



INTEGRATED ANNUAL REPORT





Generation Education (“GenEd”) provides an innovative model for schooling that is more organic and pupil-focused than traditional schooling models. The curriculum is structured to enhance each child’s natural developmental patterns and talents in order to support the individual growth of each student.

ARIA Property Group (“ARIA”) is a Western Cape-focused commercial property investment company. It identifies and acquires underperforming institutional-grade real estate assets and adds value through focused tenant-driven redevelopment for long-term investment.

Club Mykonos Langebaan (“CML”) is a Greek-themed, family-friendly holiday resort situated on the shores of the Langebaan lagoon, located 1½ hours drive from Cape Town. The resort provides a variety of accommodation and entertainment options and is a popular leisure destination.

ASK Partners (“ASK”) is a UK-based real estate finance company with expert skills in financing across the capital structure. ASK operates in the private equity and lending space and offers bespoke and flexible funding solutions to experienced residential and commercial property developers and asset managers.

RESI Investment Group (“RESI”) invests in residential apartments and housing units for rental and capital growth. RESI’s core focus is investment in residential properties with stable and growing long-term rental income profiles, located in desirable residential nodes with financially stable tenants.

TREMATON is an **investment holding company** that invests in assets and businesses which management believes are undervalued or where management can create value that has the potential to achieve our targeted internal rate of return.

The **Integrated Annual Report**, including the annual financial statements, has been prepared in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, No. 71 of 2008. The annual financial statements have been audited in compliance with this Act.

The group financial results have been prepared under the supervision of the Chief Financial Officer, Mr AL Winkler CA (SA).

Published on: 30 November 2023

Financial year-end: 31 August 2023

integrated annual report

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annual financial statements

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CHAIRMAN'S

REPORT

In my chairman's statement in last year's Integrated Report, I indicated that the group would continue with the same strategic approach of reducing exposure to our property-related businesses through realisation of assets when market conditions allowed, of redeploying capital released from those property businesses into our private education businesses and of returning to shareholders surplus capital that is not required to be held as a reserve for contingencies or as a fund for future investment opportunities.

As will be evident from the group's intrinsic net asset value ("INAV") report at 31 August 2023, this past financial year ("FY2023") has, however, been as much about consolidation and repositioning in some of our businesses as realisation and redeployment of capital; except for our minority investment in ASK Partners in the UK, where we have been repatriating capital released from ongoing redemption of syndicated property loans, resulting in a reduction of R108 million in the group's INAV attributable to ASK.

Within our property cluster, realisations have been confined to the residential portfolios in the RESI Group, where sales activity has continued to be robust throughout the year despite the dampening of market conditions due to elevated interest rates, and in Club Mykonos, where the last of the serviced plots situated around the marina were sold during the year. In ARIA, given the lack of liquidity and activity in the commercial property sector, the focus has continued to be on proactive asset management to unlock further value from the existing assets, the results of which activities are demonstrated in the increase of R68 million in the group's INAV invested in ARIA.

All of these property businesses are mature, in the sense of having experienced management teams, clear strategic direction, functional autonomy and

CHAIRMAN
ROBIN LOCKHART-ROSS

operational momentum, which has allowed Trematon management to focus its attention primarily on the group's education cluster, comprising the established Generation Schools business and the start-up GenEx, the edu-tech business. Both of these businesses have faced operational challenges during this past year, as is apparent from the decrease of R66 million in the INAV attributable to GenEd.

All of our schools in GenEd are now profitable and cash flow-positive, except for the Somerset West campus that was acquired at the start of the 2021 academic year and has been transitioning from the IEB to the Cambridge education model, but we are still to reach the capacity utilisation and operating efficiency that will yield the desired return on the substantial capital invested in this business. This has necessitated some key decisions to rationalise the GenEd business – both at a portfolio level in the sense that the smaller schools at Bergvliet and Melkbosstrand have been sold with effect from the end of the 2023 academic year; and at an individual school level, in terms of reviewing curriculum offerings, staffing complement, cost structures and ancillary operations. None of these changes will impact on the quality of the unique educational offering that GenEd provides nor the strength of the brand that GenEd represents.

GenEd expanded successfully into Gauteng, with the opening of its new Taroko campus at Modderfontein from the start of the 2023 academic year. Any further school acquisitions or developments are likely to be structured using a capital-light model which currently exists at Somerset West and Taroko, where the campuses are occupied under long-term leases from property developers.

Despite continued investment into GenEx to fund the development and refinement of its suite of products, which have been proven internally through use within our GenEd schools and have been well received by external clients, this business has yet to reach the critical mass of third-party customers needed to reach break-even, which is the aim for FY2024. As per the prior year, no value has been attributed to GenEx in the group's INAV at year-end.

The net effect of the strong operational cash flows from our property and schools businesses and limited capital expenditure in any of those businesses other than in GenEx, offset by property realisations in our property businesses, is that, once again at the 2023 year-end, Trematon finds itself in the position of holding substantial cash resources in South Africa of around R100 million in its 100%-held subsidiaries. A large

proportion of this cash is deemed surplus to our immediate operating requirements and/or capital commitments.

Accordingly, in line with our undertaking to return surplus capital to shareholders, the board was comfortable to declare a distribution of 32.0 cents per share for FY2023, which will bring the cumulative distributions over the last four financial years to 109.5 cents per share.

While the obvious consequence of the board's policy of making substantial and growing capital distributions to shareholders over this period is that there has been a corresponding reduction in the group's INAV per share, we are alert to the fact that the current market price still trades at a discount of approximately 33% to INAV. This phenomenon is, of course, quite typical of small-cap investment-holding companies on the JSE, but our intent remains on narrowing and unlocking that differential through enhancing and extracting value from our traditional capital-heavy property businesses, and of creating and growing value in our capital-light education businesses.

The past financial year has been as challenging as the previous three across all the markets in which our businesses operate, and the year ahead promises to be just as challenging, what with ongoing international geopolitical conflict in Ukraine and now also in Israel, and local socio-political uncertainty around the upcoming general elections in 2024, on top of an energy-constrained and underperforming economy.

Against that background, we are conscious that the fundamental portfolio shift that we have embarked on is a multi-year journey, and we expect that our progress towards that strategic goal is unlikely to be linear from year to year, so while the past FY2023 and coming FY2024 might represent some consolidation in the short term, we are confident that we are heading in the right direction and with continuing momentum.

So on behalf of the board, I would like to express our appreciation to the Trematon executive led by CEO Arnold Shapiro, the executive management teams of our operating subsidiaries and all staff across all our businesses for their individual and collective efforts and achievements over the past year.

Robin Lockhart-Ross

Independent Non-executive Chairman

CEO'S AND CFO'S JOINT REPORT



CHIEF EXECUTIVE OFFICER
ARNOLD SHAPIRO



CHIEF FINANCIAL OFFICER
ARTHUR WINKLER

INTRODUCTION

It has become evident over the past few years that the share prices of JSE-listed investment holding companies are unlikely to achieve levels where shareholders are able to exit their investments at full value. The reasons for this are structural and it is difficult for company management to influence this trend. It is not at all unique to Trematon and bedevils all listed investment companies, both large and small. However, Trematon's portfolio is flexible enough to address this by paying back surplus capital to shareholders over time so that, in the long run, shareholders will receive full value for their investment. To this end, Trematon has returned 77.5 cents per share of capital over the past three years (see shareholder value graph on page 44) and a further 32 cents per share distribution has been declared for this year. Our current strategy is to continue to realise a material portion of the INAV in mature assets while retaining sufficient capital to continue to invest and maximise value in our ongoing operations. Generation Education and Aria Property Group make up 63% of the group's INAV. The group's INAV is becoming more concentrated in these investments because they have been the only areas of net investment over the past few years. ASK Partners and RESI Group have been following an intentional disinvestment strategy and are becoming a much smaller part of the group. Club Mykonos has retained its investment properties but there are ongoing development sales which will convert land holdings into cash in years to come.

The focus of the past year has been on optimising our existing businesses – particularly GenEd. Our focus for the next year is to have no individual businesses or properties of any size which are net consumers of cash, and we are confident that we can achieve this aim by August 2024. Once this has been achieved and group earnings have been optimised, it is possible that the market rating of the group will improve based on its annuity income. If this is not the case, then management will find other ways to ensure that shareholders receive full value for their patient capital.

DISTRIBUTION
DECLARED

32 cents

PER SHARE
(2022: 40 CENTS)

GROUP REVENUE
INCREASED BY

13%

TO R554.3 MILLION
(2022: R489.5 MILLION)

PROFIT AFTER
TAX UP

252%

TO R121.7 MILLION
(2022: R34.5 MILLION)

INTRINSIC NET
ASSET VALUE
PER SHARE

439 cents

(2022: 487 CENTS)

EARNINGS PER
SHARE UP BY

282%

TO 31.7 CENTS
(2022: 8.3 CENTS)

CHIEF EXECUTIVE OFFICER'S AND CHIEF FINANCIAL OFFICER'S JOINT REPORT

continued

RESULTS

Trematon continued to return capital to shareholders in a bid to narrow the discount between the share price and INAV with a distribution declared of 32 cents per share. Trematon has returned circa R240 million to shareholders over the past 11 years by way of distributions and share buy-backs.

The group's Western Cape commercial property assets are of high quality and have performed well in the past year which translated to increased valuations within the commercial property fund (ARIA). The group continues to dispose of its residential portfolio via individual sales. Sales have slowed down slightly compared to last year but prices have not been reduced and rental income on the remaining owned units has shown some growth.

Club Mykonos has disposed of its remaining serviced plots at the Marina Edge development which continues the process of converting land holdings into cash and similar projects will commence in FY2024.

ASK loan underwrite syndications in the UK continue to mature and this has resulted in an increase in cash. This cash has been repatriated to South Africa.

Group revenue increased by 13% to R554.3 million (2022: R489.5 million). Revenue from rental income increased by 10.9% due to strong rental demand and lower vacancies across the property portfolios. R59.7 million worth of residential stock was also disposed of during the year. These proceeds are not included in revenue as the properties were held as investment properties and disposed of at their fair market value. Education revenue, which includes bricks-and-mortar schools as well as edu-tech increased by 16% from the prior year.

Profit after tax increased to R121.7 million from R34.5 million in the prior year. This significant improvement was mainly driven by the increased fair values of investment properties held in ARIA and positive returns achieved from ASK.

GenEd continues to show increased operating profit within the bricks-and-mortar operations with operating profit increasing to R17.1 million for the year (2022: R9.5 million). The acquisition of a new school in Modderfontein, Gauteng has proven to be a profitable investment and is exceeding initial budgets.

Profit from equity accounted investments was R11.7 million (2022: R10 million), the majority of this earned from ASK. ASK was also able to return funds to its shareholders, of which Trematon received R124 million. The initial investment in ASK was R68 million in October 2018.

The residential apartments held in The Woodstock Hub joint venture have been marketed for sale and have been achieving sales prices in line with expectations. Some commercial properties have also been sold during the year with the proceeds from these sales used to reduce bank debt and derisk the investment. R9 million of the loan advanced to the Woodstock Hub joint venture, which was previously impaired, has been written off as management feels it is unlikely to be recovered.

The above translates to earnings attributable to shareholders of R71.6 million, being 31.7 cents per share (2022: 8.3 cents per share) with headline earnings of 3.6 cents per share decreasing from 8.7 cents in the prior year.

There were material movements in INAV during the year as follows:

- ARIA: increased fair value adjustments on investment properties after the properties were externally valued by independent professional valuers;
- RESI: decrease in value due to sales of properties and the net cash received being distributed to Trematon;
- ASK: the large decrease in value is due to the settlement of loan underwrite syndications and the funds being returned to South Africa;
- GenEd: the decrease in value of GenEd is due to a downward adjustment in expectations of pupil numbers and increased expenses in the discounted cash flow model used to value the investment as management felt that, due to the current economic environment, the previous budgets were too aggressive. No value is currently attributed to the edu-tech investment and all development costs have been treated as expenses for INAV purposes; and
- Cash: movement relates to the cash received from ASK and RESI sales, less the distributions paid to shareholders in December 2022.

The above INAV movements translate to a decrease in INAV per share to 439 cents (2022: 487 cents per share).

GenEd still represents Trematon's largest investment in the group and it continues to have the fastest growth trajectory in the portfolio. More than a third of turnover at year-end was attributable to Education.

GenEd has improved results in the current year, but still shows a net accounting loss for the year. The accounting loss is due to non-cash IFRS adjustments, while GenEd is cash flow positive before these adjustments. The IFRS adjustments that are a result of the accounting treatment on the Somerset West campus lease which is owned by a third party and other non-cash IFRS adjustments that amount to R19.7 million. When added back, GenEd realised a cash profit after finance costs and taxation of R18.4 million.

The brick-and-mortar school business is maturing although it is not yet operating at optimal efficiency. Metrics will improve as the schools with vacancies reach a higher capacity. The Somerset West campus is not yet profitable which depresses the overall results for GenEd. Management has begun a restructuring process to address this within the next 12 to 24 months which involves streamlining costs while maintaining educational outcomes, and is confident that this will result in the school performing to its full potential within the next few years.

The group's Western Cape property investments make up a large component of INAV and revenue. The group has taken advantage of a buoyant residential property market in the Western Cape and has been able to sell R59.7 million worth of properties. The commercial property segment, ARIA, has performed well in absolute terms and relative to its peer group, contributing growth to both earnings and INAV. CML's commercial, leisure and development properties in Langebaan were a stable cash generator in the current year with increased tenancies at both the marina and boatyard. CML also sold all the remaining plots at the Marina Edge development.

At year-end, the group had consolidated cash reserves in South Africa of R267.7 million. The majority of this cash will be utilised to reduce bank debt within our commercial property segment as well as returning capital to shareholders as distributions.

Arnold Shapiro
Chief Executive Officer

Arthur Winkler
Chief Financial Officer

ARIA Property Group

Riverside Mall



TRIBUTE

MONTY KAPLAN

13/02/1929 – 14/10/2023

Monty Kaplan served as Chairman of the company from 2005, when current management took over the company, until his retirement in 2019. His calm stewardship of the board was of great value to shareholders, especially during the 2008 property crisis which affected all South African property owners. Monty also acted as a mentor to Allan Groll and Arnold Shapiro over these years and helped to establish a culture of trust, respect and integrity in the Trematon Group.

Monty grew up in Gordons Bay, playing a patriarchal role in his family after losing his father at a young age. He helped out in the general store run by his mother, and learnt his principles of fairness and unquestionable integrity from an early stage from his mother's adage "treat others as you would want them to treat you".

Monty moved to SACS in Oranjezicht as a school boarder, where he excelled on the sports field and further developed his survival and leadership skills. He captained the SA Universities Baseball team during his studies, and along with his good friend Baldy Seidel became one of the anchor partners in the accounting practice Melamed, Kaplan and Seidel. This led to a series of high-quality finance businesses, including running the Cape of Good Hope Bank as CEO and Deputy Chair and many other innovative and successful ventures.

Monty met his wife Sybil in the early 1950s and was happily married to her for 68 years. They had three children, Martin, Paul and Lindy, and Monty was a loving and guiding light in building strong family bonds and values. He was absolutely adored by his grandchildren, Tracy, Mel, Gilly, Michael, Gavin and Esther, and the feeling was indeed mutual!

Monty loved all sports, including fishing, and always encouraged others to strive for higher achievements, often saying "if you don't throw your line in the water you won't catch any fish".

Monty's values were honed from his youth, and he never forgot where he came from. He always had time for everyone and was considered a mentor, friend and father figure to the many family members, friends and business associates whose lives were fortunate to have been touched by him. He was roundly noted as a true gentleman and a mensch, and leaves behind a reputation that we will cherish and aspire to.



INTRINSIC VALUE REPORT

Trematon is an investment holding company and uses the intrinsic value model to provide management and investors with a realistic and transparent way of evaluating Trematon's performance and value.

The intrinsic net asset value report below illustrates the intrinsic net asset value of all investment categories of the group for the year ended 31 August 2023. The preparation of the intrinsic net asset value is the responsibility of the directors of Trematon. The intrinsic net asset value has been prepared to assist investors in analysing future prospects of the group.

The financial information below has been compiled by using a combination of listed market values, external professional valuations or directors' valuations, where applicable.

The intrinsic net asset value is also presented as part of the group's segment information in the audited annual financial statements and, for comparative purposes, the prior year's information is also presented.

	Notes	INTRINSIC VALUE	
		2023 R	2022 R
Generation Education	1	352 787 779	419 192 498
ARIA Property Group	2	275 197 898	207 130 612
Club Mykonos Langebaan	3	118 519 601	126 372 688
ASK Partners	4	31 241 073	139 347 684
RESI Investment Group	5	58 824 332	84 908 456
Cash	6	100 500 885	61 742 936
Other	7	54 769 227	60 237 496
Total		991 840 795	1 098 932 370
Number of shares in issue		225 829 248	225 829 248
Diluted number of shares		225 829 248	225 829 248
INAV per share (cents)		439	487
INAV per share – diluted (cents)		439	487

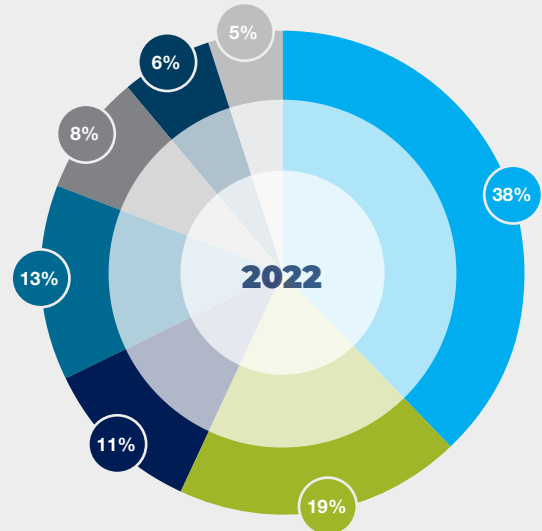
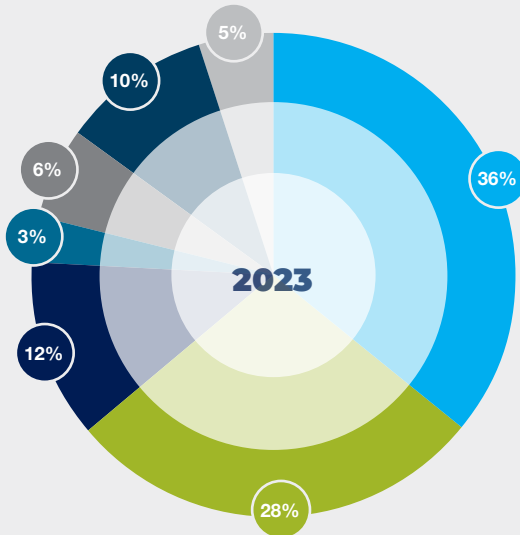
Notes

1. GenEd's school operations have been valued by a JSE-accredited independent valuer using a discounted cash flows method. The INAV has decreased due to downwards adjustment to student numbers' growth and increased costs. The edu-tech business "GenEx" is not included in INAV as it is still in the start-up phase.

2. The majority of ARIA's investment properties have been valued by external independent valuers' valuations. This has resulted in an increase in the property values from the prior year. The increase in value is attributable to decreased vacancies and a lower cap rate than used by the directors in the prior-year valuation.

3. CML has been valued using directors' valuations. The decrease in INAV since August 2022 was due to the sale of serviced plots and the net cash proceeds distributed to Trematon. The cash received by Trematon is included in cash in this INAV report.

4. The investment in ASK is carried at cost plus equity accounted profits, foreign currency movements and valuation adjustments. ASK's value decreased since August 2022 due to dividends received from the operating company, the settlement of loan underwrites in the UK and the repatriation of these funds to South Africa.



INTRINSIC VALUE BY INVESTMENT



5. RESI has been valued using directors' valuations. The portfolio is actively traded and the valuations are based on actual selling prices of similar units in the area after taking into account sales commissions and other sales expenses. The decrease in INAV since the prior year was due to the sale of properties and the net cash proceeds distributed to Trematon. The cash received by Trematon is included in cash in this INAV report.

6. Current year's cash includes cash held in all subsidiaries, other than ARIA and GenEd, which is included in their respective INAV. In December 2022 a distribution of R90.3 million was paid to shareholders. This outflow was off-set by cash inflows from RESI property sales and ASK cash returned to South Africa.

7. Other includes shares held-for-trading, loans due from directors' trusts and other minor assets.

BOARD OF DIRECTORS

NON-EXECUTIVE DIRECTORS



**ROBIN
LOCKHART-ROSS**
(65)

*BCom (Hons), MAcc,
CA (SA)*

**Independent
Non-executive
Chairman**

Robin has over 30 years of corporate experience. He spent the last 19 years of his career at Nedbank Limited and on his retirement in June 2018 he held the position of divisional managing executive in Nedbank CIB's Property Finance Division. He is currently a non-executive director of Fortress Real Estate Investments Limited and Heriot REIT Limited.

Years of service: 4



**RUDI
STUMPF**
(53)

FIA

**Non-executive
Director**

Rudi is a qualified actuary and spent six years at Sanlam in various capacities and was Chief Executive Officer of Citadel from 1998 to 2002. Since 2003, he has been a private equity investor engaged in a wide variety of transactions.

Years of service: 18*



**JONATHAN
FISHER**
(51)

BCom

**Independent
Non-executive
Director**

Jonathan was the Managing Director of Stanchion Payment Solutions and was also a senior corporate finance executive at Bridge Capital where he has been involved in numerous transactions across various sectors. Jonathan has also performed the role of Chief Operations Officer of media company Moneyweb Holdings and spent five years at Dimension Data in various roles.

Years of service: 12**



**KEITH
GETZ**
(67)

BProc, LLM

**Non-executive
Director**

Keith is a practising attorney at Bernadt Vukic Potash & Getz. He practises principally in the areas of takeovers and mergers, private equity, stock exchange, corporate restructuring, regulatory compliance, franchising and generally advising corporate clients nationally and internationally on corporate and commercial matters. He is currently a director of Mr Price Group Limited and Strate (Pty) Limited.

Years of service: 4



**MADALET
SESSIONS**
(44)

MCom

**Independent
Non-executive
Director**

Madalet is a portfolio manager at Denker Capital. She started her investment career at Investec Securities in 2006. She joined the asset management industry in 2008, spending time at Element Investment Managers and Nedbank Private Wealth before joining Denker Capital to establish a range of multi-asset class funds in 2016.

Years of service: 3

* The board has assessed that his character and judgement has benefited from his length of service, which is in excess of nine years.

** The board has assessed that his independence, character and judgement has benefited from his length of service, which is in excess of nine years.

EXECUTIVE DIRECTORS

COMPANY SECRETARY



ARNOLD SHAPIRO
(61)

ARTHUR WINKLER
(46)

ALLAN GROLL
(68)

JAC VOS
(41)

BBus Sci (Finance Hons)

BCom, CA (SA)

BCom, CA (SA)

**Chief Executive Officer
Executive Director**

**Chief Financial Officer
Executive Director**

Executive Director

Company Secretary

Arnold has been the Chief Executive Officer of Trematon for the past 18 years. Prior to this he occupied senior management positions in the asset management industry including analysis, portfolio management and general management.

Years of service: 18

Arthur qualified as a chartered accountant, having graduated from the University of Cape Town. He completed his articles at Moores Rowland where he remained as an audit manager until joining Wooltru Limited as Company Secretary. He joined the Trematon Group in 2008.

Years of service: 15

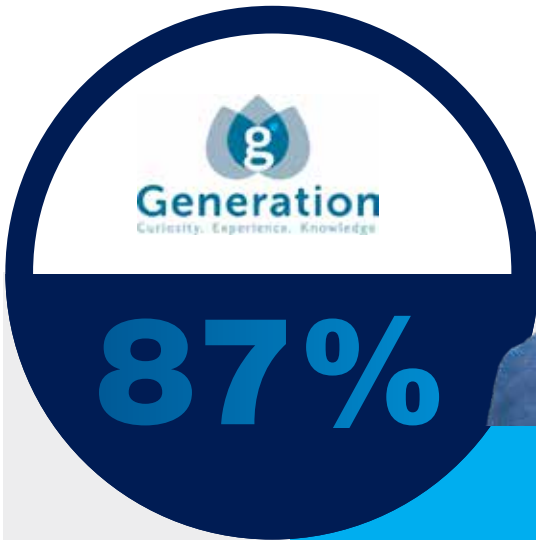
Allan has been an active participant in the South African property and equity markets for more than twenty years. He was previously a director of Spearhead Property Group Limited, Ingenuity Property Investments Limited, Wooltru Limited and Mazor Group Limited.

Years of service: 18

Jac qualified as a chartered accountant after completing his articles at Moores Rowland. He joined the Trematon Group in 2009.

Years of service: 14

INVESTMENT



JEVRON EPSTEIN
Chief Executive Officer

NICHOLAS PEARCE
Financial Director

GenEd student numbers grew to 2 391 from 2 265, representing a 5.6% increase year on year driven by the new Taroko School acquired in Modderfontein in January 2023. The practical capacity of the group ended at 68% as at 31 August 2023.

GenEd improved its operating performance this year, realising an operation profit of R17.1 million (2022: R9.5 million). Revenue in the bricks-and-mortar business has grown by 14.7% to R203.9 million (2022: R177.8 million) mainly due to the acquisition of an existing school in Modderfontein, Gauteng.

GenEd contributed R4.9 million loss to group profits after tax, however this includes non-cash flow IFRS adjustments to the value of R19.7 million. This translates to a cash profit for the group (excluding GenEx) of R18.4 million.

The Bergvliet and Melkbos campuses will no longer be part of the group in 2024 as management made a strategic decision to divest of smaller schools within the group and as such has agreed to the sale of these operations from the end of the 2023 school year.

Generation Somerset West



The GenEx platform has undergone significant improvement over the past 12 months, catering for international and multi-locational schools as an enterprise solution. GenEx has also been approved to work with one of the biggest online schools in the USA to assist in the development of bespoke artificial intelligence and large language model applications.

GenEx has grown its educational offerings in parallel to its software base including Cambridge exam services, Professional Development Qualifications (“PDQs”) and International Access Qualifications (“IAQs”) as downstream sale opportunities for software customers and increasing the lifetime value of customers.

GenEx is currently carried at zero value in the group INAV because of the inherent difficulties in valuing early-stage tech businesses. Once revenue has stabilised and accurate forecasting is possible, we will include it in the INAV valuation.

Generation Sandown



INVESTMENT: GENERATION continued

SI – INTERNATIONAL ACCESS QUALIFICATIONS

Our Sí Pathway stands as an innovative tertiary-in-secondary stream, distinguishing itself as a unique educational approach enabling students to expedite their academic journey. This programme introduces alternative qualifications and learning methods during high school, resulting in the acquisition of diverse and stackable school-exit credits.

Within the Sí Pathway, students have access to a set of International Access Qualifications. These qualifications not only provide students with the opportunity to attain a matric equivalence NQF 4 certificate but also pave the way for progression to higher tertiary level qualifications. This provides our students with the opportunity to complete a full International Bachelor's Honours Degree through the prestigious University of Bolton, on our campuses. The Sí Pathway presently offers qualifications across diverse fields, including Business Management, Computing, Sports Administration and Education.

A distinguishing feature of our qualifications is the blended learning delivery approach. This entails a combination of both online and face-to-face learning. The students are guided through their learning content, expectations and assignments via our interactive learning platform, LMS. They are also supported by dedicated on-campus/online tutors. This structure promotes flexibility in learning and encourages asynchronous learning, allowing students to manage their study schedules effectively.

Unlike traditional examination-based assessments, our qualifications rely on the completion of set assignments and criterion-referenced assessments. Criterion-referenced assessments focus on evaluating a candidate's performance against a predefined set of criteria directly linked to the knowledge and skills being developed. Continuous assessments of both theoretical understanding and practical application form the basis of student evaluation, incorporating set projects, research activities and the compilation of a comprehensive portfolio of evidence.

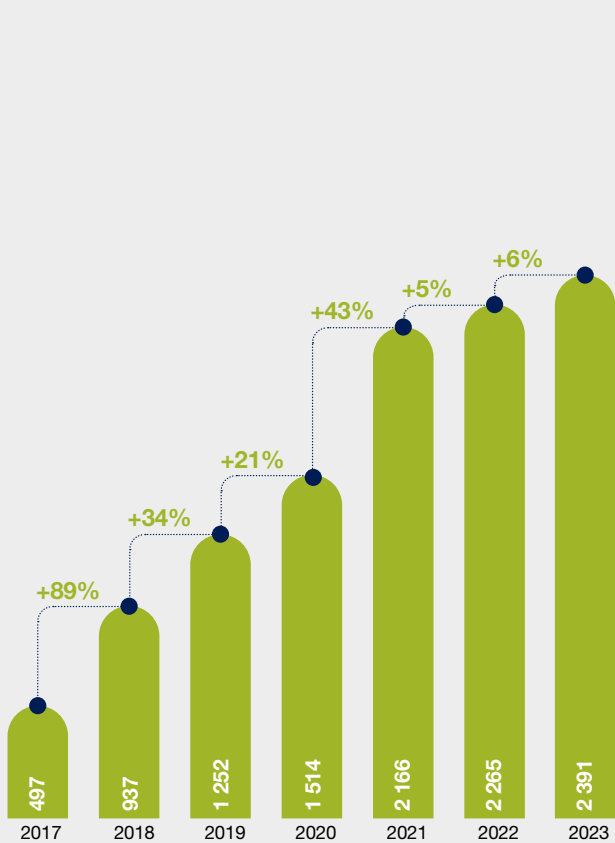


These qualifications hold official recognition and accreditation by the Awards for Training and Higher Education (“ATHE”) and are prominently listed on Ofqual’s Register of Regulated Qualifications in the United Kingdom, attesting to the programme’s commitment to academic quality and standards.

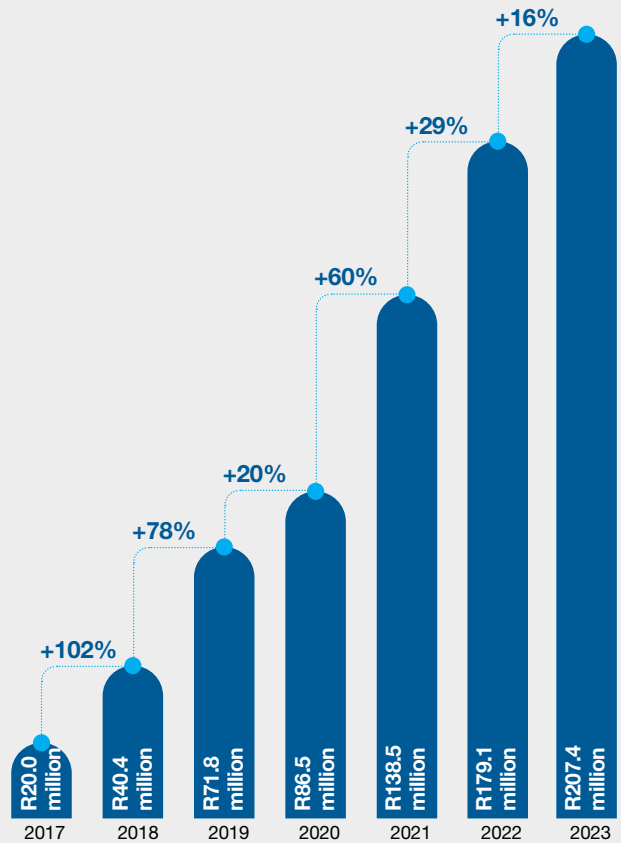
Beyond conventional learning methods, our programme offerings incorporate a range of enrichment activities designed to equip students with business acumen and practical readiness for the challenges of the real-world working environment. This includes immersive experiences such as Master Classes, “In The Boardroom” sessions, SWOT sessions and internships.



NUMBER OF STUDENTS



REVENUE



2023 STUDENTS | 2 391

INVESTMENT



ILAN KAPLAN
Managing Director

JUSTIN ROOME
Executive Director

For the current financial year, ARIA's investment property portfolio had an occupancy rate of 97% and a weighted average lease expiry profile of 41.9 months. The bulk of the 3% vacancy is strategic vacancies at Riverside Mall in Rondebosch to cater for the notable tenant reconfigurations taking place which allows for the introduction of new and enlarged tenants including but not limited to BOA Beauty Bar, Billy's Barbershop, PostNet, Crazy Store, Dairy Den, Van Schaik Bookstore, Spur Group, Clicks, Pick n Pay Clothing and Little Me.

ARIA continued its history of strong revenue collection with a 99.34% collection rate for the current financial year. After keeping the fair market values of the investment properties reasonably flat over the past couple of years due to the uncertainty surrounding the Covid pandemic and the interest rate environment, ARIA saw a 10.5% increase in the fair market values during the current financial year as the economy started to normalise and demand for commercial property in the Western Cape accelerated.

Aligned with ARIA's energy diversification strategy, the solar installation at York Street Boulevard in George was completed during November 2022 and has resulted in an energy saving of 602 MWh in the 10-month period to financial year-end which roughly equates to a financial saving of R1 million. Additional solar installations are currently under review.

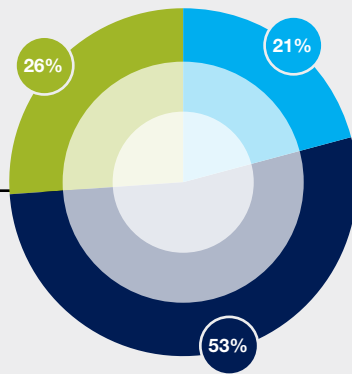
ARIA Property Group
Maynard Mall



There was a sharp increase in interest rates during the first six months of the financial year and interest rates have remained flat thereafter. This has resulted in a significant increase in finance costs; however, ARIA was able to mitigate some of the risk through interest rate swaps. ARIA has a 27% interest rate hedge position at financial year-end.

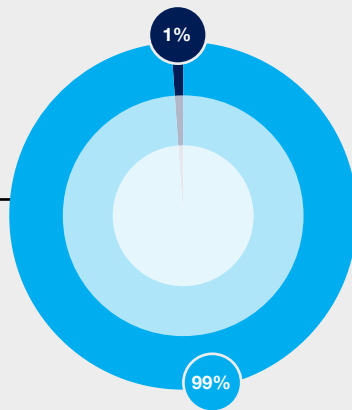
SECTOR SPLIT BY FAIR VALUE

- Industrial
- Retail
- Office



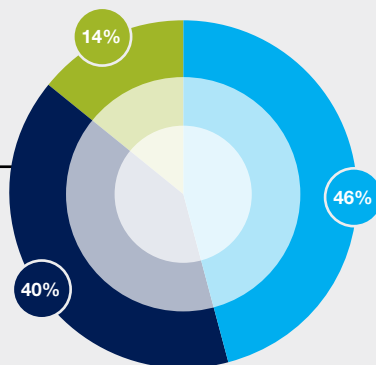
GEOGRAPHIC SPLIT BY FAIR VALUE

- Western Cape
- Gauteng



SECTOR SPLIT BY GLA

- Industrial
- Retail
- Office



ARIA Property Group Riverside Mall



INVESTMENT:
ARIA PROPERTY GROUP continued





ARIA continues to focus its attention on revenue enhancement, innovative value-add opportunities and redevelopments within the existing portfolio.

INVESTMENT



CML improved its operating performance this year, realising an accounting profit of R1.3 million for the year (2022: loss of R4.5 million) after non-cash IFRS adjustments of R9 million. This translates to cash earnings of R12.4 million (2022: R9 million). The non-cash flow adjustments consist of depreciation, fair value adjustments and impairments.

Revenue has grown by 40% to R65.2 million (2022: R46.6 million) due to an increase in sales of waterfront plots in the Marina Edge development. Management will continue to convert development opportunities to cash as market conditions permit.

The reliable supply of electricity has become a significant challenge at the resort and has resulted in a decrease in occupancies in the second part of the year. The Club Mykonos Homeowners Association spent a significant amount of time researching the most cost-effective and practical way to remedy this and the proposed solution includes the installation of three large generators able to power the entire resort, in addition to online metering and load control equipment, so that the resort's power requirement can be significantly reduced during these periods. The installation of the generators would also enable the use of CML's solar plant during periods of load shedding, which is not currently possible.

The renovation of the health and leisure centre was completed during the year. The renovations included the upgrade of the spa, relocation of the gym and refurbishment of the restaurant.

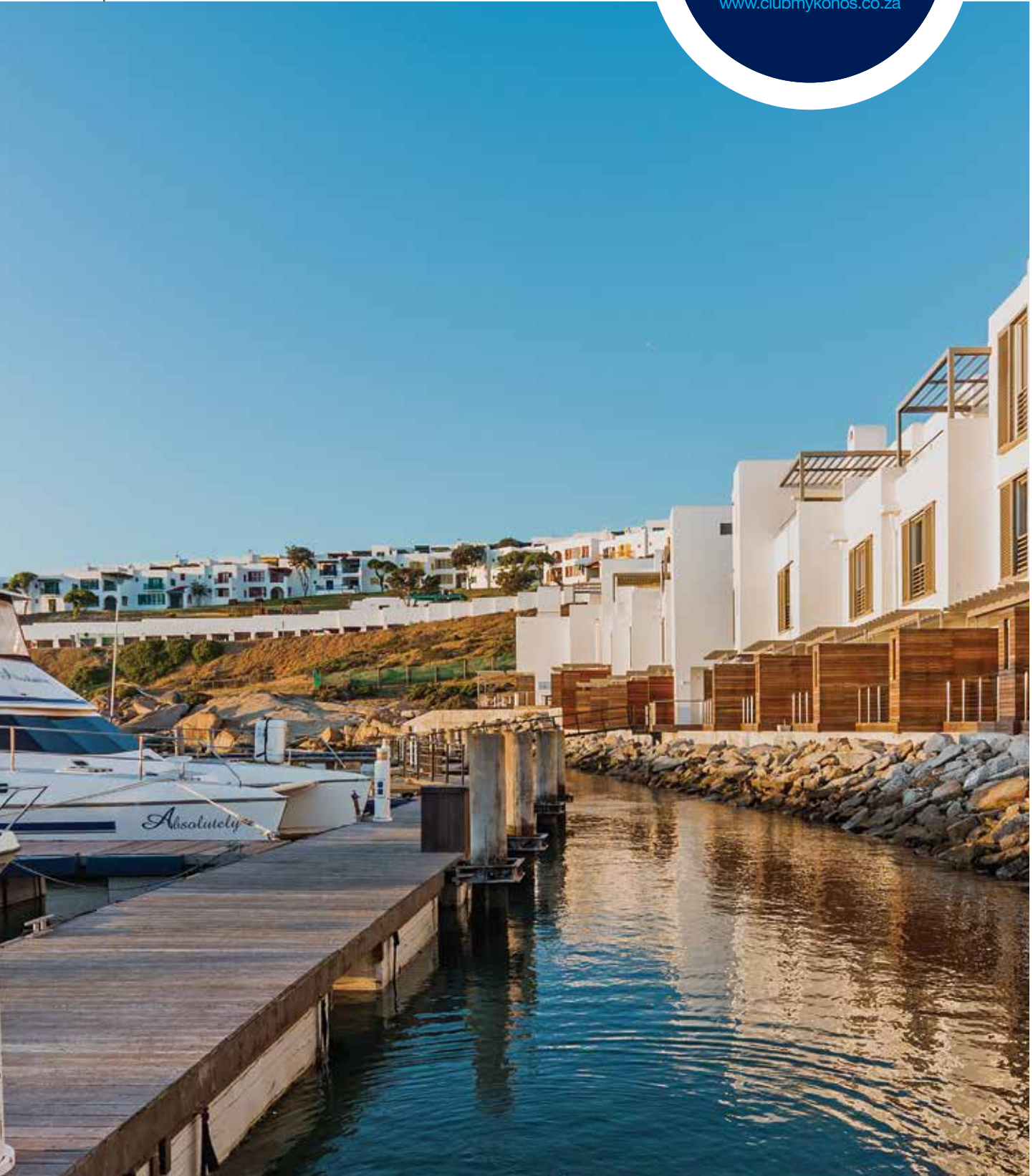
Tropico, the motorised private charter boat which takes large groups to the nearby Langebaan Lagoon has been very popular in its first year of operations and has improved our offering to guests and provides a fun-filled activity for conferencing guests or year-end functions.

For more information on the resort, our fun and informative marketing campaign can be viewed on all social media platforms or on our website: www.clubmykonos.co.za

Club Mykonos



Club Mykonos



INVESTMENT



Trematon's investment in ASK includes a portfolio of cash, diversified syndicated loans and equity in the underlying operations of ASK Partners.

ASK provides flexible finance solutions to experienced real estate developers and asset managers across the capital structure and asset classes.

Since commencing business, ASK has completed £1.34 billion worth of UK-based transactions in both residential and commercial sectors.

Trematon's attributable investment in ASK achieved profits of R13.1 million (2022: R9 million). Proceeds from share buy-backs and dividends were also received in the current year to the value of R123.2 million. The movement in the Rand:Pound exchange rate added a further R10.6 million to the foreign currency translation reserve. ASK's contribution to INAV decreased due to cash returned to South Africa.

Broadoaks, Solihull

Acquisition and development loan secured against a former office development, adjacent to Solihull station





The Brick, Maida Vale

Development exit loan secured against a completed new-build development of high-quality residential stock, in Maida Vale, a highly desirable central London location



INVESTMENT



RESI has continued to take advantage of the relatively robust Western Cape property market.

The group sold 69 residential units with a value of R59.7 million yielding a 45% return on cost. No purchases were made during the year.

Investment properties are being sold at or close to their carrying value so there is no impact on current year profit.

RESI's original strategy was to purchase good-value, well-located units from distressed developers or banks but this pipeline is no longer available at the right quality. We have no plans to replenish stock of residential units so this business will be wound down over the next 12 to 24 months depending on the rate of sales.





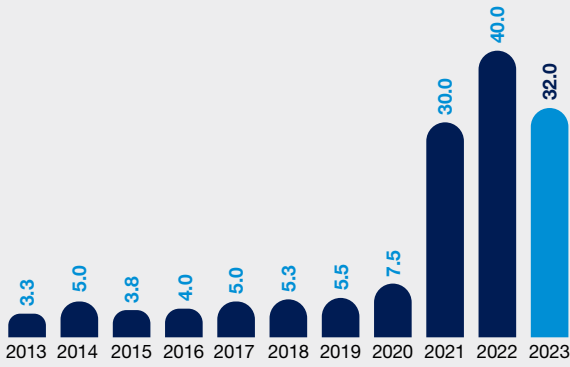
RESIDENTIAL PROPERTY PORTFOLIO – LOCATIONS



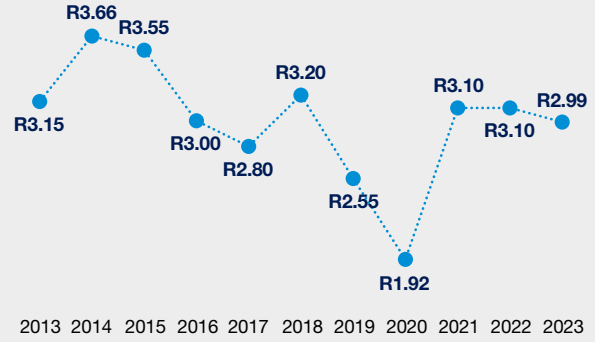
FIVE-YEAR REVIEW

	2023 R	2022 R	2021 R	2020 R	2019 R
Operating results					
Revenue	554 251 546	489 459 488	402 540 050	375 245 550	386 279 832
Profit/(loss) before tax	151 554 257	43 160 868	(3 430 904)	2 113 237	60 976 141
Earnings/(loss) attributable to shareholders	71 577 575	18 305 596	(16 499 577)	(4 182 415)	22 134 409
Headline earnings/(loss) attributable to shareholders	8 189 537	19 251 813	4 367 994	(6 965 805)	4 296 232
Statement of financial position summary					
Non-current assets	2 150 463 720	2 120 373 419	2 073 367 631	2 067 139 118	2 105 720 972
Current assets	321 487 639	266 518 263	263 443 214	230 572 458	224 064 928
Non-current assets held-for-sale	61 879 900	114 425 608	6 892 747	91 411 180	37 770 760
Total assets	2 533 831 259	2 501 317 290	2 343 703 592	2 389 122 756	2 367 556 660
Non-current liabilities	1 445 006 183	1 416 258 734	1 214 214 590	1 029 420 675	1 144 675 174
Current liabilities	82 443 420	114 261 664	165 031 183	333 881 606	166 137 972
Total liabilities	1 527 449 603	1 530 520 398	1 379 245 773	1 363 302 281	1 310 813 146
Shareholders' equity	826 319 301	834 515 750	835 964 945	898 794 959	900 738 727
Non-controlling interest	180 062 355	136 281 142	128 492 874	127 025 516	156 004 787
Total equity	1 006 381 656	970 796 892	964 457 819	1 025 820 475	1 056 743 514
Statistics					
Number of shares in issue	225 829 248	225 829 248	208 605 031	216 711 029	218 970 557
Net asset value per share (cents)	366	370	401	416	411
Intrinsic net asset value per share (cents)	439	487	536	519	521
Earnings/(loss) per share (cents)	31.7	8.3	(7.9)	(2.0)	10.2
Headline earnings/(loss) per share (cents)	3.6	8.7	2.1	(3.3)	2.0
Distributions declared per share (cents)	32.00	40.00	30.0	7.50	5.50

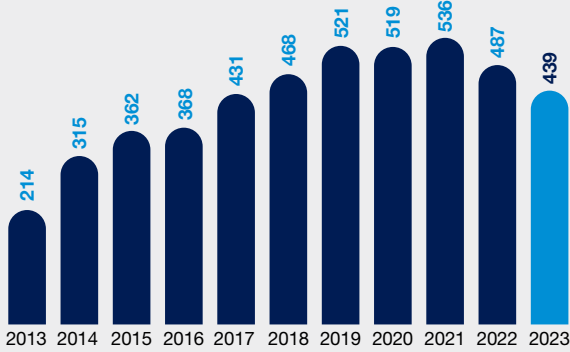
DISTRIBUTION DECLARED (cents per share)



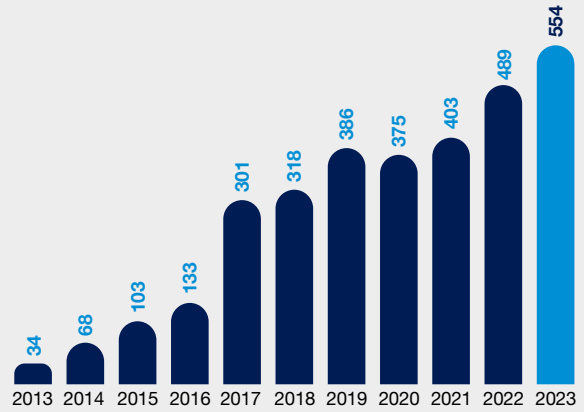
SHARE PRICE AT YEAR-END



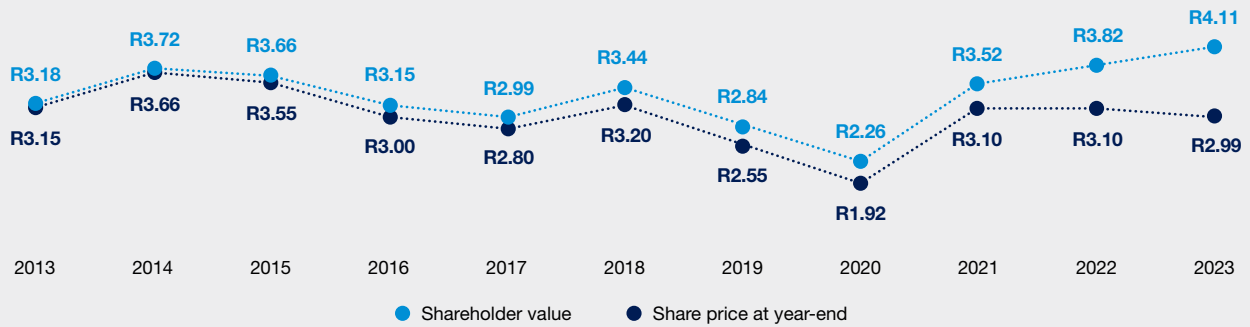
INAV PER SHARE (CENTS)



REVENUE (R'M)



SHAREHOLDER RETURN



The above chart illustrates the total nominal return to shareholders including cumulative capital distributions. If the company continues to repay significant capital to shareholders every year, in the long run the shareholders' total receipts will approximate the INAV even if the share price trades at a discount.

CORPORATE GOVERNANCE REVIEW

INTRODUCTION

The board of directors continue to subscribe to the values of good corporate governance and are committed to carrying on the business of the company with integrity and fairness and in accordance with the principles of sound corporate governance as contained in the King Code of Governance for South Africa ("King IV"). The group has endeavoured to apply the principles of King IV in a practical manner and continues to review its practices based on these principles.

BOARD COMPOSITION, STRUCTURE AND RESPONSIBILITIES

The board is comprised of eight directors, Ms MA Sessions, Messrs JP Fisher, K Getz, A Groll, R Lockhart-Ross, AJ Shapiro, R Stumpf and AL Winkler. Messrs A Groll, AJ Shapiro and AL Winkler are executive directors. All other directors are non-executive directors. Ms Sessions, Messrs Fisher and Lockhart-Ross are independent directors.

Independent directors are considered to be independent in accordance with guidance indicated by the Companies Act and King IV. Non-executive directors do not participate in the share option scheme.

Directors are required to observe the highest ethical standards ensuring that business practices are conducted professionally and beyond reproach. The board has carried out a formal self-evaluation and is satisfied that the composition of the board reflects the appropriate mix of knowledge, skills, experience and independence.

There is a policy detailing the procedures for appointments to the board, which are formal and transparent, and a matter for the board as a whole. Due to the size of the company, there is no separate nomination committee. This function is fulfilled by the board as a whole as and when the need arises. The procedures for the appointment of directors includes the review of curricula vitae and interviews by directors.

There is a clear division of responsibility at board level to ensure a balance of power and authority to ensure that no one individual has unfettered power of decision-making.

The board is responsible for identifying and managing investments, which will provide above-average returns to shareholders.

The Chairman, Mr R Lockhart-Ross, is responsible for ensuring the effectiveness of governance practices within the group. Particular areas of responsibility for the chairman include guidance regarding strategic planning, relationships with principals and corporate relations.

The Chief Executive Officer, Chief Financial Officer and Mr A Groll are full-time employees of the company. There are no formal employment or service contracts.

The remuneration of directors is disclosed in note 30 of this Integrated Annual Report.

BOARD FUNCTIONING

Four board meetings, two audit and risk committee meetings, one social and ethics committee meeting and one remuneration committee meeting were held during the year. Investment committee meetings are held as and when they are required. (For a list of members, see Corporate Information on page 44). All meetings were convened timeously by formal notice incorporating a detailed agenda supported by relevant written proposals and detailed reports. Between such meetings a number of decisions were taken by written resolution as provided for in the company's Memorandum of Incorporation.

The board evaluates the effectiveness of the committees on an ongoing basis. Board members have ready and direct access to the Company Secretary in relation to the affairs of the company and are entitled to obtain independent professional advice regarding company matters at the company's expense. All members of the board are expected to contribute to ensuring that the group maintains high standards of corporate governance. On request, board members have access to company information, records, documents and property.

AUDIT AND RISK COMMITTEE

The audit and risk committee, which comprises three suitably qualified independent non-executive directors being Ms MA Sessions, Messrs JP Fisher and R Lockhart-Ross, is responsible for ensuring that the group maintains adequate accounting records and functionally effective financial reporting and internal control systems. It also ensures that published financial reports comply with relevant legislation, regulation and accounting practice and that group assets are safeguarded. The Chairman of the board, Mr R Lockhart-Ross, is currently a member of the audit and risk committee. The board is of the opinion that given Mr Lockhart-Ross' extensive experience, having served on audit and risk committees of other companies, and taking into account the current size of Trematon's operations, Mr Lockhart-Ross should continue serving on the audit and risk committee.

The audit and risk committee sets the principles for recommending the use of external auditors for non-audit services. Due to the size of the executive management

structure it is not considered necessary to have an internal audit function. The audit and risk committee intends to review this function during the year. The report of the audit and risk committee for the year ended 31 August 2023 is set out on pages 44 and 45.

INVESTMENT COMMITTEE

The investment committee, which comprises one suitably qualified independent non-executive director, two non-executive directors and three executive directors being Messrs K Getz, A Groll, R Lockhart-Ross, AJ Shapiro, R Stumpf and AL Winkler is responsible for determining and recommending to the board the overall investment strategy of the group. It reviews investment proposals as presented by the executive directors and is tasked to implement these within the mandates prescribed by the board. The investment committee's authority level is currently R75 million. Expenditure and investments above this level require ratification by the full board. Capital expenditure up to R25 million may be undertaken by the executive directors. Meetings are held as and when required. A minimum of two non-executive directors must be present at the meeting.

REMUNERATION COMMITTEE

The remuneration committee, which comprises three suitably qualified non-executive directors being Ms MA Sessions, Messrs R Lockhart-Ross and R Stumpf, is responsible for ensuring that the group's remuneration policies are appropriate. The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

SOCIAL AND ETHICS COMMITTEE

The social and ethics committee comprises two non-executive directors and one executive director. The members are Messrs JP Fisher, K Getz and AJ Shapiro. The committee will monitor the following functions as set out by the Companies Act:

- social and economic development;
- corporate citizenship;
- environment, health and public safety;
- consumer relationships; and
- labour and employment.

The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period and there are no other key areas of focus for the committee besides the mandate of this committee which has been mentioned above.

ATTENDANCE

Board

Directors	Meetings attended
R Lockhart-Ross (Chairman)	4/4
JP Fisher	4/4
K Getz	4/4
A Groll	4/4
MA Sessions	4/4
AJ Shapiro	4/4
R Stumpf	3/4
AL Winkler	4/4

Audit and risk committee

Members	Meetings attended
JP Fisher (Chairman)	2/2
R Lockhart-Ross	2/2
MA Sessions	2/2

Remuneration committee

Members	Meetings attended
MA Sessions (Chairperson)	1/1
R Lockhart-Ross	1/1
R Stumpf	1/1

Social and ethics committee

Members	Meetings attended
K Getz (Chairman)	1/1
JP Fisher	1/1
AJ Shapiro	1/1

Trematon's ability to be sustainable as a company depends on its ability to find, retain and develop its employees and this remains one of the most important objectives of the group. The group continues to create a supportive working environment in which employees are motivated to engage and contribute their best efforts to the group.

The group endeavours to attract, nurture and retain suitably qualified employees.

Management is committed to ensuring that there is no unfair discrimination in the workplace. There were no complaints reported or complaints that were in the process of being investigated in the reporting period.

CORPORATE GOVERNANCE REVIEW

(continued)

During the year under review the categorisation of employees according to their workforce profile was as follows:

	Male				Female				Total
	A	O	C	W	A	O	C	W	
Occupational levels									
Executive directors and top management	–	–	–	11	–	–	–	–	11
Middle management	–	–	–	17	–	1	4	18	40
Skilled technical workers, junior management and supervisors	1	–	7	17	3	1	20	38	87
Semi-skilled and discretionary decision-making	33	4	35	47	59	2	67	159	406
Total permanent	34	4	42	92	62	4	91	215	544
Temporary employees	–	–	–	–	–	–	–	–	–
Total temporary	–	–	–	–	–	–	–	–	–
Grand total	34	4	42	92	62	4	91	215	544

Key: A = African; O = Other; C = Coloured; W = White

GENDER AND RACE DIVERSITY

In terms of the JSE Listings Requirements, the board is required to have a policy on the promotion of gender and race diversity at board level. A formal policy has been established and is available on the group's website. The board is supportive of the need for and importance of gender and race diversity and will be considering this when making new appointments to the board. The approach to gender and race diversity adopted by the board of the company shall be as follows:

- Should a vacancy on the board arise, or should there be a requirement for an additional board appointment, consideration will be given to the gender and race of the director(s) so as to attain and maintain a level of gender and race diversity within the board that is considered appropriate at the time, having due regard to the skills, expertise, experience and background required to fill any such board position(s), the availability of suitable candidates, the development potential of candidates and to any additional requirements that may be necessary to ensure a mix of skills and experience on the board and its committees that will best serve the interests of the company and its stakeholders.
- Application of the policy in effecting new or replacement appointments to the board will be subject to the approval/ratification of the shareholders of the company to such appointments at annual general meetings of the company.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT

The group continues to work with consultants to audit and assess the group's compliance with the Broad-Based Black Economic Empowerment Act (Act 53 of 2003), read with the Broad-Based Black Economic Empowerment Amendment Act (Act 46 of 2013) and to expand on the group's strategy to ensure that the group is compliant with all relevant regulations and statutes. The group continues to be aware of empowerment and is committed to continuously work on improving empowerment within the group. Updates will be made available on the group's website.

COMPANY SECRETARY

The Company Secretary performs the company secretarial function. Where necessary, external experts are consulted to ensure compliance with relevant legislation and rules pertaining to the group's operations. The board has evaluated, and is of the opinion, that the Company Secretary, Mr JJ Vos, who is a chartered accountant, has the requisite competence, knowledge and experience to carry out the duties of a Company Secretary of a public company, and in the performance of those duties, is able to maintain an arm's length relationship with other members of the board. The board is of the opinion that the Company Secretary has adequately and effectively carried out his role and, where necessary, consulted with external experts.

STAKEHOLDER COMMUNICATION

The group strives in its communications with stakeholders, particularly the investment community, to present a balanced and understandable assessment of the group's position.

Consequently, in its financial reporting, formal announcements, media releases, annual meetings, presentations and dialogue with analysts and institutional shareholders, the group's objectives are to be clear, open, prompt and balanced, and to be communicated in substance rather than in form.

INTERNAL CONTROL

The group strives to maintain internal controls of a standard aimed at ensuring that the systems of financial reporting contain complete, accurate and reliable information and safeguard the group's assets. The external auditors report to the audit committee and have ready access to the chairman of that committee and the directors. Due to the limited number of transactions, the group does not consider an internal audit function to be necessary.

Nothing has come to the attention of the directors to suggest that the accounting records and systems of internal control were not appropriate or satisfactory, neither has any material loss, exposure or misstatement arising from a material breakdown in the functioning of the systems of internal control or accounting been reported to the directors in respect of the period under review.

RISK MANAGEMENT

The group has minimised the risk of any external event occurring which would have a significant impact on the continuation of its activities. It has processes in place which ensure that the group could continue operationally, should such an event occur.

The directors are of the view that all insurable risks have been adequately covered.

DEALINGS IN COMPANY SHARES

The group has a written policy in terms of which dealings in the company's shares by directors and employees are prohibited during closed periods which commence on 31 August and 28 February and end after the public announcement of the group's annual or interim results respectively.

Dealings by directors in the company's shares are notified to the JSE Limited in accordance with its requirements. Shares held by directors are disclosed in the Directors' Report on page 66.

REMUNERATION REPORT

The group's remuneration policy, which is set out in part I of this report, and the implementation report, which is set out in part II of this report, will be proposed to shareholders for a non-binding advisory vote at the annual general meeting ("AGM") in January 2024.

PART I: REMUNERATION POLICY

Trematon operates in a highly competitive market environment and recognises the critical role that remuneration plays in attracting, retaining and motivating talented people through rewarding individual and business contribution, and encouraging superior performance.

The group's remuneration philosophy is based on the following principles:

- Remuneration supports the group's strategies and is consistent with the organisation's culture of fairness and equity.
- Remuneration directly correlates with the growth objectives and financial performance targets, and actual achievements of the business.
- Remuneration is regularly reviewed and independently benchmarked to ensure the group remains competitive in the diverse markets in which it operates.
- Remuneration allows for differentiation to reward higher performers.
- Individual contribution has a direct bearing on the levels of remuneration.

In applying this philosophy to remuneration practices, management aims to be market competitive and ensure that performance management plays an integral part in remuneration to influence the level of base pay and incentives; and that good governance is observed in relation to all remuneration practices.

Executive directors' remuneration

Trematon's executive remuneration structure comprises both guaranteed and variable remuneration. Variable remuneration includes the annual short-term incentive bonus scheme and long-term incentive scheme which was approved by shareholders at the AGM held in January 2018.

The remuneration paid to executive directors is disclosed on page 44 and note 30.

Guaranteed remuneration

Executive directors, along with all employees, receive guaranteed packages. These guaranteed packages are reviewed annually in August. Salaries are set in relation to the scope and nature of an individual's role, experience and performance, to ensure market competitiveness and sustainable performance. The average salary increase for the executive directors for the 2023 financial year was 6.5%.

Variable remuneration

• Short-term incentive scheme

All employees participate in an annual performance bonus scheme to reward the achievement of agreed financial, strategic and personal performance objectives.

Bonus payments for executive directors are based on the achievement of increased intrinsic net asset value after a

minimum of 8% growth is achieved over the prior year. The remuneration committee has the discretion to amend any cash portion of executives' short-term incentives.

Bonus payments to staff are based on the achievement of personal key performance indicators as measured in the formal review process. Qualifying staff receive a bonus which is paid in December.

A total of R2.1 million (2022: R1.1 million) was paid out to executives of subsidiaries as part of the short-term bonus scheme of the group for the reporting period.

• Long-term incentive scheme

The long-term incentive scheme is aimed at promoting sustainable long-term performance and retaining highly skilled and experienced executives.

Long-term incentives for executive directors are based on the achievement of increased intrinsic net asset value after a minimum of 8% growth is achieved over the prior year. If the growth targets are achieved, restricted ordinary shares in the company are issued to the executives.

Executive service conditions

There are no fixed-term service contracts.

Non-executive directors' fees

Non-executive directors receive fees for serving on the board and board committees. None of the non-executive directors has service contracts with the group and no consultancy fees were paid to directors during the year. In line with best governance practice, non-executive directors do not participate in incentive schemes.

The proposed fees for the 2024 financial year, which are subject to approval by shareholders at the forthcoming AGM in January 2024, are included in the notice of AGM on page 44.

Remuneration governance

The remuneration committee ("the committee") is responsible for oversight of the group's remuneration philosophy and pay practices. The committee ensures the remuneration policy is aligned with the group's strategic objectives and goals, determines the remuneration of executive directors and proposes fees for non-executive directors for shareholder approval.

The committee operates under formal board-approved terms of reference and is required to meet at least once annually.

At year-end the committee comprised independent non-executive directors Ms MA Sessions (Chairperson) and Mr R Lockhart-Ross, and non-executive director Mr R Stumpf. The Chief Executive Officer and Chief Financial Officer are invitees to the committee (if required). The composition of the committee was reassessed in the 2023 financial year and the directors were satisfied that the majority of members are independent.

PART II: IMPLEMENTATION OF REMUNERATION POLICY

Directors' remuneration

	Basic salary R	Taxable benefits R	Short-term incentive bonus R	Total R
Executive directors				
2023				
AJ Shapiro	3 472 200	45 532	–	3 517 732
A Groll	2 231 700	21 341	–	2 253 041
AL Winkler	2 160 600	42 566	168 727	2 371 893
Total	7 864 500	109 439	168 727	8 142 666
2022				
AJ Shapiro	3 260 250	35 834	271 688	3 567 772
A Groll	2 095 380	26 437	174 615	2 296 432
AL Winkler	2 028 600	31 547	169 050	2 229 197
Total	7 384 230	93 818	615 353	8 093 401

	Directors' fees	
	2023 R	2022 R
Non-executive directors		
R Lockhart-Ross	561 756	614 485
JP Fisher	294 000	270 337
K Getz	252 000	262 731
MA Sessions	294 000	321 237
R Stumpf	262 500	286 352
Total	1 664 256	1 755 142

	2023 R	2022 R
Total directors' remuneration		
Executive directors	8 142 666	8 093 401
Non-executive directors	1 664 256	1 755 142
Total	9 806 922	9 848 543

The remuneration policy and implementation report set out above are proposed to shareholders in separate non-binding advisory votes in terms of the notice of AGM. In the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the votes exercised at the AGM, the board of directors will engage with such shareholders in order to clarify the nature of and evaluate the validity of such objections, and will, where possible and prudent, given the objectives of the remuneration policy, take those objections into consideration when formulating any amendments to the company's remuneration policy and implementation report in the following financial year.

KING IV APPLICATION REGISTER

The purpose of this register is to provide an overview of the application by Trematon of the principles contained in the King IV Report on Corporate Governance for South Africa, 2016 ("King IV").

1

THE GOVERNING BODY SHOULD LEAD ETHICALLY AND EFFECTIVELY.

Ethics

The board of directors of Trematon constitutes the governing body and the directors hold one another accountable for decision-making and ethical behaviour.

The responsibilities of the board include providing effective leadership based on an ethical foundation.

The board has adopted a code of ethics which is applicable across the group.

The board's responsibility for setting the tone for an ethical organisational culture across the group is discharged by the group and corporate-level governance, monitoring and reporting systems and structures in place, as detailed in the Corporate Governance Report.

Board members are under a legal duty to prevent conflicts of interest with the group and are obliged to make full disclosure of any areas or potential areas of conflict prior to any consideration or discussion by the board of such items and may not take part in any discussions on such matters, being obliged to recuse themselves from any board meeting while such discussions are in progress. Disclosures of other directorships are tabled at the start of each board meeting and this is a standard agenda item.

Effectiveness

To ensure that the company's leadership is effective, board, committee or senior executive appointments are proposed to the board to ensure an appropriate mix of skills and independence of thought. Board members collectively possess a wide range of financial, commercial and technical knowledge, together with experience in the industries within which the group operates.

APPLICATION/EXPLANATION

2

THE GOVERNING BODY SHOULD GOVERN THE ETHICS OF THE ORGANISATION IN A WAY THAT SUPPORTS THE ESTABLISHMENT OF AN ETHICAL CULTURE.

The ultimate responsibility for the governance of ethics rests with the board. The board serves as the focal point and custodian of corporate governance for the group.

The board commits to the Constitution of the Republic of South Africa and accepts the principles of fairness, accountability, integrity and transparency. The board strives, as a minimum, to ensure compliance with all applicable legislation and regulations, leading standards and with its own code of ethics.

The board is assisted in governing the ethics of the organisation by the social and ethics committee.

The board, assisted by its committees, is committed to maintaining an ethical culture; on transformation within the group; on fair, transparent and responsible remuneration; and on the continued development and training of its employees.

The board has adopted a zero-tolerance approach to fraud and the appropriate remedial action is taken should there be found to be any substance to the matter reported.

Through the social and ethics committee, the board adopted the principles of the United Nations Global Compact in the areas of human rights, labour, the environment and anti-corruption, as well as promoting economic and social well-being of people.

The policy on price-sensitive information and insider trading was renewed and the declarations of interest policy allows for the governing of conflicts of interest.

Planned areas of future focus will include the continued training of employees to ensure that the group embeds a culture of ethical behaviour in all of its operations and at all levels.

APPLICATION/EXPLANATION

3**THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION IS AND IS SEEN TO BE A RESPONSIBLE CORPORATE CITIZEN.****APPLICATION/EXPLANATION**

It is the responsibility of the board to ensure that the consequences of the group's activities do not adversely affect its status as a responsible corporate citizen in the areas of the workplace and the economies of the geographical areas within which it operates, with due regard to social and environmental issues.

During the period under review there were no material fines or penalties incurred which needed to be brought to the attention of stakeholders.

The group has adopted a corporate social investment policy which is overseen by the social and ethics committee. Key considerations of the social and ethics committee and remuneration committee during the review period included transformative considerations and employment equity.

The group will continue to consider its responsibilities in the areas of the workplace, the economy, society in general and the environment; all being key inter-related factors in ensuring the sustainability of the group's businesses.

4**THE GOVERNING BODY SHOULD APPRECIATE THAT THE ORGANISATION'S CORE PURPOSE, ITS RISKS AND OPPORTUNITIES, STRATEGY, BUSINESS MODEL, PERFORMANCE AND SUSTAINABLE DEVELOPMENT ARE ALL INSEPARABLE ELEMENTS OF THE VALUE-CREATION PROCESS.****APPLICATION/EXPLANATION**

The directors individually and collectively assist the group to realise its strategic objectives, to manage the risks and opportunities that could threaten or enhance the group's ability to provide sustainable long-term growth to stakeholders, to maintain and enhance efficiencies within the group's businesses and to support the people who rely on its businesses. The sustainability of the group's businesses is a key consideration in the development and implementation of the group's business model, supported by formal policies governing environmental, corporate social investment, ethical and remuneration matters, all of which form key components of the value-creation process and are effective in ensuring the long-term sustainability of the group.

Management has the responsibility of formulating and developing the short, medium and long-term strategy at divisional levels. Divisional strategic plans and budgets are presented to the board and any risks and opportunities are identified and considered as part of this process within which the group operates.

5**THE GOVERNING BODY SHOULD ENSURE THAT REPORTS ISSUED BY THE ORGANISATION ENABLE STAKEHOLDERS TO MAKE INFORMED ASSESSMENTS OF THE ORGANISATION'S PERFORMANCE, AND ITS SHORT, MEDIUM AND LONG-TERM PROSPECTS.****APPLICATION/EXPLANATION**

The board assumes responsibility for the integrity and transparency of the group's reporting and, assisted by the audit and risk committee and the external auditors, oversees the issue of the company's annual financial statements and Integrated Reports.

The Integrated Report provides stakeholders with information relating to the group's performance.

Information is also made available to stakeholders via investor presentations and on the electronic news service of the JSE Limited ("SENS") announcements which are also available on the company's website at www.trematon.co.za.

The publication of external reports and press releases, including SENS, requires the prior approval of the company's Chief Executive Officer, Chief Financial Officer or as may be otherwise instructed.

6**THE GOVERNING BODY SHOULD SERVE AS THE FOCAL POINT AND CUSTODIAN OF CORPORATE GOVERNANCE IN THE ORGANISATION.****APPLICATION/EXPLANATION**

The board charter documents the board's roles and responsibilities, including the focal role of setting the strategic direction of the group, approving policies and plans to give effect thereto, oversight and monitoring of the implementation of policies and plans by management together with reporting and disclosure. Although, to accommodate the diversity of the group's operations, certain policies may be set at divisional level, all policies are subject to compliance with the over-arching policies set at board level. The board is supported by the committee and management reporting structures detailed in the Corporate Governance Report but remains ultimately responsible for corporate governance in the group and for the appropriate and transparent reporting of corporate governance.

KING IV APPLICATION REGISTER

(continued)

7

THE GOVERNING BODY SHOULD COMPRISE THE APPROPRIATE BALANCE OF KNOWLEDGE, SKILLS, EXPERIENCE, DIVERSITY AND INDEPENDENCE FOR IT TO DISCHARGE ITS GOVERNANCE ROLES AND RESPONSIBILITIES OBJECTIVELY AND EFFECTIVELY.

The names of the board members during the review period, together with details of their age, qualifications, knowledge, skills and experience, are disclosed in the Integrated Report.

King IV requires that the majority of directors shall be non-executive directors, the majority of whom shall qualify as independent and this requirement has been met. The independence of the non-executive directors is reviewed on an annual basis by the board against the criteria stipulated in King IV.

A Chief Executive Officer and Chief Financial Officer have been appointed to the board.

The process for nomination, election and appointment of board members is formal and transparent, as outlined in the Corporate Governance Report.

For any new appointments, the board as a whole considers and, if appropriate, approves recommendations, subject to shareholder approval.

New directors appointed to the board are given an appropriate induction into the business and affairs of the group and into the responsibilities of any committee(s) on which they may be appointed to serve.

The board has carried out a formal self-evaluation and is satisfied that the composition of the board reflects the appropriate mix of knowledge, skills, experience and independence.

APPLICATION/EXPLANATION

8

THE GOVERNING BODY SHOULD ENSURE THAT ITS ARRANGEMENTS FOR DELEGATION WITHIN ITS OWN STRUCTURES PROMOTE INDEPENDENT JUDGEMENT, AND ASSIST WITH BALANCE OF POWER AND THE EFFECTIVE DISCHARGE OF ITS DUTIES.

The board has adopted a decentralised structure with defined accountability levels and reporting lines set at divisional level. Divisional management boards, supported by divisional executive committees, promote independent judgement and assist the board with the effective discharge of its duties. Meetings of the divisional boards and committees are formally minuted. Standing board committees have been established, under written terms of reference, in accordance with statutory requirements. These committees assist the board to effectively discharge its duties. The composition of these standing committees ensures that there is an appropriate balance of power and that an independent perspective is brought to board deliberations and that no single director has unfettered powers.

The standing committees of the board, which are reported and disclosed in full under the Corporate Governance Report are:

- the audit and risk committee;
- the social and ethics committee;
- the remuneration committee; and
- the investment committee.

APPLICATION/EXPLANATION

9

THE GOVERNING BODY SHOULD ENSURE THAT THE EVALUATION OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES, ITS CHAIR AND ITS INDIVIDUAL MEMBERS, SUPPORT CONTINUED IMPROVEMENT IN ITS PERFORMANCE AND EFFECTIVENESS.

The board, the audit and risk committee, the social and ethics committee, the remuneration committee and the investment committee conduct annual assessments as disclosed in the Corporate Governance Report. Items identified for improvement are discussed and followed up on to ensure the implementation of recommended actions. An assessment of the suitability and effectiveness of the Chief Financial Officer is conducted annually by the audit and risk committee and is confirmed in the audit and risk committee's report in the annual financial statements.

The suitability and effectiveness of the Company Secretary is reviewed by the board on an annual basis.

The appointment of the Chairman is reviewed by the board on an annual basis.

APPLICATION/EXPLANATION

10

THE GOVERNING BODY SHOULD ENSURE THAT THE APPOINTMENT OF, AND DELEGATION TO, MANAGEMENT CONTRIBUTE TO ROLE CLARITY AND EFFECTIVE EXERCISE OF AUTHORITY AND RESPONSIBILITIES.

APPLICATION/EXPLANATION

The Chief Executive Officer has a clearly defined role and is responsible for the implementation and execution of the board's strategy, policies and proposals presented to and approved by the board.

To provide continuity of executive leadership, succession planning is in place for the Chief Executive Officer, executive management and other key positions. Succession plans are regularly reviewed to provide for succession in both emergency situations and over the longer term.

The Chief Executives of the group's divisions operate under clearly defined guidelines.

The company has appointed Mr JJ Vos as Company Secretary to provide professional corporate governance services to the company. The Company Secretary reports to the board on all statutory, regulatory and governance matters concerning the group and to the Chief Financial Officer on all other duties and administrative matters.

The performance and independence of the Company Secretary is evaluated by the board on an annual basis and the board has satisfied itself as to the appropriateness of this appointment and as to the arm's length nature of this appointment.

In instances where delegation has taken place to management or committees, preapproved materiality levels and terms of references apply, respectively.

Although the board has delegated certain powers and authorities to executive management and to board committees, the ultimate responsibility for retaining full and effective control of the group rests with the board. Decisions on strategy and other material matters are reserved for the board and there is a clear delineation of power between the board and management at all times.

11

THE GOVERNING BODY SHOULD GOVERN RISK IN A WAY THAT SUPPORTS THE ORGANISATION IN SETTING AND ACHIEVING ITS STRATEGIC OBJECTIVES.

APPLICATION/EXPLANATION

The board assumes responsibility for the governance of risk by setting the direction for how risk is to be approached and addressed across the group in order to achieve its strategic objectives. Without derogating from its overall responsibility for risk management, the board delegates the implementation and execution of effective risk management to divisional management.

The board exercises oversight of risk via, inter alia:

- the establishment of an audit and risk committee at group level;
- the establishment of an investment committee at group level; and
- due-diligence processes to evaluate and understand risks and opportunities that acquisition and/or disposal proposals may contain.

The formalised reporting structures established across the group ensure that the board receives regular risk reports from the divisional management, which considers the risks that could impact their division. The risk reports, which are updated on a regular basis, categorise the estimated impact and likelihood of the risks identified by each division, differentiating between residual risks and inherent risks, and advising the board of the controls established/remedial action taken at divisional level to mitigate the risks identified.

Responsibility for effective risk management is spread across the group's workforce and management.

The group risk function assists the board to oversee the risk management processes within the group and the audit and risk committee plays an integral oversight role in ensuring the ongoing effectiveness of these processes. The audit and risk committee assists the board by providing an independent and objective view of the group's financial, accounting and control mechanisms and policies, information systems and internal controls, the going concern status of the group and compliance with all relevant statutory and regulatory requirements. The Chief Executive Officers of the divisions/operations are responsible for the management of risk.

KING IV APPLICATION REGISTER

(continued)

12

THE GOVERNING BODY SHOULD GOVERN TECHNOLOGY AND INFORMATION IN A WAY THAT SUPPORTS THE ORGANISATION SETTING AND ACHIEVING ITS STRATEGIC OBJECTIVES.

APPLICATION/EXPLANATION

The board is responsible for the governance of information, communications and technology (“ICT”), which is a key factor in the board setting and achieving its strategic objectives. It is assisted by the audit and risk committee which reviews ICT risks. Subject to compliance with over-arching policies and directives set at group level, divisional executives are responsible for:

- aligning divisional ICT with the performance and sustainability objectives of the group;
- establishing and maintaining strict standards of corporate conduct relating to the use of ICT including compliance with ICT legislation and relevant regulations such as legislation to protect the privacy of personal information;
- monitoring, assessing and managing the security of information in the division;
- external specialists are used where independent ICT services are required and a risk review of the group’s ICT platforms has been conducted using external specialists; and
- ensuring that business resilience arrangements are in place to allow for the business to continue in the event of significant incidents and disruptions to ICT systems.

13

THE GOVERNING BODY SHOULD GOVERN COMPLIANCE WITH APPLICABLE LAWS AND ADOPTED, NON-BINDING RULES, CODES AND STANDARDS IN A WAY THAT IT SUPPORTS THE ORGANISATION BEING ETHICAL AND A GOOD CORPORATE CITIZEN.

APPLICATION/EXPLANATION

Responsibility for the implementation and execution of effective compliance management is delegated by the board to management. The board however retains ultimate responsibility for compliance with applicable laws, adopted non-binding rules, codes and standards.

Through its divisionalised board, committee and reporting structures, the board and the audit and risk committee will be apprised of any incidences of non-compliance with legislative and regulatory requirements and/or internal compliance benchmarks set by the group. Divisional management are required to highlight any areas of non-compliance with the legislative or regulatory requirements applicable to the activities of their division which need to be addressed. Any material incidences of non-compliance and/or significant fines or penalties incurred are reported to the board and/or the audit and risk committee of the board to ensure that appropriate remedial action is taken.

Relevant new legislation or regulations introduced from time to time are brought to the attention of the respective board and committee members to ensure that compliance requirements are kept up to date.

Should any material or repeated regulatory penalties, sanctions or fines for non-compliance with the group’s statutory obligations be incurred, or should the group face criminal sanction or prosecution in respect thereof, details will be disclosed in the company’s Integrated Report.

During the review period, there were no material findings of non-compliance with applicable legislation or regulations and there were no criminal sanctions or prosecutions.

Given the diversity of the group’s operations and of the legislation and regulations attaching thereto, there were no particular areas of focus during the review period, other than to ensure that the group continues to operate as a responsible corporate citizen.

14

THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION REMUNERATES FAIRLY, RESPONSIBLY AND TRANSPARENTLY SO AS TO PROMOTE THE ACHIEVEMENT OF STRATEGIC OBJECTIVES AND POSITIVE OUTCOMES IN THE SHORT, MEDIUM AND LONG TERM.

The board assumes responsibility for the governance of remuneration and sets the direction for remuneration across the group.

The board has appointed a remuneration committee to ensure that the group's executives and managers are fairly rewarded for their individual and joint contributions to the group's performance and that the company remunerates fairly, responsibly and transparently in the context of overall remuneration in the group to enable the company to achieve its strategic objectives and to secure positive outcomes in the short, medium and long term. To this end, the board has approved a remuneration policy. The main provisions of this policy are disclosed in the company's Integrated Report, together with a background statement and an implementation report.

The remuneration policy, together with the implementation report, will be presented to shareholders at the company's annual general meeting to be held on 24 January 2024 for a non-binding, advisory vote by shareholders. Voting at annual general meetings on the remuneration policy and implementation report and any required actions flowing from the exercise by shareholders of their votes, will be conducted in compliance with the requirements of the Companies Act No. 71 of 2008, the listings regulations of the JSE Limited and King IV.

Directors' remuneration has been disclosed comprehensively in the company's annual financial statements.

APPLICATION/EXPLANATION

15

THE GOVERNING BODY SHOULD ENSURE THAT ASSURANCE SERVICES AND FUNCTIONS ENABLE AN EFFECTIVE CONTROL ENVIRONMENT, AND THAT THESE SUPPORT THE INTEGRITY OF INFORMATION FOR INTERNAL DECISION-MAKING AND OF THE ORGANISATION'S EXTERNAL REPORTS.

The board sets the direction for assurance services and functions but the responsibility for overseeing such arrangements is delegated to the audit and risk committee, which is charged with supporting the integrity of information for internal decision-making use and for external reports.

A combined assurance model has been developed and formally implemented across the group to effectively cover the group's significant risks and material matters. The model includes but is not limited to the group's established risk management and compliance functions and the external auditors, together with such other external assurance providers as may be appropriate or deemed necessary from time to time, including the Company Secretary, who provides assurance on aspects of corporate governance and a JSE sponsor which advises on the JSE Listings Requirements.

The audit and risk committee has satisfied itself as to the independence of the external auditor.

APPLICATION/EXPLANATION

16

IN THE EXECUTION OF ITS GOVERNANCE ROLES AND RESPONSIBILITIES, THE GOVERNING BODY SHOULD ADOPT A STAKEHOLDER-INCLUSIVE APPROACH THAT BALANCES THE NEEDS, INTERESTS AND EXPECTATIONS OF MATERIAL STAKEHOLDERS IN THE BEST INTERESTS OF THE ORGANISATION OVER TIME.

The board determines the direction on stakeholder relationships and delegates to management the responsibility for implementation and execution thereof.

Future areas of focus will include the following ongoing practices:

- overseeing methodologies for identifying individual stakeholders and stakeholder groupings; and
- continued promotion of sound stakeholder relationships by encouraging engagement with material stakeholders.

Stakeholders are kept apprised of the group's performance by publication of the Integrated Report, the interim and year-end results announcements and, should these be required, trading updates. The remuneration policy and the corporate social investment policy have been designed to balance the needs, interests and expectations of material stakeholders in the best interests of the group over time.

APPLICATION/EXPLANATION

ANNUAL FINANCIAL STATEMENTS




annual financial statements

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REPORT OF THE AUDIT AND RISK COMMITTEE

ROLE OF THE COMMITTEE

The audit and risk committee's operation is guided by a formal detailed charter that is in line with the Companies Act, No. 71 of 2008 of South Africa ("the Companies Act") and has been approved by the board. The committee has discharged all its responsibilities as contained in the charter.

The committee is pleased to present its report for the financial year ended 31 August 2023 as recommended by the King Report on Corporate Governance for South Africa and in line with the Companies Act.

OBJECTIVE AND SCOPE

The overall objectives of the committee are as follows:

- To review the principles, policies and practices adopted in the preparation of the financial statements of companies in the group and to ensure that the financial statements of the group and any other formal announcements relating to the financial performance comply with all statutory and regulatory requirements as may be required.
- To annually assess the appointment of the external auditors and confirm their independence, recommend their appointment to the annual general meeting and approve their fees.
- To review the work of the group's external auditors to ensure the adequacy and effectiveness of the group's financial, operating compliance and risk management controls.
- To ensure that all financial information contained in any consolidated submissions to Trematon is suitable for inclusion in its consolidated financial statements in respect of any reporting period.
- To review the management of risk and the monitoring of compliance effectiveness within the group.
- To perform duties that are attributed to it by its mandate from the board, the Companies Act, the JSE Limited and regulatory requirements.

During the year under review, the committee:

- Considered and satisfied itself of the appropriateness of the expertise and experience of the Chief Financial Officer.
- Ensured that the company has established appropriate financial reporting procedures and that those procedures are operating.
- Requested from the external auditors and, if necessary, consulted with the audit firm on the information detailed in paragraph 22.15(h) in their assessment of the suitability for appointment of the audit firm.
- Received and reviewed reports from the external auditors concerning the effectiveness of the internal control environment, systems and processes.
- Considered the independence and objectivity of the external auditors and ensured that the scope of any additional services provided was not such that they could be seen to have impaired their independence.

- Reviewed and recommended for adoption by the board, such financial information that is publicly disclosed, which for the year included the consolidated financial statements for the year ended 31 August 2023.
- Ensured that appropriate financial reporting procedures exist and are working which include consideration of all entities included in the consolidated group IFRS financial statements.
- Ensured that it has access to all the financial information of the group to allow the group to effectively prepare and report on its financial statements.

The audit and risk committee confirms that it has executed its responsibilities as set out above during the year under review and that no material weaknesses in specific controls were identified.

COMPOSITION OF THE COMMITTEE

The three members of the audit and risk committee are all non-executive directors of the company who act independently as described in section 94 of the Companies Act.

The board is satisfied that these members have the required knowledge and experience as set out in section 94(5) of the Companies Act. The re-appointment of committee members will be a matter for consideration by shareholders at the forthcoming annual general meeting. The Chairman of the Board, Mr R Lockhart-Ross, is currently a member of the audit and risk committee. The board is of the opinion that given Mr Lockhart-Ross' extensive experience, having served on audit and risk committees of other companies, and taking into account the current size of Trematon's operations, Mr Lockhart-Ross should continue serving on the audit and risk committee.

MEETINGS

The committee performs the duties required of it by section 94(7) of the Companies Act by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditor.

Two formal meetings were held by the committee during the year under review.

EXTERNAL AUDIT

The committee has satisfied itself through enquiry that the auditors of Trematon and its subsidiaries are independent as defined by the Companies Act. The committee, in consultation with executive management, has agreed to the audit fee for the 2023 financial year. The fee is considered appropriate for the work that could reasonably have been foreseen at that time.

There is a formal policy that governs the process whereby the external auditor is considered for the provision of non-audit services, and each engagement letter for such work is reviewed in accordance with this set policy and attendant procedures.

The committee has reviewed the firm's and engagement partner's quality reports and have considered the performance and quality to be satisfactory.

KEY AUDIT MATTERS

The committee notes the key audit matters set out in the external auditor's report, which are:

- Valuation of investment properties
- Intrinsic net asset value calculation

The committee has assessed the valuation of investment properties by comparing the directors' valuations to current market prices using available market data, including similar properties in the area and is satisfied that they are fairly stated.

ACCOUNTING PRACTICES AND INTERNAL CONTROL

Internal controls and systems have been designed to provide reasonable assurance as to the integrity and reliability of the financial information represented in the financial statements, and to safeguard, verify and maintain the assets of the group. Nothing has come to the attention of the committee to indicate that any material breakdown in the functioning of the group's key internal control systems has occurred during the year under review. The committee considers the group's accounting policies, practices and financial statements to be appropriate. The audit committee has reviewed the JSE proactive monitoring review findings and has considered making corrections/adjustments where applicable.

FINANCIAL STATEMENTS

The audit and risk committee has evaluated the consolidated financial statements for the year ended 31 August 2023 and considers that they comply, in all material aspects, with the requirements of the Companies Act and International Financial Reporting Standards. The committee has therefore recommended the financial statements for approval to the board. The board has subsequently approved the financial statements, which will be open for discussion at the forthcoming annual general meeting.

EVALUATION OF CHIEF FINANCIAL OFFICER

As required by JSE Listing Requirement 3.84(h), as well as the recommended practices as per King IV, the committee has assessed the competence and performance of the group Chief Financial Officer and believes that he possesses the appropriate expertise and experience to meet his responsibilities in that position. The committee is satisfied with the expertise and adequacy of resources within the finance function and the experience of financial staff in this function.

JP Fisher

Audit and Risk Committee Chairman

13 November 2023

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors of the company, whose names are stated on pages 44 and 45 are responsible for the preparation and fair presentation of the group annual financial statements and annual financial statements of Trematon Capital Investments Limited, comprising the statements of financial position at 31 August 2023, and the statements of comprehensive income, the statements of changes in equity and statements of cash flow for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the Directors' Report, in accordance with International Financial Reporting Standards ("IFRS"), the JSE Limited Listings Requirements, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The directors have made an assessment of the group's and the company's ability to continue as a going concern and there is no reason to believe the businesses will not be going concerns in the year ahead.

The external auditors are responsible for independently auditing and reporting on the group annual financial statements and

financial statements in conformity with International Standards on Auditing.

The Chief Executive Officer and Chief Financial Officer hereby confirm that:

- the annual financial statements set out on pages 44 to 45, fairly present in all material respects the financial position, financial performance and cash flows of the company and group in terms of IFRS;
- to the best of their knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the company and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the company;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of financial controls;
- 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.

AJ Shapiro
Chief Executive Officer

AL Winkler
Chief Financial Officer

APPROVAL OF THE GROUP ANNUAL FINANCIAL STATEMENTS AND SEPARATE PARENT ANNUAL FINANCIAL STATEMENTS

The group annual financial statements and annual financial statements of Trematon Capital Investments Limited were approved by the board of directors on 13 November 2023 and are signed on their behalf by:

AJ Shapiro
Chief Executive Officer

AL Winkler
Chief Financial Officer

DECLARATION BY COMPANY SECRETARY

In my capacity as Company Secretary, I hereby confirm, in terms of the Companies Act, 2008, that for the year ended 31 August 2023, the company has lodged with the Companies and Intellectual Property Commission all such returns as are required by a public company in terms of this Act and that all such returns are true, correct and up to date.

JJ Vos
Company Secretary

13 November 2023

INDEPENDENT AUDITOR'S REPORT

to the shareholders of Trematon Capital Investments Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Trematon Capital Investments Limited ("the company") and its subsidiaries ("the group") set out on pages 11 to 14, which comprise the consolidated and separate statements of financial position as at 31 August 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, the 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 Trematon Capital Investments Limited and its subsidiaries as at 31 August 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 the Consolidated and Separate Financial Statements section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors ("IRBA Code") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

INDEPENDENT AUDITOR'S REPORT

(continued)

Key audit matter 1 (Group)

Valuation of Investment Properties, and Land and Buildings Measured at Fair Value – Refer to Accounting Policy Note 44 and Note 45

Investment properties measured at fair value pertain to Trematon's most significant asset including various judgemental areas due to the complexity and subjectivity involved in determining the properties' fair values. Relevant accounting standards impacting this risk area have been assessed in accordance with IAS 16, IAS 40 and IFRS 13.

The consolidated and separate financial statements provide the necessary presentation and disclosure for the investment properties and the land and buildings measured at fair value. Please refer to note 44 (Property, plant and equipment), note 45 (Investment property) and note 46 (Fair value measurement).

The property portfolio includes both residential and commercial properties. The commercial properties consist of various properties such as retail spaces, offices, industrial properties and schools.

We have considered the valuation of these investment properties and land and buildings to be a key audit matter given the value of the properties on the consolidated statement of financial position and the assumptions in the valuation methods being inherently judgemental and subject to a high degree of estimation uncertainty.

The specific areas of judgement which we deemed required significant audit attention included but was not limited to the following:

- Capitalisation rates
- Vacancy rates and estimated rental income
- Forecast expenditure
- Rental rate per square metre

How our audit addressed the key audit matter

Our audit procedures included, amongst others, the following:

External valuations performed by management's expert

We assessed the competence, capabilities and objectivity of the external valuers engaged by management. Through inspection of the external valuation reports we obtained an understanding of the valuation process, assumptions used and judgements applied, including capitalisation rates, vacancy rates and forecast revenue and expenditure.

Additionally, we performed an assessment to evaluate the accuracy and reasonableness of assumptions used against industry benchmarks.

Internal valuations performed by management

We obtained an understanding of the methods and assumptions applied by management in calculating the values of the properties in the portfolio.

We evaluated the appropriateness and consistency of the valuation techniques and methodologies applied by management for each property. Ensuring alignment with commonly accepted property valuation practices in the industry.

We evaluated whether management possessed the necessary expertise, experience and knowledge to accurately compute the fair value of the properties in the portfolio.

For the property portfolio, we obtained audit evidence regarding the property valuations by scrutinising the inputs and assumptions used by management. This included, amongst others, the following:

- Comparing the forecast rental income with the actual income for the 2023 financial year, evaluating estimated vacancy rates against the actual vacancy rates per property, and reviewing potential vacancies due to expiring leases or year-end vacancies. We assessed the reasonableness of the assumptions regarding vacancy rates and forecasted rental income considering market information.
- Analysing forecasted recoveries and expenses in contrast to the actual recoveries and expenses for the 2023 financial year. We also assessed the reasonableness of the inflation rate applied by management by considering market-related data. Additionally, we evaluated the accuracy of management's estimations for forecasted recoveries.
- Comparing the capitalisation rates computed by management with recently available comparable information.
- Examining the assumptions used by management in evaluating the gross lettable area with the underlying property records and the rate per square metre with comparable property information where applicable.

We assessed the appropriateness of investment property and owner-occupied land and buildings in accordance with the requirements of IAS 40 – Investment Property, IAS 16 – Property, Plant and Equipment and IFRS 13. This evaluation ensured Trematon appropriately identified and accounted for investment properties and owner-occupied land and buildings in their financial statements.

Key audit matter 2 (Group)	How our audit addressed the key audit matter
<p>Intrinsic Net Asset Value Calculation – INAV – Refer to Intrinsic Value Report</p> <p>Management has presented a non-IFRS metric, known as intrinsic net asset value (“INAV”), in the segmental report to aid users in evaluating the group’s performance and worth. This calculation involves various valuation methods and presumptions for each investment category.</p> <p>The presumptions utilised by management in preparing the INAV report are inherently subjective and are susceptible to a considerable level of uncertainty in estimation. Accordingly, we have performed audit work on the calculation and presentation.</p> <p>The reconciliation between the IFRS net asset value and the INAV was required to be carefully examined to ensure accuracy and transparency in the financial reporting. This examination was crucial for providing confidence to users regarding the reliability of the INAV measure and the underlying valuation methods and assumptions.</p>	<p>During our audit, we conducted various procedures, including the following:</p> <ol style="list-style-type: none"> 1. We recalculated the mathematical accuracy of the INAV calculations. 2. We agreed and reconciled the IFRS net asset values used by management in the calculations to the underlying audited net asset values. 3. We reviewed the appropriateness of the methodology and assumptions used by management in calculating the INAV. 4. We reconciled and obtained audit evidence for the differences between IFRS net asset values and INAV, which include fair value adjustments, non-controlling interests, cash reallocations and other assets which are included in the IFRS net asset value, but not in the INAV.

We have determined that there are no key audit matters to communicate in our report for the Company.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled “Trematon Capital Investments Limited Integrated Annual Report 2023”, which includes the Directors’ Report, Certificate by the Company Secretary and the Audit and Risk Committee Report as required by the Companies Act of South Africa, which we obtained prior to the date of this report. The other information does not include the consolidated and separate financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 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 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

INDEPENDENT AUDITOR'S REPORT

(continued)

our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

Moore Cape Town Incorporated
Chartered Accountants (SA)
Registered Auditors

Per: Pierre Johannes Conradie
Director
Chartered Accountant (SA)
Registered Auditor

23 November 2023

2nd Floor Block 2
Northgate Park
Paarden Eiland
Cape Town
7406

DIRECTORS' REPORT

The directors submit their report for the year ended 31 August 2023.

CORPORATE INFORMATION

Trematon Capital Investments Limited (the "company" or "Trematon") is a company domiciled in South Africa. The consolidated financial statements as at and for the year ended 31 August 2023 comprise the company and its subsidiaries (together referred to as the "group" and individually as "group entities") and the group's interest in associates and joint ventures.

REVIEW OF ACTIVITIES

The group is an investment group with investments, subsidiaries, joint ventures and associates engaged primarily in education, property and leisure. The primary aim of the group is to generate superior risk-adjusted long-term returns for its shareholders. The group operates in South Africa.

The operating results and state of affairs of the group are fully set out in the attached annual financial statements and do not, in our opinion, require any further comment.

DIRECTORS' INTEREST IN SHARES AND CONVERTIBLE DEBENTURES

Directors' interest in shares

	2023			2022		
	Direct beneficial	Indirect beneficial	Total	Direct beneficial	Indirect beneficial	Total
Executive						
A Groll	1 000 000	55 550 000	56 550 000	1 000 000	55 550 000	56 550 000
AJ Shapiro	1 429 584	17 247 832	18 677 416	1 429 584	17 247 832	18 677 416
AL Winkler	350 001	876 777	1 226 778	822 673	876 777	1 699 450
Non-executive						
R Stumpf	–	10 399 808	10 399 808	–	10 399 808	10 399 808
K Getz	114 865	–	114 865	114 865	–	114 865
	2 894 450	84 074 417	86 968 867	3 367 122	84 074 417	87 441 539

Directors' interest in restricted shares

The executive directors participate in a share scheme by way of share grants being issued in terms of the group's remuneration policy which vest after a minimum period of three years. The balance at the end of the year represents shares issued to the directors in terms of the share scheme. These shares are held by the directors and trading in these shares is restricted.

	Balance at year-end (Restricted shares)
Executive	
A Groll	891 037
AJ Shapiro	1 386 084
AL Winkler	350 001
Total	2 627 122

ACCOUNTING POLICIES

The accounting policies have been applied consistently to all periods presented in these results.

ISSUE OF SHARES

Nil shares were issued by the company during the current year (2022: 18 075 203 shares).

TREASURY SHARES

Nil (2022: 850 986) treasury shares were acquired and cancelled during the year. There were no treasury shares held at year-end.

BORROWING LIMITATIONS

The borrowing powers of the company are unlimited in terms of the Memorandum of Incorporation.

DIRECTORS' REPORT

(continued)

COMPLIANCE WITH APPLICABLE LAWS

The directors confirm that Trematon is in compliance with the provisions of the Companies Act, specifically relating to its incorporation and is operating in conformity with its Memorandum of Incorporation.

SPECIAL RESOLUTIONS

The following special resolutions considered at the annual general meeting held on 25 January 2023 as proposed in the Annual Report for the 2022 financial year were passed:

Special resolution number 1: Financial assistance for subscription of securities – To authorise the directors of the company, in terms of section 44 of the Act, to provide direct or indirect financial assistance by way of loans, guarantees, the provision of security or otherwise to any person (as defined by the Act) for the purposes of, or in connection with, the subscription of any option or any securities (as such term is defined in the Act), issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company;

Special resolution number 2: Financial assistance – To authorise the directors of the company, in terms of section 45 of the Act, to cause the company to provide any direct or indirect financial assistance to any director or prescribed officer of the company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person (as defined in the Act) related to any such company (including the company), corporation, director, prescribed officer or member;

Special resolution number 3: General authority to repurchase shares – To authorise the company or any of its subsidiaries to repurchase or purchase, as the case may be, ordinary shares issued by the company on such terms and conditions and in such amounts as the directors of the company may decide; and

Special resolution number 4: The authority to pay non-executive directors' fees – Non-executive directors fees paid for the period ended 31 August 2022, and further that the non-executive directors fees proposed for the period from 1 September 2022 until 31 August 2023 were approved.

CAPITAL DISTRIBUTION

On 13 November 2023, subsequent to year-end, the board of directors declared a capital distribution of 🍏 cents per share (2022: 40.0 cents) as a return of contributed tax capital to shareholders recorded in the share register of the company at the close of business on Thursday, 14 December 2023.

In compliance with IAS 10 – Events after the Balance Sheet Date, the capital distribution will only be accounted for in the financial statements in the year ending 31 August 2024.

The directors have reasonably concluded that the company will satisfy the solvency and liquidity requirements of sections 4 and 46 of the Companies Act, 2008, immediately after the capital distribution.

Future distributions will be decided on a year-to-year basis.

The net amount payable to shareholders is R72.3 million, being 32.00 cents per share, based on the current number of 225 829 248 shares in issue.

The income tax reference number of Trematon Capital Investments Limited is 9340/323/84/0.

Last date to trade:	Monday, 11 December 2023
Ex-date:	Tuesday, 12 December 2023
Record date:	Thursday, 14 December 2023
Payment date:	Monday, 18 December 2023

Share certificates may not be dematerialised or rematerialised between Monday, 11 December 2023 and Thursday, 14 December 2023, both days inclusive

DIRECTORS

The directors of the company during the year and to the date of this report are as follows:

Name	Classification
Executive directors	
AJ Shapiro	Chief Executive Officer
AL Winkler	Chief Financial Officer
A Groll	
Non-executive directors	
R Lockhart-Ross	Independent Chairman
JP Fisher	Independent
MA Sessions	Independent
K Getz	
R Stumpf	

SUBSEQUENT EVENTS

Subsequent to year-end properties with a carrying value of R9 million recognised as non-current assets held-for-sale transferred to the buyers of those properties and were derecognised.

After year-end ARIA declared a dividend of R12 million to its shareholders, of which R7.2 million was received by Trematon.

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

GOING CONCERN

The annual financial statements contained in this Annual Report have been prepared on a going concern basis as the directors have every reason to believe that the company and the group have adequate resources to continue in operation for the year ahead.

AUDITOR

Moore Cape Town Inc. were appointed as the external auditors of the company in accordance with section 90 of the Companies Act 71 of 2008.

Cape Town
13 November 2023

STATEMENTS OF FINANCIAL POSITION

at 31 August 2023

	Notes	GROUP		COMPANY	
		2023 R	2022 R	2023 R	2022 R
ASSETS					
Non-current assets					
Property, plant and equipment	3	363 767 650	356 842 792	-	-
Investment properties	4	1 595 642 106	1 461 914 204	-	-
Right-of-use asset	5	60 890 578	65 827 652	-	-
Investments in subsidiaries	6	-	-	20	20
Investments in associate entities	8	26 638 007	127 628 384	-	-
Loans to group companies	9	-	-	161 609 824	97 054 588
Deferred tax asset	10	30 009 741	43 636 814	-	-
Goodwill	11	8 175 000	-	-	-
Derivatives	21	980 986	-	-	-
Loan to joint venture	12	14 894 692	8 840 314	-	-
Loans receivable	13	49 464 960	55 683 259	29 562 694	34 209 043
		2 150 463 720	2 120 373 419	191 172 538	131 263 651
Current assets					
Financial assets at fair value through profit or loss	14	6 392 345	6 392 345	-	-
Trade and other receivables	15	13 991 678	9 369 309	-	-
Loans to group companies	9	-	-	-	25 739 395
Inventories	16	30 361 588	42 135 102	-	-
Derivatives	21	345 537	2 054 789	-	-
Cash and cash equivalents	17	267 656 101	202 797 059	307 695	936 375
Current tax assets		2 740 390	3 769 659	-	-
		321 487 639	266 518 263	307 695	26 675 770
Non-current assets held-for-sale	4	61 879 900	114 425 608	-	-
Total assets		2 533 831 259	2 501 317 290	191 480 233	157 939 421
EQUITY AND LIABILITIES					
Equity					
Share capital and share premium	18	117 702 128	208 033 827	117 702 128	208 033 827
Fair value reserve	19	47 073 828	47 072 567	-	-
Foreign currency translation reserve		20 836 850	10 280 436	-	-
Accumulated profit/(loss)		640 706 495	569 128 920	(23 559 822)	(147 313 115)
Total equity attributable to equity holders of the parent		826 319 301	834 515 750	94 142 306	60 720 712
Non-controlling interest	6	180 062 355	136 281 142	-	-
		1 006 381 656	970 796 892	94 142 306	60 720 712
Liabilities					
Non-current liabilities					
Loans payable	20	1 188 874 409	1 186 737 219	90 648 039	97 057 588
Derivatives	21	-	294 438	-	-
Trade and other payables	22	59 653 840	44 132 349	-	-
Lease liability	23	81 749 105	75 127 367	-	-
Deferred tax liability	10	114 728 829	109 967 361	-	-
		1 445 006 183	1 416 258 734	90 648 039	97 057 588
Current liabilities					
Loans payable	20	10 241 845	41 937 318	6 409 549	-
Current tax liabilities		265 207	372 943	-	-
Derivatives	21	-	30 476	-	30 476
Lease liability	23	990 283	6 961 780	-	-
Trade and other payables	22	70 946 085	64 959 147	280 339	130 645
		82 443 420	114 261 664	6 689 888	161 121
Total liabilities		1 527 449 603	1 530 520 398	97 337 927	97 218 709
Total equity and liabilities		2 533 831 259	2 501 317 290	191 480 233	157 939 421

STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 31 August 2023

	Notes	GROUP		COMPANY	
		2023 R	2022 R	2023 R	2022 R
Revenue	24	554 251 546	489 459 488	137 410 759	9 843 683
Profit from property operations		125 561 267	120 969 716	-	-
Revenue – property		337 180 394	304 043 323	-	-
Cost of property and land sold		(12 179 840)	-	-	-
Employee benefits – property	25	(32 948 111)	(30 025 160)	-	-
Operating expenses – property	25	(166 491 176)	(153 048 447)	-	-
Profit from education operations		17 051 871	9 522 577	-	-
Revenue – education		203 901 018	177 831 601	-	-
Employee benefits – education	25	(111 024 373)	(99 404 889)	-	-
Operating expenses – education	25	(75 824 774)	(68 904 135)	-	-
Loss from edu-tech operations		(12 386 301)	(8 971 075)	-	-
Revenue – edu-tech		3 495 027	1 175 453	-	-
Employee benefits – edu-tech	25	(11 409 205)	(7 015 031)	-	-
Operating expenses – edu-tech	25	(4 472 123)	(3 131 497)	-	-
(Loss)/profit from other operations		(4 427 732)	(7 856 240)	133 825 806	5 976 484
Revenue – other		9 675 107	6 409 111	137 410 759	9 843 683
Employee benefits – other	25	(11 867 620)	(11 578 412)	(1 869 798)	(1 755 144)
Operating expenses – other	25	(2 235 219)	(2 686 939)	(1 715 155)	(2 112 055)
Profit from equity accounted investments		11 685 157	9 969 105	-	-
Profit from equity accounted associate (net of tax) – property	8	(1 431 959)	919 490	-	-
Profit from equity accounted associates (net of tax) – other	8	13 117 116	9 049 615	-	-
Total operating profit		137 484 262	123 634 083	133 825 806	5 976 484
Total realised profit		-	1 304 505	-	-
Realised profit on sale of non-current assets		-	1 304 505	-	-
Total profit from fair value adjustments		144 975 458	8 032 940	-	1 077 419
Fair value adjustment on investment properties	4	140 488 044	(2 463 963)	-	-
Fair value adjustment on financial assets/liabilities at fair value through profit or loss		(403 352)	12 695 977	-	1 077 419
Decrease/(increase) of expected credit loss on loans	12	3 741 879	(1 579 278)	-	-
Foreign exchange (loss)/gain		(250 493)	190 797	-	-
Decrease/(increase) in loss allowance	15	1 399 380	(810 593)	-	-
Loan written off	12	(9 037 500)	-	-	-
Other income		1 396 509	5 052 489	-	-
Profit before finance costs		274 818 729	138 024 017	133 825 806	7 053 903
Total finance costs	26	(123 264 472)	(94 863 149)	(10 072 513)	(8 413 545)
Finance costs – property		(100 987 670)	(76 417 155)	-	-
– education		(22 276 802)	(18 445 994)	-	-
– other		-	-	(10 072 513)	(8 413 545)
Profit/(loss) before income tax		151 554 257	43 160 868	123 753 293	(1 359 642)
Income tax	27	(29 895 469)	(8 642 004)	-	(74 510)
Profit/(loss) for the year		121 658 788	34 518 864	123 753 293	(1 434 152)

STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 31 August 2023 (continued)

	Notes	GROUP		COMPANY	
		2023 R	2022 R	2023 R	2022 R
Other comprehensive income					
Items that will not subsequently be reclassified to profit/(loss):					
Fair value gain on revaluation of property, plant and equipment	19	1 625	17 499 344	-	-
Tax effects of revaluation	19	(364)	(3 779 858)	-	-
Items that are or may subsequently be reclassified to profit/(loss):					
Foreign currency translation differences on equity accounted investments		10 556 414	(3 042 959)	-	-
Other comprehensive income for the year		10 557 675	10 676 527	-	-
Total comprehensive income/(loss) for the year		132 216 463	45 195 391	123 753 293	(1 434 152)
Profit/(loss) attributable to:					
Equity holders of the parent		71 577 575	18 305 596	123 753 293	(1 434 152)
Non-controlling interests		50 081 213	16 213 268	-	-
		121 658 788	34 518 864	123 753 293	(1 434 152)
Total comprehensive income/(loss) attributable to:					
Equity holders of the parent		82 135 250	28 982 123	123 753 293	(1 434 152)
Non-controlling interests		50 081 213	16 213 268	-	-
		132 216 463	45 195 391	123 753 293	(1 434 152)
Basic earnings per share (cents)	28	31.7	8.3		
Diluted earnings per share (cents)	28	31.7	8.1		

Education operations in this statement of comprehensive income has been split between education operations and edu-tech to provide more useful information to the users of the financial statements. Edu-tech is considered a separate segment of the group and is therefore disclosed separately in the segment information (see note 37). The prior year has been amended accordingly. The changes have no effect on the earnings of the group and are purely for disclosure purposes.

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 August 2023

GROUP	Share capital R	Share premium R	Total share capital R
Balance at 1 September 2021	2 086 051	236 379 094	238 465 145
Total comprehensive income for the year	-	-	-
Profit for the year	-	-	-
Foreign exchange movements on investment in associate	-	-	-
Fair value gain on revaluation of property, plant and equipment	-	-	-
Tax effects on revaluation	-	-	-
Restricted shares issued in terms of share incentive scheme	180 752	39 773 507	39 954 259
Treasury shares cancelled	(8 510)	(2 372 997)	(2 381 507)
Treasury shares acquired	-	-	-
Capital distribution	-	(68 004 070)	(68 004 070)
Dividends declared to non-controlling interest	-	-	-
Balance at 31 August 2022	2 258 293	205 775 534	208 033 827
Balance at 1 September 2022	2 258 293	205 775 534	208 033 827
Total comprehensive income for the year	-	-	-
Profit for the year	-	-	-
Foreign exchange movements on investment in associate	-	-	-
Fair value gain on revaluation of property, plant and equipment	-	-	-
Tax effects on revaluation	-	-	-
Capital distribution	-	(90 331 699)	(90 331 699)
Dividends declared to non-controlling interest	-	-	-
Balance at 31 August 2023	2 258 293	115 443 835	117 702 128
Notes	18	18	18
COMPANY	Share capital R	Share premium R	Total share capital R
Balance at 1 September 2021	2 086 051	236 379 094	238 465 145
Total comprehensive income for the year	-	-	-
Treasury shares cancelled	(8 510)	(2 372 997)	(2 381 507)
Treasury shares acquired	-	-	-
Convertible debentures redeemed	-	-	-
Restricted shares issued in terms of share incentive scheme	180 752	39 773 507	39 954 259
Capital distribution	-	(68 004 070)	(68 004 070)
Balance at 31 August 2022	2 258 293	205 775 534	208 033 827
Balance at 1 September 2022	2 258 293	205 775 534	208 033 827
Total comprehensive income for the year	-	-	-
Capital distribution	-	(90 331 699)	(90 331 699)
Balance at 31 August 2023	2 258 293	115 443 835	117 702 128
Notes	18	18	18

Treasury shares R	Share-based payment reserve R	Foreign currency translation reserve R	Fair value reserve R	Accumulated profit R	Total R	Non-controlling interest R	Total equity R
-	13 161 116	13 323 395	33 353 081	537 662 208	835 964 945	128 492 874	964 457 819
-	-	(3 042 959)	13 719 486	18 305 596	28 982 123	16 213 268	45 195 391
-	-	-	-	18 305 596	18 305 596	16 213 268	34 518 864
-	-	(3 042 959)	-	-	(3 042 959)	-	(3 042 959)
-	-	-	17 499 344	-	17 499 344	-	17 499 344
-	-	-	(3 779 858)	-	(3 779 858)	-	(3 779 858)
-	(13 161 116)	-	-	13 161 116	39 954 259	-	39 954 259
2 381 507	-	-	-	-	-	-	-
(2 381 507)	-	-	-	-	(2 381 507)	-	(2 381 507)
-	-	-	-	-	(68 004 070)	-	(68 004 070)
-	-	-	-	-	-	(8 425 000)	(8 425 000)
-	-	10 280 436	47 072 567	569 128 920	834 515 750	136 281 142	970 796 892
-	-	10 280 436	47 072 567	569 128 920	834 515 750	136 281 142	970 796 892
-	-	10 556 414	1 261	71 577 575	82 135 250	50 081 213	132 216 463
-	-	-	-	71 577 575	71 577 575	50 081 213	121 658 788
-	-	10 556 414	-	-	10 556 414	-	10 556 414
-	-	-	1 625	-	1 625	-	1 625
-	-	-	(364)	-	(364)	-	(364)
-	-	-	-	-	(90 331 699)	-	(90 331 699)
-	-	-	-	-	-	(6 300 000)	(6 300 000)
-	-	20 836 850	47 073 828	640 706 495	826 319 301	180 062 355	1 006 381 656

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Treasury shares R	Convertible debentures R	Share-based payment reserve R	Accumulated loss R	Total equity R
-	30 742 072	13 161 116	(149 827 892)	132 540 441
-	-	-	(1 434 152)	(1 434 152)
2 381 507	-	-	-	-
(2 381 507)	-	-	-	(2 381 507)
-	(30 742 072)	(13 161 116)	3 948 929	(39 954 259)
-	-	-	-	39 954 259
-	-	-	-	(68 004 070)
-	-	-	(147 313 115)	60 720 712
-	-	-	(147 313 115)	60 720 712
-	-	-	123 753 293	123 753 293
-	-	-	-	(90 331 699)
-	-	-	(23 559 822)	94 142 306

STATEMENTS OF CASH FLOWS

for the year ended 31 August 2023

	Notes	GROUP		COMPANY	
		2023 R	Restated* 2022 R	2023 R	Restated* 2022 R
Cash flows from operating activities					
Cash generated from operations	31	152 945 121	141 386 261	504 170	1 060 296
Finance income		20 363 812	6 955 501	14 052	27 978
Dividends received	8	54 856 367	7 558 845	-	255 296
Finance costs		(122 710 782)	(90 798 141)	-	-
Income tax paid	32	(10 585 395)	(21 413 055)	-	(74 510)
Net cash inflow from operating activities		94 869 122	43 689 411	518 222	1 269 060
Cash flows from investing activities					
Acquisition of property, plant and equipment	3, 41	(23 790 534)	(15 025 320)	-	-
Acquisition of and addition to investment properties	4, 41	(1 043 020)	(128 173 000)	-	-
Proceeds on disposal of investment properties	4	59 745 708	51 351 151	-	-
Proceeds on disposal of property, plant and equipment		6 449 360	-	-	-
Proceeds from share buy-back of associate	8	68 375 581	-	-	-
Loans receivable advanced		-	(250 000)	-	-
Loans receivable repaid		6 218 299	6 892 086	-	-
Loans repaid by group companies	9	-	-	89 184 797	69 712 936
Loan advanced to joint ventures	12	(11 349 999)	(3 628 807)	-	-
Loans repaid by joint ventures		-	299 505	-	-
Purchase of business	11	(8 175 000)	-	-	-
Net cash inflow/(outflow) from investing activities		96 430 395	(88 534 385)	89 184 797	69 712 936
Cash flows from financing activities					
Acquisition of treasury shares		-	(2 381 507)	-	(2 381 507)
Capital distribution	40	(90 331 699)	(68 004 070)	(90 331 699)	(68 004 070)
Dividends paid to non-controlling interest**		(6 300 000)	(7 285 000)	-	-
Repayment of borrowings	41	(36 798 601)	(25 761 735)	-	-
Proceeds from borrowings	41	7 240 318	147 388 450	-	-
Net cash (outflow)/inflow from financing activities		(126 189 982)	43 956 138	(90 331 699)	(70 385 577)
Net cash increase/(decrease) in cash and cash equivalents					
		65 109 535	(888 836)	(628 680)	596 419
Foreign exchange translation adjustments on cash and cash equivalents		(250 493)	190 797	-	-
Cash and cash equivalents at the beginning of the year		202 797 059	203 495 098	936 375	339 956
Total cash and cash equivalents at the end of the year		267 656 101	202 797 059	307 695	936 375

* Refer to note 41 for the restatement.

** Dividends paid to non-controlling interest is now included in cash flows from financing activities, and the prior year has been reclassified accordingly.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023

1. BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, the JSE Listings Requirements, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act of South Africa.

Functional and presentation currency

These financial statements are presented in South African Rands, which is the functional currency and presentation currency of the company and the group.

(a) International reporting standards adopted during the year

No new standards and interpretations were adopted by the group and company during the year.

(b) International reporting standards not yet effective

IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendment relating to the definition of accounting estimates which distinguishes clearly between a change in accounting policy and a change in accounting estimate, revises the definition of an accounting estimate, provides reworded and specific examples of accounting estimates and clarifies that measurement techniques and inputs used in developing accounting estimates are not accounting policies. The group has not yet assessed the impact of the amendment. The amendment to the standard is effective for periods beginning on or after 1 January 2023.

IAS 1 – Presentation of Financial Statements

Amendment relating to the classification of liabilities as current or non-current. Classification is to be based on whether the right to defer settlement by at least 12 months exists at the end of the reporting period; classification is unaffected by expectation of settlement; settlement refers to transfer of cash equity instruments, other assets or services and clarifies that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

Amendment relating to disclosure of accounting policies which are to be disclosed where the information is material, by nature or amount; explains when accounting policy information is considered material, and clarifies that when an entity chooses to disclose an immaterial accounting policy it must not obscure or affect other material or required disclosures.

The group has not yet assessed the impact of the amendment. The amendment to the standard is effective for periods beginning on or after 1 January 2023.

IAS 12 – Income Taxes

Amendment relating to deferred tax related to assets and liabilities arising from a single transaction which narrows the scope of the exemption for recognition of taxable/deductible temporary differences that arise on certain transactions. The transaction should not give rise to equal taxable and deductible temporary differences. Further clarification that deferred tax must be recognised on initial recognition of IFRS 16 – Leases and similar types

of transactions that give rise to the recognition of an asset and a liability, such as decommissioning, restoration and similar liabilities with corresponding amounts recognised as part of the related asset. The group has not yet assessed the impact of the amendment. The amendment to the standard is effective for periods beginning on or after 1 January 2023.

(c) Significant sources of estimation uncertainty

In preparing the annual financial statements, management has made estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant sources of estimation uncertainty include:

Impairment of financial assets

The group assesses loans and receivables for impairment on an ongoing basis. Refer to notes 2(b)(ii) and 2(b)(iv) below for factors that are considered in determining whether a receivable is impaired.

Fair value of investment property and land and buildings

The fair value of property is measured at the reporting date as determined by the directors or independent professional valuers, taking into account the effect of lease smoothing in terms of IAS 40. The fair value of properties is estimated using either an income approach which capitalises the estimated rental income stream, net of projected operating costs or the discounted cash flow model or recent sales information of similar properties in the same development, or a combination of the valuation approaches. Refer to note 36 for detail on assumptions applied in the valuation of property.

Property, plant and equipment

Items of property, plant and equipment are depreciated over their useful lives on a straight-line basis. The useful life of an item of property, plant and equipment is the period over which the group expects to use the item. Useful lives of assets are reviewed annually. The group uses the following indicators to determine useful life:

- expected usage of assets;
- expected physical wear and tear; and
- technical and commercial obsolescence.

The estimated useful lives for the current and comparative periods are as follows:

• Fixtures and fittings	5 years
• Motor vehicles	5 years
• Office furniture and equipment	6 years
• Harbour equipment	3 years
• Moorings	10 years
• IT equipment and software	3 years
• School equipment	5 years
• Buildings	75 years
• Land	Not depreciated

Impairments

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

Goodwill

Goodwill is initially measured at cost, being the excess of the consideration paid for the acquisitions' net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the acquired, the difference is recognised in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income.

Goodwill is tested for impairment at least annually and whenever there is an indication of impairment.

Incremental borrowing rate implicit in the lease

The group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the group "would have to pay", which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease (for example the lease terms). The group estimated the IBR using long-term historic interest rates in South Africa as the group believes this is the rate they would receive if they were to enter into a finance arrangement under terms and conditions similar to those of the lease entered into. The reasonableness of using this rate as a reference is supported by the fact that other financing activities (overdraft facilities and instalment sale agreements) conducted within the group have a cost of financing within a similar range. The rate of 9.69% is reflective of certain entity-specific estimates such as the company's stand-alone credit rating, lease term, nature of the asset and possible security. The IBR was calculated using this external funding rate as a starting point.

(d) Significant judgements

Group accounting

Consolidated structured entities

Subsidiary companies include the Resi Investment Trust, which is a property investment trust over which the group has control by virtue of majority trustee representation and rights to a majority of the variable returns from the trust.

Taxation

Management may need to assess, from time to time, the extent to which it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Management has not recognised a deferred tax asset for the assessed loss in the company as it is not sufficiently probable that the related tax benefit will be realised. All other companies in the group with deferred tax asset balances are currently trading and expect to make profits which will enable them to recover the deferred tax assets.

The deferred tax rate applied to assets is determined by the expected manner of recovery, while the fair value adjustments of investment property in their entirety will be recovered through sale. Where the expected recovery of the asset is through sale, the effective capital gains tax rate of 21.60% (2022: 21.60%) is used.

If the expected manner of recovery is through use, the normal tax rate of 27% (2022: 27%) is applied.

Classification of investment property as non-current assets held-for-sale

Investment property is classified as held-for-sale if its carrying amount is expected to be recovered primarily through sale rather than through continuing use. Investment property classified as non-current assets held-for-sale will be reclassified back to investment property in the event that the sale is no longer highly probable, including where the sale is no longer expected to qualify for recognition as a completed sale within one year. Refer to note 4 for additional information.

Leases

The lease referred to in note 5 contains an option to terminate and extend the lease. Judgement is required in determining whether there is reasonable certainty whether these options will be exercised. As at 31 August 2023 it was determined that there is no reasonable certainty that the lease will be terminated or extended, therefore the lease has been accounted for over the initial lease period of 15 years. It is unlikely that the group will exercise the option to terminate the lease within four years. It takes a number of years to establish a school and for the school to become profitable, therefore the group is highly likely to commit to the lease for longer than four years. The cancellation option included in the lease was not included as part of the lease term as it is not reasonably certain that the group will exercise this option. The decision regarding the extension will be impacted by uncertain future economic factors such as competition in the market and the impact of online learning compared to face-to-face learning.

Classification of profit share agreement

The group has applied judgement in accounting for the profit share agreements in relation to the properties on York Street Boulevard, Maynard Mall, Edgars Wynberg and Riverside Mall. Unanimous consent is required from both parties to the agreement for the relevant activities, and therefore this profit share agreement is classified as a joint operation. The group has applied judgement in classifying and measuring the joint operator's share of the fair value of the property as a financial liability at fair value through profit or loss. The share of profits from current lease contracts is recognised as a financial liability at amortised cost. Further details of the joint operation are set out in note 12.

Classification of segments

The group determines and presents segment information based on quantitative thresholds, the information that is provided internally to the board and the nature of the segments. The group comprises four segments, namely property investments, education, UK investments and corporate/other. The chief operating decision-maker has been identified as the Executive Management. Refer to note 37 for details.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

(i) *Company financial statements*

Investments in subsidiaries are carried at cost less any accumulated impairment.

Group financial statements

Subsidiaries are consolidated from the date that control commences until the date that control ceases.

Non-controlling interests are measured at their proportionate share of the acquiree's net assets.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the group.

(ii) *Joint ventures*

Joint ventures are arrangements jointly controlled by the group in which the group has rights to the net assets of the arrangement.

Company financial statements

Investments in joint ventures are carried at cost less accumulated impairment losses.

Group financial statements

Joint ventures are accounted for using the equity method. They are initially recognised at cost and subsequently increased or decreased by the group's share of income and expenses and equity movements in the joint venture from the date that joint control commences until the date that joint control ceases.

When the group's share of losses exceeds its interest in joint ventures, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the group has an obligation or has made payments on behalf of the joint venture. The carrying amount of the group's interest includes long-term loans for which repayment is not expected in the foreseeable future and is not supported by adequate collateral.

In instances where the year-ends of joint ventures differ from that of the group, monthly management accounts are used to ensure information is reported coterminous with the group's year-end.

(iii) *Associates*

Associates are entities over whose activities the group has significant influence but not control or joint control. Significant influence is presumed to exist when the group holds between 20 and 50 percent of the voting power or beneficial interest of another entity.

Company financial statements

Investments in associates are carried at cost less accumulated impairment losses.

Group financial statements

Associates are accounted for using the equity method and are initially recognised at cost. The group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The investment in the associate is subsequently increased or decreased by the group's share of the income and expenses and equity movements in the associates, from the date that significant influence commences until the date that significant influence ceases.

When the group's share of losses exceeds its interest in an associate, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the group has an obligation or has made payments on behalf of the associate.

In instances where the year-ends of associates differ from that of the group, monthly management accounts are used to ensure information is reported coterminous with the group's year-end.

Foreign associates

The results and financial position of foreign associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates, unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions; and
- all resulting exchange differences are recognised in other comprehensive income.

(iv) *Transactions eliminated on consolidation*

Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with joint ventures and associates are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) *Joint operations*

The group has classified its profit share agreement as a joint operation. The group recognises its direct right to the jointly held assets, liabilities, revenues and expenses, and these have been incorporated in the financial statements under the appropriate headings. Further details of the joint operation are set out in note 7.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

(b) Financial instruments

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), or fair value through profit or loss. The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the group has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI it needs to give rise to cash flows that are "solely payments of principal and interest ('SPPI') on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial liabilities at amortised cost are recognised initially at fair value.

Purchases and sales of financial assets are accounted for at trade date, i.e. the date that the group commits itself to purchase or sell the asset.

(i) Financial assets at fair value through profit or loss (mandatory)

An investment in a listed or unlisted share held-for-sale in the near term is mandatorily measured at fair value through profit or loss. These financial instruments are measured at fair value, with changes recognised in profit or loss. Upon disposal the realised profit on sale of these investments is presented within "total realised profit" in the statement of profit or loss. Net gains or losses on items at fair value through profit or loss exclude interest and dividend income.

(ii) Trade and other receivables

Trade and other receivables are classified as financial assets subsequently measured at amortised cost, using the effective interest method.

Impairment

The group recognises a loss allowance for expected credit losses ("ECLs") on trade and other receivables. The amount of ECLs is updated at each reporting date.

The group measures the loss allowance for trade and other receivables at an amount equal to lifetime ECLs, which represents the ECL that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The group makes use of a provision matrix as a practical expedient for the determination of ECLs on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate. Forward-looking information includes the evaluation of industry-specific statistics regarding average recoveries post default, default rates observed in the education and property industry as well as the general financial health of the group's debtors.

The customer base is split into different portfolios, namely rental income and school fees. Each portfolio is assessed for impairment separately, however the loss allowance for the customers within each portfolio can be calculated on a collective basis due to their nature and similar loss patterns.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance.

(iii) Cash and cash equivalents

Cash and cash equivalents are classified as financial assets measured at amortised cost. Cash and cash equivalents include cash on hand, brokerage cash accounts, deposits held at call banks and other short-term highly liquid investments with maturity of three months or less at the date of purchase.

(iv) Loans receivable (including loans to group companies and joint ventures)

Loans receivable are initially recognised at fair value.

The loans are classified as financial assets measured at amortised cost, using the effective interest method. The loans are held to collect contractual cash flows on the principal amount and interest over the term of the loan. Loans receivable for which no repayment terms have been set are regarded as being repayable on demand.

Impairment

Subsequent to initial recognition the loans are tested for impairment using the general approach.

The group measures the loss allowance at an amount equal to lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12-month ECL.

Lifetime ECLs represent the ECLs that will result from all possible default events over the expected life of a loan. In contrast 12-month ECL represents the portion of a lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply a lifetime ECL or 12-month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Impairment of loans with no fixed terms of repayment

For loans receivable with no fixed terms of repayment, ECLs are based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the probability of default is usually small and the ECL is immaterial as a result. If the borrower could not repay the loan if demanded at the reporting date, the group considers the expected manner of recovery to measure ECLs. This includes a “repay over time” strategy.

If the recovery strategies indicate that the lender would fully recover the outstanding balance of the loan, the ECL is limited to the effect of discounting the amount due on the loan (at the loan’s effective interest rate, which is regarded as 0% if the loan is interest free) over the period until cash is realised. If the effective interest rate is 0%, and all strategies indicate that the lender would fully recover the outstanding balance of the loan, no impairment loss is recognised.

If the full balance of the loan cannot be recovered over time, a loss allowance is recognised in profit or loss.

Significant increase in credit risk on loans and receivables

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the group compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. This information includes budgets and forecasts and the financial health of the entity, as well as the future prospects of the industry in which the borrower operates.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the group has reasonable and supportable information that demonstrates otherwise.

Definition of default on loans receivable

The group considers that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the group considers that default has occurred when a loan instalment is more than 90 days past due unless the group has reasonable and supportable information that demonstrates otherwise.

For loans repayable on demand the group considers that an event of default has occurred if the borrower does not repay the loan when demanded. The group writes off a loan when there is information indicating that the borrower is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the borrower has been placed under liquidation or has entered into bankruptcy proceedings.

Definition of default on trade and other receivables

The group considers that a default event has occurred if a debtor has not paid their account for 30 days or more unless the group has entered into a payment arrangement with a debtor and the debtor has breached the payment arrangement.

(v) Write-off policy of financial assets

The group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the group’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(vi) Loans payable

Loans payable are recognised initially at fair value, net of transaction costs incurred. Loans payable are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Loans payable are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(vii) Trade payables

Trade payables are recognised initially at fair value and subsequently at amortised cost using the effective interest method. Trade payables are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(viii) Financial liabilities classified at fair value through profit or loss

The group recognises a financial liability relating to the other joint operator’s share of the fair value of the property. This has been classified as a financial liability at fair value through profit or loss to eliminate measurement inconsistencies. Changes in fair value are recognised in profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

(c) Equity

(i) Share capital and share premium

Ordinary shares are classified as equity and are recognised at the proceeds received upon issue. Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(ii) Treasury shares

Shares in the company held by the company or any subsidiaries of the group are recorded at cost, including any external costs of acquisition, and are deducted from equity as treasury shares. When these shares are subsequently sold or reissued, their cost is released and any gains or losses are included in share premium.

(d) Share-based payments

Share incentive scheme

Ordinary shares that are granted to directors and selected employees at a fixed price at the vesting date are classified as equity-settled share-based payment transactions.

The share-based expense and the amount to be settled in shares is calculated using a formula based on the group's performance. This formula calculates a total bonus to be awarded (the bonus pool), which is then split up between the employees that participate in the scheme. The bonus is recognised as an employee benefit expense and an increase in the share-based payment reserve in equity on a straight-line basis over the vesting period. Any restricted shares issued in terms of the scheme decrease the share-based payment reserve.

(e) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, except for land and buildings, which are measured at revalued amounts less accumulated depreciation and accumulated impairment losses.

Land is not depreciated.

The accumulated depreciation of the buildings is determined by using the proportionate restatement method with no transfer of the reserve to retained earnings.

(f) Investment property

Investment property is property held to earn rentals and/or for capital appreciation.

Investment property is initially recognised at cost and subsequently measured at fair value.

A gain or loss arising from a change in fair value is included in net profit or loss in the period in which it arises.

Investment property is transferred to non-current assets held for sale in accordance with the group's accounting policy for non-current assets held-for-sale (see note 2(r) below).

Investment property is considered to be disposed of and is derecognised on date of transfer. The profit on disposal is recognised in profit or loss on date of transfer.

(g) Inventories

Inventories consist of developed and undeveloped property and is measured at the lower of cost and net realisable value.

The cost of the inventories is assigned using the specific identification method.

(h) Right-of-use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the lease term which is 15 years or the lower of its useful life (if applicable). Right-of-use assets are subject to impairment, in terms of IAS 36 – Impairment of Assets.

(i) Lease liabilities

At the commencement date of the lease the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

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 payments included in the measurement of the lease liability comprise the following:

- fixed lease payments;
- lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option;
- penalties for early termination of a lease if the lease term reflects the exercise of an option to terminate the lease; and
- lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due

to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments' change is due to a change in a floating interest rate, in which case a revised discount rate is used); and

- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

The lease payments also include payments of penalties for terminating a lease if the lease term reflects the group exercising the option to terminate.

In calculating the present value of lease payments the group uses the incremental borrowing rate at the lease commencement date. After the commencement date the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term. The escalation in the lease payments is the lower of consumer price index ("CPI") plus 2% and increase in school fees minus 2%. The lease liability is calculated by adjusting the payments for increases linked to CPI. This is expected to be the most likely increase. Should the increase be linked to school fees, then the adjustment will be considered a variable lease payment.

(j) **Fair value reserve**

The fair value reserve comprises the cumulative change, net of deferred tax, in the revaluation of land and buildings.

(k) **Borrowing costs**

Borrowing costs are capitalised to the cost of developed properties within inventories and buildings under construction within property, plant and equipment to the extent that they are directly attributable to their construction. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes or, with regard to the part of development cost financed out of general funds, the weighted average cost of borrowings.

All other borrowing costs are recognised in profit or loss using the effective interest method.

(l) **Revenue**

Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives are recognised as an integral part of the total rental income over the term of the lease. Rental income is paid in advance on a monthly basis.

Adjustments to leases which do not qualify as a lease modification are treated as a variable lease payment with a reduction in lease payments debited against rental income.

School and registration fees

School and registration fees are measured based on the transaction price in accordance with the school fee structure. Revenue from providing these services is recognised in the accounting period in which the services are rendered.

The school services are rendered on a consistent basis throughout the year and revenue is therefore recognised on a similar straight-line basis. Payment is received in advance on a monthly basis.

Registration fees are paid to grant access to or to provide a right to use a school. Registration fees paid are non-refundable and are recognised over the student's attendance period.

Sale of property

Revenue from sale of property and land is recognised once control has transferred to the customer. This is considered to be at a point in time when the property is registered in the customer's name as the risks and rewards of ownership pass to the customer at this point. Transfer of the property only takes place once payment has been made. The sale of the property is facilitated by a solicitor.

Commission

Commission is charged to owners for renting out their property on their behalf and the commission is recognised at a point in time when a tenant has been placed into the unit. The units are rented out on a short-term basis. The commission earned is the net amount of the consideration received after paying the owners' rental income, at which point the commission is paid.

Other revenue

Other revenue consists of various goods and services. Sale of goods is recognised at a point in time with services recognised as they are performed. Payment is received when the services are performed or when the goods are sold.

There are no contracts with variable consideration components as well as multiple performance obligations.

All revenue is recognised in terms of IFRS 15 – Revenue from Contracts with Customers with the exception of rental income which is recognised in terms of IFRS 16 – Leases.

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

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

(m) **Employee benefits**

Short-term employee benefits include basic salaries, bonuses, paid annual leave and sick leave. The cost of short-term employee benefits is recognised in the period in which the related service is rendered and is not discounted.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

(n) Income tax

The group implements a “comprehensive balance sheet method” of accounting for income taxes which recognises both the current tax consequences of transactions and events and the future tax consequences of the future recovery or settlement of the carrying amount of the entity’s assets and liabilities (accounted for as deferred tax).

Current tax is recognised in accordance with relevant legislation. For transactions and events recognised in profit or loss, any related tax effects are also recognised in profit or loss. For transactions and events recognised in other comprehensive income or directly in equity, the related tax effect is also recognised in other comprehensive income or directly in equity.

Differences between the carrying amount and tax base of assets and liabilities, and carried forward tax losses, are recognised, with limited exceptions, as deferred tax liabilities or deferred tax assets.

(o) Guarantees

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the ECL model under IFRS 9 – Financial Instruments. Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

(p) Segmental reporting

The principal segments of the group have been identified by investment genre. The basis is representative of the internal structure used for management reporting.

(q) Costs of property and land sold

Costs of property and land sold comprise the carrying amount of inventories sold during the period and any write-down of inventories to net realisable value.

(r) Non-current assets held-for-sale

Non-current assets are classified as assets (or disposal groups) held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

For the sale to be highly probable management must be committed to the sale and an active programme to locate a buyer and complete the plan must have been initiated. Further, the assets must be actively marketed for sale at a price that is reasonable in relation to its current fair value.

In addition, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held-for-sale are measured at the lower of their carrying amount and fair value less cost to sell, other than certain assets such as investment properties, which are measured at fair value.

A non-current asset is not depreciated while it is classified as held-for-sale.

(s) Financial risk management

(i) Overview

The group and company have exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note and note 33 present information about the group’s exposure to each of the above risks; the group’s objectives, policies and processes for measuring and managing risk; and the group’s management of capital. Further quantitative disclosures are included throughout these financial statements.

The board of directors has overall responsibility for the establishment and oversight of the group’s risk management framework. The board has delegated the responsibility for developing and monitoring the group’s risk management policies to the executive directors.

The executive directors report to the board of directors on their activities.

The group’s risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group’s activities.

The audit and risk committee oversees how management monitors compliance with the group’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group.

(ii) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and credit risk arises principally from the group’s loans to group companies, loans receivable, trade and other receivables, and cash balances.

Loans receivable

The group’s exposure to credit risk on loans receivable is influenced by the underlying value of the asset. The entities to whom loans have been advanced do not have highly liquid assets. Recovery of the loan is assessed based on the long-term strategy of recovery, based on the value of the underlying asset for which the loan has been advanced. Management assesses the recoverability of loans receivable by reference to the share price or fair value of borrower’s investments.

The value of the underlying asset is adjusted with market information to identify any decrease in value in future which can impact the recoverability of the loan. The impairment of the loan also takes into consideration a change in the expected timing of recovery of the loan. If the expectation of recovery changes, for example, if the repayment of loan is later than originally anticipated there would be an impairment due to the time value of money. The maximum exposure to credit risk is limited to the total carrying value of the loan receivable as at the reporting date.

Trade and other receivables

The group's exposure to credit risk is influenced mainly by the characteristics of each debtors book, rent receivable and school fees receivables. Management also considers the factors that may influence credit risk, including the default risk of the industry in which customers operate. For the different portfolios different economic factors will be considered. The credit-granting policy is set on a group basis and managed at operating entity level. Each business unit in the group is responsible for the management of credit risk in receivables and does so through ongoing credit evaluations and credit control policies and procedures.

Bank balances

The group only deposits cash with major banks with high-quality credit standing and limits exposure to any one counterparty. The cash brokerage account is held by a reputable institution in South Africa.

Guarantees

The group's exposure to credit risk on guarantees is influenced by the underlying value of the asset. Management assesses the credit risk with reference to the underlying asset for which the group stands as surety.

(iii) Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Typically the group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The group ensures there is sufficient cash on demand through borrowing facilities and operating profits.

(iv) Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

(v) Currency risk

The group has no significant exposure to currency risk.

(vi) Interest rate risk

The group's only exposure to interest rate risk relates to bank balances, loans receivable, trade receivables and loans payable which are subject to variable market-related interest rates.

(vii) Interest rate benchmark reform

The group acknowledges the amendments which provide temporary relief to address financial reporting effects when an interbank offered rate ("IBOR") is replaced with an alternative nearly risk-free interest rate ("RFR") ("IBOR reform") including contractual and cash flow changes to be treated as changes due to a floating rate of interest. The group has loans with JIBAR-linked rates and the South African Reserve Bank will follow international progress on IBOR reform and identify a suitable reference rate for South Africa. Currently this rate has not been identified and the impact of the IBOR reform has not yet been determined for the group.

(viii) Other market price risk

Equity price risk arises from investments in equity instruments classified at fair value through profit or loss.

Management monitors the equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the board of directors. The primary goal of the group's investment strategy is to maximise investment returns.

(ix) Capital management

Capital is regarded as total equity. The board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, to sustain future developments of the business and ensure the group will continue as a going concern whilst maximising returns to shareholders.

The level of dividends paid by the group is determined with reference to the liquidity and solvency of the group as well as consideration of forecasts.

The group aims for a maximum loan to asset fair market value ratio of 70% for ARIA and 50% to 60% for GenEd and RESI. The ratios are monitored by the executive directors and each business was within their target range during the current financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

Financial covenants

There are externally imposed covenant requirements on the bank debt in ARIA and GenEd. The following covenants apply to the borrowings:

- GenEd:
- For the Standard Bank loan, the following covenants are applicable:
 - The ratio of EBITDA to interest payable shall be not less than four times; this covenant was met as of 31 August 2023 and all indications are that it will be met in future years.
 - The gross debt to EBITDA ratio should not exceed 2.5 times. The covenant was met as of 31 August 2023 and all indications are that it will be met in future years.
 - Trematon INAV to exceed R800 million. This covenant has been met.
 - Number of students to exceed not less than 2 119 by December 2023 and not less than 2 223 by 31 December 2024. The number of students at year-end was 2 391 and therefore the group is confident this covenant will be met.
- ARIA:
- The Standard Bank loan requires an interest cover ratio of 1.6 times in the first year, 1.7 times in the second year, 1.8 times in the third year and 1.9 times in the fourth year. The minimum loan to value ratios range between 55% and 62%.
 - The Nedbank loans require interest cover ratios ranging between 1.5 and 1.75 times as well as a minimum loan to value ratio ranging between 65% and 67.5%.

None of the ARIA financial covenants was breached during the current and prior financial year and all indications are that future covenants will comfortably be met.

Return on capital

The board of directors monitors the return on capital, which the group defines as profit attributable to equity holders of the parent divided by total equity attributable to equity holders of the parent, excluding non-controlling interest, on a continuous basis as follows:

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Profit/(loss) attributable to equity holders of the parent	71 577 575	18 305 596	(1 246 707)	(1 434 152)
Total equity attributable to equity holders of the parent	826 319 301	834 515 750	(30 857 694)	60 720 712
Ratio of profit/(loss) to total shareholders' equity	9%	2%	(4%)	(2%)

There were no changes in the group's approach to capital management during the year.

3. PROPERTY, PLANT AND EQUIPMENT

GROUP	2023			2022		
	Cost/ valuation R	Accumulated depreciation R	Carrying value R	Cost/ valuation R	Accumulated depreciation R	Carrying value R
Land and buildings	331 721 843	(7 783 013)	323 938 830	328 691 515	(7 216 564)	321 474 951
Fixtures and fittings	19 167 996	(10 567 761)	8 600 235	18 407 907	(7 786 432)	10 621 475
Motor vehicles	7 693 040	(4 410 055)	3 282 985	7 693 040	(3 235 612)	4 457 428
Office furniture and equipment	17 200 400	(10 526 013)	6 674 387	15 693 173	(9 035 656)	6 657 517
Harbour equipment and moorings	7 172 275	(3 408 863)	3 763 412	6 885 320	(2 707 701)	4 177 619
IT equipment and software	33 170 560	(17 705 631)	15 464 929	21 717 262	(14 990 301)	6 726 961
School equipment	8 757 180	(6 714 308)	2 042 872	8 443 797	(5 716 956)	2 726 841
	424 883 294	(61 115 644)	363 767 650	407 532 014	(50 689 222)	356 842 792

Reconciliation of property, plant and equipment

	Opening balance R	Additions R	Disposals R	Revaluation R	Transfer to investment property R	Depreciation R	Closing balance R
2023							
Land and buildings	321 474 951	5 558 516	(2 626 000)	97 812	-	(566 449)	323 938 830
Fixtures and fittings	10 621 475	1 885 184	-	-	-	(3 906 424)	8 600 235
Motor vehicles	4 457 428	-	-	-	-	(1 174 443)	3 282 985
Office furniture and equipment	6 657 517	879 799	(485 985)	-	-	(376 945)	6 674 387
Harbour equipment and moorings	4 177 619	3 566 013	(3 279 058)	-	-	(701 162)	3 763 412
IT equipment and software	6 726 961	11 572 142	(42 820)	-	-	(2 791 353)	15 464 929
School equipment	2 726 841	328 880	(15 497)	-	-	(997 352)	2 042 872
	356 842 792	23 790 534	(6 449 360)	97 812	-	(10 514 128)	363 767 650
2022							
Land and buildings	309 677 843	2 877 768	(908 817)	17 499 343	(7 431 729)	(239 457)	321 474 951
Fixtures and fittings	10 105 771	3 164 848	(224 066)	-	-	(2 425 078)	10 621 475
Motor vehicles	4 732 546	896 087	-	-	-	(1 171 205)	4 457 428
Office furniture and equipment	8 048 343	1 043 206	-	-	-	(2 434 032)	6 657 517
Harbour equipment and moorings	3 039 068	1 887 438	-	-	-	(748 887)	4 177 619
IT equipment and software	6 027 253	4 767 009	(439 341)	-	-	(3 627 960)	6 726 961
School equipment	3 488 207	388 962	(9 453)	-	-	(1 140 875)	2 726 841
	345 119 031	15 025 318	(1 581 677)	17 499 343	(7 431 729)	(11 787 494)	356 842 792

Expenditure incurred on construction of property, plant and equipment, included in additions above, amounted to R5.6 million for the year (2022: R2.9 million). Borrowing costs capitalised relating to the construction of property, plant and equipment amounted to R0.5 million (2022: R0.3 million) at rates linked to prime.

The total value of land and buildings pledged as security amounts to R324.4 million (2022: R145.5 million). See note 20: Loans payable.

The group has not entered into any commitments of capital.

The carrying amount of land and buildings would have amounted to R276.7 million (2022: R273 million), had land and buildings been recognised under the cost model.

Refer to note 36 for detailed information on the revaluation of land and buildings.

5. RIGHT-OF-USE ASSET

	GROUP	
	2023 R	2022 R
Balance at the beginning of the year	65 827 652	70 764 725
Depreciation	(4 937 074)	(4 937 073)
Balance at the end of the year	60 890 578	65 827 652
Cost	74 056 108	74 056 108
Accumulated depreciation	(13 165 530)	(8 228 456)
Net book value	60 890 578	65 827 652
Amounts recognised in profit or loss:		
Depreciation expense of right-of-use asset	(4 937 074)	(4 937 073)
Interest expense on lease liabilities	(7 964 241)	(7 745 668)
Total cash flows recognised	7 314 000	3 680 660
Repayments of interest	7 314 000	3 680 660

The group has no commitments to short-term leases.

The group leases a property in which a GenEd school in Somerset West operates. The lease was entered into effective 1 January 2021 for a period of 15 years.

The lease liability is disclosed in note 23.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

6. INVESTMENTS IN SUBSIDIARIES

Name of entity	Principal activity	COMPANY			
		% holding/control		Carrying amount	
		2023	2022	2023 R	2022 R
Held directly					
Tremgrowth (Pty) Limited	Equity investments	100.0	100.0	10	10
Tremtrade (Pty) Limited	Equity investments	100.0	100.0	10	10
Trematon Share Incentive Trust	Share incentive	-	100.0	-	-
Held indirectly					
Club Mykonos Langebaan (Pty) Limited	Property and investments	100.0	100.0	-	-
Club Mykonos Executive Sales (Pty) Limited*	Property investments	-	100.0	-	-
Club Mykonos Langebaan Rental Services Company (Pty) Limited	Property management	100.0	100.0	-	-
Club Mykonos Langebaan Resort Managers (Pty) Limited	Marina and property services	100.0	100.0	-	-
Club Mykonos Management (Pty) Limited	Resort management services	100.0	100.0	-	-
West Coast Holiday Lifestyles (Pty) Limited	Marina and property services	75.0	75.0	-	-
Aria Property Group (Pty) Limited	Property investments	60.0	60.0	-	-
Tremprop (Pty) Limited	Property investments	100.0	100.0	-	-
Resi Investment Trust	Property investments	100.0	100.0	-	-
Stalagmite Property Investments (Pty) Limited	Property investments	66.7	66.7	-	-
Generation Holdings (Pty) Limited	School investments	87.0	87.0	-	-
Propgen (Pty) Limited	Property investments	87.0	87.0	-	-
Generation Education (Pty) Limited	School operations	87.0	87.0	-	-
Si Institute (Pty) Limited	School operations	87.0	87.0	-	-
Genbridge UK Limited*	School operations	-	87.0	-	-
GenExperience (Pty) Limited	School operations	82.7	82.7	-	-
Blue Moon Montessori School (Pty) Limited	School operations	78.3	78.3	-	-
				20	20

* These companies were deregistered during the year.

All subsidiaries other than Genbridge UK Limited are incorporated and operate solely in South Africa.

Due to the nature of the subsidiary, the Resi Investment Trust has a 28 February reporting date. When the annual reporting date is different to the group's, financial information is obtained as at 31 August, in order to report on an annual basis consistent with the group's reporting date. All other subsidiaries have a 31 August reporting date.

The company provides financial support in the form of guarantees and sureties for loans granted to certain of its property investment subsidiaries, as described in note 20.

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries that have non-controlling interests

Name of company	GROUP			
	% holding by non-controlling interests		Profit/(loss) allocated to non-controlling interests	
	2023	2022	2023 R	2022 R
Aria Property Group (Pty) Limited	40.0	40.0	51 378 191	18 129 438
Stalagmite Property Investments (Pty) Limited	33.3	33.3	(95 773)	(61 402)
GenEd Group*	13.0	13.0	(2 037 398)	(2 130 501)
West Coast Holiday Lifestyles (Pty) Limited	25.0	25.0	836 193	275 733
			50 081 213	16 213 268

Name of company	Distributions to non-controlling interests		Accumulated non-controlling interests	
	2023 R	2022 R	2023 R	2022 R
	Aria Property Group (Pty) Limited	(6 000 000)	(8 000 000)	183 233 733
Stalagmite Property Investments (Pty) Limited	-	-	1 663 107	1 758 880
GenEd Group*	-	-	(7 409 146)	(5 371 748)
West Coast Holiday Lifestyles (Pty) Limited	(300 000)	(425 000)	2 574 661	2 038 468
	(6 300 000)	(8 425 000)	180 062 355	136 281 142

* The GenEd Group consists of Generation Holdings (Pty) Limited, Propgen (Pty) Limited, Generation Education (Pty) Limited, Si Institute (Pty) Limited, GenExperience (Pty) Limited and Blue Moon Montessori School (Pty) Limited.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Summary financial information in respect of each of the group's subsidiaries that has a material non-controlling interest is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	GROUP	
	2023 R	2022 R
Aria Property Group (Pty) Limited		
Current assets (excluding cash and cash equivalents)	6 348 079	10 698 057
Cash and cash equivalents	140 571 554	118 786 173
Non-current assets	1 499 387 641	1 357 666 295
Total assets	1 646 307 274	1 487 150 525
Current liabilities	17 935 693	22 264 837
Non-current liabilities	1 171 510 109	1 121 469 694
Total liabilities	1 189 445 802	1 143 734 531
Revenue	250 681 429	239 557 656
Fair value adjustments on investment properties	144 786 805	744 270
Fair value adjustments on derivatives	(433 828)	11 618 558
Interest received	8 898 614	4 849 283
Finance costs	(96 232 284)	(70 813 674)
Net operating expenses	(143 500 040)	(124 714 475)
Profit before tax	164 200 696	61 241 618
Profit after tax	128 445 478	45 323 595
Total comprehensive income	128 445 478	45 323 595
Net cash inflow from operating activities	24 084 581	29 637 489
Net cash inflow/(outflow) from investing activities	2 329 308	(8 800 243)
Net cash inflow/(outflow) from financing activities	30 108	(811 920)
Dividends paid to non-controlling interests	(6 000 000)	(8 000 000)
Dividends attributable to equity holders of the group	9 000 000	12 000 000

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

	GROUP	
	2023 R	2022 R
GenEd Group		
Current assets (excluding cash and cash equivalents)	3 446 584	1 826 962
Cash and cash equivalents	8 614 847	9 476 723
Non-current assets	453 868 627	460 200 564
Total assets	465 930 058	471 504 249
Current liabilities	30 219 127	21 045 382
Shareholder loan – current	337 578 464	312 358 934
Non-current liabilities	129 675 748	149 446 372
Total liabilities	497 473 339	482 850 688
Revenue	205 502 350	177 956 064
Interest received	1 893 695	1 050 990
Finance costs – bank loan	(4 240 048)	(2 285 880)
– shareholder loan	(12 800 624)	(8 414 446)
– IFRS 16: Right-of-use asset	(7 964 241)	(7 745 668)
Depreciation	(13 290 043)	(14 359 618)
Net operating expenses	(189 834 848)	(164 129 624)
Loss before tax	(20 733 759)	(17 928 182)
Loss after tax	(12 836 091)	(13 258 789)
Total comprehensive loss	(12 836 091)	(13 258 789)
Net cash inflow from operating activities	8 089 356	10 927 958
Net cash outflow for investing activities	(24 010 698)	(10 951 201)
Net cash inflow from financing activities	15 059 466	7 314 643
Dividends paid to non-controlling interests	-	-
Dividends attributable to equity holders of the group	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

7. INVESTMENT IN JOINT VENTURES

	GROUP	
	2023 R	2022 R
Name of entity		
Principal activity		
The Woodstock Hub (Pty) Limited	Property investments	
	-	-
	-	-
This entity is strategic to the group's operations.		
The joint venture is incorporated and operates solely in South Africa.		
The Woodstock Hub (Pty) Limited		
The investment represents a 50% (2022: 50%) interest and comprises:		
Shares at cost	50	50
Post-acquisition reserves	(50)	(50)
	-	-
The group has signed total suretyships in favour of Nedbank Limited for an amount limited to R10 million (2022: R10 million) and Investec Limited for an amount limited to R46.8 million (2022: R46.8 million) in respect of the above investment. At year-end, the total borrowings of The Woodstock Hub (Pty) Limited relating to the suretyships amounted to R97 million (2022: R109.9 million).		
Current assets (excluding cash and cash equivalents)	525 573	160 041
Cash and cash equivalents	2 015 750	1 376 414
Non-current assets	125 900 016	127 750 000
Total assets	128 441 339	129 286 455
Current liabilities	68 511 558	63 869 033
Non-current liabilities	96 969 879	109 941 278
Total liabilities	165 481 437	173 810 311
Revenue	11 096 058	11 919 631
Other income	18 075 000	-
Expenses	(8 072 653)	(9 127 716)
Profit on disposal of investment property	-	856 693
Fair value adjustments	(3 442 464)	527 136
Finance costs	(10 172 182)	(9 124 355)
Loss before tax	7 483 759	(4 948 611)
Tax	-	-
Profit/(loss) after tax	7 483 759	(4 948 611)
Share of profit/(loss) for the year*	3 741 880	(2 474 306)
Net asset value	(37 040 099)	(44 523 856)
Subordination of shareholder loans to the extent of excess liabilities over assets	37 040 099	44 523 856
Adjusted net asset value (non-IFRS measure)	-	-
Equity accounted loss*	-	-
Reversal of/(additional) expected credit loss on shareholder loan to The Woodstock Hub (Pty) Limited	3 741 880	(1 579 278)
Total profit/(loss) for the year	3 741 880	(1 579 278)

* The equity accounted profit/(loss) is not recognised in terms of IAS 28 due to the fact that the investment in the joint venture, including the related subordinated loan (refer note 12), has been impaired to Rnil and until such time as accumulated losses are reversed, no earnings from the joint venture will be recognised. Unrecognised share of losses to date amount to R24.0 million (2022: R27.6 million). The losses incurred in the joint venture resulted in an impairment of the loan to the joint venture (refer note 12).

8. INVESTMENT IN ASSOCIATE ENTITIES

		GROUP	
		2023 R	2022 R
Name of entity	Principal activity		
Leopard ASK Intermediate Investco Limited*	Specialised property financing	17 458 308	106 131 585
ASK Partners Holdco Limited*	Specialised property financing	9 179 669	20 064 810
Yieldex Trading 2 (Pty) Limited	Property investments	30	1 431 989
		26 638 007	127 628 384

* These entities are strategic to the group's operations.

Yieldex Trading 2 (Pty) Limited is incorporated and operates solely in South Africa.

Leopard ASK Intermediate Investco Limited and ASK Partners Holdco Limited are incorporated and operate solely in the United Kingdom.

When the annual reporting date is different to the group's, financial information is obtained as at 31 August in order to report on an annual basis consistent with the group's reporting date.

Leopard ASK Intermediate Investco Limited and ASK Partners Holdco Limited's reporting date is 31 December which is in line with the controlling shareholder's reporting date.

Leopard ASK Intermediate Investco Limited

The investment represents a 40% (2022: 40%) interest and comprises:

Cost	67 649 200	67 649 200
Shares repurchased*	(67 649 200)	–
Gain on investment	(726 381)	–
Dividends received	(32 776 087)	–
Foreign currency translation reserve	20 700 039	12 198 140
Post-acquisition share of reserves	30 260 737	26 284 245
	17 458 308	106 131 585

ASK Partners Holdco Limited

The investment represents a 40% (2022: 40%) interest and comprises:

Cost	4 735 444	4 735 444
Shares repurchased*	(4 566 240)	(4 566 240)
Dividends received	(22 080 280)	–
Foreign currency translation reserve	136 811	(1 917 704)
Post-acquisition share of reserves	30 953 934	21 813 310
	9 179 669	20 064 810

Yieldex Trading 2 (Pty) Limited

The investment represents a 30% (2022: 30%) interest and comprises:

Cost at acquisition	30	30
Post-acquisition share of reserves	–	1 431 959
	30	1 431 989

* These relate to non-voting B-shares of which Trematon holds 100%. Trematon still holds 40% of the A-shares (voting shares).

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8. INVESTMENT IN ASSOCIATE ENTITIES (CONTINUED)

Summarised financial information of the material associates is set out below, not adjusted for the percentage ownership of the group:

	GROUP	
	2023 R	2022 R
Leopard ASK Intermediate Investco Limited		
Current assets	54 735 690	116 754 037
Cash and cash equivalents	9 803 649	90 517 697
Total assets	64 539 339	207 271 734
Current liabilities	47 081 031	101 140 149
Total liabilities	47 081 031	101 140 149
Revenue	9 315 412	11 551 101
Expenses	(1 231 704)	(1 171 790)
Finance costs	(4 107 216)	(7 500 376)
Profit before tax	4 909 252	2 878 935
Tax	(932 760)	(481 246)
Profit after tax	3 976 492	2 397 689
Other comprehensive income/(loss)	8 501 899	(803 323)
Total comprehensive income	12 478 391	1 594 366
Share of profit for the year	3 976 492	2 397 689
Share of other comprehensive income/(loss)	8 501 899	(803 323)
Dividends received from associate	32 776 087	–
Net asset value	17 458 308	106 131 585
Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate is set out below:		
Net assets of the associate	17 458 308	106 131 585
Less amounts attributable to Trematon	(17 458 308)	(67 649 200)
	–	38 482 385
% ownership of associate	40%	40%
Proportion of the group's ownership in the associate	17 458 308	15 392 954
Add additional share of profits due	–	23 089 431
Add cost of investment	–	67 649 200
Carrying amount of the group's interest in the associate	17 458 308	106 131 585
Trematon Group has a 40% investment in Leopard ASK Intermediate Investco Limited, but a right to dividend distributions equal to 100% of the entity's profits. This is due to the controlling shareholder receiving its percentage by way of interest income. The full cost of the investment has been returned to Trematon and any additional amounts received have been disclosed as a gain on investment.		
Summarised information in respect of associates that are not individually material:		
Aggregate share of profit for the year	7 708 665	7 571 416
Aggregate total comprehensive income	7 708 665	7 571 416
Summary of (loss)/profit from equity accounted associates (net of tax)		
Yieldex Trading 2 (Pty) Limited	(1 431 959)	919 490
Leopard ASK Intermediate Investco Limited	3 976 492	2 397 689
ASK Partners Holdco Limited	9 140 624	6 651 926
	11 685 157	9 969 105

9. LOANS TO GROUP COMPANIES

	COMPANY	
	2023 R	2022 R
Tremtrade (Pty) Limited	36 609 824	122 793 983
Tremgrowth (Pty) Limited	125 000 000	–
	161 609 824	122 793 983
Non-current assets	161 609 824	97 054 588
Current assets	–	25 739 395
	161 609 824	122 793 983

The loan to Tremtrade is unsecured and bears interest at a rate linked to prime. The loan has no repayment terms and is therefore considered to be repayable on demand. The loan to Tremgrowth is unsecured and interest free. The loan has no repayment terms and is therefore considered to be repayable on demand.

Credit quality

Management reviewed the credit risk at period-end and determined the credit risk has not significantly increased from initial recognition with a low risk of default in the next 12 months. ECLs are limited to the 12-month ECLs only. ECLs for the 12-month period have been determined as below:

Tremtrade and Tremgrowth

ECLs are limited to the 12-month ECLs. Credit losses on the outstanding capital and interest are not expected as the value of the underlying assets consist of investment property and other investments which would be sufficient to recover the loan balances over time, as the value of the properties and other investments is significantly more than the loan balances including other liabilities within each entity. The expected value changes in the property industry, future cash forecasts and the credit ratings of tenants were all taken into account in this assessment.

The expected period of recovery has not changed from what was originally anticipated and therefore no impairment on the loans has been identified. All the loans have been assessed as performing and no impairment has been recognised. Between balance sheet date and the date on which the financial statements were signed there have been no indications or events that have increased the ECL risk.

The company's exposure to credit risk is disclosed in note 33.

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for the year ended 31 August 2023 (continued)

10. DEFERRED TAX

	GROUP	
	2023 R	2022 R
Deferred tax asset	30 009 741	43 636 814
Deferred tax liability	(114 728 829)	(109 967 361)
	(84 719 088)	(66 330 547)
Comprises:		
Deferred tax asset on fair value adjustments through profit or loss	4 212 431	3 857 831
Temporary differences arising from fair value adjustments on acquisition of subsidiary	(2 726 160)	(2 780 984)
Temporary difference on tax losses	40 471 948	31 577 690
Temporary differences arising from revaluation of property, plant and equipment	(11 138 620)	(11 663 637)
Temporary differences from fair value adjustments on investment properties	(96 517 522)	(73 612 590)
Temporary differences arising from straight-lining adjustments on leases	(10 224 869)	(8 594 284)
Temporary differences arising from accelerated allowances on property, plant and equipment	(21 885 940)	(17 480 462)
Temporary differences arising from income received in advance	6 245 497	4 448 415
Temporary differences arising from prepayments	(1 329 797)	(1 105 034)
Temporary differences arising on derivatives	(327 146)	(683 237)
Temporary differences arising from accrued expenses	2 759 900	4 842 962
Temporary difference on right-of-use asset	(16 768 820)	(17 773 466)
Temporary difference on lease liability	22 096 322	22 164 070
Temporary differences arising from ECLs	413 688	472 179
	(84 719 088)	(66 330 547)
Reconciliation of deferred tax liability		
At the beginning of the year	(66 330 547)	(72 194 336)
Temporary differences	(18 388 177)	7 186 960
Effect of decrease in tax rate	-	2 456 687
Revaluation of property, plant and equipment through OCI	(364)	(3 779 858)
	(84 719 088)	(66 330 547)

Deferred tax has been calculated at 21.6% (2022: 21.6%) on the fair value adjustments on investment properties.

A deferred tax asset amounting to R4.9 million (2022: R5.3 million) for the company in respect of estimated tax losses has not been recognised as it is not sufficiently probable that the related tax benefit will be realised. The company has calculated estimated tax losses available for set-off against future taxable income amounting to R18.1 million (2022: R19.8 million).

The directors have assessed that it is appropriate to recognise the deferred tax asset for tax losses on the remaining companies as it is expected to be realised through future profits generated by the individual subsidiaries of the group.

In the February 2021 Budget Speech it was announced that the corporate tax rate will reduce from 28% to 27% for years of assessment commencing on or after 1 April 2022. The change in tax rate was considered to be substantively enacted and the deferred tax closing balances for the prior year was recognised at 27%.

11. GOODWILL

	GROUP	
	2023 R	2022 R
Opening balance	-	-
Acquisition of business	8 175 000	-
Closing balance	8 175 000	-

Goodwill arose from the acquisition of a school situated in Modderfontein, Gauteng. The school was purchased as a going concern by GenEd effective 1 January 2023.

Impairment testing

The group performs an annual impairment test on goodwill. The recoverable amount of the school acquired ("Taroko") to which goodwill is allocated has been determined based on the value-in-use ("VIU") calculation. The VIU is calculated by discounting the projected cash flows of Taroko for a five-year period as approved by management. The 2023 financial year goodwill figure has not been impaired as the recoverable amount was considerably higher than the goodwill figure.

12. LOAN TO JOINT VENTURE

The Woodstock Hub (Pty) Limited	14 894 692	8 840 314
	14 894 692	8 840 314

The loan to The Woodstock Hub is interest free and is repayable on demand.

Credit quality

The loan to The Woodstock Hub (Pty) Limited has experienced a significant increase in credit risk due to a decrease in the value in the assets of the company. The ECL is based on lifetime ECLs due to the increase in the credit risk.

The Woodstock Hub (Pty) Limited loan

Gross loan value	42 452 241	31 102 242
Loan written off*	(9 037 500)	-
	33 414 741	31 102 242
Expected credit loss*	(18 520 049)	(22 261 928)
	14 894 692	8 840 314

Movement in the group provision for impairment of loans receivable are as follows:

Opening balance	(22 261 928)	(20 682 650)
Reversal of/(additional) ECL	3 741 879	(1 579 278)
	(18 520 049)	(22 261 928)

* Management has assessed the recoverability of the loan to The Woodstock Hub and has written off an amount of R9 million which they feel is not recoverable. An ECL is still being recognised for the group's share of estimated credit losses on the remaining loan balance.

The expected period of recovery has not changed from what was originally anticipated. Between balance sheet date and the date on which the financial statements were signed there have been no indications or events that have increased the ECL risk. The impaired loan balance as recorded, has been assessed as recoverable based on the net asset value of the company, taking into account the current market value of the properties held, and no further impairment on the loan has been recognised. The company's exposure to credit risk is disclosed in note 33.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

13. LOANS RECEIVABLE

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Long-term portion				
Epstein Family Investments (Pty) Limited	19 902 266	18 334 713	–	–
Glisan Street Investments (Pty) Limited	–	894 825	–	–
Vondeling Family Trust	–	41 322	–	–
New Electric Life (Pty) Limited	–	2 203 357	–	–
Armchair Trust	12 861 231	15 066 705	12 861 231	15 066 705
Salvete Trust	12 960 300	15 098 103	12 960 300	15 098 103
Alevai Investment Trust	2 397 978	2 560 829	2 397 978	2 560 829
Nest Egg Trust	1 343 185	1 483 405	1 343 185	1 483 405
	49 464 960	55 683 259	29 562 694	34 209 042

The creation and release of provision for ECLs have been included in profit and loss. Amounts charged to the provision account are generally written off when there is no expectation of recovering the cash.

The loans bear interest at the rates applicable from time to time to a loan denominated in Rands as described in paragraph (a) of the definition of the “official rate of interest” in section 1(1) of the Income Tax Act, 1962. The loans have no repayment terms and are therefore considered to be repayable on demand, except for the loans to the Armchair Trust, Salvete Trust, Alevai Investment Trust and Nest Egg Trust which are repayable as follows: 25% by no later than 1 December 2024, a further repayment of 25% by no later than 1 December 2025 and the outstanding balance by 1 December 2026.

Credit quality

Management reviewed the credit risk at year-end and determined the credit risk has not significantly increased from initial recognition with a low risk of default in the next 12 months for all the loans. ECLs are limited to the 12-month ECLs only. ECLs for the 12-month period have been determined as below:

Epstein Family Investments (Pty) Limited

ECLs are limited to the 12-month ECLs. Credit losses on the outstanding capital and interest are not expected as the loan is secured by 13% of the issued share capital in the GenEd Group. The net asset value and intrinsic net asset value of the GenEd Group is significantly more than the outstanding loan balance. Forward-looking financial information such as forward-looking price-earnings ratios, future cash flow forecasts and credit quality of parents were all taken into account in this assessment. In terms of the shareholders’ agreement any dividends declared by the GenEd Group is first used to settle the outstanding interest and capital which further reduces the ECL risk.

Glisan Street Investments (Pty) Limited

ECLs were limited to the 12-month ECLs. Credit losses on the outstanding capital and interest (if applicable) were not expected as the value of the entity’s underlying assets consists of investment property which would be sufficient to recover the loan balance over time, as the value of the properties were significantly more than the loan balance including other liabilities within the entity. The expected value changes in the property industry, future cash forecasts and the credit ratings of tenants were all taken into account in this assessment. The loan was settled during the year.

New Electric Life (Pty) Limited

The loan balance was impaired by R2.2 million in the current year as it is expected that credit losses will be realised on this loan. In the prior year ECLs were limited to the 12-month ECLs.

The Vondeling Family Trust

ECLs were limited to the 12-month ECLs. Credit losses on the outstanding capital and interest were not expected as the loan is secured by the shares in West Coast Holiday Lifestyles (Pty) Limited. The net assets of West Coast Holiday Lifestyles is significantly more than the outstanding loan balance and has a history of making profits. Forward-looking financial information such as forecasts and budgets had been reviewed and the financial health of the company was positive. In terms of the shareholders’ agreement any dividends declared by the company is first used to settle the outstanding interest and capital. The loan was settled during the year.

The Armchair Trust, Salvete Trust, Alevai Investment Trust and Nest Egg Trust

ECLs are limited to the 12-month ECLs. Credit losses on the outstanding capital and interest are not expected as the net assets of each trust is sufficient to settle the outstanding loan balance.

The expected period of recovery has not changed from what was originally anticipated. Between balance sheet date and the date on which the financial statements were signed there have been no indications or events that have increased the ECL risk. The loans have been assessed as performing and no increase in ECL on the loans have been recognised.

The company’s exposure to credit risk is disclosed in note 33.

14. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	GROUP	
	2023 R	2022 R
Investments		
91 319 220 (2022: 91 319 220) shares in Freedom Property Fund Limited	6 392 345	6 392 345

15. TRADE AND OTHER RECEIVABLES

Trade accounts receivable	6 398 197	6 178 712
Other receivables	2 041 325	921 482
Loss allowance	(1 047 632)	(2 447 012)
Prepayments and deposits	5 440 737	4 668 848
VAT	1 159 051	47 279
	13 991 678	9 369 309
Categorisation of trade and other receivables		
At amortised cost	7 391 890	4 653 182
Non-financial instruments	6 599 788	4 716 127
	13 991 678	9 369 309

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for the year ended 31 August 2023 (continued)

15. TRADE AND OTHER RECEIVABLES (CONTINUED)

Credit quality

The group's exposure to credit risk is influenced mainly by characteristics of each debtors book, namely rent receivable and school fees receivable.

Management also considers the factors that may influence credit risk including the default risk of the industry and geographical location in which customers operate. For the different portfolios different economic factors will be considered. The credit-granting policy is set on a group basis and managed at operating entity level. Each business unit in the group is responsible for the management of credit risk in receivables and does so through ongoing credit evaluations and credit control procedures.

Trade receivables comprise a widespread customer base in South Africa and are split into different portfolios, namely rental income and school fees. The majority of the customers are concentrated in the private sector. Due to the diverse nature of the operations, management does not believe that the group is significantly exposed to a high concentration of credit risk. Any change in the credit quality of trade receivables is considered from the date credit was granted up to the reporting date. The credit quality of the customer for the different portfolios is considered on a collective basis taking into account past experience and their factors. For all the portfolios there has been a history of low levels of credit risk. This is mainly due to the following:

- Rent and school fee receivables are paid monthly in advance for the respective service to be performed.
- Lease tenants are required to provide a deposit amounting to two months of rental income before occupying the premises.
- Due to the long-term nature of educational services, the academic well-being of their children and the limited places available, this proves to be a strong factor in encouraging parents to settle their children's school fees.
- Before accepting a new client the group runs thorough credit and background checks in order to determine the potential customer's creditworthiness.

Expected credit loss model

The group applied the simplified approach to determine the ECL for trade receivables including lease receivables, by calculating the lifetime ECLs for these trade receivables and lease receivables. An impairment analysis is performed at each reporting date using a provision matrix. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The group split is customer based, based on the portfolios mentioned above. The calculation reflects the probability-weighted outcome at the reporting date about past events, current conditions and a forecast on future economic conditions, such as inflation and financial position of tenants and parents. The assessment on future economic conditions are based on past history and experience.

The fair value of trade and other receivables approximates the carrying value due to the short-term nature thereof.

The group's exposure to credit risk and impairment losses related to trade and other receivables is disclosed in note 33.

Expected credit loss allowances on trade and other receivables

As of 31 August 2023 trade and other receivables' provision for ECLs was adjusted for by R1.4 million (2022: increase of R0.8 million).

	GROUP	
	2023 R	2022 R
Reconciliation of provision for ECLs		
Balance at the beginning of the year	(2 447 012)	(1 636 419)
Decrease/(increase) in allowances	1 399 380	(810 593)
Bad debts written off during the year (included in operating expenses)	2 095 264	4 894 024
Balance at the end of the year	1 047 632	2 447 012

16. INVENTORIES

	GROUP	
	2023 R	2022 R
Property and land	29 588 517	33 246 960
Residential – developed and undeveloped	21 343 566	24 431 360
Commercial – undeveloped	8 244 951	8 815 600
Residential units	773 071	8 671 068
Other	–	217 074
	30 361 588	42 135 102

All inventories are carried at cost. No provision for stock write-down has been raised. The cost of inventories recognised as an expense during the year was R12.1 million (2022: Rnil).

17. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Bank balances	267 656 101	202 797 059	307 695	936 375
Current assets	267 656 101	202 797 059	307 695	936 375

The group has undrawn borrowing facilities of R15.5 million (2022: R15.5 million) with Investec Bank Limited.

The credit ratings of individual banks were obtained and it was noted that the credit ratings remained at Ba2 for the long-term local currency ratings of the banks. Risks on South African banks are considered negligible as all cash deposits are guaranteed by the South African Reserve Bank and banks are financially sound.

Refer to the financial risk management note 2(s) in significant accounting policies for how the group manages credit risk.

18. SHARE CAPITAL AND SHARE PREMIUM

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Authorised				
1 000 000 000 ordinary shares of 1 cent each	10 000 000	10 000 000	10 000 000	10 000 000
774 170 752 (2022: 774 170 752) unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.				
Issued				
225 829 248 (2022: 225 829 248) ordinary shares of 1 cent each	2 258 293	2 258 293	2 258 293	2 258 293
Share premium	115 443 835	205 775 534	115 443 835	205 775 534
	117 702 128	208 033 827	117 702 128	208 033 827

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for the year ended 31 August 2023 (continued)

18. SHARE CAPITAL AND SHARE PREMIUM (CONTINUED)

	GROUP	
	2023 R	2022 R
Number of shares in issue		
Balance at the beginning of the year	224 934 173	206 864 968
Treasury shares acquired	–	(850 986)
Ordinary shares issued	–	18 075 203
Restricted shares vested	895 075	844 988
Balance at the end of the year	225 829 248	224 934 173

Restricted shares are shares issued in terms of the share incentive scheme and remain restricted until certain conditions are met.

Included in the balance at year-end are 3 721 306 (2022: 3 721 306) shares of which nil (2022: 895 075) have not yet vested.

Weighted number of shares

Balance at the beginning of the year	224 934 173	206 864 968
Ordinary shares issued – weighted	–	14 377 520
Restricted shares vested – weighted	895 075	633 741
Treasury shares acquired – weighted	–	(826 665)
Weighted average number of ordinary shares in issue during the year	225 829 248	221 049 564

Diluted weighted average number of shares

Weighted average number of ordinary shares in issue during the year	225 829 248	221 049 564
Convertible debentures issued in prior years – weighted	–	3 697 683
Restricted shares vested – weighted	–	1 106 322
Diluted weighted average number of shares at the end of the year	225 829 248	225 853 569

The treasury shares were held by Trematon Capital Investments Limited.

Nil (2022: 850 986) treasury shares were purchased during the year. The weighted average price per treasury shares purchased during the prior year was R2.80.

During the year nil (2022: 850 986) treasury shares were cancelled and added to unissued ordinary shares.

19. FAIR VALUE RESERVE

	GROUP	
	2023 R	2022 R
Comprises:		
Fair value gain on revaluation of property, plant and equipment	60 307 968	60 306 343
Tax effects on revaluation of property, plant and equipment	(13 234 140)	(13 233 776)
	47 073 828	47 072 567
Reconciliation of movement in fair value reserve		
At the beginning of the year	47 072 567	33 353 081
Fair value gain on revaluation of property, plant and equipment	1 625	17 499 344
Tax effects of revaluation	(364)	(3 779 858)
Balance at the end of the year	47 073 828	47 072 567

20. LOANS PAYABLE

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Current portion				
Standard Bank of South Africa Limited	887 808	68 886	-	-
Nedbank Limited	6 409 549	-	6 409 549	-
Investec Bank Limited	1 797 604	40 721 548	-	-
Other loan	1 146 884	1 146 884	-	-
	10 241 845	41 937 318	6 409 549	-
Long-term portion				
Standard Bank of South Africa Limited	286 209 548	281 750 700	-	-
Nedbank Limited	872 835 465	876 502 614	90 648 039	97 057 588
Investec Bank Limited	29 829 396	28 483 905	-	-
	1 188 874 409	1 186 737 219	90 648 039	97 057 588
	1 199 116 254	1 228 674 537	97 057 588	97 057 588

The amount owing to Standard Bank Limited includes various loans which bear interest at rates linked to prime and the Johannesburg Interbank Average Rate ("JIBAR"). Repayments vary on each loan. Some loan repayments are interest only, where others include capital and interest. The loans are secured by a first covering mortgage bond over the respective properties.

The amount owing to Nedbank Limited includes various loans which bear interest at rates linked to prime and JIBAR. Repayments vary on each loan. Some loan repayments are interest only, where others include capital and interest. The loans are secured by a first covering mortgage bond over the respective properties.

The amount owing to Investec Bank Limited includes various loans which bear interest at rates linked to prime. Repayments vary on each loan. The loan repayments include capital and interest. The loans are secured by a first covering mortgage bond over the respective properties.

The company has signed suretyships in favour of Nedbank Limited for subsidiaries in the group. Trematon Capital Investment's exposure is limited to R138.2 million (2022: R138.2 million) in respect of the loans owing to Nedbank Limited by the subsidiaries.

The company has signed suretyships in favour of Standard Bank Limited for subsidiaries in the group. Trematon Capital Investment's exposure is limited to R42 million (2022: R42 million) in respect of the loans owing to Standard Bank Limited by the subsidiaries in the group.

The company has signed suretyships in favour of Investec Bank Limited for subsidiaries in the group. Trematon Capital Investment's exposure is limited to R91.6 million (2022: R105.4 million) in respect of the loans owing to Investec Bank Limited by the subsidiaries in the group.

The group has signed suretyships in favour of Nedbank Limited and Investec Bank Limited for loans owing by a joint venture. Refer to note 7 for further detail.

The loans payable were utilised to fund the acquisition of properties. See note 3: Property, plant and equipment and note 4: Investment property.

The group's exposure to interest rate and liquidity risk are disclosed in note 33.

The loans are recorded at amortised cost which approximates fair value.

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for the year ended 31 August 2023 (continued)

21. DERIVATIVES

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Financial liabilities at fair value through profit or loss				
Interest rate swap agreements	-	324 914	-	30 476
	-	324 914	-	30 476
Financial assets at fair value through profit or loss				
Interest rate swap agreements	1 326 523	2 054 789	-	-
	1 326 523	2 054 789	-	-
Non-current liabilities	-	294 438	-	-
Current liabilities	-	30 476	-	30 476
	-	324 914	-	30 476
Non-current assets	980 986	-	-	-
Current assets	345 537	2 054 789	-	-
	1 326 523	2 054 789	-	-

The group has entered into interest rate swap agreements to convert a portion of the borrowings from floating to fixed interest rates. This is used to manage the interest rate risk profile of financial liabilities and to eliminate future exposure to interest rate fluctuations. The swap agreements are not linked to an underlying instrument but are rather used as an interest rate hedge.

The derivatives are JIBAR linked and the group benefits should the JIBAR increase. The group has no interest rate swaps or interest rate fixes linked directly to external party senior debt and 27% (2022: 26%) of the interest rate risk has been hedged by the group.

The total hedged value of the debt amounts to R275 million (2022: R315 million) of which R75 million expires within the next financial year and R200 million expires in November 2025. The JIBAR fixed interest rates range between 7.5% and 7.8%.

The total net mark-to-market value at year-end amounts to R1.3 million (2022: R1.7 million).

Refer to note 36 for detailed information on the fair valuation of derivatives.

22. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Trade payables	10 327 022	9 837 216	280 339	130 645
Deposits	11 514 591	17 415 259	-	-
Sundry creditors	7 294 892	4 241 656	-	-
VAT	2 657 555	2 074 457	-	-
Accruals	1 575 846	2 017 749	-	-
Income received in advance	30 049 999	17 394 421	-	-
Other payables	67 180 020	56 110 738	-	-
	130 599 925	109 091 496	280 339	130 645
Non-current liabilities	59 653 840	44 132 349	-	-
Current liabilities	70 946 085	64 959 147	280 339	130 645
	130 599 925	109 091 496	280 339	130 645
Categorisation of trade and other payables				
At amortised cost	54 608 593	60 036 029	280 339	130 645
Financial liability at fair value through profit or loss	41 707 932	27 568 840	-	-
Non-financial instruments	34 283 400	21 486 627	-	-
	130 599 925	109 091 496	280 339	130 645

Included in other payables is an amount of R53.6 million (2022: R44.5 million) owing to ZRG Investments (Pty) Limited ("ZRG"), a property investment company incorporated in South Africa in terms of profit share arrangements on four properties held by ARIA, namely York Street Boulevard, Maynard Mall, Edgars Wynberg and Riverside Mall which are located in Cape Town. The payable consists of accumulated profits and capital gains based on the third party's profit share percentage, which is equal to 33.33% for York Street Boulevard and 15% for Maynard Mall, Edgars Wynberg and Riverside Mall. These arrangements are strategic to the group's activities. ZRG is an external company not related to the group.

The liability owing to ZRG can be split into two components: ZRG's share of the fair value of the investment property and capital contributions, which amounted to R41.7 million (2022: R27.6 million); and ZRG's share of profit from leasing operations, which amounted to R11.9 million (2022: R17 million) at year-end. The amount owing to ZRG relating to fair value adjustments of investment property and the capital contribution is classified as a non-current liability. Trematon has a right to defer settlement beyond 12 months as this amount becomes payable on the sale of the property, which is subject to Trematon and ZRG's unanimous consent and is not expected to occur in the next 12 months. The portion owing to ZRG relating to leasing operations has been classified under current liabilities.

The fair value of trade and other payables at amortised cost, approximates the carrying value due to the short-term nature thereof. Refer to note 36 for further details around the financial liability at fair value through profit or loss.

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23. LEASE LIABILITY

	GROUP	
	2023 R	2022 R
Total lease liabilities	82 739 388	82 089 147
Analysed as follows:		
Non-current	81 749 105	75 127 367
Current	990 283	6 961 780
Opening balance	82 089 147	78 024 139
Finance charges	7 964 241	7 745 668
Lease repayments	(7 314 000)	(3 680 660)
Closing balance	82 739 388	82 089 147
Maturity analysis:		
Year 1	8 898 240	7 314 000
Years 2 – 5	40 851 101	38 741 188
Years 5+	100 184 898	111 193 050
	149 934 239	157 248 238
Less: unearned interest	(67 194 851)	(75 159 091)
	82 739 388	82 089 147

The group does not face a significant liquidity risk with regard to its lease liability. There is sufficient cash and future expected profits within the group to settle the lease payments as they fall due.

The carrying value of the right-of-use asset amounts to R60.9 million (2022: R65.8 million) at year-end.

GenEd, an 87%-held subsidiary of Trematon, entered into a 15-year lease agreement to occupy a school campus in Somerset West. The lease commencement date was 1 January 2021. Total commitments for the first four years amount to R23.8 million. Thereafter, the rental payable will escalate based on the lower of school fee growth minus 2% or CPI plus 2%.

The lease has two renewal options of 15 years each, that are exercisable six months before the end of the lease. These have not been factored into the lease liability as it is not reasonably certain that the extensions will be exercised.

The group has the right to cancel the lease after four years subject to a minimum of six months written notice. The termination option has not been factored into the lease term as the group is unlikely to exercise this option.

The details of the right-of-use asset is disclosed in note 5.

24. REVENUE

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Revenue				
Rental income	276 230 092	270 978 035	-	-
Sale of property and land	19 304 308	-	-	-
Administration fee income	1 756 187	1 330 550	-	-
School and registration fees	181 965 050	164 587 658	-	-
Other school income	13 792 095	3 379 464	-	-
Commission received	7 216 600	6 944 549	-	-
Management fees	7 452 427	7 854 858	-	-
Services and other revenue*	26 170 975	21 938 526	-	-
	533 887 734	477 013 640	-	-
Investment revenue				
Other investment income	-	2 983 845	-	255 296
Dividends received	-	-	125 000 000	-
Interest received – subsidiaries	-	-	10 072 513	8 413 545
– bank	16 367 249	7 335 752	14 052	27 978
– other	3 996 563	2 126 251	2 324 194	1 146 864
	20 363 812	12 445 848	137 410 759	9 843 683
	554 251 546	489 459 488	137 410 759	9 843 683
Revenue per segment				
Property investments	337 180 394	304 043 323	-	-
Education	203 901 018	177 831 601	-	-
Edu-tech	3 495 027	1 175 453	-	-
Corporate and other revenue	9 675 107	6 409 111	137 410 759	9 843 683
	554 251 546	489 459 488	137 410 759	9 843 683
Timing of revenue recognition				
At a point in time	66 483 978	32 262 539	-	-
Over time	191 173 664	173 773 066	-	-
Straight-line basis	276 230 092	270 978 035	-	-
	533 887 734	477 013 640	-	-

* Services and other revenue includes boat repairs, sale of goods and fuel and conferencing centre income.

Refer to note 34.1 for the financial category disclosure of investment revenue.

Refer to note 37 for the segment reporting of revenue.

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for the year ended 31 August 2023 (continued)

24. REVENUE (CONTINUED)

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Reconciliation of revenue per segment				
Property				
Rental income	276 230 092	270 978 036	-	-
Sale of property and land	19 304 308	-	-	-
Administration fee income	1 756 187	1 330 550	-	-
Services and other revenue	16 425 770	11 024 905	-	-
Management fees	7 452 427	7 854 858	-	-
Commission received	7 216 600	6 944 549	-	-
Other investment income	-	2 983 845	-	-
Interest income	8 795 010	2 926 580	-	-
	337 180 394	304 043 323	-	-
Education				
Education and registration fee income	178 470 023	163 412 205	-	-
Other education income	13 792 095	3 379 464	-	-
Services and other revenue	9 745 205	10 913 620	-	-
Interest income	1 893 695	126 312	-	-
	203 901 018	177 831 601	-	-
Edu-tech				
Education and registration fee income	3 495 027	1 175 453	-	-
	3 495 027	1 175 453	-	-
Other				
Dividend income	-	-	125 000 000	255 296
Interest income	9 675 107	6 409 111	12 410 759	9 588 387
	9 675 107	6 409 111	137 410 759	9 843 683
	554 251 546	489 459 488	137 410 759	9 843 683

25. OPERATING PROFIT/LOSS

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Operating profit/loss is stated after accounting for the following:				
Other operating expenses				
Depreciation*	(15 451 202)	(16 724 566)	-	-
Municipal expenses	(78 357 642)	(75 565 654)	-	-
Staff costs*	(167 249 309)	(148 023 492)	(1 869 798)	(1 755 144)

* Refer to note 37: Segmental information.

26. FINANCE COSTS

Loans payable	115 268 968	87 117 481	10 072 513	8 003 269
Other loans	31 263	-	-	410 275
IFRS 16 – Leases	7 964 241	7 745 668	-	-
	123 264 472	94 863 149	10 072 513	8 413 544

Refer to note 34.2 for the financial category disclosure of finance costs.

27. INCOME TAX EXPENSE

South African normal tax				
Current tax – current year	11 506 928	18 048 576	-	74 510
Deferred tax				
Deferred tax – temporary differences	18 388 541	(9 406 572)	-	-
	29 895 469	8 642 004	-	74 510

	%	%	%	%
Reconciliation of effective tax rate:				
Statutory tax rate	27.0	28.0	27.0	28.0
Profit from equity accounted investments – exempt	(6.1)	(6.5)	-	-
Other tax-exempt income*	(3.4)	(6.4)	(27.0)	-
Effect of change in tax rate	1.7	-	-	-
Other non-deductible expenses**	0.6	0.1	-	-
Capital gains tax	(4.9)	0.8	-	-
Tax losses	4.8	4.0	-	(28.0)
Effective tax rate	19.7	20.0	-	-

* Includes exempt income related to disposal of capital assets and dividends received.

** Includes expenses of a capital nature.

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for the year ended 31 August 2023 (continued)

28. EARNINGS AND NET ASSET VALUE PER SHARE

	GROUP	
	2023 Cents	2022 Cents
Net asset value per share	366	370
Basic earnings per share	31.7	8.3
Diluted earnings per share	31.7	8.1

The calculation of net asset value per share is based on 225 829 248 ordinary shares in issue at year-end (2022: 225 829 248) and a total equity attributable to ordinary shareholders of R826 319 301 (2022: R834 515 750).

The calculation of basic earnings per share is based on the weighted average number of 225 829 248 ordinary shares in issue during the year (2022: 221 049 564) and a profit attributable to ordinary shareholders of R71 577 575 (2022: R18 305 596).

The calculation of diluted earnings per share is based on the diluted weighted average number of 225 829 248 ordinary shares in issue during the year (2022: 225 853 569) and a profit attributable to ordinary shareholders of R71 577 575 (2022: R18 305 596).

29. HEADLINE EARNINGS PER SHARE

	GROUP			
	2023		2022	
	Gross R	Net R	Gross R	Net R
Profit attributable to equity holders of the parent		71 577 575		18 305 596
Fair value adjustment on investment properties	(140 488 044)	(64 737 484)	2 463 963	2 165 150
Fair value adjustments within equity accounted profits	1 721 232	1 349 446	(263 568)	(206 637)
Realised profit on sale of non-current assets		–	(1 304 505)	(1 012 296)
Headline earnings		8 189 537		19 251 813

	GROUP	
	2023 Cents	2022 Cents
Headline earnings per share	3.6	8.7
Diluted headline earnings per share	3.6	8.5

The calculation of headline earnings per share is based on the weighted average number of 225 829 248 ordinary shares in issue during the year (2022: 221 049 564).

The calculation of diluted headline earnings per share is based on the diluted weighted average number of 225 829 248 ordinary shares in issue during the year (2022: 225 853 569).

Headline earnings per share has been determined in terms of Circular 1/2023.

30. REMUNERATION

Directors' emoluments	Fees for services R	Basic salary R	Taxable benefits R	Bonus R	Total R
2023					
Executive directors					
AJ Shapiro	-	3 472 200	45 532	-	3 517 732
A Groll	-	2 231 700	21 341	-	2 253 041
AL Winkler	-	2 160 600	42 566	168 727	2 371 893
Non-executive directors					
R Lockhart-Ross	561 756	-	-	-	561 756
K Getz	252 000	-	-	-	252 000
JP Fisher	294 000	-	-	-	294 000
R Stumpf	262 500	-	-	-	262 500
MA Sessions	294 000	-	-	-	294 000
Total	1 664 256	7 864 500	109 439	168 727	9 806 922
Paid by subsidiaries	-	7 864 500	109 439	168 727	8 142 666
2022					
Executive directors					
AJ Shapiro	-	3 260 250	35 834	271 688	3 567 772
A Groll	-	2 095 380	26 437	174 615	2 296 432
AL Winkler	-	2 028 600	31 547	169 050	2 229 197
Non-executive directors					
R Lockhart-Ross	614 485	-	-	-	614 485
K Getz	262 731	-	-	-	262 731
JP Fisher	270 337	-	-	-	270 337
R Stumpf	286 352	-	-	-	286 352
MA Sessions	321 237	-	-	-	321 237
Total	1 755 142	7 384 230	93 818	615 353	9 848 543
Paid by subsidiaries	-	7 384 230	93 818	615 353	8 093 401

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

31. CASH UTILISED IN OPERATIONS

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Profit/(loss) before income tax	151 554 257	43 160 868	123 753 293	(1 359 642)
Adjusted for:				
Depreciation	15 451 202	16 724 566	-	-
Equity accounted earnings of associates and joint ventures	(11 685 157)	(9 969 105)	-	-
Other income	-	(237 075)	-	-
Dividend income	-	(2 983 845)	(125 000 000)	(255 296)
Finance income	(20 363 812)	(9 462 003)	(12 410 759)	(9 588 387)
Finance costs	123 264 472	94 863 149	10 072 513	8 413 544
Fair value adjustment on investment properties	(140 488 044)	2 463 963	-	-
Fair value adjustment on financial liabilities at fair value through profit or loss	403 352	(12 695 977)	-	(1 077 419)
Foreign exchange loss/(gain)	250 493	(190 797)	-	-
Movement in ECLs	(1 399 380)	-	-	-
(Reversal of)/additional ECL on loan	(3 741 879)	1 579 278	-	-
Loan written off	9 037 500	-	-	-
Profit on disposal of non-current assets	-	(1 304 505)	-	-
Straight-line adjustment against investment properties	603 162	2 709 889	-	-
Capitalised fees and charges	-	1 225 833	-	-
Expenses settled by group company	-	-	3 939 429	4 916 573
Changes in working capital:				
(Increase)/decrease in trade and other receivables	(3 222 989)	1 881 834	-	-
Decrease/(increase) in inventory	11 773 514	(472 123)	-	-
Increase in trade and other payables	21 508 429	14 092 311	149 694	10 923
	152 945 121	141 386 261	504 170	1 060 296

32. TAXATION PAID

	Notes	GROUP		COMPANY	
		2023 R	2022 R	2023 R	2022 R
Balance at the beginning of the year		3 396 716	32 237	-	-
Current tax charge		(11 506 928)	(18 048 576)	-	(74 510)
Balance at the end of the year		(2 475 183)	(3 396 716)	-	-
		(10 585 395)	(21 413 055)	-	(74 510)

33. FINANCIAL INSTRUMENTS

33.1 Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was:

Carrying amount

Loans receivable	12, 13	64 359 652	64 523 573	-	-
Trade and other receivables	15	7 391 890	4 653 182	-	-
Cash and cash equivalents	17	267 656 101	202 797 059	307 695	936 375
Loans to group companies	9	-	-	161 609 824	122 793 983
		339 407 643	271 973 814	161 917 519	123 730 358

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.2 Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

GROUP	Notes	Carrying amount R	Contractual cash flows R	Not later than 1 month R	Between 1 – 3 months R
Non-derivative financial liabilities					
2023					
Loans payable	20	1 199 116 254	1 581 804 565	12 036 733	29 208 607
Trade and other payables	22	54 608 593	71 662 893	6 619 662	–
Lease liabilities	23	82 739 388	149 934 239	713 000	1 426 000
		1 336 464 235	1 803 401 697	19 369 395	30 634 607
Guarantees*		–	56 850 000	–	–
		1 336 464 235	1 860 251 697	19 369 395	30 634 607
2022					
Loans payable	20	1 228 674 537	1 476 656 783	9 860 858	22 225 904
Trade and other payables	22	60 036 029	87 179 869	15 859 895	790 328
Lease liabilities	23	82 089 147	157 248 238	402 500	805 000
		1 370 799 713	1 721 084 890	26 123 253	23 821 232
Guarantees*		–	56 850 000	–	–
		1 370 799 713	1 777 934 890	26 123 253	23 821 232

* These guarantees comprise suretyships issued in respect of long-term loan contracts entered into by investments and joint ventures, and are only liable in the event of default. An assessment of the loss allowance on the financial guarantees has determined that the risk of default resulting in the guarantees being called upon has been assessed as low, consequently no liability is recognised.

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.2 Liquidity risk (continued)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

GROUP	Notes	3 months – 1 year R	Total within 1 year R	Between 1 – 2 years R	Between 2 and 5 years R	Over 5 years R
Non-derivative financial liabilities						
2023						
Loans payable	20	96 497 882	137 743 222	19 448 409	1 424 612 934	–
Trade and other payables	22	11 316 034	17 935 696	–	53 727 197	–
Lease liabilities	23	6 759 240	8 898 240	9 432 134	31 418 967	100 184 898
		114 573 156	164 577 158	28 880 543	1 509 759 098	100 184 898
Guarantees*		56 850 000	56 850 000	–	–	–
		171 423 156	221 427 158	28 880 543	1 509 759 098	100 184 898
2022						
Loans payable	20	113 260 236	145 346 998	117 839 112	1 213 470 673	–
Trade and other payables	22	26 397 297	43 047 520	5 074 788	–	39 057 561
Lease liabilities	23	6 106 500	7 314 000	8 898 240	29 842 948	111 193 050
		145 764 033	195 708 518	131 812 140	1 243 313 621	150 250 611
Guarantees*		56 850 000	56 850 000	–	–	–
		202 614 033	252 558 518	131 812 140	1 243 313 621	150 250 611

* These guarantees comprise suretyships issued in respect of long-term loan contracts entered into by investments and joint ventures, and are only liable in the event of default. An assessment of the loss allowance on the financial guarantees has determined that the risk of default resulting in the guarantees being called upon has been assessed as low, consequently no liability is recognised.

The debt payable within one year will be funded by a combination of operations and the renegotiation of loan terms.

The long-term debt payable will be funded by operating cash flows and/or sale of underlying properties and investments.

The trade and other payables expected to be settled after five years relate to the cumulative fair value adjustments on investment properties which form part of the profit share arrangement and initial contribution by ZRG Investments (Pty) Limited which is more fully described in note 22.

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for the year ended 31 August 2023 (continued)

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.2 Liquidity risk (continued)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

COMPANY	Notes	Carrying amount R	Contractual cash flows R	Not later than 1 month R	Between 1 and 3 months R
Non-derivative financial liabilities					
2023					
Trade and other payables	22	280 339	280 339	280 339	-
Loan payable	20	97 057 588	110 844 545	927 160	9 191 028
Guarantees*		-	273 350 000	-	-
		97 337 927	384 474 884	1 207 499	9 191 028
2022					
Trade and other payables	22	130 645	130 645	130 284	-
Loan payable	20	97 057 588	115 807 060	696 700	1 416 623
Guarantees*		-	342 468 000	-	-
		97 188 233	458 405 705	826 984	1 416 623

COMPANY	Notes	3 months to 1 year R	Within 1 year R	Between 1 – 2 years R	Between 2 – 5 years R
Non-derivative financial liabilities					
2023					
Trade and other payables	22	-	280 339	-	-
Loan payable	20	6 925 878	17 044 066	93 800 479	-
Guarantees*		273 350 000	273 350 000	-	-
		280 275 878	290 674 405	93 800 479	-
2022					
Trade and other payables	22	-	130 645	-	-
Loan payable	20	6 363 192	8 476 515	14 444 244	92 886 301
Guarantees*		342 468 000	342 468 000	-	-
		348 831 192	351 075 160	14 444 244	92 886 301

* These guarantees comprise suretyships issued in respect of long-term loan contracts entered into by investments, joint ventures and subsidiaries, and are only liable in the event of default. An assessment of the loss allowance on the financial guarantees has determined that the risk of default resulting in the guarantees being called upon has been assessed as low, consequently no liability is recognised.

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.3 Market risk

33.3.1 Interest rate risk

The exposure to interest rate risk and the effective interest rates on financial instruments at reporting date are as follows:

GROUP	Type %	Notes	Carrying amount		
			Year 1 R	2 – 5 years R	Total R
2023					
Assets					
Loans receivable	Variable rate	12, 13	–	64 359 652	64 359 652
Trade and other receivables	Variable rate	15	7 391 890	–	7 391 890
Derivatives	Variable rate	21	345 537	–	345 537
Cash and cash equivalents	Variable rate	17	267 656 101	–	267 656 101
			275 393 528	64 359 652	339 753 180
Liabilities					
Loans payable	Variable rate	20	10 241 845	1 188 874 409	1 199 116 254
			10 241 845	1 188 874 409	1 199 116 254
2022					
Assets					
Loans receivable	Variable rate	12, 13	–	64 523 573	64 523 573
Trade and other receivables	Variable rate	15	4 653 182	–	4 653 182
Derivatives	Variable rate	21	2 054 789	–	2 054 789
Cash and cash equivalents	Variable rate	17	202 797 059	–	202 797 059
			209 505 030	64 523 573	274 028 603
Liabilities					
Loans payable	Variable rate	20	41 937 318	1 186 737 219	1 228 674 537
Derivatives	Variable rate	21	30 476	294 438	324 914
			41 967 794	1 187 031 657	1 228 999 451

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for the year ended 31 August 2023 (continued)

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.3 Market risk (continued)

33.3.1 Interest rate risk (continued)

COMPANY	Type %	Notes	Carrying amount		Total R
			Year 1 R	2 – 5 years R	
2023					
Assets					
Cash and cash equivalents	Variable rate	17	307 695	–	307 695
Loans to group companies	Variable rate	9	–	222 057 588	222 057 588
			307 695	222 057 588	222 365 283
Liabilities					
Loan payable	Variable rate	20	6 409 549	90 648 039	97 057 588
			6 409 549	90 648 039	97 057 588
2022					
Assets					
Cash and cash equivalents	Variable rate	17	936 375	–	936 375
Loans to group companies	Variable rate	9	–	97 057 588	97 057 588
			936 375	97 057 588	97 993 963
Liabilities					
Derivatives	Variable rate	21	30 476	–	30 476
Loan payable	Variable rate	9	–	97 057 588	97 057 588
			30 476	97 057 588	97 088 064

Cash flow sensitivity analysis for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss after tax by the amounts shown below. A decrease of 100 basis points will have the same but opposite effect. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as 2022.

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Variable rate instruments	(6 189 902)	(6 888 245)	48 364	6 742

33.3.2 Equity risk

Equity price sensitivity analysis

An increase of 10% in the price of the investment in shares at the reporting date would have increased profit or loss after tax and other comprehensive income respectively by the amounts shown below. A decrease of 10% will have the same but opposite effect. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as 2022.

	GROUP	
	2023 R	2022 R
Financial assets at fair value through profit or loss	460 249	460 249

34. FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

34.1 Financial assets by category

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

GROUP	Notes	At amortised cost R	Fair value through profit or loss R	Total R
2023				
Loans receivable	12, 13	64 359 652	–	64 359 652
Trade and other receivables	15	7 391 890	–	7 391 890
Cash and cash equivalents	17	267 656 101	–	267 656 101
Derivatives	21	–	1 326 523	1 326 523
Investment	14	–	6 392 345	6 392 345
		339 407 643	7 718 868	347 126 511
2022				
Loans receivable	12, 13	64 523 573	–	64 523 573
Trade and other receivables	15	4 653 182	–	4 653 182
Cash and cash equivalents	17	202 797 059	–	202 797 059
Derivatives	21	–	2 054 789	2 054 789
Investment	14	–	6 392 345	6 392 345
		271 973 814	8 447 134	280 420 948

COMPANY	Notes	At amortised cost R	Total R
2023			
Loans to group companies	9	161 609 824	161 609 824
Cash and cash equivalents	17	307 695	307 695
		161 917 519	161 917 519
2022			
Loans to group companies	9	122 793 983	122 793 983
Cash and cash equivalents	17	936 375	936 375
		123 730 358	123 730 358

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for the year ended 31 August 2023 (continued)

34. FINANCIAL ASSETS AND LIABILITIES BY CATEGORY (CONTINUED)

34.2 Financial liabilities by category

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

GROUP	Notes	At amortised cost R	Fair value through profit or loss R	Total R
2023				
Loans payable	20	1 199 116 254	–	1 199 116 254
Trade and other payables	22	54 608 593	41 707 932	96 316 525
		1 253 724 847	41 707 932	1 295 432 779
2022				
Loans payable	20	1 228 674 537	–	1 228 674 537
Derivatives	21	–	324 914	324 914
Trade and other payables	22	60 036 029	27 568 840	87 604 869
		1 288 710 566	27 893 754	1 316 604 320

COMPANY	Notes	At amortised cost R	Total R
2023			
Loan payable	20	97 057 588	97 057 588
Trade and other payables	22	280 339	280 339
		97 337 927	97 337 927
2022			
Loan payable	20	97 057 588	97 057 588
Trade and other payables	22	130 645	130 645
		97 188 233	97 188 233

GROUP	Interest income R	Impairment reversal/ (impairment) R
2023		
Financial assets at amortised cost	20 363 812	5 141 259
2022		
Financial assets at amortised cost	12 445 848	(2 389 871)

COMPANY	Interest income R	Dividend income R
2023		
Financial assets at amortised cost	12 410 759	125 000 000
2022		
Financial assets at fair value	–	255 296
Financial assets at amortised cost	9 588 387	–
	9 588 387	255 296

35. NET GAINS OR LOSSES ON FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

35.2 Financial liabilities

GROUP	Interest expense R	Fair value adjustments through profit or loss (mandatory) R
2023		
Financial liabilities at amortised cost	115 300 231	-
Financial liabilities at fair value	-	(403 352)
	115 300 231	(403 352)
2022		
Financial liabilities at amortised cost	87 117 481	-
Financial liabilities at fair value	-	12 695 977
	87 117 481	12 695 977
COMPANY		
2023		
Financial liabilities at amortised cost	10 072 513	-
Financial liabilities at fair value	-	-
	10 072 513	-
2022		
Financial liabilities at amortised cost	8 413 544	-
Financial liabilities at fair value	-	1 077 419
	8 413 544	1 077 419

36. FAIR VALUE MEASUREMENT

Fair value hierarchy

Assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined, based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in an active market for an identical asset.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes assets valued using: quoted market prices in active markets for similar assets; quoted prices for identical or similar assets in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all assets where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the asset's valuation. This category also includes assets that are valued based on quoted prices for similar assets where significant unobservable adjustments or assumptions are required to reflect differences between the assets.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

36. FAIR VALUE MEASUREMENT (CONTINUED)

Financial instruments

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy.

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measured.

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

GROUP	Notes	Level 1 R	Level 2 R	Level 3 R	Total R
2023					
Assets					
Investments at fair value through profit or loss	14	-	6 392 345	-	6 392 345
Derivatives at fair value through profit or loss	21	-	345 537	-	345 537
		-	6 737 882	-	6 737 882
Liabilities					
Profit share arrangements at fair value through profit or loss	22	-	-	41 707 932	41 707 932
		-	-	41 707 932	41 707 932
2022					
Assets					
Investments at fair value through profit or loss	14	-	6 392 345	-	6 392 345
Derivatives at fair value through profit or loss	21	-	2 054 789	-	2 054 789
		-	8 447 134	-	8 447 134
Liabilities					
Profit share arrangements at fair value through profit or loss	22	-	-	27 568 840	27 568 840
Derivatives at fair value through profit or loss	21	-	324 914	-	324 914
		-	324 914	27 568 840	27 893 754
2022					
Liabilities					
Derivatives at fair value through profit or loss	21	-	30 476	-	30 476

There have been no transfers between levels 1, 2 and 3 in the period under review.

36. FAIR VALUE MEASUREMENT (CONTINUED)

Fair value measurement of derivatives

The valuation of interest rate swaps uses observable market data and requires management judgement and estimation. The availability of observable market prices and model inputs reduces the need for management judgement and estimation, and also reduces uncertainty associated with the determination of fair values. The fair value of interest rate swaps is determined by the bank using a valuation technique that maximises the use of observable market inputs. Interest rate swaps are valued by discounting future cash flows using risk-free rates and yield curves derived from quoted rates.

Fair value measurement of profit-sharing arrangements

The fair value of the amount payable in terms of the profit share agreements is determined with reference to the proportionate share (due in terms of the profit-sharing agreement) in the fair value of the underlying investment properties. Three of the properties are retail properties and one of the properties is a commercial property. The inputs used in the valuation of the properties are disclosed in the note below.

Fair value measurement of investments at fair value through profit or loss

The fair value of investments at fair value through profit or loss is determined based on the last publicly traded price of the share.

Fair value measurement of non-financial assets (property)

The fair value of the investment properties and land and buildings measured at fair value, which equals the carrying value, is based either on independent professional valuers who have recognised professional qualifications and experience in the valuation of similar properties or directors' valuations. In the current year, properties comprising circa 68% of the total value were independently valued, while in the prior year no properties were independently valued.

The fair value of properties is estimated using either an income approach which capitalises the estimated rental income stream, net of projected operating costs or the market approach which uses prices and other relevant information generated by market transactions involving identical or comparable assets.

At the reporting date the key assumptions and observable inputs used by the group in determining the fair values were the following:

Description	Valuation technique	Significant unobservable inputs and range of estimates used		
		Capitalisation rate %	Vacancy rate %	Rands per sqm
2023				
Retail	Income approach	8.8 – 9.5	0.0 – 5.0	N/A
Commercial	Income approach	8.9 – 11.0	0.0 – 3.0	N/A
Industrial	Income approach	9.5 – 13.0	0.0 – 5.0	N/A
Residential	Market approach	N/A	N/A	13 755 – 17 143
Schools	Market approach	N/A	N/A	5 402 – 37 664*
2022				
Retail	Income approach	8.2 – 9.3	0.0 – 7.2	N/A
Commercial	Income approach or market approach	8.0 – 11.0	0.0 – 4.5	12 593
Industrial	Income approach	9.6 – 13.5	0.0	N/A
Residential	Market approach	N/A	N/A	4 790 – 15 479
Schools	Market approach	N/A	N/A	5 402 – 37 664*

* School properties are classified as land and buildings within property, plant and equipment and are measured at the revalued amount.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

36. FAIR VALUE MEASUREMENT (CONTINUED)

Sensitivity analysis

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

Input	Change %	GROUP	
		2023 R	2022 R
Increase in capitalisation rate	0.5	(72 374 029)	(75 658 530)
Decrease in capitalisation rate	0.5	80 152 238	84 750 232
Increase in vacancy rate	2.0	(44 105 908)	(30 848 323)
Decrease in vacancy rate	2.0	18 083 550	13 397 166
Increase in Rands per sqm	10.0	38 726 607	43 492 272
Decrease in Rands per sqm	10.0	(38 726 607)	(43 492 272)

The following table reflects the fair value of non-financial assets within the level 3 hierarchy:

GROUP	Notes	Level 3 R
2023		
Assets		
Investment property	4	1 595 642 106
Property, plant and equipment	3	323 938 830
Non-current assets held-for-sale	4	61 879 900
		<u>1 981 460 836</u>
2022		
Assets		
Investment property	4	1 461 914 204
Property, plant and equipment	3	321 474 951
Non-current assets held-for-sale	4	114 425 608
		<u>1 897 814 763</u>

Movement in level 3 assets measured at fair value

The reconciliation of the movement in investment property and non-current assets held-for-sale is disclosed in note 4.

The reconciliation of the movement in land and buildings at fair value is disclosed in note 3.

	GROUP	
	2023 R	2022 R
Profit share arrangements at fair value through profit or loss		
Opening balance	27 568 840	25 223 686
Fair value adjustments	14 139 093	2 345 154
Closing balance	<u>41 707 932</u>	<u>27 568 840</u>

37. SEGMENTAL INFORMATION

The group comprises the following main reportable operating segments:

	Property investments R	Education R	Edu-tech R	UK investments R	Corporate and other R	Total R
2023						
Revenue	337 180 394	203 901 018	3 495 027	-	9 675 107	554 251 546
Revenue – at a point in time	44 702 865	21 781 113	-	-	-	66 483 978
Revenue – over time	7 452 427	180 226 210	3 495 027	-	-	191 173 664
Revenue – straight-line basis	276 230 092	-	-	-	-	276 230 092
Investment revenue	8 795 010	1 893 695	-	-	9 675 107	20 363 812
Profit from equity accounted associates	(1 431 959)	-	-	13 117 116	-	11 685 157
Fair value adjustments on investment properties	140 488 044	-	-	-	-	140 488 044
Decrease in ECL recognised in profit or loss	3 741 879	-	-	-	-	3 741 879
Loan written off	(9 037 500)	-	-	-	-	(9 037 500)
Interest expense	(100 987 670)	(22 276 802)	-	-	-	(123 264 472)
Depreciation	(2 028 099)	(13 423 103)	-	-	-	(15 451 202)
Staff costs	(32 948 111)	(111 024 373)	(11 409 205)	-	(11 867 620)	(167 249 309)
Net income/(loss) before tax	148 562 789	4 453 166	(12 386 301)	13 117 116	(2 192 513)	151 554 257
Taxation	(38 911 887)	7 897 668	-	-	1 118 750	(29 895 469)
Net income/(loss) for the year	109 650 902	12 350 834	(12 386 301)	13 117 116	(1 073 763)	121 658 788
Other comprehensive income/(loss)	166 408	(165 147)	-	10 556 414	-	10 557 675
Total assets	1 897 045 217	432 036 158	22 164 462	26 637 977	155 947 445	2 533 831 259
Non-current assets held-for-sale	61 879 900	-	-	-	-	61 879 900
Total liabilities	1 269 245 638	248 236 267	2 306 648	-	7 661 050	1 527 449 603
Non-controlling interest	187 471 501	(7 409 146)	-	-	-	180 062 355
Net asset value	440 328 078	191 209 037	19 857 814	26 637 977	148 286 395	826 319 301
Equity accounted investments	30	-	-	26 637 977	-	26 638 007
Non-current assets*	1 621 774 199	390 498 861	15 732 553	26 637 977	-	2 054 643 590
Additions to non-current assets	8 720 151	6 198 032	9 915 371	-	-	24 833 554
* Non-current assets other than financial instruments and deferred tax assets.						
Intrinsic value						
Club Mykonos Langebaan Group	118 519 601	-	-	-	-	118 519 601
ARIA Property Group	275 197 898	-	-	-	-	275 197 898
RESI Investment Group	58 824 332	-	-	-	-	58 824 332
Generation Education Group	-	352 787 779	-	-	-	352 787 779
ASK Partners	-	-	-	31 241 073	-	31 241 073
Other	-	-	-	-	54 769 227	54 769 227
Cash	-	-	-	-	100 500 885	100 500 885
Intrinsic net asset value	452 541 831	352 787 779	-	31 241 073	155 270 112	991 840 795
Fair value adjustments	(17 587 208)	(161 578 742)	19 857 814	(4 603 096)	(1 610 262)	(165 521 494)
Cash allocation	5 373 455	-	-	-	(5 373 455)	-
Net asset value	440 328 078	191 209 037	19 857 814	26 637 977	148 286 395	826 319 301

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

37. SEGMENTAL INFORMATION (CONTINUED)

	Property investments R	Education R	Edu-tech R	UK investments R	Corporate and other R	Total R
2022						
Revenue	304 043 323	177 831 601	1 175 453	–	6 409 111	489 459 488
Revenue – at a point in time	20 034 124	12 228 415	–	–	–	32 262 539
Revenue – over time	9 185 408	163 412 205	1 175 453	–	–	173 773 066
Revenue – straight-line basis	269 838 044	1 139 991	–	–	–	270 978 035
Investment revenue	4 985 747	1 050 990	–	–	6 409 111	12 445 848
Profit from equity accounted associates	919 490	–	–	9 049 615	–	9 969 105
Fair value adjustments on investment properties	(2 463 963)	–	–	–	–	(2 463 963)
ECL recognised in profit or loss	(1 579 278)	–	–	–	–	(1 579 278)
Interest expense	(76 417 155)	(18 445 994)	–	–	–	(94 863 149)
Depreciation	(2 364 949)	(14 359 617)	–	–	–	(16 724 566)
Staff costs	(30 025 160)	(99 404 889)	(7 015 031)	–	(11 578 412)	(148 023 492)
Net income/(loss) before tax	48 794 290	(542 661)	(8 971 075)	9 049 615	(5 169 301)	43 160 868
Taxation	(14 758 801)	4 669 393	–	–	1 447 404	(8 642 004)
Net income/(loss) for the year	34 035 489	4 126 732	(8 971 075)	9 049 615	(3 721 897)	34 518 864
Other comprehensive (loss)/income	(869 031)	14 588 517	–	(3 042 959)	–	10 676 527
Total assets	1 795 551 814	453 187 368	6 296 698	126 196 395	120 085 015	2 501 317 290
Non-current assets held-for-sale	114 425 608	–	–	–	–	114 425 608
Total liabilities	1 261 808 298	266 376 233	1 173 109	–	1 162 758	1 530 520 398
Non-controlling interest	141 652 890	(5 371 748)	–	–	–	136 281 142
Net asset value	392 090 626	192 182 883	5 123 589	126 196 395	118 922 257	834 515 750
Equity accounted investments	1 431 989	–	–	126 196 395	–	127 628 384
Non-current assets*	1 483 509 439	402 507 196	3 931 030	126 196 395	–	2 016 144 060
Additions to non-current assets	135 704 933	15 025 318	3 931 030	–	–	154 661 281
* Non-current assets other than financial instruments and deferred tax assets.						
Intrinsic value						
Club Mykonos Langebaan Group	126 372 688	–	–	–	–	126 372 688
ARIA Property Group	207 130 612	–	–	–	–	207 130 612
RESI Investment Group	84 908 456	–	–	–	–	84 908 456
Generation Education Group	–	419 192 498	–	–	–	419 192 498
ASK Partners	–	–	–	139 347 684	–	139 347 684
Other	–	–	–	–	60 237 496	60 237 496
Cash	–	–	–	–	61 742 936	61 742 936
Intrinsic net asset value	418 411 756	419 192 498	–	139 347 684	121 980 432	1 098 932 370
Fair value adjustments	(35 912 342)	(191 217 769)	5 123 589	(13 151 289)	(1 135 834)	(236 293 645)
Cash allocation	8 475 580	–	–	–	(8 475 580)	–
Other assets included in net book value, not included in INAV	–	–	–	–	6 553 239	6 553 239
Non-controlling interest	1 115 632	(35 791 846)	–	–	–	(34 676 214)
Net asset value	392 090 626	192 182 883	5 123 589	126 196 395	118 922 257	834 515 750

37. SEGMENTAL INFORMATION (CONTINUED)

Identification of reportable segments

The basis reported by the group is in accordance with the accounting policies adopted for the preparation and presentation of the consolidated financial statements.

Segment revenue excludes value-added taxation.

Segment expenses include direct and allocated expenses. Depreciation has been allocated to the segments to which it relates.

Segment assets comprise all assets of the different segments that are employed by the segment and that either are directly attributable to the segment, or can be allocated to the segment on a reasonable basis.

Reportable segments

Property investments

Income from this segment is derived from the sale of investment property and inventory, rental income on investment property, fair value gains on property investments and dividend income from reporting entities within the segment.

Education

Revenue from this segment is derived from school fees.

Edu-tech

Revenue from this segment is derived from education technology services offered to schools.

UK property investments

Income is derived from equity accounted profits from Leopard ASK Intermediate Investco Limited and ASK Partners Holdco Limited.

Corporate and other

Consists of cash and cash equivalents and other non-significant assets.

Geographical information

Property investments, education, corporate and other represent the South African region and UK investments represent the United Kingdom region.

Intrinsic value report

The intrinsic net asset value is a non-IFRS measure and is one of the measures the board uses to assess shareholder value created and the performance of each operating segment and is therefore presented as part of the group's segment information.

The intrinsic value of assets is determined as follows:

- Investment property – IFRS carrying value (level 3), included at fair value as disclosed in note 36.
- Investments in shares – IFRS carrying value (level 1), included at fair value as disclosed in note 36.
- Cash – IFRS carrying value, as disclosed in note 17.
- Unlisted investments – Directors' valuation using valuation methodology as indicated below (level 3). The unlisted investments include investments in subsidiaries, joint ventures and associates and comprise the GenEd Group, CML Group, ARIA, RESI and ASK.
- Immovable property held as inventory – Directors' valuation using valuation methodology as indicated below (level 3).

The following valuation assumptions and/or procedures were used:

Valuation of education subsidiaries

The valuation of unlisted investments is estimated using the discounted cash flow model.

The significant inputs used in the valuations as at 31 August 2023 were:

- The current year's earnings as well as forecast EBITDA, working capital changes, estimated capital expenditure, growth rates and net debt calculation.
- The weighted average cost of capital applied to the investments was 13.9% (2022: 14.5%).

No value was attributed to GenEx, the edu-tech business as it is in the start-up phase.

Valuation of property subsidiaries

ARIA, CML and RESI have valued their property assets using either directors' valuations, independent professional valuations or comparable market prices (where available).

Valuation of finance associate

The investment in ASK is valued using the price-earnings multiple approach.

Valuation of inventory

The valuation of inventory is estimated using recent sales information of similar properties. The most significant input, which is unobservable, is the price per square metre.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

38. MINIMUM LEASE PAYMENTS RECEIVABLE

	GROUP	
	2023 R	2022 R
Receivable within one year	181 440 224	178 493 695
Receivable within two to five years	484 576 452	479 776 800
Receivable beyond five years	136 159 757	137 700 904
	802 176 433	795 971 399

Minimum lease payments comprise contractual rental income, excluding the straight-line lease adjustments.

The lease terms range between one and ten years with annual escalations ranging from CPI to 10%.

39. RELATED PARTIES

Identity of related parties

Subsidiaries – refer to note 6;

Joint ventures – refer to note 7;

Associates – refer to note 8;

Key management personnel – refer to the directors' report

Entities under control of key management personnel – Armchair Trust

– Salvete Trust

– Alevai Investment Trust

– Nest Egg Trust

	Notes	GROUP		COMPANY	
		2023 R	2022 R	2023 R	2022 R
Related party transactions					
Distributions and dividends received from associates	8	54 856 367	7 558 845	–	–
Profit from equity accounted associates	8	11 685 157	9 969 105	–	–
Decrease/(increase) of ECL on loan to equity accounted joint venture	12	3 741 879	(1 579 278)	–	–
Administration fees received from associate		–	225 000	–	–
Administration fees received from joint ventures		960 000	960 000	–	–
Interest received from directors' trusts		2 324 194	1 146 864	–	1 146 864
Interest received from subsidiaries		–	–	10 072 513	8 413 545
Directors' emoluments – refer to note 30.					
Related party balances					
Loan receivable from equity accounted joint venture	12	14 894 692	8 840 314	–	–
Loans receivable from directors' trusts	13	29 562 694	34 209 042	29 562 694	34 209 042
Loan to subsidiary	9	–	–	161 609 824	122 793 983

The group has signed suretyships for loans payable by The Woodstock Hub joint venture in favour of Nedbank Limited and Investec Bank Limited (refer to note 7 for further details).

The company has signed suretyships for loans payable by subsidiaries in favour of Nedbank Limited, Standard Bank Limited and Investec Bank Limited. The total suretyships signed amounted to R281.6 million (2022: R285.6 million) at year-end.

40. CAPITAL DISTRIBUTIONS

	GROUP		COMPANY	
	2023 R	2022 R	2023 R	2022 R
Capital distribution	90 331 699	68 004 070	90 331 699	68 004 070
			Cents	Cents
The company has paid the following cash distributions per share to shareholders:				
Capital distribution paid (per share)			40.00	30.00
The company has proposed the following cash distributions per share to shareholders:				
Capital distribution proposed (per share)			32.00	40.00
			2023	2022
Capital distributions paid to shareholders holding greater than 20% of the issued share capital of the company				
Number of shares			121 657 160	121 657 160
Total distributions paid		(Rand)	48 662 864	36 497 148

41. RESTATEMENT OF PRIOR-YEAR CASH FLOWS

In the previous year cash flows were reported on a net basis. Assets acquired with bank debt resulted in the net amount being disclosed as the acquisition cash flow amount. The disposal of assets that were secured against bank debt resulted in the net amount after the settlement of the bank debt being disclosed as the cash proceeds from the disposal.

In the current year the amounts have been reported on a gross basis.

The following prior-year comparative figures have been restated as follows and have no effect on the net cash flow:

	GROUP	
	As originally presented 2022 R	As currently presented 2022 R
Acquisition of and addition to property, plant and equipment	(14 617 300)	(15 025 320)
Acquisition of and addition to investment property	(7 531 931)	(128 173 000)
Proceeds on disposal of non-current assets	31 212 534	51 351 151
Decrease in borrowings	–	(25 761 735)
Increase in borrowings	20 716 243	147 388 450
	29 779 546	29 779 546

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 August 2023 (continued)

42. SUBSEQUENT EVENTS

Subsequent to year-end properties with a carrying amount of R9 million recognised as non-current assets held-for-sale were transferred to the buyers of those properties and were derecognised.

After year-end ARIA declared a dividend of R12 million to shareholders, of which R7.2 million was received by Trematon.

Refer to note 40 for the capital distribution declared after year-end.

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

43. GOING CONCERN

The annual financial statements contained in this annual report have been prepared on a going concern basis as the directors have every reason to believe that the company and the group have adequate resources to continue in operation for the year ahead.

The directors are not aware of any material changes that may adversely impact the company. 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 company.

ANALYSIS OF SHAREHOLDERS

Register date: 31 August 2023 Issued share capital: 225 829 248 shares

	Number of shareholders	%	Number of shares	%
Shareholder spread				
1 – 1 000 shares	825	61.20	119 163	0.05
1 001 – 10 000 shares	291	21.59	1 182 678	0.52
10 001 – 100 000 shares	171	12.69	5 256 075	2.33
100 001 – 1 000 000 shares	39	2.89	13 342 364	5.91
1 000 001 shares and over	22	1.63	205 928 968	91.19
Total	1 348	100.00	225 829 248	100.00
Distribution of shareholders				
Banks/Brokers	4	0.30	2 200 064	0.97
Close Corporations	9	0.67	2 032 549	0.90
Endowment Funds	3	0.22	330 003	0.15
Individuals	1 234	91.54	18 458 385	8.17
Mutual Funds	4	0.30	15 299 963	6.78
Private Companies	40	2.97	39 751 959	17.60
Public Companies	1	0.07	1 900	0.00
Trusts	53	3.93	147 754 425	65.43
Total	1 348	100.00	225 829 248	100.00
Public/Non-public shareholders				
Non-public shareholders	11	0.82	162 498 191	71.96
Directors and associates of the company	10	0.74	96 391 031	42.69
Holding more than 10% (excluding directors and associates of the company)	1	0.07	66 107 160	29.27
Public shareholders	1 337	99.18	63 331 057	28.04
Total	1 348	100.00	225 829 248	100.00
Registered shareholders holding 3% or more				
The Suikerbos Trust			66 107 160	29.27
The Armchair Trust			55 550 000	24.60
Buff-Shares (Pty) Limited			18 591 303	8.23
The Salvete Trust			17 247 832	7.64
Investec BCI Dynamic Equity Fund			10 954 427	4.85
Marr Holdings (Pty) Limited			8 978 872	3.98
Total			177 429 594	78.57



TREMATON CAPITAL INVESTMENTS LIMITED
 (Incorporated in the Republic of South Africa)
 (Registration number 1997/008691/06)
 JSE code: TMT ISIN: ZAE00013991
 ("Trematon" or "the company" or "the group")

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 31 August 2023

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF TREMATON CAPITAL INVESTMENTS LIMITED ("TREMATON" OR "THE COMPANY" OR "THE GROUP") WILL BE HELD ENTIRELY BY ELECTRONIC COMMUNICATION ON WEDNESDAY, 24 JANUARY 2024, AT 10:00 TO CONDUCT THE UNDERMENTIONED BUSINESS AND FOR THE UNDERMENTIONED ORDINARY AND SPECIAL RESOLUTIONS TO BE PROPOSED:

Date of posting of this notice of AGM and announcement of AGM on SENS	Thursday, 30 November 2023
Record date to determine which shareholders are entitled to receive the notice of AGM	Friday, 24 November 2023
Last day to trade in order to be eligible to attend and vote at the AGM	Tuesday, 16 January 2024
Record date to determine which shareholders are entitled to attend and vote at the AGM	Friday, 19 January 2024
Forms of proxy to be lodged at transfer secretaries by 10:00 on	Monday, 22 January 2024
AGM of the company to be held at 10:00 on	Wednesday, 24 January 2024
Results of the AGM announced on SENS	Wednesday, 24 January 2024

The expression "Act" or "Companies Act 2008" as used in this notice means the Companies Act, No 71 of 2008, as amended, the expression "JSE" as used herein means the JSE Limited, the expression "Listings Requirements" as used herein refers to the JSE Listings Requirements and the expression "MOI" or "Memorandum of Incorporation" refers to the Memorandum of Incorporation of the company.

Trematon appointed The Meeting Specialist Proprietary Limited ("TMS") to remotely host the AGM on an interactive electronic platform, in order to facilitate remote participation and voting by shareholders. TMS will also act as scrutineers.

Kindly note that, in terms of section 63(1) of the Companies Act, AGM participants (including proxies) will be required to provide identification to the reasonable satisfaction of the Chairman if they are not known to the Chairman before being entitled to participate in or vote at the AGM as more fully detailed in this notice. Forms of identification that will be accepted include certified copies of valid identity documents, driver's licences and passports. If in doubt as to whether any document will be regarded as satisfactory proof of identification, AGM participants should contact the transfer secretaries for guidance.

PRESENTATION OF AUDITED ANNUAL FINANCIAL STATEMENTS

The audited consolidated annual financial statements of the company, including the reports of the board of directors ("board" or "directors"), audit and risk committee and the independent auditors, for the year ended 31 August 2023, will be presented to shareholders as required in terms of section 30(3)(d) of the Act. The complete set of audited consolidated annual financial statements, together with the report of the directors and the independent auditors' report are set out on page 44 of the Integrated Annual Report ("report") and the audit and risk committee report is set out on page 44 thereof.

SECTION A – ORDINARY RESOLUTIONS

To consider, and if deemed fit, pass, the undermentioned ordinary resolutions numbers 1 to 6 with or without modification.

In order to be adopted:

- ordinary resolutions numbers 1, 2, 3, 4 and 6 require the support of more than 50% of the total number of votes exercisable by shareholders present or represented by proxy at the meeting; and
- ordinary resolution number 5 requires the support of at least 75% of the total number of votes exercisable by shareholders present or represented by proxy at the meeting.

1. Ordinary resolution number 1: The re-election of non-executive directors
 "To re-elect the following non-executive directors who, in terms of the company's MOI, retire by rotation at the AGM, but, being eligible, offer themselves for re-election.

- 1.1 Mr R Stumpf; and
- 1.2 Mr R Lockhart-Ross."

Brief biographies of the aforementioned non-executive directors are included on pages 44 to 44 of the report in which this notice is incorporated.

The appointments numbered 1.1 and 1.2 constitute separate ordinary resolutions and will be considered by separate vote.

2. Ordinary resolution number 2: The appointment of the independent auditors and designated auditor

"To re-appoint Moore Cape Town Inc. ("Moore") as the independent external auditors of the group (as defined in the Listings Requirements) and to re-appoint Pierre Conradie (IRBA Registration number: 437840), being a partner of Moore, as the individual designated auditor of the group who will undertake the audit of the group for the ensuing year."

3. Ordinary resolution number 3: The appointment of the audit and risk committee for the ensuing year

“To elect the following non-executive directors, who are eligible and offer themselves for election, to the audit and risk committee for the ensuing year, as recommended by the board:

3.1 Mr JP Fisher;

3.2 Ms MA Sessions; and

3.3 subject to the adoption of ordinary resolution number 1.2, Mr R Lockhart-Ross*.”

* Mr R Lockhart-Ross is the Chairman of the board and a member of the audit and risk committee.

Brief biographies of the aforementioned directors are included on pages 44 to 46 of the report.

The appointments numbered 3.1 to 3.3 constitute separate ordinary resolutions and will be considered by separate vote.

4.1 Ordinary resolution number 4.1: Non-binding advisory vote on the remuneration policy of the company

“To endorse, through a non-binding advisory vote, the remuneration policy of the company, as recommended by the King IV Report on Corporate Governance for South Africa in order to ascertain shareholders’ views on the company’s remuneration policy. The company’s remuneration report and policy is set out on page 44 of the report.”

4.2. Ordinary resolution number 4.2: Non-binding advisory vote on the implementation of the remuneration policy of the company

“To endorse, through a non-binding advisory vote, the remuneration implementation report of the company, as recommended by the King IV Report on Corporate Governance for South Africa. The company’s remuneration implementation report is set out on page 46 of the report.”

Ordinary resolutions numbered 4.1 and 4.2 constitute separate ordinary resolutions and will be considered by separate votes.

In accordance with Principle 14 of the King IV Report on Corporate Governance for South Africa, 2016 (“King IVTM”), the company’s remuneration policy and remuneration implementation report are tabled for consideration by shareholders. These votes enable shareholders to express their views on the remuneration policies adopted by the company and on the implementation thereof.

Ordinary resolutions 4.1 and 4.2 are of an advisory nature only and failure to pass these resolutions will therefore not have any legal consequences relating to existing remuneration arrangements, however, the board will take the outcome of the votes on these resolutions into consideration when considering amendments to the company’s remuneration policy. Should either of the resolutions, or both, be opposed by

25% or more of the total number of votes exercisable by shareholders present or represented by proxy at the AGM, the board will issue an invitation, included in the announcement to shareholders advising of the results of the AGM, to be published on SENS on 25 January 2023, to those shareholders who voted against the applicable resolution to engage with the company at a meeting scheduled for this purpose.

5. Ordinary resolution number 5: General authority to issue securities for cash

“To authorise the directors of the company, by way of a general authority, to allot and issue for cash any or all of its authorised but unissued ordinary shares and to issue any options/convertible securities that are convertible into an existing class of equity securities in the share capital of the company as they in their discretion may deem fit, without restriction, subject to the provisions of the Listings Requirements, the Act and the MOI of the company, and provided further that:

- (a) the approval shall be valid until the date of the next AGM, provided it shall not extend beyond 15 months from the date of this resolution;
- (b) the number of ordinary shares issued for cash shall, in any one financial year in the aggregate, not exceed 67 748 774 shares, being 30% of the company’s issued shares as at the date of this notice, excluding treasury shares;
- (c) after the company has issued shares in terms of this general authority representing, on a cumulative basis within a financial year, 5% or more of the number of shares in issue prior to that issue, the company will publish an announcement containing full details of the issue, including the effects of the issue on the net asset value per share, net tangible asset value per share, earnings per share, headline earnings per share, and diluted earnings and headline earnings per share;
- (d) in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount at which such shares may be issued will be 10% of the weighted average traded price on the JSE of those shares over the 30 business days prior to the date that the price of the issue is determined or agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the company’s shares have not traded in such 30-business-day period;
- (e) any shares issued under this authority during the period contemplated in paragraph (a) above, must be deducted from the number in paragraph (b) above;
- (f) in the event of a sub-division or consolidation of issued shares during the period contemplated in paragraph (a) above, the existing authority must be adjusted accordingly to represent the same allocation ratio;
- (g) any such issue will only be made to public shareholders as defined in the Listings Requirements and not to related parties; and

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 31 August 2023 (continued)

- (h) the shares, which are the subject of the issue for cash, will be of a class already in issue, or where this is not the case, will be limited to such shares or rights that are convertible to a class already in issue.”

Explanatory note

The reason for this ordinary resolution is, and the effect thereof will be, to authorise the directors to allot and issue, for cash, any of the company's unissued ordinary shares, as they in their discretion deem fit, subject to the applicable provisions of the Listings Requirements, the Act, the MOI and this resolution.

As mentioned above, in terms of the Listings Requirements, this ordinary resolution requires the support of at least 75% of the total number of votes exercisable by shareholders present or represented by proxy at the meeting.

6. Ordinary resolution number 6: Directors to implement resolutions

“To authorise each and every director of the company to do all such things and sign all documents and take all such action as they consider necessary to give effect to and implement the ordinary and special resolutions as set out in this notice.”

SECTION B – SPECIAL RESOLUTIONS

To consider and if deemed fit, pass, the undermentioned special resolutions numbers 1 to 4, with or without modification. In order to be adopted these resolutions require the support of at least 75% of the total number of votes exercisable by shareholders present or represented by proxy at the meeting:

7. Special resolution number 1: Financial assistance for subscription of securities

“To authorise the directors of the company, in terms of section 44 of the Act, to provide direct or indirect financial assistance by way of loans, guarantees, the provision of security or otherwise to any person (as defined in the Act and including the Trematon Share Incentive Trust and any participant thereof), for the purposes of, or in connection with, the subscription of any option, or any securities (as defined in the Act), issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company.”

Explanatory note

The reason for this special resolution is, and the effect thereof will be, to grant the directors of the company the authority to cause the company to provide direct or indirect financial assistance to any person as contemplated in section 44 of the Act.

8. Special resolution number 2: Financial assistance

“To authorise the directors of the company, in terms of section 45 of the Act, to cause the company to provide any direct or indirect financial assistance to

any director or prescribed officer of the company, or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related company or corporation, or to a person (as defined in the Act) related to any such company (including the company), corporation, director, prescribed officer or member or to the Trematon Share Incentive Trust (to the extent, if any, necessary in law) insofar as any director or prescribed officer thereof is a participant thereof or is related or inter-related, directly or indirectly, to any such participant.”

Explanatory note

The reason for this special resolution is, and the effect thereof will be, to grant the directors of the company the authority to cause the company to provide financial assistance to any director or prescribed officer of the company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person related to any such company (including the company), corporation, director, prescribed officer or member, as contemplated in section 45 of the Act.

9. Special resolution number 3: General authority to repurchase shares

“To authorise the company or any of its subsidiaries to repurchase or purchase, as the case may be, ordinary shares issued by the company on such terms and conditions and in such amounts as the directors of the company may decide, but subject always to the provisions of the Act, the MOI, the Listings Requirements and the following further limitations:

- (i) that the repurchase of shares be effected through the order book operated by the JSE trading system and be done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- (ii) that this authority shall not extend beyond 15 months from the date of this resolution or the date of the next AGM, whichever is the earlier date;
- (iii) that any authorisation thereto is given by the MOI;
- (iv) that an announcement be made giving such details as may be required in terms of the Listings Requirements when the company, or any subsidiary or subsidiaries of the company collectively, has cumulatively repurchased 3% of the initial number (the number of that class of shares in issue at the time that the general authority is granted) of the relevant class of securities and for each 3% in aggregate of the initial number of that class acquired thereafter;
- (v) at any one time, the company or any subsidiary may only appoint one agent to effect any repurchase on behalf of the company or any subsidiary, as the case may be;
- (vi) the repurchase of shares will not take place during a prohibited period as defined by the Listings Requirements unless a repurchase programme where the dates and quantities of shares to be traded during the relevant period are fixed (not

subject to any variation) is in place and has been submitted to the JSE in writing. The company must instruct an independent third party which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;

- (vii) the repurchase of shares shall not, in the aggregate, in any one financial year, exceed 20% of the company's issued share capital at the time this authority is given, provided that a subsidiary, or subsidiaries of the company collectively, shall not hold in excess of 10% of the number of shares issued by the company;
- (viii) the repurchase of shares may not be made at a price greater than 10% above the weighted average traded price of the market value of the shares as determined over the five business days immediately preceding the date on which the transaction was effected. The JSE should be consulted for a ruling if the company's shares have not traded in such five-business-day period;
- (ix) prior to entering the market to proceed with the repurchase, the board shall have confirmed by resolution that the company and its subsidiaries have passed the solvency and liquidity test as set out in section 4 of the Act and confirming that, subsequent to the test being performed, there had been no material changes to the financial position of the group; and
- (x) the board is of the opinion that this authority should be in place so as to enable the company, as and when the opportunity presents itself, to repurchase shares."

Explanatory note

The reason for this special resolution is, and the effect thereof will be, to grant, in terms of the provisions of the Act and the Listings Requirements, and subject to the terms and conditions embodied in this special resolution, a general authority to the directors to approve the acquisition by the company or any of its subsidiaries of the company's own shares, which authority shall be used by the directors at their discretion provided that such authority shall not extend beyond 15 months of the date of this AGM.

Disclosures required in terms of the Listings Requirements

In terms of the Listings Requirements, the following disclosures are required with reference to the repurchase of the company's shares as set out in special resolution number 3 above:

Statement of directors

As at the date of this report the company's directors undertake that, after considering the effect of the maximum repurchase permitted, they will not implement any such repurchase unless the provisions of sections 4

and 48 of the Act will be complied with and for a period of 12 months after the date of any resolution of the directors authorising such general repurchase:

- (i) the company and the group will be able, in the ordinary course of business, to pay its debts;
- (ii) the assets of the company and the group will be in excess of the liabilities of the company and the group, recognised and measured in accordance with International Financial Reporting Standards;
- (iii) the share capital and reserves of the company and the group will be adequate for ordinary business purposes;
- (iv) the working capital resources of the company and the group will be adequate for ordinary business purposes;
- (v) the company and the group has complied with the applicable provisions of the Act and the Listings Requirements.

Directors' responsibility statement

The directors, whose names are given on pages 44 and 45 of the report, collectively and individually, accept full responsibility for the accuracy of the information pertaining to the above special resolution and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the above special resolution contains all information required by law and the Listings Requirements.

Material changes

Other than the facts and developments reported on in the report, there have been no material changes in the affairs, financial or trading position of the group since the signature date of the report and the posting date thereof.

The following further disclosures required in terms of the Listings Requirements are set out in accordance with the reference pages in the report of which this notice forms part:

Directors and management (refer to pages 44 and 45)

Directors' interests in the company's shares (refer to page 45)

10. Special resolution number 4: The authority to pay non-executive directors' fees
"That the non-executive directors' (whose further details and designations are set out on pages 44 and 45 of the report) fees paid for the period ended 31 August 2023, as set out on page 44 of the report, be and are hereby approved.

Further, that the non-executive directors' fees payable for the period from 1 September 2023 until 31 August 2024 be and are hereby approved:

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for the year ended 31 August 2023 (continued)

Name	2024 R	2023 R
JP Fisher	241 500	241 500
K Getz	241 500	241 500
R Lockhart-Ross	509 250	509 250
MA Sessions	241 500	241 500
R Stumpf	241 500	241 500

Additional fees are paid to non-executive directors for meeting attendance as follows:

Audit committee (per meeting)	R15 750 (2023: R15 750)
Audit committee – Chairman (per meeting)	R21 000 (2023: R21 000)
Remuneration committee (per meeting)	R10 500 (2023: R10 500)
Social and ethics committee (per meeting)	R10 500 (2023: R10 500)

Explanatory note

The reason for this special resolution is, and the effect thereof will be, to grant the company the authority to pay fees to non-executive directors for their services as directors in terms of section 66 of the Act. Furthermore, in terms of the Act and the King IV Report on Governance for South Africa, remuneration payable to non-executive directors should be approved by shareholders in advance or within the previous two years.

SECTION C – TO TRANSACT SUCH OTHER BUSINESS (IF ANY) AS MAY BE TRANSACTED AT AN AGM

Entitlement to attend and vote at the AGM in person or by proxy

- Equity securities held by a share trust or scheme will not have their votes at the AGM taken into account for the purposes of resolutions passed in terms of the JSE Listings Requirements.
- Unlisted securities (if applicable) and shares held as treasury shares may not vote.

Certificated and dematerialised shareholders with “own name” registration

A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote in his/her place. The proxy need not be a member of the company. It is requested that proxy forms be forwarded so as to reach the transfer secretaries by no later than 10:00 on Monday, 22 January 2024, so as to assist the company to timeously verify the identity of the shareholders and their proxies who wish to participate by electronic communication at the AGM. Proxy forms may be presented at any time prior to or at the AGM, but not later than 08:00 on the day of the meeting in accordance with the instructions therein, by e-mailing those proxy forms to TMS at proxy@tmsmeetings.co.za.

Presentation of suitable identification by the proxy when registering his attendance on the day of the AGM will be required.

Dematerialised shareholders, other than with “own name” registration

Shareholders who have already dematerialised their shares other than with “own name” registration, must advise their Central Securities Depository Participant (“CSDP”) or broker of their voting instructions if they are unable to attend the AGM but wish to be represented thereat. This should be done by the cut-off time stipulated by their CSDP or broker. If, however, such members wish to attend the AGM in person, then they will need to request their CSDP or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between the dematerialised shareholder and the CSDP or broker.

Participation in the meeting

The board of directors of the company has determined that the record date for the purposes of determining which shareholders of the company are entitled to receive notice of the AGM was Friday, 24 November 2023 and the last date for purposes of determining which shareholders of the company are entitled to participate in and vote at the AGM is Friday, 19 January 2024. Accordingly, only shareholders who are registered in the register of members of the company on Friday, 19 January 2024 will be entitled to participate in and vote at the AGM.

This notice of AGM includes the attached proxy form.

Electronic participation

Shareholders who wish to electronically participate in and/or vote at the AGM are required to complete the Electronic Participation Application Form available on page 44 and e-mail same to TMS at proxy@tmsmeetings.co.za and contact them on +27 11 520 7950/1/2 as soon as possible, but in any event no later than 10:00 on Monday, 22 January 2024. Shareholders are strongly encouraged to submit votes by proxy before the meeting. If shareholders wish to participate in the AGM, they should instruct their CSDP or broker to issue them with the necessary letter of representation to participate in the AGM, in the manner stipulated in their custody agreement. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker, to accommodate such requests.

TMS will assist shareholders with the requirements for electronic participation in, and/or voting at the AGM. TMS is further obliged to validate (in correspondence with Trematon and, in particular, the transfer secretaries, and shareholders’ CSDPs) each such shareholder’s entitlement to participate in and/or vote at the AGM, before providing them with the necessary means to access the AGM and/or the associated voting platform.

Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the AGM. Any such charges will not be for the account of Trematon and/or TMS. Trematon or TMS cannot be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such shareholder from participating in and/or voting at the AGM.

Shareholders are reminded that they are still able to vote normally through proxy submission, despite deciding to participate either electronically or not at all in the AGM. Shareholders are strongly encouraged to submit votes by proxy in advance of the AGM to the transfer secretaries – JSE Investor Services (Pty) Limited, 13th Floor Rennie House, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000) South Africa, e-mail meetfax@linkmarketservices.co.za or facsimile 086 674 2450 by no later than 10:00 on Monday, 22 January 2024.

Kindly ensure that TMS is copied when submitting all completed proxy forms and/or letters of representation to the transfer secretaries.

Please forward all relevant information to the below-mentioned:

The Meeting Specialist (Pty) Limited
JSE Building
One Exchange Square
2 Gwen Lane
Sandown
South Africa
2196

Attention: Michael Wenner, Farhana Adam or Izzy van Schoor
Tel: +27 11 520 7950/1/2
E-mail: michael.wenner@tmsmeetings.co.za
E-mail: farhana.adam@tmsmeetings.co.za
E-mail: izzy.vanschoor@tmsmeetings.co.za
E-mail: proxy@tmsmeetings.co.za

As required in terms of section 63(1) of the Companies Act, before any person may attend or participate in the AGM, that person must present reasonably satisfactory identification and the presiding person at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or as a proxy for a shareholder, has been reasonably verified. So as to comply with this verification procedure set out in section 63(1) of the Companies Act, shareholders wishing to participate electronically in the AGM are required to deliver written notice to TMS by e-mail to proxy@tmsmeetings.co.za by no later than 10:00 on Monday, 22 January 2024 that they wish to participate via electronic communication at the AGM (the electronic notice). For the electronic participation to be valid, it must contain:

- if the shareholder is an individual, a certified copy of his/her original identity document and/or passport and/or driver's licence;
- if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the AGM via electronic communication; and
- a valid e-mail address and/or mobile telephone number (the contact e-mail address/number).

Shareholder rights

In terms of section 58 of the Companies Act, No. 71 of 2008 (as amended), shareholders have rights to be represented by proxy as herewith stated.

- (1) At any time, a shareholder of the company may appoint any individual, including an individual who is not a shareholder of the company, as a proxy to:
 - (a) participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder; or
 - (b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.

Provided that the shareholder may appoint more than one proxy to exercise voting rights attached to different shares held by the shareholder.

- (2) A proxy appointment:
 - (a) must be in writing, dated and signed by the shareholder; and
 - (b) remains valid for:
 - (i) one year after the date on which it was signed; or
 - (ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4)(c), or expires earlier as contemplated in subsection (8)(d).
- (3) Except to the extent that the Memorandum of Incorporation of the company provides otherwise:
 - (a) a shareholder of the company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
 - (b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - (c) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
- (4) Irrespective of the form of instrument used to appoint a proxy:
 - (a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - (c) if the appointment is revocable, a shareholder may revoke the proxy appointment by:
 - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - (ii) delivering a copy of the revocation instrument to the proxy and to the company.

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 31 August 2023 (continued)

- (5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:
- (a) the date stated in the revocation instrument, if any; or
 - (b) the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).
- (6) If the instrument appointing a proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by this Act or the company's MOI to be delivered by the company to the shareholder must be delivered by the company to:
- (a) the shareholder; or
 - (b) the proxy or proxies, if the shareholder has:
 - (i) directed the company to do so, in writing; and
 - (ii) paid any reasonable fee charged by the company for doing so.
- (7) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI, or the instrument appointing the proxy, provides otherwise.
- (8) If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument for appointing a proxy:
- (a) the invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
 - (b) the invitation, or form of instrument supplied by the company for the purpose of appointing a proxy, must:
 - (i) bear a reasonably prominent summary of the rights established by this section;
 - (ii) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by the shareholder; and
 - (iii) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or is to abstain from voting;
 - (c) the company must not require that the proxy appointment be made irrevocable; and
 - (d) the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to subsection (5).
- (9) Subsections (8)(b) and (d) do not apply if the company merely supplies a generally available standard form of proxy appointment on request by a shareholder.

By order of the board

JJ Vos
Company Secretary

Cape Town
23 November 2023



PROXY FORM

TREMATON CAPITAL INVESTMENTS LIMITED
 (Incorporated in the Republic of South Africa)
 (Registration number 1997/008691/06)
 JSE code: TMT ISIN: ZAE00013991
 ("Trematon" or "the company" or "the group")

THIS FORM OF PROXY IS ONLY FOR USE BY:

- shareholders who hold their shares in certificated form; and
- shareholders who hold dematerialised shares with "own name" registration,

at the annual general meeting (the "AGM") of shareholders of the company to be held entirely by electronic communication at 10:00 on Wednesday, 24 January 2024.

Other shareholders must give their voting instructions to their CSDP or broker (see note 8).

Each shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy (who need not be a shareholder of the company) to attend, participate in, speak and vote in place of that shareholder at the AGM, and at any adjournment thereafter.

Please note the following:

- the appointment of your proxy may be suspended at any time to the extent that you choose to act directly and in person in the exercise of your rights as a shareholder at the AGM;
- the appointment of the proxy is revocable; and
- you may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the company.

Please note that any shareholder of the company that is a company may authorise any person to act as its representative at the AGM.

Please also note that section 63(1) of the Act requires that persons wishing to participate in the AGM (including the aforementioned representative) provide satisfactory identification before they may so participate.

I/We (BLOCK LETTERS) _____

of _____

being the registered holder/s of _____ ordinary shares

hereby appoint

1. _____ whom failing

2. _____ whom failing

3. the Chairman of the AGM as my/our proxy to vote for me/us and on my/our behalf at the AGM of the company to be held on 24 January 2024 and at any adjournment thereof as follows:

	Number of shares	In favour of	Against	Abstain
Section A				
Ordinary resolution number 1 – Re-election of non-executive directors				
Ordinary resolution number 1.1 – Re-election of R Stumpf				
Ordinary resolution number 1.2 – Re-election of R Lockhart-Ross				
Ordinary resolution number 2 – Appointment of the independent auditor and designated auditor				
Ordinary resolution number 3 – Appointment of the audit and risk committee				
Ordinary resolution number 3.1 – Election of JP Fisher				
Ordinary resolution number 3.2 – Election of MA Sessions				
Ordinary resolution number 3.3 – Election of R Lockhart-Ross				
Ordinary resolution number 4.1 – Endorsement of remuneration policy				
Ordinary resolution number 4.2 – Implementation of remuneration policy				
Ordinary resolution number 5 – General authority to issue securities for cash				
Ordinary resolution number 6 – Directors to implement resolutions				
Section B				
Special resolution number 1 – Financial assistance for subscription of securities				
Special resolution number 2 – Financial assistance				
Special resolution number 3 – General authority to repurchase shares				
Special resolution number 4 – Authority to pay non-executive directors' fees				

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of shares held in respect of which you desire to vote (see note 2).

This form of proxy shall be valid only until the AGM of the shareholders of the company to be held on Wednesday, 24 January 2024 and any adjournment thereof.

Signed at _____ on _____ 20_____.

Signature _____

(Authority of signatory to be attached if applicable – see note 5)

Assisted by me (where applicable – see note 10) _____ Telephone number _____

Please also read the notes overleaf.

Registered office
 3rd Floor
 Aria North Wharf
 42 Hans Strijdom Avenue
 Cape Town, 8001

Postal address
 PO Box 15176
 Vlaeberg, 8018
 Tel: 021 421 5550

Transfer secretaries
 JSE Investor Services (Pty) Limited
 17 Ameshoff Street, Braamfontein, 2001
 PO Box 4844
 Johannesburg, 2000

NOTES TO THE PROXY

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided with or without deleting "the Chairman of the AGM". The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. If there is no clear indication as to the voting instructions to the proxy, the proxy form will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's votes exercisable thereat.
3. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of votes cast and in respect of which any abstention is recorded may not exceed the total votes exercisable by the shareholder or his/her proxy.
4. Any deletion, alteration or correction to this form of proxy must be initialled by the signatory/ies, but any such alteration or correction will only be validly made if it is accepted by the chairperson.
5. Documentary evidence establishing the authority of a person signing this form of proxy in the representative capacity must be attached to this form of proxy unless previously recorded by the company.
6. Forms of proxy may be presented any time prior to or at the AGM and also at the company's registered office at 3rd Floor, Aria North Wharf, 42 Hans Strijdom Avenue, Cape Town, 8001 (PO Box 15176, Vlaeberg, 8018), or the company's transfer secretaries. Should forms of proxy be presented at the company's transfer secretaries these must be completed and received by:

JSE Investor Services (Pty) Limited, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000) by not later than 10:00 on Monday, 22 January 2024 or, if not so received by 10:00 on Monday, 22 January 2024, by e-mailing it to the TMS at proxy@tmsmeetings.co.za at any time before the commencement of the AGM but not later than 08:00 on the day of the AGM.
7. The completion and lodging of this form of proxy by certificated members and dematerialised members with "own name" registration will not preclude the shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such shareholder wish to do so.
8. Dematerialised shareholders, other than with "own name" registration, must advise their Central Securities Depository Participant ("CSDP") or broker of their voting instructions if they are unable to attend the AGM, but wish to be represented thereat. This should be done by the cut-off time stipulated by their CSDP or broker. If, however, such members wish to attend the AGM by electronic participation, then they will need to request their CSDP or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between the dematerialised shareholder and the CSDP or broker.
9. A form of proxy shall be deemed to include the right to demand or join in demanding a poll.
10. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company Secretary.

ELECTRONIC PARTICIPATION APPLICATION FORM



TREMATON CAPITAL INVESTMENTS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1997/008691/06)
JSE code: TMT ISIN: ZAE000013991
("Trematon" or "the company" or "the group")

Name and surname of shareholder _____

Name and surname of shareholder representative _____
(If applicable)

ID number _____

E-mail address _____

Cell number _____

Telephone number _____

Name of CSDP or broker _____
(If shares are held in dematerialised format)

SCA number or broker account number _____

Number of shares _____

Signature _____

Date _____

TERMS AND CONDITIONS FOR PARTICIPATION AT THE TREMATON AGM VIA ELECTRONIC COMMUNICATION

1. The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the AGM is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.
2. The Participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies Trematon and TMS against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against Trematon and TMS, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the AGM.
3. Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must act in accordance with the requirements set out above.
4. Once the Participant has received the link, the onus to safeguard this information remains with the Participant.
5. The application will only be deemed successful if the Electronic Participation Application Form has been completed and fully signed by the Participant and e-mailed to TMS at proxy@tmsmeetings.co.za.

Shareholder name _____

Signature _____

Date _____

NOTES TO THE ELECTRONIC PARTICIPATION APPLICATION

1. Shareholders or their proxies who wish to participate in the AGM via electronic communication ("Participants"), must deliver the Electronic Participation Application Form below to TMS via e-mail to proxy@tmsmeetings.co.za.
2. Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must provide TMS with the information requested below.
3. Each shareholder, who has complied with the requirements below, will be contacted between Monday, 22 January 2024 and Tuesday, 23 January 2024 via e-mail/mobile with a unique link to allow them to participate in the virtual meeting.
4. The cost of the Participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
5. The cut-off time, for administrative purposes, to participate in the meeting will be 10:00 on Monday, 22 January 2024.
6. The Participant's unique link will be forwarded to the e-mail/cell number provided in the Electronic Participation Application Form.

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE
South Africa

COMPANY REGISTRATION NUMBER
1997/008691/06

NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES
Investments

AUDIT AND RISK COMMITTEE
JP Fisher (Chairman)
R Lockhart-Ross
MA Sessions

DIRECTORS
R Lockhart-Ross (Chairman – Independent Non-executive
Chairman)
AJ Shapiro (Chief Executive Officer – Executive Director)
AL Winkler (Chief Financial Officer – Executive Director)
JP Fisher (Independent Non-executive Director)
K Getz (Non-executive Director)
A Groll (Executive Director)
MA Sessions (Independent Non-executive Director)
R Stumpf (Non-executive Director)

REMUNERATION COMMITTEE
MA Sessions (Chairperson)
R Lockhart-Ross
R Stumpf

SOCIAL AND ETHICS COMMITTEE
K Getz (Chairman)
JP Fisher
AJ Shapiro

REGISTERED OFFICE
3rd Floor
Aria North Wharf
42 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
Tel: 021 421 5550

INVESTMENT COMMITTEE
R Lockhart-Ross (Chairman)
K Getz
A Groll
AJ Shapiro
R Stumpf
AL Winkler

POSTAL ADDRESS
PO Box 15176
Vlaeberg
8018

ATTORNEYS
Bernadt, Vukic, Potash & Getz

WEBSITE
www.trematon.co.za

SPONSORS
Questco Corporate Advisory (Pty) Limited

BANKERS
Investec Bank Limited

TRANSFER SECRETARIES
JSE Investor Services (Pty) Limited
19 Ameshoff Street, Braamfontein, 2001
PO Box 4844, Johannesburg, 2000
Tel: 011 713 0800

AUDITOR
Moore Cape Town Inc.

COMPANY SECRETARY
JJ Vos
3rd Floor
Aria North Wharf
42 Hans Strijdom Avenue
Foreshore
Cape Town, 8001

