entity whose owners as a group retain or receive the largest portion of the voting rights in the combined entity. Due to the commonality in shareholders across Arrowhead and Old Fairvest, there will be no change in the specific shareholders who will have the largest portion of voting rights in the Combined Group
- After the implementation of the transaction, Old Fairvest's Chief Executive Officer and Chief Financial Officer continued in their respective roles in the Combined Group. Furthermore, 5 of the 7 non-executive directors from the Old Fairvest board of directors were appointed to the Fairvest Board.
- The transaction was initiated by Old Fairvest. Further the transaction was both led by Old Fairvest and controlled by Old Fairvest.

The following judgemental factors were considered in determining the acquisition date:

- In the Old Fairvest / Arrowhead transaction the effective date was contractually agreed to be 1 October 2021.
- The effective date from an accounting perspective would only be once the acquirer obtains control of the acquiree. In a listed environment, where shareholder approval is required for the implementation of the transaction, this effective date cannot be earlier than the shareholder approval date. Another factor considered was the date at which the acquirer obtains the ability to change the directors of the entity, which it would not have the power to do before the shareholder approval. In this case the effective date, considering these factors, was determined to be 25 January 2022, after shareholder approval was received, and the shares in the transaction were issued.

#### Disposal of Indluplace

On 14 March 2023, Fairvest Limited provided an irrevocable undertaking to SA Corporate Real Estate Limited ("SA Corporate") in terms of which Fairvest Limited undertook to vote in favour of a scheme of arrangement in terms of which SA Corporate will make an offer to acquire the entire issued share capital of Indluplace for a cash consideration of R3.40 per Indluplace share. Fairvest, through a wholly owned subsidiary, was the majority shareholder of Indluplace and held 191 581 362 Indluplace shares, or circa 60.9% at that time.

The scheme was concluded on 31 July 2023 with the group's investment in Indluplace being disposed of at this effective date. This is considered the effective date of the transaction as it is the date the proceeds of the disposal were received, Fairvest's representative on the Indluplace board resigned and the date the Indluplace shares delisted from the JSE and transferred to SA Corporate.

Indluplace is considered a discontinued operations as it represents a separate major line of business, being the residential component of the group.

### 1.3 Financial instruments

Financial instruments are recognised on the statement of financial position when the group becomes party to the contractual provisions of the instrument. The group initially recognises a financial instrument as a financial asset, a financial liability or as an equity instrument in accordance with the substance of the contractual arrangement.

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in financial assets that is created or retained by the entity is recognised as a separate asset or liability.

The group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are initially measured at fair value and in the case of those not measured at fair value through profit or loss, the transaction costs are capitalised. Subsequent to initial recognition, these instruments are measured as follows:

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(Registration number 2007/032604/06)

Consolidated and separate financial statements for the period ended 30 September 2023

## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Financial Assets

##### Trade and other receivables

Trade and other receivables are initially recognised at transaction price and are subsequently measured at amortised cost using the effective interest rate method. Trade and other receivables are presented net of an allowance for expected credit losses ("ECL"). The group has adopted the general approach for financial assets measured at amortised cost: a three-stage approach based on the deterioration in the credit risk of a financial asset. Movements in the allowance are recognised in profit or loss. Unrecoverable amounts are written off against the allowance account. Subsequent recoveries of previously written off amounts are credited to profit or loss.

The group and company applied the general approach on all receivables. The group uses its historical experience, external indicators and forward-looking information to calculate the ECLs.

Using the general approach the ECL model separates the assessment for impairment requirements into 3 stages as follows:

- a. On origination of the financial instrument, or should credit risk not increase significantly, 12-month ECLs are recognised.
- b. If the credit risk increases significantly and resulting credit quality is not considered low risk, lifetime ECLs are recognised.
- c. If the credit risk increases and the asset is considered impaired, lifetime ECLs are recognised, as in stage 2.

Any expected credit losses recognised are presented in other operating expenses and income due to these losses not being material.

The group considers the trade receivables in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group.

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 forwarding looking information.

Trade receivables with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realised.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Cash and cash equivalents are highly liquid, short term investments that are readily convertible to known amounts of cash. These investments are subject to insignificant risk in change in value. Cash and cash equivalents are measured at amortised cost that approximates fair value.

##### Loans to participants of the Fairvest and Indluplace Unit Purchase and Option Scheme

Loans to participants of the Fairvest and Indluplace Share Purchase and Option Schemes consist of shares issued to the directors and employees of Fairvest and Indluplace at market value.

The loans are measured at fair value through profit and loss in accordance with IFRS 9 - "Financial Instruments".

The loans bear interest either at the Company's effective rate of borrowings (in respect of earlier loans by Fairvest) or in respect of more recent loans by Fairvest and Indluplace at a rate equal to the dividends paid by the Company.

##### Loans to subsidiaries

Loans to subsidiaries are initially recognised at cost and are subsequently measured at amortised cost using the effective interest rate method.

Expected credit losses are determined using the general approach. A default event occurs when the specific subsidiaries is no longer able to fully settle their obligation with reference to their net asset position as well as cash flow and liquid asset position. A deterioration of these factors would indicate a significant increase in credit risk. An expected credit loss is then provided for to the extent that the subsidiary has a net liability or net liquid liability deficit taken together with relevant forward looking factors which may improve or worsen this net deficit.

Default is defined as interest and/or principal repayments being past due.

Write-off is defined as interest and/or principal repayments being past due and there is no reasonable expectation of recovery.

##### Investments in listed and unlisted securities

Investments in listed and unlisted securities are initially measured at fair value. Investments in listed and unlisted securities are subsequently measured at fair value through profit and loss.

# Fairvest Limited and its subsidiaries

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## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Amounts owing by non-controlling-interests

Amounts owing by non-controlling interests are subsequently measured at amortised cost using the effective interest method, adjusted for any loss allowance in the case of loans to non-controlling interests. The group adopts the general approach to measuring expected credit losses.

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 forwarding looking information.

Default is defined as interest and/or principal repayments being past due.

Write-off is defined as interest and/or principal repayments being past due and there is no reasonable expectation of recovery.

#### Loans receivable

Loans receivable are classified as financial assets subsequently measured at amortised cost using the effective interest method since the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and our business model is to collect the contractual cash flows on these loans. The group applies the general approach to measuring ECL.

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 forwarding looking information.

Default is defined as interest and/or principal repayments being past due.

Write-off is defined as interest and/or principal repayments being past due and there is no reasonable expectation of recovery.

#### Financial Liabilities

##### Loans from subsidiaries

Loans from subsidiaries are initially recognised at cost and are subsequently measured at amortised cost using the effective interest rate method.

##### Interest bearing borrowings

Interest bearing borrowings are recognised at amortised cost using the effective interest rate method. Any raising costs that are incurred on interest bearing borrowings are offset against the debt balance and recognised as additional interest using the effective interest rate method over the term of the loan.

The finance cost is recognised in profit or loss in the period in which it accrues.

##### Amounts owing to non-controlling-interests

Amounts owing to non-controlling interests are subsequently measured at amortised cost using the effective interest method.

##### Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, with gains or losses being recognised in profit or loss.

Where the carrying amounts of short-term financial instruments carried at amortised cost approximate their amortised cost values and the impact of discounting is not considered to be material, no discounting is applied.

##### Derivative instruments

The group uses derivative financial instruments to hedge its exposure to interest rate risks arising from its financing activities. Derivative financial instruments are initially recognised at fair value. Derivative financial instruments are subsequently measured at fair value through profit and loss. The gain or loss on remeasurement to fair value is recognised in profit or loss. The group holds interest rate swaps. The fair value of the interest rate swap is the estimated amount that the group would receive or pay to terminate the swap at the reporting date, taking into account current interest rates and the current creditworthiness of the swap counter parties.

# Fairvest Limited and its subsidiaries

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## Accounting Policies

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### 1.4 Investment property - Fair value of property portfolio

Investment property is initially recorded at cost and includes transaction costs on acquisition. Subsequent expenditure to add to or replace a part of the property is capitalised at cost.

Investment property is valued annually and adjusted to fair value as at statement of financial position date.

Independent valuations are obtained on a rotational basis, ensuring that every property is valued at least once every three years by an external independent valuer. The remaining properties are valued by the directors as at reporting date on an open market basis.

The proposed net profit budget relating to each internally valued property for the following five years is used in conjunction with a discounted cash flow model to calculate the fair value adjustment of the investment property. The discount and capitalisation rate used in the discounted cash flow calculation reflects the risks anticipated in the geographical area.

Immediately prior to disposal of an investment property, the investment property is revalued to the fair value less cost of disposal and such revaluation is recognised in profit or loss during the period in which it occurs. Any gain or loss on disposal of investment property is recognised in profit or loss.

### 1.5 Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment.

Property, plant and equipment is depreciated on a straight line basis over the current useful lives of the assets. The estimated useful lives of the assets are:

- Computer equipment - 3 years
- Furniture, fittings and equipment - 3 years
- Leasehold property - 5 years
- Motor vehicles - 5 years

The useful lives and residual values are reassessed at the end of each reporting period and adjusted if necessary.

Subsequent expenditure relating to an item of equipment is capitalised when it is probable that future economic benefits will flow to the entity and the cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Any gain or loss on disposal of office equipment is recognised in profit or loss.

### 1.6 Tax

#### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

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

#### Deferred tax assets and liabilities

The entity is a real estate investment trust ("REIT") and current tax and deferred tax are accounted for accordingly. On this basis, dividends paid to shareholders are allowable as a tax deduction and no deferred tax is provided on movements in the fair value of investment property as no capital gains tax is payable on disposal of properties.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss) and is not a business combination.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss) and is not a business combination.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

# Fairvest Limited and its subsidiaries

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## Accounting Policies

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### 1.6 Tax (continued)

#### Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

### 1.7 Leases

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

#### Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the group is a lessee.

#### Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance charges.

#### Right-of-use assets

Right-of-use assets are presented within investment property as well as separately on the Statement of Financial Position depending on the nature of the asset.

Right-of-use assets are measured at 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

Right-of-use assets are subsequently measured at fair value.

#### Group as lessor

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

The various lease and non-lease components of contracts containing leases are accounted for separately. Utility recoveries are recognised over the period for which the services are rendered. The group acts as a principal on its own account when recovering operating costs, such as utilities, from tenants.

#### Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease.

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

Modifications made to operating leases are accounted for as a new lease from the effective date of the modification. Any prepaid or accrued lease payments relating to the original lease are treated as part of the lease payments of the new lease.

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## Accounting Policies

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### 1.8 Non-current assets held for sale

Non-current assets that are expected to be recovered primarily through sale rather than continuing use, are classified as held for sale. Investment property classified as held for sale is measured in terms of IAS 40 – ‘Investment Property’ at fair value with gains and losses on subsequent measurement being recognised in profit or loss.

### 1.9 Share capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares or in connection with share buy-backs are shown as a deduction in equity from the proceeds.

### 1.10 Share based payments

Eligible employees of the group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

#### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black-Scholes-Merton Model. That cost is recognised, together with a corresponding increase in other capital reserves in equity, over the years in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the group’s best estimate of the number of equity instruments that will ultimately vest.

The statement of profit or loss expense or credit for a year represents the movement in the cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the group is obligated, in terms of tax legislation, to withhold an amount of employees’ tax associated with an equity-settled share-based payment transaction (thus creating a net settlement feature), the full transaction is still accounted for as an equity-settled share-based payment transaction.

### 1.11 Income recognition

#### a) Property portfolio income

Property portfolio revenue comprises operating lease income and operating cost recoveries from the letting of investment property. Operating lease income is recognised on a straightline basis over the term of the lease. Operating cost recoveries are recognised two months in arrears from incurring the expense and accruals are provided at year-end to account for a full 12 months worth of operating cost recoveries. Contingent rents (turnover rentals) are included in revenue when the amount can be reliably measured.

#### b) Interest income

Interest income is recognised as it accrues, using the effective interest rate method.

#### c) Dividend income from Investments

Dividends are recognised as revenue, when the Company’s right to receive payment has been established.

### 1.12 Impairment of non-financial assets

The carrying value of assets is reviewed for impairment at each reporting date. Assets are impaired when events or changes in circumstances indicate that the carrying values may not be recoverable. If such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amounts. The recoverable amount is determined as the higher of fair value less costs to sell or value in use. Where it is not possible to estimate the recoverable amount for an individual asset, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses and the reversal of impairment losses are recognised in profit or loss. An impairment loss is only reversed if there is an indication that the impairment loss no longer exists and the recoverable amount increases as a result of a change in estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years.

### 1.13 Employee short-term benefits

The cost of all short-term employee benefits is recognised 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, bonuses 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.

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## Accounting Policies

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### 1.14 Letting costs

Installations and lease commissions are carried at cost less accumulated amortisation.

Amortisation is provided to write down the cost, less residual value, by equal installments over the period of the lease.

### 1.15 Borrowing costs

The capitalisation rate is arrived at by reference to the actual rate payable. All other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets.

### 1.16 Operating segments

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses. The operating results are reviewed regularly by executive management to make decisions about and to assess the performance of the segment.

On a primary basis the operations are organised into geographical major business segments. The operating segments are reported in the manner consistent with the internal reporting provided to the chief operating decision maker (executive management).

### 1.17 Key estimates and assumptions

Estimates and assumptions, an integral part of financial reporting, have an impact on the amounts reported with respect to the group's assets, liabilities, income and expenses. Judgement in these areas is based on historical experience and reasonable expectations relating to future events. Actual results may differ from these estimates. Information on the key estimates and uncertainties that have the most significant effect on amounts recognised are set out in the following notes to the financial statements:

- Accounting policies – notes 1.4 - Investment property, 1.12 - Impairment of non-financial assets
- Investment property valuation – note 4
- Insignificant portion of investment property owner occupied – note 4
- Recognition of deferred taxation assets – note 7
- Loans to participants of group share purchase option schemes – note 10
- Impairment of investment in subsidiaries – note 12
- Impairment of loans receivables – note 14
- Impairment of receivables – note 16

# Fairvest Limited and its subsidiaries

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## Notes to the consolidated and separate Financial Statements

Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022

### 2. New or revised standards and interpretations applicable to the Company in the current year

The financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

#### Annual Improvements to IFRS: 2018-2020 Cycle

In May 2020, the IASB issued minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases. The effective date of the amendment is for years beginning on or after 1 January 2022 and has been adopted in the current financial year. The amendment did not have an impact on the company's financial statements.

### 3. Standards and interpretations applicable to the Company not yet effective

#### 3.1 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 October 2023 or later periods:

#### IAS 1 Presentation of Financial Statements - Amendment – Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to IAS 1, which clarify how an entity classifies liabilities as current or non-current. The amendment is effective for annual reporting periods beginning on or after 1 January 2024.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### IAS 1 Presentation of Financial Statements - Amendment – Non-current liabilities with Covenants

The amendment clarifies that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current, with additional guidance to explain how an entity should disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months. The amendment is effective for annual reporting periods beginning on or after 1 January 2024.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### IAS 1 Presentation of Financial Statements - Amendment - Disclosure of Accounting Policies

The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material. The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Amendment - Definition of Accounting Estimates

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged. The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### IAS 12 Income Taxes - Amendment - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendment clarifies whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption under IAS 12.15, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences. The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

It is unlikely that the amendment will have a material impact on the company's financial statements.

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### Notes to the consolidated and separate Financial Statements

Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>4. Investment property - Fair value of property portfolio</b>				
Investment property - Fair value of property portfolio	11 517 452	14 679 221	2 033 211	2 078 824

#### Reconciliation of investment property - fair value of property portfolio - Group - 2023

	Opening balance	Improvements to investment property *	Additions resulting from right of use leases	Disposals	Transfer to non-current assets held for sale (note 8)	Transfer from non-current assets held for sale (note 8)	Tenant installations and lease commissions	Disposal of Indluplace Properties Limited (note 34)	Fair value adjustments	Total
Investment property	14 679 221	219 437	882	(88 870)	(124 000)	78 123	2 173	(3 300 864)	51 350	11 517 452

#### Reconciliation of investment property - fair value of property portfolio - Group - 2022

	Opening balance	Additions as a result of reverse acquisition of Arrowhead (note 38)	Improvements to investment property *	Disposals	Transfer to non-current assets held for sale (note 8)	Tenant installations and lease commissions	Fair value adjustments	Total
Investment property	3 319 421	11 595 311	129 499	(2 170)	(559 860)	(2 040)	199 060	14 679 221

\* Please note the improvements to investment property include improvements relating to the discontinued operations, the portion relating to continued operations is R190 265 000 (2022: R92 334 000).

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### Notes to the consolidated and separate Financial Statements

Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022

#### 4. Investment property - Fair value of property portfolio (continued)

##### Reconciliation of investment property - fair value of property portfolio - Company - 2023

	Opening balance	Improvements to investment property	Transfer to non-current assets held for sale (note 8)	Tenant installations and lease commissions	Fair value adjustments	Total
Investment property	2 078 824	45 902	(53 000)	1 523	(40 038)	2 033 211

##### Reconciliation of investment property - fair value of property portfolio - Company - 2022

	Opening balance	Improvements to investment property	Transfer to non-current assets held for sale (note 8)	Tenant installations and lease commissions	Fair value adjustments	Total
Investment property	2 198 126	35 216	(168 000)	682	12 800	2 078 824

Full details of investment properties owned by the group are contained in the register of investment properties which is open for inspection by shareholders at the registered office of the company.

In terms of the accounting policy, the portfolio is valued annually. Each property is externally valued at least once in a 3 year cycle by Real Insight, Yield Enhancement Solutions, DDP Valuation & Advisory Services, Broll Valuation and Advisory Services and De Leeuw Valuers, registered valuers in terms of Section 19 of the Property Valuers Professional Act (Act No 47 of 2000). The remaining properties were valued by the directors. There have been no material changes in the information used and assumptions applied by the registered valuers.

The valuations were performed using the discounted cash flow methodology (and yield capitalisation method in the prior year for the residential component). These methods are based on an open market basis with consideration given to the future earnings potential and applying an appropriate capitalisation rate. Refer to note 46 for the fair value hierarchy.

Investment property has been encumbered as security for secured financial liabilities (note 20).

The group occupies a portion of an office property for administrative purposes. This portion is considered insignificant to the total lettable area of this property and accordingly the property has been classified as investment property.

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022

### 4. Investment property - Fair value of property portfolio (continued)

Sector	Group 2023	Group 2022
	high / low %	high / low %
<b>Industrial</b>		
Discount rate	16.00 / 14.00	16.00 / 14.00
Exit capitalisation rate	12.00 / 10.00	12.00 / 10.00
Vacancy assumption	25.00 / 0.00	20.00 / 0.00
Market rental growth	6.00 / 4.52	6.00 / 4.70
<b>Office</b>		
Discount rate	16.25 / 14.00	16.25 / 14.00
Exit capitalisation rate	12.00 / 9.50	12.00 / 9.50
Vacancy assumption	50.00 / 0.00	25.00 / 0.00
Market rental growth	5.60 / 4.37	6.00 / 4.30
<b>Retail</b>		
Discount rate	16.00 / 13.25	16.00 / 13.25
Exit capitalisation rate	12.00 / 8.75	12.00 / 8.50
Vacancy assumption	20.00 / 0.00	25.00 / 0.00
Market rental growth	6.00 / 4.10	6.50 / 3.30
<b>Residential</b>		
Exit capitalisation rate	N/a	13.78 / 9.25

Sector	Group average initial yield (%)	Group average initial yield (%)
	Industrial	10.63
Office	9.56	10.14
Retail	9.67	9.96

Average lease escalation is 6.63% (2022: 6.18%).

### General assumptions

The fair values of the properties are calculated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. When the actual rent differs materially from the estimated rent, adjustments have been made to the estimated rental value. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, the terms of in-place leases and expectations for rentals from future leases over the remaining economic life of the buildings. The properties are re-valued annually on 30 September.

The most significant inputs, all of which are unobservable, are the estimated discount rates and exit capitalisation rates. Other unobservable inputs used include vacancy assumption and market rental growth. The estimated fair value increases if the estimated rental increases, vacancy levels decline or if the discount rate and/or exit capitalisation rate declines. The overall valuations are most sensitive to the discount rate and exit capitalisation. If the capitalisation rate increased or decreased by 0.25%, the value of investment property, measured using the discounted net cash flow method and income capitalisation rate method, would increase by R189 million and would decrease by R178 million in totality (2022: R274 million increase and R257 million decrease). If the discount rate increased or decreased by 0.25%, the value of investment property, measured using the discounted net cash flow method, would increase by R108 million and would decrease by R106 million in totality (2022: R109 million increase and R106 million decrease). The impact on valuations is illustrated below.

Sector	Capitalisation rates decrease by 0.25%	Capitalisation rates increase by 0.25%	Discount rates decrease by 0.25%	Discount rates increase by 0.25%
	Industrial	19 632	(18 699)	11 561
Office	36 792	(34 978)	21 834	(21 537)
Retail	132 362	(125 126)	74 755	(73 350)
	<b>188 786</b>	<b>(178 803)</b>	<b>108 150</b>	<b>(106 313)</b>

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>4. Investment property - Fair value of property portfolio (continued)</b>				
<b>Reconciliation of fair value of Investment Property</b>				
Investment property (incl. held for sale)	11 824 702	15 263 295	2 260 211	2 246 824
Straight line rental income accrual	179 364	193 660	16 405	17 057
<b>Market value of investment property portfolio</b>	<b>12 004 066</b>	<b>15 456 955</b>	<b>2 276 616</b>	<b>2 263 881</b>
<b>5. Straight line rental income accrual</b>				
Non-current portion	136 883	193 660	10 507	17 057
Current portion included in trade and other receivables (note 16) *	42 481	-	5 898	-
	<b>179 364</b>	<b>193 660</b>	<b>16 405</b>	<b>17 057</b>
Balance at the beginning of the period	193 660	86 875	17 057	35 147
Acquisition of Arrowhead through reverse acquisition (note 38)	-	129 270	-	-
Disposal of investment property	(2 101)	(2 495)	-	-
Disposal of Indluplace (note 34)	(1 139)	-	-	-
Movement for the period	(11 056)	(19 578)	(652)	(18 090)
Movement for the period - discontinued operations	-	(412)	-	-
	<b>179 364</b>	<b>193 660</b>	<b>16 405</b>	<b>17 057</b>
* The straight line rental income accrual has been fully included in non-current assets for 2022.				
<b>6. Right-of-use assets</b>				
Carrying amount at the the beginning of the period	2 740	3 794	-	-
Depreciation	(843)	(1 054)	-	-
	<b>1 897</b>	<b>2 740</b>	<b>-</b>	<b>-</b>
The right-of-use asset relates to the Cape Town corporate office lease. Refer to note 21 for lease liability disclosure.				
<b>7. Deferred tax</b>				
<b>Deferred tax asset / (liability)</b>				
Investment property	(12 735)	(14 122)	(8 820)	(8 272)
Expected credit loss allowance	3 598	2 095	3 598	1 779
Income received in advance	3 279	6 146	3 279	3 715
Payroll accruals	14 024	16 446	14 024	11 720
Straight line rental income accrual	(4 429)	(4 913)	(4 429)	(4 605)
Prepayments	-	(2 173)	-	-
Derivatives	(5 302)	(3 264)	(5 302)	87
Tax losses available for set off against future taxable income	-	1 245	-	-
Less deferred tax not recognised as no expectation of future taxable income *	(2 350)	(2 807)	(2 350)	(4 424)
<b>Total deferred tax (liability) / asset</b>	<b>(3 915)</b>	<b>(1 347)</b>	<b>-</b>	<b>-</b>
The deferred tax asset and the deferred tax liability are shown as follows in the statement of financial position:				
Deferred tax asset	-	2 568	-	-
Deferred tax liability	(3 915)	(3 915)	-	-
<b>Total net deferred tax liability</b>	<b>(3 915)</b>	<b>(1 347)</b>	<b>-</b>	<b>-</b>

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	2023	2022	2023	2022
<b>7. Deferred tax (continued)</b>				
<b>Reconciliation of deferred tax asset / (liability)</b>				
At beginning of year	(1 347)	(1 458)	-	22 848
Acquisition of Arrowhead through reverse acquisition	-	9 035	-	-
Disposal of Indluplace (note 34)	(2 568)	-	-	-
Temporary differences on prepayments	-	(198)	-	-
(Decreases) Increases in tax losses	-	44	-	-
Taxable / (deductible) temporary difference movement on tangible fixed assets	(2 038)	(8 979)	(548)	(5 083)
Taxable / (deductible) temporary difference on credit loss allowance	6 737	649	1 819	948
Taxable / (deductible) temporary difference on income received in advance	(2 404)	1 088	(649)	1 535
Taxable / (deductible) temporary difference on payroll accruals	8 534	14 081	2 304	(4 447)
Taxable temporary difference on straight-lining of leases	652	3 106	176	5 065
Deductible temporary difference on derivatives	(19 958)	(15 960)	(5 389)	(16 278)
Change in income tax rates	-	52	-	(164)
Deferred tax not recognised as no expectation of future taxable income *	8 477	(2 807)	2 287	(4 424)
	<b>(3 915)</b>	<b>(1 347)</b>	<b>-</b>	<b>-</b>

\* The current stated policy of certain entities in the group is to distributable the full distributable income of the specific company. This will result in the company not having any taxable income for the foreseeable future. As such no deferred taxation has been raised for these specific group companies.

### 8. Non-Current assets held for sale

This consists of investment property that is expected to be sold in the next financial year. In the current year, there were 2 properties that were classified as held for sale in 2022 and not sold in 2023. These have been transferred back to investment property.

#### Reconciliation of investment property held for sale

Opening balance	584 074	36 200	168 000	-
Acquisition of Arrowhead through reverse acquisition (note 38)	-	84 353	-	-
Transferred from Investment Property (note 4)	124 000	559 860	53 000	168 000
Transferred to Investment Property (note 4)	(78 123)	-	-	-
Change in fair value	6 000	(10 879)	6 000	-
Disposal of Indluplace (note 34)	(67 429)	-	-	-
Disposals	(261 272)	(85 460)	-	-
	<b>307 250</b>	<b>584 074</b>	<b>227 000</b>	<b>168 000</b>

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#### 9. Property, plant and equipment

Group	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Leasehold property	-	-	-	1 064	(307)	757
Furniture, fittings and equipment	3 115	(2 703)	412	4 711	(3 020)	1 691
Motor vehicles	-	-	-	196	(59)	137
Computer equipment	2 193	(1 900)	293	4 394	(2 533)	1 861
<b>Total</b>	<b>5 308</b>	<b>(4 603)</b>	<b>705</b>	<b>10 365</b>	<b>(5 919)</b>	<b>4 446</b>

Company	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture, fittings and equipment	229	(119)	110	229	(43)	186
Computer equipment	763	(470)	293	496	(374)	122
<b>Total</b>	<b>992</b>	<b>(589)</b>	<b>403</b>	<b>725</b>	<b>(417)</b>	<b>308</b>

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022

### 9. Property, plant and equipment (continued)

#### Reconciliation of property, plant and equipment - Group - 2023

	Opening balance	Additions	Transfers	Depreciation	Disposal of Indluplace (note 34)	Total
Leasehold property	757	-	-	(41)	(716)	-
Furniture, fittings and equipment	1 691	12	436	(318)	(1 409)	412
Motor vehicles	137	-	-	(7)	(130)	-
Computer equipment	1 861	270	(436)	(320)	(1 082)	293
	<b>4 446</b>	<b>282</b>	<b>-</b>	<b>(686)</b>	<b>(3 337)</b>	<b>705</b>

#### Reconciliation of property, plant and equipment - Group - 2022

	Opening balance	Additions	Additions as a result of reverse acquisition of Arrowhead (note 38)	Depreciation	Total
Leasehold property	-	-	899	(142)	757
Furniture, fittings and equipment	161	637	1 402	(509)	1 691
Motor vehicles	-	-	163	(26)	137
Computer equipment	-	145	2 286	(570)	1 861
	<b>161</b>	<b>782</b>	<b>4 750</b>	<b>(1 247)</b>	<b>4 446</b>

#### Reconciliation of property, plant and equipment - Company - 2023

	Opening balance	Additions	Depreciation	Total
Furniture, fittings and equipment	186	-	(76)	110
Computer equipment	122	267	(96)	293
	<b>308</b>	<b>267</b>	<b>(172)</b>	<b>403</b>

#### Reconciliation of property, plant and equipment - Company - 2022

	Opening balance	Additions	Depreciation	Total
Furniture, fittings and equipment	-	229	(43)	186
Computer equipment	159	55	(92)	122
	<b>159</b>	<b>284</b>	<b>(135)</b>	<b>308</b>

### 10. Loans to participants of Group Share Purchase and Option Schemes

Balance at the beginning of the year	105 642	-	23 470	30 720
Acquisition of Arrowhead through reverse acquisition (note 38)	-	128 582	-	-
Interest charged on loans (note 28)	8 070	14 356	3 101	3 236
Repayments - executives and staff	(8 070)	(14 356)	(3 101)	(3 236)
Fair value adjustment (note 31)	1 170	(8 324)	448	(7 250)
Fair value adjustment - discontinued operations	(44 403)	(14 616)	-	-
	<b>62 409</b>	<b>105 642</b>	<b>23 918</b>	<b>23 470</b>

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>10. Loans to participants of Group Share Purchase and Option Schemes (continued)</b>				
<b>Owing by the following participants:</b>				
<b>Loans to Participants of Arrowgem Unit Purchase Scheme ("UPS") and Unit Purchase and Option Scheme ("UPOS")</b>				
M. Kaplan	<b>95 035</b>	<b>95 035</b>	-	-
2016 year - Issued 1 674 898 A shares at R9.71 and 1 674 898 B shares at R9.50 on 17 November 2015				
2017 year - Issued 3 748 005 ordinary shares at R8.66 on 17 November 2016				
2018 year - Issued 4 864 453 ordinary shares at R6.25 on 18 December 2017				
2019 year - Sold 585 704 ordinary shares at R4.67 relating to the 2012 financial year				
Fair value adjustment of the loans	(63 505)	(64 096)	-	-
R. Kader	<b>10 111</b>	<b>10 111</b>	-	-
2018 year - Issued 1 617 701 ordinary shares at R6.25 on 18 December 2017				
Fair value adjustment of the loans	(5 847)	(5 927)	-	-
V. Turner	<b>3 203</b>	<b>3 203</b>	-	-
2018 year - Issued 512 512 ordinary shares at R6.25 on 18 December 2017				
Fair value adjustment of the loans	(1 852)	(1 878)	-	-
N. Kaplan	<b>2 072</b>	<b>2 072</b>	-	-
2018 year - Issued 331 531 ordinary shares at R6.25 on 18 December 2017				
Fair value adjustment of the loans	(1 198)	(1 215)	-	-
A. de Kock	<b>1 118</b>	<b>1 118</b>	-	-
2018 year - Issued 178 848 ordinary shares at R6.25 on 18 December 2017				
Fair value adjustment of the loans	(646)	(655)	-	-
<b>Subtotal</b>	<b>38 491</b>	<b>37 768</b>	-	-

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	2023	2022	2023	2022
<b>10. Loans to participants of Group Share Purchase and Option Schemes (continued)</b>				
<b>Loans to Participants of Indluplace Share Purchase and Option Scheme</b>				
<b>Owing by the following directors of Indluplace:</b>				
2b Mervyn Road (Pty) Ltd - on behalf of estate of G. Leissner	-	52 738	-	-
2015 year - Issued 5 273 809 shares at R10,00 on 19 June 2015				
Fair value adjustment of the loans	-	(40 081)	-	-
M. Kaplan	-	52 738	-	-
2015 year - Issued 5 273 809 shares at R10.00 on 19 June 2015				
Fair value adjustment of the loans	-	(40 081)	-	-
I. Suleman (former director)	-	35 862	-	-
2015 year - Issued 5 273 809 shares at R10.00 on 19 June 2015				
2021 year - Share repurchase of 5 273 809 shares at R3.20				
Fair value adjustment of the loans	-	(35 862)	-	-
C. de Wit	-	44 821	-	-
2015 year - Issued 1 757 936 shares at R10.00 on 19 June 2015				
2016 year - Issued 900 000 shares at R9.30 on 12 December 2016				
2017 year - Issued 937 864 shares at R9.46 on 6 December 2017				
2019 year - Issued 1 424 501 shares at R7.02 on 6 December 2017				
Fair value adjustment of the loans	-	(32 772)	-	-
T. Kaplan	-	24 491	-	-
2016 year - Issued 810 860 shares at R9,30 on 6 February 2017				
2018 year - Issued 840 380 shares at R9.46 on 6 December 2017				
2019 year - issued 1 282 051 shares at R7.02				
Fair value adjustment of the loans	-	(17 450)	-	-
<b>Subtotal</b>	-	<b>44 404</b>	-	-
<b>Loans to Participants of the Fairvest Share Purchase and Option Scheme ("SPOS")</b>				
<b>Owing by the following participants:</b>				
A Kirkel	23 146	23 146	23 146	23 146
2018 year - Issued 2 171 497 shares at R6.10				
2019 year - issued 1 571 428 shares at R6.30				
Fair value adjustment of the loans	(11 169)	(11 393)	(11 169)	(11 393)
J Limalia	23 077	23 077	23 077	23 077
2018 year - Issued 2 160 149 shares at R6.10				
2019 year - issued 1 571 428 shares at R6.30				
Fair value adjustment of the loans	(11 136)	(11 360)	(11 136)	(11 360)
<b>Subtotal</b>	<b>23 918</b>	<b>23 470</b>	<b>23 918</b>	<b>23 470</b>
	<b>98 203</b>	<b>140 765</b>	<b>23 918</b>	<b>23 470</b>
Non-current portion of loans to participants of group share purchase scheme	62 409	105 642	23 918	23 470

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	2023	2022	2023	2022

### 10. Loans to participants of Group Share Purchase and Option Schemes (continued)

#### Loans to participants of the Arrowgem Unit Purchase Scheme ("UPS") and Unit Purchase and Option Scheme ("UPOS")

The loans were granted to the executive directors and employees for the purpose of subscribing for shares in the Company as per the Arrowhead Share Purchase Trust and in terms of the Companies Act.

The shares have been pledged to the Company as security against the outstanding loans and the Company has recourse against the participants for any amounts unpaid under the Scheme.

The loans bear interest at a rate equal to the dividends declared, and is calculated at 31 March and 30 September and is repayable at any time by the employee but not later than 10 years from the making of the loan.

The dividends received on the shares are used to repay the interest accumulated on the loans.

#### Loans to Participants of Indluplace Share Purchase and Option Scheme

The loans were granted to the executive directors for the purpose of subscribing for shares in the Company as per the Indluplace Share Purchase and Option Scheme and in terms of the Companies Act.

The loans bear interest at a rate equal to the dividends declared, and is calculated at 31 March and 30 September and is repayable at any time by the employee but not later than 10 years from the making of the loan.

The dividends received on the shares are used to repay the interest accumulated on the loans and the Company has recourse against the juristic entity for any amounts unpaid under the Scheme.

The shares have been pledged as security to the Company for the outstanding loans.

#### Fairvest Share Purchase and Option Scheme ("SPOS")

The loans bear interest at a rate equal to the dividends declared, and is calculated bi-annually at 31 March and 30 September. The loans are repayable at any time by the employee but no later than 10 (ten) years from the making of the loan.

The shares have been pledged to the Company as security against the outstanding loans and the Company has recourse against the participants for any amounts unpaid under the Scheme.

#### Fair Value of Share Purchase and Option Scheme

The directors reviewed the balances of the loans in terms of the IFRS 9 requirements in the financial period. As these loans are classified as financial assets under IFRS 9, it is measured at fair value through profit and loss.

To determine the fair value, a future share price assessment was carried out taking forward looking parameters into account and applying these factors to a Dividend Growth Model based on a weighted scenario probability analysis, resulting in the fair market value of the future share price at the expiry of the loan discounted back to present value using a discount rate. The fair value adjustments were determined as the difference between the carrying value of the loan and the fair value. Participants still remain liable for the loan value advanced.

The following inputs were used in the Dividend Growth Model (for UPS, UPOS and SPOS):

- > Dividend yield of 12.7% (2022: 13.6%)
- > Growth in annual dividend of 4.0% - 9.5% (2022: 3.5% - 9%)
- > Discount rate of 7.0% (2022: 6.5%)

Sensitivity analysis if key inputs change as follows:

	Up 2%	Down 2%
Dividend yield	(8 582)	11 623
Growth rate	4 762	(4 566)
Discount rate	(4 487)	4 858
	<b>(8 307)</b>	<b>11 915</b>

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	2023	2022	2023	2022

### 11. Financial assets

#### Investment in Dipula Income Fund Limited

Comprises 5.0% investment in the total shares in issue of Dipula (2022: 5.1%).

The investment is held at fair value through profit and loss.

The share price at 30 September 2023 was R3.98 (2022: R3.93). The total share holding at 30 September 2023 was 45 581 241 shares.

Opening balance	179 109	-	-	-
Addition due to acquisition of Arrowhead through reverse acquisition (note 38)	-	202 811	-	-
Fair value adjustment	2 304	(23 702)	-	-
	<b>181 413</b>	<b>179 109</b>	-	-

#### Investment in Cadiz Life Limited

Investments were made in the Cadiz Life Limited's, Inyosi Enterprise and Supplier Development Investment, which contributes to Fairvest's Enterprise and Supplier Development spend for BBBEE purposes. The investment, via an endowment policy, was valued at fair value at 30 September 2023 by Cadiz Life based on the aggregate of the market value of the investments in the underlying fund.

Opening balance	4 517	4 533	-	-
Unrealised fair value losses	(66)	(16)	-	-
	<b>4 451</b>	<b>4 517</b>	-	-

#### Investment in SA SME

At fair value through profit and loss.

Opening balance	2 000	-	-	-
Addition due to acquisition of Arrowhead through reverse acquisition (note 38)	-	2 000	-	-
	<b>2 000</b>	<b>2 000</b>	-	-

#### Loan granted by Fairvest to BEE Supplier Development

Loan granted with no interest. Repayment of the loan is at the written request from Fairvest. Fairvest does not intend to call on the loan in the next 12 months. Amount is shown at amortised cost. An expected loss allowance was considered in terms of IFRS 9 by assessing the credit risk and the expected default rate. As the loan is backed by a guarantee from a large commercial bank (with satisfactory credit rating) no loss allowance was considered necessary.

Opening balance	11 190	-	4 599	4 599
Addition due to acquisition of Arrowhead through reverse acquisition (note 38)	-	11 190	-	-
	<b>11 190</b>	<b>11 190</b>	<b>4 599</b>	<b>4 599</b>
	<b>199 054</b>	<b>196 816</b>	<b>4 599</b>	<b>4 599</b>

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022

### 12. Interest in subsidiaries and loans to/(from) group companies

#### a) Company investments in subsidiaries

	% holding 2023	% holding 2022	Carrying amount 2023	Carrying amount 2022
Arrowgem Limited * - Cost	100.00 %	99.70 %	3 339 705	3 339 705
Arrowgem Limited * - Accumulated impairment			(769 523)	(148 513)
Cumulative Properties Limited # - Cost	100.00 %	100.00 %	2 082 257	2 082 257
Cumulative Properties Limited # - Accumulated impairment			(504 597)	(476 566)
Fairvest Property Holdings Limited ^ - Cost	100.00 %	99.57 %	2 002 640	2 002 640
Gemgrow Asset Management Proprietary Limited ^^ - Cost	100.00 %	100.00 %	100	100
Gemgrow Asset Management Proprietary Limited - Accumulated impairment			(100)	(100)
			<b>6 150 482</b>	<b>6 799 523</b>

\* Arrowgem Limited is a property company that operates in South Africa. The investment in Arrowgem increased in the current year due to a share buy-back done by Arrowgem of shares held by Arrowgem minority shareholders.

# Cumulative Properties Limited is a property company that operates in South Africa.

^ Fairvest Property Holdings Limited is a property company that operates in South Africa. The investment in Fairvest Property Holdings increased in the current year due to a share buy-back done by Fairvest Property Holdings of shares held by Fairvest Property Holdings minority shareholders.

^^ Gemgrow Asset Management Proprietary Limited is a dormant company that operates in South Africa.

The investments in subsidiaries were tested for impairment by measuring the cost of the investment against the net asset value of the underlying subsidiary. Any shortfall was accounted for as an impairment. As the underlying subsidiaries net asset value in all material respects represents the fair value of the subsidiary's assets (with most significant assets measured at fair value annually) and liabilities this is considered a fair reflection of the net realisable value of the investment in the subsidiary. The movement in the accumulated impairments is mostly attributable to an increase and/or reduction in the fair value of the investment property held by the subsidiaries. In the prior year Indluplace has been encumbered as security for secured financial liabilities (note 20).

#### b) Loans to / (from) group companies

Gemgrow Asset Management Proprietary Limited	29	9
Arrowgem Limited	1 288 743	1 270 508
Vividend Income Fund Limited	101 513	(220 006)
Cumulative Properties Limited	(108 634)	(135 706)
Moolgem Proprietary Limited	(562 952)	(513 779)
Fairvest Property Holdings Limited	901 785	46 717
	<b>1 620 484</b>	<b>447 743</b>

#### Shown on statement of financial position as:

Investments in subsidiaries	6 150 482	6 799 523
Short-term portion - loans to group companies	2 292 070	1 317 234
Short-term portion - loans from group companies	(671 586)	(869 491)
	<b>7 770 966</b>	<b>7 247 266</b>

The loans are interest free and repayable on demand. The loans are all unsecured.

Management assessed the inter-company loan recoverability. The process involved doing a solvency test for each company and in cases found where there was insufficient cash available to settle the amount owing, the following assumptions were applied. The asset values were based on the carrying amounts of the assets (carried at fair value) net of secured financial liabilities for the financial period. The cost to dispose was not considered in these calculations as these are considered / expected to be immaterial. An assumption was applied that the sales of the properties are able to happen within 12 months. The risk of a default occurring over 12 months is the same as the lifetime risk of a default occurring, and therefore the 12-month and lifetime expected credit loss will be the same. There has been no significant increase in credit risk and no default events have occurred.

Management applied a test of a best, base and worst-case scenario. Based on the results of the scenario tests management then concluded that the subsidiaries have sufficient resources to meet debt commitments.

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	2023	2022	2023	2022
<b>13. Derivatives</b>				
<b>Standard Bank</b>				
<b>Long-term cancelable interest rate swaps</b>				
R100 million at a 3 month JIBAR rate of 7.64% maturing 21 October 2022	-	(642)	-	-
R300 million at a 3 month JIBAR rate of 7.14% maturing 5 May 2023	-	(895)	-	-
R742 million at a 3 month JIBAR rate of 6.89% maturing 5 May 2023	-	(858)	-	-
R139 million at a 3 month JIBAR rate of 7.14% maturing 3 October 2024	2 019	2 635	2 019	2 635
R106 million at a prime rate of 10.32% maturing 3 October 2024	1 511	2 380	1 511	2 380
R149 million at a 3 month JIBAR rate of 7.44% maturing 21 October 2024	1 952	1 143	-	-
R250 million at a 3 month JIBAR rate of 8.20% maturing 3 May 2026	1 842	-	1 842	-
R250 million at a 3 month JIBAR rate of 7.92% maturing 3 May 2026, capped at 9.00%	1 405	-	1 405	-
	<b>8 729</b>	<b>3 763</b>	<b>6 777</b>	<b>5 015</b>

The derivative instruments were valued by the Standard Bank of South Africa Limited by discounting the future cash flows using the JIBAR swap curve.

### Nedbank

#### Long-term cancelable interest rate swaps

R595 Million at a 3 month JIBAR rate of 6.89%, maturing on 12 September 2024	9 407	12 031	-	-
R100 Million at a 3 month JIBAR rate of 6.80%, maturing on 23 October 2023	413	690	-	-
R100 Million at a 3 month JIBAR rate of 6.44%, maturing on 20 May 2024	1 493	2 258	-	-
	<b>11 313</b>	<b>14 979</b>	<b>-</b>	<b>-</b>

The fair value of the interest rate swap derivative was determined by Nedbank Capital and relates to the fixed rate swaps relative to 3 month JIBAR.

### Investec

#### Long-term cancelable interest rate swaps

R275 Million at a 3 month JIBAR rate of 6.98%, maturing on 28 April 2023	-	(537)	-	-
R52 Million at a 3 month JIBAR rate of 7.33%, maturing on 28 April 2023	-	(234)	-	-
R42 Million at a 3 month JIBAR rate of 7.24%, maturing on 28 April 2023	-	(161)	-	-
R66 Million at a 3 month JIBAR rate of 7.20%, maturing on 28 April 2023	-	(234)	-	-
R112 Million at a 3 month JIBAR rate of 7.28%, maturing on 28 April 2023	-	(467)	-	-
R275 Million at a 3 month JIBAR rate of 7,07% maturing 7 October 2024	-	4 037	-	-
R28.5 Million at a 3 month JIBAR rate of 7,13% maturing 7 October 2024	-	382	-	-
R145 Million at a 3 month JIBAR rate of 7,68% maturing 7 October 2024	-	1 504	-	-
R50 Million at a prime rate of 6,55% maturing 7 January 2025	-	283	-	-
	<b>-</b>	<b>4 573</b>	<b>-</b>	<b>-</b>

The fair value of the interest rate swap derivative was determined by Investec and relates to the fixed rate swaps relative to 3 month JIBAR.

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>13. Derivatives (continued)</b>				
<b>ABSA</b>				
<b>Long-term cancelable interest rate swaps</b>				
R100 Million at a 3 month JIBAR rate of 6.68% maturing October 2022	-	1 972	-	-
R9.5 Million at a prime rate of 9.39% maturing August 2023	-	12	-	-
R38 Million at a prime rate of 9.05% maturing August 2024	432	570	-	-
R275 Million at a 3 month JIBAR rate of 7.07% maturing 5 October 2024	-	4 037	-	-
R28.5 Million at a 3 month JIBAR rate of 7.13% maturing 5 October 2024	-	382	-	-
R145 Million at a 3 month JIBAR rate of 7.68% maturing 5 October 2024	-	1 504	-	-
R100 Million at a 3 month JIBAR rate of 6.96% maturing on 24 October 2024	1 889	(241)	-	-
R50 Million at a prime rate of 6.55% maturing 5 January 2025	-	282	-	-
R400 Million at a 3 month JIBAR rate of 8.30% maturing on 21 July 2025	1 430	-	1 430	-
R250 Million at a 3 month JIBAR rate of 7.45% maturing on 26 January 2026	5 774	-	5 774	-
	<b>9 525</b>	<b>8 518</b>	<b>7 204</b>	<b>-</b>

The fair value of the interest rate swap derivative was determined by ABSA and relates to the fixed rate swaps relative to 3 month JIBAR.

<b>RMB</b>				
<b>Long-term cancelable interest rate swaps</b>				
R250 Million at a 3 month JIBAR rate of 7.48% maturing on 26 January 2026	5 655	-	5 655	-
	<b>5 655</b>	<b>-</b>	<b>5 655</b>	<b>-</b>

The fair value of the interest rate swap derivative was determined by RMB and relates to the fixed rate swaps relative to 3 month JIBAR.

### Shown on the statement of financial position as follows:

Non-current assets	23 477	36 102	19 636	5 015
Current assets	11 745	-	-	-
Non-current liabilities	-	(884)	-	-
Current liabilities	-	(3 385)	-	-
	<b>35 222</b>	<b>31 833</b>	<b>19 636</b>	<b>5 015</b>

### Reconciliation of movement

Opening balance	31 833	(39 715)	5 015	(11 938)
Additions as a result of reverse acquisition of Arrowhead (note 38)	-	(104 793)	-	-
Fair value adjustments (note 31)	15 800	129 528	14 621	16 953
Fair value adjustments - discontinued operations	2 337	46 813	-	-
Disposal of Indluplace (note 34)	(14 748)	-	-	-
	<b>35 222</b>	<b>31 833</b>	<b>19 636</b>	<b>5 015</b>

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>14. Loans receivable</b>				
GGP Investments Proprietary Limited	-	2 901	-	-
Buffshelfco 17 Proprietary Limited	-	89 681	-	-
Lonisign Proprietary Limited	10 189	11 249	-	-
Stilopro Proprietary Limited	12 784	13 780	-	-
Fattis Mansions Body Corporate	15 815	14 846	-	-
	<b>38 788</b>	<b>132 457</b>	-	-
<b>Reconciliation of movements</b>				
Opening balance	132 457	285 078	-	-
Advanced during the period	1 286	30 433	-	-
Repaid during the period	(9 050)	(208 292)	-	-
Finance income accrued	6 587	25 238	-	-
Acquisition of minority interest	(92 492)	-	-	-
	<b>38 788</b>	<b>132 457</b>	-	-
<b>Movement in loss allowance</b>				
Opening balance	-	59 769	-	-
Reversed loss allowance	-	(59 769)	-	-
	-	-	-	-
<b>Reconciliation to the statement of financial position</b>				
Non-current portion	12 784	13 780	-	-
Current portion	26 004	118 677	-	-
	<b>38 788</b>	<b>132 457</b>	-	-

The GGP Investments Proprietary Limited ("GGP") loan relates to the development of the Southview Shopping Centre. GGP is the non-controlling shareholder in Southview Shopping Centre Proprietary Limited. The loan bore interest at prime + 1.50% (currently 13.25% (2022: 11.25%)). The loan was repaid in the current financial year.

The Buffshelfco 17 Proprietary Limited ("Buffshelfco 17") loan relates to the subscription of shares in Bara Precinct Proprietary Limited. Buffshelfco 17 is the non-controlling shareholder in Bara Precinct Proprietary Limited. The loan bore interest at prime + 4.50% (currently 15.50% (2022: 14.25%)). The loan was repaid in the current financial year.

Lonisign Proprietary Limited ("Lonisign") loan relates to the acquisition of the Libode Shopping Centre. Lonisign is the non-controlling shareholder in Libode Shopping Centre Proprietary Limited. The loan bears interest at prime + 2.00% (currently 13.75% (2022: 11.75%)). Security over the loan includes a cession and pledge of Lonisign shares in Libode Shopping Centre Proprietary Limited and suretyships by the shareholders of Lonisign. The loan is repayable in the next 12 months.

Stilopro Proprietary Limited loan ("Stilopro") relates to the development of the Qumbu Plaza Centre. Stilopro is the non-controlling shareholder in Qumbu Plaza Proprietary Limited. The loan bears interest at prime + 2.00% (currently 13.75% (2022: 11.75%)) and is repayable by 1 December 2024. Security over the loan includes a cession and pledge of Stilopro shares in Qumbu Plaza Proprietary Limited and suretyships by the shareholders of Stilopro.

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	2023	2022	2023	2022

### 14. Loans receivable (continued)

The Fattis Mansion Body Corporate ("Fattis") loan relates to a loan provided to the Body Corporate where the company owns sections in an unlettable vacant property. The loan bears interest at variable rates of interest (currently 0% (2022: 0%)). The loan is repayable on the date as agreed by the parties. Security over the loan includes a cession of Fattis current and future debtors book and a first general covering mortgage bond to the value of R25.0 million.

Loans receivable were analysed in terms of IFRS 9 by assessing the credit risk and expected default rate, taking into account mitigating factors including collateral held per loan. Credit risk and the expected default rate is assessed based on a three-stage risk approach. Inputs and assumptions in determination of the ECL include taking into account repayment dates of the loans, the growth prospects of the properties linked to the lenders, and sureties provided on the loans. In determining whether the credit risk has increased significantly the net equity position of a loan is assessed, along with the income-generating abilities of the properties from day-to-day trading conditions and the surrounding areas. Budgets for each property are also taken into account to assess the forward-looking position of properties and trading prospects. During the prior year the ECL provision decreased as the loans were settled at the impaired value therefore the ECL provision was derecognised.

For all loans the inputs and assumptions taken into account in assessing and determining the ECL provides low default factors for the loans, with recoveries on the loans provided through sureties on the properties, resulting in these loans deemed to be in Stage 1 of the three-stage risk approach, with no objective evidence of impairment as at the reporting period as the collateral held exceeds the value of the loans.

### 15. Amounts owing by non-controlling interest

Buffshelfco 17 Proprietary Limited	-	24 186	-	-
<b>Reconciliation of movements</b>				
Opening balance	24 186	20 326	-	-
Advanced during the period	508	16 192	-	-
Repaid during the year	(24 694)	(12 332)	-	-
	-	<b>24 186</b>	-	-

The Buffshelfco 17 Proprietary Limited loan related to a shareholder loan in Bara Precinct Proprietary Limited and was interest free (2022: Nil). The loan was unsecured and was repaid in the current financial year.

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>16. Trade and other receivables</b>				
<b>Financial instruments:</b>				
Trade receivables	123 555	108 352	33 480	18 497
Loss allowance	(64 575)	(57 465)	(22 226)	(10 984)
Trade receivables at amortised cost	58 980	50 887	11 254	7 513
Adjustment accounts receivable	-	2 180	-	3 167
Income accrual accounts	88 498	109 852	14 005	16 458
Insurance claims receivable	474	-	-	-
Municipal clearances	13 483	11 242	1 643	914
Municipal deposits	19 136	29 170	3 670	3 946
Other receivables	2 103	10 986	-	-
<b>Non-financial instruments:</b>				
Straight line rental income accrual * (note 5)	42 481	-	5 898	-
Prepayments	2 905	3 673	191	179
VAT	-	262	-	-
<b>Total trade and other receivables</b>	<b>228 060</b>	<b>218 252</b>	<b>36 661</b>	<b>32 177</b>
<b>Reconciliation to the statements of financial position:</b>				
Current	228 060	218 252	36 661	32 177

\* The straight line rental income accrual has been fully included in non-current assets for 2022.

The loss allowance was determined as follows, in line with the general approach:

<b>2023 - Group</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Trade receivables	31 553	36 198	55 804	123 555
Less: Loss allowance	(1 905)	(15 587)	(47 083)	(64 575)
	<b>29 648</b>	<b>20 611</b>	<b>8 721</b>	<b>58 980</b>
<b>2022 - Group</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Trade receivables	31 514	23 636	53 202	108 352
Less: Loss allowance	(2 666)	(11 868)	(42 931)	(57 465)
	<b>28 848</b>	<b>11 768</b>	<b>10 271</b>	<b>50 887</b>
<b>2023 - Company</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Trade receivables	2 863	7 339	23 278	33 480
Less: Loss allowance	(148)	(2 612)	(19 466)	(22 226)
	<b>2 715</b>	<b>4 727</b>	<b>3 812</b>	<b>11 254</b>
<b>2022 - Company</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Trade receivables	3 964	4 136	10 397	18 497
Less: Loss allowance	(312)	(2 099)	(8 573)	(10 984)
	<b>3 652</b>	<b>2 037</b>	<b>1 824</b>	<b>7 513</b>

The credit quality of trade receivables that are neither past due nor impaired can be assessed as good due to the majority of the debtors being well established companies.

Trade receivables held at amortised cost were analysed in terms of IFRS 9, through assessing the credit risk and expected default rate, taking into account mitigating factors. Credit risk and the expected default rate is assessed based on a three-stage risk approach, applying company specific risks, such as tenant classification and category of trade; trading performance; relief provided throughout COVID-19 trading limitations; and payment history to the receivables.

Other receivables are categorised as stage 1 since the credit risk of the receivables has not increased significantly from initial recognition. The risk of default and the mitigating factors taken into account resulted in no loss allowance being recognised for these other receivables.

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	2023	2022	2023	2022

### 16. Trade and other receivables (continued)

#### Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

#### Reconciliation of loss allowance

Opening balance	(57 465)	(11 106)	(10 984)	(5 340)
Addition due to acquisition of Arrowhead through reverse acquisition	-	(33 408)	-	-
Disposal of Indluplace	3 162	-	-	-
Amounts written off	16 475	5 372	4 366	396
Increase in loss allowance	(26 747)	(18 323)	(15 608)	(6 040)
	<b>(64 575)</b>	<b>(57 465)</b>	<b>(22 226)</b>	<b>(10 984)</b>

### 17. Cash and cash equivalents

Cash is invested with ABSA Bank, Standard Bank, Investec and First National Bank. Cash and cash equivalents is subsequently measured at amortised cost which approximates the amount receivable from banking institutions and therefore no expected credit loss has been provided for.

#### For purposes of the cash flow statement, cash and cash equivalents comprise:

Bank balances	106 763	108 740	25 713	15 414
Residential tenant deposits *	-	25 829	-	-
	<b>106 763</b>	<b>134 569</b>	<b>25 713</b>	<b>15 414</b>

\* Cash and cash equivalents in 2022 of R25.8 million relating to residential tenant deposits are held on behalf of tenants of certain subsidiaries in a separate bank account in terms of the Rental Housing Act, No 50 of 1999. This account is restricted for the purposes of repaying the liability owing to residential tenants at the expiry of their leases, subject to the conditions contained in the lease agreement. Due to the disposal of Indluplace the current year balance is R Nil.

#### Credit quality of cash at bank and short term deposits

The group only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. The bank's national long term credit ratings are AA which is considered adequate and does not require the recognition of an expected credit loss.

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	2023	2022	2023	2022
<b>18. Share capital</b>				
<b>Authorised</b>				
1 000 000 000 A ordinary no par value shares				
2 000 000 000 B ordinary no par value shares				
<b>Issued</b>				
Consolidated share capital	5 169 939	5 269 499	-	-
62 718 658 (2022: 62 718 658) A shares	-	-	1 110 842	1 110 842
1 495 747 091 (2022: 1 494 142 831) B shares	-	-	5 462 058	5 461 551
	<b>5 169 939</b>	<b>5 269 499</b>	<b>6 572 900</b>	<b>6 572 393</b>
<b>Shares in issue</b>				
<b>A shares</b>				
Total shares in issue	62 718 658	62 718 658	62 718 658	62 718 658
<b>B shares</b>				
Balance at the beginning of the year	1 460 863 899	951 422 028	1 494 142 831	951 422 028
Shares issued during the year	1 604 260	542 720 803	1 604 260	542 720 803
Treasury shares held	(32 551 936)	(33 278 932)	-	-
	<b>1 429 916 223</b>	<b>1 460 863 899</b>	<b>1 495 747 091</b>	<b>1 494 142 831</b>

### Rights of each class of share

#### Votes of shareholders

At a meeting of the company every shareholder present and entitled to exercise voting rights shall be entitled to one vote on a show of hands and on a poll, any person who is present at the meeting, whether as a shareholder or as proxy for a shareholder, has the number of votes determined in accordance with the voting rights associated with the shares held by that shareholder, being one vote per issued share.

#### Pari Passu

Save in instances detailed in the Memorandum of Incorporation of the Company, such as the entitlement to distributions and on winding up, all issued shares shall rank pari passu in all respects.

#### Distributions

If the company resolves to declare a distribution to shareholders in respect of any income period, no such distribution may be declared by the company in respect of the B ordinary shares for such income period until the A ordinary share distribution has been declared in respect of the A ordinary shares for that income period, and no such distribution shall be paid by the company in respect of the B ordinary shares for such income period unless the relevant A ordinary share distribution has been paid. The A ordinary share distribution for the A ordinary shares in respect of the financial year ending 30 September 2019 and thereafter shall for the first income period, be a distribution per A ordinary share equivalent to the prior year's A ordinary share distribution for the first income period, escalated by an amount equal to the lesser of 5% and the most recently available CPI figure and for the second income period, a distribution per A ordinary share equivalent to the prior year's A ordinary share distribution for the second income period, escalated by an amount equal to the lesser of 5% and the most recently available CPI figure. In the event that the company declares a distribution in an amount less than the amounts as aforesaid, then in such event that lesser amount shall be paid for that period, apportioned pro rata to each "A" ordinary share in issue on the relevant record date.

#### Subordination of B ordinary shares and repayment waterfall on winding-up of the company

If the company is wound up, the assets remaining after payment of debts and liabilities of the company and the costs of the liquidation shall be applied firstly to each of the A ordinary shareholders who shall be entitled to an amount equal to the volume weighted average traded sales price of an A ordinary share (as shown by the official price list published by the JSE) over the 60 trading days immediately preceding the date of publication of any announcement detailing events relating to such winding up and thereafter each of the B ordinary shareholders shall be entitled to receive any surplus of such monies available for distribution.

During December 2022, 1 604 260 shares were issued to employees as these shares vested under the Conditional Share Plan (note 19).

Treasury shares acquired during the current and prior period have not been cancelled and are held by wholly owned subsidiaries. During March 2023, 32 551 936 B shares were bought back at an average price of R3.07.

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	2023	2022	2023	2022

### 19. Share based payments

#### Conditional Share Plan ("CSP")

The CSP provides for the annual award of Performance Shares which vest after three years subject to the achievement of strategically important performance conditions and the participant remaining employed with Fairvest. These Performance Shares are Fairvest B shares.

The fair value of the Performance Shares is estimated at the grant date using the Black-Scholes-Merton Option Pricing Model, taking into account the terms and conditions upon which the shares were granted.

The expense recognised for employee services received during the year is as follows:

Expense arising from equity-settled share-based payment transactions	14 246	5 314	14 246	2 934
Cumulative equity-settled share-based payment reserve	22 882	14 564	22 882	11 506

#### Movements during the year

The following table illustrates the number of, and movements in the Performance shares:

	Group	Company
Outstanding at 1 October 2021	-	10 310 863
Granted due to acquisition of Arrowhead through reverse acquisition	10 310 863	-
Granted during the year	6 696 907	6 696 907
Employee resignations during the year	(4 332 707)	(4 332 707)
Outstanding at 1 October 2022	12 675 063	12 675 063
Granted during the year	13 860 346	13 860 346
Employee resignations during the year	(1 070 633)	(1 070 633)
Shares vested during the year	(2 424 960)	(2 424 960)
<b>Outstanding at 30 September 2023</b>	<b>23 039 816</b>	<b>23 039 816</b>

Fair value was determined by using the Black-Scholes-Merton Pricing Model.

The following inputs were used for the 2021 CSP:

- > Weighted average share price of R2.47,
- > Exercise price of R Nil,
- > Expected volatility of 87.00%,
- > Option life of 3 years,
- > Dividend yield of 13.36% and
- > The risk-free interest rate of 6.19%

The following inputs were used for the 2022 CSP:

- > Weighted average share price of R3.18,
- > Exercise price of R Nil,
- > Expected volatility of 38.91%,
- > Option life of 3 years,
- > Dividend yield of 13.62% and
- > The risk-free interest rate of 9.79%

The following inputs were used for the 2023 CSP:

- > Weighted average share price of R3.02,
- > Exercise price of R Nil,
- > Expected volatility of 32.16%,
- > Option life of 3 years,
- > Dividend yield of 13.70% and
- > The risk-free interest rate of 9.17%

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	2023	2022	2023	2022

### 19. Share based payments (continued)

#### Executive Retention Scheme

The group CEO and CFO were awarded, on 28 July 2023, conditional rights to 3 781 519 Fairvest B ordinary shares ("Retention B Shares") in terms of the CSP, which will vest on 1 December 2024, subject to the fulfillment of the employment conditions contained in the rules of the Plan.

The following inputs were used for the fair value determination of the Retention B Shares using the Black-Scholes-Merton Pricing Model:

- > Weighted average share price of R3.07,
- > Exercise price of R Nil,
- > Expected volatility of 27.56%,
- > Option life of 1.3 years,
- > Dividend yield of 13.62% and
- > The risk-free interest rate of 9.17%

Expense arising from Executive Retention Scheme	1 257	-	1 257	-
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Refer to note 42 for directors interest in these schemes.

#### Reconciliation to the statement of financial position

Conditional Share Plan	21 625	14 564	21 625	11 506
Executive Retention Scheme	1 257	-	1 257	-
	<b>22 882</b>	<b>14 564</b>	<b>22 882</b>	<b>11 506</b>

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	2023	2022	2023	2022
<b>20. Secured financial liabilities</b>				
<b>Standard Bank</b>				
Loan number 600607	-	179 051	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.10%. The loan was repaid in the current year.				
Facility A - Tranche 1	290 000	290 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 month JIBAR plus 1.90% repayable on 1 October 2024.				
Facility B	105 000	150 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to prime minus 1.30% repayable on 30 September 2025.				
Facility A - Tranche 2	290 000	290 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 month JIBAR plus 2.02% repayable on 30 September 2026.				
Loan number 146374	-	47 000	-	47 000
Secured by a mortgage bond over investment properties, bears interest at prime less 1.00%. This loan was repaid in the current year.				
Facility O	94 500	94 500	94 500	94 500
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.20% repayable on 31 January 2025.				
Facility Q	83 000	165 569	83 000	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 month JIBAR plus 1.85% repayable on 30 November 2024.				
Term loan	-	55 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to prime minus 1.45%. This loan was repaid in the current financial year.				
Facility H	290 744	-	290 744	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 1.77% repayable on 31 August 2027.				
Facility I	49 637	-	49 637	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 1.89% repayable on 28 February 2026.				

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	2023	2022	2023	2022
<b>20. Secured financial liabilities (continued)</b>				
<b>Nedbank</b>				
Loan number 30171756 Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 2.05%. This loan was repaid in the current financial year.	-	661 000	-	-
Loan number 30176950 Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 2.25%. This loan was repaid in the current financial year.	-	187 000	-	187 000
Loan Macassar Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.95%. This loan was repaid in the current financial year.	-	40 500	-	-
Term loan Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.90%. This loan was repaid in the current financial year.	-	127 583	-	-
Loan Bara Mall Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.97%. This loan was repaid in the current financial year.	-	160 000	-	-
Loan FPP103 Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.87% repayable on 3 October 2023.	74 999	75 000	-	-
Facility D Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.42% repayable on 5 September 2025.	400 000	-	400 000	-
Facility E Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.62% repayable on 7 September 2026.	168 332	-	168 332	-
Facility L Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.80% repayable on 31 October 2024.	173 610	-	173 610	-
Facility M Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.85% repayable on 31 October 2025.	173 849	-	173 849	-
Facility N Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.90% repayable on 31 October 2026.	173 350	-	173 350	-
Facility R Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.80% repayable on 20 March 2026.	65 225	-	65 225	-

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	2023	2022	2023	2022
<b>20. Secured financial liabilities (continued)</b>				
<b>ABSA Bank Limited</b>				
Facility B1	-	302 143	-	-
Secured by a mortgage bond over investment properties, bore interest at a variable rate linked to a 3 month JIBAR plus 2.20%. This loan was repaid during the year.				
Facility D1	-	304 683	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 2.40%. This loan was derecognised as a result of the Indluplace sale.				
Facility D2	-	75 576	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 2.55%. This loan was derecognised as a result of the Indluplace sale.				
Facility D3	-	66 887	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 2.70%. This loan was derecognised as a result of the Indluplace sale.				
Facility K	38 000	38 000	38 000	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a prime minus 1.40% repayable on 10 April 2025.				
Loan South View	50 000	50 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a prime minus 1.40% repayable on 10 April 2025.				
Term loan	-	9 500	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a prime minus 1.40%. This loan was repaid in the current financial year.				
Loan Empangeni	-	86 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 1 month JIBAR plus 2.00%. This loan was repaid in the current financial year.				
Loan Qumbu	29 000	29 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 1 month JIBAR plus 2.15% repayable on 31 July 2024.				
Facility A	300 000	-	300 000	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.62% repayable on 7 September 2026.				
Facility B	300 000	-	300 000	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a 3 month JIBAR plus 1.77% repayable on 6 September 2027.				
Facility C	74 307	-	74 307	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to a prime minus 1.63% repayable on 7 September 2026.				

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<b>20. Secured financial liabilities (continued)</b>				
<b>Investec</b>				
Loan number Arrowhead revolving credit facility Secured by a mortgage bond over investment properties and bears interest at a variable rate linked to 3 months JIBAR plus 2.75%. The loan was repaid in the current financial year.	-	100 000	-	-
Loan number Arrowhead 00002 Secured by a mortgage bond over listed securities bears interest at a variable rate linked to 3 months JIBAR plus 2.10%. The loan was repaid in the current financial year.	-	31 095	-	-
Loan number Arrowhead 00003 Secured by a mortgage bond over listed securities bears interest at a variable rate linked to 3 months JIBAR plus 2.10%. The loan was repaid in the current financial year.	-	97 533	-	-
Facility A1 Secured by a mortgage bond over investment properties, bore interest at a variable rate linked to 3 months JIBAR plus 2.20%. This loan was repaid during the year.	-	302 143	-	-
Loan number Gemgrow 1 Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.15%. The loan was repaid in the current financial year.	-	217 195	-	217 195
Facility Term Secured by a mortgage bond over investment properties, bears interest at a variable rate prime less 0.75% repayable on 31 December 2023.	12 824	8 177	-	-
Facility Libode Secured by a mortgage bond over investment properties, bears interest at a variable rate prime less 0.75% repayable on 30 November 2024.	30 206	30 382	-	-
Loan number Gemgrow 2 Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.20%. The loan was repaid in the current financial year.	-	353 086	-	353 086
Facility C1 Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.30%. This loan was derecognised as a result of the Indluplace sale.	-	162 499	-	-
Facility C2 Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.40%. This loan was derecognised as a result of the Indluplace sale.	-	75 577	-	-
Facility C3 Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.50%. This loan was derecognised as a result of the Indluplace sale.	-	66 889	-	-

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>20. Secured financial liabilities (continued)</b>				
<b>FirstRand Bank Limited ("RMB")</b>				
Term loan	313 058	313 058	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 month JIBAR plus 1.78% repayable on 4 December 2023.				
Revolving facility	-	60 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 1 month JIBAR plus 1.88% repayable on 4 December 2023.				
Loan 19496	-	79 417	-	79 417
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.35%. The loan was repaid in the current financial year.				
Loan 11054	-	110 000	-	110 000
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 2.35%. The loan was repaid in the current financial year.				
Facility C	630 000	630 000	-	-
Secured by a mortgage bond over investment properties, bears interest at a variable rate linked to 3 months JIBAR plus 1.95% and is repayable by 10 June 2025.				
	<b>4 209 641</b>	<b>6 121 043</b>	<b>2 384 554</b>	<b>1 088 198</b>
Add: Accrued finance costs	697	5 339	-	-
Less: Loan raising costs	(8 517)	(6 331)	(5 500)	(911)
Opening balance	(6 331)	(1 123)	(911)	(2 246)
Addition due to acquisition of Arrowhead	-	(4 952)	-	-
Loan initiation fees incurred during the year	(9 166)	(5 072)	(6 672)	-
Disposal of Indluplace	561	-	-	-
Amortisation for the year	6 419	4 816	2 083	1 335
	<b>4 201 821</b>	<b>6 120 051</b>	<b>2 379 054</b>	<b>1 087 287</b>
<b>Split between non-current and current portions</b>				
Non-current liabilities	3 771 559	3 549 738	2 379 054	517 006
Current liabilities	430 262	2 570 313	-	570 281
	<b>4 201 821</b>	<b>6 120 051</b>	<b>2 379 054</b>	<b>1 087 287</b>

The group's loans are secured by investment properties valued at R11.4 billion (2022: R15.3 billion).

At year-end, the group's unutilised loan facilities amounted to R917.1 million, the gearing ratio was 33.3% and the weighted average rate of interest was 10.16%.

The group and company is compliant in respect of all loan covenants for all funders. The group's strictest Corporate Loan to Value covenant is 50.0% with the group achieving 33.3% and the group's strictest Corporate Interest Cover Ratio is 2.00 with the group achieving 2.27 for the 2023 financial year.

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	2023	2022	2023	2022
<b>20. Secured financial liabilities (continued)</b>				
The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants with this review seeking to replace existing interbank offered rates ("IBORs") with alternative risk-free rates ("ARRs") to improve market efficiency and mitigate systemic risk across financial markets.				
To this end the South African Reserve Bank ("SARB") has indicated their view for the adoption of the South African Rand Overnight Index Average ("ZARONIA") as the preferred unsecured candidate to replace Johannesburg Interbank Average Rate ("JIBAR") in cash and derivative instruments. On 2 November 2022, the SARB commenced publishing ZARONIA primarily to allow market participants to observe its performance and consider the implications of adopting it as a replacement for JIBAR.				
Currently there is still some uncertainty surrounding the timing and manner in which the transition would occur from JIBAR to ZARONIA and how this would affect various financial instruments held by the group.				
<b>21. Lease liabilities</b>				
Lease liabilities relating to IFRS 16 are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. Each lease payment is allocated between the liability 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.				
In addition the group entered into sale and leaseback agreements for certain of its solar plants in prior years. These facilities have been fully settled in the current financial year.				
<b>Lease liabilities</b>				
The maturity analysis of lease liabilities is as follows:				
Within one year	4 752	16 969	-	11 633
Two to five years	18 989	54 977	-	36 312
More than five years	134 231	139 991	-	-
	157 972	211 937	-	47 945
Less finance charges component	(115 220)	(129 225)	-	(7 824)
	<b>42 752</b>	<b>82 712</b>	-	<b>40 121</b>
Non-current liabilities	40 465	71 649	-	31 672
Current liabilities	2 287	11 063	-	8 449
	<b>42 752</b>	<b>82 712</b>	-	<b>40 121</b>
<b>Lease liability reconciliation</b>				
Opening balance	42 591	20 820	-	-
Lease liability arising reverse acquisition of Arrowhead (note 38)	-	24 480	-	-
New lease entered into during the year	3 210	-	-	-
Lease modifications	(1 256)	-	-	-
Finance charges	3 814	3 867	-	-
Payments	(5 607)	(6 576)	-	-
	<b>42 752</b>	<b>42 591</b>	-	-
<b>Arising from sale and leaseback</b>				
Opening balance	40 121	-	40 121	21 190
Lease liability arising reverse acquisition of Arrowhead (note 38)	-	45 458	-	-
Cash inflow from initial sale of solar plants giving rise to liability	-	-	-	25 830
Finance charges	1 705	2 250	1 705	2 881
Payments	(41 826)	(7 587)	(41 826)	(9 780)
	-	<b>40 121</b>	-	<b>40 121</b>

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>22. Deposits received</b>				
Deposits received	120 836	133 671	36 914	35 941
<b>Reconciliation to the statement of financial position</b>				
Non-current portion	82 000	64 052	23 490	17 245
Current portion included in trade and other payables (note 24)	38 836	69 619	13 424	18 696
	<b>120 836</b>	<b>133 671</b>	<b>36 914</b>	<b>35 941</b>
<b>23. Amounts owing to non-controlling interests</b>				
Born Free Investments 385 Proprietary Limited	10 843	9 160	-	-
GGP Investments Proprietary Limited	18 783	15 388	-	-
Lonisign Proprietary Limited	11 270	10 630	-	-
Stilopro Proprietary Limited	14 531	13 648	-	-
	<b>55 427</b>	<b>48 826</b>	-	-
<b>Reconciliation of movement</b>				
Opening balance	48 826	129 813	-	-
Advanced during the period	417	15 039	-	-
Repaid during the period	(11 575)	(59 209)	-	-
Acquisition of non-controlling interest	-	(44 204)	-	-
Finance cost capitalised	5 570	7 387	-	-
Dividends capitalised	12 189	-	-	-
	<b>55 427</b>	<b>48 826</b>	-	-
<b>Reconciliation to the statement of financial position</b>				
Non-current portion	25 374	22 807	-	-
Current portion	30 053	26 019	-	-
	<b>55 427</b>	<b>48 826</b>	-	-

The Born Free Investments 385 Proprietary Limited loan represents a shareholder loan in FPP Property Venture 103 Proprietary Limited and bears interest at prime less 1.00% (2022: prime less 1.00%). The loan is unsecured and has no fixed terms for repayment. There is a right to defer settlement until such time that the property is disposed of.

The GGP Investments Proprietary Limited loan represents a shareholder loan in Southview Shopping Centre Proprietary Limited and bears interest at prime less 1.25% (2022: prime less 1.25%). The loan is unsecured and has no fixed terms for repayment and is expected to be repaid within 12 months.

The Lonisign Proprietary Limited loan represents a shareholder loan in Libode Shopping Centre Proprietary Limited and bears interest at prime less 1.00% (2022: 1.00%). The loan is unsecured and has no fixed terms for repayment and is expected to be repaid within 12 months.

The Stilopro Proprietary Limited loan represents a shareholder loan in Qumbu Plaza Proprietary Limited and bears interest at prime less 1.00% (2022: 1.00%). The loan is unsecured and has no fixed terms for repayment. There is a right to defer settlement until such time that the property is disposed of.

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	2023	2022	2023	2022
<b>24. Trade and other payables</b>				
<b>Financial instruments:</b>				
Trade payables	243 206	289 240	76 527	63 962
Accrued capital expenditure and lease commission	25 702	28 550	6 762	7 081
Adjustment accounts	2 631	2 832	-	-
Payroll accruals	-	1 830	-	-
Repairs & maintenance and contract accruals	101 201	80 785	6 076	6 169
Sundry payables	992	-	-	-
Tenant (receivables) / accruals	(344)	1 920	(43)	1 764
Tenant advances	1 523	1 846	-	-
Tenant deposits (note 22)	38 836	69 619	13 424	18 696
Other payables	8 369	8 187	-	-
Unclaimed customer amounts	434	9 934	127	2 990
<b>Non-financial instruments:</b>				
Amounts received in advance and other credit amounts	71 591	94 835	12 346	14 549
VAT	8 128	7 301	2 889	1 103
	<b>502 269</b>	<b>596 879</b>	<b>118 108</b>	<b>116 314</b>
<b>25. Revenue</b>				
Rental revenue from contracts	1 362 359	1 136 759	268 267	263 341
Tenant recoveries	558 579	448 142	82 202	81 500
Management fees received from subsidiaries	-	-	701	1 088
	<b>1 920 938</b>	<b>1 584 901</b>	<b>351 170</b>	<b>345 929</b>
<b>26. Contract cancellation fees</b>				
Contract cancellation fees	-	133 873	-	-
<p>On 7 September 2021 shareholders of Fairvest Property Holdings Limited approved the acquisition of 100% of the New Star Asset Management Proprietary Limited for R133 million and cancellation of the management contract. Management have concluded that IFRS 3 should not be applied as the payment is in substance a payment for the cancellation of a contract.</p>				
<b>27. Net operating profit</b>				
Net operating profit includes the following items:				
Consulting and professional services	5 657	7 403	4 267	6 408
Letting commission	21 380	15 885	4 105	6 012
Repairs and maintenance	27 676	39 166	4 246	5 939
Property management fee	47 115	44 017	8 056	11 586
Electricity, water, sewer and refuse	517 769	423 764	86 509	85 097

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	2023	2022	2023	2022

### 28. Net finance (charges)/income

#### Finance charges

Interest paid - secured financial liabilities	(433 685)	(244 706)	(142 183)	(73 092)
Interest received (paid) - interest rate swaps	2 520	(68 344)	3 183	(7 979)
Interest paid - other	(3 662)	(1 991)	(43)	(350)
Interest paid - leases	(5 318)	(5 918)	(1 705)	(2 883)
Interest paid on amounts owing to non-controlling interests	(5 570)	(7 387)	-	-
Debt structuring fees incurred and amortised	(10 981)	(4 210)	(6 672)	(1 335)
	<b>(456 696)</b>	<b>(332 556)</b>	<b>(147 420)</b>	<b>(85 639)</b>

#### Interest income

Interest received - bank	5 722	2 840	1 056	436
Interest received from loans	6 625	25 306	-	-
Interest received - tenants	2 053	1 959	291	603
Interest received - other	1 860	-	-	199
Interest received - Participants of the Share Purchase Schemes	8 070	8 444	3 101	3 236
	<b>24 330</b>	<b>38 549</b>	<b>4 448</b>	<b>4 474</b>
	<b>(432 366)</b>	<b>(294 007)</b>	<b>(142 972)</b>	<b>(81 165)</b>

### 29. Listed securities income

#### Dividends received

- Arrowhead Properties Limited *	-	4 924	-	-
- Dipula Income Fund Limited	25 901	19 243	-	-
	<b>25 901</b>	<b>24 167</b>	<b>-</b>	<b>-</b>

\* This dividend was received by Fairvest Property Holding Limited prior to the merger with Arrowhead Properties Limited.

### 30. Dividends received

#### Group companies

- Arrowgem Limited	-	-	332 000	380 000
- Cumulative Properties Limited	-	-	89 000	102 500
- Fairvest Property Holdings Limited	-	-	303 500	227 717
	<b>-</b>	<b>-</b>	<b>724 500</b>	<b>710 217</b>

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	2023	2022	2023	2022
<b>31. Changes in fair value and impairments</b>				
<b>Changes in fair value</b>				
Fair value gains / (losses) on investment property (incl. held for sale)	57 350	328 956	(34 038)	12 800
Gain / (loss) on revaluation of listed securities	2 279	(23 711)	-	-
Fair value gain / (loss) on loans to participants of group share purchase option schemes (note 10)	1 170	(8 324)	448	(7 250)
Gain / (loss) on sale of investment properties	-	(1 141)	-	(1 010)
Other fair value adjustments	(12 622)	19	(9 485)	4 501
Fair value gain on derivative instruments (note 13)	15 800	129 528	14 621	16 953
	<b>63 977</b>	<b>425 327</b>	<b>(28 454)</b>	<b>25 994</b>
<b>Impairments</b>				
(Increase in) Reversal of impairment of investment in subsidiaries *	-	-	(649 041)	140 590
<b>Total</b>				
Changes in fair value	63 977	425 327	(28 454)	25 994
Impairments	-	-	(649 041)	140 590
	<b>63 977</b>	<b>425 327</b>	<b>(677 495)</b>	<b>166 584</b>

\* The investments in subsidiaries were tested for impairment by measuring the cost of the investment against the net asset value of the underlying subsidiary. Any shortfall was accounted for as an impairment and a surplus in following years being accounted for as a reversal of impairment. As the underlying subsidiaries net asset value in all material respects represents the fair value of the subsidiary's assets (with most significant assets measured at fair value annually) and liabilities this is considered a fair reflection of the net realisable value of the investment in the subsidiary. The movement in the accumulated impairments is mostly attributable to an increase and/or reduction in the fair value of the investment property held by the subsidiaries.

## 32. Capital expenses

Acquisition costs - Arrowhead / Fairvest Merger	-	74 223	-	51 656
Acquisition costs - other	411	333	411	-
	<b>411</b>	<b>74 556</b>	<b>411</b>	<b>51 656</b>

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	2023	2022	2023	2022
<b>33. Taxation</b>				
<b>Major components of the tax income</b>				
<b>Current</b>				
Local income tax - current period	-	19	-	-
<b>Deferred</b>				
Originating and reversing temporary differences	-	(1 430)	-	23 012
Changes in tax rates	-	(34)	-	(164)
	-	<b>(1 464)</b>	-	<b>22 848</b>
	-	<b>(1 445)</b>	-	<b>22 848</b>
<b>Reconciliation of the tax expense</b>				
Reconciliation between accounting profit and tax expense.				
Accounting profit	667 254	2 189 358	11 744	852 785
Tax at the applicable tax rate of 27% (2022: 28%)	180 159	613 020	3 171	238 780
<b>Tax effect of adjustments on taxable income</b>				
Accounting (profit) loss on disposal of capital items	60	231	-	283
Capital expenses	111	6 412	111	14 464
Contracted lease cancellation fees	-	51 948	-	-
Deferred tax not recognised due to REIT status	(1 452)	-	(1 928)	-
Derecognition of deferred tax *	-	2 984	-	4 390
Discontinued operation (profit) / loss	-	(4 809)	-	-
Discontinued operation deferred tax	-	(10 388)	-	-
Donations	-	-	482	-
Fair value changes in investment properties	(15 367)	(54 884)	9 190	(4 844)
Fair value of derivatives and listed securities	-	(13 059)	-	-
Fair value of loans to Participants of the Arrowhead Share	(316)	6 423	(121)	2 030
Purchase and Option Scheme	-	-	-	-
Gain on bargain purchase	-	(393 864)	-	-
Impairment to (Reversal of) investment in subsidiaries	-	-	175 241	(39 365)
Other permanent differences	(1 242)	13 788	2 561	1 391
Qualifying distributions	(161 953)	(218 456)	(188 707)	(194 117)
Straight lining	-	3 776	-	-
Tax losses carried forward / (utilised)	-	(5 241)	-	-
Tax rate change ^	-	674	-	(164)
	-	<b>(1 445)</b>	-	<b>22 848</b>

^ The Minister of Finance announced that the tax rate changed from 28% to 27% on 23 February 2022, becoming effective in the current financial year.

\* The current stated policy of certain entities in the group is to distributable the full distributable income of the specific company. This will result in the company not having any taxable income for the foreseeable future. As such no deferred taxation has been raised for these specific group companies and the corresponding prior year deferred tax asset has been reversed due to a change in judgement of future taxable income.

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	2023	2022	2023	2022

#### 34. Discontinued operations

On 14 March 2023, Fairvest Limited ("Fairvest") provided an irrevocable undertaking to SA Corporate Real Estate Limited ("SA Corporate") in terms of which Fairvest Limited undertook to vote in favour of a scheme of arrangement in terms of which SA Corporate will make an offer to acquire the entire issued share capital of Indluplace for a cash consideration of R3.40 per Indluplace share. Fairvest, through a wholly owned subsidiary, was the majority shareholder of Indluplace and held 191 581 362 Indluplace shares, or circa 60.9% at that time.

The scheme was concluded on 31 July 2023 with the group's investment in Indluplace being disposed of at this effective date.

Revenue and expenses, gains and losses relating to Indluplace have therefore been eliminated from profit or loss from the group's continuing operations and are shown as a single line item in the consolidated statement of profit or loss as a discontinued operation.

#### Profit and loss

Revenue	534 318	396 519	-	-
Straight line rental income accrual	-	(412)	-	-
Operating costs	(319 695)	(201 017)	-	-
Administration costs	(73 965)	(26 997)	-	-
Finance income	3 714	5 808	-	-
Finance charges	(114 187)	(84 157)	-	-
Changes in fair values and impairments	20 838	(106 919)	-	-
Net profit (loss) before tax	51 023	(17 175)	-	-
Tax	-	(10 388)	-	-
Net profit (loss) after tax	51 023	(27 563)	-	-
Loss on disposal of discontinued operation	(590 485)	-	-	-
	<b>(539 462)</b>	<b>(27 563)</b>	-	-

#### Statement of Cash Flows

##### Cash flows from operating activities

Profit/(Loss) before taxation	51 023	(17 175)	-	-
Adjusted for:				
- Fair value adjustments	42 066	106 919	-	-
- Impact of dissolving share based payment scheme	(13 316)	-	-	-
- Sundry adjustments	(1 273)	2 995	-	-
- Trade and other receivables	24 041	24 900	-	-
- Trade and other payables	58 838	(18 422)	-	-
Total cash flows from operating activities	161 379	99 217	-	-
Total cash flows from investing activities	(13 401)	(16 221)	-	-
Total cash flows from financing activities	(10 486)	(71 767)	-	-
	<b>137 492</b>	<b>11 229</b>	-	-

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>34. Discontinued operations (continued)</b>				
At the date of disposal, the carrying amounts of Indluplace's net assets were as follows:				
Investment property - Fair value of property portfolio			3 300 864	
Investment property - Straight line rental income accrual			1 139	
Non-current assets held for sale			67 429	
Interest rate swaps			14 748	
Deferred tax			2 568	
Other non-current assets			18 678	
Trade and other receivables			18 181	
Cash and cash equivalents			113 816	
Secured financial liabilities			(1 344 620)	
Trade and other payables			(153 126)	
			2 039 677	
Total net assets			(797 815)	
Less minority interest			1 241 862	
Total net assets attributable to the group				
Total consideration received in cash			651 377	
Cash and cash equivalents disposed of			(113 816)	
			537 561	
<b>Net cash received</b>			<b>537 561</b>	
			1 241 862	
Total net assets attributable to the group			(651 377)	
Total consideration received in cash			590 485	
<b>Loss on disposal</b>			<b>590 485</b>	

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>35. Earnings and headline earnings</b>				
<b>Reconciliation of earnings to headline earnings</b>				
	<b>Group 2023</b>		<b>Group 2022</b>	
<b>From continuing operations:</b>				
Profit for the year attributable to Fairvest shareholders	654 822		2 137 180	
Adjusted for:				
Change in fair value of investment property	(57 350)		(328 956)	
Change in fair value of investment property - non-controlling interest	5 162		832	
Loss on sale of investment property	-		1 141	
Loss on sale of investment property – non-controlling interest	-		(3)	
Gain on bargain purchase	-		(1 406 658)	
	<b>602 634</b>		<b>403 536</b>	
<b>From discontinued operations:</b>				
Loss for the year attributable to Fairvest shareholders	(558 515)		(16 813)	
Adjusted for:				
Change in fair value of investment property	-		140 712	
Change in fair value of investment property - non-controlling interest	-		(54 882)	
Loss on disposal of Indluplace	590 485		-	
	<b>31 970</b>		<b>69 017</b>	
<b>In total:</b>				
Profit for the year attributable to Fairvest shareholders	96 307		2 120 367	
Adjusted for:				
Change in fair value of investment property	(57 350)		(188 244)	
Change in fair value of investment property - non-controlling interest	5 162		(54 050)	
Loss on sale of investment property	-		1 141	
Loss on sale of investment property – non-controlling interest	-		(3)	
Gain on bargain purchase	-		(1 406 658)	
Loss on disposal of Indluplace	590 485		-	
	<b>634 604</b>		<b>472 553</b>	

Basic earnings, diluted earnings, headline earnings and diluted headline earnings attributable to the A and B classes of ordinary shares, respectively, are determined as follows for purposes of calculating earnings per share, diluted earnings per share, headline earnings per share and diluted headline earnings per share:

For each of the A and B classes of shares:

- Any dividends paid in the relevant financial period are first allocated to the relevant class of shares; and
- thereafter, any remaining basic earnings/(loss), diluted earnings/(loss), headline earnings/(loss) and diluted headline earnings/(loss) of the Company, not yet allocated by way of dividends paid in the period, are allocated to each A and B share on a pari passu basis.

The application of IAS 33: Earnings per Share, paragraph A14, results in the allocation of earnings to each class of ordinary shares, firstly by the allocation of dividends paid in the financial period to a particular class of shares, and thereafter by the allocation of remaining earnings by the participation feature of each class of shares, as if all the profit or loss for the period had been distributed. The Fairvest MOI provides that other than a (i) distribution of income, if declared; or (ii) capital participation rights on winding up of the Company, the A and B shares rank pari passu.

Therefore, in the absence of events (i) or (ii), the pari passu principle for each A share and each B share has been applied as the participation feature in the allocation of any remaining earnings/(loss).

Given the nature of the business, Fairvest uses dividend per share as its key performance measure as it is considered a more relevant performance measure than the above mentioned earnings or headline earnings per share metric which is calculated in accordance with IAS 33.A14.

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Figures in Rand thousand	Group		Company			
	2023	2022	2023	2022		
<b>35. Earnings and headline earnings (continued)</b>						
<b>Allocation of basic earnings to A and B shares</b>	<b>Group 2023 From continuing operations:</b>	<b>Group 2022 From continuing operations:</b>	<b>Group 2023 From discontinuing operations:</b>	<b>Group 2022 From discontinuing operations:</b>	<b>Group 2023 In total:</b>	<b>Group 2022 In total:</b>
<b>Basic and diluted earnings for the period attributable to equity holders</b>						
Dividends paid to A shareholders	75 224	35 807	5 872	2 777	81 096	38 584
Remaining basic (loss)/earnings to be allocated pari passu per A and B share	160	93 568	(25 362)	(2 395)	(25 202)	91 173
<b>Total A share basic and diluted earnings (loss)</b>	<b>75 384</b>	<b>129 375</b>	<b>(19 490)</b>	<b>382</b>	<b>55 894</b>	<b>129 757</b>
Dividends paid to B shareholders	575 743	459 754	44 946	22 434	620 689	482 188
Remaining basic (loss)/earnings to be allocated pari passu per A and B share	3 695	1 548 051	(583 971)	(39 629)	(580 276)	1 508 422
<b>Total B share basic and diluted earnings (loss)</b>	<b>579 438</b>	<b>2 007 805</b>	<b>(539 025)</b>	<b>(17 195)</b>	<b>40 413</b>	<b>1 990 610</b>
<b>Total A and B share basic and diluted earnings (loss)</b>	<b>654 822</b>	<b>2 137 180</b>	<b>(558 515)</b>	<b>(16 813)</b>	<b>96 307</b>	<b>2 120 367</b>
<b>Allocation of headline earnings to A and B shares</b>	<b>Group 2023 From continuing operations:</b>	<b>Group 2022 From continuing operations:</b>	<b>Group 2023 From discontinuing operations:</b>	<b>Group 2022 From discontinuing operations:</b>	<b>Group 2023 In total:</b>	<b>Group 2022 In total:</b>
<b>Headline and diluted headline earnings for the period attributable to equity holders</b>						
Dividends paid to A shareholders	75 224	35 807	5 872	2 778	81 096	38 585
Remaining headline (loss)/earnings to be allocated pari passu per A and B share	(2 012)	(5 245)	(784)	2 497	(2 796)	(2 748)
<b>Total A share headline and diluted headline earnings</b>	<b>73 212</b>	<b>30 562</b>	<b>5 088</b>	<b>5 275</b>	<b>78 300</b>	<b>35 837</b>
Dividends paid to B shareholders	575 743	459 754	44 946	22 434	620 689	482 188
Remaining headline (loss)/earnings to be allocated pari passu per A and B share	(46 321)	(86 780)	(18 064)	41 309	(64 385)	(45 472)
<b>Total B share headline and diluted headline earnings</b>	<b>529 422</b>	<b>372 974</b>	<b>26 882</b>	<b>63 743</b>	<b>556 304</b>	<b>436 716</b>
<b>Total A and B share headline and diluted headline earnings</b>	<b>602 634</b>	<b>403 536</b>	<b>31 970</b>	<b>69 018</b>	<b>634 604</b>	<b>472 553</b>

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022

### 35. Earnings and headline earnings (continued)

Cents	Group 2023	Group 2022
<b>From continuing operations:</b>		
Basic earnings per A share in issue	120.19	206.28
Diluted earnings per A share in issue	120.19	206.28
Headline earnings per A share in issue	116.73	48.73
Headline diluted earnings per A share in issue	116.73	48.73
Basic earnings per B share in issue	40.12	193.49
Diluted earnings per B share in issue	39.49	191.16
Headline earnings per B share in issue	36.66	35.94
Headline diluted earnings per B share in issue	36.08	35.51
<b>From discontinued operations:</b>		
Basic loss per A share in issue	(31.07)	0.61
Diluted loss per A share in issue	(31.07)	0.61
Headline earnings per A share in issue	8.11	8.41
Headline diluted earnings per A share in issue	8.11	8.41
Basic loss per B share in issue	(37.33)	(1.66)
Diluted loss per B share in issue	(37.33)	(1.66)
Headline earnings per B share in issue	1.86	6.14
Headline diluted earnings per B share in issue	1.83	6.07
<b>In total:</b>		
Basic earnings per A share in issue	89.12	206.89
Diluted earnings per A share in issue	89.12	206.89
Headline earnings per A share in issue	124.84	57.14
Headline diluted earnings per A share in issue	124.84	57.14
Basic earnings per B share in issue	2.80	191.84
Diluted earnings per B share in issue	2.75	189.52
Headline earnings per B share in issue	38.52	42.09
Headline diluted earnings per B share in issue	37.92	41.58

Basic earnings per share, diluted earnings per share, headline earnings per share and diluted headline earnings per share are based on the following weighted average shares in issue during the period:

	Group 2023	Group 2022
Number of A shares in issue	62 718 658	62 718 658
Number of B shares in issue *	1 429 916 223	1 460 863 899
Weighted average number of A shares in issue	62 718 658	62 718 658
Weighted average number of B shares in issue	1 444 140 704	1 037 657 471
Weighted average number of B shares in issue after dilutive impact of Conditional Share Plan	1 467 180 520	1 050 332 533

\* This excludes 65 830 868 (2022: 33 278 932) treasury shares.

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022

### 35. Earnings and headline earnings (continued)

#### Restatement of earnings per share, diluted earnings per share, headline earnings per share and diluted headline earnings per share

Earnings per share, diluted earnings per share, headline earnings per share and diluted headline earnings per share have been restated and are now calculated, per IAS 33: Earnings per Share, paragraph A14, whereby the allocation of earnings to each class of ordinary shares is firstly by the allocation of dividends paid in the financial period to a particular class of shares, and thereafter by the allocation of remaining earnings by the participation feature of each class of shares, as if all the profit or loss for the period had been distributed. The Fairvest Limited MOI provides that other than a (i) distribution of income, if declared; or (ii) capital participation rights on winding up of the Company, the A and B shares rank pari passu.

Therefore, in the absence of events (i) or (ii), the pari passu principle for each A share and each B share has been applied as the participation feature in the allocation of any remaining earnings/(loss).

In addition, the comparative reporting periods have been restated pursuant to the decision to dispose of the group's investment in Indluplace Properties Limited which has been reclassified as a discontinued operation.

Cents	Previously reported	Change	Restated
<b>15 months ended 30 September 2022:</b>			
<b>From continuing operations:</b>			
Basic earnings per A share in issue	192.69	13.59	206.28
Diluted earnings per A share in issue	190.50	15.78	206.28
Headline earnings per A share in issue	42.94	5.79	48.73
Headline diluted earnings per A share in issue	42.46	6.27	48.73
Basic earnings per B share in issue	192.69	0.80	193.49
Diluted earnings per B share in issue	190.50	0.66	191.16
Headline earnings per B share in issue	42.94	(7.00)	35.94
Headline diluted earnings per B share in issue	42.46	(6.95)	35.51
<b>From discontinued operations:</b>			
Basic earnings per A share in issue	-	0.61	0.61
Diluted earnings per A share in issue	-	0.61	0.61
Headline earnings per A share in issue	-	8.41	8.41
Headline diluted earnings per A share in issue	-	8.41	8.41
Basic loss per B share in issue	-	(1.66)	(1.66)
Diluted loss per B share in issue	-	(1.66)	(1.66)
Headline earnings per B share in issue	-	6.14	6.14
Headline diluted earnings per B share in issue	-	6.07	6.07
<b>In total:</b>			
Basic earnings per A share in issue	192.69	14.20	206.89
Diluted earnings per A share in issue	190.50	16.39	206.89
Headline earnings per A share in issue	42.94	14.20	57.14
Headline diluted earnings per A share in issue	42.46	14.68	57.14
Basic earnings per B share in issue	192.69	(0.85)	191.84
Diluted earnings per B share in issue	190.50	(0.98)	189.52
Headline earnings per B share in issue	42.94	(0.85)	42.09
Headline diluted earnings per B share in issue	42.46	(0.88)	41.58

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Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022
<b>36. Cash generated from operations</b>				
Profit before taxation	667 254	2 189 358	11 744	852 785
<b>Adjustments for:</b>				
Changes in fair values and impairments	(63 977)	(424 852)	677 495	(167 594)
Straight line rental income accrual	11 056	19 990	652	18 090
Dividends received	(25 901)	(24 167)	(724 500)	(710 217)
Depreciation	1 338	1 833	172	135
(Profit) loss on disposal of investment property	-	1 141	-	1 010
Gain on bargain purchase	-	(1 406 658)	-	-
Interest income	(24 330)	(38 549)	(4 448)	(4 474)
Finance charges	456 696	332 556	147 420	85 639
Amortisation of tenant installations and lease commissions	71	2 040	(1 523)	(682)
Amortisation of structuring fee	7 323	4 816	2 085	1 335
Movement in share based payment reserve	11 884	5 314	11 884	2 934
Sundry adjustments	-	(247)	-	4 686
<b>Changes in working capital:</b>				
Trade and other receivables	(9 549)	37 909	3 859	11 912
Trade and other payables and deposits received	1 699	13 757	(9 289)	(41 285)
	<b>1 033 564</b>	<b>714 241</b>	<b>115 551</b>	<b>54 274</b>

### 37. Tax paid

Balance at beginning of the year	9	-	9	632
Current tax for the year recognised in profit or loss	-	(19)	-	-
Additions as a result of reverse acquisition (note 38)	-	632	-	-
Balance at end of the year	(3)	(9)	-	(9)
	<b>6</b>	<b>604</b>	<b>9</b>	<b>623</b>

### 38. Business combinations

#### Reverse acquisition of Arrowhead Properties Limited

During the prior year, Old Fairvest merged with Arrowhead. Subsequently Arrowhead changed its name to Fairvest Limited. Arrowhead issued B shares in the capital of the Company to Old Fairvest shareholders in lieu of their shares, constituting Old Fairvest a subsidiary of Arrowhead. Old Fairvest was subsequently delisted.

For accounting purposes under IFRS 3: Business Combinations, the transaction is treated as the acquisition of Arrowhead by Old Fairvest even though, legally, Arrowhead is the acquirer and was the entity which issued shares to Old Fairvest shareholders in consideration for their shares in Old Fairvest. Applying the guidance contained in IFRS 3: B15-B17 the acquirer was identified as Old Fairvest. The following factors were considered in identifying the acquirer:

- The acquirer is usually the combining entity whose owners as a group retain or receive the largest portion of the voting rights in the combined entity. Due to the commonality in shareholders across Arrowhead and Old Fairvest, there will be no change in the specific shareholders who will have the largest portion of voting rights in the Combined Group
- After the implementation of the transaction, Old Fairvest's Chief Executive Officer and Chief Financial Officer continued in their respective roles in the Combined Group. Furthermore, 5 of the 7 non-executive directors from the Old Fairvest board of directors were appointed to the Fairvest Board.
- The transaction was initiated by Old Fairvest. Further the transaction was both led by Old Fairvest and controlled by Old Fairvest.

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	2023	2022	2023	2022
<b>38. Business combinations (continued)</b>				
<b>Fair value of assets acquired and liabilities assumed</b>				
Property, plant and equipment	-	4 750	-	-
Investment property - Fair value of property portfolio	-	11 595 311	-	-
Investment property - Straight line rental income accrual	-	129 270	-	-
Loans to participants of group share purchase option scheme	-	128 582	-	-
Deferred tax	-	9 035	-	-
Financial assets	-	216 001	-	-
Trade and other receivables	-	219 606	-	-
Current tax receivable	-	632	-	-
Cash and cash equivalents	-	133 109	-	-
Non-current assets held for sale	-	84 353	-	-
Share-based payments reserve	-	(9 250)	-	-
Interest-bearing borrowings	-	(5 008 824)	-	-
Lease liabilities	-	(69 938)	-	-
Derivatives	-	(104 793)	-	-
Trade and other payables	-	(559 898)	-	-
Total identifiable net assets	-	6 767 946	-	-
Non-controlling interest	-	(845 971)	-	-
Fair value of equity interest held before the business combination	-	(38 074)	-	-
Gain on a bargain purchase in a business combination	-	(1 406 658)	-	-
	-	<b>4 477 243</b>	-	-

### Acquisition date fair value of consideration paid

Equity – 542 720 803 Fairvest Limited B shares	-	(4 477 243)	-	-
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### Equity issued as part of consideration paid

Under IFRS, the fair value of the consideration transferred by the accounting acquirer is based on the number of shares that the accounting acquirer (Old Fairvest) would have had to issue to the owners of the accounting acquiree (Arrowhead) to give the owners of the legal parent the same percentage of equity interests in the combined entity that results from the reverse acquisition. 2 184 021 145 Old Fairvest shares were deemed to be issued by Old Fairvest in consideration for Arrowhead's shares. For the purpose of estimating the fair value of the consideration transferred, the existing shares of Arrowhead were deemed to be acquired on 26 January 2022 based upon the closing price on the acquisition date of Old Fairvest's existing shares (being R2.05).

### Acquisition related costs

The acquisition related costs amounted to R 74 223 000. These costs have been expensed in the year of acquisition and are included in capital expenses (note 32).

### Gain on acquisition

A gain on bargain purchase of R1 406 658 000 was recognised on acquisition. The gain resulted due to Arrowhead being acquired at a discount to net asset value.

### Revenue and profit or loss of Reverse acquisition of Arrowhead Properties Limited

Revenue of R1.3 billion and profit of R437.8 million have been included in the group's 2022 results since the date of acquisition.

### Group revenue and profit (loss) for full year

Had the business combination taken place at the beginning of the 2022 15-month reporting period, the revenue for the group would have been R3.1 billion and the net profit would have been R1.8 billion for the 2022 financial year.

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### 39. Changes in liabilities arising from financing activities

#### Reconciliation of liabilities arising from financing activities - Group - 2023

	Opening balance	Capitalised dividends, interest and other	Amortisation of structuring fees	Disposal of Indluplace	Total non-cash movements	Cash inflows	Cash outflows	Closing balance
Borrowings	6 120 051	-	7 323	(1 355 106)	(1 347 783)	3 625 770	(4 196 217)	4 201 821
Amounts owing to non-controlling interests	48 826	17 759	-	-	17 759	417	(11 575)	55 427
Lease liabilities	82 712	882	-	-	882	-	(40 842)	42 752
<b>Total liabilities from financing activities</b>	<b>6 251 589</b>	<b>18 641</b>	<b>7 323</b>	<b>(1 355 106)</b>	<b>(1 329 142)</b>	<b>3 626 187</b>	<b>(4 248 634)</b>	<b>4 300 000</b>

#### Reconciliation of liabilities arising from financing activities - Group - 2022

	Opening balance	Capitalised dividends and interest	Amortisation of structuring fees	Additions as a result of reverse acquisition of Arrowhead	Total non-cash movements	Cash inflows	Cash outflows	Closing balance
Borrowings	1 083 822	-	4 816	5 008 824	5 013 640	2 479 646	(2 457 057)	6 120 051
Amounts owing to non-controlling interests	129 813	(22 182)	-	-	(22 182)	402	(59 207)	48 826
Lease liabilities	20 820	-	-	69 938	69 938	-	(8 046)	82 712
<b>Total liabilities from financing activities</b>	<b>1 234 455</b>	<b>(22 182)</b>	<b>4 816</b>	<b>5 078 762</b>	<b>5 061 396</b>	<b>2 480 048</b>	<b>(2 524 310)</b>	<b>6 251 589</b>

#### Reconciliation of liabilities arising from financing activities - Company - 2023

	Opening balance	Non-cash dividends	Amortisation of structuring fees	Total non-cash movements	Cash inflows	Cash outflows	Closing balance
Borrowings	1 087 287	-	2 085	2 085	2 903 461	(1 613 779)	2 379 054
Lease liabilities	40 121	-	-	-	-	(40 121)	-
Loans from group companies	869 491	(89 001)	-	(89 001)	476 572	(585 476)	671 586
<b>Total liabilities from financing activities</b>	<b>1 996 899</b>	<b>(89 001)</b>	<b>2 085</b>	<b>(86 916)</b>	<b>3 380 033</b>	<b>(2 239 376)</b>	<b>3 050 640</b>

#### Reconciliation of liabilities arising from financing activities - Company - 2022

	Opening balance	Non-cash dividends	Amortisation of structuring fees	Total non-cash movements	Cash inflows	Cash outflows	Closing balance
Borrowings	1 036 060	-	1 335	1 335	788 589	(738 697)	1 087 287
Lease liabilities	21 190	-	-	-	25 884	(6 953)	40 121
Loans from group companies	737 994	(283 500)	-	(283 500)	414 997	-	869 491
<b>Total liabilities from financing activities</b>	<b>1 795 244</b>	<b>(283 500)</b>	<b>1 335</b>	<b>(282 165)</b>	<b>1 229 470</b>	<b>(745 650)</b>	<b>1 996 899</b>

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#### 40. Acquisition of additional interest in subsidiary

FPP Property Venture 102 Proprietary Limited	-	(27 713)	-	-
Arrowgem Limited	(12 369)	-	-	-
Fairvest Property Holdings Limited	(10 942)	-	-	-
	<b>(23 311)</b>	<b>(27 713)</b>	-	-

During the prior reporting period the Fairvest Property Holding Limited elected to exercise its right to acquire the remaining 49% non-controlling interests' share in FPP Property Venture 102 Proprietary Limited ("102") and is now wholly owned subsidiary of the group. The acquisition was funded through loan accounts with an additional settlement payment amounting to R27 712 922 to Propsky 31 Properties Proprietary Limited.

During the current year the group acquired the remaining non-controlling interest in Arrowgem Limited and Fairvest Property Holdings Limited.

#### 41. Commitments

##### Capital commitments

##### Acquisition of investment properties and improvements to existing properties

• Approved and committed	15 580	19 690	2 780	3 142
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##### Minimum lease payments receivable

- first year	1 162 965	1 401 108	212 387	191 058
- second year	868 774	965 676	147 085	117 597
- third year	587 174	610 413	76 651	60 208
- fourth year	355 225	397 053	34 894	31 828
- fifth year	230 118	235 553	22 611	15 500
- sixth year and onwards	453 178	519 277	33 508	30 618
	<b>3 657 434</b>	<b>4 129 080</b>	<b>527 136</b>	<b>446 809</b>

Minimum lease payments comprise contractual rental income from investment properties due in terms of signed lease agreements.

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#### 42. Directors' emoluments

##### Executive

##### 2023

Directors' emoluments	Emoluments	Bonus - Short Term Incentive	Total
BJ Kriel	3 400	4 283	7 683
DM Wilder	5 250	7 169	12 419
	<b>8 650</b>	<b>11 452</b>	<b>20 102</b>

##### 2022

	Fairvest Property Holdings Limited - 2				Fairvest Limited - 3					Directors' fees Indluplace Limited - 4	Total
	New Star Asset Management - 1	Emoluments	Bonus - Short Term Incentive	Total	Emoluments	Bonus - Short Term Incentive - 5	Bonus - Long Term Incentive	Compensation Loss of Office	Total		
M Kaplan - C	-	-	-	-	1 805	94	4 832	11 716	18 447	-	18 447
BJ Kriel - A	-	1 177	1 297	2 474	2 267	-	-	-	2 267	-	4 741
J Limalia - C	-	-	-	-	1 111	58	2 975	8 611	12 755	-	12 755
AJ Marcus - B	2 158	-	-	2 158	-	-	-	-	-	-	2 158
DM Wilder - A	1 341	1 420	-	2 761	3 500	-	-	-	3 500	220	6 481
	<b>3 499</b>	<b>2 597</b>	<b>1 297</b>	<b>7 393</b>	<b>8 683</b>	<b>152</b>	<b>7 807</b>	<b>20 327</b>	<b>36 969</b>	<b>220</b>	<b>44 582</b>

A - Appointed as a director of Fairvest Limited (previously Arrowhead Properties Limited) on 31 January 2022.

B - Resigned as an alternate director of Fairvest Property Holdings Limited on 1 October 2021.

C - Resigned as a director of Fairvest Limited (previously Arrowhead Properties Limited) on 25 January 2022.

1 - until the internalisation of New Star Asset Management Proprietary Limited DM Wilder and AJ Marcus were remunerated by New Star and not by Fairvest Property Holdings Limited.

2 - directors fees received for the 15 months to 30 September 2022 and 12 months to 30 June 2021 in Fairvest Property Holdings Limited.

3 - directors fees received for the 12 months to 30 September 2021 and 30 September 2022 in Fairvest Limited (previously Arrowhead Properties Limited).

4 - directors fees received by DM Wilder as a non-executive director of Indluplace Limited is paid to Fairvest Limited.

5 - These amounts relate to a top up payment relating to the 30 September 2021 financial year, as a portion of the bonus was deferred until such time as a certain KPI metric was finalised, which was only done subsequent to the publication of the prior annual financial statements.

## Fairvest Limited and its subsidiaries

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### Notes to the consolidated and separate Financial Statements

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#### 42. Directors' emoluments (continued)

##### Directors interest in the share options

The directors have been awarded the following number of options under the various plans (refer note 19 for more details on these plans):

	2022 CSP	2023 CSP	Executive Retention Scheme	Total
BJ Kriel	668 852	1 307 692	1 486 377	3 462 921
DM Wilder	1 032 787	2 019 231	2 295 142	5 347 160
	<b>1 701 639</b>	<b>3 326 923</b>	<b>3 781 519</b>	<b>8 810 081</b>

## Fairvest Limited and its subsidiaries

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#### 42. Directors' emoluments (continued)

##### Fees paid to non-executive directors

2023

	Directors' fees	Total
LW Andrag	874	874
AI Basserabie	452	452
N Mkhize	1 124	1 124
KR Nkuna	585	585
NN Shange	663	663
JF du Toit	666	666
Adv. JD Wiese	585	585
	<b>4 949</b>	<b>4 949</b>

2022

	Fairvest Limited			Total
	Fairvest Property Holdings Limited - 1	Directors fees - 2	Directors fees in Indluplace Limited - 3	
T Adler - C	-	150	236	386
LW Andrag - A	254	401	-	655
AI Basserabie	-	422	-	422
TJ Cohen - B	254	-	-	254
G Kinross - C	-	234	-	234
NN Makhoba	-	475	-	475
N Mkhize - A	241	472	-	713
S Mkorosi - C	-	174	-	174
KR Nkuna - A	240	296	-	536
JF du Toit - A	334	344	-	678
Adv. JD Wiese - A	266	296	-	562
	<b>1 589</b>	<b>3 264</b>	<b>236</b>	<b>5 089</b>

1 - directors fees received for the 15 months to 30 September 2022 in Fairvest Property Holdings Limited.

2 - directors fees received for the 12 months to 30 September 2022 in Fairvest Limited (previously Arrowhead Properties Limited).

3 - directors fees received for the 12 months to 30 September 2022 in Indluplace Limited.

A - resigned as a director of Fairvest Property Holdings Limited on 1 March 2022, appointed as a director of Fairvest Limited (previously Arrowhead Properties Limited) on 31 January 2022.

B - resigned as a director of Fairvest Property Holdings Limited on 1 March 2022.

C - resigned as a director of Fairvest Limited (previously Arrowhead Properties Limited) on 25 January 2022.

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## Notes to the consolidated and separate Financial Statements

### 43. Related parties

Parties are considered related if they meet the definition of a related party in terms of IAS 24.

Relationships

Subsidiaries

Arrowgem Limited  
 Arrowhead Prop 1 Limited  
 Clearwater Crossing Proprietary Limited  
 Cumulative Properties Limited  
 Fairvest Property Holdings Limited  
 Fluxrab Investments No 196 Proprietary Limited  
 Gemgrow Asset Management Proprietary Limited  
 Moolgem Proprietary Limited  
 Vividend Income Fund Limited  
 Vividend Management Group Proprietary Limited  
 New Star Asset Management Proprietary Limited  
 DM Wilder, BJ Kriel, A Kinkel and R Kader  
 Refer to Directors report  
 Participants of the share purchase schemes (R Kader and A Kinkel)

Key management

Non-executive directors

Other

#### Related party balances

##### Directors' emoluments:

Executive directors	20 102	44 582	20 102	44 582
Non-executive directors	4 949	5 089	4 949	5 089
	<b>25 051</b>	<b>49 671</b>	<b>25 051</b>	<b>49 671</b>

##### Balances owing by related parties:

Loans to participants of share purchase schemes (note 10)	16 241	105 642	11 977	23 470
Loans to group companies (note 12)	-	-	2 292 070	1 317 234
Loans from group companies (note 12)	-	-	(671 586)	(869 491)

#### Related party transactions

##### Transactions:

Interest received from participants of Group share purchase option schemes	2 096	14 356	1 545	3 236
Dividends received from subsidiaries	-	-	724 500	710 217
Management fee received from Induplace Properties Limited	-	-	701	1 087
Key management remuneration	38 548	51 248	38 548	43 855

##### Transactions with New Star Asset Management

###### Proprietary Limited

Management fees paid	-	3 173	-	-
Contract cancellation fees paid	-	133 873	-	-
Commission paid	-	1 223	-	-

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## Notes to the consolidated and separate Financial Statements

### 44. Financial instruments and risk management

The group's financial instruments consists mainly of deposits with banks, interest bearing liabilities, derivative instruments, trade and other receivables and trade and other payables. Book value approximates fair value in respect of these financial instruments. Exposure to market, credit and liquidity risks arises in the normal course of business.

#### Categories of financial instruments

#### Categories of financial assets

##### Group - 2023

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instrument	Total
Loans receivable	14	-	38 788	-	38 788
Derivatives	13	35 222	-	-	35 222
Trade and other receivables	16	-	182 674	45 386	228 060
Cash and cash equivalents	17	-	106 763	-	106 763
Financial assets	11	185 864	13 190	-	199 054
Loans to participants of group share purchase option schemes	10	62 409	-	-	62 409
		<b>283 495</b>	<b>341 415</b>	<b>45 386</b>	<b>670 296</b>

##### Group - 2022

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instrument	Total
Loans receivable	14	-	132 457	-	132 457
Amounts owing by non-controlling interests	15	-	24 186	-	24 186
Derivatives	13	36 102	-	-	36 102
Trade and other receivables	16	-	214 317	3 935	218 252
Cash and cash equivalents	17	-	134 569	-	134 569
Financial assets	11	183 626	13 190	-	196 816
Loans to participants of group share purchase and option schemes	10	105 642	-	-	105 642
		<b>325 370</b>	<b>518 719</b>	<b>3 935</b>	<b>848 024</b>

##### Company - 2023

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instrument	Total
Loans to subsidiaries	12	-	2 292 070	-	2 292 070
Derivatives	13	19 636	-	-	19 636
Trade and other receivables	16	-	30 572	6 089	36 661
Cash and cash equivalents	17	-	25 713	-	25 713
Financial assets	11	-	4 599	-	4 599
Loans to participants of group share purchase and option schemes	10	23 918	-	-	23 918
		<b>43 554</b>	<b>2 352 954</b>	<b>6 089</b>	<b>2 402 597</b>

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## Notes to the consolidated and separate Financial Statements

### 44. Financial instruments and risk management (continued)

#### Company - 2022

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instrument	Total
Loans to subsidiaries	12	-	1 317 234	-	1 317 234
Derivatives	13	5 015	-	-	5 015
Trade and other receivables	16	-	31 998	179	32 177
Cash and cash equivalents	17	-	15 414	-	15 414
Loans to participants of group share purchase and option schemes	10	23 470	-	-	23 470
Financial assets	11	-	4 599	-	4 599
		<b>28 485</b>	<b>1 369 245</b>	<b>179</b>	<b>1 397 909</b>

#### Categories of financial liabilities

#### Group - 2023

	Note(s)	Amortised cost	Non-financial instrument	Total
Trade and other payables	24	422 550	79 719	502 269
Borrowings	20	4 201 821	-	4 201 821
Lease liabilities	21	42 752	-	42 752
Amounts owing to non-controlling interest	23	55 427	-	55 427
Deposits received	22	82 000	-	82 000
		<b>4 804 550</b>	<b>79 719</b>	<b>4 884 269</b>

#### Group - 2022

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instrument	Total
Trade and other payables	24	-	494 743	102 136	596 879
Borrowings	20	-	6 120 051	-	6 120 051
Derivatives	13	4 269	-	-	4 269
Lease liabilities	21	-	82 712	-	82 712
Amounts owing to non-controlling interest	23	-	48 826	-	48 826
Deposits received	22	-	64 052	-	64 052
		<b>4 269</b>	<b>6 810 384</b>	<b>102 136</b>	<b>6 916 789</b>

#### Company - 2023

	Note(s)	Amortised cost	Non-financial instrument	Total
Trade and other payables	24	102 873	15 235	118 108
Loans from subsidiaries	12	671 586	-	671 586
Borrowings	20	2 379 054	-	2 379 054
		<b>3 153 513</b>	<b>15 235</b>	<b>3 168 748</b>

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## Notes to the consolidated and separate Financial Statements

### 44. Financial instruments and risk management (continued)

#### Company - 2022

	Note(s)	Amortised cost	Non-financial instrument	Total
Trade and other payables	24	100 662	15 652	116 314
Loans from subsidiaries	12	869 491	-	869 491
Borrowings	20	1 087 287	-	1 087 287
Lease liabilities	21	40 121	-	40 121
		<b>2 097 561</b>	<b>15 652</b>	<b>2 113 213</b>

The table below sets out the items of income, expense, gains or losses of each class of financial asset and liability:

	At fair value through profit or loss	At amortised cost	Non-financial instrument	Total
For the period ended 30 September 2023				
Group				
Changes in fair value - Share Purchase and Option Scheme	1 170	-	-	1 170
Changes in fair value	15 800	-	48 177	63 977
Finance charges	(3 050)	(450 033)	(3 613)	(456 696)
Finance income	8 070	16 260	-	24 330
For the year ended 30 September 2022				
Group				
Changes in fair value - Share Purchase and Option Scheme	(22 940)	-	-	(22 940)
Changes in fair value	130 164	-	188 244	318 408
Finance charges	(87 890)	(328 823)	-	(416 713)
Finance income	14 356	30 001	-	44 357
For the year ended 30 September 2023				
Company				
Changes in fair value - Share Purchase and Option Scheme	448	-	-	448
Changes in fair value	14 621	-	(43 523)	(28 902)
Finance charges	3 183	(148 898)	(1 705)	(147 420)
Finance income	3 101	1 347	-	4 448
For the year ended 30 September 2022				
Company				
Changes in fair value - Share Purchase and Option Scheme	(7 250)	-	-	(7 250)
Changes in fair value	16 954	-	16 290	33 244
Finance charges	(7 979)	(77 660)	-	(85 639)
Finance income	3 236	1 039	-	4 275

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## Notes to the consolidated and separate Financial Statements

### 44. Financial instruments and risk management (continued)

#### Financial risk management

##### Credit risk

Credit risk arises from the risk that a tenants, other debtors or loan receivables may default or not meet its obligations timeously. There is no significant concentration of credit risk as exposure is spread over a large number of counter parties. Allowances are made using the general approach.

Refer to note 14, 15, 16 and 17 for further credit risk analysis.

Other than mortgage bonds on investment properties, no other assets have been issued as collateral or security.

The ECL allowance at 30 September 2023 of R64.6 million (2022: R57.5 million).

The credit quality of receivables are considered satisfactory.

Management does not consider there to be any credit risk exposure that is not already covered in the expected credit loss allowance. The carrying value of receivables is considered to reasonably approximate fair value.

Group	2023			2022			
	Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost	
Loans receivable	14	38 788	-	38 788	132 457	-	132 457
Amounts owing by non-controlling interest	15	-	-	-	24 186	-	24 186
Trade and other receivables	16	228 060	(64 575)	163 485	275 717	(57 465)	218 252
Cash and cash equivalents	17	106 763	-	106 763	134 569	-	134 569
		<b>373 611</b>	<b>(64 575)</b>	<b>309 036</b>	<b>566 929</b>	<b>(57 465)</b>	<b>509 464</b>

Company	2023			2022			
	Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost	
Loans to subsidiaries	12	2 292 070	-	2 292 070	1 317 234	-	1 317 234
Trade and other receivables	16	36 661	(22 226)	14 435	41 523	(10 984)	30 539
Cash and cash equivalents	17	25 713	-	25 713	15 414	-	15 414
		<b>2 354 444</b>	<b>(22 226)</b>	<b>2 332 218</b>	<b>1 374 171</b>	<b>(10 984)</b>	<b>1 363 187</b>

# Fairvest Limited and its subsidiaries

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## Notes to the consolidated and separate Financial Statements

### 44. Financial instruments and risk management (continued)

#### Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial commitments as and when they fall due. This risk is managed by holding cash balances and a revolving loan facility and by re-negotiating the roll over of long-term loans that fall due in the next 12 months.

The group will utilise undrawn facilities and cash on hand to meet its short term funding requirements.

A maturity analysis of the company's financial assets and liabilities and its exposure to interest rate risk at year-end are set out in the preceding table.

#### Group - 2023

		Less than 1 year	2 to 5 years	Total	Carrying amount
<b>Non-current liabilities</b>					
Borrowings	20	383 763	4 301 897	4 685 660	3 771 559
Deposits received	22	-	82 000	82 000	82 000
Amounts owing to non-controlling interests	23	-	25 374	25 374	25 374
<b>Current liabilities</b>					
Trade and other payables	24	502 269	-	502 269	502 269
Borrowings	20	441 684	-	441 684	430 262
Amounts owing to non-controlling interests	23	30 053	-	30 053	30 053
		<b>(1 357 769)</b>	<b>(4 409 271)</b>	<b>(5 767 040)</b>	<b>(4 841 517)</b>

#### Group - 2022

		Less than 1 year	2 to 5 years	Total	Carrying amount
<b>Non-current liabilities</b>					
Borrowings	20	305 110	3 896 994	4 202 104	3 549 738
Deposits received	22	-	64 052	64 052	64 052
Amounts owing to non-controlling interests	23	-	22 807	22 807	22 807
Derivatives	13	227	291	518	884
<b>Current liabilities</b>					
Trade and other payables	24	612 868	-	612 868	612 868
Borrowings	20	2 656 535	-	2 656 535	2 570 313
Amounts owing to non-controlling interests	23	26 019	-	26 019	26 019
Derivatives	13	6 331	-	6 331	3 385
		<b>(3 607 090)</b>	<b>(3 984 144)</b>	<b>(7 591 234)</b>	<b>(6 850 066)</b>

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## Notes to the consolidated and separate Financial Statements

### 44. Financial instruments and risk management (continued)

#### Company - 2023

		Less than 1 year	2 to 5 years	Total	Carrying amount
<b>Non-current liabilities</b>					
Borrowings	20	239 968	2 788 465	3 028 433	2 379 054
Deposits received		-	23 490	23 490	23 490
<b>Current liabilities</b>					
Trade and other payables	24	118 109	-	118 109	118 109
Loans from group companies	12	760 586	-	760 586	671 586
		<b>(1 118 663)</b>	<b>(2 811 955)</b>	<b>(3 930 618)</b>	<b>(3 192 239)</b>

#### Company - 2022

		Less than 1 year	2 to 5 years	Total	Carrying amount
<b>Non-current liabilities</b>					
Borrowings	20	45 303	538 470	583 773	517 006
Lease liabilities	21	-	36 312	36 312	31 672
<b>Current liabilities</b>					
Trade and other payables	24	117 907	-	117 907	117 907
Loans from group companies	12	1 152 991	-	1 152 991	869 491
Borrowings	20	576 941	-	576 941	570 281
Lease liabilities	21	11 633	-	11 633	8 449
		<b>(1 904 775)</b>	<b>(574 782)</b>	<b>(2 479 557)</b>	<b>(2 114 806)</b>

# Fairvest Limited and its subsidiaries

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## Notes to the consolidated and separate Financial Statements

### 44. Financial instruments and risk management (continued)

#### Interest rate risk

The group manages its exposure to changes in interest rates by hedging its exposure to interest rates in respect of the majority of its borrowings either in the form of fixed rate loans or interest rate swaps. At year-end, interest rates in respect of 64.8% (2022: 67.4%) of borrowings were hedged.

The weighted average rate of interest was 10.15%. The value of unhedged borrowings is R1.5 billion.

#### Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on exposure to interest rates at the reporting date.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the group's profit for the year under review would have decreased/increased by R14.8 million.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the company's profit for the year under review would have decreased/increased by R7.4 million.

	<b>2023</b> <b>+100 basis</b> <b>points</b>	<b>2022</b> <b>+100 basis</b> <b>points</b>
Group	R14.8 million	R20.0 million
Company	R7.4 million	R8.4 million

### 45. Capital management

The Company's borrowings, excluding debentures, are limited to 45% of the valuation of the investment property portfolio in terms of the existing debt covenants and unlimited in terms of the memorandum of incorporation of the Company.

### 46. Fair value hierarchy

#### The different levels have been defined as:

Level 1 - fair value is determined from quoted prices (unadjusted) in active markets for identical asset or liabilities;

Level 2 - fair value is determined through the use of valuation techniques based on observable inputs, either directly or indirectly; and

Level 3 - fair value is determined through the use of valuation techniques using significant inputs

The investment properties (refer to note 4) are valued using a level 3 model. Derivative instruments (refer to note 13) are valued using a level 2 model. The loans to participants of group share purchase option schemes are valued using a level 3 model (refer to note 10). The investment in Dipula is valued using a level 1 model (refer note 11). The investment in Cadiz Life Limited, via an endowment policy, was valued at fair value based on the aggregate of the market value of the investments in the underlying fund using a level 2 measurement hierarchy (refer note 11). There are no other assets that are required to be analysed as per the hierarchy.

#### Levels of fair value measurements

<b>Group:</b>	<b>At fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Year ended 30 September 2023</b>				
Investment property (including non-current assets held for sale)	12 004 066	-	-	12 004 066
Investments in listed securities and endowment investment	185 864	181 413	4 451	-
Interest rate swaps	35 222	-	35 222	-
Loans to participants of group share option scheme	62 409	-	-	105 642
<b>Total assets</b>	<b>12 287 561</b>	<b>181 413</b>	<b>39 673</b>	<b>12 109 708</b>

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## Notes to the consolidated and separate Financial Statements

### 46. Fair value hierarchy (continued)

<b>Company:</b> <b>Year ended 30 September 2023</b>	<b>At fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investment property (including non-current assets held for sale)	2 276 616	-	-	2 276 616
Loans to participants of group share option scheme	23 918	-	-	23 918
Interest rate swaps	19 636	-	19 636	-
<b>Total assets</b>	<b>2 320 170</b>	<b>-</b>	<b>19 636</b>	<b>2 300 534</b>

<b>Group:</b> <b>Year ended 30 September 2022</b>	<b>At fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investment property (including non-current assets held for sale)	15 456 955	-	-	15 456 955
Investments in listed securities and endowment investment	183 626	179 109	4 517	-
Interest rate swaps	36 102	-	36 102	-
Loans to participants of group share option scheme	105 642	-	-	105 642
<b>Total assets</b>	<b>15 782 325</b>	<b>179 109</b>	<b>40 619</b>	<b>15 562 597</b>

Interest rate swaps	4 269	-	4 269	-
<b>Total liabilities</b>	<b>4 269</b>	<b>-</b>	<b>4 269</b>	<b>-</b>

<b>Company:</b> <b>Year ended 30 September 2022</b>	<b>At fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investment property (including non-current assets held for sale)	2 263 881	-	-	2 263 881
Loans to participants of group share option scheme	23 470	-	-	23 470
Interest rate swaps	5 015	-	5 015	-
<b>Total assets</b>	<b>2 292 366</b>	<b>-</b>	<b>5 015</b>	<b>2 287 351</b>

### 47. Operating segments

The entity has nine reportable segments, which is in line with the prior year, based on the geographic split of the country which are the entity's strategic business segments. For each strategic business segments, the entity's executive directors review internal management reports on a monthly basis.

All segments are located in South Africa. There are no single major customers.

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

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## Notes to the consolidated and separate Financial Statements

### Geographical

R 000	Gauteng	Western Cape	Kwazulu Natal	Eastern Cape	Limpopo	Mpumalanga	North West	Northern Cape	Free State	Other	Total
<b>30 September 2023</b>											
Revenue	712 082	360 468	220 641	194 413	123 453	26 013	120 892	80 027	78 881	4 068	1 920 938
Straight line rental income	(1 873)	(3 068)	(2 882)	372	(2 133)	404	558	(1 171)	(1 263)	-	(11 056)
Sundry income	1 834	1 172	155	4	15	10	-	703	135	914	4 942
Operating costs and administrative costs	(360 545)	(125 495)	(88 778)	(70 685)	(34 859)	(10 082)	(39 395)	(32 783)	(29 333)	(112 716)	(904 671)
<b>Profit / (loss) from operations</b>	<b>351 498</b>	<b>233 077</b>	<b>129 136</b>	<b>124 104</b>	<b>86 476</b>	<b>16 345</b>	<b>82 055</b>	<b>46 776</b>	<b>48 420</b>	<b>(107 734)</b>	<b>1 010 153</b>
Interest received	1 339	319	1 021	139	230	5	148	62	52	21 015	24 330
Finance charges	(14)	(14)	(80)	(14)	1	(1)	(5)	-	-	(456 696)	(456 696)
Dividends received	-	-	-	-	-	-	-	-	-	25 901	25 901
Changes in fair values	(97 938)	39 505	31 640	(179)	30 527	6 322	18 084	17 539	11 848	6 629	63 977
Capital expenses	-	-	-	-	-	-	-	-	-	(411)	(411)
<b>Profit/(loss) before taxation</b>	<b>254 885</b>	<b>272 887</b>	<b>161 717</b>	<b>124 050</b>	<b>117 234</b>	<b>22 671</b>	<b>100 282</b>	<b>64 377</b>	<b>60 320</b>	<b>(511 169)</b>	<b>667 254</b>
Taxation	-	-	-	-	-	-	-	-	-	-	-
<b>Income from continuing operations</b>	<b>254 885</b>	<b>272 887</b>	<b>161 717</b>	<b>124 050</b>	<b>117 234</b>	<b>22 671</b>	<b>100 282</b>	<b>64 377</b>	<b>60 320</b>	<b>(511 169)</b>	<b>667 254</b>
(Loss) Income from discontinued operations	336 230	-	-	-	-	-	-	-	-	(875 692)	(539 462)
<b>Total comprehensive income</b>	<b>591 115</b>	<b>272 887</b>	<b>161 717</b>	<b>124 050</b>	<b>117 234</b>	<b>22 671</b>	<b>100 282</b>	<b>64 377</b>	<b>60 320</b>	<b>(1 386 861)</b>	<b>127 792</b>
Reportable segment assets	4 149 165	2 671 530	1 334 815	1 247 635	870 140	168 263	760 535	462 161	527 585	442 657	12 634 486
Reportable segment liabilities	(281 144)	(126 613)	(154 336)	(58 969)	(51 896)	(17 139)	(50 971)	(46 278)	(49 467)	(4 051 371)	(4 888 184)
	<b>3 868 021</b>	<b>2 544 917</b>	<b>1 180 479</b>	<b>1 188 666</b>	<b>818 244</b>	<b>151 124</b>	<b>709 564</b>	<b>415 883</b>	<b>478 118</b>	<b>(3 608 714)</b>	<b>7 746 302</b>

### Sectoral

R 000	Office	Industrial	Retail	Residential	Overheads	Total
<b>30 September 2023</b>						
Revenue	443 897	223 296	1 248 401	1 276	4 068	1 920 938
Straight line rental income	(1 463)	(2 458)	(7 136)	1	-	(11 056)
Sundry income	15	-	4 013	-	914	4 942
Operating costs and administrative costs	(221 137)	(98 090)	(471 852)	(876)	(112 716)	(904 671)
<b>Profit / (loss) from operations</b>	<b>221 312</b>	<b>122 748</b>	<b>773 426</b>	<b>401</b>	<b>(107 734)</b>	<b>1 010 153</b>
Interest received	561	188	2 566	-	21 015	24 330
Finance charges	(3)	(52)	(72)	-	(456 696)	(456 696)
Dividends received	-	-	-	-	25 901	25 901
Changes in fair values	(166 228)	24 747	199 421	(592)	6 629	63 977
Capital expenses	-	-	-	-	(411)	(411)
<b>Profit/(loss) before taxation</b>	<b>55 642</b>	<b>147 631</b>	<b>975 341</b>	<b>(191)</b>	<b>(511 169)</b>	<b>667 254</b>
Taxation	-	-	-	-	-	-
<b>Income from continuing operations</b>	<b>55 642</b>	<b>147 631</b>	<b>975 341</b>	<b>(191)</b>	<b>(511 169)</b>	<b>667 254</b>
(Loss) Income from discontinued operations	-	-	-	(539 462)	-	(539 462)
<b>Total comprehensive income</b>	<b>55 642</b>	<b>147 631</b>	<b>975 341</b>	<b>(539 653)</b>	<b>(511 169)</b>	<b>127 792</b>
Reportable segment assets	2 465 116	1 323 254	8 403 390	69	442 657	12 634 486
Reportable segment liabilities	(149 741)	(55 745)	(630 690)	(637)	(4 051 371)	(4 888 184)
	<b>2 315 375</b>	<b>1 267 509</b>	<b>7 772 700</b>	<b>(568)</b>	<b>(3 608 714)</b>	<b>7 746 302</b>

# Fairvest Limited and its subsidiaries

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## Notes to the consolidated and separate Financial Statements

### Geographical

R 000	Gauteng	Western Cape	Kwazulu Natal	Eastern Cape	Limpopo	Mpumalanga	North West	Northern Cape	Free State	Other	Total
<b>30 September 2022</b>											
Revenue	525 921	288 813	239 563	154 067	98 246	27 659	80 041	81 913	88 052	626	1 584 901
Straight line rental income	(14 129)	1 882	(5 147)	372	996	(285)	(56)	(3 060)	(151)	-	(19 578)
Sundry income	10 709	1 012	4 932	648	56	33	-	702	176	1 061	19 329
Operating costs and administrative costs	(273 712)	(106 208)	(92 331)	(59 578)	(25 766)	(13 751)	(30 057)	(34 585)	(32 089)	(80 933)	(749 010)
Contract cancellation fees	-	-	-	-	-	-	-	-	-	(133 873)	(133 873)
<b>Profit / (loss) from operations</b>	<b>248 789</b>	<b>185 499</b>	<b>147 017</b>	<b>95 509</b>	<b>73 532</b>	<b>13 656</b>	<b>49 928</b>	<b>44 970</b>	<b>55 988</b>	<b>(213 119)</b>	<b>701 769</b>
Interest received	1 203	236	692	80	2 865	15	88	74	47	33 249	38 549
Finance charges	(776)	(15)	(24)	(6)	8	(17)	(1 828)	(1)	-	(329 897)	(332 556)
Dividends received	-	-	-	-	-	-	-	-	-	24 167	24 167
Changes in fair values	6 057	115 053	68 030	54 419	8 654	5 008	11 125	35 609	25 099	96 273	425 327
Gain on bargain purchase	-	-	-	-	-	-	-	-	-	1 406 658	1 406 658
Capital expenses	-	-	-	-	-	-	-	-	-	(74 556)	(74 556)
<b>Profit/(loss) before taxation</b>	<b>255 273</b>	<b>300 773</b>	<b>215 715</b>	<b>150 002</b>	<b>85 059</b>	<b>18 662</b>	<b>59 313</b>	<b>80 652</b>	<b>81 134</b>	<b>942 775</b>	<b>2 189 358</b>
Taxation	-	-	-	-	-	-	-	-	-	1 445	1 445
<b>Income from continuing operations</b>	<b>255 273</b>	<b>300 773</b>	<b>215 715</b>	<b>150 002</b>	<b>85 059</b>	<b>18 662</b>	<b>59 313</b>	<b>80 652</b>	<b>81 134</b>	<b>944 220</b>	<b>2 190 803</b>
(Loss) Income from discontinued operations	108 663	-	473	-	-	15 931	-	-	1 669	(154 299)	(27 563)
<b>Total comprehensive income</b>	<b>363 936</b>	<b>300 773</b>	<b>216 188</b>	<b>150 002</b>	<b>85 059</b>	<b>34 593</b>	<b>59 313</b>	<b>80 652</b>	<b>82 803</b>	<b>789 921</b>	<b>2 163 240</b>
Reportable segment assets	7 276 390	2 628 646	1 587 638	1 223 524	857 842	386 054	741 404	442 945	527 890	642 409	16 314 742
Reportable segment liabilities	(305 080)	(52 475)	(53 718)	(25 691)	(34 667)	(8 124)	(71 201)	(15 901)	(8 611)	(6 345 236)	(6 920 704)
	<b>6 971 310</b>	<b>2 576 171</b>	<b>1 533 920</b>	<b>1 197 833</b>	<b>823 175</b>	<b>377 930</b>	<b>670 203</b>	<b>427 044</b>	<b>519 279</b>	<b>(5 702 827)</b>	<b>9 394 038</b>

### Sectoral

R 000	Office	Industrial	Retail	Residential	Overheads	Total
<b>30 September 2022</b>						
Revenue	307 957	131 999	1 144 268	51	626	1 584 901
Straight line rental income	(10 742)	(1 990)	(6 846)	-	-	(19 578)
Sundry income	80	-	18 188	-	1 061	19 329
Operating costs and administrative costs	(154 296)	(70 644)	(443 022)	(115)	(80 933)	(749 010)
Contract cancellation fees	-	-	-	-	(133 873)	(133 873)
<b>Net operating income before interest</b>	<b>142 999</b>	<b>59 365</b>	<b>712 588</b>	<b>(64)</b>	<b>(213 119)</b>	<b>701 769</b>
Interest received	456	282	4 562	-	33 249	38 549
Finance charges	185	(670)	(2 174)	-	(329 897)	(332 556)
Listed securities income	-	-	-	-	24 167	24 167
Changes in fair values	(69 990)	45 101	350 581	3 362	96 273	425 327
Gain on bargain purchase	-	-	-	-	1 406 658	1 406 658
Capital expenses	-	-	-	-	(74 556)	(74 556)
<b>Profit/(loss) before taxation</b>	<b>73 650</b>	<b>104 078</b>	<b>1 065 557</b>	<b>3 298</b>	<b>942 775</b>	<b>2 189 358</b>
Taxation	-	-	-	-	1 445	1 445
<b>Income from continuing operations</b>	<b>73 650</b>	<b>104 078</b>	<b>1 065 557</b>	<b>3 298</b>	<b>944 220</b>	<b>2 190 803</b>
(Loss) Income from discontinued operations	-	-	-	126 737	(154 300)	(27 563)
<b>Total comprehensive income</b>	<b>73 650</b>	<b>104 078</b>	<b>1 065 557</b>	<b>130 035</b>	<b>789 920</b>	<b>2 163 240</b>
Reportable segment assets	2 813 462	1 289 159	8 162 738	3 406 974	642 409	16 314 742
Reportable segment liabilities	(142 610)	(56 720)	(285 519)	(90 619)	(6 345 236)	(6 920 704)
	<b>2 670 852</b>	<b>1 232 439</b>	<b>7 877 219</b>	<b>3 316 355</b>	<b>(5 702 827)</b>	<b>9 394 038</b>

## Fairvest Limited and its subsidiaries

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### Notes to the consolidated and separate Financial Statements

#### 48. Non-controlling interest

The group includes the following subsidiaries with non-controlling interests (NCI's):

	Effective interest held by NCI - 2023	Effective interest held by NCI - 2022	Profit/(Loss) allocated to NCI for the year - 2023	Profit/(Loss) allocated to NCI for the year - 2022	Equity allocated to NCI for the year - 2023	Equity allocated to NCI for the year - 2022
Arrowgem Limited	None	0.3%	543	5	-	10 049
Indluplace Properties Limited	None	39.0%	19 053	(11 465)	-	809 253
Fairvest Property Holdings Limited	None	0.4%	554	9 350	-	9 350
FPP Property Venture 103 Proprietary Limited	20.0%	20.0%	2 388	4 187	11 297	11 951
FPP Property Venture 102 Proprietary Limited	None	49.0%	-	11 108	-	-
Southview Shopping Centre Proprietary Limited	50.0% *	50.0% *	4 380	5 219	8 855	9 880
Bara Precinct Proprietary Limited	None	49.8%	1 956	15 527	-	120 258
Libode Shopping Centre Proprietary Limited	45.0%	45.0%	1 678	4 122	8 380	8 635
Qumbu Plaza Proprietary Limited	49.0%	49.0%	933	4 820	4 296	5 498
			<b>31 485</b>	<b>42 873</b>	<b>32 828</b>	<b>984 874</b>

\* Fairvest controls Southview Shopping Centre Proprietary Limited. This was determined based on a number of factors, the most significant being that during any voting at any meeting of the Southview board, Fairvest shall have a combined vote of 51% and the directors representing the non-controlling shareholders shall have a combined vote of 49%.

The NCI balance is reconciled as follows:

	Arrowgem Limited	Indluplace Properties Limited	Fairvest Property Holdings Limited	Bara Precinct Proprietary Limited	Other NCI	Total
Opening balance	10 049	809 253	9 350	120 258	35 964	984 874
Share of profit for the year	543	19 053	554	1 956	9 379	31 485
Share of dividends for the year	-	(32 528)	-	(16 402)	(12 187)	(61 117)
Acquisition of non-controlling interest	(10 592)	-	(9 904)	(105 812)	(328)	(126 636)
Dilution of interest in subsidiary	-	2 037	-	-	-	2 037
Disposal of Indluplace	-	(797 815)	-	-	-	(797 815)
	-	-	-	-	<b>32 828</b>	<b>32 828</b>

The acquisition of non-controlling interest above relates to the remaining minority shareholders being bought out resulting in the group owning 100% of the issued share capital of these specific subsidiaries:

	Arrowgem Limited	Fairvest Property Holdings Limited	Bara Precinct Proprietary Limited	Other NCI	Total
Equity value acquired	10 592	9 904	105 812	328	126 636
Purchase consideration	(12 369)	(10 942)	(101 447)	-	(124 758)
<b>Impact to Group retained income</b>	<b>(1 777)</b>	<b>(1 038)</b>	<b>4 365</b>	<b>328</b>	<b>1 878</b>

#### 49. Joint operation

During the 2013 reporting period the group acquired a 50% undivided share in Sebokeng Plaza with Axis Property Fund Proprietary Limited. The asset is jointly controlled by the parties and is classified as a joint operation. Axis also performs the property management function for the asset. The principal place of business for the joint operation is Cape Town, Western Cape.

# Fairvest Limited and its subsidiaries

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## Notes to the consolidated and separate Financial Statements

Figures in Rand thousand	Group		Company	
	2023	2022	2023	2022

### 50. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

At face value the current liabilities are higher than the current assets. However all debt facilities expiring for the 2024 financial year are expected to be refinanced or outright settled given the group's strong undrawn unrestricted debt facilities on hand of R917.1 million at 30 September 2023. Furthermore the group has concluded property sales agreements in excess of R307.3 million of which one to the value of R31.5 million has already transferred subsequent to year end with the balance expected to transfer in the next 12 months.

### 51. Dividends and Events after the reporting period

On 28 November 2023 the Board has resolved to declare a final dividend of 67.94 cents per A share and 20.32 cents per B share. The total final dividend of R319.3 million will be paid after year end.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

The dividend is declared in respect of the period ended 30 September 2023 and meets the requirements of a qualifying distribution in terms of section 25BB of the Income Tax Act, 58 of 1962.

#### Dividend per share (cents)

	2023: FTA	2023: FTB	2022: FTA	2022: FTB
Interim	64.59600	20.96506	61.52076	21.33173
Final	67.93610	20.32351	64.70106	21.96204
	<b>132.53210</b>	<b>41.28857</b>	<b>126.22182</b>	<b>43.29377</b>

# Fairvest Limited and its subsidiaries

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## Supplementary Information

### 1. Shareholder analysis

#### Shareholder analysis - Fairvest A shares:

SHAREHOLDER SPREAD	Number of Shareholdings	%	Number of Shares	%
1 - 1 000 shares	811	77.69	22 846	0.04
1 001 - 10 000 shares	80	7.66	371 663	0.59
10 001 - 100 000 shares	75	7.18	3 055 030	4.87
100 001 - 1 000 000 shares	61	5.84	19 697 819	31.41
1 000 001 shares and over	17	1.63	39 571 300	63.09
<b>Totals</b>	<b>1 044</b>	<b>100.00</b>	<b>62 718 658</b>	<b>100.00</b>

DISTRIBUTION OF SHAREHOLDERS	Number of Shareholdings	%	Number of Shares	%
Banks/Brokers	6	0.57	2 045 801	3.26
Close Corporations	4	0.38	274 880	0.44
Endowment Funds	7	0.67	256 593	0.41
Individuals	888	85.06	1 175 378	1.87
Insurance Companies	6	0.57	703 289	1.12
Investment Company	1	0.10	94 251	0.15
Medical Schemes	3	0.29	245 741	0.39
Mutual Funds	52	4.98	36 308 572	57.89
Private Companies	22	2.11	6 682 721	10.66
Retirement Funds	40	3.83	14 504 391	23.13
Trusts	15	1.44	427 041	0.68
<b>Totals</b>	<b>1 044</b>	<b>100.00</b>	<b>62 718 658</b>	<b>100.00</b>

PUBLIC / NON - PUBLIC SHAREHOLDERS	Number of Shareholdings	%	Number of Shares	%
Non - Public Shareholders	0	0.00	0	0.00
Public Shareholders	1 044	100.00	62 718 658	100.00
<b>Totals</b>	<b>1 044</b>	<b>100.00</b>	<b>62 718 658</b>	<b>100.00</b>

Beneficial shareholders holding 5% or more	Number of Shares	%
Coronation Fund Managers	12 196 603	19.45
East & West Investments (Pty) Ltd	6 043 328	9.64
36ONE Asset Management	5 099 345	8.13
<b>Totals</b>	<b>23 339 276</b>	<b>37.22</b>

# Fairvest Limited and its subsidiaries

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## Supplementary Information

### 1. Shareholder analysis (continued)

#### Shareholder analysis - Fairvest B shares:

SHAREHOLDER SPREAD	Number of Shareholdings	%	Number of Shares	%
1 - 1 000 shares	8 479	63.46	975 769	0.07
1 001 - 10 000 shares	2 104	15.75	9 428 526	0.63
10 001 - 100 000 shares	2 176	16.29	71 141 976	4.76
100 001 - 1 000 000 shares	438	3.28	126 759 505	8.47
1 000 001 - 10 000 000 shares	133	1.00	372 626 745	24.91
10 000 001 shares and over	30	0.22	914 814 570	61.16
<b>Totals</b>	<b>13 360</b>	<b>100.00</b>	<b>1 495 747 091</b>	<b>100.00</b>

DISTRIBUTION OF SHAREHOLDERS	Number of Shareholdings	%	Number of Shares	%
Banks/Brokers	80	0.60	85 990 325	5.75
Close Corporations	61	0.46	5 397 709	0.36
Endowment Funds	42	0.31	13 359 159	0.89
Individuals	11 634	87.09	95 974 788	6.42
Insurance Companies	256	1.92	81 026 987	5.42
Investment Companies	5	0.04	1 418 313	0.09
Medical Schemes	14	0.10	7 664 863	0.51
Mutual Funds	221	1.65	492 873 131	32.95
Other Corporations	61	0.46	254 206	0.02
Private Companies	158	1.18	115 143 907	7.70
Public Companies	4	0.03	23 324 607	1.56
Retirement Funds	177	1.32	468 578 856	31.33
Treasury Stock	3	0.02	65 830 868	4.40
Trusts	644	4.82	38 909 372	2.60
<b>Totals</b>	<b>13 360</b>	<b>100.00</b>	<b>1 495 747 091</b>	<b>100.00</b>

PUBLIC / NON - PUBLIC SHAREHOLDERS	Number of Shareholdings	%	Number of Shares	%
<b>Non - Public Shareholders</b>	<b>9</b>	<b>0.06</b>	<b>86 962 920</b>	<b>5.81</b>
Directors and Associates of the Company holdings	6	0.04	21 132 052	1.41
Treasury Shares	3	0.02	65 830 868	4.40
<b>Public Shareholders</b>	<b>13 351</b>	<b>99.94</b>	<b>1 408 784 171</b>	<b>94.19</b>
<b>Totals</b>	<b>13 360</b>	<b>100.00</b>	<b>1 495 747 091</b>	<b>100.00</b>

Beneficial shareholders holding 5% or more	Number of Shares	%
Government Employees Pension Fund	243 730 707	16.29
Old Mutual	106 753 816	7.14
Vukile Property Fund Ltd	93 584 412	6.26
Eskom Pension & Provident Fund	91 201 566	6.10
<b>Totals</b>	<b>535 270 501</b>	<b>35.79</b>

# Fairvest Limited and its subsidiaries

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## Supplementary Information

### 2. Property schedule

#### Retail properties:

Property Name	Location	GLA (m <sup>2</sup> )	Vacancies (m <sup>2</sup> )	% Vacant	Rental R/m <sup>2</sup>	Date of acquisition
Boxer Centre, Elliotdale	Eastern Cape	7 360	-	0.0%	127.82	May 16
Boxer Centre, Mqanduli	Eastern Cape	4 689	169	3.6%	131.40	Jul 16
Boxer Centre, Tabankulu	Eastern Cape	4 117	-	0.0%	121.82	Jul 16
Cleary Park	Eastern Cape	36 567	596	1.6%	162.55	Dec 15
King Williams Town Market Sq	Eastern Cape	13 264	-	0.0%	134.08	Aug 14
Libode Shopping Centre	Eastern Cape	4 991	0	0.0%	142.29	Oct 03
Qumbu Plaza	Eastern Cape	5 481	111	2.0%	132.43	Dec 19
Sterkspruit	Eastern Cape	6 385	172	2.7%	134.00	Sep 12
Tsolo	Eastern Cape	4 096	-	0.0%	118.72	Apr 16
Bradlows	Free State	2 563	0	0.0%	57.34	Nov 01
Mega Park	Free State	6 744	6	0.1%	152.81	Aug 15
Middestad Centre	Free State	18 817	551	2.9%	191.06	Aug 15
Odendaalsrus Shopping Centre	Free State	3 683	-	0.0%	129.14	Apr 16
Zamdela	Free State	2 247	8	0.4%	135.54	Feb 13
Albertyn Voortrekker Rd	Gauteng	5 158	1 207	23.4%	68.51	Dec 17
Bara Precinct	Gauteng	23 507	238	1.0%	166.12	Dec 17
Boxer Boksburg	Gauteng	3 410	65	2.0%	139.88	Dec 17
Clearwater Crossing	Gauteng	10 092	-	0.0%	80.64	Aug 14
Clubview Corner	Gauteng	6 074	116	1.9%	164.58	Jan 13
Jan Niemand	Gauteng	2 139	-	0.0%	#	Feb 15
Lyndhurst Square	Gauteng	6 352	1 293	20.4%	124.22	Feb 14
Mall@TheJunction	Gauteng	14 289	1 275	8.9%	77.78	Aug 14
Orange Farm	Gauteng	2 685	-	0.0%	100.80	Jan 13
Pta Eersterust Shopping Centre	Gauteng	6 950	85	1.2%	105.72	Aug 14
Sebokeng Plaza	Gauteng	5 700	71	1.2%	284.14	Apr 13
Sharpeville	Gauteng	1 130	0	0.0%	#	Feb 13
Shoprite Brakpan	Gauteng	6 256	282	4.5%	70.88	Dec 17
South View Shopping Centre	Gauteng	7 644	162	2.1%	155.15	Jul 18
Stretford	Gauteng	1 508	8	0.5%	#	Feb 13
The Ridge	Gauteng	4 675	430	9.2%	189.59	Mar 13
Town Centre Boksburg	Gauteng	4 611	429	4.1%	95.64	Apr 16
Vereeniging	Gauteng	2 626	-	0.0%	105.34	Apr 13
Vereeniging Voortrekker Str	Gauteng	2 727	-	0.0%	68.47	Dec 17
Wonderboom Convenience Centre	Gauteng	8 670	740	8.5%	115.10	Nov 17
210 Church Street	KwaZulu-Natal	1 897	0	0.0%	#	Dec 12
212 Church Street	KwaZulu-Natal	1 980	0	0.0%	#	Dec 12
Coronation Walk	KwaZulu-Natal	3 047	65	2.1%	199.18	Nov 01
Mkuze Corner	KwaZulu-Natal	3 388	50	1.5%	108.77	Dec 12
Mkuze Plaza	KwaZulu-Natal	8 023	498	6.2%	106.90	Dec 11
Montclair Mall	KwaZulu-Natal	12 602	653	5.2%	150.54	Aug 14
Qualbert Centre	KwaZulu-Natal	4 684	0	0.0%	200.05	Jan 14
Richmond Shopping Centre	KwaZulu-Natal	7 427	33	0.4%	125.86	May 15
Shoprite Empangeni	KwaZulu-Natal	13 660	42	0.3%	199.09	Jul 17
Westville Junction	KwaZulu-Natal	6 265	99	1.6%	235.03	Jan 01
18 Thabo Mbeki	Limpopo	3 931	1 061	27.0%	114.52	Nov 18
68 Hans van Rensburg	Limpopo	2 697	-	0.0%	121.09	Nov 18
Ellerines Thohoyandou	Limpopo	829	-	0.0%	#	Apr 16
FNB Building	Limpopo	2 089	261	12.5%	189.81	Nov 18
Game Centre	Limpopo	7 934	-	0.0%	193.86	Nov 18
Mala Plaza	Limpopo	6 207	0	0.0%	180.15	Jan 14
Masingita Shopping Centre	Limpopo	5 363	190	3.5%	157.71	Jan 14
The Avenue	Limpopo	9 481	843	8.9%	165.79	Nov 17
The Grove	Limpopo	7 894	279	3.5%	166.38	Nov 17
The Lane	Limpopo	6 839	1 698	24.8%	128.86	Nov 17
Thompsons Building	Limpopo	3 727	592	15.9%	42.81	Nov 18
Cosmos Centre	Mpumalanga	4 697	133	2.8%	164.40	Mar 15

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## Supplementary Information

### 2. Property schedule (continued)

#### Retail properties (continued):

Property Name	Location	GLA (m <sup>2</sup> )	Vacancies (m <sup>2</sup> )	% Vacant	Rental R/m <sup>2</sup>	Date of acquisition
Matsulu Shopping Centre	Mpumalanga	6 087	514	8.4%	131.03	Aug 15
Midtown Mall	North West	16 425	949	5.8%	160.95	Sep 12
Terminus Shopping Centre	North West	11 401	181	1.6%	90.95	Jul 12
Impala Centre	North West	3 604	-	0.0%	246.90	Jun 13
OK Klerksdorp	North West	7 931	1 297	16.4%	26.52	Apr 16
Transforum Centre	North West	4 777	-	0.0%	400.54	Mar 13
Kathu Shopping Centre	Northern Cape	5 088	284	5.6%	132.56	Dec 11
Kim Park Shopping Centre	Northern Cape	9 118	171	1.9%	154.06	Jan 14
Sibilo Shopping Centre	Northern Cape	8 476	169	2.0%	186.82	Aug 15
Taung Forum	Northern Cape	10 285	537	5.2%	122.98	Dec 11
Access Park	Western Cape	20 479	75	0.4%	389.82	Aug 14
Cape Town Westgate Mall Shops	Western Cape	28 729	623	2.2%	152.32	Aug 14
Macassar Shopping Centre	Western Cape	5 516	41	0.7%	177.77	Sep 16
Nonkqubela	Western Cape	10 774	214	2.0%	211.90	Aug 19
Nyanga Junction	Western Cape	10 683	83	0.8%	188.56	May 13
Nyanga KTC	Western Cape	1 242	0	0.0%	35.44	May 13
Oudehuis Centre	Western Cape	4 193	367	8.8%	137.83	Apr 16
Paddagat	Western Cape	11 007	0	0.0%	126.17	Dec 12

# Single tenanted properties. The weighted average rent per m2 for all single tenanted properties is R150.37 at 30 September 2023.

#### Industrial properties:

Property Name	Location	GLA (m <sup>2</sup> )	Vacancies (m <sup>2</sup> )	% Vacant	Rental R/m <sup>2</sup>	Date of acquisition
46 Steel Road	Gauteng	3 790	-	0.0%	#	Apr 16
Access City	Gauteng	25 124	-	0.0%	41.64	Jun 14
Beka Candela	Gauteng	21 476	-	0.0%	71.21	Aug 14
Creston	Gauteng	6 848	-	0.0%	50.77	Apr 16
Germiston Route 24	Gauteng	35 016	1 051	3.0%	59.24	Dec 16
Kolbenco	Gauteng	12 050	-	0.0%	31.95	Apr 16
Lea Glen	Gauteng	3 411	-	0.0%	#	Apr 16
MCG	Gauteng	13 998	-	0.0%	#	Jan 14
New Pioneer Park	Gauteng	3 154	-	0.0%	#	Apr 16
Pretoria Silverton 22 Axle Str	Gauteng	1 817	-	0.0%	#	Dec 16
Pretoria Silverton 294 Battery	Gauteng	5 787	-	0.0%	#	Dec 16
Pretoria Silverton 301 Battery	Gauteng	3 784	-	0.0%	64.94	Dec 16
Pretoria Silverton 309 Battery	Gauteng	3 770	-	0.0%	#	Dec 16
Pretoria Silverton 330 Alwyn	Gauteng	1 185	-	0.0%	#	Dec 16
Pretoria Silverton 34 Bearing	Gauteng	5 000	-	0.0%	69.96	Dec 16
Randburg Trevallyn	Gauteng	31 993	900	2.8%	54.18	Dec 16
Roodepoort Robertville Industr	Gauteng	28 225	-	0.0%	41.82	Dec 16
Simgold	Gauteng	7 460	-	0.0%	32.60	Apr 16
Spark Schools	Gauteng	9 439	-	0.0%	44.62	Jun 14
Urban Park	Gauteng	6 598	-	0.0%	43.25	Apr 16
Waterworld	Gauteng	6 524	-	0.0%	57.46	Jun 13
Pinetown Westmead Kyalami Park	KwaZulu-Natal	16 914	359	2.1%	81.93	Dec 16
41 Emerald	Limpopo	1 620	-	0.0%	#	Nov 18
5 Sapphire	Limpopo	1 840	424	23.0%	44.01	Nov 18
Trador	Limpopo	14 965	-	0.0%	40.70	Nov 18
1 Range Road	Western Cape	15 575	-	0.0%	45.86	Oct 12

# Single tenanted properties. The weighted average rent per m2 for all single tenanted properties is R42.41 at 30 September 2023.

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## Supplementary Information

### 2. Property schedule (continued)

#### Office properties:

Property Name	Location	GLA (m <sup>2</sup> )	Vacancies (m <sup>2</sup> )	% Vacant	Rental R/m <sup>2</sup>	Date of acquisition
The Arches	Eastern Cape	2 707	2 501	92.4%	181.24	Apr 16
1 Sturdee	Gauteng	13 350	1 524	11.4%	147.46	Feb 14
2Twenty Madiba	Gauteng	12 093	-	0.0%	143.97	Dec 16
353 Festival St.	Gauteng	5 388	210	3.9%	128.59	Dec 16
Aviary	Gauteng	5 037	-	0.0%	99.33	Oct 13
Bedfordview	Gauteng	9 243	2 445	26.4%	120.63	Apr 16
Bridge On Bond	Gauteng	12 243	1 806	14.8%	77.45	Nov 12
Crownwood Office Park	Gauteng	13 249	76	0.6%	101.08	Mar 13
Endemol - Kent	Gauteng	2 526	-	0.0%	#	Apr 16
Excel Park	Gauteng	3 336	-	0.0%	84.77	Dec 16
Isle of Houghton	Gauteng	28 554	-	0.0%	64.42	Dec 16
Jhb Rosebank 158 Offices	Gauteng	19 978	3 098	15.5%	107.48	Aug 14
Media Shop	Gauteng	2 522	-	0.0%	#	Apr 16
MetalBox	Gauteng	15 056	2 308	15.3%	110.58	Aug 14
Midrand Gate	Gauteng	8 515	228	2.7%	120.94	Dec 16
Sandton Rivonia 36 Homestead R	Gauteng	2 459	-	0.0%	#	Dec 16
Sandton Sunninghill Place	Gauteng	8 774	1 015	11.6%	122.68	Dec 16
Sanlynn	Gauteng	8 687	612	7.1%	173.57	Dec 16
Selby Building	Gauteng	16 346	489	3.0%	44.71	Oct 12
St Andrews Office Park	Gauteng	10 221	1 835	18.0%	88.76	Dec 16
Sunwood Park	Gauteng	6 342	379	6.0%	127.84	Dec 16
The District	Gauteng	3 888	1 694	43.6%	244.38	Dec 12
The Main Change	Gauteng	5 268	-	0.0%	101.52	Apr 16
The Palms	Gauteng	2 597	540	20.8%	75.89	Mar 07
Urban Brew	Gauteng	8 248	-	0.0%	43.24	Jan 14
Absa Cash Centre	KwaZulu-Natal	2 359	-	0.0%	#	Aug 12
CHEP Building	KwaZulu-Natal	3 260	-	0.0%	#	Dec 12
Lakeview Terrace	KwaZulu-Natal	13 056	5 261	40.3%	114.54	Dec 11
Mae West Building	Limpopo	2 922	-	0.0%	#	Dec 11
127 Bethlehem St.	North West	5 736	60	1.0%	166.49	Dec 11
Cape Town Bellville Suntyger	Western Cape	6 372	27	0.4%	156.94	Dec 16
Cape Town Bellville Tijger Park	Western Cape	21 046	2 193	10.4%	175.68	Dec 16
Omniplace	Western Cape	2 627	29	1.1%	137.06	Dec 12
RCS	Western Cape	7 143	-	0.0%	#	Jul 14

# Single tenanted properties. The weighted average rent per m2 for all single tenanted properties is R126.94 at 30 September 2023.

# Fairvest Limited and its subsidiaries

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## Supplementary Information

### 3. Property portfolio statistics

At 30 September 2023 the Fairvest property portfolio consists of 134 properties, with 1 126 191 m<sup>2</sup> of lettable area and valued at R12.0 billion. At 30 September 2023, 51 081 m<sup>2</sup> or 4.5% of the gross lettable area was vacant. The average annualised property yield was 9.8%.

<b>Geographical profile</b>	<b>By rentable area</b>	<b>By revenue</b>		
Gauteng	52.0%	35.1%		
Free State	3.0%	4.5%		
KwaZulu-Natal	8.8%	11.1%		
Western Cape	12.9%	20.7%		
Northern Cape	2.9%	3.9%		
Limpopo	7.0%	7.3%		
Eastern Cape	8.0%	10.3%		
Mpumalanga	1.0%	1.2%		
North West	4.4%	5.9%		

<b>Sectoral profile</b>	<b>By rentable area</b>	<b>By revenue</b>	<b>Vacancy by GLA</b>	<b>Weighted average rental (R/m<sup>2</sup>)</b>
Retail	48.6%	68.2%	3.7%	158.41
Industrial	25.5%	11.1%	1.0%	49.93
Office	25.9%	20.7%	9.7%	106.89
Portfolio			4.5%	118.27

<b>Lease expiry profile</b>	<b>Portfolio</b>	<b>Retail</b>	<b>Industrial</b>	<b>Office</b>
<b>By rentable area</b>				
Vacancy	4.5%	3.7%	1.0%	9.7%
Current	7.2%	6.3%	2.9%	13.0%
2024	23.6%	17.1%	38.2%	21.3%
2025	20.5%	21.7%	18.9%	19.7%
2026	19.3%	20.8%	18.9%	17.0%
2027	7.6%	10.5%	6.3%	3.5%
>2027	17.3%	19.9%	13.8%	15.8%
<b>By gross rental</b>				
Current	7.4%	6.3%	3.3%	13.1%
2024	24.3%	20.7%	37.1%	29.1%
2025	22.4%	22.7%	20.0%	22.8%
2026	21.4%	21.7%	17.2%	22.5%
2027	8.1%	10.7%	4.9%	1.5%
>2027	16.4%	17.9%	17.5%	11.0%
<b>Weighted average rental escalation</b>				
Office	6.9%			
Retail	6.5%			
Industrial	7.0%			
Portfolio	6.6%			
<b>Tenant profile</b>				
A-grade tenants	49.3%			
B-grade tenants	9.9%			
C-grade tenants	40.8%			
	<u>100.0%</u>			

A – Anchor and national tenants

B – Franchise, professional and large tenants

C – other (1 645 out of 2 857 tenants)