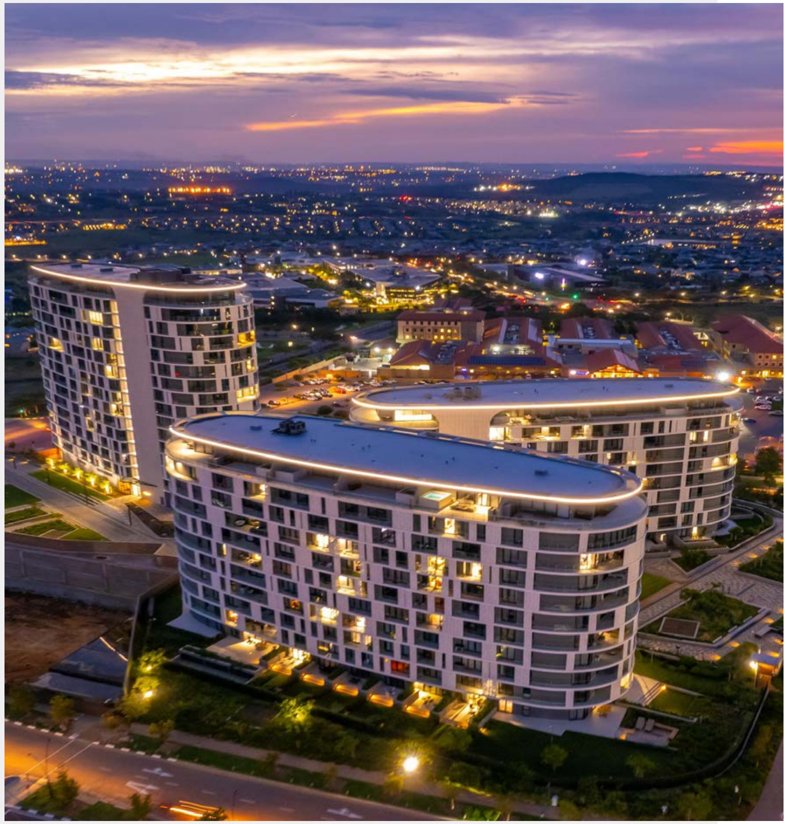
Annual Financial Statements for the Group and Company

for the year ended 30 June **2024**

ATTACQ

Table of contents



Attacq Limited and its subsidiaries (Registration Number: 1997/000543/06)

Annual financial statements for the year ended 30 June 2024.

The preparation of these annual financial statements was supervised by R Nana CA(SA), Chief financial officer of the group and audited in terms of the Companies Act.

Feedback

Your feedback is important to us and we welcome your input to enhance the quality of our reporting. Please send your comments or suggestions to Brenda Botha (Head of investor relations)

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For clarification of all abbreviations used in this report, refer to the **glossary** on **page 01.**

Glossary

Actis	Actis Africa Sustainable Real Estate Income Funds and Actis West Africa REIF LP
Adamax	Adamax Property Projects Brooklyn Proprietary Limited
AFS	Annual financial statements
AGM	Annual general meeting
AIHI Ikeja	AIHI Ikeja
AIHI	AIH International Limited
AIM	AIM Investco Proprietary Limited
AMS	Attacq Management Services Proprietary Limited
ARC	Audit and risk committee
ARF	Attacq Retail Fund Proprietary Limited
ARS	Attacq Retail Services Proprietary Limited
AttAfrica	Atterbury Africa Limited
AttAfrica SA	Atterbury Africa SA Proprietary Limited
Attacq and company	Attacq Limited
Attacq Investments	Attacq Investments Proprietary Limited
Attacq Treasury Share Company	Attacq Treasury Share Company Proprietary Limited
Attacq Ellipse	Attacq Ellipse Proprietary Limited
AWIC	Attacq Waterfall Investment Company Proprietary Limited
BEE	Black economic empowerment
BDO	Binder Dijker Otte
Board	Board of directors
Brand Group	The Brand Group International Proprietary Limited
Brooklyn Bridge	Brooklyn Bridge Office Park Proprietary Limited
Capex	Capital expenditure
CEO	Chief executive officer
CFC	Controlled foreign company
CFO	Chief financial officer
CGT	Capital gains tax
CGU	Cash-generating unit
CIPC	Companies and Intellectual Property Commission
Cell C	Cell C Limited
Collaboration hubs	People-centric office and mixed-use spaces designed for safe, productive collaboration and business growth
Companies Act	The Companies Act 71 of 2008 (as amended)
Coronation	Coronation Fund Managers Limited
ECL	Expected credit loss
Equites	Equites Property Fund Limited
EY	Ernst & Young Incorporated
ESD	Attacq Group ESD Proprietary Limited
FCTR	Foreign currency translation reserve

FFO	Funds from operations
Fountains Regional Mall	Fountains Regional Mall Proprietary Limited
FVOCI	Fair value through other comprehensive income
FVPL	Fair value through profit or loss
GEPF	Government Employees Pension Fund
GDP	Gross domestic product
GLA	Gross Lettable Area
GMR	Gross monthly rental
Green Design	Greendesign South Africa Proprietary Limited
Group	Attacq and its subsidiaries
Gruppo	Gruppo Investment Nigeria Limited
Growthpoint	Growthpoint Properties Limited
Ghana	APH Ghana International
Harlequin Duck	Harlequin Duck Properties 204 Proprietary Limited
Hyprop	Hyprop Investments (Mauritius) Limited
Hyprop Ikeja	Hyprop Ikeja Mall Limited
IASB	International Accounting Standards Board
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)
Income Tax Act	The Income Tax Act no. 58 of 1962
IRBA	Independent Regulatory Board of Auditors
In Coatings	In Coatings Proprietary Limited
Jesse Creations	Jesse Creations Close Corporation
JIBAR	Johannesburg Inter Bank Average Rate
JSE	Johannesburg Stock Exchange
JSE Listings Requirements	The Listings Requirements, as issued by the JSE from time to time
JV	Joint Venture
JV15	Waterfall JVCO 15 Proprietary Limited
JV115	Waterfall JVCO 115 Proprietary Limited
Key Capital	Key Capital Holdings Proprietary Limited
Kompasbaai	Kompasbaai Property Development Proprietary Limited
Lango	Lango Real Estate Limited
LGD	Loss given default
LP	Land Parcel
LTIP	Long-Term Incentive Plan
LTIPs	Awards under the LTIP
Lynnaur	Lynnaur Investments Proprietary Limited
Lynnwood Bridge	Lynnwood Bridge Office Park Proprietary Limited
Logistics hubs	Industrial spaces integrating office and logistics in a safe and clean environment
MAS	MAS P.L.C.

Glossary

MML	Momentum Metropolitan Limited
MOI	Memorandum of Incorporation
NAV	Net Asset Value
NAVPS	Net Asset Value Per Share
NCI	Non-controlling interest
Nedbank	Nedbank Limited
NESA Capital	NESA Capital Proprietary Limited
Ndzilo	Ndzilo Fire Protection Engineers
OmsFin	Old Mutual Financial Services
OCI	Other comprehensive income
PD	Probability of default
PGLA	Primary Gross Lettable Area
PIT	Point in time
POA	Property owners association
Portstone	Portstone Developments Proprietary Limited
PM	Property management
PV	Present value
PwC	PricewaterhouseCoopers
RCF	Revolving credit facility
REIT	Real Estate Investment Trust
Remco	Remuneration and nominations committee
RMB	Rand Merchant Bank – a division of FirstRand Bank Limited
Retail-experience hubs	Retail spaces that seamlessly blend physical and digital experiences with convenience
SAICA	South African Institute of Chartered Accountants
Sanlam Capital	Sanlam Capital Markets Limited
Sanlam Life	Sanlam Life Insurance Limited
SA	South Africa
SAR	Share Appreciation Right
SPPI	Solely payments of principal and interest
Standard Bank	Standard Bank Limited
TTC PD	Through-the-cycle probability of default
Thatego	Thatego Holdings Proprietary Limited
Travenna	Travenna Development Company Proprietary Limited
TSE	Transformation, Social and Ethics
Twin Cities	Twin Cities Cleaning Services Proprietary Limited
VAT	Value added tax
WACC	Weighted Average Cost of Capital
West Africa Asset Management	West Africa Asset Management Proprietary Limited
WDC	Waterfall Development Company Proprietary Limited
WIC	Waterfall Investment Company Proprietary Limited
Wingspan	Retail Africa Wingspan Investments Proprietary Limited

Directors' responsibilities and approval

The directors are required in terms of the Companies Act to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate AFS. It is their responsibility to ensure that the consolidated and separate AFS fairly present the state of affairs of Attacq and the group as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with IFRS and the requirements of the Companies Act.

The consolidated and separate AFS are prepared in accordance with IFRS, the JSE Listings Requirements, the Companies Act Requirements and are based upon appropriate accounting policies that are consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal controls established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal controls aimed at reducing the risk of error or loss in a cost-effective manner. These standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that is beyond reproach in all reasonable circumstances. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group.

The directors have reviewed the cash flow forecast of the group and company for the next 12 months and, in light of this review and the current financial position, taking into account the maturing of debt facilities, they are satisfied that the group and the company have access to adequate resources to continue in operational existence for the next 12 months.

The consolidated and separate AFS, set out on pages 1 to 134 in this report, have been prepared on the going concern basis.

The external auditors are responsible for independently auditing and reporting on the consolidated and separate AFS. The AFS have been audited by the group's external auditors and their unmodified report is presented on pages 11 to 14.

The consolidated and separate AFS set out on pages 1 to 134, were approved by the board on 09 September 2024 and were signed on its behalf by:

P Tredoux
Chairperson

09 September 2024

JR van Niekerk
CEO

09 September 2024

Certificate by company secretary

In terms of Section 88(2)(e) of the Companies Act, I declare that to the best of my knowledge, for the year ended 30 June 2024, that the company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act and that such returns are true, correct and up to date.

W Modisapodi
Company secretary

09 September 2024

Responsibility statement on internal financial controls

Each of the directors, whose names are stated below, hereby confirm that:

(a) the annual financial statements set out on pages 1 to 134, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

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

(c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;

(d) 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 controls;

(e) 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 remediated the deficiencies and;

(f) we are not aware of any fraud involving directors.

JR van Niekerk
CEO

09 September 2024

R Nana
CFO

09 September 2024

Audit and Risk Committee report

The Audit and Risk Committee ("ARC") provides independent oversight and assessment of the group's enterprise-wide risk management processes, legal and regulatory compliance, financial reporting, business and internal financial controls, information and technology governance and internal and external audit processes. ARC acts as a liaison between the board, external and internal auditors.

The mandate and related activities of ARC are governed by its terms of reference as approved by the board and its statutory responsibilities as per the Companies Act, and King IV.

The governance of risk forms an integral part of our group governance framework as outlined in the integrated report. The monitoring of risk remains a key priority for the board and ARC.

The board is ultimately responsible for setting the risk appetite and tolerance levels for the group, leveraging opportunities and managing risk.

The mandate of ARC, as outlined in its terms of reference, is summarised below:

Summary of committee mandate

This statutory committee is responsible for:

- Assuring the board of the reliability of financial information by monitoring the external audit process, including its independence
- Assuring the board of the adequacy and efficiency of internal financial controls by overseeing the internal audit function
- Monitoring compliance with legal and regulatory requirements
- Ensuring there are robust risk management systems to identify, monitor and manage material business, financial and other risks
- Reviewing and recommending the group's solvency and liquidity position to the board for approval
- Monitoring the governance of compliance and ensuring high standards of reporting are maintained
- Supporting the board in effective governance of risk
- Ensuring assets and liabilities are recorded accurately and fairly, applying appropriate judgement in the application of IFRS

Composition

A minimum of three directors, all of whom shall be independent non-executives approved by shareholders at the AGM. The chairperson of the board shall not be a member of the committee.

All four members are independent non-executive directors

- Allen Swiegers (appointed as chairperson with effect from 1 February 2023)
- Stewart Shaw-Taylor (resigned as member post-2023 AGM)
- Hellen El Haimer
- Fikile De Buck (appointed 1 February 2023)

Raj Nana (CFO) and Jackie van Niekerk (CEO) are standing invitees with no voting powers.

Representatives of internal audit (BDO) and external audit (EY) are also standing invitees with no voting powers.

The company secretary is a standing attendee to all meetings.

ARC meeting attendance

During the year under review, ARC convened four quarterly scheduled meetings with an additional two meetings. These two meetings included (i) the approval of the 30 June 2023 AWIC property valuations and financial reports which were the subject of the JSE Circular in respect of the Waterfall City transaction with the GEPF, and the recommendation of the 30 June 2023 annual financial statements of the group to the board for approval. (ii) The review of the IR in conjunction with the TSE Commitee.

ARC focus areas during FY24, up to the date of publishing this report

ARC has an annual work plan, developed in line with its terms of reference, including standing items that are considered at each meeting with the addition of any specific matters that require consideration.

During the year under review, ARC focused on the matters summarised below:

Group financial reports

- Considered the financial aspects of the Waterfall City transaction and the resultant agreements with the GEPF
- Recommended the interim and annual financial results to the board for final approval
- Confirmed to the board, the ability of the group and company to continue as a going concern and the ongoing solvency and liquidity of the group and company as required from time to time
- Recommended the adoption by the board of the valuations carried out by independent property valuers on investment property, including developments under construction and leasehold land
- Reviewed and approved the appointment of the independent property valuer panel
- Considered significant judgements and estimates in the preparation of the financial statements
- Considered financial indebtedness and refinancing updates
- Recommended the proposed dividend for approval by the board
- Reviewed the trading statements and applicable Stock Exchange News Service (SENS) announcements and recommended to the board for approval
- Considered new and existing IFRS statements and guidelines and the impact thereof on the AFS
- Considered the JSE proactive monitoring document

Internal financial controls

- Considered the Internal Financial Controls Framework, the process followed and the outcomes

Integrated report

- Recommended the integrated report, in conjunction with the TSE Committee, to the board for approval

Finance function and CFO

- Held the annual meeting with internal and external auditors without the CFO being present
- Confirmed the suitability of the level of expertise, resources and experience of the company's finance function, as well as the suitability of the expertise of the CFO

External audit

- Approved the appointment of EY and the change in designated partner
- Considered the appropriateness of the expertise, experience and independence of the external auditor, as well as the JSE accreditation
- Considered the IRBA report on EY and the designated partner
- Approved the scope of work and approach of the external auditor for interim and year-end audits, along with the associated budgeted fees, independence and the impact of other services

Internal audit

- Reviewed the internal audit progress reports from BDO in respect of FY24 (demonstrating improvement in the control environment) and approved the FY25 internal audit plan and budgeted fees

Combined assurance

- Discussed and recommended the Risk Management and Combined Assurance Policy and framework for board approval

Risk management

- Considered the key risks and mitigation strategies and procedures
- Adopted the enterprise risk register and procedures implemented to mitigate risks
- Discussed the annual insurance cover report including SASRIA and cyber risk cover

Audit and Risk Committee report

- Considered and confirmed the suitability of a combined ARC for the Attacq group given its size and nature of business

Compliance

- Reviewed the governance and legislative reports (including the REIT compliance reports) litigation report, insurance claims, legislative compliance, OHS compliance, and the status of Companies and Intellectual Property Commission (CIPC) returns
- Monitored the tax compliance status

Information and technology governance

- Considered ICT governance reports covering ICT governance, availability of existing systems and security of existing systems

Reviewed and recommended the ARC terms of reference to the board for approval

Accounting practices

During the financial year under review, ARC reviewed the JSE's report dated 3 November 2023 on Proactive Monitoring of Financial Statements in 2023. Where applicable steps have been taken to implement the recommendations made by the JSE.

ARC considered relevant matters concerning Attacq's accounting policies and treatments including the classification of assets held for sale.

Significant matters identified and considered by ARC

ARC considered key material matters of the group's consolidated financial statements relating to the:

- Valuation of investment properties
- Disposal of Rest of Africa investments
- Going concern and liquidity
- Impact of the Waterfall City transaction with the GEPF
- Loan to joint venture
- Disposal of MAS shares
- Acquisition of remaining 20% in Mall of Africa

Valuation of investment properties

The group holds investment properties with a carrying value of R19.9 billion. The properties comprise completed properties, developments under construction and leasehold land (encompassing both development rights and infrastructure).

Completed developments were valued as at 30 June 2024 using the discounted cash flow of the future income streams method by independent valuers.

Other than Brooklyn Mall, the external valuations are performed by De Leeuw Valuers Cape Town (RF) (Pty) Ltd, Mills Fitchet Cape Proprietary Limited, CBRE Excellerate CRES Proprietary Limited and Sterling Valuation Specialists Close Corporation.

The valuation of Brooklyn Mall is based on an independent valuation performed by Spectrum Valuations & Asset Solutions. The independent valuers discounted cash flow of the future income streams was adjusted lower by the directors to reflect a more conservative view of the valuation of the property.

The valuation of leasehold land at 30 June 2024 is based on an external valuation performed by Vallun Properties Proprietary Limited t/a Valquest Property Valuers & Consultants. The independent valuer's valuation was performed as at 30 June 2024 by applying the comparable sales valuation method, taking into account obligations pursuant to the leasehold nature of the leasehold land.

ARC considered the competencies and independence of the external valuers and reviewed the assumptions and judgements used by the valuers in the external valuations. In addition, ARC reviewed and interrogated the relevant adjustments to the external valuations and concluded that the valuation of investment properties as determined at year end was fairly stated and in accordance with accounting policy.

Disposal of Rest of Africa investments

The group, through its wholly owned subsidiary, AIH International entered into a non-binding letter of intent with Lango to dispose of the entire issued share capital of AttAfrica and the entire issued share capital of AIHI Ikeja and Hyprop Ikeja (the shareholders of Gruppo). The proposed disposals are in accordance with the group's stated strategy of disposing of these investments and accordingly the 26.88% economic interest in AttAfrica and the 25% interest in the shares in and shareholder loans advanced to Gruppo are classified as held for sale at 30 June 2024.

ARC reviewed and interrogated the relevant assumptions in respect of the non-current assets held for sale and concluded that the amount thereof was fairly stated and in accordance with the accounting policy.

Going concern and liquidity

The cash flow forecasts were reviewed for the group up to the period ending September 2025 and, in light of this review and of the current financial position, ARC has recommended to the board that the group, based on reasonable expectations, has adequate financial resources to continue in operation for the ensuing 12-month period and accordingly the consolidated and separate AFS have been prepared on a going concern basis.

There are no financial covenant breaches at 30 June 2024.

Impact of the Waterfall City transaction with the GEPF

On 5 July 2023 Attacq, AWIC and the GEPF entered into a Subscription and Sale of Shares and Claims Agreement in terms of which the GEPF would acquire a 30% shareholding in AWIC (a 100% subsidiary of Attacq) by subscribing for new shares and acquiring existing issued shares from Attacq. Attacq would also dispose of 30% of its existing shareholder loan. The final condition precedent was fulfilled on 18 September 2023, being the approval of Attacq shareholders at a general meeting.

ARC reviewed and interrogated the impact of the transaction including the transactive reserve and non-controlling interest reserve as a result of it and concluded that the amount thereof was fairly stated and in accordance with the accounting policy.

Loan to joint venture

The group exercised its call option to increase its shareholding in JV115 from the existing 23.6% to 50.0%. Such transaction resulted in an ECL reversal and a substantial modification, leading to the derecognition of the original loan and the recognition of a new loan, with the new loan being measured at its fair value, with changes in value recognised through profit or loss.

ARC reviewed and interrogated the assumptions and judgements used in determining the valuation of the loan and concluded that the loan, ECL and fair value adjustment as determined at year end was fairly stated and in accordance with the accounting policy.

Disposal of MAS shares

In March 2024, the group disposed of its remaining 46 157 934 shares in MAS at a price of R16.75 per share for an aggregate cash consideration of R773.1 million.

Audit and Risk Committee report

ARC reviewed the transaction and concluded that it was correctly accounted for and in accordance with the accounting policy.

Acquisition of remaining 20% in Mall of Africa

In June 2024, the group acquired an additional 20% in Mall of Africa for R1.07 billion which was accounted for as an asset acquisition.

ARC reviewed and interrogated the relevant assumptions in respect of the asset acquisition classification and concluded that the amount thereof was fairly stated and in accordance with the accounting policy.

Summary

After reviewing the presentations and reports from management and consulting where necessary with the auditors, ARC was satisfied that the financial statements appropriately addressed the critical judgements and key estimates both in respect of amounts and disclosures. ARC was also satisfied that the significant assumptions used for determining the value of investment properties, loans to joint ventures and other assets and liabilities have been appropriately examined, questioned and challenged.

Internal audit

Attacq has an outsourced internal audit arrangement with BDO, a professional service provider, which reports into ARC, and fulfils its duties as an independent assurance function.

The scope of work comprises the preparation of a risk-based, three-year rolling internal audit plan, and the execution of the current year component thereof. The ARC annually approves this plan and may, as and when the need arises, approve changes to it. Critical and significant findings are reported to ARC on at least a half-yearly basis. Corrective action is taken by management to address internal control deficiencies identified in the execution of the audit plan. The internal audit function operates within the mandates defined by the internal audit charter.

With regards to the 2024 financial year, ARC evaluated the internal audit reports, which did not identify any material breakdowns in internal controls within the areas reviewed. Follow-up audits were also conducted during the financial year on corrective actions implemented and ARC is satisfied that appropriate remediation was achieved.

External audit

EY, with Philippus Grobbelaar as the engagement partner on the audit, is the appointed external auditor. ARC assessed the suitability of the appointment of the current audit firm and audit partner in terms of section 3.4 (g)(iii) of the JSE Listing Requirements. The committee also assessed the non-audit services provided by EY and deemed these to be appropriate and acceptable and are satisfied that EY is independent. The Committee approved the EY JSE accreditation report, and the re-appointment of EY which was subsequently approved at the AGM on 14 November 2023.

Internal controls

The group's responsibility is to enable an effective internal control environment, support the integrity of decision-making information, as well as the integrity of external reports. This is supported through the application of a Three Lines of Defence model covering financial, compliance and operational systems of internal control. This model not only serves to establish and maintain an appropriate control environment and structures of internal control, but also ensures that its effectiveness is substantiated by robust and comprehensive combined assurance results.

In terms of paragraph 3.84(k) of JSE Listings Requirements, the CFO and CEO of a listed entity are required to attest to an adequate control environment that allows for the entity's AFS to be prepared in accordance with the applicable accounting framework and be suitable for reliable economic decision-making. To this end, the ARC monitored the planning and execution of assurance activities in support these effectiveness attestations.

The system of internal controls includes, but is not limited to, a documented organisational structure and division of responsibility, as well as established policies and procedures, which are communicated throughout the group.

The ARC, having considered the arrangements for, and reports on risk management, combined assurance, and compliance, found no material weaknesses in the overall structure of internal controls and consequently concluded it to be effective, both in terms of design effectiveness and operating effectiveness.

Risk management

Attacq is committed to an integrated process of risk management and assurance, which is rooted in accepted frameworks and good practices, including ISO 31000:2018 and King IV.

Although the board remains accountable for the governance of risk, it delegates relevant oversight duties to ARC. ARC is further supported by the combined assurance forum with respect to the oversight of the combined assurance plan and results. Management, however, remains responsible for the design and implementation of risk management and combined assurance processes.

The process of risk and combined assurance management is codified in the risk management and combined assurance policy and framework, which is reviewed and approved by the ARC on a regular basis. This process spans across all types of risk, including compliance and technology risks. The combined assurance processes are integrated with the risk management process, through the application of the Three Lines of Defence model, allowing ARC to provide comfort to the board that risks and opportunities are appropriately managed, and that assurance activities from various providers deliver an optimised assurance result.

Principal risks and uncertainties

Specific focus was placed on the group's top risks and emerging risks identified and recorded in the risk management report.

Regulatory compliance

ARC provides oversight on the regulatory compliance process and is supported by the transformation, social and ethics committee where necessary.

In line with Principle 13 of King IV, the legal and regulatory compliance risk management process is defined in the risk management and combined assurance policy and framework and is facilitated by the risk and compliance function reporting into the CFO.

Regulatory compliance risks are managed through the application of the adopted risk and assurance processes as described in the risk management and combined assurance policy and framework. Compliance controls are also incorporated into the combined assurance plan and the assurance results communicated to the ARC, together with remedial actions, and instances of material non-compliance, if any.

Audit and Risk Committee report

Integrated report

ARC will review the integrated report for the financial year ended 30 June 2024, in a joint meeting with TSE and it will assess its consistency with appropriate reporting frameworks and standards, the JSE Listings Requirements and King IV.

On behalf of the committee

A Swiegers
Audit and risk committee chairperson

9 September 2024

Directors' report

To the shareholders of Attacq

The directors have pleasure in presenting their report, together with the consolidated and separate AFS for the year ended 30 June 2024.

1. CORPORATE OVERVIEW REPORT

Attacq Limited is a Real Estate Investment Trust (REIT) based in South Africa and listed on the Johannesburg Stock Exchange and A2X Markets. At the heart of Attacq's business, is the commitment to create a positive impact in our spaces and communities, generating sustainable value for all stakeholders involved. Our mission is clear: to emerge as the foremost precinct developer and owner, leveraging innovation to transform spaces and deliver exceptional client experiences within our managed hubs. We aspire to be a client-focused, innovative, and trusted real estate business, placing the needs and satisfaction of our clients at the forefront of our operations.

Attacq's focused approach is on (1) Waterfall City, comprising its completed real estate portfolio, developments under construction and leasehold land; (2) Rest of South Africa, comprising the remainder of its South African completed real estate portfolio; and (3) Other investments, comprising its Rest of Africa retail investments for which binding sale agreements were signed after year end, as well as business diversification initiatives through investments that complement its existing real estate portfolio.

Attacq introduced its vision for the future, Horizon 2023, centred around being a purpose-driven business. This clear vision is supported by the strategic business objectives of (1) Long-term growth through a sound capital structure; (2) People-focus (3) Operational excellence through an integrated digital business; (4) Client-focus; and (5) Positive impact in our communities and environment.

2. DISTRIBUTABLE INCOME

The group reported distributable income of R605.7 million (2023: R506.8 million).

3. SOLVENCY AND LIQUIDITY TEST

The directors have performed the required solvency and liquidity tests required by the Companies Act. Refer to note 35.

4. DIVIDEND DISTRIBUTIONS

The board declared a final dividend for the year ended 30 June 2024 of 39.0 cents per share on 9 September 2024. An interim dividend of 30.0 cents per share was declared for the six months ended 31 December 2023.

5. ISSUED SHARE CAPITAL

As at 30 June for the respective financial years, Attacq's issued share capital comprised:

	2024	2023
Total issued shares	**751 551 292**	751 551 292
Share buy-back	**(5 352 955)**	-
Treasury shares	**(46 427 553)**	(46 427 553)
ARF	**(29 726 516)**	(29 726 516)
Attacq Treasury Share Company	**(16 701 037)**	(16 701 037)
Net issued shares	**699 770 784**	705 123 739

6. GOING CONCERN

The directors have reviewed the group and company's cash flow forecasts up to the period ending September 2025 and, in light of this review and the current financial position, the directors believe that the group and company has adequate financial resources to continue in operation for the ensuing 12 month period. Accordingly, the consolidated and separate AFS have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The directors have satisfied themselves that the group and company is in a sound financial position and that it has access to sufficient cash reserves and borrowing facilities over the next 12 months to meet its cash requirements. The directors are not aware of any new material changes that may adversely impact the group and 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 group and the company. Please refer to note 35 for further information.

At 30 June 2024, the group had a positive NAV (excluding non-controlling interests) of R12.5 billion (2023: R12.4 billion). The current assets together with non-current assets held for sale exceeded its current liabilities together with non-current liabilities associated directly with non-current assets held for sale by R487.0 million. In the prior year, the current liabilities exceeded the current assets by R154.6 million. However, the group had R550.0 million available on prepaid access facilities to draw from, if taken into account the current assets exceed the current liabilities by R395.4 million.

The group has performed cash flow forecasts to support the going concern assumption of the group. The financial covenants are anticipated to be fully complied with.

At 30 June 2024, the group had available liquidity of R874.6 million (2023: R1.4 billion) comprising unrestricted cash and cash equivalents of R482.6 million (2023: R606.5 million), prepaid access facilities of R392.0 million (2023: R550.0 million) and committed undrawn facilities of Rnil million (2023: R240.0 million).

Directors' report

7. FINANCIAL PERFORMANCE

The group reported a total comprehensive profit for the year ended 30 June 2024 of R1.0 billion (2023: R658.8 million profit), R737.1 million (2023: R658.8 million profit) attributable to owners of the holding company and R270.7 million (2023: R0.0 million) attributable to non-controlling interests. The total comprehensive profit was mainly driven by net profit from property operations, positive fair value adjustments to investment property offset by the negative fair value of the investment in MAS and Rest of Africa.

8. DIRECTORS' INTERESTS IN ATTACQ SHARES

	30 June 2024			30 June 2023		
Name	**Direct**	**Indirect**	**Total**	**Direct**	**Indirect**	**Total**
P Tredoux	–	24 550	24 550	–	27 733	27 733
R Nana	–	402 884	402 884	–	91 690	91 690
JR van Niekerk	403 029	–	403 029	158 702	–	158 702
HR El Haimer	28 500	–	28 500	28 500	–	28 500
IN Mkhari	–	–	–	–	–	–
AE Swiegers	–	–	–	–	–	–
TP Leeuw	–	–	–	–	–	–
S Shaw-Taylor	650 000	–	650 000	650 000	–	650 000
JHP van der Merwe	–	2 232 481	2 232 481	–	2 232 481	2 232 481
F De Buck*	–	–	–	–	–	–
Dr G Rohde*	–	–	–	–	–	–
Total	**1 081 529**	**2 659 915**	**3 741 444**	837 202	2 351 904	3 189 106

*Appointed 1 February 2023

Directors' interest remained unchanged during the period between the end of the financial year and the date of approval of the annual financial statements.

During the current and prior year, there were the following movements on share options granted to JR van Niekerk:

- During the current year 918 356 LTIP's which were granted on 6 October 2022 were accepted.
- On 3 October 2023, Remco approved the grant of 575 083 LTIPs.
- As a result of the successful implementation of the GEPF transaction, Remco approved the grant of 827 999 LTIPs.
- Furthermore, the vesting of previously granted LTIPs exceeded 100%. As a result, additional 88 227 LTIPs were granted.
- On 14 October 2023, 444 237 LTIPs granted to JR van Niekerk vested. These share options were exercised on 16 October 2023.
- On 6 October 2022, Remco approved the grant of 918 356 LTIPs. The grants were not accepted in the prior year due to the group being in a prohibited period in terms of the JSE Listings Requirements.

During the current and prior year, there were the following movements on share options granted to R Nana:

- During the current year 662 121 LTIP's which were granted on 6 October 2022 were accepted.
- On 3 October 2023, Remco approved the grant of 438 634 LTIPs.
- As a result of the successful implementation of the GEPF transaction, Remco approved the grant of 631 487 LTIPs.
- Furthermore, the vesting of previously granted LTIPs exceeded 100%. As a result, additional 107 856 LTIPs were granted.
- On 14 October 2023, 538 630 LTIPs granted to R Nana vested. These share options were exercised on 16 October 2023.
- On 6 October 2022, Remco approved the grant of 662 121 LTIPs. The grants were not accepted in the prior year due to the group being in a prohibited period in terms of the JSE Listings Requirements.

9. SPECIAL RESOLUTIONS PASSED BY THE GROUP

Apart from the special resolutions passed at the AGM, held on 14 November 2023, no other special resolutions were passed by Attacq or any of Attacq's subsidiaries.

10. INVESTMENT PROPERTY

Investment properties, increased by 12.9% (2023: 0.4% increase) from the prior year due to positive movements on fair value of completed developments, newly completed developments and the acquisition of 20% in Mall of Africa. Additions to investment property totalled R1.5 billion (2023: R190.9 million), comprising R121.4 million (2023: R58.3 million) spent on leasehold land and properties under development and R1.3 billion (2023: R128.1 million) on completed developments of which R1.07 billion relates to the 20% acquisition of Mall of Africa. Positive movements in the fair value on investment property amounted to R828.6 million (2023: R4.3 million negative) for this financial year.

11. DISPOSAL

In March 2024, the remaining 6.45% investment in MAS was sold for R773.1 million. Refer to note 18 for more details on the disposal of MAS.

12. EVENTS AFTER REPORTING DATE

Events after the reporting date include the following:

- Declaration of dividends after the reporting period
- Agreement to dispose of Rest of Africa investments

Refer to note 36 to the AFS for more disclosure regarding these after reporting date events.

Directors' report

13. DIRECTORS

P Tredoux	Independent non-executive chairperson
HR El Haimer	Lead independent non-executive director
JR van Niekerk	CEO
R Nana	CFO
IN Mkhari	Independent non-executive director
AE Swiegers	Independent non-executive director
S Shaw-Taylor	Independent non-executive director
TP Leeuw	Independent non-executive director
JHP van der Merwe	Independent non-executive director
F De Buck (Appointed 1 February 2023)	Independent non-executive director
Dr G Rohde (Appointed 1 February 2023)	Independent non-executive director

There were no changes in directors between the reporting date and the date of this report.

14. COMPANY SECRETARY

Attacq's company secretary is W Modisapodi.

Registered office: Nexus 1, Ground Floor, 44 Magwa Crescent, Waterfall City, 2090

Postal address: Postnet Suite 016, Private Bag X81, Halfway House, 1685

15. AUDITORS

It will be proposed at the next AGM, scheduled for 14 November 2024, that EY be reappointed as the external auditors in accordance with the Companies Act with Philippus Grobbelaar as designated individual registered auditor.

Independent auditor's report

To the Shareholders of Attacq Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Attacq Limited and its subsidiaries ('the group') and the company set out on pages 15 to 123, which comprise of the consolidated ('group') and separate ('company') statements of financial position as at 30 June 2024, 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 material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 30 June 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board 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 of the group and company and 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 of the group and company and 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

Independent auditor's report

The Key Audit Matter applies only to the audit of the consolidated financial statements.

Key Audit Matter	How the matter was addressed in the audit
Valuation of Investment Property Investment property makes up approximately 87% (2023: 81%) of the total assets of the Group at a fair value of R19.9 billion (2023: R17.7 billion). The Group's investment property, per *Note 16 Investment property*, comprises various categories of properties, being: ■ Completed developments – R19.2 billion (2023: R16.8 billion), ■ Developments under construction – R38.3 million (2023: R43.2 million), and ■ Leasehold land – R737.9 million (2023: R826.3 million). The valuation of investment property remains a Key Audit Matter due to the magnitude of the investment property balance in the consolidated results of the Group and the; ■ Inherent judgement and highly sensitive nature as a result of the inputs and key assumptions that are affected by economic and market conditions, such as loadshedding, watershedding, inflation, and the interest rate environment. ■ Involvement of our EY real estate valuation specialists to independently assess the valuations. **Completed developments and developments under construction** Attacq's completed developments are split between: Retail-experience hubs, Collaboration hubs, Logistics hubs and Hotel segments. Completed developments, for long term yields and capital appreciation, are fair valued using the discounted cash flow of the future income streams method. Developments under construction, for long term yields and capital appreciation, are initially recognised at cost and subsequently remeasured to fair value. The specific areas of judgement requiring the auditor's attention and support from the EY real estate valuation specialists included:	Our audit procedures included amongst others the following: We engaged with management to obtain a detailed understanding of their property valuation systems and processes. We evaluated the competence, independence and experience of management's external independent valuers by assessing their qualifications and industry experience. We assessed the valuation techniques and methodologies applied by management and their external valuers to ensure consistency with generally accepted property valuation techniques in the real estate market and IFRS Accounting Standards as issued by the International Accounting Standards Board. **Completed developments and developments under construction** For a sample of completed developments, with the support of the EY real estate valuation specialists, we assessed the methodology and assumptions applied in determining the fair value by management and the external valuers. This included: ■ Comparing the capitalisation and discount rates applied in the valuations to ranges in the latest market proxies which are informed by the category, condition, location, gross lettable area (GLA) and grade of the property. ■ Assessing the reasonableness of management's assumptions concerning projected rental income and operating expenses against historical income and operating expense data and external property industry reports. ■ Assessing the reasonableness of the vacancy rate assumptions applied by management in the property valuations to tenancy schedules or external property industry reports. ■ Assessing the reasonability of the fair value of the investment property at year end by performing independent recalculations, using market data, and comparing the outcome to the values determined by management.

Key Audit Matter	How the matter was addressed in the audit
■ The capitalisation and discount rates which is derived from widely available market related data, and which is continuously updated based on current market conditions. This requires management to exercise their judgement in the selection of a point in the capitalisation rate range, which is based on the category, condition, gross lettable area (GLA), location and grade of a property. ■ Projected rental income and operating expenses are judgemental and determined by management based on unique property specific information and current market conditions applied on the historical cash flows and with reference to signed leases. ■ Forward looking vacancy per building. This requires management to exercise judgement on the proposed future vacancy of the building and plans to fill such upcoming lease expires. **Leasehold land** The Group holds a 99-year lease that is renewed every three years, automatically over land in the Waterfall area. The leasehold land (being the aggregate of development rights, infrastructure and services, less future cost of servicing and leasehold liabilities) is carried at fair value which is determined utilising the comparable sales valuation technique. The specific areas of judgement requiring the auditor's attention and support from the EY real estate valuation specialists included: ■ Recent applicable comparable transactions. ■ The capitalisation and discount rates which is derived from widely available market related data. ■ Future rental and escalation rates based on type of rental (office/mixed use, retail etc) and market rates The disclosures associated with the valuation of investment property are set out in *Note 16 – Investment property, 2.2 Determination of fair value of investment property, 2.5 Fair value measurements and valuation process and 2.6 Fair value measurement of Waterfall leasehold land* The group engaged various external valuation specialists to assist with the valuation of investment property.	**Leasehold land** For a sample of leasehold land, with the support of our real estate valuation specialists, we assessed the following inputs, methodology and assumptions utilised in respect of the valuation of the leasehold land: ■ Assessed the range of the comparable sales against market related figures and used the experience of our real estate valuation specialists to assess the reasonableness of comparable rates used. ■ Comparing the capitalisation and discount rates applied in the valuations to ranges in the latest market proxies. ■ The calculation of the future rental obligation against comparable market related data. We assessed the disclosure of the investment property and the fair value thereof against the requirements of *IAS 40 Investment Property and IFRS 13 Fair Value Measurement*.

Independent auditor's report

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 134 page document titled "*Annual Financial Statements for the Group and Company for the year ended 30 June 2024 ATTACQ*", which includes the Directors' report, Audit and Risk Committee's report, Responsibility statement on internal financial controls and Certificate by the company secretary as required by the Companies Act of South Africa and the Supplementary Information, which we obtained prior to the date of this report, and the Integrated Report, which is expected to be made available to us after that date. Other information does not include the consolidated or the 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

Independent auditor's report

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 Ernst & Young Inc. has been the auditor of Attacq Limited for four years.

Ernst & Young Inc.

Ernst & Young Inc.
Director: Philippus Dawid Grobbelaar
Registered Auditor
*Chartered Accountant (SA)*Sandton

9 September 2024

102 Rivonia Road
Sandton
2146

Statements of profit or loss and other comprehensive income

Figures in R'000s	Note	GROUP 30 June 2024	GROUP 30 June 2023	COMPANY 30 June 2024	COMPANY 30 June 2023
Gross revenue		**2 604 773**	2 436 389	**786 891**	592 258
Rental income	5	**2 536 897**	2 332 250	**–**	–
Straight-line lease income adjustment	6	**18 954**	760	**–**	–
Sale of sectional title units	5	**48 922**	103 379	**–**	–
Investment income		**–**	–	**786 891**	592 258
Effective interest income	11	**–**	–	**322 313**	247 325
Dividends	11	**–**	–	**464 578**	344 933
Finance costs	12	**–**	–	**(366)**	–
Gross property expenses		**(1 015 410)**	(901 065)	**–**	–
Property expenses	7	**(979 433)**	(891 768)	**–**	–
ECL on trade and other receivables	7	**5 637**	67 668	**–**	–
Cost of sales of sectional title units	26	**(41 614)**	(76 965)	**–**	–
Net profit from property operations		**1 589 363**	1 535 324	**786 525**	592 258
Other income	8	**72 936**	16 231	**489 474**	47 797
Reversal of ECL on loans to joint ventures and associates, other, subsidiaries and guarantees	8	**43 772**	1 902	**28 774**	14 147
Derecognition gain on financial instrument	8	**–**	–	**460 700**	32 781
Other	8	**29 164**	14 329	**–**	869
Operating and other expenses		**(579 369)**	(307 219)	**(85 640)**	(75 067)
Operating expenses	9	**(243 323)**	(192 265)	**(9 299)**	(7 468)
ECL on loans to joint ventures and associates, other, subsidiaries and guarantees	10	**(87 460)**	(67 388)	**(76 341)**	(67 599)
Impairment of investment in joint venture and associates	10	**(206 621)**	–	**–**	–
Other expenses	10	**(41 965)**	(47 566)	**–**	–
Operating profit		**1 082 930**	1 244 336	**1 190 359**	564 988
Fair value adjustments		**769 756**	81 883	**–**	–
Investment property	16	**828 591**	(4 277)	**–**	–
Derivative financial instruments	18	**(57 784)**	86 160	**–**	–
Other investments at FVPL	19	**(1 051)**	–	**–**	–

Statements of profit or loss and other comprehensive income

		GROUP		COMPANY	
Figures in R'000s	**Note**	**30 June 2024**	**30 June 2023**	**30 June 2024**	**30 June 2023**
Net loss from equity accounted investments	17	**(27 500)**	(79 219)	**–**	–
Investment income	11	**139 236**	162 518	**6 085**	694
Finance costs	12	**(697 371)**	(815 879)	**–**	–
Profit before taxation		**1 267 051**	593 639	**1 196 444**	565 682
Income tax expense	13	**(45 948)**	(73 353)	**–**	–
Current tax	13	**(11 982)**	(4 081)	**–**	–
Deferred tax	13	**(33 966)**	(69 272)	**–**	–
Profit for the year		**1 221 103**	520 286	**1 196 444**	565 682
Attributable to:					
Owners of the holding company		**950 397**	520 286	**1 196 444**	565 682
Non-controlling interests	43	**270 706**	–	**–**	–
Items that will not be reclassified subsequently to profit or loss					
(Loss)/profit on fair value through other comprehensive income assets		**(205 637)**	62 313	**(462 655)**	242 344
Taxation relating to components of other comprehensive income	13	**–**	–	**–**	–
Other comprehensive (loss)/profit for the year net of taxation		**(205 637)**	62 313	**(462 655)**	242 344
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		**(7 706)**	76 157	**–**	–
Taxation relating to components of other comprehensive income	13	**–**	–	**–**	–
Other comprehensive (loss)/profit for the year net of taxation		**(7 706)**	76 157	**–**	–
Total comprehensive profit for the year		**1 007 760**	658 756	**733 789**	808 026
Attributable to:					
Owners of the holding company		**737 054**	658 756	**–**	–
Non-controlling interests	43	**270 706**	–	**–**	–
Earnings per share					
Basic (cents)	15	**135.3**	73.8	**–**	–
Diluted (cents)	15	**132.2**	72.5	**–**	–

Statements of financial position

		GROUP		COMPANY	
Figures in R'000s	**Note**	**30 June 2024**	**30 June 2023**	**30 June 2024**	**30 June 2023**
ASSETS					
Non-current assets					
Investment property	16	**19 937 420**	17 652 569	**–**	–
Per valuation		**21 036 733**	18 732 928	**–**	–
Straight-line lease debtor		**(1 099 313)**	(1 080 359)	**–**	–
Straight-line lease debtor	6	**1 099 313**	1 080 359	**–**	–
Investment in joint ventures and associates	17	**1 149**	329 489	**1 149**	2 409
Loans to joint ventures and associates	19	**270 246**	226 533	**–**	–
Other financial assets	18	**358 159**	1 387 280	**–**	3 943
Intangible assets	23	**–**	–	**–**	–
Investment in subsidiaries	41	**–**	–	**10 418 728**	9 630 850
Property and equipment	39	**8 836**	8 788	**–**	–
Deferred initial lease expenditure	39	**27 196**	31 127	**–**	–
Loans to subsidiaries	42	**–**	–	**2 345 929**	–
Total non-current assets		**21 702 319**	20 716 145	**12 765 806**	9 637 202
Current assets					
Taxation receivable		**24**	628	**–**	–
Trade and other receivables	25	**179 816**	197 546	**1 552**	1 788
Inventory	26	**42 655**	67 052	**–**	–
Other financial assets	18	**65 660**	37 796	**6 197**	2 254
Loans to joint ventures and associates	19	**–**	97 805	**–**	–
Loans to subsidiaries	42	**–**	–	**939 499**	3 161 689
Cash and cash equivalents	27	**611 673**	722 895	**24 729**	1 644
Total current assets		**899 828**	1 123 722	**971 977**	3 167 375
Non-current assets held for sale	28	**287 387**	–	**–**	–
Total assets		**22 889 534**	21 839 867	**13 737 783**	12 804 577

Statements of financial position

		GROUP		COMPANY	
Figures in R'000s	**Note**	**30 June 2024**	**30 June 2023**	**30 June 2024**	**30 June 2023**
EQUITY AND LIABILITIES					
Equity					
Stated capital	29	**6 449 043**	6 499 090	**6 822 129**	6 872 176
Fair value through other comprehensive income reserve		**314 323**	519 960	**1 444 604**	1 907 259
Distributable reserves		**5 790 032**	5 264 586	**4 661 379**	3 907 217
Share-based payment reserve	30	**93 564**	87 869	**93 564**	87 869
Foreign currency translation reserve		**–**	71 655	**–**	–
Foreign currency translation reserve associated with non-current assets held for sale	28	**63 949**	–	**–**	–
Transaction reserve	43	**(164 764)**	–	**–**	–
Total equity attributable to owners of the holding company		**12 546 147**	12 443 160	**13 021 676**	12 774 521
Non-controlling interests	43	**1 848 031**	–	**–**	–
Equity loan from outside shareholder	43	**1 255 150**	–	**–**	–
Total equity		**15 649 328**	12 443 160	**13 021 676**	12 774 521
Non-current liabilities					
Long-term borrowings	20	**6 011 196**	7 640 927	**–**	–
Other financial liabilities	18	**20 736**	1 491	**14 052**	28 222
Cash settled share based payments	30	**–**	71	**–**	–
Lease liability	22	**205 207**	206 999	**–**	–
Loans from subsidiaries	42	**–**	–	**700 000**	–
Deferred tax liabilities	24	**302 900**	268 930	**–**	–
Total non-current liabilities		**6 540 039**	8 118 418	**714 052**	28 222
Current liabilities					
Short-term portion of long-term borrowings	20	**68 518**	743 966	**–**	–
Other financial liabilities	18	**11 179**	923	**–**	–
Lease liability	22	**37 656**	31 581	**–**	–
Loans from joint ventures and associates	19	**4 639**	4 707	**–**	–
Loans from subsidiaries	42	**–**	–	**366**	–
Taxation payable		**1 521**	3 026	**–**	–
Cash settled share based payments	30	**121**	101	**–**	–
Trade and other payables	31	**563 504**	483 136	**1 689**	1 834
Provisions	32	**3 321**	10 849	**–**	–
Total current liabilities		**690 459**	1 278 289	**2 055**	1 834
Liabilities associated with non-current assets held for sale	28	**9 708**	–	**–**	–
Total liabilities		**7 240 206**	9 396 707	**716 107**	30 056
Total equity and liabilities		**22 889 534**	21 839 867	**13 737 783**	12 804 577

Statement of cash flows

		GROUP		COMPANY	
Figures in R'000s	**Note**	**30 June 2024**	**30 June 2023**	**30 June 2024**	**30 June 2023**
Cash flow from operating activities					
Cash generated from/(utilised in) operations	33	**1 437 948**	1 351 654	**(9 208)**	(7 742)
Interest income	11	**128 800**	73 034	**6 272**	694
Dividend income	11	**2 443**	81 313	**451 422**	344 933
Interest paid	12	**(697 449)**	(815 771)	**–**	–
Finance costs paid and capitalised	16	**(4 148)**	(2 531)	**–**	–
Settlement of share-based payments	30	**(16 542)**	–	**–**	–
Taxation paid		**(12 879)**	(1 216)	**–**	–
Net cash generated from operating activities		**838 173**	686 483	**448 486**	337 885
Cash flows from investing activities					
Property and equipment acquired	39	**(2 862)**	(3 835)	**–**	–
Investment properties additions	16	**(1 070 000)**	–	**–**	–
Investment properties developed	16	**(333 722)**	(174 021)	**–**	–
Waterfall leasehold land rights disposed		**–**	48 814	**–**	–
Loans advanced to group companies	42	**–**	–	**(2 033 284)**	(769 502)
Loans repaid by group companies	42	**–**	–	**1 061 831**	1 009 249
Additional shares acquired in joint ventures and associates	17	**(45 144)**	(81 095)	**–**	–
Additional shares acquired in subsidiary	41	**–**	–	**(45 312)**	–
Loans advanced to joint ventures and associates	19	**(139 791)**	(7 493)	**–**	–
Loans repaid by joint ventures and associates	19	**–**	1 666	**–**	1 666
Other financial assets advanced	18	**–**	(4 347)	**–**	–
Other financial assets disposed	18	**772 912**	–	**–**	–
Other financial assets repaid	18	**11 533**	8 396	**–**	–
Additions to deferred initial lease expenditure	39	**(2 696)**	(27 543)	**–**	–
Cash flow relating to non-current assets held for sale		**–**	43 623	**–**	–
Net cash generated from/(utilised in) investing activities		**(809 770)**	(195 836)	**(1 016 765)**	241 413

Statement of cash flows

		GROUP		COMPANY	
Figures in R'000s	**Note**	**30 June 2024**	**30 June 2023**	**30 June 2024**	**30 June 2023**
Cash flows from financing activities					
Share buy-back	29	**(50 047)**	–	**(50 047)**	–
Dividends paid		**(414 889)**	(557 048)	**(442 282)**	(593 715)
Settlement of share-based payment	30	**(9 330)**	–	**–**	–
Repayment of lease liability	33	**(31 617)**	(29 619)	**–**	–
Long-term borrowings raised	33	**947 969**	1 672 377	**–**	–
Long-term borrowings repaid	33	**(3 247 549)**	(1 571 274)	**–**	–
Proceeds from partial disposal of subsidiary	43	**128 543**	–	**128 543**	–
Equity loan received from outside shareholder	43	**1 255 150**	–	**–**	–
Disposal of loan to subsidiary	43	**–**	–	**955 150**	–
Proceeds from issuing of shares	43	**1 284 018**	–	**–**	–
Net cash utilised in financing activities		**(137 752)**	(485 564)	**591 364**	(593 715)
Total cash movement for the year		**(109 349)**	5 083	**23 085**	(14 417)
Cash at the beginning of the year		**722 895**	717 121	**1 644**	16 061
Cash and cash equivalents transferred to non-current assets held for sale	28	**(1 798)**	–	**–**	–
Forex effect on cash and cash equivalents		**(75)**	691	**–**	–
Cash and cash equivalents at the end of the year	27	**611 673**	722 895	**24 729**	1 644

Statements of changes in equity

Figures in R'000s	Equity attributable to owners of the holding company									
	Stated capital	FVOCI reserve	Distributable reserves	Share-based payment reserve	Foreign currency translation reserve	Transaction reserve	Total equity attributable to owners of the holding company	Equity loan from outside shareholder	Non-controlling Interest	Total equity
GROUP										
Audited balance at 30 June 2022	**6 499 090**	**457 647**	**5 294 688**	**82 212**	**(4 502)**	**–**	**12 329 135**	**–**	**–**	**12 329 135**
Total comprehensive profit	–	62 313	520 286	–	76 157	–	**658 756**	–	–	658 756
Profit for the year	–	–	520 286	–	–	–	520 286	–	–	520 286
Other comprehensive profit	–	62 313	–	–	76 157	–	138 470	–	–	138 470
Transfer between reserves on expiry	–	–	6 660	(10 834)	–	–	(4 174)	–	–	(4 174)
Dividends	–	–	(557 048)	–	–	–	(557 048)	–	–	(557 048)
Recognition of share-based payment reserve	–	–	–	16 491	–	–	16 491	–	–	16 491
Audited balance at 30 June 2023	**6 499 090**	**519 960**	**5 264 586**	**87 869**	**71 655**	**–**	**12 443 160**	**–**	**–**	**12 443 160**
Total comprehensive (loss) profit	**–**	**(205 637)**	**950 397**	**–**	**(7 706)**	**–**	**737 054**	**–**	**270 706**	**1 007 760**
Profit for the year	**–**	**–**	**950 397**	**–**	**–**	**–**	**950 397**	**–**	**270 706**	**1 221 103**
Other comprehensive loss	**–**	**(205 637)**	**–**	**–**	**(7 706)**	**–**	**(213 343)**	**–**	**–**	**(213 343)**
Share buy-back	**(50 047)**	**–**	**–**	**–**	**–**		**(50 047)**	**–**	**–**	**(50 047)**
Dividends	**–**	**–**	**(414 889)**	**–**	**–**	**–**	**(414 889)**	**–**	**–**	**(414 889)**
Transfer between reserves on expiry	**–**	**–**	**(10 062)**	**(15 759)**	**–**	**–**	**(25 821)**	**–**	**–**	**(25 821)**
Disposal of Sale Shares	**–**	**–**	**–**	**–**	**–**	**(20 615)**	**(20 615)**	**–**	**149 158**	**128 543**
Issue of Subscription Shares	**–**	**–**	**–**	**–**	**–**	**(144 149)**	**(144 149)**	**–**	**1 428 167**	**1 284 018**
Equity loan from outside shareholder	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 255 150**	**–**	**1 255 150**
Recognition of share-based payment reserve	**–**	**–**	**–**	**21 454**	**–**	**–**	**21 454**	**–**	**–**	**21 454**
Audited balance at 30 June 2024	**6 449 043**	**314 323**	**5 790 032**	**93 564**	**63 949**	**(164 764)**	**12 546 147**	**1 255 150**	**1 848 031**	**15 649 328**
Note	29			30	28	43		43	43	

Dividend per share in cents	**2024**	**2023**
Final - Prior year	**29.0**	50.0
Interim - Current year	**30.0**	29.0

Statements of changes in equity

Figures in R'000s	Stated capital	FVOCI reserve	Distributable reserves	Share-based payment reserve	Total equity
COMPANY					
Audited balance at 30 June 2022	**6 872 176**	**1 664 915**	**3 935 250**	**82 212**	**12 554 553**
Total comprehensive profit	–	242 344	565 682	–	808 026
Profit for the year	–	–	565 682	–	565 682
Other comprehensive income	–	242 344	–	–	242 344
Recognition of share-based payment reserve	–	–	–	5 657	5 657
Dividends	–	–	(593 715)		(593 715)
Audited balance at 30 June 2023	**6 872 176**	**1 907 259**	**3 907 217**	**87 869**	**12 774 521**
Total comprehensive profit	**–**	**(462 655)**	**1 196 444**	**–**	**733 789**
Profit for the year	**–**	**–**	**1 196 444**	**–**	**1 196 444**
Other comprehensive income	**–**	**(462 655)**	**–**	**–**	**(462 655)**
Recognition of share-based payment reserve	**–**	**–**	**–**	**5 695**	**5 695**
Share buy-back	**(50 047)**	**–**	**–**	**–**	**(50 047)**
Dividends	**–**	**–**	**(442 282)**	**–**	**(442 282)**
Audited balance at 30 June 2024	**6 822 129**	**1 444 604**	**4 661 379**	**93 564**	**13 021 676**
Note	29			30	

Material accounting policies

1.1 Statement of compliance

The accounting policies of the group as well as the disclosures made in the separate AFS comply with IFRS Accounting Standards as issued by the IASB and IFRIC interpretations effective for the group's financial year as well as the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act, applicable to companies reporting under IFRS Accounting Standards and the JSE Listings Requirements.

1.2 Basis of consolidation

The consolidated AFS incorporate the AFS of the group for the year ending 30 June 2024.

All material accounting policies are consistent in all material respects with those applied in the previous year. There have been no material changes in judgements reported in prior reporting periods. However, additional estimates of amounts relating to revenue recognition, lease liabilities, right-of-use assets and intangible assets are disclosed in note 2.

Where necessary, adjustments are made to the financial statements of subsidiaries, associates, joint ventures and joint arrangements to bring the accounting policies used in line with those used by the group.

Refer to note 1.3 for subsidiaries and 1.5 for investment in associates.

1.3 Subsidiaries

The results of subsidiaries are included for the duration of the period in which the group exercises control over the subsidiary. Where necessary, accounting policies for subsidiaries are changed to ensure consistency with the policies adopted by the group. If it is not practical to change the policies, the appropriate adjustments are made on consolidation to ensure consistency within the group.

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

The company carries its investments in subsidiaries at fair value with reference to their underlying NAV. Subsequent movements in underlying NAV of the investment in subsidiaries are recognised in OCI.

All intra-group transactions, balances and unrealised gains and losses are eliminated on consolidation.

1.4 Non-controlling interests

The non-controlling interest (NCI) relates to the portion of equity ownership in a subsidiary not attributable to the parent company.

Attacq has elected to measure non-controlling interests at their proportionate share in the recognised amounts of the acquiree's identifiable net assets and assumed liabilities.

Profit or loss and each component of other comprehensive income are attributable to the owners of the group and to non-controlling interests. Total comprehensive income of subsidiaries is attributable to the owners of the group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

1.5 Investments in associates

Associates are accounted for using the equity method.

Associates are those entities in which the group has significant influence, but does not control or have joint control, over the financial and operating policies. Significant influence is presumed to exist when the group holds between 20.0% and 50.0% of the voting rights of another entity.

In applying the equity method, the investment in an associate is initially measured at cost, which includes transaction costs.

The consolidated AFS include the group's share of the profit or loss and OCI of equity-accounted investees, after adjustments to align the accounting policies with those of the group, from the date that significant influence commences until the date that significant influence ceases.

The entire carrying amount of the investment is tested for impairment in accordance with IAS 36: Impairment of Assets as a single asset by comparing its recoverable amount (the higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36: Impairment of Assets to the extent that the recoverable amount of the investment subsequently increases.

The cumulative post-acquisition movements in profit or loss and OCI are adjusted against the carrying amount of the investment in the consolidated group financial statements.

The group discontinues the use of the equity method from the date when the investment ceases to be an associate.

Material accounting policies

1.6 Interest in joint arrangements

Joint arrangements are arrangements in which the group has joint control, established by contracts requiring unanimous consent for decisions on the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

- joint operation: when the group has rights to the assets and obligations for the liabilities relating to an arrangement, each of its assets and liabilities, including its share of those held or incurred jointly, are accounted for in relation to the joint operation; or
- joint venture: when the group has rights only to the net assets of the arrangements, its interest is accounted for using the equity method, similar to the accounting treatment for associates (refer note 1.5).

The group has various undivided shares in investment properties which are being treated as joint operations, hence only the group's percentage share in the property is included in the consolidated results. Refer to note 16 for undivided shares held is the respective properties.

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

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

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

1.7 Fair value measurement

The group measures financial instruments, such as derivatives, investments and investment properties, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their own best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and/or disclosure purposes in these AFS is determined on the above basis, except for share-based payment transactions that are within the scope of IFRS 2: Share-based Payment, leasing transactions that are within the scope of IFRS 16: Leases, and the measurements that have some similarities to fair value but are not fair value, such as value in use in IAS 36: Impairment of Assets.

All assets and liabilities for which fair value is measured or disclosed in the AFS are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities; or
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; or
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Refer to fair value measurement in note 16, note 17 and note 18 for the categorisation of the group and company financial assets and liabilities within the fair value hierarchy.

For assets and liabilities that are recognised in the AFS at fair value on a recurring basis, the group determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.8 Investment property

Investment properties are properties held to earn rentals and for capital appreciation, including leasehold land (comprising development rights, infrastructure and services) and developments under construction.

Where a property is under construction with the purpose of holding the completed property for long-term rental yields and for capital appreciation, such property is classified as developments under construction.

Tenant installations are costs paid by the lessor on behalf of the lessee to ensure the lease premises are in the condition suitable for the lease.

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise and the cost of the investment property can be measured reliably.

All of the group's completed investment property interests which are held to earn rentals or for capital appreciation purposes are accounted for as investment property and are measured using the fair value model.

All of the group's developments under construction held for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model.

All of the group's leasehold land (comprising developments rights, infrastructure and services) are accounted for as investment properties and are measured at fair value using the comparable sales valuation technique.

Material accounting policies

1.8 Investment property (continued)

Initial measurement

Investment property is initially recognised at cost, including transaction costs. Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. Maintenance and repairs, which neither materially add to the value of the properties nor prolong their useful lives, are charged against profit or loss.

The cost of tenant installations at the beginning of the lease are capitalised against the development, while the cost of tenant installations on subsequent leases signed are capitalised and expensed through the statements of comprehensive income over the lease period, where such tenant installations will not be recovered through a lump sum.

Subsequent measurement

Subsequent to initial measurement, investment properties are measured and recognised at fair value.

Investment property is valued bi-annually and adjusted to fair value at the respective reporting dates as follows:

- at the interim reporting date with reference to the directors' valuation;
- at the financial year-end with reference to the independent external valuations;
- at the interim and financial year-end with reference to the disposal value where the property is going to be disposed and its expected that the disposal will conclude within 12 months after period end.

Developments under construction are initially recognised at cost and subsequently remeasured to fair value. The fair value of development property is not always reliably determinable due to the properties being in the early stages of construction or where construction has not yet begun. Where fair value cannot be reliably determined, but the group expects that the fair value will be reliably determinable when construction is further progressed, the group measures such properties at cost.

If the fair value of an investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

Tenant installations relating to subsequent leases and lease commissions are carried at cost less accumulated amortisation. Amortisation is provided to write down the cost, less residual value, by equal instalments over the period of the lease.

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

Derecognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in which the investment property is derecognised.

1.9 Property and equipment

Property and equipment is carried at cost less accumulated depreciation and any impairment losses. Depreciation is provided on all property and equipment to write down the cost, less residual value, using the straight-line method of depreciation, over the items' estimated useful lives.

The assets' residual values and useful lives are reviewed and adjusted annually if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater that it's estimated recoverable amount.

1.10 Intangible assets

Intangible assets with finite useful lives are stated at cost, less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised in profit or loss on an appropriate basis over the estimated useful life. Amortisation commences when the intangible asset is available for use and ceases at the earlier of the date the asset is classified as held for sale or the date it is derecognised.

Useful lives and amortisation methods are reviewed with the effect of any changes in estimate accounted for on a prospective basis.

The group has asset management contracts and Wi-Fi rights intangible assets that are classified as intangible assets with finite useful lives.

Intangible assets are tested for impairment on an annual basis or when there are indications that the intangible assets may be impaired.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives.

Material accounting policies

1.11 Financial instruments

Financial assets and liabilities, in respect of financial instruments, are recognised on the group's and company's statement of financial position when the group and company become a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at fair value, including transaction costs, except for those classified as at FVPL which are initially measured at fair value, excluding transaction costs.

The fair value of a financial instrument on initial recognition is normally the transaction price unless the fair value is evident from observable market data.

FINANCIAL ASSETS

Classification

The group and company classify its financial assets in the following measurement categories:

- those to be measured at amortised cost;
- those to be measured subsequently at FVPL; and
- those to be measured subsequently at FVOCI.

The classification depends on the group's and company's business model for managing the financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group or company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The group and company reclassify debt investments when, and only when, its business model for managing those assets changes.

Measurement

At initial recognition, the group and company measure a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Material accounting policies

1.11 Financial instruments (continued)

Debt instruments

Subsequent measurement of debt instruments depends on the group's and company's business model for managing the asset and the cash flow characteristics of the asset. Currently there are three measurement categories into which the group and company classifies its debt instruments.

Category	Financial instruments	Business model and cash flow characteristics	Movement in carrying amount	Derecognition	ECL
Amortised cost	Trade and other receivables Loans to joint ventures and associates Other loans receivables Cash and cash equivalents Loans to subsidiaries	Financial assets that are held for collection of contractual cash flows where those cash flows are SPPI.	Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are recognised in profit or loss.	Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in operating expenses.	ECLs are assessed in accordance with *IFRS 9: Financial Instruments* based on the expected loss method. It is presented separately on the face of the statement of comprehensive income.
FVPL	Derivative financial assets Loans to joint ventures and associates	Financial assets that do not meet the criteria for amortised cost or FVOCI.	Gains and losses on a debt investment that are subsequently measured at FVPL is recognised in profit or loss and presented on a net basis within fair value adjustments in the period in which it arises. Interest income is recognised in profit or loss.	Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in operating expenses.	Debt instruments measured at FVPL are not subject to the ECL model in terms of *IFRS 9: Financial Instruments*.
FVOCI	Investment in Subsidiaries and MAS	Financial assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.	These assets are subsequently measured at fair value. Fair value gains and losses are recognised in OCI. Dividend income is recognised in profit or loss.	Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in operating expenses.	

Equity investments

Equity investments are subsequently measured at fair value. Management has elected to present fair value gains and losses on equity investments in OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Further, there is no subsequent reclassification of fair value gains and losses between equity reserves following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as income from financial assets when the group's and company's right to receive payments is established.

Fair value losses (and fair value gains) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Material accounting policies

1.11 Financial instruments (continued)

ECL

The group has financial assets classified and measured at amortised cost that are subject to the ECL model requirements of IFRS 9: Financial Instruments. While cash and cash equivalents are classified and measured at amortised cost, and are also subject to these ECL requirements they are considered to have low credit risk, and the ECL is mitigated through the groups' credit risk management policy.

The group and company assess on both a forward-looking and historical basis the ECLs associated with its debt instruments carried at amortised cost. The ECL methodology applied depends on whether there has been a significant increase in credit risk.

At each reporting date, the group assesses whether financial assets carried at amortised cost (such as long-term loans granted) have significantly increased in credit risk. The group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the group in full, without recourse by the group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due.

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

ECL allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The carrying amount is reduced directly by the ECL, with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account.

For trade receivables, the group and company apply the simplified approach permitted by IFRS 9: Financial Instruments, which requires lifetime ECLs to be recognised from initial recognition of the receivables. The ECL on trade receivables are estimated using a provision matrix with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecast direction of conditions at the reporting date such as inflation and GDP growth. The group has recognised a loss allowance of 100.0% against all receivables where current circumstances indicate that these receivables are generally not recoverable.

If, in a subsequent period, the amount of the ECL decreases and the decrease can be related objectively to an event occurring after the ECL was recognised, the previously recognised ECL is reversed, either directly or by adjusting the allowance account, through profit or loss. The carrying amount of the financial asset at the date the ECL is reversed will not exceed what the amortised cost would have been had the ECL not been recognised.

Write-off policy

The group and company write-off financial assets where 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 entered into bankruptcy proceedings.

Trade receivables are written off at the earlier of (i) management receiving legal confirmation that the outstanding amount is irrecoverable, or (ii) when a settlement has been reached with the tenant, or (iii) after a lapse of a 12-month period from initial arrears, or (iv) where the cost of pursuing legal recourse exceeds the benefit of recovering the arrears amount.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term investments.

Cash reserved for specific purposes relate to tenant deposits held by the group and cash and cash equivalents in the POAs.

FINANCIAL LIABILITIES

Financial liabilities, excluding derivative financial instruments, and equity instrument

Financial liabilities consist of interest-bearing borrowings, other loans payable and trade and other payables.

Interest-bearing borrowings are financial liabilities with fixed or determinable payments.

Financial liabilities are recognised initially at fair value, net of transaction costs incurred. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs (this accounting treatment is applied to the term loan and bond). To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates (this accounting treatment is applied to the revolving facility).

Subsequent to initial measurement, these instruments are measured as follows:

- other loans and interest-bearing borrowings are subsequently stated at amortised cost, using the effective interest rate method. Any difference between the proceeds net of transaction costs and the settlement or redemption of borrowings is recognised over the term of the borrowings; and
- trade and other payables are not interest bearing and are subsequently stated at their nominal values.

Derivative financial instruments

The group's activities expose it to the financial risks of changes in foreign exchange rates and interest rates, which it manages using derivative financial instruments. The group's principal derivative financial instruments are interest rate swaps/caps.

The use of derivative financial instruments is governed by the group's policies approved by the board, which provide written principles consistent with the group's risk management strategy. The group does not use derivative financial instruments for speculative purposes.

Material accounting policies

1.11 Financial instruments (continued)

Derivative instruments are recognised initially at fair value at the date the derivative contracts are entered into, attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivative instruments are remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Realised interest gains are recognised in interest income and realised interest losses are recognised in finance costs. Any unrealised fair value gains/losses are recognised in fair value adjustments.

Determining fair values

The determination of fair values of financial assets and financial liabilities is detailed in note 1.7.

Guarantees

Guarantees are contracts that require the group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. These are measured and disclosed at their fair value and recognised as contingent liabilities.

Guarantees are assessed on an individual basis to determine if there is an ECL that should be recognised for a potential default and recognised as a financial liability measured at amortised cost.

1.12 Inventory

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs to make the sale.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Where a development property is under construction with the purpose of disposing such property for the realisation of sales proceeds, instead of being held for long term yields and capital appreciation, such property is classified as inventory.

The inventory classification shall continue post completion of the property until either such property is sold, or the purpose of such property changes to one of being held for long term yields and capital appreciation.

1.13 Taxation

Income taxation expense

Income taxation expense comprises the sum of current and deferred taxation. Income taxation is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current taxation and deferred taxation are charged or credited to OCI if the taxation relates to items that are credited or charged, in the same or a different period, to OCI.

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

Current tax is the expected tax payable on taxable income, after deducting the qualifying distribution for the year of assessment, using tax rates that have been enacted or substantively enacted by the reporting dates and includes adjustments for tax payable in respect of the previous years. In accordance with the REIT status, dividends declared are treated as a qualifying distribution in terms of section 25BB of the Income Tax Act.

Current taxation

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

Deferred taxation

Deferred taxation is provided using the balance sheet method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for tax purposes.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. The carrying amount of deferred taxation assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred taxation assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred taxation asset to be recovered.

Deferred taxation liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates, joint ventures and interests in joint arrangements, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. In respect of deductible temporary differences associated with investments in subsidiaries, associates, joint ventures and interests in joint arrangements, deferred taxation assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is calculated using tax rates (and taxation laws) that have been enacted or substantially enacted at the reporting date. The effect on deferred taxation of any changes in taxation rates is charged to the statement of comprehensive income, except to the extent that it relates to items previously charged directly to equity.

Deferred taxation is not recognised on the fair value of investment properties. These items will be realised through sale and, in accordance with the income tax requirements relating to the REIT status, capital gains tax is not applicable. Deferred taxation is not recognised for temporary differences that will form part of future qualifying distributions. The REIT does not claim building allowances on its immovable properties, however other allowances including section 11(e) and section 12B are available to claim by a REIT which will be recouped when the REIT sells the immovable property. Deferred tax on investment properties is raised in this regard.

Material accounting policies

1.14 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered 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 (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

On initial classification as held-for-sale, generally, non-current assets and disposal groups are measured at the lower of the carrying amount and fair value less costs to sell, with any adjustments taken to profit or loss (or OCI in the case of a revalued asset). The same applies to gains and losses on subsequent remeasurement. However, certain items, such as financial assets within the scope of IFRS 9: Financial Instruments: Recognition and Measurement and investment property within the scope of IAS 40: Investment Properties, continue to be measured in accordance with those standards.
Impairment losses subsequent to classification of assets as held-for-sale are recognised in profit or loss. Increases in fair value less costs to sell assets that have been classified as held-for-sale are recognised in profit or loss to the extent that the increase is not in excess of any cumulative impairment loss previously recognised in respect of the asset.

Gains and losses on remeasurement and impairment losses subsequent to classification as disposal groups and non-current assets held-for-sale are shown within continuing operations in profit or loss, unless they qualify as discontinued operations.

Disposal groups and non-current assets held-for-sale are presented separately from other assets and liabilities on the statement of financial position. Prior periods are not reclassified.

A discontinued operation is a component of the group's business, the operations and cash flows of which can be clearly distinguished from the rest of the group and which

- represents a separate major line of business or geographic area of operations;
- Is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations;
- Is a subsidiary acquired exclusively with a view to resell.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meet the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is represented as if the operation had been discontinued from the start of the comparative year.

1.15 Leases

Where the group is the lessee

The group leases leasehold land, an office premises, air bridges, a small portion of retail space and printers from non-related parties.

Recognition

Leases are recognised as a lease liability and corresponding right-of-use asset at the commencement date of the leases. Each lease payment is allocated between the settlement of the lease liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period.

Lease liabilities are presented as a separate line in the consolidated statement of financial position and disclosed separately (note 22).

Right-of-use assets, classified as investment property, are measured at fair value. Fair value gains and losses are recognised in profit or loss in "fair value adjustments".

Right-of-use assets, classified as property and equipment, are depreciated on a straight-line basis from the commencement date to the end of the lease term. The lease term is the non-cancellable period of the lease plus any periods for which the group is 'reasonably certain' to exercise any extension options. If right-of-use assets are considered to be impaired, the carrying value is reduced accordingly. Depreciation is recognised in "operating expenses" and impairments, if applicable, will be recognised in "other expenses".

Right-of-use assets are recognised as part of investment property (note 16) and property and equipment (note 39).

Initial measurement

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date and are discounted using the interest rate implicit to the lease. The incremental borrowing rates of the applicable statutory entity was the appropriate rate. Lease payments included in the lease liability include fixed payments and in-substance fixed payments during the term of the lease.

Right-of-use assets are initially measured at cost which is the amount of the initial measurement of the lease liability.

Subsequent measurement

After initial recognition, the lease liability is recorded at amortised cost using the effective interest method. It is measured by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made;
- changes to reflect revised in-substance fixed lease payments;
- the group's assessment of the lease term changes; and
- lease modifications occur that are not treated as separate leases.

Any change in the lease liability as a result of these changes also results in a corresponding change in the right-of-use asset.

Right-of-use assets, classified as investment property, are subsequently measured, applying the fair value model where the right-of-use asset falls within the scope of IAS 40: Investment Property, at fair value.

Right-of-use assets, classified as property and equipment, are subsequently measured applying the cost model where a right-of-use asset falls within the scope of IAS 16: Property, Plant and Equipment, at cost less accumulated depreciation and any accumulated impairment losses.

Rental paid for office printers is recognised in operating expenses and has been separately disclosed. The group has applied the low value expedient option in IFRS 16: Leases for these assets and a lease liability and right-of-use asset has not been recognised for these assets. Any asset with a value of less than R80 000 is deemed to be a low value asset.

Variable rentals that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in "property expenses" or "operating expenses" in profit or loss (notes 7, 9 and 22).

Material accounting policies

1.15 Leases (continued)

Where the group is the lessor

The group leases investment properties under operating leases to non-related parties.

Contractual rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Any change in the scope of a lease, that was not part of the original terms and conditions of a lease is treated as a lease modification. This is accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease and the straight lining is calculated from the date of the modification.

1.16 Stated capital

Ordinary shares are classified as equity.

Where any company within the Attacq group of companies purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental costs and the related income tax effects, is included in equity attributable to the company's equity holders. The shares are listed on the JSE, with one vote per share.

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

1.17 Revenue from contracts with customers

Revenue from contracts with customers arises from transactions not associated with financial instruments, or investment properties. Revenue is recognised either when the performance obligation has been satisfied ('point- in- time') or as control of the goods or service is transferred to the customer ('over time'). This requires an assessment of the group's performance obligations and of when control is transferred to the customer. Where revenue is recognised over time, based on performance obligations, the group applies a revenue recognition method that faithfully depicts the group's performance in transferring control of the service to the customer. Due to the nature of the group's business, the majority of its revenue from customers is considered to be recognised 'over time'. If performance obligations in a contract do not meet the over time criteria, the group recognises revenue at a point-in-time. Revenue from asset management services is included in the point-in-time category. This is in general due to the group performing and the customer simultaneously receiving and consuming the benefits over the life of the contract as services are rendered. For each, revenue is measured based on the consideration specified in contracts with customers. Such amounts are only included based on the expected value or most likely outcome method, and only to the extent that it is highly probable that no significant revenue reversal will occur. In assessing whether a significant reversal will occur, the group considers both the likelihood and the magnitude of the potential revenue reversal. Payment terms and conditions included in customer contracts are typically due in full within 30 days.

Details related to the nature and measurement of revenue are set out below:

Revenue type	Description	Nature, timing of satisfaction of performance obligations and measurement
Fee income	Management fees on assets under management.	Management fees on assets under management are recognised over the period for which the services are rendered, in accordance with the substance of the relevant agreements.
Recoveries	Recovering operating costs, such as utilities, from tenants.	Utility recoveries are recognised over the period for which the services are rendered. The group acts as a principal on its own account when recovering operating costs, such as utilities, from tenants.
Casual parking, non-GLA income	Parking income from retail-experience hubs, non-GLA income (advertising, promotion and exhibition).	Casual parking income is recognised over the period for which the services are rendered. Non-GLA income are contingent and are recorded in the period in which they are earned.
Turnover rental	Turnover rent based on tenant's retail sales.	Included in revenue when the amounts can be reliably measured.
Sale of inventory	Disposal of sectional title units.	Revenue from the sale of inventory is recognised on the date of registration/transfer.

Contractual rental income and lease cancellations from lease agreements is not within the scope of IFRS 15: Revenue from Contracts with Customers and has thus not been included in the table above.

Rental income

Rental income comprises gross rental income and fixed operating cost recoveries from the letting of investment properties, excluding VAT. Rental income excludes tenant security deposits which represent financial advances made by tenants as guarantees during the lease and are repayable by the group upon termination of the lease contracts.

Rental income receivable is recognised on a straight-line basis over the term of the lease. Directly attributable lease incentives are recognised within rental income on the same basis.

Contingent rents, being those lease payments that are not fixed at the inception of a lease, for example increases arising on rent reviews or rentals linked to tenant revenues, are recorded as income in the periods in which they are earned. Rent reviews are recognised as income from the date of the rent review, based on management's estimates. Estimates are derived from knowledge of market rents for comparable properties determined on an individual property basis and updated for progress of negotiations.

Service charge income is recognised on an accrual basis in line with the service being provided.

Material accounting policies

1.17 Revenue from contracts with customers (continued)

As specified in the lease agreements, the group has the primary responsibility for providing services to tenants (electricity, water and gas utilities, interior and exterior cleaning, security, maintenance and repairs). The group negotiates directly with the suppliers all contracts for services provided to tenants. These contracts are concluded between the group subsidiaries which own the properties and the direct supplier.

1.18 Investment income

Interest income

Interest for the group is recognised, in profit or loss, using the effective interest rate method.

Dividend income

Dividend income for the group, from investments, is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

1.19 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or development of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- actual borrowing costs on funds specifically borrowed for the purpose of acquisition, construction or development of a qualifying asset less any temporary investment of those borrowings; and
- weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of acquisition, construction or development of a qualifying asset. The borrowing costs capitalised cannot exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.20 Foreign currencies

The group AFS are presented in SA rand, which is the company's functional and presentation currency. However, the group measures the transactions of each of its material operations using the functional currency determined for that specific entity, which, in most instances, is the currency of the primary economic environment in which the operation conducts its business.

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the transaction date. Monetary items denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Gains or losses arising on translation are credited to or charged in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

1.21 Foreign operations

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

- assets and liabilities at rates of exchange ruling at the reporting date;
- equity items are translated at historical rates; and
- income, expenditure and cash flow items at weighted average rates.

Exchange differences on translation are accounted for in OCI. These differences will be recognised in earnings upon realisation of the underlying operation.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (i.e. the reporting entity's interest in the net assets of that operation) are taken directly to equity.

The average US dollar to SA rand conversion rate, where applicable, of $1.00: R18.71 (2023: $1.00: R17.77) has been used to translate the statement of comprehensive income and statement of cash flows while the statement of financial position has been translated at the closing rate at the last day of the reporting period of $1.00: R18.47 (2023: $1.00: R18.74).

1.22 Employee benefits

Short-term benefits

The cost of short-term employee benefits is recognised during the period in which the employees render the related service. Short-term employee benefits are measured on an undiscounted basis. The accrual for employee entitlements to salaries, bonuses and annual leave represents the amount which the group has a present legal or constructive obligation to pay as a result of the employees' services provided up to the reporting date.

Defined contribution plan

The group contributes to defined contribution funds for the benefit of employees and these contributions are expensed as they fall due. The group is not liable for contributions to the medical aid of current or retired employees.

1.23 Share-based payment arrangements

Equity-settled share-based payments

Equity-settled shared-based payments are measured at the grant date fair value of the equity instruments granted, and are expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. The annual expense is based on the group's estimate of the shares that will eventually vest, adjusted for the effect of non-market vesting conditions.

Cash-settled share-based payments

Cash-settled share-based payment liabilities are initially measured at fair value and subsequently remeasured to fair value at each reporting date as well as at the date of settlement, with any changes in fair value recognised in profit or loss. The expense is recognised on a straight-line basis over the vesting period, with a corresponding increase in the liability.

Material accounting policies

1.23 Share-based payment arrangements (continued)

Cancellation and settlement

Where an award is cancelled or settled (i.e. cancelled with some form of compensation), other than by forfeiture to satisfy the vesting conditions:

- if the cancellation or settlement occurs during the vesting period, it is treated as an acceleration of vesting, and the group recognises immediately the amount that would otherwise have been recognised for services received over the remainder of the vesting period.

Where the group pays compensation for a cancelled award:

- any compensation paid up to the fair value of the award at cancellation or settlement date (whether before or after vesting) is accounted for as a deduction from equity, as being equivalent to the redemption of any equity instrument;
- any compensation paid in excess of the fair value of the award at cancellation or settlement date (whether before or after vesting) is accounted for as an expense in profit or loss.

1.24 Determination and presentation of operating segments

Operating segments are reported on in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the reportable operating segments, has been identified as the group executive committee. Operating segments reported are based on the group's different investment portfolios.

The group has four reportable operating segments which are managed separately based on geographical areas and use of portfolio. The group executive committee reviews internal management reports on these strategic divisions at least twice a year. The group's reportable operating segments are as follows:

Direct owned real estate:

- Rest of South Africa;
- Waterfall City; and
- Head office SA.

Indirect owned real estate:

- Other.

The Rest of South Africa and Waterfall City segments comprises of retail-experience hubs, collaboration hubs, logistics hubs and hotel segments that generate rental income from the underlying properties. Head office SA generates revenue from fees charged to external parties and includes the SA rand denominated long-term borrowings. Included in Waterfall City is Waterfall Developments which does not generate revenue while under construction. Other includes indirect real estate investments in Africa.

Segment results that are reported to the chief operating decision-maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The chief operating decision-maker, however, assesses each investment property or item on an individual basis in making decisions about its performance.

1.25 Dividends

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

2. CRITICAL ACCOUNTING JUDGEMENTS INCLUDING THOSE INVOLVING ESTIMATIONS

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions and judgements concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2.1 Control over certain investment in associates

The group has certain investments in associates in which it effectively owned in excess of 20.0% of the issued share capital of the associates. The group has deemed these investments to be associates as it does not have control. The assessment of control over these investments took into account the following:

- the number of directors that the group has on the boards of the investments;
- the involvement in decision making over significant transactions and/or events of the investments; and
- the pattern of shareholder voting at shareholder meetings.

2.2 Determination of fair value of investment property

The group measures and recognises all investment property initially at cost and subsequently at fair value as noted in 1.7. The fair value estimate is determined using independent external valuations on an annual basis, adjusted as follows:

- an adjustment for the estimated future rental obligations to the lessors of the Waterfall development;
- an adjustment for the estimated future rental obligations to the lessors of the Waterfall leasehold land;
- completed developments - completed developments valued using the discounted cash flow of future rental income are adjusted with the value of the straight-lining lease debtor; and
- developments under construction - an adjustment to the present value of the difference between the estimated fair value of the investment property at completion and the total estimated development cost using the stage of completion method. The stage of completion is determined with reference to the cost incurred to date versus the total anticipated cost of the development, excluding the cost allocated to the leasehold land.

The above adjustments are made to reflect the fair value at which the asset could be exchanged between market participants at the reporting date under current market conditions.

There is significant judgement involved in the determination of the fair value of investment property. The significant unobservable inputs into the property valuations are capitalisation rates, discount rates and market rental assumptions. Refer to note 16 for the details relating to the significant unobservable inputs.

Material accounting policies

2.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and FVOCI securities) are based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine the fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

The carrying value less ECL of trade receivables and payables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

2.4 Impairment of investment in the Rest of Africa portfolio

Management has assessed the fair value of the investment in the Rest of Africa portfolio and has determined that a risk of volatility in the property values exist due to the current difficult economic climate in those countries in which the group has a presence.

Based on the above mentioned factors, management assessed this investment and incorporates that in the measurement of ECL. Refer to note 17 and 19.

2.5 Fair value measurements and valuation processes

Some of the group's assets and liabilities are measured at fair value for financial reporting purposes. The board, through the CEO and CFO determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the group engages third party qualified valuers to perform the valuation. The above officers work closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

The above officers report the decisions to the ARC and board bi-annually to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in the determination of the fair value of various assets and liabilities is disclosed in notes 16, note 17 and note 18.

2.6 Fair value measurement of Waterfall leasehold land

Leasehold land

The valuation in respect of Waterfall's leasehold land is based on an external valuation performed on a comparable sales valuation technique for both the current and prior year. Comparable sales used by the external valuer in the following ranges were applied in the determination of the valuation: unserviced farmland between R250 and R275 per m² (2023: R225 and R263 per m²), serviced land and bulk rates between R1 075 and R1 200 per m² (2023: R1 100 and R1 200 per m²) for logistics hubs, and R2 850 and R3 200 per m² (2023: R2 750 and R3 200 per m²) for collaboration, hotel and retail-experience hubs. The valuation is then adjusted downward to take into account, inter alia, the nature of the contractual rights and the estimated future rental obligations attached to the leasehold land (as detailed below).

Estimation of the future rental payments to WDC

In 2009 AWIC, a subsidiary of the group, entered into a purchase of development rights and lease agreements with WDC in terms which it obtained the right to develop the relevant land parcels and to call for the registration of long-term lease agreements against the title deeds of these land parcels.

In terms of the agreements AWIC is obliged to pay, to the land owner (WDC), an amount equal to 6.0% of the net rentals it generates from the leasehold improvements. This obligation is deemed inseparable from the leasehold land and should therefore impact the fair value of the relevant investment property.

The 6.0% net rental obligation is calculated based on:

- staggered rental income streams based on the anticipated completion tempo, assuming a consistent commencement date at the end of the reporting period and varying periods of construction, of the various leasehold improvements; and
- discounting of anticipated cash flow streams to determine the present value of the obligation at rates between 12.30% and 14.50% (2023: 12.60% and 13.50%).

In terms of the above-mentioned agreements, AWIC has specific obligations relating to the disposal of residential developments which supersedes the net rental obligation described above.

The obligations specifically relating to the disposal of residential developments is calculated based on:

- sales price to the end user;
- difference between such sales price and a predetermined threshold set out in the agreement; and
- the difference multiplied by 5.0%.

2.7 Capitalisation of borrowing costs

As described in note 1.19, the group capitalises borrowing costs directly attributable to the construction of qualifying assets. Capitalisation of the borrowing costs relates to construction of the group's developments in Waterfall.

2.8 Share-based payments

In applying IFRS 2: Share-based Payment, management has made certain judgements in respect of the fair value option pricing models to be used in determining the various share-based payment arrangements in respect of employees, as well as the variable elements used in these models. For share-based payments, estimates are made in determining the fair value of equity instruments granted. Assumptions are used in the valuation models and include assumptions regarding future distributions, development roll-out, development surplus, transformation and expected employee attrition rate.

Material accounting policies

2.9 Critical accounting judgements and key sources of estimation relating to IFRS 16 relating to rental the lease with WDC

Lease identification – rental payments to WDC

In 2009 AWIC, a subsidiary of the group, entered into a purchase of development rights and lease agreements with WDC in terms of which it obtained the right to develop the relevant land parcels and to call for the registration of long-term lease agreements against the title deeds of these land parcels. In terms of the agreements AWIC is obliged to pay, to the land owner (WDC), an amount equal to 6.0% of the net rentals it generates from the leasehold improvements.

The directors of the group assessed whether or not the contract with WDC contains a lease for the leasehold land. In making the assessment, the directors have established that WDC cannot use the leasehold land for any other purposes during the course of the agreement and therefore the group does have the right to obtain substantially all of the economic benefits from the use of the leasehold land. As a result the directors concluded that the group has contracted for substantially all of the capacity of the leasehold land, and therefore the contract contains a lease.

Lease term

Where the group recognises a lease liability and corresponding right-of-use asset, consideration is given around the extension options of the lease, in terms of IFRS 16: Leases. An evaluation of the facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option on the remaining lease term, is performed. These include an assessment of the likelihood of renewal by the tenant situated on the leasehold land, the potential business disruption by not extending and the unrecoverable costs or penalties incurred to extend or terminate the contract. The group concluded that all lease liabilities and right-of-use assets are appropriately accounted for based on the lease term and that any significant changes or circumstances in the current year to this assessment have been account for.

In substance fixed payments

The in substance fixed payments are determined with reference to the underlying tenant leases, being the contractual rental per the lease agreement. Once a lease is signed the payment of the 6.0% to WDC becomes in substance fixed. In the absence of a signed lease agreement, the lease payments are contingent. Although 6.0% of the rental is payable in terms of the lease agreement, the lease liability is determined taking into account the known fixed rental income payments from the underlying subleases

Renewal of WDC lease

The lease with WDC is a 99-year lease that is renewed every three years, automatically. The directors have assessed whether the renewal constitutes a lease modification and have concluded that the renewal is not a lease modification as it has been taken into account at inception of the lease.

Incremental borrowing rate

The incremental borrowing rate is the rate applied at inception of the lease. The annual renewal of the lease has been assessed not to be a lease modification and the incremental borrowing rate remains the rate used at inception.

2.10 Preparation of cash flow forecasts

The application of judgement is inherent in the preparation of cash flow forecasts which are used by the group in support of the going concern assumption, the recoverability of rental income from tenants, the anticipated operational cost to be spent, capital expenditure relating to completed properties, the anticipated development spend, the servicing of interest on long-term borrowings and swaps and the ability to utilise its assessed taxation losses.

The forecasts are based on the expected cash generated/utilised from the Rest of South Africa, Waterfall City and Other segment which are reviewed monthly by the executive committee and approved by the Board on a quarterly basis.

2.11 Financial assets

In applying IFRS 9: Financial Instruments, management makes judgements and assumptions in determining the impairment losses to be recognised in relation to financial assets. The ECL allowances for financial assets are based on assumptions about risk of default and expected loss rate. The group and company uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the group's and company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Refer to note 1.11 for the accounting policy regarding determination of ECL.

Methodology for calculating ECLs

The methods for calculating ECLs for each financial asset type depends on the underlying assets and their properties. Sometimes several techniques and models may be used within a single asset class.

The following methods were used within the group:

Category	Type of credit loss model used
Loans receivable (inter-company, related party and other loans)	Moody's Analytics "RiskCalc" SA financial statement PD and LGD model and data. For property investment companies, the asset break up value may be applied for LGD. Adjusted for items such as implied group support. Where the counterparty is an investment holding company, the PD and LGD measurement may be applied to operating subsidiaries that generate the cash flow for the counterparty.
Guarantees	Ratings or Moody's Analytics RiskCalc South Africa financial statement PD and LGD models, adjusted for such items as implied group support.
Rental debtors	Ratings, estimated ratings and Moody's Analytics financial statement PD model. Judgmental adjustments are made to model derived calculations on occasion.

Calculated through-the-cycle loss rates are converted into point-in-time losses and then into ECL percentages using Moody's Analytics ImpairmentCalc product and their GCorr economic forecasts and scenarios.

Material accounting policies

2.11 Financial assets (continued)

Management used the RiskCalc product (including its LossCalc module) to calculate PDs and LGDs based on the input of financial statements of a counterparty. Where reliable financial statements (which may include management accounts) are not available, alternative techniques are used to calculate PDs and LGDs. Where a company is rated, that rating is applied instead of the RiskCalc PD.

RiskCalc uses a very comprehensive multi-decade historical database of company financial information and default events to calculate PD and LGD.

The output from RiskCalc is a through-the-cycle measure of PD and LGD, which have to be converted to Point-in-time measures (at measurement date) and then conditioned into a forward-looking measure, using forward looking indicators and scenarios to arrive at an IFRS 9: Financial instruments compliant ECL.

Management used the ImpairmentCalc product to convert (or condition) through-the-cycle PDs and LGDs as well as ratings into ECLs through the use of forward-looking information. ImpairmentCalc uses the Moody's multi-factor GCorr credit risk model, validated historic macroeconomic data and forecast macroeconomic data and scenarios with recommended weightings.

The output of ImpairmentCalc is a term ECL (i.e. 12 months, lifetime or a specific period in between).

Ratings, measured PD and LGDs are converted from through-the-cycle to point-in-time measures using Moody's Analytics ImpairmentCalc product. ImpairmentCalc then converts (or "conditions") these historic or point-in-time measures into forward-looking measures that constitute the ECL. This conditioning utilises their proprietary models, their database of validated historic macroeconomic and default data and forecast scenarios and recommended weightings of scenarios.

This is consistent with the methodology applied in prior periods.

Moody's Analytics produces a set of macroeconomic forecasts for SA that considers the historical accuracy of various forecasters to identify reliable sources. These are incorporated into their GCorr macroeconomic forecast set. Based on research conducted by Moody's Analytics they recommend the use of their Baseline, Stronger Near-Term Rebound (S1), and Moderate Recession (S3) forecast sets weighted 40.0%, 30.0% and 30.0% respectively for a forward-looking adjustment for the purposes of IFRS 9: Financial instruments. They consider both public and private SA company defaults in this research. The methodology does consider the industry of the asset and includes in the calculations likely volatility of that industry to the average impact of the SA economy.

Moody's Analytics does not disclose the specific macroeconomic variables that they have found to be best predictive of changes in credit risk in SA but do provide indicators of the impact of certain of their measures. The forecast GDP growth for the year to Q4 2024 ranges from -1.51% to 3.27% with the baseline at 1.54%. GDP is not the only factor that determines the extent of the adjustment but is described here to illustrate the extent of impact on the general economy that is being taken into account.

Inter-company and related party loans

The loans between group companies (inter-company loans) and any related party loans were valued based on the risk of the counterparty under the general approach.

Management determined the staging of each asset in terms of the accounting policy detailed in 1.11.

Where a loan has been subordinated or has restricted terms of repayment, the term of the loan is extended to the estimated date that such restriction on repayment is likely to end and it is treated as a loan with a fixed term regardless of the stated term. Where the period of the restriction is uncertain or dependent on a future event, we estimate its likely period.

Where a loan has a fixed term or a minimum term, this term is applied to the calculation of the ECL and a one year or lifetime ECL is applied depending on the staging of the loan.

Where a loan is repayable on demand, an assessment is made of the debtor's ability to repay if demand for immediate repayment is made. If there are:

- sufficient cash and near cash investments to make repayment, it is assumed that the risk is negligible and no ECL is raised;
- insufficient cash resources, the term of a loan is estimated by assessing how long it will take to repay in the normal course of business with reference to the cash flow of the debtor entity. The cash flow is estimated using the most recent financial year's financial statements or management accounts. Management used a Debt Service Cover ratio calculation to estimate the available cash flow and assume that this can be used to repay the loan. Where the cash flow is negative or very low, a repayment period was assumed based on management's strategic plans for the business.

Where a loan is in stage 1, a one year ECL is applied.

Where a loan is in stage 2 or 3, the lifetime loss is applied. The term of such a loan is estimated by assessing how long it will take to repay in the normal course of business.

The policy is to allow the debtor to realise assets in the ordinary course of business. Managements' experience indicates that the time from the point of decision to sell, to receipt of the proceeds of sale, is:

- SA properties excluding vacant land - 6 months;
- vacant land - 12 months; and

The interest rates used are the stated rates of each loan. ECL calculations include the interest rate of each loan.

Where the nature of the counterparty is an investment holding company holding shares for the purposes of long term investment, we look at the underlying investments to determine the risk.

Where the nature of the counterparty is one that has investments in assets that can be easily realised at an objective market value, the PD is derived by RiskCalc. The LGD is based on the value of the assets. Where an asset is real estate, the property valuation is used with the application of a haircut to take into account the recovery rates typically achieved by the SA banking industry for the relevant property class.

Material accounting policies

2.11 Financial assets (continued)

Guarantees

The group, through Attacq, ARF, Lynnwood Bridge, Lynnaur and AMS has issued various guarantees to support borrowings by subsidiaries from financial institutions.

The fair value of the guarantees is measured at the date of issue and amortised to the financial period end date. This amortised cost is compared to the ECL measured on a one year or lifetime basis, depending on the stage, and the higher of the two is recognised.

The risk of the guarantees on date of issue is determined by the cost of the guarantees where an arm's length price was paid. Where no payment was made, the cost is determined by the saving in interest rate that was achieved by the issuance of the guarantee where such a guarantee is supporting a lending transaction. In the absence of either of these, the risk of the guarantee is determined as the ECL that will be incurred over the lifetime of the guarantee, which is the case in the group situation.

Guarantees were valued based on the risk of the counterparty whose obligations have been guaranteed. The ECL on the guarantees is limited by the fair value of the guarantor. The NAV has been used as the indicator of fair value. Where cross guarantees have been issued by a number of group companies, the risk lies with the group.

The inputs into the models are the historical AFS of the group or management accounts. These include revaluations of properties. Valuations are carried out by independent professional valuers. The output is a historic PD or estimated rating and LGD.

Lease receivables

The group applies the IFRS 9: Financial instruments simplified approach in measuring ECL on lease receivables, which requires a lifetime loss allowance.

The group has applied specific ECLs to trade and other receivables balances based on managements' judgement as well as a general ECL.

To measure the general ECL, the rental debtors have been grouped based on shared credit risk characteristics and into common ageing buckets. Our divisional structure reflects our exposure to different tenant groups, and we have disclosed each divisions ECL rate.

The calculation of ECL rates, which is a forward-looking measure, is based on:

- a rating that is mapped to a PD rate; multiplied by
- the expected exposure at default; multiplied by
- the % of defaulted amounts that were irrecoverable (LGD); and
- adjusted by a factor to convert historical loss experience to future credit loss expectations, using multiple macroeconomic scenarios.

2.12 Recognition of rental income and straight-line lease income adjustment

The recognition of rental income is an area involving management judgement, requiring assessment as to whether it will be highly probable that a rental discount will be granted. To the extent that management's assessment indicates that it will be highly probable that a discount will be granted, the revenue will not be recognised.

2.13 Intangible assets impairment

Management undertakes an annual impairment test for intangible assets. For assets with finite useful lives, impairment testing is performed if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying amounts of assets can be supported by the higher of their fair value less costs of disposal and value in use.

Value in use is calculated as the net present value of future cash flows derived from assets using cash flow projections which have been discounted at appropriate discount rates. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- growth in property management fee income;
- growth in asset management fee income;
- increase in property and asset management expenses;
- increase or decrease in property valuations;
- long-term growth rates; and
- the selection of appropriate discount rates to reflect the risks involved.

Details of the basis for determining values assigned to key assumptions are provided in note 23.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the projections, could significantly affect the group's impairment evaluation and consequently its results.

The group's review includes a sensitivity analysis of the key assumptions related to the cash flow projections as disclosed in note 23.

Material accounting policies

3. NEW ACCOUNTING STANDARDS, AMENDMENTS TO PUBLISHED STANDARDS AND INTERPRETATIONS

On 1 July 2024, the following new accounting pronouncements, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the group.

Standard	Details of amendments	Impact on the financial statements
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16: Effective for annual periods beginning on or after 1 January 2024.	In September 2022, the IASB issued amendments to Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendment to IFRS 16 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.	The amendment is not expected to have a material impact on the group.
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7: Effective for annual periods beginning on or after 1 January 2024.	In May 2023, the IASB issued amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures.* The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.	The amendment will not impact the group.

Standard	Details of amendments	Impact on the financial statements
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to IAS 1: *Effective for annual periods beginning on or after 1 January 2024.*	In January 2020 and October 2022, the IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify: ▪ What is meant by a right to defer settlement ▪ That a right to defer settlement must exist at the end of the reporting period ▪ That classification is unaffected by the likelihood that an entity will exercise its deferral right ▪ 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 ▪ Disclosures	The amendment is not expected to have a material impact on the group.

Material accounting policies

3. NEW ACCOUNTING STANDARDS, AMENDMENTS TO PUBLISHED STANDARDS AND INTERPRETATIONS (continued)

Standard	Details of amendments	Impact on the financial statements
Lack of exchangeability – Amendments to IAS 21: Effective for annual periods beginning on or after 1 January 2025.	In August 2023, the IASB issued *Lack of Exchangeability* (Amendments to IAS 21). The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.	The amendment is not expected to have a material impact on the group.
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7: Effective for annual periods beginning on or after 1 January 2026.	In May 2024, the IASB issued *amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*, which: ■ Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met ■ Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features ■ Clarifies the treatment of non-recourse assets and contractually linked instruments ■ Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income The publication of the amendments concludes the classification and measurement phase of the IASB's post implementation review (PIR) of IFRS 9.	The amendment is not expected to have a material impact on the group.

Standard	Details of amendments	Impact on the financial statements
IFRS 19 - Subsidiaries without Public Accountability: Disclosures: Effective for annual periods beginning on or after 1 January 2027.	In May 2024, the IASB issued IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance	The amendment will not impact the group.
IFRS 18 – Presentation and Disclosure in Financial Statements: Effective for annual periods beginning on or after 1 January 2027.	In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.	The impact of the amendment is still being assessed by the group.
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28. The amendments has been postponed.	IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture	The amendment is not expected to have a material impact on the group.

Notes to the financial statements

4. SEGMENTAL REPORTING

	GROUP											
	2024											
	Rest of South Africa			Waterfall City								
Figures in R'000s	Retail-experience hubs	Colla-boration hubs	Hotel	Retail-experience hubs	Colla-boration hubs	Logistics hubs	Hotel	Develop-ments	Head office SA	Total South African portfolio	Other	Total
STATEMENT OF FINANCIAL POSITION												
Investment property	4 743 113	1 444 208	228 204	6 263 322	4 248 659	1 880 874	352 800	–	–	19 161 180	–	19 161 180
Waterfall developments	–	–	–	–	–	–	–	776 240	–	776 240	–	776 240
Developments under construction	–	–	–	–	–	–	–	38 307	–	38 307	–	38 307
Leasehold land	–	–	–	–	–	–	–	737 933	–	737 933	–	737 933
Straight-line lease debtor	97 098	146 965	20 755	109 366	482 573	199 768	42 788	–	–	1 099 313	–	1 099 313
Investments in associates and joint ventures	384	717	–	–	–	–	–	–	48	1 149	–	1 149
Other financial assets	–	–	–	–	396 838	5 360	–	–	21 621	423 819	–	423 819
Loans to associates and joint ventures	–	–	–	–	–	–	–	270 246	–	270 246	–	270 246
Trade and other receivables	38 759	6 081	486	45 808	25 106	7 372	636	(4 545)	60 058	179 761	55	179 816
Cash and cash equivalents	24 465	24 911	–	49 056	66 448	42 336	711	325	398 244	606 496	5 177	611 673
Inventory	–	–	–	–	5 700	–	–	36 955	–	42 655	–	42 655
Non-current assets held for sale	–	–	–	–	–	–	–	–	–	–	287 387	287 387
Other assets	–	–	–	–	–	–	–	–	36 056	36 056	–	36 056
Total assets	4 903 819	1 622 882	249 445	6 467 552	5 225 324	2 135 710	396 935	1 079 221	516 027	22 596 915	292 619	22 889 534
Long-term borrowings	–	–	–	–	–	–	–	–	6 079 714	6 079 714	–	6 079 714
Other financial liabilities	–	–	–	–	–	–	–	–	31 915	31 915		31 915
Loans from associates	–	–	–	–	–	–	–	–	–	–	4 639	4 639
Deferred tax liabilities	–	–	–	–	–	–	–	–	302 900	302 900	–	302 900
Trade and other payables	95 220	19 111	1 790	109 767	148 364	11 443	4 353	735	172 121	562 904	600	563 504
Liabilities associated with non-current assets held for sale	–	–	–	–	–	–	–	–	–	–	9 708	9 708
Lease liability	–	8 835	–	53 434	89 368	75 503	15 361	–	362	242 863	–	242 863
Other liabilities	–	–	–	–	–	805	–	393	3 765	4 963	–	4 963
Total liabilities	95 220	27 946	1 790	163 201	237 732	87 751	19 714	1 128	6 590 777	7 225 259	14 947	7 240 206

Notes to the financial statements

4. SEGMENTAL REPORTING

GROUP

	2024											
	Rest of South Africa			Waterfall City								
Figures in R'000s	**Retail-experience hubs**	**Colla-boration hubs**	**Hotel**	**Retail-experience hubs**	**Colla-boration hubs**	**Logistics hubs**	**Hotel**	**Develop-ments**	**Head office SA**	**Total South African portfolio**	**Other**	**Total**
STATEMENT OF COMPREHENSIVE INCOME												
Rental income	668 587	255 875	33 645	637 990	644 836	227 421	47 255	–	21 288	2 536 897	–	2 536 897
Straight-line lease income adjustment	6 730	(15 122)	3 424	(8 134)	(5 877)	24 230	13 703	–	–	18 954	–	18 954
Sale of sectional title units	–	–	–	–	48 922	–	–	–	–	48 922	–	48 922
Property expenses/Property Management fee income	(291 292)	(96 846)	(8 290)	(295 451)	(234 258)	(55 759)	(16 226)	–	18 689	(979 433)	–	(979 433)
ECL on trade and other receivables	129	60	–	2 056	3 415	–	(250)	–	227	5 637	–	5 637
Cost of sales of sectional title units	–	–	–	–	(41 614)	–	–	–	–	(41 614)	–	(41 614)
Net profit from property operations	384 154	143 967	28 779	336 461	415 424	195 892	44 482	–	40 204	1 589 363	–	1 589 363
Other income	6 467	–	–	14 820	40	–	–	88	51 415	72 830	106	72 936
Operating expenses	(23 942)	(7 829)	(1 275)	(19 247)	(21 471)	(9 955)	(1 719)	(200)	(156 476)	(242 114)	(1 209)	(243 323)
ECL on loans to associates and suretyships	–	–	–	–	–	–	–	–	(5)	(5)	(87 455)	(87 460)
Impairment of investment in associates	–	–	–	–	–	–	–	–	–	–	(206 621)	(206 621)
Other expenses	–	–	–	(5 251)	(189)	(37)	–	(14 906)	(21 581)	(41 964)	(1)	(41 965)
Operating profit / (loss)	366 679	136 138	27 504	326 783	393 804	185 900	42 763	(15 018)	(86 443)	1 378 110	(295 180)	1 082 930
Fair value adjustments	275 945	36 644	(8 218)	407 230	137 670	6 775	40 936	(68 391)	(55 407)	773 184	(3 428)	769 756
Net loss from equity accounted investments	–	–	–	–	–	–	–	–	1 184	1 184	(28 684)	(27 500)
Investment income	16 811	8 188	–	4 956	47 755	1 550	100	–	44 482	123 842	15 394	139 236
Finance costs	–	–	–	(4 759)	(8 892)	(6 722)	(1 351)	–	(670 313)	(692 037)	(5 334)	(697 371)
Profit / (loss) before tax	659 435	180 970	19 286	734 210	570 337	187 503	82 448	(83 409)	(766 497)	1 584 283	(317 232)	1 267 051
Taxation	–	–	–	–	–	–	–	–	(44 639)	(44 639)	(1 309)	(45 948)
Profit / (loss) for the year attributable to owners	659 435	180 970	19 286	734 210	570 337	187 503	82 448	(83 409)	(811 136)	1 539 644	(318 541)	1 221 103

Notes to the financial statements

4. SEGMENTAL REPORTING

	GROUP											
	2023											
	Rest of South Africa			Waterfall City								
Figures in R'000s	Retail-experience hubs	Colla-boration hubs	Hotel	Retail-experience hubs	Colla-boration hubs	Logistics hubs	Hotel	Develop-ments	Head office SA	Total South African portfolio	Other	Total
STATEMENT OF FINANCIAL POSITION												
Investment property	4 388 794	1 410 738	236 422	4 745 382	4 055 473	1 642 635	303 614	–	–	16 783 058	–	16 783 058
Waterfall developments	–	–	–	–	–	–	–	869 511	–	869 511	–	869 511
Developments under construction	–	–	–	–	–	–	–	43 164	–	43 164	–	43 164
Leasehold land	–	–	–	–	–	–	–	826 347	–	826 347	–	826 347
Straight-line lease debtor	90 366	162 087	17 331	117 501	488 452	175 537	29 085	–	–	1 080 359	–	1 080 359
Investments in associates and joint ventures	405	1 956	–	–	–	–	–	–	48	2 409	327 080	329 489
Other financial assets	2 284	–	–	–	386 448	5 893	–	–	44 193	438 818	986 258	1 425 076
Loans to associates and joint ventures	–	–	–	–	–	–	–	97 805	–	97 805	226 533	324 338
Trade and other receivables	35 118	8 579	421	34 741	30 090	85	904	428	87 077	197 443	103	197 546
Cash and cash equivalents	29 623	12 126	–	31 726	66 494	31 182	899	19 391	526 257	717 698	5 197	722 895
Inventory	–	3 558	–	–	5 736	–	–	57 758	–	67 052	–	67 052
Other assets	–	1 825	–	–	–	–	–	–	38 718	40 543	–	40 543
Total assets	4 546 590	1 600 869	254 174	4 929 350	5 032 693	1 855 332	334 502	1 044 893	696 293	20 294 696	1 545 171	21 839 867
Long-term borrowings	–	–	–	–	–	–	–	–	8 384 893	8 384 893	–	8 384 893
Other financial liabilities	–	–	–	–	–	–	–	–	2 414	2 414	–	2 414
Loans from associates	–	–	–	–	–	–	–	–	–	–	4 707	4 707
Deferred tax liabilities	–	–	–	–	–	–	–	–	268 930	268 930	–	268 930
Trade and other payables	103 839	27 796	769	82 965	138 206	20 761	3 187	(93 194)	198 807	483 136	–	483 136
Lease liability	–	8 598	–	48 614	97 081	73 565	10 368	–	354	238 580	–	238 580
Other liabilities	–	–	–	–	–	8 333	–	764	2 688	11 785	2 262	14 047
Total liabilities	103 839	36 394	769	131 579	235 287	102 659	13 555	(92 430)	8 858 086	9 389 738	6 969	9 396 707

Notes to the financial statements

4. SEGMENTAL REPORTING

	GROUP											
	2023											
	Rest of South Africa			Waterfall City								
Figures in R'000s	Retail-experience hubs	Colla-boration hubs	Hotel	Retail-experience hubs	Colla-boration hubs	Logistics hubs	Hotel	Develop-ments	Head office SA	Total South African portfolio	Other	Total
STATEMENT OF COMPREHENSIVE INCOME												
Rental income	635 226	248 995	30 534	588 503	575 823	196 757	42 510	–	13 902	2 332 250	–	2 332 250
Straight-line lease income adjustment	(5 379)	(10 926)	5 096	(19 225)	(16 035)	40 118	7 111	–	–	760	–	760
Sale of sectional title units	–	–	–	–	103 379	–	–	–	–	103 379	–	103 379
Property expenses/Property Management fee income	(265 438)	(94 764)	(7 386)	(269 110)	(191 089)	(58 478)	(13 312)	–	7 809	(891 768)	–	(891 768)
ECL on trade and other receivables	8 740	299	109	4 624	52 439	–	–	–	1 457	67 668	–	67 668
Cost of sales of sectional title units	–	–	–	–	(76 965)	–	–	–	–	(76 965)	–	(76 965)
Net profit from property operations	373 149	143 604	28 353	304 792	447 552	178 397	36 309	–	23 168	1 535 324	–	1 535 324
Other income	–	–	–	5 964	825	4	–	–	9 228	16 021	210	16 231
Operating expenses	(22 731)	(8 605)	(1 309)	(10 851)	(19 519)	(8 966)	(1 550)	–	(117 068)	(190 599)	(1 666)	(192 265)
ECL on loans to associates and suretyships	–	–	–	–	–	–	–	–	(18 343)	(18 343)	(49 045)	(67 388)
Other expenses	–	–	–	–	(3 069)	1	–	(33 838)	(10 660)	(47 566)	–	(47 566)
Operating profit / (loss)	350 418	134 999	27 044	299 905	425 789	169 436	34 759	(33 838)	(113 675)	1 294 837	(50 501)	1 244 336
Fair value adjustments	(16 818)	(173 346)	(23 763)	345 403	(180 586)	20 732	(22 757)	46 858	83 123	78 846	3 037	81 883
Net loss from equity accounted investments	–	–	–	–	–	–	–	–	(23 798)	(23 798)	(55 421)	(79 219)
Investment income	4 128	1 737	187	2 626	41 231	1 054	65	–	21 050	72 078	90 440	162 518
Finance costs	–	488	–	(5 193)	(11 160)	(12 744)	(985)	–	(786 285)	(815 879)	–	(815 879)
Profit / (loss) before tax	337 728	(36 122)	3 468	642 741	275 274	178 478	11 082	13 020	(819 585)	606 084	(12 445)	593 639
Taxation	–	–	–	–	–	–	–	–	(70 087)	(70 087)	(3 266)	(73 353)
Profit / (loss) for the year attributable to owners	337 728	(36 122)	3 468	642 741	275 274	178 478	11 082	13 020	(889 672)	535 997	(15 711)	520 286

Notes to the financial statements

5. RENTAL INCOME AND SALE OF SECTIONAL TITLE UNITS

5.1 Rental income

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Contractual rental income	**1 750 634**	1 635 959	**–**	–
Recoveries	**655 415**	570 579	**–**	–
Casual parking income	**53 559**	53 186	**–**	–
Turnover rental	**32 519**	26 442	**–**	–
Non-GLA income	**24 443**	23 334	**–**	–
Fee income	**19 938**	16 929	**–**	–
Lease cancellation fee	**389**	5 821	**–**	–
Total	**2 536 897**	2 332 250	**–**	–

Lease cancellation fees in the prior year mainly relate to a tenant in the collaboration hubs of R4.0 million.

There are no other performance obligations that are not satisfied (or partially unsatisfied) at the end of the reporting period.

5.2 Sale of sectional title units

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Disposal of sectional title units in Ellipse Waterfall	**48 922**	103 379	**–**	–
Total	**48 922**	103 379	**–**	–

Revenue from the sale of inventory is recognised on the date of registration/transfer. There are no associated contract balances. Please refer to note 26 for further detail on the inventory balances.

6. STRAIGHT-LINE LEASE INCOME ADJUSTMENT

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Straight-line lease debtor balance at 1 July 2023	**1 080 359**	1 079 595	**–**	–
Current year movement	**18 954**	760	**–**	–
Straight-line lease adjustment held for sale	**–**	4	**–**	–
Straight-line lease debtor balance at 30 June 2024	**1 099 313**	1 080 359	**–**	–

7. PROPERTY EXPENSES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Municipal charges	**(611 484)**	(524 452)	**–**	–
Operating costs	**(111 865)**	(92 226)	**–**	–
Diesel expense	**(38 976)**	(50 858)	**–**	–
Staff expenses	**(44 050)**	(45 881)	**–**	–
Rental paid on short-term leases	**(291)**	(3 380)	**–**	–
Security expenses	**(40 678)**	(41 971)	**–**	–
Levies*	**(41 487)**	(29 524)	**–**	–
Cleaning	**(27 278)**	(24 716)	**–**	–
Exhibition expenses	**(11 938)**	(11 793)	**–**	–
Repairs and maintenance	**(39 732)**	(50 535)	**–**	–
Trade and other receivables written off	**(5 846)**	(11 021)	**–**	–
Deferred leasing expenditure#	**(5 808)**	(5 411)	**–**	–
Subtotal	**(979 433)**	(891 768)	**–**	–
ECL provisions for trade and other receivables	**5 637**	67 668	**–**	–
Total	**(973 796)**	(824 100)	**–**	–

* *This includes levies paid to the Lynnwood and Waterfall precinct, which mainly relates to security, gardening and repairs and maintenance*

\# *This includes letting commission and amortisation of deferred initial lease expenditure*

Notes to the financial statements

8. OTHER INCOME

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Insurance proceeds[&]	**21 264**	–	**–**	–
Profit on disposal of non-current assets held for sale	**–**	5 894	**–**	–
Profit on disposal of other assets	**–**	800	**–**	800
Foreign exchange gain realised	**–**	210	**–**	–
Sundry income	**869**	2 913	**–**	69
Reversal of impairment ECL other loans~	**10 032**	–	**–**	–
Reversal of ECL of loans to joint ventures and associates[#]	**33 740**	1 666	**37**	1 666
Reversal of ECL of loans to subsidiaries[@]	**–**	–	**776**	1 369
Reversal of ECL on guarantee	**–**	203	**–**	–
Reversal of ECL of loans to other	**–**	33	**–**	–
POA income	**7 031**	4 355	**–**	–
Derecognition gain on IFRS 16	**–**	157	**–**	–
Derecognition gain on financial instrument[^]	**–**	–	**460 700**	32 781
Reversal of impairment on ECL guarantees*	**–**	–	**27 961**	11 112
Total	**72 936**	16 231	**489 474**	47 797

& *Insurance proceeds in relation to Covid-19 claim*

~ *Reversal of impairment ECL other loans for the group relates mainly to the ECL of the loan to Cell C*

Reversals of ECL of loans to joint ventures and associates for group in the current year relates to JV115, prior year relates to the loan in Kompasbaai

@ *Reversal of ECL on loans to subsidiaries for the company relates mainly to the ECL of the loan to AWIC of R0.7 million (2023 : R1.1 million) (note 42)*

^ *Derecognition gain on financial instrument for the company relates mainly to the loan to AWIC which was converted to equity*

* *Reversal of impairment on ECL of guarantees for the company of R27.96 million (2023: R11.1 million) relates to guarantees provided to various funders to secure funding for AWIC, ARF, Lynnwood Bridge and Lynnaur (note 18 and 34)*

9. OPERATING EXPENSES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Auditor's remuneration	**(8 146)**	(7 041)	**–**	–
Audit services rendered – EY	**(6 526)**	(5 767)	**–**	–
Audit services rendered – Other Auditors	**(314)**	(1 143)	**–**	–
Non-audit services rendered – Assurance	**(1 158)**	(131)	**–**	–
Non-audit services rendered – Other	**(148)**	–	**–**	–
Deferred leasing expense	**(5 428)**	(540)	**–**	–
Early loan settlement fees and transaction costs	**(29 905)**	(2 207)	**–**	–
Prepayment penalties on settlement of debt	**(20 518)**	(471)	**–**	–
Finance raising fees[#]	**(4 941)**	(1 736)	**–**	–
Brokerage fees	**(4 446)**	–	**–**	–
Employee remuneration	**(96 094)**	(85 079)	**–**	–
Non-executive directors' remuneration	**(6 422)**	(5 203)	**(6 422)**	(5 203)
Share-based payment expense	**(21 403)**	(16 399)	**–**	–
Executive directors' share-based payments	**(7 887)**	(4 724)	**–**	–
Prescribed officers' share-based payments	**(880)**	(2 719)	**–**	–
Staff share-based payments	**(12 635)**	(8 957)	**–**	–
Other operating expenses*	**(75 925)**	(75 796)	**(2 877)**	(2 265)
Total	**(243 323)**	(192 265)	**(9 299)**	(7 468)

Raising fee include fees for the implementation of the AWIC transaction with the GEPF

* *Other operating expenses include BEE expenditure, marketing, professional fees, depreciation and license fees*

Notes to the financial statements

10. OTHER EXPENSES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Loss on disposal of investment properties	**(5 410)**	(6 779)	**–**	–
Professional fees	**–**	(433)	**–**	–
Infrastructure costs	**(13 483)**	(609)	**–**	–
Land holding costs#	**(18 805)**	(33 384)	**–**	–
POA expenses	**(4 267)**	(6 361)	**–**	–
Subtotal	**(41 965)**	(47 566)	**–**	–
ECL on loans to joint ventures and associates^	**(87 455)**	(53 999)	**–**	–
ECL on loans to other	**(5)**	(13 389)	**–**	–
ECL on loans to subsidiaries*	**–**	–	**(76 341)**	(67 599)
Impairment of investment in associates held for sale (note 28)$	**(206 621)**	–	**–**	–
Total	**(336 046)**	(114 954)	**(76 341)**	(67 599)

\# *Includes rates and taxes, POA levies, marketing and security costs relating to the leasehold land*

^ *ECL on loans to joint ventures and associates for the current and prior year relates mainly to the ECL of the loan to Gruppo (note 19)*

* *ECL on loans to subsidiaries for the company relates mainly to the ECL of the loan to AMS of R74.4 million (2023: R67.3 million) (note 42)*

$ *Included in the impairment of investment in associates is an impairment of R5.8 million related to the investment in Gruppo, the remaining balance related to the impairment of AttAfrica*

11. INVESTMENT INCOME

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Dividend income	**–**	69 605	**464 578**	344 933
Dividends – local^	**–**	–	**464 578**	344 933
Dividends – Foreign	**–**	69 605	**–**	–
Interest income	**139 236**	92 913	**328 398**	248 019
Loans to joint ventures and associates	**9 139**	20 646	**–**	–
Loans to subsidiaries	**–**	–	**322 313**	247 325
Bank	**54 015**	28 911	**6 085**	694
Derivative financial assets	**28 103**	–	**–**	–
Other interest#	**47 979**	43 356	**–**	–
Total	**139 236**	162 518	**792 976**	592 952

^ *Not included under investment income is a dividend received of R2.4 million (2023: Rnil million) from Travenna which is accounted for under net loss from equity accounted investments (2023: R11.7 million from Wingspan)*

\# *Other interest relates mainly to interest earned from PwC Waterfall Property Partnership*

12. FINANCE COSTS

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Long-term borrowings	**(662 335)**	(704 067)	**–**	–
Derivative financial liabilities	**(11 176)**	(87 936)	**–**	–
Lease liability	**(22 484)**	(23 494)	**–**	–
Loans from subsidiaries	**–**	–	**(366)**	–
Other	**(1 376)**	(382)	**–**	–
Total	**(697 371)**	(815 879)	**(366)**	–

Notes to the financial statements

13. INCOME TAX EXPENSE

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Major components of the tax (expense) credit				
Current				
Current tax	(11 982)	(4 081)	–	–
Income tax - current year	(11 982)	(4 081)	–	–
Deferred				
Originating and reversing temporary differences	(33 966)	(69 272)	–	–
Deferred tax	(33 966)	(69 272)	–	–
Taxation relating to components of OCI	–	–	–	–
Total	(45 948)	(73 353)	–	–
Reconciliation of the tax expense				
Applicable tax rate (SA corporate tax rate)	27.00%	27.00%	27.00%	27.00%
Adjusted for:				
• Non-deductible expenditure*	1.03%	1.19%	0.00%	0.02%
• ECL on loans to associates and other	1.86%	3.06%	0.00%	0.00%
• ECL on loans to subsidiaries	0.00%	0.00%	1.72%	3.23%
• Non-taxable income received[!]	(0.07%)	(0.02%)	(0.64%)	(0.60%)
• Non-taxable dividend income	0.00%	(3.17%)	(0.06%)	(0.56%)
• Impairment of investment in associate	4.40%	0.00%	0.00%	0.00%
• Fair value adjustments on investment property	(18.32%)	(0.73%)	0.00%	0.00%
• Reversal of ECL on loan to associate and other	(0.93%)	(0.08%)	0.00%	(0.08%)
• Notional interest on loans to subsidiaries	0.00%	0.00%	(17.66%)	(13.37%)
• Deferred tax asset not recognised	0.57%	1.06%	0.00%	0.00%
• CFC income not included in profit before tax	0.50%	1.21%	0.53%	1.27%
• Straight-lining not recognised	(0.40%)	(0.03%)	0.00%	0.00%
• Qualifying dividend distribution in terms of section 25BB	(12.39%)	(20.17%)	(10.89%)	(16.87%)
• Section 24J allowance per Income Tax Act	(0.09%)	(0.15%)	0.00%	0.00%
• Net loss from equity accounted investments	0.59%	3.60%	0.00%	0.00%
• Other	(0.12%)	(0.41%)	0.00%	(0.04%)
Effective tax rate	3.63%	12.36%	0.00%	(0.00%)

Group

* *Current and prior year mainly relates to non-deductible capital expenditure*

Company

! *Prior and current year mainly relates to reversals of ECL's on loans and guarantee provisions to subsidiaries*

Notes to the financial statements

14. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

GROUP AND COMPANY

Figures in R'000s	Basic salary	Bonus	Pension fund contributions	Other benefits*	Benefit arising from the exercise of options	Total
2024						
Executive directors						
JR van Niekerk	**4 611**	**5 220**	**257**	**125**	**3 732**	**13 945**
R Nana	**3 534**	**4 000**	**195**	**104**	**4 524**	**12 357**
Total executive directors	**8 145**	**9 220**	**452**	**229**	**8 256**	**26 302**
Prescribed officers#						
MW Clampett	**2 280**	**969**	**128**	**71**	**994**	**4 442**
Total prescribed officers	**2 280**	**969**	**128**	**71**	**994**	**4 442**
Total	**10 425**	**10 189**	**580**	**300**	**9 250**	**30 744**
2023						
Executive directors						
JR van Niekerk	4 360	3 307	327	119	–	8 113
R Nana	3 268	2 646	184	98	–	6 196
Total executive directors	7 629	5 952	511	217	–	14 309
Prescribed officers						
MW Clampett	2 145	650	121	67	–	2 982
L Tsolo	964	133	18	26	–	1 141
D Theron	1 820	1 016	148	50	–	3 033
D Oosthuizen	1 966	463	221	67	–	2 716
PL de Villiers	2 089	700	118	66	–	2 973
Total prescribed officers	8 983	2 961	625	275	–	12 845
Total	16 612	8 914	1 136	492	–	27 154

* *Other benefits includes group funeral, life cover, disability and severe illness cover*

\# *During the current year, the group reviewed the Prescribed Officers responsibilities against the definition provided in section 1 of the Companies Act, which resulted in MW Clampett being designated a Prescribed Officer, whereas previously D Theron, L Tsolo, D Oosthuizen and PL de Villiers were also considered to be prescribed officers*

Notes to the financial statements

14. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Non-executive directors – fees for services as directors				
P Tredoux	**984**	824	**984**	824
HR El Haimer	**771**	675	**771**	675
IN Mkhari	**576**	505	**576**	505
F De Buck (appointed 1 February 2023)*	**715**	306	**715**	306
Dr G Rohde (appointed 1 February 2023)	**512**	226	**512**	226
S Shaw-Taylor*	**823**	804	**823**	804
JHP van der Merwe	**613**	575	**613**	575
AE Swiegers*	**830**	721	**830**	721
TP Leeuw*	**599**	566	**599**	566
Total	**6 423**	5 202	**6 423**	5 202

P Tredoux's fees were paid to Tredoux Family Holdings Proprietary Limited.

HR El Haimer's fees were paid to Paramount Real Estate.

Except for the above, all non-executive directors' fees were paid to the individuals in their personal capacity.

* *The amounts are inclusive of VAT*

Notes to the financial statements

14. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

Share options granted to executive directors

The following options and rights in shares in the group were exercised or are outstanding in favour of directors and prescribed officers of the group under the group's share option schemes:

GROUP AND COMPANY

Number of options ('000)	Opening balance	Granted^	Exercised	Expired	Forfeited	Total
2024						
Executive directors						
JR van Niekerk	**1 543**	**2 410**	**(444)**	**–**	**(13)**	**3 496**
R Nana	**1 013**	**1 840**	**(539)**	**–**	**(23)**	**2 291**
Total executive directors	**2 556**	**4 250**	**(983)**	**–**	**(36)**	**5 787**
Prescribed officers#						
MW Clampett	**343**	**385**	**(118)**	**–**	**(6)**	**604**
Total prescribed officers	**343**	**385**	**(118)**	**–**	**(6)**	**604**
Total	**2 900**	**4 635**	**(1 101)**	**–**	**(43)**	**6 391**

Number of options ('000)	Opening balance	Granted	Exercised	Expired	Total	To be Granted*
2023						
Executive directors						
JR van Niekerk	1 744	–	–	(201)	1 543	918
R Nana	1 013	–	–	–	1 013	662
Total executive directors	2 757	–	–	(201)	2 555	1 580
Prescribed officers						
MW Clampett	343	–	–	–	343	211
D Theron	302	–	–	–	302	135
L Tsolo	20	–	–	–	20	69
D Oosthuizen	131	–	–	–	131	401
PL de Villiers	371	–	–	–	371	205
Total prescribed officers	1 168	–	–	–	1 168	1 019
Total	3 924	–	–	(201)	3 723	2 600

^ *Included under granted is share options approved by Remco in the prior year which was accepted by JR van Niekerk and R Nana in the current year due to the group being in a prohibited period in terms of the JSE Listings Requirements*

During the current year, the group reviewed the Prescribed Officers responsibilities against the definition provided in section 1 of the Companies Act, which resulted in MW Clampett being designated a Prescribed Officer, whereas previously D Theron, L Tsolo, D Oosthuizen and PL de Villiers were also considered to be prescribed officers

* *Share options to be granted once the prohibited period in terms of the JSE Listings Requirements was lifted*

Notes to the financial statements

14. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

Executive directors' and prescribed officers' share options

In the current year, the Remco approved the grant to JR van Niekerk (575 083 LTIPs) and R Nana (438 634 LTIPs). The options may be exercised as to 60.0% on 14 October 2026, 20.0% on 14 October 2027 and 20.0% on 14 October 2028. Non-market financial performance conditions apply to 35.0%, with non-financial performance conditions applicable to 35.0% of the benefits and market financial performance conditions to 30% of the benefits. For vesting to occur R Nana and JR van Nierkerk have to remain in the employ of the group. The options were issued at a strike price of zero.

In the current year, Remco approved grants to MW Clampett (152 358 LTIPs). The options may be exercised as to 60.0% on 14 October 2026, 20.0% on 14 October 2027 and 20.0% on 14 October 2028. For vesting to occur MW Clampett has to remain in the employ of the group.

In the prior year, the Remco approved the grant to JR van Niekerk (918 356 LTIPs) and R Nana (662 121 LTIPs) which were granted in the current year once the prohibited period in terms of the JSE Listings Requirements was lifted. The options may be exercised as to 60.0% on 14 October 2025, 20.0% on 14 October 2026 and 20.0% on 14 October 2027. Non-market financial performance conditions apply to 35.0%, with non-financial performance conditions applicable to 35.0% of the benefits and market financial performance conditions to 30% of the benefits. For vesting to occur R Nana and JR van Nierkerk have to remain in the employ of the group. The options were issued at a strike price of zero.

In the prior year, the Remco approved the grant to MW Clampett (210 651 LTIPs) which were granted in the current year once the prohibited period in terms of the JSE Listings Requirements was lifted. The options may be exercised as to 60.0% on 14 October 2025, 20.0% on 14 October 2026 and 20.0% on 14 October 2027. For vesting to occur, the MW Clampett have to remain in the employ of the group.

As a result of the successful implementation of the GEPF transaction, the Remco approved the grant to JR van Niekerk (827 999 LTIPs) and R Nana (631 487 LTIPs). The options may be exercised as to 60.0% on 14 October 2026, 20.0% on 14 October 2027 and 20.0% on 14 October 2028. Non-market financial performance conditions apply to 80.0%, with non-financial performance conditions applicable to 20.0% of the benefits. For vesting to occur R Nana and JR van Nierkerk have to remain in the employ of the group. The options were issued at a strike price of zero.

Furthermore, in the current year, the vesting of previously granted LTIPs exceeded 100%. As a result, additional LTIPs were granted to JR van Niekerk (88 227 LTIPs) and R Nana (107 856 LTIPs).

All other options forfeited in the current year are due to performance conditions not being fully met.

Each option converts into one ordinary share in Attacq upon exercise. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting.

Notes to the financial statements

15. EARNINGS AND HEADLINE EARNINGS

At 30 June 2024 the group had 699 770 784 shares in issue after adjusting for treasury shares, refer to note 29.

The calculation of headline earnings has been performed in accordance with SAICA's Circular 1/2023-Headline earnings.

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the group is based on the following data:

	2024				2023		
Figures in R'000s	**Gross**	**Tax effect of the adjustments**	**Total non-controlling interest effect of the adjustments**	**Total**	**Gross**	**Tax effect of the adjustments**	**Total**
Profit attributable to owners of holding company	**950 397**	**–**	**–**	**950 397**	520 286	–	520 286
Number of shares							
Weighted average number of ordinary shares for the purpose of earnings per share	**702 681 944**	**–**	**–**	**702 681 944**	705 123 739	–	705 123 739
Effect of dilutive potential ordinary shares: share options	**16 371 405**	**–**	**–**	**16 371 405**	13 004 569	–	13 004 569
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**719 053 349**	**–**	**–**	**719 053 349**	718 128 308	–	718 128 308
Earnings per share (cents)							
Basic	**135.3**	**–**	**–**	**135.3**	73.8	–	73.8
Diluted	**132.2**	**–**	**–**	**132.2**	72.5	–	72.5
Headline profit for the purpose of headline earnings per share							
Profit attributable to owners of holding company	**950 397**	**–**	**–**	**950 397**	520 286	–	520 286
Loss on disposal of investment property	**–**	**–**	**–**	**–**	885	–	885
Net impairment of investments in joint ventures and associates	**206 621**	**–**	**–**	**206 621**	–	–	–
Fair value adjustments	**(828 591)**	**–**	**156 187**	**(672 404)**	4 277	–	4 277
Adjustments of measurements, included in the equity-accounted earnings of joint ventures and associates	**26 006**	**–**	**–**	**26 006**	49 405	–	49 405
Headline profit for the purpose of basic and diluted headline profit per share	**354 433**	**–**	**156 187**	**510 620**	574 853	–	574 853
Headline earnings per share (cents)							
Basic	**50.4**	**–**	**–**	**72.7**	81.5	–	81.5
Diluted	**49.3**	**–**	**–**	**71.0**	80.1	–	80.1

Notes to the financial statements

16. INVESTMENT PROPERTY

	GROUP			
Figures in R'000s	**Leasehold land**	**Developments under construction**	**Completed developments**	**Total**
2024				
Cost				
Balance at 1 July 2023	1 052 365	25 120	13 982 254	15 059 739
Additions	(2 880)	124 253	1 334 889	1 456 262
Capital expenditure	(2 880)	120 128	229 305	346 554
Purchase of additional 20% in Mall of Africa	–	–	1 070 000	1 070 000
Borrowing cost capitalised	–	4 148	–	4 148
Additions to right-of-use assets (note 22)	–	–	35 584	35 584
Transfer between components	(37 714)	(109 160)	146 874	–
Balance at 30 June 2024	1 011 771	40 213	15 464 017	16 516 001
Fair value adjustment				
Balance at 1 July 2023	(226 019)	18 044	2 800 804	2 592 829
(Loss)/gain fair value adjustment	(47 136)	(21 255)	896 981	828 591
Transfer between components	(683)	1 306	(623)	–
Balance at 30 June 2024	(273 838)	(1 906)	3 697 162	3 421 420
Carrying amount at 30 June 2023	826 347	43 164	16 783 058	17 652 569
Carrying amount at 30 June 2024	737 933	38 307	19 161 180	19 937 420

Notes to the financial statements

16. INVESTMENT PROPERTY

	GROUP			
Figures in R'000s	**Leasehold land**	**Developments under construction**	**Completed developments**	**Total**
2023				
Cost				
Balance at 1 July 2022	1 163 967	26 833	13 796 433	14 987 232
Additions	4 458	58 297	128 143	190 898
Capital expenditure	4 458	55 824	113 739	174 021
Borrowing cost capitalised	–	2 473	–	2 473
Additions to right-of-use assets (note 22)	–	–	14 404	14 404
Transfers to Inventory	(16 101)	–	(35 810)	(51 910)
Transfer from provision for committed infrastructure	(15 059)	–	–	(15 059)
Transfer between components	(33 478)	(60 010)	93 488	–
Write off of infrastructure costs	(609)	–	–	(609)
Disposals	(50 813)	–	–	(50 813)
Balance at 30 June 2023	1 052 365	25 120	13 982 254	15 059 739
Fair value adjustment				
Balance at 1 July 2022	(258 439)	4 586	2 851 939	2 598 087
Gain/(loss) fair value adjustment	46 079	779	(51 135)	(4 277)
Disposals	(980)	–	–	(980)
Transfer between components	(12 679)	12 679	–	–
Balance at 30 June 2023	(226 019)	18 044	2 800 804	2 592 830
Carrying amount at 30 June 2022	905 528	31 419	16 648 372	17 585 319
Carrying amount at 30 June 2023	826 347	43 164	16 783 058	17 652 569

The investment property is encumbered as per note 20.

The capitalisation rate used for general borrowing costs capitalised to investment property ranges between 6.7% and 10.4% (2023: 6.9% and 10.4%).

The group's right-of-use assets relating to the WDC lease, has been classified as investment property under completed developments which is externally fair valued together with the completed properties. The fair value of the completed property takes into account the future lease payments to be made to WDC.

Notes to the financial statements

16. INVESTMENT PROPERTY

A register of investment properties, together with the title deeds relating to the owned investment properties are available for inspection at the registered office of the company:

Nexus 1, Ground Floor

44 Magwa Crescent

Waterfall City

Figures in R'000s	GROUP 2024	2023
Leasehold land		
Gross valuation	**1 102 489**	1 180 120
Independent gross valuers' valuation	**1 102 489**	1 180 120
Adjusted for – against fair value		
Cost to complete	**(80 332)**	(80 653)
Adjustment relating to the future rental obligation	**(284 224)**	(273 120)
Independent valuers' valuation – adjusted	**737 933**	826 347
The carrying amount of leasehold land is reconciled as follows:		
Balance at the beginning of the year	**826 347**	905 528
Additions	**(2 880)**	4 458
Net (loss)/gain from fair value adjustment	**(47 136)**	46 079
Transfer to developments under construction	**(38 397)**	(46 156)
Transfer from provision for committed infrastructure	**–**	(15 059)
Disposals	**–**	(51 793)
Transfers to Inventory	**–**	(16 101)
Write off of infrastructure costs	**–**	(609)
Balance at the end of the year	**737 933**	826 347

16. INVESTMENT PROPERTY

In 2009, AWIC entered into a purchase of leasehold land and lease agreements with WDC in terms of which it obtained the right to develop certain land parcels and to call for the registration of long-term lease agreements against the title deeds of the land parcels (it is anticipated that all the lease agreements will be registered within the timeframe allowed in the agreement).

The group has determined the valuation with reference to the comparable sales technique, which is in line with international best practice. The output of the comparable sales valuation technique determines the valuation of the leasehold land, being the aggregate of development rights, infrastructure and services, less future cost of servicing and leasehold liabilities.

The leasehold obligations are contingent on future net rentals as well as future disposals, and are calculated in line with the contractual terms of the leasehold development rights agreements as discussed in note 2.

The following unobservable inputs were used in the current year by the independent valuer in estimating the fair value of the leasehold land:

- serviced land prices between R1 075 and R3 200 (2023: R1 100 and R3 200) per bulk/land area square metre;
- unserviced farmland prices between R250 and R275 (2023: R225 and R263) per land area square metre;
- estimated capital outlays and professional fees as per independent quantity surveyor;
- discount rates for present value calculations between 12.30% and 14.50% (2023: 12.60% and 13.50%);
- rental escalation rates for future rental obligation assessment between 2.60% and 7.00% (2023: 3.20% and 7.00%);
- cap rates for future rental obligation assessment between 7.57% and 9.00% (2023: 7.53% and 9.00%);
- estimated construction times of developments between 18 and 36 months (2023: 18 and 48 months).

Notes to the financial statements

16. INVESTMENT PROPERTY

The estimated impact of a change in the following significant unobservable inputs would result in a change in the independent valuers' valuation as follows:

Figures in R'000s	2024	2023
• An extension by one year of the estimated construction time	**13 900**	24 400
• An increase of 100 basis points in the discount rate:	**6 200**	8 500
– Gross valuation of leasehold land	**n/a**	n/a
– Present value of the future rental obligation	**6 200**	8 500
• A 10.0% increase in the serviced land prices	**76 400**	102 400
• A 10.0% increase in the estimated capital outlays	**(7 000)**	(8 000)

The effective date of the valuation on the leasehold land was 30 June 2024. The independent valuer was registered in terms of section 19 of the Property Valuers Professional Act, Act No 47 of 2000.

The valuer for the current year was as follows:

Vallun Properties Proprietary Limited t/a Valquest Property Valuers & Consultants
- M Groenewald - Registered as a Professional Valuer with the S A Council for the Property Valuers Profession (Reg no 5047), MIVSA, MRICS

The valuer for the prior year was as follows:

Vallun Properties Proprietary Limited t/a Valquest Property Valuers & Consultants
- M Groenewald - Registered as a Professional Valuer with the S A Council for the Property Valuers Profession (Reg no 5047), MIVSA, MRICS

M Groenewald and Vallun Properties Proprietary Limited are not connected to the group.

The fair value of leasehold land is deemed to be Level 3 as defined by IFRS 13: Fair Value Measurements.

For both years presented, Waterfall comprise remaining undeveloped leasehold land obtained relating to:
- remainder of LP 8 of portion 1/RE on the Farm Waterfall No. 5;
- remainder of LP 9 of portion 1/RE on the Farm Waterfall No. 5;
- remainder of LP 10 of portion 1/RE on the Farm Waterfall No. 5;
- LP 10a of portion 1/RE on the Farm Waterfall No. 5;
- LP 12 of portion 1/RE on the Farm Waterfall No. 5; and
- remainder of LP 21 of Portion 1/RE of the Farm Waterfall No. 5.

16. INVESTMENT PROPERTY

	GROUP	
Figures in R'000s	**2024**	**2023^**
Developments under construction		
The carrying amount of developments under construction are reconciled as follows:		
Balance at the beginning of the year	**43 164**	31 419
Transfer of cost from leasehold land	**37 714**	33 478
Transfer of fair value from leasehold land	**683**	12 679
Additions	**124 253**	58 297
Net gain from fair value adjustment^^	**34 686**	779
Transfer to completed developments	**(146 251)**	(93 488)
Independent valuers' valuation /Cost**	**94 248**	43 164
Adjusted for - against fair value		
Cost to complete and stage of completion^^	**(55 941)**	–
Cost/Independent valuers' valuation - adjusted	**38 307**	43 164
Reconciled as follows:		
Cost	**40 213**	25 120
Fair value adjustments	**(1 906)**	18 044
Adjusted valuation	**38 307**	43 164

^ *Developments under construction were carried at cost in the previous year.*

** *Developments under construction, at year end, are independently valued at fair value and carried at cost in the prior year.*

^^ *Fair value adjustments of R21.3 million recognised in the current year relate to R13.3 million for the midi warehouses on LP9 which was completed in the current year, having been fair valued prior to its reclassification to completed developments and R8.0 million for Ingress Building 3 which is still under development at year end. Fair value adjustments recognised in the prior year of R0.8 million relates to the Plumblink development which was completed in the prior year, having been fair valued prior to its reclassification to completed developments.*

Notes to the financial statements

16. INVESTMENT PROPERTY

The following unobservable inputs were used by the independent valuers in estimating the fair value of the developments under construction:

	GROUP	
Unobservable inputs (%)	**2024**	**2023^**
Unobservable inputs utilised:		
• Discount rate	**12.75%**	n/a
• Reversionary discount rate	**12.75%**	n/a
• Market capitalisation rate	**7.75%**	n/a
• Reversionary capitalisation rate	**8.75%**	n/a
• Expense growth	**6.50%**	n/a
• Market rental growth	**5.00%**	n/a
• Vacancy period	**0 months**	n/a
• Long term vacancy rate	**2.50%**	n/a

^ *Developments under construction were carried at cost in the previous year.*

The estimated impact of a change in the following significant unobservable inputs would result in a change in the independent valuers' valuation as follows:

	GROUP	
Figures in R'000s	**2024**	**2023^**
Significant unobservable inputs		
• A decrease of 50 basis points in the discount rate	**3 257**	n/a
• An increase of 50 basis points in the discount rate	**(3 027)**	n/a
• A decrease of 50 basis points in the reversionary capitalisation rate	**2 837**	n/a
• An increase of 50 basis points in the reversionary capitalisation rate	**(2 440)**	n/a
• An increase of 100 basis points in the market rental	**6 723**	n/a
• A decrease of 100 basis points in the market rental	**(7 242)**	n/a
Other unobservable inputs		
• A decrease of 1 month in vacancy	**48**	n/a
• An increase of 1 month in vacancy	**(1 056)**	n/a
• A decrease of 100 basis points in the long-term vacancy rate	**1 663**	n/a
• An increase of 100 basis points in the long-term vacancy rate	**(1 568)**	n/a
• A decrease of 100 basis points in the expense growth rate	**3 126**	n/a
• An increase of 100 basis points in the expense growth rate	**(3 239)**	n/a

^ *Developments under construction were carried at cost in the previous year.*

16. INVESTMENT PROPERTY

Developments under construction are initially recognised at cost and subsequently remeasured to fair value. The fair value of development property is not always reliably determinable due to the properties being in the early stages of construction or where construction has not yet begun. Where fair value cannot be reliably determined, but the group expects that the fair value will be reliably determinable when construction is further progressed, the group measures such properties at cost.

In the current year, the investment property balance relating to developments under construction relates entirely to Ingress Building 3.

The value of developments under construction is determined with reference to the cost incurred to date plus a portion of the present value of the final anticipated fair value gain upon completion of the building. The final anticipated fair value gain upon completion of the buildings is the difference between the total costs of development and the fair value of the building at completion based on the independent valuer's valuation.

The portion of the present value of the anticipated fair value gain is determined with reference to the stage of completion of the building. The stage of completion of the building is determined with reference to the cost to date of the top structure and the total anticipated costs excluding the leasehold land.

Developments under construction are transferred to "Completed developments" on the date of practical completion as certified by the principal agent on the development.

Developments under construction were fair valued as at 30 June 2024 using the discounted cash flow of future income streams method by the independent valuer.

The independent valuer was registered in terms of section 19 of the Property Valuers Professional Act, Act No 47 of 2000.
The valuer for the current year was as follows:

De Leeuw Valuers Cape Town (RF) (Pty) Ltd
- Pieter Venter - MRICS, Pr Val, MIVSA, Professional Valuer, RICS Registered Valuer
- Gemma Moore - MRICS, Pr Val, MIVSA, Professional Valuer, RICS Registered Valuer
- Kate Killian - Pr Val, Professional Valuer

Notes to the financial statements

16. INVESTMENT PROPERTY

GROUP		
Figures in R'000s	**2024**	**2023**
Completed developments		
The carrying amount of completed developments are reconciled as follows:		
Balance at the beginning of the year	**16 783 058**	16 648 372
Transfer from developments under construction	**146 251**	93 488
Transfer to Inventory	**–**	(35 810)
Additions	**1 299 305**	113 739
Net gain/(loss) from fair value adjustment **	**978 749**	111 925
Straight-line lease income adjustment against fair value **	**(18 954)**	760
Independent valuers' valuation after straight-lining	**19 188 409**	16 932 475
Adjusted for		
Cost to complete, capex and stage of completion **	**(31 520)**	(137 029)
Additions of right-of-use asset (note 22)	**35 584**	14 404
Net loss from fair value adjustment of right-of-use asset (note 22) **	**(31 294)**	(26 791)
Independent valuers' valuation after straight-lining - adjusted	**19 161 180**	16 783 058

** *Gain/(loss) fair value adjustments on completed developments, as disclosed on page 53, is an aggregation of (1) net gain / (loss) from fair value adjustment; (2) straight-line lease income adjustment against fair value; (3) adjustments relating to cost to complete,capex and stage of completion; and (4) net loss from fair value adjustment of right-of-use asset (note 22).*

Reconciled as follows:		
Cost	**15 464 017**	13 982 254
Fair value adjustments	**3 697 162**	2 800 804
Adjusted valuation	**19 161 180**	16 783 058
The independent valuation for all completed developments is as follows:		
Independent valuers' valuation after straight-lining	**19 188 409**	16 932 475
Straight-line lease debtor	**1 099 313**	1 080 359
Independent valuers' valuation	**20 287 722**	18 012 834

16. INVESTMENT PROPERTY

The following unobservable inputs were used by the independent valuers in estimating the fair value of the completed developments:

GROUP		
Unobservable inputs (%)	**2024**	**2023**
Range of unobservable inputs utilised:		
• Discount rate	**12.00% - 15.00%**	11.50% - 14.25%
• Reversionary discount rate	**12.00% - 15.00%**	11.50% - 13.50%
• Market capitalisation rate	**6.75% - 10.00%**	6.75% - 9.00%
• Reversionary capitalisation rate	**6.75% - 10.00%**	6.75% - 9.75%
• Market rental growth	**4.00% - 5.25%**	3.00% - 7.25%
• Expense growth	**5.88% - 6.50%**	5.00% - 6.50%
• Vacancy period	**0 - 8 months**	1 - 8 months
• Long term vacancy rate	**0.00% - 15.00%**	0.50% - 10.00%
Weighted average * of unobservable inputs utilised:		
• Discount rate	**12.63%**	12.43%
• Reversionary discount rate	**12.63%**	12.40%
• Market capitalisation rate	**7.61%**	7.63%
• Reversionary capitalisation rate	**8.03%**	8.04%
• Market rental growth	**5.02%**	5.70%
• Expense growth	**6.33%**	6.12%
• Vacancy period	**2.5 months**	2.6 months
• Long term vacancy rate	**1.86%**	1.97%

* *Weighting based on underlying investment property fair values.*

Notes to the financial statements

16. INVESTMENT PROPERTY

The estimated impact of a change in the following unobservable inputs would result in a change in the independent valuers' valuation as follows:

	GROUP	
Figures in R'000s	**2024**	**2023**
Significant unobservable inputs		
• A decrease of 50 basis points in the discount rate	**495 337**	426 486
• An increase of 50 basis points in the discount rate	**(479 388)**	(415 382)
• A decrease of 50 basis points in the reversionary capitalisation rate	**709 962**	599 456
• An increase of 50 basis points in the reversionary capitalisation rate	**(624 941)**	(533 569)
• An increase of 100 basis points in the market rental	**863 266**	813 423
• A decrease of 100 basis points in the market rental	**(808 618)**	(768 226)
Other unobservable inputs		
• A decrease of 1 month in vacancy	**72 927**	92 687
• An increase of 1 month in vacancy	**(114 033)**	(125 561)
• A decrease of 100 basis points in the long-term vacancy rate	**110 961**	35 107
• An increase of 100 basis points in the long-term vacancy rate	**(122 711)**	(87 597)
• A decrease of 100 basis points in the expense growth rate	**185 639**	182 473
• An increase of 100 basis points in the expense growth rate	**(201 508)**	(114 367)

16. INVESTMENT PROPERTY

The independent valuers' valuation of the following completed developments represent the group's shareholding as they are being held through a joint venture and/or undivided share:

- Maxwell Office Park - 50.0%. The balance is held by The Moolman Group;
- PwC Tower - 75.0%. The balance is held by PwC Waterfall Property Partnership;
- Corporate Campus Phase 1 - 50.0%. The balance is held by Zenprop;
- Corporate Campus Phase 2 - 50.0%. The balance is held by Zenprop;
- Corporate Campus Phase 3 - 50.0%. The balance is held by Zenprop;
- Corporate Campus Phase 4 - 50.0%. The balance is held by Zenprop;
- Corporate Campus Phase 5 - 50.0%. The balance is held by Zenprop;
- Corporate Campus Phase 6 - 50.0%. The balance is held by Zenprop;
- Corporate Campus Phase 7 - 50.0%. The balance is held by Zenprop;
- Cummins DC - 50.0%. The balance is held by Zenprop;
- Zimmer Biomet - 50.0%. The balance is held by Sanlam Life;
- Cotton On - 50.0%. The balance is held by Equites;
- Amrod - 50.0%. The balance is held by Equites;
- Massbuild Distribution Centre - 50.0%. The balance is held by Equites;
- Vantage - 50.0%. The balance is held by VDC JNB11 Propco Proprietary Limited, part of the Vantage Data Centres group;
- Plumblink - 50.0%. The balance is held by Bidvest Properties (which has been completed in the prior year);
- Eikestad Mall - 80.0%. The balance is held by Key Capital; and
- Brooklyn Mall - 25.0%. The balance is held by Growthpoint.

Completed developments were valued as at 30 June 2024 and 30 June 2023 using discounted cash flow of the future income streams method by independent valuers, with the exception of the following:

- Brooklyn Mall was valued by the directors using external discounted cash flow of the future income streams in the current and prior year;

Notes to the financial statements

16. INVESTMENT PROPERTY

Completed developments include right-of-use assets of R242.9million (2023: R238.6 million). Refer to note 22 for details of the right-of-use assets.

Future cash flows used in determining the discounted cash flows are determined with reference to the signed leases between the group and tenants. Discount, capitalisation and vacancy rates used in the estimate are determined by independent experts.

All independent valuers were registered in terms of section 19 of the Property Valuers Professional Act, Act No 47 of 2000.

The valuer for the current year was as follows:

Mills Fitchet Cape (Proprietary) Limited
- SA Wolffs - Professional Associated Valuer No 2604, Nat Dip Prop Val - MIV SAIV - SACPVP

Sterling Valuation Specialists Close Corporation
- M Smit - Nat Dip (Property Valuation) Registered Professional Valuer No. 3420, MIVSA
- AS Smith - BSc Honours (Property Studies) Registered Professional Associated Valuer No. 6937, MIVSA
- C Shepherd - MRICS, BSc Honours (Property Studies) Registered Professional Valuer No. 6694, MIVSA

De Leeuw Valuers Cape Town (RF) (Pty) Ltd
- Pieter Venter - MRICS, Pr Val, MIVSA, Professional Valuer, RICS Registered Valuer
- Gemma Moore - MRICS, Pr Val, MIVSA, Professional Valuer, RICS Registered Valuer
- Kate Killian - Pr Val, Professional Valuer

CBRE Excellerate Proprietary Limited
- E Ndlovu - Candidate Valuer
- C Mapempeni - Junior Valuer
- RC Fourie - FRICS - RSA Professional valuer

The valuer for the prior year was as follows:

Mills Fitchet Cape (Proprietary) Limited
- SA Wolffs - Professional Associated Valuer No 2604, Nat Dip Prop Val - MIV SAIV - SACPVP

Sterling Valuation Specialists Close Corporation
- M Smit - Nat Dip (Property Valuation) Registered Professional Valuer No. 3420, MIVSA
- B Eastman - Nat Dip (Property Valuation) Registered Professional Associated Valuer No. 4582, MIVSA
- AS Smith - BSc Honours (Property Studies) Registered Professional Associated Valuer No. 6937, MIVSA
- C Shepherd - MRICS, BSc Honours (Property Studies) Registered Professional Valuer No. 6694, MIVSA

Broll Valuation & Advisory Services
- J Karg - Registered Professional Associated Valuer No. 5515/2, MRICS

CBRE Excellerate Proprietary Limited
- E Ndlovu - Candidate Valuer
- RC Fourie - FRICS - RSA Professional valuer
- C Geldenhuys - Btech, MRICS, Registered Professional Associated Valuer No 5041/6, MIVSA

CBRE Limited
- K Engley - BSc(Hons) MRICS, Head of EMEA Data Centre Valuations (CBRE UK)

16. INVESTMENT PROPERTY

	GROUP	
Figures in R'000s	**2024**	**2023**
Completed developments: Retail-experience hubs		
The carrying amount of completed developments are reconciled as follows:		
Balance at the beginning of the year	**9 134 177**	8 725 723
Additions	**1 170 757**	67 660
Net gain from fair value adjustment	**699 448**	366 632
Straight-line lease income adjustment against fair value	**1 404**	(24 604)
Independent valuers' valuation after straight-lining	**11 005 784**	9 135 411
Adjusted for		
Cost to complete, capex and stage of completion	**(4 175)**	(1 261)
Additions of right-of-use asset (note 22)	**18 327**	12 208
Net loss from fair value adjustment of right-of-use asset (note 22)	**(13 502)**	(12 181)
Independent valuers' valuation after straight-lining - adjusted	**11 006 435**	9 134 177
Reconciled as follows:		
Cost	**7 733 004**	6 543 921
Fair value adjustments	**3 273 431**	2 590 256
Adjusted valuation	**11 006 435**	9 134 177
The independent valuation for retail-experience hubs properties is as follows:		
Independent valuers' valuation after straight-lining	**11 005 784**	9 135 411
Straight-line lease debtor	**206 464**	207 867
Independent valuers' valuation	**11 212 248**	9 343 278

Notes to the financial statements

16. INVESTMENT PROPERTY

The following unobservable inputs were used by the independent valuers in estimating the fair value of the retail-experience hubs completed developments:

		GROUP	
Unobservable inputs (%)	**Note**	**2024**	**2023**
Range of unobservable inputs utilised:			
• Discount rate	1	**12.00% - 15.00%**	11.50% - 14.25%
• Reversionary discount rate	1	**12.00% - 15.00%**	11.50% - 13.04%
• Market capitalisation rate	2	**6.75% - 10.00%**	6.75% - 9.00%
• Reversionary capitalisation rate	3	**6.75% - 10.00%**	6.75% - 9.50%
• Market rental growth		**4.00% - 5.25%**	4.50% - 6.60%
• Expense growth		**5.88% - 6.50%**	5.00% - 6.50%
• Vacancy period		**0 - 4 months**	1 - 4 months
• Long term vacancy rate		**0.0% - 5.00%**	0.50% - 5.00%
Weighted average* of unobservable inputs utilised:			
• Discount rate		**12.35%**	11.97%
• Reversionary discount rate		**12.35%**	11.91%
• Market capitalisation rate		**7.25%**	7.23%
• Reversionary capitalisation rate		**7.59%**	7.58%
• Market rental growth		**5.10%**	4.86%
• Expense growth		**6.24%**	6.19%
• Vacancy period		**2.13 months**	2.17 months
• Long term vacancy rate		**1.46%**	1.63%

* *Weighting based on underlying investment property fair values.*

The retail-experience hubs segment consists of 9 buildings (2023: 9 buildings).

[1] *The discount rate and reversionary discount rate for Mall of Africa is 12.00% (2023: 11.50%). The remainder of retail-experience hubs ranges between 12.50% - 15.00% (2023: 12.25% - 14.25%).*

[2] *The capitalisation rate for Mall of Africa is 6.75% (2023: 6.75%). The remainder of retail-experience hubs buildings ranges between 7.50% - 10.00% (2023: 7.75% - 9.00%).*

[3] *The reversionary capitalisation rate for Mall of Africa is 6.75% (2023: 6.75%). The remainder of retail-experience hubs buildings ranges between 8.25% - 10.00% (2023: 8.25% - 9.50%).*

16. INVESTMENT PROPERTY

Retail-experience hubs were valued as at 30 June 2024 using discounted cash flow of the future income streams method by independent valuers, with the exception of Brooklyn Mall, that was valued using external discounted cash flow of the future income streams method by independent valuers and adjusted by the directors, to reflect a more conservative view of the valuation of the property.

	GROUP	
Figures in R'000s	**2024**	**2023**
Significant unobservable inputs		
• A decrease of 50 basis points in the discount rate	**250 569**	190 926
• An increase of 50 basis points in the discount rate	**(243 295)**	(189 996)
• A decrease of 50 basis points in the reversionary capitalisation rate	**493 376**	396 101
• An increase of 50 basis points in the reversionary capitalisation rate	**(430 226)**	(352 491)
• A decrease of 100 basis points in the market rental	**368 778**	363 429
• An increase of 100 basis points in the market rental	**(348 100)**	(349 742)
Other unobservable inputs		
• A decrease of 1 month in vacancy	**25 799**	52 336
• An increase of 1 month in vacancy	**(65 137)**	(79 366)
• A decrease of 100 basis points in the long-term vacancy rate	**79 855**	12 538
• An increase of 100 basis points in the long-term vacancy rate	**(84 449)**	(31 862)
• A decrease of 100 basis points in the expense growth rate	**84 911**	83 414
• An increase of 100 basis points in the expense growth rate	**(90 842)**	(95 857)

Notes to the financial statements

16. INVESTMENT PROPERTY

	GROUP	
Figures in R'000s	**2024**	**2023**
Completed developments: Collaboration hubs		
The carrying amount of completed developments are reconciled as follows:		
Balance at the beginning of the year	**5 466 211**	5 823 632
Transfer from developments under construction	**–**	3 534
Transfer to Inventory	**–**	(35 810)
Additions	**45 529**	29 816
Net gain/(loss) from fair value adjustment	**177 738**	(273 732)
Straight-line lease income adjustment against fair value	**20 999**	(26 961)
Independent valuers' valuation after straight-lining	**5 710 477**	5 520 479
Adjusted for		
Cost to complete, capex and stage of completion	**(10 397)**	(41 425)
Additions of right-of-use asset (note 22)	**6 814**	(1 029)
Net loss from fair value adjustment of right-of-use asset (note 22)	**(14 027)**	(11 814)
Independent valuers' valuation after straight-lining – adjusted	**5 692 867**	5 466 211
Reconciled as follows:		
Cost	**5 450 211**	5 397 868
Fair value adjustments	**242 657**	68 343
Adjusted valuation	**5 692 867**	5 466 211
The independent valuation for collaboration hubs are as follows:		
Independent valuers' valuation after straight-lining	**5 710 477**	5 520 479
Straight-line lease debtor	**629 538**	650 539
Independent valuers' valuation	**6 340 015**	6 171 018

16. INVESTMENT PROPERTY

The following unobservable inputs were used by the independent valuers in estimating the fair value of the collaboration hubs completed developments:

		GROUP	
Unobservable inputs (%)	**Note**	**2024**	**2023**
Range of unobservable inputs utilised:			
• Discount rate		**12.50% - 14.00%**	12.50% - 13.50%
• Reversionary discount rate		**12.50% - 14.00%**	12.50% - 13.50%
• Market capitalisation rate		**7.50% - 9.25%**	7.50% - 9.00%
• Reversionary capitalisation rate		**7.75% - 9.75%**	7.75% - 9.75%
• Market rental growth		**4.00% - 5.00%**	6.00% - 7.25%
• Expense growth		**6.00% - 6.50%**	6.00% - 6.50%
• Vacancy period	1	**1 - 7.0 months**	1 - 6.7 months
• Long term vacancy rate	2	**1.00% - 15.00%**	1.00% - 10.00%
Weighted average * of unobservable inputs utilised:			
• Discount rate		**12.97%**	12.94%
• Reversionary discount rate		**12.97%**	12.94%
• Market capitalisation rate		**8.09%**	8.10%
• Reversionary capitalisation rate		**8.62%**	8.59%
• Market rental growth		**4.88%**	6.90%
• Expense growth		**6.50%**	6.05%
• Vacancy period		**2,45 months**	3.15 months
• Long term vacancy rate		**3.02%**	2.96%

* *Weighting based on underlying investment property fair values.*

The collaboration hubs segment consists of 30 buildings (2023: 30 buildings).

1 *The vacancy period for Brooklyn Bridge Office Park is 7.0 months (2023: 6.7 months). The remainder of collaboration hubs ranges between 1 - 4 months (2023: 2 - 6 months).*

2 *The long term vacancy rate for Brooklyn Bridge is 15.00% (2023: 10.00%). The remainder of collaboration hubs ranges between 1.00% - 5.00% (2023: 1.00% - 5.00%).*

Collaboration hubs were valued as at 30 June 2024 using discounted cash flow of the future income streams method by independent valuers.

Notes to the financial statements

16. INVESTMENT PROPERTY

The estimated impact of a change in the following significant unobservable inputs for collaboration hubs would result in a change in the independent valuers' valuation as follows:

	GROUP	
Figures in R'000s	2024	2023
Significant unobservable inputs		
• A decrease of 50 basis points in the discount rate	**179 810**	177 466
• An increase of 50 basis points in the discount rate	**(172 246)**	(170 439)
• A decrease of 50 basis points in the reversionary capitalisation rate	**154 295**	149 082
• An increase of 50 basis points in the reversionary capitalisation rate	**(137 200)**	(132 853)
• A decrease of 100 basis points in the market rental	**382 116**	360 001
• An increase of 100 basis points in the market rental	**(354 570)**	(335 319)
Other unobservable inputs		
• A decrease of 1 month in vacancy	**37 224**	33 681
• An increase of 1 month in vacancy	**(42 198)**	(36 863)
• A decrease of 100 basis points in the long-term vacancy rate	**22 132**	16 793
• An increase of 100 basis points in the long-term vacancy rate	**(21 323)**	(16 632)
• A decrease of 100 basis points in the expense growth rate	**91 178**	96 545
• An increase of 100 basis points in the expense growth rate	**(97 989)**	(104 650)

16. INVESTMENT PROPERTY

	GROUP	
Figures in R'000s	2024	2023
Completed developments: Logistics hubs		
The carrying amount of completed developments are reconciled as follows:		
Balance at the beginning of the year	**1 642 635**	1 526 732
Transfer from developments under construction	**146 251**	76 448
Additions	**79 946**	15 496
Net gain from fair value adjustment	**51 537**	77 305
Straight-line lease income adjustment against fair value	**(24 230)**	40 118
Independent valuers' valuation after straight-lining	**1 896 139**	1 736 099
Adjusted for		
Cost to complete, capex and stage of completion	**(16 948)**	(94 343)
Additions of right-of-use asset (note 22)	**5 266**	3 227
Net loss from fair value adjustment of right-of-use asset (note 22)	**(3 583)**	(2 348)
Independent valuers' valuation after straight-lining - adjusted	**1 880 874**	1 642 635
Reconciled as follows:		
Cost	**1 676 547**	1 445 083
Fair value adjustments	**204 327**	197 552
Adjusted valuation	**1 880 874**	1 642 635
The independent valuation for logistics hubs is as follows:		
Independent valuers' valuation after straight-lining	**1 896 139**	1 736 099
Straight-line lease debtor	**199 768**	175 537
Independent valuers' valuation	**2 095 907**	1 911 636

Notes to the financial statements

16. INVESTMENT PROPERTY

The following unobservable inputs were used by the independent valuers in estimating the fair value of the logistics hubs:

		GROUP	
Unobservable inputs (%)	**Note**	**2024**	**2023**
Range of unobservable inputs utilised:			
• Discount rate		**13.00%**	13.00%
• Reversionary discount rate		**13.00%**	13.00%
• Market capitalisation rate		**8.00%**	8.00%
• Reversionary capitalisation rate		**8.25% - 8.75%**	8.25% - 8.75%
• Market rental growth		**5.00%**	3.00% - 7.00%
• Expense growth		**6.00% - 6.50%**	6.00% - 6.50%
• Vacancy period	1	**0 - 8 months**	3 - 8 months
• Long term vacancy rate		**0.50% - 1.00%**	0.50% - 1.00%
Weighted average* of unobservable inputs utilised:			
• Discount rate		**13.00%**	13.00%
• Reversionary discount rate		**13.00%**	13.00%
• Market capitalisation rate		**8.00%**	8.00%
• Reversionary capitalisation rate		**8.47%**	8.41%
• Market rental growth		**5.00%**	5.73%
• Expense growth		**6.27%**	6.14%
• Vacancy period		**4,16 months**	3.14 months
• Long term vacancy rate		**0.69%**	0.64%

* Weighting based on underlying investment property fair values.

The logistics hubs segment consists of 15 buildings (2023: 14 buildings).

1 *The vacancy period for Cummins SA Regional Distribution Centre and Massbuild is 8 months (2023: 8 months). The remainder of logistics hubs ranges between 0 - 4 months (2023: 3 - 4 months).*

During the current year the midi warehouses on LP9 was completed, in the prior year Plumblink was completed.

Logistic hubs were valued as at 30 June 2024 using discounted cash flow of the future income streams method by independent valuers.

16. INVESTMENT PROPERTY

The estimated impact of a change in the following unobservable inputs for logistics hubs would result in a change in the independent valuers' valuation as follows:

	GROUP	
Figures in R'000s	**2024**	**2023**
Significant unobservable inputs		
• A decrease of 50 basis points in the discount rate	**45 455**	40 114
• An increase of 50 basis points in the discount rate	**(45 217)**	(37 777)
• A decrease of 50 basis points in the reversionary capitalisation rate	**50 725**	43 144
• An increase of 50 basis points in the reversionary capitalisation rate	**(47 199)**	(38 299)
• A decrease of 100 basis points in the market rental	**85 529**	66 954
• An increase of 100 basis points in the market rental	**(81 583)**	(62 028)
Other unobservable inputs		
• A decrease of 1 month in vacancy	**9 399**	5 328
• An increase of 1 month in vacancy	**(6 191)**	(7 563)
• A decrease of 100 basis points in the long-term vacancy rate	**6 947**	4 860
• An increase of 100 basis points in the long-term vacancy rate	**(14 911)**	(9 711)
• A decrease of 100 basis points in the expense growth rate	**8 034**	1 291
• A decrease of 100 basis points in the expense growth rate	**(11 013)**	(1 391)

Notes to the financial statements

16. INVESTMENT PROPERTY

	GROUP	
Figures in R'000s	**2024**	**2023**
Completed developments: Hotel		
The carrying amount of completed developments are reconciled as follows:		
Balance at the beginning of the year	**540 036**	572 285
Additions	**3 076**	764
Transfer from developments under construction	**–**	13 507
Net gain/(loss) from fair value adjustment	**50 026**	(58 280)
Straight-line lease income adjustment against fair value	**(17 127)**	12 207
Independent valuers' valuation after straight-lining	**576 011**	540 483
Adjusted for		
Additions of right-of-use asset (note 22)	**5 174**	–
Net loss from fair value adjustment of right-of-use asset (note 22)	**(181)**	(447)
Independent valuers' valuation after straight-lining - adjusted	**581 004**	540 036
Reconciled as follows:		
Cost	**450 352**	442 102
Fair value adjustments	**130 652**	97 934
Adjusted valuation	**581 004**	540 036
The independent valuation for hotel properties are as follows:		
Independent valuers' valuation after straight-lining	**576 011**	540 483
Straight-line lease debtor	**63 543**	46 416
Independent valuers' valuation	**639 554**	586 899

16. INVESTMENT PROPERTY

The following unobservable inputs were used by the independent valuers in estimating the fair value of the hotel investment property:

		GROUP	
Unobservable inputs (%)	**Note**	**2024**	**2023**
Range of unobservable inputs utilised:			
• Discount rate		**13.00%**	13.00%
• Reversionary discount rate		**13.00%**	13.00%
• Market capitalisation rate		**8.00%**	8.00%
• Reversionary capitalisation rate		**8.75%**	8.75%
• Market rental growth		**6.50% - 7.25%**	6.50% - 7.25%
• Expense growth		**6.00%**	6.00%
• Vacancy period		**1 - 2 months**	1 - 2 months
• Long term vacancy rate		**1.00% - 1.50%**	1.00% - 1.50%
Weighted average* of unobservable inputs utilised:			
• Discount rate		**13.00%**	13.00%
• Reversionary discount rate		**13.00%**	13.00%
• Market capitalisation rate		**8.00%**	8.00%
• Reversionary capitalisation rate		**8.75%**	8.75%
• Market rental growth		**5.00%**	6.92%
• Expense growth		**6.50%**	6.00%
• Vacancy period		**1.35 months**	1.82 months
• Long term vacancy rate		**1.30%**	1.28%

* Weighting based on underlying investment property fair values.

The hotel segment consists of 3 buildings (2023: 3 buildings).

Hotel buildings were valued as at 30 June 2024 using discounted cash flow of the future income streams method by independent valuers.

Notes to the financial statements

16. INVESTMENT PROPERTY

The estimated impact of a change in the following unobservable inputs for hotel would result in a change in the independent valuers' valuation as follows:

	GROUP	
Figures in R'000s	**2024**	**2023**
Significant unobservable inputs		
• A decrease of 50 basis points in the discount rate	**19 503**	17 980
• An increase of 50 basis points in the discount rate	**(18 631)**	(17 169)
• A decrease of 50 basis points in the reversionary capitalisation rate	**11 567**	11 129
• An increase of 50 basis points in the reversionary capitalisation rate	**(10 316)**	(9 926)
• A decrease of 100 basis points in the market rental	**26 843**	23 038
• An increase of 100 basis points in the market rental	**(24 366)**	(21 137)
Other unobservable inputs		
• A decrease of 1 month in vacancy	**503**	1 342
• An increase of 1 month in vacancy	**(508)**	(1 769)
• A decrease of 100 basis points in the long-term vacancy rate	**2 027**	915
• An increase of 100 basis points in the long-term vacancy rate	**(2 027)**	(1 062)
• A decrease of 100 basis points in the expense growth rate	**1 516**	1 222
• A decrease of 100 basis points in the expense growth rate	**(1 664)**	(1 340)

The fair value of completed developments is deemed to be Level 3 as defined by IFRS 13: Fair Value Measurements.

17. INVESTMENT IN JOINT VENTURES AND ASSOCIATES

Set out below is the associate of the group which, in the opinion of the directors, is material. The associate set out below has ordinary shares, which are held directly by the group.

Name of associate	**AttAfrica**
Principal activity	Real estate investment company
Place of incorporation	Mauritius
Principal place of business	Mauritius

	GROUP		COMPANY	
	2024	**2023**	**2024**	**2023**
Proportion of ownership/voting rights held by the group	**50%**	50%	**–**	–

The group has a legal interest of 50% in AttAfrica and an economic interest of 26.88%.

Summarised financial information in respect of AttAfrica is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRS (adjusted by the group for equity accounting purposes).

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
AttAfrica				
Current assets	**193 523**	185 478	**–**	–
Non-current assets	**1 909 395**	1 926 112	**–**	–
Current liabilities	**88 691**	233 278	**–**	–
Non-current liabilities	**414 526**	264 325	**–**	–
Revenue	**169 909**	202 047	**–**	–
Loss for the year	**(106 713)**	(206 180)	**–**	–
Loss from continuing operations	**(106 713)**	(206 180)	**–**	–
Total comprehensive loss for the year	**(106 713)**	(206 180)	**–**	–

Notes to the financial statements

17. INVESTMENT IN JOINT VENTURES AND ASSOCIATES

The reconciliation of the summarised financial information to the carrying amount of the interest in AttAfrica recognised in the consolidated AFS is as follows:

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
AttAfrica				
Balance at the beginning of the year	**327 079**	257 861	**–**	–
Additions*	**43 304**	81 095	**–**	–
Impairment of investment	**(1 394)**	–	**–**	–
Total	**(34 061)**	(11 877)	**–**	–
Share of retained loss	**(28 684)**	(55 421)	**–**	–
FCTR	**(5 377)**	43 544	**–**	–
Transfer to non-current assets held for sale (Note 28)	**(334 928)**	–	**–**	–
Balance at the end of the year	**–**	327 079	**–**	–
Reconciled as follows:				
Cost	**520 363**	477 059	**–**	–
Impairment of investment	**(153 408)**	(152 014)	**–**	–
Share of retained loss	**(118 247)**	(89 563)	**–**	–
Foreign currency translation effect	**86 220**	91 597	**–**	–
Transfer to non-current assets held for sale	**(334 928)**	–	**–**	–
Balance at the end of the year	**–**	327 079	**–**	–

* *Additional equity investment*

17. INVESTMENT IN JOINT VENTURES AND ASSOCIATES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Carrying amount of the group's interest in joint ventures and associates				
AttAfrica	**–**	327 079	**–**	–
Aggregate amount of other associates that are not individually material:	**1 149**	2 410	**1 149**	2 409
Wingspan	**384**	405	**384**	404
Other joint ventures and associates	**765**	2 005	**765**	2 005
Balance at the end of the year	**1 149**	329 489	**1 149**	2 409
Net income (loss) from joint ventures and associates				
AttAfrica	**(28 684)**	(55 421)	**–**	–
Aggregate amount of other associates that are not individually material:	**1 184**	(23 798)	**–**	–
Wingspan	**(21)**	(23 843)	**–**	–
Fountains Regional Mall	**–**	2	**–**	–
West African Asset Management	**(18)**	(22)	**–**	–
Other joint ventures and associates*	**1 223**	65	**–**	–
Total	**(27 500)**	(79 219)	**–**	–

* *Included in this amount, is the investment in JV 115 held in AWIC and co-owned with Sanlam. AWIC exercised the option to increase its shareholding in JV115 to 50%, subsequently classified as a joint venture. Furthermore, an additional loan was purchased which is detail in Note 19.*

Refer to note 40 for the interest in direct associates.

The group equity accounts for its investments in joint ventures and associates.

The fair value of the company's investments in joint ventures and associates are determined with reference to the NAV of the underlying associates and joint ventures.

Notes to the financial statements

18. OTHER FINANCIAL ASSETS AND LIABILITIES

Figures in R'000s	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Non-current assets	**358 159**	1 387 280	**–**	3 943
• Loans and receivables	**353 225**	385 799	**–**	3 943
• Investment In MAS*	**–**	978 549	**–**	–
• Derivative financial instruments	**9 149**	22 932	**–**	–
• Transfer to non-current assets held for sale (Note 28)#	**(4 215)**	–	**–**	–
Current assets	**65 660**	37 796	**6 197**	2 254
• Loans and receivables	**55 170**	12 738	**6 197**	2 254
• Derivative financial instruments	**10 490**	25 058	**–**	–
Other financial assets	**423 819**	1 425 076	**6 197**	6 197
Non-current liabilities	**(20 736)**	(1 491)	**(14 052)**	(28 222)
• Derivative financial instruments	**(20 736)**	(1 491)	**–**	–
• Guarantee liability^	**(4 026)**	–	**(14 052)**	(28 222)
• Transfer to non-current assets held for sale (Note 28)#	**4 026**	–	**–**	–
Current liabilities	**(11 179)**	(923)	**–**	–
• Derivative financial instruments	**(11 179)**	(923)	**–**	–
Other financial liabilities	**(31 915)**	(2 414)	**(14 052)**	(28 222)

* *In March 2024, the remaining 6.45% investment in MAS was sold for R773.1 million*

^ *The guarantee liability for group relates to the guarantee to AttAfrica and Gruppo*

\# *AIHI derivative financial instruments relating to AIHI Ikeja and guarantee liability transferred to non-current assets held for sale, refer to note 28*

18. OTHER FINANCIAL ASSETS AND LIABILITIES

The group recognised an unfavourable fair value adjustments on derivative financial instruments measured at FVPL of R57.8 million (2023: favourable R86.2 million).

The values of derivative financial asset and liabilities are shown at fair value based on inputs other than quoted prices that are observable in the market for the assets and liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices) - Level 2. The fair value is determined as the net discounted cash flows to be paid/received from the swaps in place at 30 June 2024.

Interest rates applicable to the group are fixed at a rate that ranges from 7.11% to 9.09% (2023: 7.11% to 9.09%). These derivative financial instruments expire on dates ranging from July 2024 to June 2030 (2023: July 2023 to June 2030).

At initial recognition the guarantee is measured at the date of issue and amortised to the financial period end date. This amortised cost is compared to the ECL measured on a one year or lifetime basis, depending on the stage, and the higher of the two is recognised.

The risk of the guarantee on date of issue is determined by the cost of the guarantee where an arm's length price was paid. Where no payment was made, the cost is determined by the saving in interest rate that was achieved by the issuance of the guarantee where such a guarantee is supporting a lending transaction. In the absence of either of these, the risk of the guarantee is determined as the ECLs that will be measured on a one year or lifetime basis, which is the case in this situation.

Guarantees were valued based on the risk of the counterparty whose obligations have been guaranteed. This resulted in a surety liability being recognised for the group of R4.0 million (2023: Rnil) and R14.1 million (2023: R28.2 million) for the company.

Refer to note 21 for the information relating to risk management.

The fair value of derivative financial instruments are deemed to be Level 2 as defined by IFRS 13: Fair Value Measurements.

The fair value of derivative financial instruments is determined annually as the difference in the net present value of future cash flows on the derivative financial instrument at the floating and fixed rates. The difference is recognised as an asset or liability.

Future cash flows used in determining the discounted cash flows are determined with reference to forward interest rates, from observable yield curves at the end of the reporting period, and contract interest rates, discounted at rates that reflect the credit risk of various counterparties.

During the current year, there has been no movement relating to fair value hierarchy with respect to the other financial assets and liabilities listed above.

The amortised cost of loans receivable approximate their fair value.

Notes to the financial statements

18. OTHER FINANCIAL ASSETS AND LIABILITIES

GROUP

Figures in R'000s	2024 Balance at the beginning of the year	2024 Fair value adjustment through profit or loss	2024 Interest cap premium paid	2024 Balance at the end of the year	2023 Balance at the beginning of the year	2023 Fair value adjustment through profit or loss	2023 Interest cap premium paid	2023 Balance at the end of the year
Derivative financial instruments								
At FVPL								
Nedbank	15 606	(43 503)	–	(27 897)	(60 953)	76 559	–	15 606
PwC Waterfall Property Partnership#	(55)	7 342	–	7 287	6 639	(6 694)	–	(55)
RMB	1 149	(794)	–	355	(10 775)	11 924	–	1 149
RMB International	7 711	(3 428)	(68)	–	–	3 038	4 349	7 711
Derivative financial instrument at FVPL	7 711	(3 428)	(68)	4 215	–	–	–	–
Transferred to non-current assets held for sale (Note 28)*	–	–	–	(4 215)	–	–	–	–
Standard Bank	21 165	(17 401)	–	3 764	19 832	1 333	–	21 165
Total	45 576	(57 784)	(68)	(16 491)	(45 257)	86 160	4 349	45 576
Derivative financial assets				15 424				47 990
Current				10 490				25 058
Non-current				4 934				22 932
Derivative financial liabilities				(31 915)				(2 414)
Current				(11 179)				(923)
Non-current				(20 736)				(1 491)
Total				(16 491)				45 576

This swap is recognised on a back-to-back basis, based on the swap agreement with Nedbank

* *AIHI Derivative financial instruments relating to AIHI Ikeja transferred to non-current assets held for sale, refer to note 28*

Notes to the financial statements

18. OTHER FINANCIAL ASSETS AND LIABILITIES

GROUP

Figures in R'000s	Fixed rate	Expiry date	2024 Notional amount	2024 Mark-to-market	2024 Non-current	2024 Current	2023 Notional amount	2023 Mark-to-market	2023 Non-current	2023 Current
Derivative financial instruments comprise of the following:										
Nedbank interest rate swaps										
• ARF	7.66%	Jul-23	–	–	–	–	500 000	369	–	369
• ARF	7.69%	Jul-23	–	–	–	–	200 000	135	–	135
• ARF	7.11%	Dec-24	143 000	831	–	831	143 000	2 950	850	2 100
• ARF	7.57%	Feb-25	125 000	628	–	628	125 000	1 833	712	1 121
• ARF	8.25%	Sep-25	220 500	(685)	(281)	(404)	–	–	–	–
• AWIC	7.96%	Sep-26	125 000	(209)	(209)	–	–	–	–	–
• AWIC	7.57%	Sep-23	–	–	–	–	17 897	32	–	32
• AWIC	7.26%	Feb-24	–	–	–	–	75 000	647	–	647
• AWIC	7.95%	Dec-24	–	–	–	–	47 283	372	78	294
• AWIC	7.11%	Dec-24	214 500	1 246	–	1 246	214 500	4 425	1 275	3 151
• AWIC	8.33%	Apr-25	400 000	(662)	–	(662)	400 000	1 217	11	1 206
• AWIC	8.11%	Sep-25	–	–	–	–	55 155	358	95	263
• AWIC	7.76%	Sep-25	–	–	–	–	30 079	261	90	171
• AWIC	8.71%	Jun-30	1 078 134	(23 171)	(15 555)	(7 616)	1 101 461	2 109	2 109	–
• AWIC	9.09%	Jun-30	102 796	(3 754)	(2 661)	(1 093)	105 356	(1 674)	(964)	(710)
• AWIC	8.60%	Jun-30	119 138	(2 219)	(1 521)	(698)	126 674	(214)	–	(214)
• Lynnwood Bridge	7.70%	Jul-23	–	–	–	–	250 000	160	–	160
• Lynnwood Bridge	7.25%	Feb-24	–	–	–	–	300 000	2 625	–	2 625
• Lynnwood Bridge	7.79%	Mar-26	56 000	98	–	98	–	–	–	–
Total				(27 897)	(20 227)	(7 670)		15 606	4 256	11 350

Notes to the financial statements

18. OTHER FINANCIAL ASSETS AND LIABILITIES

GROUP

Figures in R'000s	Fixed rate	Expiry date	2024 Notional amount	2024 Mark-to-market	2024 Non-current	2024 Current	2023 Notional amount	2023 Mark-to-market	2023 Non-current	2023 Current
Derivative financial instruments comprise of the following:										
PwC Waterfall Property Partnership interest rate swaps*										
• AWIC	8.71%	Jun-30	**269 534**	**5 793**	**3 889**	**1 904**	275 365	(527)	(527)	–
• AWIC	9.09%	Jun-30	**25 699**	**939**	**665**	**274**	26 339	418	241	177
• AWIC	8.60%	Jun-30	**29 785**	**555**	**380**	**175**	31 668	54	–	54
Total				**7 287**	**4 934**	**2 353**		(55)	(286)	231

* *This swap is recognised on a back-to-back basis based on the external swap agreement with Nedbank*

Figures in R'000s	Fixed rate	Expiry date	2024 Notional amount	2024 Mark-to-market	2024 Non-current	2024 Current	2023 Notional amount	2023 Mark-to-market	2023 Non-current	2023 Current
Standard Bank interest rate swaps										
• ARF	8.24%	Sep-25	**409 500**	**(1 217)**	**(510)**	**(707)**	–	–	–	–
• ARF	7.12%	Dec-24	**77 000**	**439**	**–**	**439**	77 000	1 573	462	1 111
• Lynnwood Bridge	7.86%	Dec-25	**65 000**	**79**	**–**	**79**	–	–	–	–
• Lynnwood Bridge	7.12%	Dec-24	**115 500**	**658**	**–**	**658**	115 500	2 358	692	1 666
Total				**(41)**	**(510)**	**469**		3 931	1 154	2 777

Derivative financial instruments comprise of the following:	Strike rate	Expiry date	2024 Notional amount	2024 Mark-to-market	2024 Non-current	2024 Current	2023 Notional amount	2023 Mark-to-market	2023 Non-current	2023 Current
Standard Bank interest rate cap										
• AWIC	8.35%	Jun-25	**1 000 000**	**3 805**	**–**	**3 805**	1 000 000	17 235	8 346	8 888
Total				**3 805**	**–**	**3 805**		17 235	8 346	8 888

Derivative financial instruments comprise of the following:	Cap rate	Expiry date	2024 Notional amount	2024 Mark-to-market	2024 Non-current	2024 Current	2023 Notional amount	2023 Mark-to-market	2023 Non-current	2023 Current
RMB International										
• AIHI#	3.50%	Feb-25	**(136)**	**–**	**–**	**–**	4 349	7 711	7 711	–

\# *AIHI derivative financial instruments relating to AIHI Ikeja transferred to non-current assets held for sale, refer to note 28*

Notes to the financial statements

18. OTHER FINANCIAL ASSETS AND LIABILITIES

GROUP

Figures in R'000s	Fixed rate	Expiry date	2024 Notional amount	2024 Mark-to-market	2024 Non-current	2024 Current	2023 Notional amount	2023 Mark-to-market	2023 Non-current	2023 Current
Derivative financial instruments comprise of the following:										
RMB interest rate swaps										
• ARF	7.86%	Jul-24	**150 000**	**183**	**–**	**183**	150 000	1 149	260	889
• Lynnwood Bridge	7.86%	Dec-25	**35 000**	**26**	**–**	**26**	–	–	–	–
• Lynnwood Bridge	7.80%	Mar-26	**104 000**	**146**	**–**	**146**	–	–	–	–
				355	**–**	**355**		1 149	260	889

Notes to the financial statements

18. OTHER FINANCIAL ASSETS AND LIABILITIES

GROUP

Figures in R'000s	Segment (note 4)	Stage of credit impairment	Repayment date	Interest rate	2024 Loan amount	2024 ECL	2024 Total	2023 Loan amount	2023 ECL	2023 Total
Loans receivables										
Brand Group	Retail-experience hubs	Stage 3	None	None	**8 381**	**(8 381)**	**–**	8 381	(8 381)	–
Cummins	Logistics hubs	Stage 1	Mar-29	12.5%	**5 395**	**(35)**	**5 360**	5 943	(51)	5 892
Cell C	Collaboration hubs	Stage 1	Dec-24	6.0%	**44 889**	**(1 158)**	**43 731**	44 889	(7 948)	36 941
Cell C	Collaboration hubs	Stage 1	Dec-26	6.0%	**41 886**	**(2 177)**	**39 709**	30 522	(5 404)	25 118
Ghana	Head office Global	Stage 3	None	None	**1 649**	**(1 649)**	**–**	1 649	(1 649)	–
PwC Waterfall Property Partnership*	Collaboration hubs	Stage 1	Jun-30	1-month JIBAR	**313 975**	**(577)**	**313 398**	324 960	(571)	324 389
ESD	Head office SA	Stage 1	Jul-24	None	**3 943**	**–**	**3 943**	3 943	–	3 943
In Coatings	Head office SA	Stage 3	On demand	None	**500**	**(500)**	**–**	500	(500)	–
Ndzilo	Head office SA	Stage 3	On demand	None	**550**	**(550)**	**–**	550	(550)	–
Jesse Creations	Head office SA	Stage 1	On demand	None	**300**	**–**	**300**	300	–	300
Green Design	Head office SA	Stage 1	On demand	None	**1 954**	**–**	**1 954**	1 954	–	1 954
Twin Cities	Head office SA	Stage 3	On demand	None	**150**	**(150)**	**–**	150	(150)	–
Thatego	Head office SA	Stage 3	On demand	None	**500**	**(500)**	**–**	500	(500)	–
Total					**424 072**	**(15 677)**	**408 395**	424 241	(25 704)	398 537
Loans and receivables					**424 072**	**(15 677)**	**408 395**	424 241	(25 704)	398 537
Non-current					**356 014**	**(2 789)**	**353 225**	399 773	(13 974)	385 799
Current					**68 058**	**(12 888)**	**55 170**	24 468	(11 730)	12 738
Total					**424 072**	**(15 677)**	**408 395**	424 242	(25 704)	398 537

* *This loan earns interest on a back-to-back basis, based on the external funding from Nedbank at 1-month JIBAR and margins of 2.09%, 2.33% and 2.52% (refer to note 20)*

The ECL of R8.4 million (2023: R8.4 million) was recognised for the loan to Brand Group due to the arbitration process underway.

The ECL of R1.2 million (2023:R7.9 million) and R2.2 million (2023: R5.4 million) was recognised for the loan to Cell C due to the assessment of credit risk associated with the loan as evidenced by financial information available in the public domain, as well as the current adherence to contractual loan repayments. The amount owing from Cell C comprises 2 tranches. In the process of Cell C restructuring the debt, the following was agreed:

- Tranche 1 of R44.9 million (2023: R44.9 million) consists of the historical rental arrears as of 28 February 2022. This amount is repayable at the end of December 2024 and bears interest at 6% which is payable monthly.
- Tranche 2 consists of an agreed amount of 30% of the future rentals for the space that Cell C vacated early to be deferred. This amount at year end stood at R41.9 million (2023: R30.5 million) and is repayable at the end of December 2026 and bears interest at 6% which is payable monthly.

Cell C has been making the agreed rental and interest payments under these revised terms and this loan is performing and thus is Stage 1.

The ECL of R1.6 million (2023: R1.6 million) was recognised for the loan to Ghana due to the uncertainty around the recoverability of the amount.

The ECL of R0.6 million (2023: R0.6 million) was recognised for the loan to PwC Waterfall Property Partnership based on a minimum LGD on the value plus risk factor associated with refinancing of the Nedbank loan, which was determined judgementally.

The other ECLs of R1.7 million (2023: R1.8 million) were recognised based on a discounted PD and LGD.

Notes to the financial statements

18. OTHER FINANCIAL ASSETS AND LIABILITIES

COMPANY

					2024			2023		
Figures in R'000s	Segment (note 4)	Stage of credit impairment	Repayment date	Interest rate	Loan amount	ECL	Total	Loan amount	ECL	Total
Loans and receivables										
ESD	Head office SA	Stage 1	Jul-24	None	**3 943**	**–**	**3 943**	3 943	–	3 943
In Coatings	Head office SA	Stage 3	On demand	None	**500**	**(500)**	**–**	500	(500)	–
Ndzilo	Head office SA	Stage 3	On demand	None	**550**	**(550)**	**–**	550	(550)	–
Twin Cities	Head office SA	Stage 3	On demand	None	**150**	**(150)**	**–**	150	(150)	–
Thatego	Head office SA	Stage 3	On demand	None	**500**	**(500)**	**–**	500	(500)	–
Jesse Creations	Head office SA	Stage 1	On demand	None	**300**	**–**	**300**	300	–	300
Green Design	Head office SA	Stage 1	On demand	None	**1 954**	**–**	**1 954**	1 954	–	1 954
Total					**7 897**	**(1 700)**	**6 197**	7 897	(1 700)	6 197
Loans and receivables					**7 897**	**(1 700)**	**6 197**	7 897	(1 700)	6 197
Non-current					**–**	**–**	**–**	3 943	–	3 943
Current					**7 897**	**(1 700)**	**6 197**	3 954	(1 700)	2 254
Total					**7 897**	**(1 700)**	**6 197**	7 897	(1 700)	6 197

The fair value of loans receivable and loans payable are deemed to be Level 3 as defined by IFRS 13: Fair Value Measurements.

The carrying amounts of the balances are deemed by the directors to approximate their fair values. The fair value of balances are determined with reference to the carrying value and the NAV of the underlying investments.

Notes to the financial statements

19. LOANS TO (FROM) JOINT VENTURES AND ASSOCIATES

GROUP

Figures in R'000s	Segment (note 4)	Stage of credit impairment	Repayment date	Interest rate	2024 Loan amount	2024 ECL	2024 Fair value adjustment through profit or loss[&]	2024 Total	2023 Loan amount	2023 ECL	2023 Total
Loans to (from) joint ventures and associates											
AttAfrica	Other	n/a	On demand	6.50%	**(4 639)**	**–**	**–**	**(4 639)**	(4 707)	–	(4 707)
Gruppo*	Head office SA	Stage 3	Mar-25	8.08%	**–**	**–**	**–**	**–**	490 726	(264 193)	226 533
Kompasbaai	Head office SA	Stage 3	On demand	None	**1 959**	**(1 959)**	**–**	**–**	1 996	(1 996)	–
JV115[#]	Waterfall developments	n/a	On demand[~]	None	**271 297**	**–**	**(1 051)**	**270 246**	189 514	(91 709)	97 805
Balance at the end of the year					**268 617**	**(1 959)**	**(1 051)**	**265 607**	677 529	(357 898)	319 631
Loans to joint ventures and associates					**273 256**	**(1 959)**	**(1 051)**	**270 246**	682 236	(357 898)	324 338
Non-current					**271 297**	**–**	**(1 051)**	**270 246**	490 726	(264 193)	226 533
Current					**1 959**	**(1 959)**	**–**	**–**	191 510	(93 705)	97 805
Loans from joint ventures and associates					**(4 639)**	**–**	**–**	**(4 639)**	(4 707)	–	(4 707)
Non-current					**–**	**–**	**–**	**–**	–	–	–
Current					**(4 639)**	**–**	**–**	**(4 639)**	(4 707)	–	(4 707)
Total					**268 617**	**(1 959)**	**(1 051)**	**265 607**	677 529	(357 898)	319 631

& *ECL are recognised on all loans except for JV115 which is measured at fair value through profit or loss*

During the current year, the loan to JV115 underwent substantial modifications, leading to the derecognition of the original loan and the recognition of a new loan, this new loan was measured at its fair value, with changes in value recognised through profit or loss (PL)

~ *The loan to JV115 is on demand but classified as non-current, as the group has no intention to call on it*

* **Gruppo loan (Transferred to held for sale)**	**2024**
Loan amount	**494 997**
ECL	**(350 526)**
Total	**144 471**
Transfer to non-current assets held for sale (Note 28)	**(144 471)**
Loan amount after transferred to held for sale	–

The ECL of R350.5 million (2023: R264.2 million) was recognised for the loan to Gruppo which is reclassified to a non-current asset held for sale.

Notes to the financial statements

19. LOANS TO (FROM) JOINT VENTURES AND ASSOCIATES

ECL reconciliation — 2024

	Opening ECL	ECL raised	ECL realised/ reversed	Derecognition of ECL upon substantial modification of loan	FCTR	ECL transferred to held for sale*	Total
Gruppo	(264 193)	(87 455)	–	–	1 122	350 526	–
Kompasbaai	(1 996)	–	37	–	–	–	(1 959)
JV115	(91 709)	–	33 703	58 006	–	–	–
	(357 898)	(87 455)	33 740	58 006	1 122	350 526	(1 959)

* *As noted above, the ECL of R350.5 million (2023: R264.2 million) was recognised for the loan to Gruppo which is reclassified to a non-current asset held for sale*

ECL reconciliation — 2023

	Opening ECL	ECL raised	ECL realised/ reversed	Derecognition of ECL upon substantial modification of loan	FCTR	ECL transferred from held for sale	Total
Gruppo	–	(49 045)	–	–	(31 700)	(183 448)	(264 193)
Kompasbaai	(3 662)	–	1 666	–	–	–	(1 996)
JV115	(86 756)	(4 954)	–	–	–	–	(91 710)
	(90 418)	(53 999)	1 666	–	(31 700)	(183 448)	(357 899)

Fair value through profit or loss reconciliation

	2024			2023		
	Opening	Fair value adjustment through profit or loss	Total	Opening	Fair value adjustment through profit or loss	Total
JV115	–	(1 051)	(1 051)	–	–	–
	–	(1 051)	(1 051)	–	–	–

Notes to the financial statements

19. LOANS TO (FROM) JOINT VENTURES AND ASSOCIATES

COMPANY

					2024			2023		
Figures in R'000s	Segment (note 4)	Stage of credit impairment	Repayment date	Interest rate	Loan amount	ECL	Total	Loan amount	ECL	Total
Loans to (from) joint ventures and associates										
Kompasbaai	Head office SA	Stage 3	On demand	None	**1 959**	**(1 959)**	**–**	1 996	(1 996)	–
Balance at the end of the year					**1 959**	**(1 959)**	**–**	1 996	(1 996)	–
Loans to joint ventures and associates					**1 959**	**(1 959)**	**–**	1 996	(1 996)	–
Current					**1 959**	**(1 959)**	**–**	1 996	(1 996)	–
Total					**1 959**	**(1 959)**	**–**	1 996	(1 996)	–

The ECL of R1.9 million (2023: R1.9 million) was recognised for the loan to Kompasbaai.

The fair value of loans to associates are deemed to be Level 3 as defined by IFRS 13: Fair Value Measurements.

All loans to joint ventures and associates measured at amortised cost were assessed for ECL for 30 June 2024 and 30 June 2023.

The carrying amounts of the balances are deemed by the directors to approximate their fair values. The fair value of balances are determined with reference to the carrying value and the NAV of the underlying investments.

No collateral is held as security against the loans to joint ventures and associates.

Notes to the financial statements

20. LONG-TERM BORROWINGS

	GROUP				
Figures in R'000s	**Interest rate**	**Maturity**	**Mortgage bond**	**Non-current**	**Current**
2024					
Nedbank				**2 573 196**	**65 688**
• ARF Term Loan	3-month JIBAR + 1.65%	30-Oct-2026	698 815	185 000	152
• LBOP Term Loan	3-month JIBAR + 1.65%	30-Oct-2026		89 973	74
• AWIC RCF	3-month JIBAR + 1.55%	30-Oct-2025	5 009 000	220 000	(136)
• AWIC RCF	3-month JIBAR + 1.45%	23-Nov-2025		320 000	258
• AWIC Term Loan	3-month JIBAR + 1.60%	30-Oct-2026		260 000	213
• AWIC Term Loan	3-month JIBAR + 1.70%	1-Nov-2027		260 000	215
• PwC Tower	1-month JIBAR + 2.09%	3-Jun-2030		1 037 824	48 847
• PwC Annex	1-month JIBAR + 2.33%	3-Jun-2030		98 350	5 279
• PwC Tower	1-month JIBAR + 2.52%	3-Jun-2030		102 050	10 787
OmsFin				**700 000**	**578**
• ARF Term Loan	3-month JIBAR + 1.70%	30-Oct-2028	1 756 075	475 000	392
• LBOP Term Loan	3-month JIBAR + 1.70%	30-Oct-2028		225 000	186
RMB				**941 500**	**770**
• ARF Term Loan	3-month JIBAR + 1.59%	30-Oct-2026	1 747 279	481 500	393
• LBOP Term Loan	3-month JIBAR + 1.59%	30-Oct-2026		215 000	176
• Lynnaur Term Loan	3-month JIBAR + 1.64%	30-Dec-2025	575 000	245 000	201
Sanlam Capital				**300 000**	**244**
• AWIC Term Loan	3-month JIBAR + 1.55%	31-Dec-2026	542 000	300 000	244
Standard Bank				**1 496 500**	**1 237**
• ARF RCF	3-month JIBAR + 1.45%	30-Oct-2025	1 747 324	33 000	44
• ARF Term Loan	3-month JIBAR + 1.60%	30-Oct-2026		448 500	367
• Lynnwood Bridge	3-month JIBAR + 1.80%	30-Sep-2024		–	–
• Lynnwood Bridge	3-month JIBAR + 1.80%	30-Sep-2024		–	–
• Lynnwood Bridge	3-month JIBAR + 1.95%	30-Sep-2025		–	–
• LBOP RCF	3-month JIBAR + 1.45%	30-Oct-2025		–	–
• LBOP Term Loan	3-month JIBAR + 1.60%	30-Oct-2026		215 000	176
• AWIC RCF	3-month JIBAR + 1.38%	31-Oct-2025	2 392 000	160 000	128
• AWIC Term Loan	3-month JIBAR + 1.50%	31-Oct-2026		340 000	275
• AWIC Term Loan	3-month JIBAR + 1.68%	1-Nov-2027		300 000	247
Total				**6 011 196**	**68 518**

Notes to the financial statements

20. LONG-TERM BORROWINGS

	GROUP		
Figures in R'000s	**Total**	**Non-current**	**Current**
2024			
Nedbank	2 638 884	2 573 196	65 688
Omsfin	700 578	700 000	578
RMB	942 270	941 500	770
Sanlam Capital	300 244	300 000	244
Standard Bank	1 497 737	1 496 500	1 237
Total	6 079 714	6 011 196	68 518

Notes to the financial statements

20. LONG-TERM BORROWINGS

Figures in R'000s	Interest rate	Maturity	Mortgage bond	Non-current	Current
2023					
MML				500 000	165 191
• ARF	3-month JIBAR + 1.95%	30-Sep-2024		140 000	40
• ARF	3-month JIBAR + 2.10%	30-Sep-2026	930 027	210 000	61
• Lynnwood Bridge	3-month JIBAR + 1.95%	30-Sep-2024		60 000	17
• Lynnwood Bridge	3-month JIBAR + 2.10%	30-Sep-2026		90 000	26
• BMW	3-month JIBAR + 1.80%	28-Jun-2024	273 000	–	165 047
Nedbank				3 061 289	571 546
• ARF	3-month JIBAR + 2.10%	30-Sep-2024		192 481	56
• Lynnwood Bridge	3-month JIBAR + 2.10%	30-Sep-2024	511 515	82 492	24
• Mall of Africa RCF	3-month JIBAR + 1.95%	30-Jun-2024		–	–
• Mall of Africa	3-month JIBAR + 1.85%	30-Jun-2024		–	525 096
• Mall of Africa	3-month JIBAR + 1.90%	30-Jun-2025		874 913	249
• Mall of Africa	3-month JIBAR + 1.95%	30-Jun-2026	5 009 000	619 938	177
• PwC Tower	1-month JIBAR + 2.09%	3-Jun-2030		1 076 961	33 936
• PwC Annex	1-month JIBAR + 2.33%	3-Jun-2030		102 558	3 721
• PwC Tower	1-month JIBAR + 2.52%	3-Jun-2030		111 946	8 287
OmsFin				500 000	147
• ARF	3-month JIBAR + 2.15%	30-Sep-2024		210 000	62
• ARF	3-month JIBAR + 2.30%	30-Sep-2026	930 027	140 000	41
• Lynnwood Bridge	3-month JIBAR + 2.15%	30-Sep-2024		90 000	26
• Lynnwood Bridge	3-month JIBAR + 2.30%	30-Sep-2026		60 000	18
RMB				1 332 500	381
• ARF	3-month JIBAR + 2.13%	30-Sep-2025		417 550	122
• ARF	3-month JIBAR + 2.38%	30-Sep-2026	1 295 528	70 000	21
• Lynnwood Bridge	3-month JIBAR + 2.13%	30-Sep-2025		178 950	52
• Lynnwood Bridge	3-month JIBAR + 2.38%	30-Sep-2026		30 000	9
• AWIC RCF	Prime - 1.75%	30-Dec-2023	909 000	–	–
• AWIC consolidated	3-month JIBAR + 1.75%	30-Dec-2026		200 000	56
• Lynnaur	3-month JIBAR + 1.64%	30-Dec-2025	575 000	436 000	121
Sanlam Capital				300 000	83
• AWIC consolidated	3-month JIBAR + 1.55%	31-Dec-2026	542 000	300 000	83
Sub-total carried forward				5 693 789	737 348

Notes to the financial statements

20. LONG-TERM BORROWINGS

Figures in R'000s	Interest rate	Maturity	Mortgage bond	Non-current	Current
2023					
Sub-total brought forward				5 693 789	737 348
Standard Bank				1 947 138	6 618
• ARF	3-month JIBAR + 1.80%	30-Sep-2024		278 250	78
• ARF	3-month JIBAR + 1.80%	30-Sep-2024		227 500	64
• ARF	3-month JIBAR + 1.95%	30-Sep-2025	1 913 066	214 200	61
• Lynnwood Bridge	3-month JIBAR + 1.80%	30-Sep-2024		119 250	34
• Lynnwood Bridge	3-month JIBAR + 1.80%	30-Sep-2024		97 500	28
• Lynnwood Bridge	3-month JIBAR + 1.95%	30-Sep-2025		91 800	26
• Facility 4	3-month JIBAR + 1.85%	31-Jan-2026		358 638	6 168
• Facility 5	3-month JIBAR + 1.85%	31-Jan-2025	2 392 000	560 000	159
Total				7 640 927	743 966

Figures in R'000s	Total	Non-current	Current	Held for sale
2023				
Investec	–	–	–	–
MML	665 191	500 000	165 191	–
Nedbank	3 632 835	3 061 289	571 546	–
Omsfin	500 147	500 000	147	–
RMB	1 332 881	1 332 500	381	–
Sanlam Capital	300 083	300 000	83	–
Standard Bank	1 953 756	1 947 138	6 618	–
Total	8 384 892	7 640 927	743 965	–

The weighted average cost of debt in respect of the total group borrowings at 30 June 2024 is 10.0% (June 2023: 10.3%).

Long-term borrowings are predominantly at floating interest rates. At 30 June 2024, 70.1% (June 2023: 56.3%) of committed facilities were hedged to fixed rates through interest rate hedging derivatives and fixed rate loans. Refer to note 18, as well as note 21, for further detail of the group's interest rate hedging derivatives.

Long-term borrowings have been secured by mortgage bonds over investment property to the value of R17.4 billion (2023: R16.1 billion).

Attacq has the following group covenants in place: i) the group NAV covenant must exceed R7.0 billion; ii) the group gearing ratio must not exceed 50.0%; and iii) the group ICR must exceed 2.00x (for the first measurement period, being 30 June 2024, the group ICR will be measured for the six months ended 30 June 2024; for the measurement periods thereafter, the group ICR will be measured for a 12-month period). At 30 June 2024, all group covenants were met. In addition, at 30 June 2024, all borrower and portfolio level covenants were met and there are no forecast covenant breaches for the forecast period.

During the financial year, as part of the implementation of the GEPF transaction, the group settled R2.9 billion in interest-bearing borrowings and refinanced a further R4.1 billion in interest-bearing borrowings at reduced margins.

Refer to note 34 for more details with regards to the guarantees provided.

Notes to the financial statements

21. RISK MANAGEMENT

During the group's normal operations, its sources of finance and changing market conditions expose it to various financial risks, which highlights the importance of financial risk management as an element of control. Principal financial risks faced by the group include variations in interest rates, liquidity, credit and foreign currency.

Although the group does not trade in financial instruments for speculative purposes, it does utilise derivative instruments for the purpose of managing its exposure to adverse interest rate movements.

The group finances its operations through a mixture of retained profits and short and long-term bank borrowings.

There has been no significant change during the reporting period to the types of financial risks faced by the group, the measures used to measure them or the objectives, policies and processes for managing them.

The group's strong financial position, evidenced by the available liquidity of R874.6 million (2023: R1.4 billion) which comprises unrestricted cash and cash equivalents of R482.6 million (2023: R606.5 million), prepaid access facilities of R392.0 million (2023: R550.0 million) and undrawn liquidity facilities of Rnil (2023: R240.0 million), will assist to address liquidity risks that may arise. During the financial year, as part of the implementation of the GEPF transaction, the group settled R2.9 billion in interest-bearing borrowings and refinanced a further R4.1 billion in interest-bearing borrowings at reduced margins (note 20). The group continues to monitor its debt exposure between fixed and variable rates (note 18).

The board, through the ARC, is responsible for the group risk management.

The duties mandated by the board relating to the ARC are detailed in the report of the ARC.

The investment committee meets frequently to consider new opportunities for the group, including credit risk relating to such opportunities.

Interest rate derivatives

The group has entered into interest rate swap contracts which obligates it to pay interest at a fixed rate on notional principal amounts and obligates it to receive interest at a variable rate on the same notional principal amounts. Under these agreements, the group agrees with the counterparty to exchange, at pre-determined intervals, the difference between the fixed and variable interest amounts calculated on the notional principal amounts.

The group has entered into interest rate cap contracts whereby, in exchange for an upfront premium payment to the counterparty to the cap, a strike rate is set which determines the maximum interest rate payable for a given notional amount during the tenor of the cap. At each reset date, if the reference rate is below the cap strike rate, the group will pay the prevailing reference rate; however, if the reference rate is above the cap strike rate at a reset date, then the interest expense will be limited to the cap strike rate.

The interest rate swap and cap derivatives have been valued using a market quoted swap curve as at 30 June 2024. This is consistent with the prior year.

The interest rate swaps have been recognised in terms of IFRS 9: Financial Instruments, which requires that interest rate swaps be fair valued and marked to market at each reporting date.

Interest rate swaps exposed to credit risk as at 30 June 2024 are detailed in note 18.

Interest rate risk

The group's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on profit and loss.

The group makes use of interest rate derivatives to hedge its exposure to interest rate fluctuations. Refer to note 18 and 20.

It is the policy of the group to enter into interest rate derivative agreements with financial institutions to the extent that not less than 70.0% of its committed senior interest-bearing liabilities are held at fixed interest rates (note 18 and 20). At 30 June 2024, 74.7% (2023: 60.0%) of drawn facilities and 70.1% (2023: 56.3%) of committed facilities were hedged or fixed. During the 2023 financial year, due to the proposed transaction with the GEPF, a relaxation in the minimum hedging ratio was requested and obtained from the various lenders. In terms of the relaxation, the group's hedging ratio was permitted to decrease from 70.0% to 50.0% of committed senior secured interest-bearing liabilities up to the earlier of the implementation of the GEPF transaction or 31 October 2023, which aligned to the long stop date of the GEPF transaction. The GEPF transaction was implemented on 27 October 2023, and the related reduction in interest-bearing debt implemented by 31 October 2023, at which date the hedge ratio was in excess of the 70.0% minimum requirement.

Notes to the financial statements

21. RISK MANAGEMENT

Interest rate benchmark reform

The South African Reserve Bank (SARB) announced in 2020 that the Johannesburg Interbank Average Rate (JIBAR) would be phased out as a reference rate and ultimately cease to exist as it did not comply with the International Organisation of Securities Commissions (IOSCO) Principles for Financial Benchmarks. The SARB has implemented the South African Rand Overnight Index Average (ZARONIA) as the alternative reference rate for financial contracts and has indicated that it is their intention that JIBAR will cease towards the end of the 2026 calendar year. The precise cessation date of JIBAR will be announced in December 2025.

Management is aware of the transition from JIBAR to ZARONIA and is monitoring developments regarding the transition. Where applicable, new loan agreements are incorporating relevant provisions to cater for the eventual transition in reference rate. The Group awaits the SARB's announcement regarding the JIBAR cessation date.

To the extent that the Group has loans or hedges which reference JIBAR at the cessation date, there could be variability in interest income and/or expense due to variability in the applicable reference rate.

The Group does not utilise hedge accounting provisions when measuring its hedges; therefore, there is no risk from hedges becoming ineffective and therefore requiring derecognition. Hedges are valued at fair value through profit and loss.

The group's exposure to fair value interest rate risk and cash flow risk can be summarised as follows:

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Borrowings				
Bank borrowings at fixed rates hedged with interest rates swaps and caps	**4 540 069**	5 033 906	**–**	–
Bank borrowings at variable rates	**1 539 645**	3 350 987	**–**	–
Interest rate swaps linked to JIBAR (at fair value)	**31 915**	2 414	**–**	–
Total	**6 111 629**	8 387 307	**–**	–
The estimated impact of a 100 basis points increase in interest rates would have the following before tax impact on the profits and equity of the group.	**12 854**	33 534	**–**	–

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 its liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The group ensures that adequate funds are available to meet its expected and unexpected financial commitments through cash and cash equivalents, liquidity facilities and undrawn borrowing facilities.

Liquidity on long-term borrowings is managed by maintaining a varied maturity profile and maintaining relationships with a number of banks and financial institutions, thereby reducing refinancing risk.

The directors review the cash flow forecasts of the group and company on a regular basis.

The ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements.

The group manages liquidity risk by monitoring forecast cash flows in compliance with loan covenants and ensuring that adequate unutilised borrowing facilities are maintained. The directors have assessed the financial covenants, on both a historical and forward-looking basis for the next 12 months, and are confident that there will be no covenant breaches and there is sufficient headroom available in the existing covenant levels.

Notes to the financial statements

21. RISK MANAGEMENT

The group's contractual maturity on financial liabilities, based on undiscounted cash flows at year-end, are as follows:

	GROUP					
Figures in R'000s	**Carrying amount**	**Within 1 year**	**1 - 2 years**	**2 - 5 years**	**>5 years**	**Total**
2024						
Long-term borrowings	**6 079 714**	**593 261**	**1 523 379**	**4 732 044**	**834 161**	**7 682 845**
Other financial liabilities	**31 915**	**5 914**	**12 188**	**10 630**	**(5 128)**	**23 604**
Lease liabilities	**242 863**	**58 183**	**53 728**	**110 296**	**165 306**	**387 513**
Taxation payable	**1 521**	**1 521**	**–**	**–**	**–**	**1 521**
Trade and other payables#	**474 682**	**474 682**	**–**	**–**	**–**	**474 682**
Total	**6 830 695**	**1 133 561**	**1 589 295**	**4 852 970**	**994 339**	**8 570 165**
2023						
Long-term borrowings	8 384 893	1 429 435	3 741 514	4 279 662	1 079 627	10 530 238
Other financial liabilities	7 121	4 495	(400)	359	3 724	8 179
Lease liabilities	238 580	51 875	49 637	111 881	171 914	385 307
Taxation payable	3 026	3 026	–	–	–	3 026
Trade and other payables	363 338	363 338	–	–	–	363 338
Total	8 996 958	1 852 169	3 790 751	4 391 902	1 255 265	11 290 087
2024						
Off balance sheet						
Financial guarantee contracts*	270 426	270 426	–	–	–	270 426
Total	270 426	270 426	–	–	–	270 426

Trade and other payable excludes rental income received in advance and Value Added Tax, refer to note 31

* The financial guarantee contracts relating to RMB for AttAfrica which will be transferred as part of the disposal, refer to note 28

Notes to the financial statements

21. RISK MANAGEMENT

	COMPANY					
Figures in R'000s	**Carrying amount**	**Within 1 year**	**1 - 2 years**	**2 - 5 years**	**>5 years**	**Total**
2024						
Other financial liabilities	**14 052**	**14 052**	**–**	**–**	**–**	**14 052**
Loans from subsidiaries	**700 366**	**67 243**	**760 603**	**–**	**–**	**827 846**
Trade and other payables	**1 689**	**1 689**	**–**	**–**	**–**	**1 689**
Total	**716 107**	**82 984**	**760 603**	**–**	**–**	**843 587**
Off balance sheet						
Financial guarantee contracts	**3 005 992**	**3 005 992**	**–**	**–**	**–**	**3 005 992**
Total	**3 005 992**	**3 005 992**	**–**	**–**	**–**	**3 005 992**
2023						
Other financial liabilities	28 222	28 222	–	–	–	28 222
Trade and other payables	1 834	1 834	–	–	–	1 834
Total	30 056	30 056	–	–	–	30 056
Off balance sheet						
Financial guarantee contracts	8 995 153	8 995 153	–	–	–	8 995 153
Lease liability guarantee	–	–	–	–	–	–
Total	8 995 153	8 995 153	–	–	–	8 995 153

Notes to the financial statements

21. RISK MANAGEMENT

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the group.

The group's cash and cash equivalents are placed with high credit quality financial institutions. Credit risk in respect of trade receivables is limited due to the spread of the customer base and credit approval processes.

The group's exposure to credit risk is primarily in respect of tenants and is influenced by the individual characteristics and risk profile of each tenant. The exposure to credit risk from tenants is mitigated by the spread of the tenant base. The granting of credit to tenants is made on application and is approved by the finance department and the property managers based on their credit assessment of new and existing tenants. Tenants are required to supply refundable lease deposits and/or bank guarantees and/or suretyships by their principals. As at 30 June 2024, the group did not consider there to be any significant concentration of credit risk which has not been insured or adequately provided for. In providing for ECL on tenant accounts, the group takes cognisance of deposits, guarantees delivered by tenants and/or their bankers as well as unencumbered assets of tenants and their principals which may be attached.

The group has some exposure in respect of loans granted where collateral has been requested. The financial position of the counterparties are considered when granting the loans and is also evaluated on an on-going basis.

The carrying amounts of financial assets included in the statement of financial position represent the maximum exposure to credit risk in respect of these assets. The maximum credit exposure of interest rate swaps is represented by the fair value of these contracts.

Refer to note 25 for an analysis of the group's trade receivable's ageing, overdue accounts and ECL.

Foreign currency risk

The group is exposed to foreign exchange risks in the following investments:

- investment in AIH International, of which the exposure is denominated in US dollar (current and prior year);
- investment in AttAfrica, of which the direct exposure is denominated in US dollar and indirect exposure is denominated in Ghanaian cedi; and
- investment in Gruppo, of which the direct exposure is denominated in US dollar and indirect exposure to the Nigerian naira.

The group's exposure is managed by diversifying its investments into various currency zones.

Notes to the financial statements

21. RISK MANAGEMENT

The impact of a change in the exchange rates on the equity of the group is as follows:

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
• A decrease of R1.00 to the US dollar	**(15 162)**	(29 670)	**(15 174)**	(29 808)
• An increase of R1.00 to the US dollar	**15 162**	29 670	**15 174**	29 808

The amount used to determine the impact of a movement in the US dollar exchange rate was the group's US dollar exposure relating to AIHI, AttAfrica and Gruppo.

Capital risk management

The group manages its capital to ensure that entities in the group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of debt and equity balances. The group's overall strategy remains unchanged from 2023.

The capital structure of the group consists of net debt (borrowings as detailed in note 20 offset by cash and cash equivalents as detailed in note 27) and equity of the group (comprising issued capital, reserves and retained earnings as detailed in note 29).

The group is not subject to any externally imposed capital requirements.

The board monitors the capital structure on an ongoing basis to achieve optimal value for the shareholders.

Notes to the financial statements

22. LEASES

22.1 LEASE RECEIVABLES

Figures in R'000s	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Value of minimum lease payments receivable				
• Less than 12 months	**1 893 014**	1 632 597	**–**	–
• Between 1 and 2 years	**1 667 039**	1 544 645	**–**	–
• Between 2 and 3 years	**1 269 343**	1 306 802	**–**	–
• Between 3 and 4 years	**1 112 811**	942 643	**–**	–
• Between 4 and 5 years	**808 320**	828 152	**–**	–
• Over 5 years	**2 370 660**	2 475 661	**–**	–
Total	**9 121 187**	8 730 500	**–**	–

Lease agreements are entered into with tenants on variable terms depending on the location and nature of the lettable area. The lease terms for collaboration and logistics hubs are generally longer than for retail-experience hub.

22. LEASES

22.2 RIGHT-OF-USE ASSETS CLASSIFIED AS INVESTMENT PROPERTY

Figures in R'000s	Leasehold land obligation	Bridges	Retail space	Total
2024				
Gross carrying amount				
Balance at 1 July 2023	**329 948**	**4 480**	**3 604**	**338 032**
Lease additions	**36 893**	**–**	**–**	**36 893**
Lease terminations	**(1 310)**	**–**	**–**	**(1 310)**
Balance at 30 June 2024	**365 531**	**4 480**	**3 604**	**373 615**
Fair value adjustment				
Balance at 1 July 2023	**(100 320)**	**1 174**	**(307)**	**(99 453)**
(Loss)/gain fair value adjustment	**(31 543)**	**324**	**(75)**	**(31 294)**
Balance at 30 June 2024	**(131 863)**	**1 498**	**(382)**	**(130 747)**
Carrying amount at 30 June 2024	**233 668**	**5 978**	**3 222**	**242 868**
2023				
Gross carrying amount				
Balance at 1 July 2022	315 544	4 480	3 604	323 628
Lease additions	15 201	–	–	15 201
Lease terminations	(797)	–	–	(797)
Balance at 30 June 2023	329 948	4 480	3 604	338 032
Fair value adjustment				
Balance at 30 June 2023	(73 272)	862	(252)	(72 662)
(Loss) gain fair value adjustment	(27 048)	312	(55)	(26 791)
Balance at 30 June 2023	(100 320)	1 174	(307)	(99 453)
Carrying amount at 30 June 2023	229 628	5 654	3 297	238 579

The group, through wholly-owned subsidiaries Adamax and Lynnwood Bridge, leases air rights over bridges from council. The remaining lease term is approximately 31 years (2023: 32 years).

The group, through wholly-owned subsidiary Brooklyn Bridge, leases retail space. The remaining lease term is approximately 2 years (2023: 3 years).

The group's right-of-use assets relating to leasehold land are classified as investment property which is externally fair valued together with the completed properties as disclosed in note 16.

Notes to the financial statements

22. LEASES

22.2 RIGHT-OF-USE ASSETS CLASSIFIED AS INVESTMENT PROPERTY

The following unobservable inputs were used by the directors in estimating the fair value of right-of-use assets classified as investment property:

- Discount rate
- Tenant rental income

The estimated impact of a change in the following significant unobservable inputs would result in a change in the directors' valuation as follows:

	GROUP	
Figures in R'000s	**2024**	**2023**
• A decrease of 50 basis points in the discount rate	**4 325**	4 368
• An increase of 50 basis points in the discount rate	**(4 169)**	(4 211)
• A decrease of 100 basis points in the rental income from tenants	**(2 337)**	(2 296)
• An increase of 100 basis points in the rental income from tenants	**2 337**	2 296

The fair value of right-of-use assets are deemed to be a Level 3 as defined by IFRS 13: Fair Value Measurements.

Future cash flows used in determining the discounted cash flows are determined with reference to the signed leases between the group and tenants. Discount rates used in the estimate are determined by the directors. Refer to note 16.4 for the detail on the fair value disclosures of the right-of-use asset.

22. LEASES

22.3 RIGHT-OF-USE ASSETS CLASSIFIED AS PROPERTY AND EQUIPMENT

Figures in R'000s	Office building	Total
2024		
Gross carrying amount		
Balance at 1 July 2023	–	–
Disposal	–	–
Balance at 30 June 2024	–	–
Accumulated depreciation		
Balance at 1 July 2023	–	–
Depreciation	–	–
Disposal	–	–
Balance at 30 June 2024	–	–
Carrying amount at 30 June 2024	–	–
2023		
Gross carrying amount		
Balance at 1 July 2022	11 792	11 792
Disposal	(11 792)	(11 792)
Balance at 30 June 2023	–	–
Accumulated depreciation		
Balance at 1 July 2022	(7 167)	(7 167)
Depreciation	(2 252)	(2 252)
Disposal	9 419	9 419
Balance at 30 June 2023	–	–
Carrying amount at 30 June 2023	–	–

In the prior year, the group, through a wholly-owned subsidiary AMS, leased office space. The lease was terminated in May 2023. As at 30 June 2024 no lease agreement was in place.

The right-of-use asset was depreciated until the lease was terminated in May 2023 after which the right-of-use asset was derecognised.

Notes to the financial statements

22. LEASES

22.4 LEASE LIABILITY

	GROUP	
Figures in R'000s	**2024**	**2023**
Current	**37 656**	31 581
Non current	**205 207**	206 999
Total lease liabilities	**242 863**	238 580
Summary of lease liabilities by period of redemption:		
Less than 12 months	**58 183**	51 875
Between 1 and 2 years	**53 728**	49 637
Between 2 and 3 years	**41 702**	44 970
Between 3 and 4 years	**38 100**	34 762
Between 4 and 5 years	**30 494**	32 149
Over 5 years	**165 306**	171 914
Lease commitment	**387 513**	385 307
Less effect of discounting	**(144 650)**	(146 727)
Total lease liabilities	**242 863**	238 580
Analysis of movement in lease liabilities		
Opening balance	**238 580**	256 785
New leases	**36 885**	11 892
Termination of leases	**(1 310)**	(797)
Interest accrual	**22 484**	23 417
Repayment of interest	**(22 160)**	(23 098)
Repayment of capital	**(31 617)**	(29 619)
Closing balance	**242 863**	238 580

The lease liabilities relate to the right-of-use assets disclosed under note 22.2 and 22.3. Interest is based on incremental borrowing rates ranging between 6.5% to 9.5% (2023: 8.5% and 9.5%).

The group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored as part of the group's operations.

22. LEASES

22.5 AMOUNTS RECOGNISED IN PROFIT AND LOSS

	GROUP	
Figures in R'000s	**2024**	**2023**
Depreciation expense on right-of-use assets	**–**	(2 252)
Fair value adjustments on right-of-use assets	**(31 294)**	(26 791)
Expense relating to leases of low value assets	**(1 767)**	(426)
Expense relating to variable lease payments not included in the measurement of the lease liability	**(291)**	(5 282)

Some of the leases in which the group is the lessee contain variable lease payment terms that are linked to variable recoveries. Variable payment are based on the usage by the tenant, for example utilities. The breakdown of lease payments is as follows:

	GROUP	
Figures in R'000s	**2024**	**2023**
Fixed payments	**(53 777)**	(52 717)
Variable payments	**(291)**	(5 282)
Total payments	**(54 068)**	(57 999)

Overall the variable payments constitute up to 0.5% (2023: 9.1%) of the group's entire lease payments. The group expects this ratio to remain constant in future years. The variable payments depend on the amount of variable payments receivable from the group's tenants. Taking into account the tenant activity expected over the next years, variable rental expenses are expected to continue to present a similar proportion to the current variable rental expense.

The total cash outflow for leases amount to R54.0 million (2023: R57.9 million).

Notes to the financial statements

23. INTANGIBLE ASSETS

	GROUP	
Figures in R'000s	2024	2023
Cost		
Balance at the beginning of the year	379 460	379 460
Balance at the end of the year	379 460	379 460
Accumulated amortisation		
Balance at the beginning of the year	(379 460)	(379 460)
Balance at the end of the year	(379 460)	(379 460)
Net carrying amount at the beginning of the year	–	–
Net carrying amount at the end of the year	–	–
The intangible assets consist of:		
• Asset management agreement	–	–
• Wi-Fi rights	–	–
Total	–	–

The intangible assets are amortised and tested for impairment on an annual basis or when there are indications that the intangible asset may be impaired.

The following are applicable to the current and prior year:

For the impairment testing of the intangible asset arising from the asset management agreements the appropriate discount rate was determined as the WACC of 16.10% (2023: 16.22%). The WACC was determined with reference to cost of debt of 9.96% (2023: 10.27%) and the cost of equity of 19.73% (2023: 20.19%), based on market values, and is a 37.5% (2023: 40.0%) debt to 60.0% (2023: 62.5%) equity split.

The recoverable amount of the intangible assets arising from the asset management agreement, was determined as the value in use. The value in use was calculated as the net present value of future cash flows derived from assets using cash flow projections which were discounted at appropriate discount rates. In calculating the net present value of the future cash flows, certain assumptions were required to be made in respect of highly uncertain matters including management's expectations of:

- the intangible asset arising from the asset management agreement is an ever green contract;
- CGU to which the intangible asset arising from the asset management agreement has been allocated is tested for impairment annually;
- the discounted cash flow method is used to determine the value in use of the CGU;
- the future cash flows consist of asset and property management fee income as well as asset and property management expenses;

23. INTANGIBLE ASSETS

- asset management fee income was earned with reference to the underlying property values. A view taken on changes in property valuation for the discounted cash flow period, ranging between decreases of 2.5% (2023: 0.0%) to increases of 4.0% (2023: 5.0%);
- property management fee income is earned with reference to the collections of income from the underlying properties. Collections are based on the most recent budgets. The weighted average lease escalation rates for the respective segments, being retail-experience hubs, collaboration hubs, logistics hubs and hotel, is used to escalate property management fees for the discounted cash flow
- the asset and property management expenses were escalated at an inflationary rate;
- the future cash flows of the CGU to which an intangible is allocated, is used as input in the discounted cash flow valuation over an initial five year period, thereafter into perpetuity as this is an evergreen contract;
- the group has used a WACC of 16.10% (2023: 16.22%) to discount the future cash flows;
- the appropriate long term growth rate, being the weighted average capitalisation rate, is applied to the future cash flow of the CGU; and
- the selection of appropriate capitalisation rates to reflect the risks involved, i.e. the weighted average exit capitalisation rates of 8.03% (2023: 7.91%).

The directors of the group have tested the intangible asset arising from the asset management agreement, that was allocated to AMS, for reversal of the impairment as at 30 June 2024 and concluded that the intangible asset arising from the asset management agreements are still impaired to Rnil based

- lower than inflation property valuations, impacting asset management fee income;
- increased inflation rates;
- impairment of the investment by the group in the underlying CGU; and
- the present value of the future discounted cash flows generated by the CGU is lower than the carrying value of the CGU and does not support a value for the intangible asset.

The intangible asset arising from the asset management agreement is amortised over 15 years and is tested for impairment on an annual basis or when there are indications that the intangible assets may be impaired.

The remaining amortisation period of the intangible asset arising from the asset management agreement at 30 June 2024 is 4 years and 3 months (2023: 5 years and 3 months).

Notes to the financial statements

23. INTANGIBLE ASSETS

Wi-Fi rights intangible asset

During the 2015 financial year, the group (through subsidiary AWIC), acquired the Wi-Fi rights in relation to its developments over the Waterfall Farm from WIC. The rights allow AWIC to exploit certain multimedia and broadband-based services in respect of its developments.

During the 2019 financial year, the Wi-Fi rights were fully impaired due to uncertainty regarding the future income streams that could be generated from the Wi-Fi rights. An impairment of R61.9 million was recognised in other expenses.

The directors of the group have tested the Wi-Fi rights intangible asset for reversal of the impairment as at 30 June 2024 and concluded that the intangible asset still impaired to Rnil.

The Wi-Fi rights intangible asset's carrying value net of impairments and accumulated amortisation of Rnil (2023: Rnil) is included in the "Head office SA" segment. Refer to note 4.

24. DEFERRED TAX ASSETS/LIABILITIES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
The balances comprise:				
Deferred tax assets				
• Tax losses available for set off against future taxable income	–	–	–	–
Balance at the end of the year	–	–	–	–
Reconciliation of deferred tax assets				
Balance at the beginning of the year	–	1 109	–	–
• Reversing temporary difference on tax losses available for set off against future taxable	–	(1 109)	–	–
• Reversing temporary difference on sale of inventory	–	–	–	–
Balance at the end of the year	–	–	–	–

Notes to the financial statements

24. DEFERRED TAX ASSETS/LIABILITIES

Figures in R'000s	2024	2023	2024	2023
The balances comprise:				
Deferred tax liabilities				
• Investment property	**(414 440)**	(391 051)	**–**	–
• Tax losses available for set off against future taxable income	**429 954**	431 701	**113 087**	103 069
• Fair value on investments	**–**	(37 176)	**–**	–
• Unrealised profit/(loss) on derivatives	**4 001**	(10 613)	**–**	–
• Sale of inventory	**8 704**	8 704	**–**	–
• Rental received in advance	**18 364**	24 988	**–**	–
• Deferred tax asset not recognised	**(353 098)**	(300 395)	**(113 087)**	(103 069)
• Other temporary differences~	**3 615**	4 912	**–**	–
Balance at the end of the year	**(302 900)**	(268 930)	**–**	–
Reconciliation of deferred tax liabilities				
Balance at the beginning of the year	**(268 930)**	(200 765)	**–**	–
• Originating temporary difference on investment property	**(23 389)**	(24 324)	**–**	–
• (Reversing)/Originating temporary difference on tax losses available for set off against future taxable income	**(1 747)**	4 293	**10 018**	5 770
• Reversing/(Originating) of temporary differences of revaluation of investments	**37 176**	(13 460)	**–**	5 239
• Originating/(Reversing) temporary difference on unrealised foreign exchange gains	**–**	–	**–**	–
• Originating/(Reversing) temporary difference on unrealised profit/losses on derivatives	**14 614**	(22 853)	**–**	–
• (Originating)/Reversing temporary difference on deferred tax assets not recognised	**(52 703)**	(8 959)	**(10 018)**	(11 009)
• Originating/(Reversing) temporary difference on rental received in advance	**(6 624)**	8 049	**–**	–
• Originating other temporary differences~	**(1 297)**	(10 911)	**–**	–
Balance at the end of the year	**(302 900)**	(268 930)	**–**	–

~ *Mainly relates to ECL on trade and other receivables*

24. DEFERRED TAX ASSETS/LIABILITIES

Use and sales tax rate

CGT is not applicable on the sale of investment property and shares in a REIT or property company in terms of section 25BB of the Income Tax Act applicable to REITs. Consequently, no deferred tax was raised on the fair value of investment property.

Allowances relating to immovable property cannot be claimed and, if a REIT sells immovable property, the allowances claimed in previous years will be recouped. A deferred taxation liability was raised in this respect.

Section 25BB of the Income Tax Act allows for the deduction of the qualifying distribution paid to the shareholders, but the deduction is limited to the taxable income. To the extent that no taxation will be payable in future as a result of the qualifying distribution, no deferred taxation was raised on the straight-line lease income accrual.

A deferred taxation asset has been recognised for the assessed losses to the extent that it is probable that taxable profit will be available against which the assessed losses can be utilised.

The applicable tax rates on timing differences are based on the directors' best estimate of the manner in which these timing differences will realise.

Deferred tax assets were not recognised as follows due to insufficient future taxable profits to utilise against the deferred tax assets:

- AWIC - R82.0 million (2023: R82.0 million) for R379.4 million (2023:R379.4 million) relating to CGT losses;
- AMS - R60.9 million (2023: R53.3 million) for R225.4 million (2023: R198.0 million) relating to the estimated assessed loss;
- AMS - R2.6 million (2023: R2.8 million) for R9.7 million (2023: R10.5 million) relating to other provisions;
- ARF - R4.7 million (2023: R4.2 million) for R21.6 million (2023: R19.3 million) relating to CGT losses;
- Attacq - R107.6 million (2023: R107.9 million) for R499.7 million (2023: R499.7 million) relating to CGT losses;
- Attacq - R5.5 million (2023: R5.5 million) for R20.4 million (2023: R20.4 million) relating to the estimated assessed loss;
- AIM - R89.9 million (2023: R44.5 million) for R416.3 million (2023: R206.2 million) relating to estimated CGT losses.

Notes to the financial statements

25. TRADE AND OTHER RECEIVABLES

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less ECLs. Discounting is omitted where the effect of discounting is immaterial.

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Lease receivables	**21 318**	24 195	**–**	–
Municipal receivables	**83 327**	75 970	**–**	–
Deposits	**4 930**	18 156	**–**	–
Other receivables	**50 614**	12 966	**1 547**	1 788
Tenant recoveries	**38**	673	**–**	–
Development receivables	**23 138**	66 078	**–**	–
Prepayments	**4 020**	8 302	**–**	–
Value Added Tax	**940**	3 882	**5**	–
ECL on trade receivables	**(5 230)**	(9 944)	**–**	–
ECL on municipal receivables	**(1 207)**	(1 188)	**–**	–
ECL on other receivables	**(736)**	(1 544)	**–**	–
Transfer to non-current assets held for sale*	**(1 336)**	–	**–**	–
Balance at the end of the year	**179 816**	197 546	**1 552**	1 788

* *AIHI trade and other receivables relating to AIHI Ikeja transferred to non-current assets held for sale, refer to note 28*

All amounts are short term. The net carrying value of trade and other receivables is considered a reasonable approximation of fair value.

25. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Lease receivables that are past due but not impaired	**7 487**	4 384	**–**	–
Lease and deferred lease receivables age analysis excluding amounts impaired and provided for:				
• Current	**9 438**	10 939	**–**	–
• 30 days	**2 806**	2 275	**–**	–
• 60 days	**1 375**	865	**–**	–
• 90 days	**998**	529	**–**	–
• 120 days and more	**6 702**	9 587	**–**	–
	21 318	24 195	**–**	–
Lease and deferred lease receivables that are past due, considered to be impaired and provided for	**(5 230)**	(9 944)	**–**	–
Total	**16 088**	14 251	**–**	–

The group's lease receivables are subject to the ECL model. The ECL amounted to R5.2 million (2023: R9.9 million) net of tenant deposits held as security. The group held tenant cash deposits amounting to R106.1 million at 30 June 2024 (2023: R116.4 million) as collateral for the rental commitments of tenants.

Deferred lease receivables forms part of lease receivables. However, the deferred lease receivables have not been aged as these receivables are not due yet.

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Movement in the ECL on lease receivables				
Opening balance	**9 944**	79 345	**–**	–
ECLs raised	**3 898**	882	**–**	–
ECLs reversed	**(8 612)**	(70 283)	**–**	–
Balance at the end of the year	**5 230**	9 944	**–**	–

The expected loss rates are based on the payment profiles of the tenants, and the historical credit losses experienced within the period. A default was considered to be at the point where a tenant passes 90 days. Once an amount moves through the default gateway, the recoveries, write-offs and timing is tracked to determine loss rates.

Notes to the financial statements

25. TRADE AND OTHER RECEIVABLES

In addition to the specific provisions raised, the group applied a general ECL percentage of 2.04% (2023: 2.04%) to the lease receivables. Refer to note 2 for the judgements and estimates used to determine the general ECL percentage.

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Movement in the ECL on municipal receivables				
Opening balance	**1 188**	1 002	**–**	–
ECLs raised	**234**	186	**–**	–
ECLs reversed	**(215)**	–	**–**	–
Balance at the end of the year	**1 207**	1 188	**–**	–

The group's municipal receivables are subject to the ECL model, and amounted to R1.2 million (2023: R1.2 million). The group applied a general ECL percentage of 1.4% (2023: 1.6%) to the municipal receivables.

Other receivables do not include any receivables related to leases.

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Movement in the ECL on other receivables				
Opening balance	**1 778**	234	**–**	–
ECLs raised	**–**	1 544	**–**	–
ECLs reversed	**(1 042)**	–	**–**	–
Balance at the end of the year	**736**	1 778	**–**	–

25. TRADE AND OTHER RECEIVABLES

On that basis, the ECL provision at 30 June 2024 was determined as follows:

	2024			2023		
Figures in R'000s	**Gross carrying amount**	**Weighted average loss rate**	**ECL allowance**	**Gross carrying amount**	**Weighted average loss rate**	**ECL allowance**
• Current	**9 438**	**8.9%**	**(837)**	10 939	9.8%	(1 072)
• 30 days	**2 806**	**13.3%**	**(374)**	2 275	15.6%	(356)
• 60 days	**1 375**	**19.9%**	**(274)**	865	46.8%	(405)
• 90 days	**998**	**31.2%**	**(312)**	529	68.4%	(362)
• 120 days and more	**6 702**	**51.2%**	**(3 434)**	9 587	80.8%	(7 749)
Total	**21 318**	**24.5%**	**(5 230)**	24 195	41.1%	(9 944)

The ECL on the remaining receivables are deemed to be immaterial. Refer to note 1.11 for the accounting policy for ECL.

In considering any ECLs on debtor accounts, the group takes into account deposits held, bank guarantees issued by the debtor, additional guarantees provided by the principals of the debtors and running credit checks on debtors and their principals.

No material concentration of credit risk exists.

Notes to the financial statements

26. INVENTORIES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Opening balance	**67 052**	48 834	**–**	–
Additions	**17 217**	95 183	**–**	–
Disposal	**(41 614)**	(76 965)	**–**	–
Balance at the end of the year	**42 655**	67 052	**–**	–

In the current and prior year inventories consist of Ellipse Waterfall Phase 1, 2 and 3 sectional title inventory and Waterfall Point sectional title inventory.

The disposals in the current year relate to the disposals of Ellipse Waterfall Phase 1 and 2 sectional title inventory resulting in the cost spent to that date being recognised as "Cost of sales" in profit or loss.

27. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term investments.

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Unrestricted cash balances	**484 436**	606 534	**24 729**	1 644
Cash reserved for specific purposes	**129 035**	116 361	**–**	–
Transfer to non-current assets held for sale*	**(1 798)**	–	**–**	–
Balance at the end of the year	**611 673**	722 895	**24 729**	1 644

* *AIHI cash and cash equivalents relating to AIHI Ikeja transferred to non-current assets held for sale, refer to note 28.*

The group, through AWIC, has an overdraft facility amounting to Rnil (2023: R240 million) with Nedbank. The overdraft facility bears interest at the SA Prime interest rate less 1.2%.

Unutilised facilities as detailed above amounted to Rnil (2023: R240.0 million).

Cash reserved for other purposes relate to tenant deposits held by the group and cash and cash equivalents in the POAs.

28. NON-CURRENT ASSETS HELD FOR SALE AND ASSOCIATED LIABILITIES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
The following assets and their associated equity and liabilities are presented as held for sale:				
ASSETS^				
• Investment in AttAfrica	**135 567**	–	**–**	–
Carrying value of associate transferred to held for sale (Note 17)	**334 928**	–	**–**	–
Re-measurement to lower of fair value less costs to sell (Note 10)	**(199 361)**	–	**–**	–
• Investment in Gruppo	**–**	–	**–**	–
• Trade and other receivables	**1 336**	–	**–**	–
• Other financial assets	**4 216**	–	**–**	–
• Loans to associates - Gruppo (Note 19)	**144 471**	–	**–**	–
• Cash and cash equivalents	**1 798**	–	**–**	–
Balance at the end of the year	**287 387**	–	**–**	–
EQUITY^				
Amounts included on accumulated OCI:				
• Foreign currency translation reserve associated with non-current assets held for sale	**63 949**	–	**–**	–
Balance at the end of the year	**63 949**	–	**–**	–
LIABILITIES^				
• Taxation payable	**–**	–	**–**	–
• Trade and other payables	**5 682**	–	**–**	–
• Guarantee liability	**4 026**	–	**–**	–
Balance at the end of the year	**9 708**	–	**–**	–

^ *The assets, equity and liabilities, as detailed above, forms part of the Other segment detailed in note 4.*

Notes to the financial statements

28. NON-CURRENT ASSETS HELD FOR SALE AND ASSOCIATED LIABILITIES

Investment in AttArica and Loans to associates - Gruppo

On 17 June 2024 the group, through its wholly owned subsidiary, AIH International, together with the co-shareholder in its Rest of Africa Retail Investments, Hyprop, entered into a non-binding letter of intent with Lango to dispose of the entire issued share capital of AttAfrica and the entire issued share capital of AIHI Ikeja and Hyprop Ikeja (the shareholders of Gruppo). The proposed disposals are in accordance with the group's stated strategy of disposing of these investments and accordingly the 26.88% economic interest in AttAfrica and the 25% interest in the shares in and shareholder loans advanced to Gruppo are classified as held for sale at 30 June 2024. The investment in Gruppo's shares is fully impaired. Refer to note 36 for more detail.

The proposed disposals of the 26.88% economic interest in AttAfrica and the 25% interest in the shares in and shareholder loans advanced to Gruppo are not classified as a discontinued operation as this does not result in a strategic shift that will have a major effect on the group operations and financial results.

The fair value of assets held for sale is deemed to be Level 3 as defined by IFRS 13: Fair Value Measurements.

The fair value of non-current assets held for sale is determined using the number of Lango shares to be received as consideration multiplied by the net asset value per Lango share as at 30 June 2024, being USD4.19 per share, converted to Rand at the 30 June 2024 closing rate.

There are no other unobservable inputs identifiable that would have a significant impact on the fair value.

29. STATED CAPITAL

	GROUP		COMPANY	
	2024	2023	**2024**	2023
Authorised				
2 billion ordinary no par value shares (2023: 2 billion ordinary no par value shares)				
Issued				
Ordinary no par value shares	**6 449 043**	6 499 090	**6 822 129**	6 872 176
Reconciliation of shares issued in Rand value:				
Stated capital				
Balance at the beginning of the year	**6 499 090**	6 499 090	**6 872 176**	6 872 176
Share buy-back	**(50 047)**	–	**(50 047)**	–
Balance at the end of the year	**6 449 043**	6 499 090	**6 822 129**	6 872 176
Reconciliation of number of shares issued:				
Reported at the beginning of the year	**751 551 292**	751 551 292	**751 551 292**	751 551 292
Issue of share capital during the year	**–**	–	**–**	–
Share buy-back	**(5 352 955)**	–	**(5 352 955)**	–
	746 198 337	751 551 292	**746 198 337**	751 551 292
Adjusted for treasury shares held:#				
ARF	**(29 726 516)**	(29 726 516)	**–**	–
Attacq Treasury Share Company	**(16 701 037)**	(16 701 037)	**–**	–
Total	**699 770 784**	705 123 739	**746 198 337**	751 551 292

* *The share were bought back at the average price of R9.35 per share. The shares were cancelled and reverted back to unissued shares.*

\# *Treasury shares issued in Rand value is R373.0 million (2023: R373.0 million)*

Notes to the financial statements

29. STATED CAPITAL

In terms of a general authority to issue shares for cash passed by shareholders at the last AGM, a maximum of 35 256 186 (2023: 35 256 187) shares were placed under the control of the board at their discretion. Provided that any issue is subject to a maximum discount of 5.0% of the weighted average traded price on the JSE of those securities over the 30 business days prior to the date that the price of the issue is agreed to between the company and parties subscribing to the shares. Further subject to compliance with the company's MOI, the Companies Act and the JSE Listings Requirements. This authority is valid for the shorter of 15 months or until the next AGM. As at year end, no shares have been issued in terms of this authority.

In addition, a total of 37 577 565 ordinary shares (2023: 37 577 565) were placed under the control of the directors in terms of a resolution passed at the last AGM, provided that any allotment, issue or disposal is subject to a maximum discount of 5.0% of the weighted average traded price on the JSE of those securities over the then agreed number of business days prior to the allotment, issue or disposal or the date that the price is agreed between the parties, as the case may be. Further subject to compliance with the company's MOI, the Companies Act and the JSE Listings Requirements. This authority is valid until the next AGM. As at year end, no shares have been issued in terms of the authority.

In terms of an ordinary resolution at the last AGM, the board may, subject to the Companies Act, MOI and JSE Listings Requirements, allot and issue shares for the exclusive purpose of affording shareholders opportunities from time to time to elect to reinvest their distributions in new shares of the company pursuant to a reinvestment option, for which purpose such ordinary shares are hereby placed under the control of the directors. As at year end, no shares have been issued in terms of the authority.

In terms of a special resolution at the last AGM, the board may, subject to the Companies Act, MOI and JSE Listings Requirements, repurchase up to 75 155 129 ordinary shares issued by the company. Provided that any repurchase is subject to a maximum premium of 10.0% of the weighted average traded price on the JSE of those securities over the 5 business days immediately preceding the repurchase of such shares. This authority is valid for the shorter of 15 months or until the next AGM. As at year end, 5 352 955 shares have been repurchased in terms of the authority.

In addition, in terms of a special resolution at the last AGM, the board may, subject to the company's MOI and the Companies Act, authorise the company to allot and issue shares to employees of the company in the pursuant to the Attacq LTIP as approved at the meeting. As at year end, no shares have been issued in terms of the authority.

30. SHARE-BASED PAYMENT RESERVE

Equity-settled share-based payment reserve

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Opening balance	**87 869**	82 212	**87 869**	82 212
Recognition of share-based payment expense	**21 454**	16 491	**–**	–
Transfer between reserves on expiry	**(15 759)**	(10 834)	**–**	–
Contribution to subsidiary	**–**	–	**5 695**	5 657
Balance at the end of the year	**93 564**	87 869	**93 564**	87 869
Reconciled as follows:				
Share-based payments	**59 547**	59 547	**59 547**	59 547
LTIPs and retentions allocations	**34 017**	28 322	**–**	–
Contribution to subsidiary	**–**	–	**34 017**	28 322
Balance at the end of the year	**93 564**	87 869	**93 564**	87 869

Cash-settled share-based payment

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Opening balance	**172**	265	**–**	–
Cash-settled share-based payments settled during the current year	**(51)**	(93)	**–**	–
Recognition of fair value adjustment at the end of the year	**–**	–	**–**	–
Balance at the end of the year	**121**	172	**–**	–
Reconciled as follows:				
Current liability	**121**	101	**–**	–
Non-current liability	**–**	71	**–**	–
Balance at the end of the year	**121**	172	**–**	–

Notes to the financial statements

30. SHARE-BASED PAYMENT RESERVE

Share-based payments

The acquisition of 18.05% of the issued share capital of ARF from Nedbank resulted in an IFRS 2 charge of R59.5 million due to the increase in the share price of Attacq subsequent to the agreement of commercial terms with Nedbank prior to listing on 14 October 2013. Subsequent to listing, the share price at which the agreed number of shares were issued upon implementation of the acquisition on 25 November 2013 was R16.50 as opposed to the contractually agreed issue price of R11.63.

The group has 34 261 142 (2023: 34 261 142) number of shares which may be utilised in the pursuant to the LTIPs.

	GROUP AND COMPANY		
	2024		
Number of options	**Retentions**	**LTIPs**	**SARs**
Movements during the year are as follows:			
Balance at the beginning of the year	**3 489 945**	**9 514 636**	**–**
Granted during the year	**2 475 347**	**6 073 634**	**–**
Exercised during the year	**(303 051)**	**(3 485 333)**	**–**
Forfeited during the year	**(700 064)**	**(693 506)**	**–**
Balance at the end of the year	**4 962 177**	**11 409 431**	**–**

	GROUP AND COMPANY		
	2023		
Number of options	**Retentions**	**LTIPs**	**SARs**
Movements during the year are as follows:			
Balance at the beginning of the year	2 213 267	6 830 107	201 136
Granted during the year	1 733 514	4 154 261	–
Exercised during the year	(76 115)	(680 332)	–
Expired during the year	–	–	(201 136)
Forfeited during the year	(380 721)	(789 400)	–
Balance at the end of the year	3 489 945	9 514 636	–

30. SHARE-BASED PAYMENT RESERVE

Retention allocations

Retentions were granted between August 2018 and April 2024. For each grant issued, a fair value was calculated at each grant date.

The retentions were granted as part of an employment package and are deemed to have been granted on the first day of employment. These will vest only if the employee has remained in the employment of Attacq for a period of three to five years ("vesting period").

The fair value of the retentions range between R1.50 and R13.44 and the allocations will vest between October 2024 and October 2028.

Retention options do not have any performance conditions.

There were no other changes in directors' shareholding between the end of the financial year and the date of approval of the consolidated AFS.

Retentions that vested during the year were exercised on 14 October 2023 and 14 April 2024. The share price on the date of vesting was R8.45 and R8.60 respectively.

The retention allocations valuation was done using a Present Value Model.

The following table lists the range of inputs to the model used on the grant date:

	2024	2023
Dividend yield (%)	4.20 - 9.27	4.20 - 8.66
Expected volatility (%)	20.50 - 50.54	20.50 - 50.54
Risk-free interest rate (%)	4.37 - 8.16	4.37 - 7.96
Expected life (years)	1 - 5	1 - 5
Average share price (R')	8.77	8.77

Notes to the financial statements

30. SHARE-BASED PAYMENT RESERVE

LTIPs

LTIPs were granted between October 2019 and October 2023. For each grant issued a fair value was calculated at each grant date.

For the LTIPs, no performance conditions are applicable to participants receiving less than 2 500 LTIPs. Financial and non-financial performance conditions are applicable to participants who received 2 500 LTIPs or more.

Non-market financial performance conditions apply to 35.0%, with non-financial performance conditions applicable to 35.0% of the benefits and market financial performance conditions to 30.0% of the benefits. For all LTIPs granted on and after 14 October 2017, 60.0% of the share options will vest in the third year after grant date, 20.0% of the options will vest in the fourth year and the final 20.0% will vest in the fifth year.

The fair value of the LTIPs are between R1.23 and R15.36 and the LTIPs will vest between October 2024 and October 2028.

LTIPs that vested during the year were exercised on 14 October 2023. The share price on the date of vesting was R8.45.

The LTIPs allocations valuation was done using a Monte Carlo simulation. All volatilities and correlation matrices were determined using historical data with no weighting applied.

The following table lists the range of inputs to the model used on the grant date:

	2024	2023
Dividend yield (%)	3.45 - 22.04	3.45 - 22.04
Expected volatility (%)	16.51 - 42.84	16.51 - 41.20
Risk-free interest rate (%)	3.82 - 8.61	3.82 - 8.52
Expected life (years)	1 - 5	1 - 5
Average share price (R')	9.77	9.90

SARs

SARs were granted in April 2017 and expired during October 2022.

31. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Trade payables	**79 651**	32 201	**1 689**	1 834
Accruals	**277 188**	234 556	**–**	–
Deposits held	**123 525**	96 581	**–**	–
Rental income received in advance	**68 012**	94 763	**–**	–
Value Added Tax	**20 810**	25 035	**–**	–
Transfer to liabilities associated with non-current assets held for sale*	**(5 682)**	–	**–**	–
Balance at the end of the year	**563 504**	483 136	**1 689**	1 834

* *AIHI trade and other payables relating to AIHI Ikeja transferred to liabilities associated with non-current assets held for sale, refer to note 28*

The fair value of trade payables, deposits held, amounts received in advance and Value Added Tax are deemed to be the same as the carrying value.

Accruals include amounts due relating to buildings under construction and municipal accruals on the investment properties.

32. PROVISIONS

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Provision for committed infrastructure	**–**	–	**–**	–
Other provisions	**3 321**	10 849	**–**	–
Balance at the end of the year	**3 321**	10 849	**–**	–
Provision for committed infrastructure reconciliation:				
Opening balance	**–**	15 059	**–**	–
Provision reversed/utilised	**–**	(15 059)	**–**	–
Closing balance	**–**	–	**–**	–
Other provisions reconciliation:				
Opening balance	**10 849**	2 516	**–**	–
Provision raised	**–**	8 333	**–**	–
Provision reversed	**(7 528)**	–	**–**	–
Provision utilised	**–**	–	**–**	–
Closing balance	**3 321**	10 849	**–**	–

The provision relating to committed infrastructure for the prior year relates to infrastructure transferred to investment properties (note 16) for which the group had a constructive obligation to incur additional infrastructure costs.

Notes to the financial statements

33. CASH FLOW FROM OPERATING ACTIVITIES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Profit before taxation	**1 267 051**	593 639	**1 196 444**	565 682
Adjusted for:				
Interest income	**(139 236)**	(92 913)	**(328 398)**	(248 019)
Dividend income	**–**	(69 605)	**(464 578)**	(344 933)
Finance costs	**697 371**	815 879	**366**	–
Straight-line rental adjustment	**(18 954)**	(760)	**–**	–
Fair value adjustment to investment properties	**(828 591)**	4 277	**–**	–
Fair value adjustment to other financial instruments	**57 784**	(86 160)	**–**	–
Derecognition gain on IFRS 16	**–**	(157)	**–**	–
Fair value adjustment to investments at FVPL	**1 051**	–	**–**	–
Loss from equity accounted investments	**27 500**	79 219	**–**	–
ECL provision for trade and other receivables	**209**	(56 647)	**–**	–
Depreciation	**2 818**	3 751	**–**	–
Deferred initial lease expenditure	**6 626**	5 951	**–**	–
Share-based payments	**21 454**	16 583	**–**	–
Foreign currency translation effect	**1**	(210)	**–**	–
ECL on loans to joint ventures and associates	**53 715**	52 333	**(37)**	(1 666)
Derecognition gain on financial instrument	**–**	–	**(460 700)**	(32 781)
Reversal of ECL on guarantee	**–**	(203)	**(27 961)**	(11 112)

33. CASH FLOW FROM OPERATING ACTIVITIES

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Net profit on disposal of non-current asset held for sale	**–**	(5 894)	**–**	–
Infrastructure costs	**8 253**	609	**–**	–
Impairment of investment in joint ventures and associates	**206 621**	–	**–**	–
Reversal of impairment ECL loans to subsidiaries	**–**	–	**(776)**	(1 369)
ECL on loans to other	**5**	13 389	**–**	–
Net loss on disposal of investment properties	**5 410**	6 779	**–**	–
Net profit on disposal of joint ventures and associates and other assets	**–**	(800)	**–**	(800)
ECL of loans to subsidiaries	**–**	–	**76 341**	67 599
Reversal of ECL loans to other	**(10 032)**	(33)	**–**	–
Cash generated from (utilised in) operations before working capital changes	**1 359 056**	1 279 027	**(9 299)**	(7 399)
Changes in working capital:				
Decrease in accounts receivable	**2 199**	14 400	**236**	69
Decrease in inventory	**24 397**	33 692	**–**	–
Increase/(Decrease) in accounts payable	**52 296**	24 535	**(145)**	(412)
Total	**1 437 948**	1 351 654	**(9 208)**	(7 742)

33.1 RECONCILIATION OF INTEREST-BEARING BORROWINGS

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2023**	**2023**
Opening balance	**8 384 893**	8 281 403	**–**	–
Long-term borrowings raised	**947 969**	1 672 377	**–**	–
Long-term borrowings repaid	**(3 247 549)**	(1 571 274)	**–**	–
Interest capitalised to long-term borrowings	**–**	2 531	**–**	–
Decrease in interest accruals	**(5 598)**	(144)	**–**	–
	6 079 714	8 384 893	**–**	–

Notes to the financial statements

33. CASH FLOW FROM OPERATING ACTIVITIES

33.2 OTHER FINANCIAL LIABILITIES REPAID (ADVANCED)

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2023**	**2023**
Opening balance	**2 414**	77 670	**–**	–
Fair value adjustment through profit and loss	**29 501**	(75 052)	**–**	–
Recognition of guarantees	**4 026**	(204)	**14 052**	–
Transfer to non-current assets held for sale (Note 28)	**(4 026)**	–	**–**	–
Closing balance	**31 915**	2 414	**14 052**	–

33.3 REPAYMENT OF LEASE LIABILITY

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2023**	**2023**
Opening balance	**(238 580)**	(256 784)	**–**	–
Additions to lease liability	**(35 575)**	(11 096)	**–**	–
Repayment of lease liability - capital	**31 617**	29 619	**–**	–
Repayment of lease liability - interest	**22 160**	23 098	**–**	–
Interest capitalised to lease liability	**(22 484)**	(23 417)	**–**	–
	(242 863)	(238 580)	**–**	–

34. COMMITMENTS

34.1 CAPITAL COMMITMENTS

	GROUP	
Figures in R'000s	**2024**	**2023**
Already contracted but not provided for:		
The Waterfall leasehold land relates to a minimum of 1 876 022m^2 of bulk property zoned for logistics, collaboration and retail-experience hubs use. Current costs committed are for the installation of services on various land parcels on the Waterfall leasehold land.	**378 523**	323 232
The group entered into an agreement for the development of:		
Three speculative midi warehouses on LP9 and have been recognised as investment property.	**17 871**	164 406
One office building, together with basement parking, in Corporate Campus. The building is fully leased to third parties and has been recognised as an investment property. The group has an effective 50.0% interest in the development.	**819**	10 088
The Gateway West Building. The building was developed on a speculative basis, is leased to third parties and has been recognised as an investment property.	**436**	1 084
Sectional title offices in Waterfall Point, comprising of four buildings. Two buildings have been recognised as investment property and two buildings were recognised as inventory. Of the buildings recognised as inventory, 87.5% have been sold.	**370**	10 505
The Bidvest Plumblink Warehouse, a 50% joint venture with Bidvest Properties for a Showroom and Warehouse for Bidvest Plumblink.	**835**	11 814
Two office buildings of the Ingress Phase 1. One of the buildings has been leased to a third party and the second building that was developed on a speculative basis is 34.8% vacant. Both buildings are recognised as investment property.	**–**	21 844
For the development of a super basement for the Nexus collaboration hubs. The basement will form part of the Nexus mixed-use precinct, which will be leased to third parties and will be recognised as investment property.	**6 287**	10 545

Notes to the financial statements

34. COMMITMENTS

34.1 CAPITAL COMMITMENTS

	GROUP	
Figures in R'000s	**2024**	**2023**
For the development of one office building in the Nexus collaboration hubs. The building has been partially leased to a third party. This has been recognised as an investment property.	**8 336**	36 961
Phase 1 of the Ellipse Waterfall residential development, of which the group has an effective 50.0% interest. Phase 1 of the development consists of 2 high-rise residential towers which have been developed for sale to end users. This has been recognised as inventory.	**938**	1 170
Phase 2 of the Ellipse Waterfall residential development. Phase 2 of the development consists of 1 high-rise residential tower and common facilities. This has been recognised as inventory.	**262**	17 849
Phase 3 of the Ellipse Waterfall residential development. Phase 3 of the development consists of 1 high-rise residential tower and common facilities. This has been recognised as inventory.	**51 234**	–
The Ingress Building 3. The third office building development is underway. The group has an effective 100.0% interest in the development.	**86 851**	–
The Vantage Data Centre. The data centre has been leased to a third party and has been recognised as investment property. The group has an effective 50.0% interest in the development.	**–**	79 649
The Vantage Data Centre Phase 2. The second data centre to be built and leased to a third party and will be recognised as investment property. The company has an effective 50.0% interest in the development.	**293 970**	–
The Cotton On warehouse. The warehouse has been leased to Cotton On and has been recognised as investment property. The group has an effective 50.0% interest in the development.	**–**	1 079
Option to exercise call option:		
The group exercised its call option to increase its shareholding in JV115 from the existing 23.6% to 50.0% on 27 June 2022. The acquisition of the shares was subject to approval by the Competition authorities.	**–**	141 000
Total	**846 732**	831 226

34. COMMITMENTS

34.2 CONTINGENT COMMITMENTS

	GROUP	
Figures in R'000s	**2024**	**2023**
Approved but not contracted for		
The group has approved:		
Various capital expenditures within the AWIC completed buildings portfolio	**147 552**	60 345
Tenant installations at Maxwell Office Park	**2 475**	2 159
Various capital expenditures at Eikestad Precinct	**9 933**	8 238
Various capital expenditures at Garden Route Mall	**14 749**	17 757
Various capital expenditures at Brooklyn Mall	**19 940**	8 935
Various capital expenditures at MooiRivier Mall	**12 372**	15 317
Various capital expenditure at the Auditor General building	**14 932**	250
Various capital expenditures at Brooklyn Bridge, Lynnwood Bridge and Glenfair Boulevard	**22 866**	18 923
Various capital expenditures at Head Office	**2 310**	7 718
Total	**247 130**	139 642

Notes to the financial statements

Notes to the financial statements

34. COMMITMENTS

34.2 CONTINGENT COMMITMENTS

	GROUP		COMPANY	
Figures in R'000s	**2024**	**2023**	**2024**	**2023**
Guarantees provided				
Guarantee in respect of funds advanced:				
To various funders to Lynnwood Bridge and ARF	**–**	–	**2 501 933**	3 000 838
By Sanlam Capital for a portfolio of properties situated in Waterfall	**–**	–	**–**	300 083
By Nedbank to AWIC for a portfolio of properties situated in Waterfall	**–**	–	**–**	3 108 043
By MML to AWIC for the BMW Distribution Centre	**–**	–	**–**	165 047
To Standard Bank for a portfolio of properties situated in Waterfall	**–**	–	**–**	924 965
To RMB for a building situated in Pretoria		–	**245 201**	–
To RMB for a portfolio of buildings situated in Waterfall and Pretoria	**–**	–	**–**	786 177
To Nedbank to AIM Investco for hedging facilities	**–**	–	**70 000**	70 000
To Nedbank to AMS - Eskom	**80 000**		**80 000**	–
To RMB for AttAfrica*	**190 426**	–	**108 858**	–
To Nedbank to AWIC for hedging facilities	**–**	–	**–**	640 000
Total	**270 426**	–	**3 005 992**	8 995 153

* *The guarantees relating to RMB for AttAfrica will fall away for group and company upon the disposal, refer to note 28*

35. GOING CONCERN

The directors have reviewed the group and company's cash flow forecasts up to the period ending 30 September 2025 and, in light of this review and the current financial position, the directors believe that the group and company has adequate financial resources to continue in operation for the ensuing 12 month period. Accordingly, the consolidated and separate AFS have been prepared on the basis of accounting policies applicable to a going concern.

At 30 June 2024, the group had a positive NAV (excluding non-controlling interests) of R12.5 billion (2023: R12.4 billion). The current assets together with non-current assets held for sale exceeded its current liabilities together with non-current liabilities associated directly with non-current assets held for sale by R487.0 million. In the prior year, the current liabilities exceeded the current assets by R154.6 million. However, the group had R550.0 million available on prepaid access facilities to draw from, if taken into account the current assets exceed the current liabilities by R395.4 million.

At 30 June 2024, the group had available liquidity of R874.6 million (2023: R1.4 billion) comprising unrestricted cash and cash equivalents of R482.6 million (2023: R606.5 million), prepaid access facilities of R392.0 million (2023: R550.0 million) and committed undrawn facilities of Rnil million (2023: R240.0 million). The group has access to adequate facilities and available cash balances to complete developments under construction and developments commenced post year end.

The group has performed cash flow forecasts to support the going concern assumption of the group. The financial covenants are anticipated to be fully complied with.

The directors have concluded that the group and company has adequate resources to continue operating for the 12 month period ending 30 September 2025 and that it is appropriate to adopt the going concern basis in preparing the financial statements.

Notes to the financial statements

36. EVENTS AFTER REPORTING DATE

Declaration of dividend after reporting period

In line with IAS 10 – Events after the Reporting Period, the declaration of the dividend occurred after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

The board approved a final gross cash dividend of 39.0 cents per share for the year ended 30 June 2024 (2023: 29.0 cents per share), amounting to R272.9 million (2023: R204.5 million). This brings the full year dividend to 69.0 cents per share (2023: 58.0 cents per share). The full year dividend represents a payout ratio of 80.0% based on the group's distributable income and meets the minimum 75% payout ratio required by the JSE Listings Requirements for a REIT.

Agreement to dispose of Rest of Africa investments

On 7 August 2024, the group, via its wholly owned subsidiary, AIH International, together with Hyprop, entered into the following agreements with Lango in respect of the group's interests in Gruppo (the owner of Ikeja City Mall) and AttAfrica (the holder of interests in Accra Mall, West Hills Mall and Kumasi City Mall):

- a share purchase deed between AIH International and Hyprop (collectively the "Sellers") relating to the sale of the entire issued share capital of AIHI Ikeja and Hyprop Ikeja the holders of the entire issued share capital of Gruppo which owns Ikeja ("Gruppo SPA") ("Gruppo Disposal"); and
- a share purchase deed between the Sellers relating to the sale of the entire share capital of AttAfrica ("AttAfrica SPA") ("AttAfrica Disposal").

The aggregate purchase price attributable to AIH International in respect of Gruppo Disposal is USD7 901 918 and in respect of the AttAfrica disposal is USD7 339 854. The purchase consideration is to be settled by the issue of class A ordinary shares in Lango (being the sole class of investor shares in Lango) at an issue price of USD4.19 per share, which will result in Attacq owning a 4.3% shareholding in Lango's issued shares, as enlarged by these transactions.

The Gruppo Disposal remains subject to the following conditions precedent:

- obtaining unconditional written consents from the lenders to Gruppo in relation to the Gruppo Disposal;
- execution by the Sellers of the subscription agreement and shareholder's agreement to be concluded between Lango and the Sellers relating to the issue of the Gruppo consideration shares;
- receipt of an approval letter issued by the Federal Competition and Consumer Protection Commission in Nigeria in relation to the indirect change of control constituted by the Gruppo Disposal; and
- to the extent required, receipt of all necessary regulatory approvals required for the implementation of the Gruppo Disposal.

36. EVENTS AFTER REPORTING DATE

The AttAfrica Disposal remains subject to the following conditions precedent:

- the Sellers having entered into an escrow agreement in respect of the disposal of their respective shareholdings in Accra Mall Mauritius Limited which will require an amount of USD1.9 million being held in escrow on behalf of AIH International in respect of potential tax triggered on the disposal of Accra Mall, including obtaining the approval of the Financial Surveillance Department of the South Africa Reserve Bank;
- obtaining unconditional written consents from the lenders to AttAfrica group in relation to the AttAfrica Disposal;
- execution by the Sellers of the subscription agreement and shareholder's agreement to be concluded between Lango and the Sellers relating to the issue of the AttAfrica Consideration Shares;
- to the extent required, receipt of all necessary regulatory approvals required for the implementation of the AttAfrica Disposal.

The Group anticipate that the conditions for both sale agreements will be fulfilled by 31 December 2024.

Notes to the financial statements

37. RELATED PARTIES

Related parties are defined as those entities with which the group and company transacted during the year presented and in which the following relationship(s) exist:

Direct subsidiaries

AIH International

AMS

ARF

AWIC

Brooklyn Bridge

Lynnaur

Lynnwood Bridge

Attacq Investments (In liquidation)

Harlequin Duck (In liquidation)

Attacq Treasury Share Company

Indirect subsidiaries

AIHI Ikeja

AIM

Adamax

Attacq Ellipse

Direct associates

West Africa Asset Management

Fountains Regional Mall

Kompasbaai

Wingspan

Travenna

Indirect associates

AttAfrica

Gruppo

AWIC Waterfall TM JVCO

Indirect joint venture

JV115

37. RELATED PARTIES

Property owners' associations (common directors)

Lynnwood Bridge Property Owners Association

LP8 Waterfall Distribution Campus NPC

LP9 Logistics Precinct Property Association NPC

LP9N Logistics Precinct North NPC

LP22 Waterfall Commercial District NPC

Waterfall City Property Association NPC

Maxwell Office Park Property Association NPC

Waterfall Allandale Property Association PC

Waterfall Corporate Campus Property Association - LP10B NPC

Directors (note 14)

P Tredoux#* (Chairman)

JR van Niekerk (CEO)

R Nana (CFO)

IN Mkhari#*

HR El Haimer#*

TP Leeuw#*

AE Swiegers#*

S Shaw-Taylor#*

JHP van der Merwe#*

F De Buck (appointed 1 February 2023)#*

Dr G Rohde (appointed 1 February 2023)#*

\# *Independent*

* *Non-executive*

Management
Key management and prescribed officers (note 14): 2024

MW Clampett

2023

D Theron

MW Clampett

PL de Villiers

D Oosthuizen

L Tsolo

Notes to the financial statements

37. RELATED PARTIES

	2024									2023							
Figures in R'000s	Shares issued/ buy-back/ sold/(purchased)	Sales and services to (Purchases and services from)	Dividends received from	Dividends paid to	Interest received from (paid to)	Balances owing by (to)	ECL	Fair value adjustment through profit or loss	Balances owing by (to) - net of ECL and Fair value adjustment	Shares issued/ buy-back/ sold/(purchased)	Sales and services to (Purchases and services from)	Dividends received from	Dividends paid to	Interest received from (paid to)	Balances owing by (to)	ECL	Balances owing by (to) - net of ECL
GROUP																	
AttAfrica	–	–	–	–	–	(4 639)	–	–	(4 639)	–	–	–	–	–	(4 707)	–	(4 707)
Gruppo	–	–	–	–	9 139	494 997	(350 526)	–	144 471	–	–	–	–	20 646	490 726	(264 193)	226 533
JV115	–	–	–	–	–	271 297	–	(1 051)	270 246	–	–	–	–	–	189 514	(91 709)	97 805
Lynnwood Bridge Home Owners Association	–	(2 095)	–	–	–	–	–	–	–	–	(1 730)	–	–	–	–	–	–
LP8 Waterfall Distribution Campus NPC	–	(2 043)	–	–	–	–	–	–	–	–	(1 233)	–	–	–	–	–	–
LP9 Logistics Precinct Property Association NPC	–	(704)	–	–	–	–	–	–	–	–	(830)	–	–	–	–	–	–
LP9N Logistics Precinct North NPC	–	(814)	–	–	–	–	–	–	–	–	(1 168)	–	–	–	–	–	–
LP22 Waterfall Commercial District NPC	–	(892)	–	–	–	–	–	–	–	–	(721)	–		–	–	–	–
Waterfall City Property Association NPC	–	(18 609)	–	–	–	–	–	–	–	–	(14 695)	–	–	–	–	–	–
Maxwell Office Park Property Association NPC	–	(1 883)	–	–	–	–	–	–	–	–	(1 744)	–	–	–	–	–	–
Waterfall Allandale Property Association PC	–	(3 813)	–	–	–	–	–	–	–	–	(3 564)	–	–	–	–	–	–
Waterfall Corporate Campus Property Association - LP10B NPC	–	(1 224)	–	–	–	–	–	–	–	–	(891)	–	–	–	–	–	–
Kompasbaai	–	–	–	–	–	1 959	(1 959)	–	–	–	–	–	–	–	1 996	(1 996)	–
Wingspan	–	–	–	–	–	–	–	–	–	–	–	11 708	–	–	–	–	–
Non-executive directors' remuneration (note 14)	–	(6 423)	–	–	–	–	–	–	–	–	(5 202)	–	–	–	–	–	–
Executive directors' remuneration (note 14)	–	(26 302)	–	–	–	–	–	–	–	–	(14 309)	–	–	–	–		–
Prescribed officers' remuneration (note 14)	–	(4 442)	–	–	–	–	–	–	–	–	(12 845)	–	–	–	–	–	–
Total	–	(69 244)	–	–	9 139	763 614	(352 485)	(1 051)	410 078	–	(58 932)	11 708	–	20 646	677 529	(357 898)	319 631

Notes to the financial statements

37. RELATED PARTIES

Figures in R'000s	2024									2023							
	Shares issued/ buy-back/ sold/(purchased)	Sales and services to (Purchases and services from)	Dividends received from	Dividends paid to	Interest received from (paid to)	Balances owing by (to)	ECL	Fair value adjustment through profit or loss	Balances owing by (to) - net of ECL and Fair value adjustment	Shares issued/ buy-back/ sold/(purchased)	Sales and services to (Purchases and services from)	Dividends received from	Dividends paid to	Interest received from (paid to)	Balances owing by (to)	ECL	Balances owing by (to) - net of ECL
COMPANY																	
AIH International	(45 312)	–	–	–	–	–	–	–	–	(90 454)	–	–	–	–	–	–	–
ARF	–	–	118 290	(17 539)	157 319	946 269	(707)	–	945 562	–	–	59 088	(23 484)	36 706	448 754	(281)	448 473
AMS	–	–	–	–	–	369 354	(369 354)	–	–	–	(1 842)	–	–	–	290 581	(290 581)	–
AWIC	–	–	232 890	–	89 720	700 366	(294)	–	700 072	–	–	219 900	–	184 461	2 315 494	(724)	2 314 770
Brooklyn Bridge	–	–	16 347		31 474	311 829	(2 778)	–	309 051	–	–	3 502	–	21 264	313 151	(1 700)	311 451
Lynnaur	–	–	10 560	–	20 075	306 161	(213)	–	305 948	–	–	11 093	–	1 545	10 859	(140)	10 719
Lynnwood Bridge	–	–	70 854	–	17 761	251 823	(72)	–	251 751	–	–	39 642	–	2 752	3 180	(2)	3 178
Kompasbaai	–	–	–	–	–	1 959	(1 959)	–	–	–	–	–	–	–	1 996	(1 996)	–
Wingspan	–	–	–	–	–	–	–	–	–	–	–	11 708	–	–	–	–	–
Attacq Treasury Share Company	–	–	13 194	(9 854)	5 598	72 744	(124)	–	72 620	–	–	–	(13 194)	–	73 274	(176)	73 098
Travenna	–	–	2 443	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Harlequin Duck	–	–	–	–	–	58	–	–	58	–	–	–	–	–	58	–	58
Non-executive directors' remuneration (note 14)	–	(6 423)	–	–	–	–	–	–	–	–	(5 202)	–	–	–	–	–	–
Executive directors' remuneration (note 14)	–	(26 302)	–	–	–	–	–	–	–	–	(14 309)	–	–	–	–	–	–
Prescribed officers' remuneration (note 14)	–	(4 442)	–	–	–	–	–	–	–	–	(12 845)	–	–	–	–	–	–
Total	**(45 312)**	**(37 167)**	**464 578**	**(27 393)**	**321 947**	**2 960 563**	**(375 501)**	**–**	**2 585 062**	(90 454)	(34 198)	344 933	(36 678)	246 728	3 457 347	(295 600)	3 161 747

The remuneration of the directors and prescribed officers of the company are paid through AMS (wholly owned subsidiary of Attacq).

Balances owing by and to are detailed in note 18, 19 and 42 of the consolidated and separate AFS.

Refer to note 34 for all guarantees provided by Attacq to its related parties.

Notes to the financial statements

38. FINANCIAL INSTRUMENTS

Categories of financial instruments		2024				
Figures in R'000s	Note	Total	FVPL	At amortised cost	FVOCI	Non financial instruments
GROUP						
ASSETS						
NON-CURRENT ASSETS						
Property and equipment	39	8 836	–	–	–	8 836
Investment property	16	19 937 420	–	–	–	19 937 420
Straight-line lease debtor	6	1 099 313	–	–	–	1 099 313
Deferred initial lease expenditure	39	27 196	–	–	–	27 196
Intangible assets	23	–	–	–	–	–
Investment in joint ventures and associates	17	1 149	–	–	–	1 149
Loans to joint ventures and associates	19	270 246	270 246	–	–	–
Deferred tax assets	24	–	–	–	–	–
Other financial assets	18	358 159	4 934	353 225	–	–
CURRENT ASSETS						
Taxation receivable		24	–	–	–	24
Trade and other receivables	25	179 816	–	178 876	–	940
Inventory	26	42 655	–	–	–	42 655
Other financial assets	18	65 660	10 490	55 170	–	–
Loans to joint ventures and associates	19	–	–	–	–	–
Cash and cash equivalents	27	611 673	–	611 673	–	–
Non-current assets held for sale	28	287 387	–	–	–	287 387
TOTAL ASSETS		22 889 534	285 669	1 198 944	–	21 404 920
LIABILITIES						
NON-CURRENT LIABILITIES						
Long-term borrowings	20	6 011 196	–	6 011 196	–	–
Other financial liabilities	18	20 736	24 762	(4 026)	–	–
Cash settled share based payments	30	–	–	–	–	–
Lease liability	22	205 207	–	205 207	–	–
Deferred tax liabilities	24	302 900	–	–	–	302 900
CURRENT LIABILITIES						
Long-term borrowings	20	68 518	–	68 518	–	–
Other financial liabilities	18	11 179	11 179	–	–	–
Lease liability	22	37 656	–	37 656	–	–
Loans from joint ventures and associates	19	4 639	–	4 639	–	–
Taxation payable		1 521	–	–	–	1 521
Cash settled share based payments	30	121	–	–	–	121
Trade and other payables	31	563 504	–	542 694	–	20 810
Provisions	32	3 321	–	–	–	3 321
Liabilities associated with non-current assets held for sale	28	9 708	–	–	–	9 708
TOTAL LIABILITIES		7 240 206	35 941	6 865 884	–	338 381

Notes to the financial statements

38. FINANCIAL INSTRUMENTS

Categories of financial instruments				2023		
Figures in R'000s	**Note**	**Total**	**FVPL**	**At amortised cost**	**FVOCI**	**Non financial instruments**
GROUP						
NON-CURRENT ASSETS						
Property and equipment	39	8 788	–	–	–	8 788
Investment property	16	17 652 569	–	–	–	17 652 569
Straight-line lease debtor	6	1 080 359	–	–	–	1 080 359
Deferred initial lease expenditure		31 127	–	–	–	31 127
Intangible assets	23	–	–	–	–	–
Investment in associates and joint ventures	17	329 489	–	–	–	329 489
Loans to associates and joint ventures	19	226 533	–	226 533	–	–
Deferred tax assets	24	–	–	–	–	–
Other financial assets	18	1 387 280	22 932	385 799	978 549	–
CURRENT ASSETS						–
Taxation receivable		628	–	–	–	628
Trade and other receivables	25	197 546	–	193 664	–	3 882
Inventory	26	67 052	–	–	–	67 052
Other financial assets	18	37 796	25 058	12 738	–	–
Loans to associates and joint ventures	19	97 805	–	97 805	–	–
Cash and cash equivalents	27	722 895	–	722 895	–	–
Non-current assets held for sale	28	–	–	–	–	–
TOTAL ASSETS		21 839 867	47 990	1 639 434	978 549	19 173 894
LIABILITIES						
NON-CURRENT LIABILITIES						
Long-term borrowings	20	7 640 927	–	7 640 927	–	–
Other financial liabilities	18	1 491	1 491	–	–	–
Cash-settled share-based payments	30	71	–	–	–	71
Lease liability	22	206 999	–	206 999	–	–
Deferred tax liabilities	24	268 930	–	–	–	268 930
CURRENT LIABILITIES						
Long-term borrowings	20	743 966	–	743 966	–	–
Other financial liabilities	18	923	923	–	–	–
Lease liability	22	31 581	–	31 581	–	–
Loans from associates	19	4 707	–	4 707	–	–
Taxation payable		3 026	–	–	–	3 026
Cash-settled share-based payments	30	101	–	–	–	101
Trade and other payables	31	483 136	–	458 101	–	25 035
Provisions	32	10 849	–	–	–	10 849
TOTAL LIABILITIES		9 396 707	2 414	9 086 281	–	308 012

Notes to the financial statements

38. FINANCIAL INSTRUMENTS

Categories of financial instruments		2024				
Figures in R'000s	**Note**	**Total**	**FVPL**	**At amortised cost**	**FVOCI**	**Non financial instruments**
COMPANY						
ASSETS						
NON-CURRENT ASSETS						
Investment in joint ventures and associates	17	1 149	–	–	1 149	–
Investment in subsidiaries	41	10 418 728	–	–	10 418 728	–
Loans to subsidiaries	42	2 345 929	–	2 345 929	–	–
Other financial assets	18	–	–	–	–	–
CURRENT ASSETS						
Trade and other receivables	25	1 552	–	1 547	–	5
Other financial assets	18	6 197	–	6 197	–	–
Loans to subsidiaries	42	939 499	–	939 499	–	–
Cash and cash equivalents	27	24 729	–	24 729	–	–
TOTAL ASSETS		13 737 783	–	3 317 901	10 419 877	5
LIABILITIES						
NON-CURRENT LIABILITIES						
Loans from subsidiaries	42	700 000	–	700 000	–	–
Other financial liabilities	18	14 052	–	14 052	–	–
CURRENT LIABILITIES						
Loans from subsidiaries	42	366	–	366	–	–
Trade and other payables	31	1 689	–	1 689	–	–
TOTAL LIABILITIES		716 107	–	716 107	–	–

Notes to the financial statements

38. FINANCIAL INSTRUMENTS

Categories of financial instruments			2023			
Figures in R'000s	**Note**	**Total**	**FVPL**	**At amortised cost**	**FVOCI**	**Non financial instruments**
COMPANY						
ASSETS						
NON-CURRENT ASSETS						
Investment in joint ventures and associates	17	2 409	–	–	2 409	–
Investment in subsidiaries	41	9 630 850	–	–	9 630 850	–
Other financial assets	18	3 943	–	3 943	–	–
CURRENT ASSETS						
Trade and other receivables	25	1 788	–	1 788	–	–
Other financial assets	18	2 254	–	2 254	–	–
Loans to subsidiaries	42	3 161 689	–	3 161 689	–	–
Cash and cash equivalents	27	1 644	–	1 644	–	–
TOTAL ASSETS		12 804 577	–	3 171 318	9 633 259	–
LIABILITIES						
NON-CURRENT LIABILITIES						
Other financial liabilities	18	28 222	–	28 222	–	–
CURRENT LIABILITIES						
Trade and other payables	31	1 834	–	1 834	–	–
TOTAL LIABILITIES		30 056	–	30 056	–	–

Notes to the financial statements

39.1 PROPERTY AND EQUIPMENT

	GROUP	
Figures in R'000s	**2024**	**2023**
Cost		
Opening balance	**64 938**	72 895
Additions	**2 862**	3 835
Derecognition of right-of-use asset	**–**	(11 792)
Disposals	**(6 051)**	–
Closing balance	**61 749**	64 938
Accumulated depreciation		
Opening balance	**56 150**	60 946
Depreciation	**2 818**	2 371
Depreciation of right-of-use asset	**–**	2 252
Disposals	**(6 056)**	–
Derecognition of right-of-use asset	**–**	(9 419)
Closing balance	**52 913**	56 150
Carrying value	**8 836**	8 788

Useful lives of property and equipment

The group reviews the estimated useful lives of property and equipment annually. The useful lives in the current and prior years are:

Item	Useful life
• Equipment	3 years
• Computer equipment	3 years
• Furniture and fittings	6 years
• Other fixed assets	5 to 10 years

Refer to note 22 for further information on the right-of-use asset.

39.2 DEFERRED INITIAL LEASE EXPENDITURE

	GROUP	
Figures in R'000s	**2024**	**2023**
Cost		
Opening balance	**42 960**	15 417
Additions	**2 696**	27 543
Closing balance	**45 656**	42 960
Accumulated depreciation		
Opening balance	**11 834**	10 203
Depreciation	**6 626**	1 631
Closing balance	**18 460**	11 834
Carrying value	**27 196**	31 126

Deferred initial lease expenditure includes letting commission paid and tenant installations incurred by AMS on the owner occupied building (Nexus Building 1) both of which are amortised over the lease term.

Notes to the financial statements

40. DIRECT SUBSIDIARIES AND ASSOCIATES

	Type of investment	Nature of company	Issued shares 30 June 2024	% 2024	% 2023	Shares 2024	Shares 2023
AIHI	Subsidiary	Investment	1	**100**	100	**1**	1
AMS	Subsidiary	Asset management	9 028	**100**	100	**9 028**	9 028
AWIC (note B)	Subsidiary	Property Investment	10 000	**70**	100	**10 000**	17 760
Brooklyn Bridge	Subsidiary	Property Investment	1 000	**100**	100	**1 000**	1 000
Harlequin Duck (note A)	Subsidiary	Liquidated	400	**100**	100	**400**	400
Attacq Investments (note A)	Subsidiary	Liquidated	100	**100**	100	**100**	100
Lynnwood Bridge	Subsidiary	Property Investment	1 828	**100**	100	**1 828**	1 828
ARF	Subsidiary	Property Investment	735 624	**100**	100	**735 624**	735 624
Lynnaur	Subsidiary	Property Investment	105	**100**	100	**105**	105
Attacq Treasury Share Company	Subsidiary	Investment	100	**100**	100	**100**	100
Wingspan	Associate	Investment	630 732	**34**	34	**217 201**	217 201
Kompasbaai	Associate	Property Investment	100	**33**	33	**33**	33
Travenna	Associate	Investment	1 000	**36**	36	**360**	360
Fountains Regional Mall	Associate	Dormant	100 000	**13**	13	**12 731**	12 731
West Africa Asset Management	Associate	Investment	10 000	**27**	27	**2 688**	2 688

The principal place of incorporation of the above entities is SA, except for AIHI which is Mauritius.

The financial year-end of all the above subsidiaries and associates is 30 June.

Changes in the effective shareholding that the group has in the entities above is shown below:

A The liquidation process has been effected at CIPC in order for Harlequin Duck and Attacq Investments to be wound up. Harlequin Duck and Attacq Investments were placed in voluntary liquidation on 25 November 2019.

B The GEPF acquired a 30% shareholding in AWIC, refer to Note 43.

Notes to the financial statements

41. INVESTMENT IN SUBSIDIARIES

	COMPANY	
Figures in R'000s	**2024**	**2023**
Balance at the beginning of the year	**9 630 850**	8 952 332
Loan converted to equity	**2 928 682**	–
Repurchase of shares	**(1 568 574)**	–
Distribution received from AWIC as reduction of stated capital	**(1 008 036)**	–
Subscription of shares	**45 312**	90 454
Additions*	**980 433**	310 214
Disposal	**(128 543)**	–
Fair value adjustment through other comprehensive income	**(461 395)**	277 850
Balance at the end of the year	**10 418 728**	9 630 850
Reconciled as follows:		
Cost	**8 911 716**	7 662 443
Net gain from fair value adjustment	**2 695 544**	2 780 327
Net loss from fair value adjustment	**(1 188 531)**	(811 920)
Balance at the end of the year	**10 418 728**	9 630 850
Net investment in subsidiaries	**10 418 728**	9 630 850
Investment in subsidiaries comprise the following:		
AIH International		
Balance at the beginning of the year	**558 607**	478 859
Additions	**2 592**	–
Subscription of shares	**45 312**	90 454
Fair value adjustment through other comprehensive income	**(326 248)**	(10 706)
Balance at the end of the year	**280 264**	558 607
Reconciled as follows:		
Cost	**908 642**	860 738
Net loss from fair value adjustment	**(628 379)**	(302 131)
Balance at the end of the year	**280 264**	558 607

* *Additions relate to below market interest rate loans offered by parent company to subsidiary as well as initial recognition of company guarantees which are non-cash*

41. INVESTMENT IN SUBSIDIARIES

	COMPANY	
Figures in R'000s	**2024**	**2023**
AMS		
Balance at the beginning of the year	**–**	–
Additions	**13 336**	5 659
Fair value adjustment through other comprehensive income	**(13 336)**	(5 659)
Balance at the end of the year	**–**	–
Reconciled as follows:		
Cost	**358 547**	345 211
Net loss from fair value adjustment	**(358 547)**	(345 211)
Balance at the end of the year	**–**	–
ARF		
Balance at the beginning of the year	**1 475 138**	1 329 591
Additions	**417 268**	42 624
Fair value adjustment through other comprehensive income	**(66 688)**	102 923
Balance at the end of the year	**1 825 718**	1 475 138
Reconciled as follows:		
Cost	**1 539 301**	1 122 033
Net gain from fair value adjustment	**286 417**	353 105
Balance at the end of the year	**1 825 718**	1 475 138

Notes to the financial statements

41. INVESTMENT IN SUBSIDIARIES

	COMPANY	
Figures in R'000s	**2024**	**2023**
AWIC		
Balance at the beginning of the year	**6 718 044**	6 212 235
Loan converted to equity	**2 928 682**	–
Repurchase of shares*	**(1 568 574)**	–
Distribution received from AWIC as reduction of stated capital*	**(1 008 036)**	–
Additions	**437 051**	223 893
Disposal^	**(128 543)**	–
Fair value adjustment through other comprehensive income	**(137 872)**	281 916
Balance at the end of the year	**7 240 753**	6 718 044
Reconciled as follows:		
Cost	**5 493 235**	4 832 655
Net gain from fair value adjustment	**1 747 517**	1 885 389
Balance at the end of the year	**7 240 753**	6 718 044
Brooklyn Bridge		
Balance at the beginning of the year	**–**	25 720
Additions	**37 028**	32 038
Fair value adjustment through other comprehensive income	**(37 028)**	(57 758)
Balance at the end of the year	**–**	–
Reconciled as follows:		
Cost	**201 606**	164 578
Net loss from fair value adjustment	**(201 606)**	(164 578)
Balance at the end of the year	**–**	–

* *Relates to the repurchase of shares and distribution received from AWIC on a loan account which are non-cash*

^ *Relates to the disposal of 3.75% investment in AWIC as a result of the transaction with the GEPF. At disposal date, the fair value of the 3.75% investment was R149.1 million, with R128.5 million in cash received.*

41. INVESTMENT IN SUBSIDIARIES

	COMPANY	
Figures in R'000s	**2024**	**2023**
Harlequin Duck		
Balance at the beginning of the year	**1 636**	1 533
Fair value adjustment through other comprehensive income	**136**	103
Balance at the end of the year	**1 772**	1 636
Reconciled as follows:		
Cost*	**–**	–
Net gain from fair value adjustment	**1 772**	1 636
Balance at the end of the year	**1 772**	1 636

* *The cost of this investment is less than R1 000*

Notes to the financial statements

41. INVESTMENT IN SUBSIDIARIES

	COMPANY	
Figures in R'000s	**2024**	**2023**
Lynnaur		
Balance at the beginning of the year	**63 577**	92 886
Additions	**35 332**	1 897
Fair value adjustment through other comprehensive income	**(6 834)**	(31 206)
Balance at the end of the year	**92 075**	63 577
Reconciled as follows:		
Cost	**91 309**	55 977
Net gain from fair value adjustment	**766**	7 599
Balance at the end of the year	**92 075**	63 577
Lynnwood Bridge		
Balance at the beginning of the year	**745 830**	805 284
Additions	**27 460**	4 103
Fair value adjustment through other comprehensive income	**96 393**	(63 557)
Balance at the end of the year	**869 683**	745 830
Reconciled as follows:		
Cost	**308 710**	281 250
Net gain from fair value adjustment	**560 973**	464 580
Balance at the end of the year	**869 683**	745 830

41. INVESTMENT IN SUBSIDIARIES

	COMPANY	
Figures in R'000s	**2024**	**2023**
Attacq Treasury Share Company		
Balance at the beginning of the year	**68 018**	6 224
Additions	**10 366**	–
Fair value adjustment through other comprehensive income	**30 080**	61 794
Balance at the end of the year	**108 464**	68 018
Reconciled as follows:		
Cost	**10 366**	–
Net gain from fair value adjustment	**98 098**	68 018
Balance at the end of the year	**108 464**	68 018

The fair value of investments in subsidiaries is determined with reference to the NAV of the underlying subsidiary.

The fair value of investments in subsidiaries are deemed to be Level 3 with the exception of Attacq Treasury Share Company (Level 1) as defined by IFRS 13: Fair Value Measurements.

The key driver of the NAV for the investments in subsidiaries is the investment property values which are disclosed in note 16. With two exceptions, the first being AIHI where the key driver is the investment in and loans to joint ventures and associates which are disclosed in note 17 and 19. The second is AMS with key driver being operational profits and losses.

Notes to the financial statements

41. INVESTMENT IN SUBSIDIARIES

Figures in R'000s	2024				2023			
The assets, liabilities, revenue and total comprehensive income (loss) of the company's subsidiaries are as follows:	**Assets**	**Liabilities**	**Revenue**	**Total comprehensive income (loss) for the year**	**Assets**	**Liabilities**	**Revenue**	**Total comprehensive income (loss) for the year**
COMPANY								
Adamax	**5 619**	**5 614**	**203**	**1**	5 305	5 301	186	–
AIH International	**292 619**	**12 355**	**–**	**(318 506)**	566 621	8 012	–	(86 863)
AIM	**889**	**(766 680)**	**–**	**(210 692)**	978 807	545	–	240 371
AMS	**94 582**	**411 411**	**214 727**	**(48 495)**	57 699	321 666	178 472	(53 503)
ARS	**39**	**–**	**–**	**3**	33	(2)	–	2
ARF	**5 285 384**	**3 459 663**	**555 154**	**54 151**	4 143 015	2 667 873	515 074	162 015
AWIC	**15 449 814**	**5 105 881**	**1 585 015**	**530 487**	14 823 866	8 105 837	1 416 291	501 807
Attacq Ellipse	**41 354**	**(2 281)**	**274**	**(9 022)**	130 607	79 939	–	473
Brooklyn Bridge	**274 905**	**333 763**	**44 274**	**(61 312)**	319 270	337 440	44 090	(72 428)
Harlequin Duck	**1 830**	**58**	**–**	**136**	1 583	–	–	46
Attacq Investments	**–**	**–**	**–**	**–**	–	–	–	–
Lynnaur	**665 061**	**572 985**	**86 962**	**3 728**	530 348	466 771	87 059	(20 114)
Lynnwood Bridge	**1 911 321**	**1 041 634**	**273 742**	**168 263**	1 702 271	956 438	257 949	(23 912)
Attacq Treasury Share Company	**181 207**	**72 745**	**–**	**43 273**	141 291	73 274	–	61 794

Refer to note 40 for the interest in direct subsidiaries.

Notes to the financial statements

42. LOANS TO (FROM) SUBSIDIARIES

Figures in R'000s				2024			2023		
COMPANY	Repayment date	Stage of credit impairment	Interest rate	Loan amount	ECL	Total	Loan amount	ECL	Total
AMS#	On demand	Stage 3	None	**369 354**	**(369 354)**	**–**	294 954	(294 954)	–
ARF^	On demand	Stage 1	None	**1 646 635**	**(707)**	**1 645 928**	448 754	(281)	448 473
AWIC$	On demand	Stage 1	None	**–**	**–**	**–**	2 315 494	(724)	2 314 770
Harlequin Duck	On demand	Stage 1	None	**58**	**–**	**58**	58	–	58
Attacq Treasury Share Company@	On demand	Stage 1	None	**72 744**	**(124)**	**72 620**	73 274	(176)	73 098
AWIC~	Jul-26	Stage 1	SA Prime - 2.20%	**700 366**	**(294)**	**700 072**	–	–	–
ARF~	Jul-26	Stage 1	SA Prime - 2.20%	**(700 366)**	**–**	**(700 366)**	–	–	–
Brooklyn Bridge*	On demand	Stage 1	None	**311 829**	**(2 778)**	**309 051**	313 151	(1 700)	311 451
Lynnaur*	On demand	Stage 1	None	**306 161**	**(213)**	**305 948**	10 859	(140)	10 719
Lynnwood Bridge*	On demand	Stage 1	None	**251 823**	**(72)**	**251 751**	3 180	(2)	3 178
Total				**2 958 604**	**(373 542)**	**2 585 062**	3 459 666	(297 977)	3 161 689
Loans to subsidiaries						**3 285 428**			3 161 689
Non-current						**2 345 929**			–
Current						**939 499**			3 161 689
Loans from subsidiaries						**(700 366)**			–
Non-current						**(700 000)**			–
Current						**(366)**			–
Total						**2 585 062**			3 161 689

This loans has been subordinated effective 18 October 2023 (2023: 30 September 2022). The subordination shall lapse the earlier off the companies current assets exceeding its current liabilities or 12 months.

^ *This loan has been subordinated for 18 months effective 28 June 2024 (2023: 15 months effective 30 September 2022). The amounts reflected, taking into account the terms of the subordination, is the present value of the loans discounted back at the average cost of borrowing in the underlying entity. Attacq, AWIC and ARF entered into a loan settlement agreement in terms of which AWIC agreed that ARF would settle its obligations in terms of the AIM restructure. This results in a non-cash increase in the Attacq intercompany loan with ARF of R1.0 billion.*

$ *During the year, the shareholding loan extended to AWIC was converted to equity in the company.*

@ *These loans have been subordinated for 15 months effective 30 September 2023 (2023: 12 months effective 30 September 2022). The amounts reflected, taking into account the terms of the subordination, is the present value of the loans discounted back at the average cost of borrowing in the underlying entity.*

~ *During the year, two shareholder loans were executed. The first loan was extended from ARF to the company, and the second loan was provided by the company to AWIC.*

* *These loans have been subordinated for 15 months effective 30 September 2023 (2023: 15 months effective 30 September 2022). The amounts reflected, taking into account the terms of the subordination, is the present value of the loans discounted back at the average cost of borrowing in the underlying entity.*

The fair value of loans to (from) subsidiaries are deemed to be Level 3 as defined by IFRS 13: Fair Value Measurements.

Notes to the financial statements

42. LOANS TO (FROM) SUBSIDIARIES

The ECL of R369.4 million (2023: R295.0 million) was recognised for the loan to AMS. This was as a result AMS being loss making historically and the probability of AMS becoming profitable in the near future.

The other ECLs of R4.2 million (2023: R3.0 million) were recognised based on a discounted PD and LGD.

The carrying amounts of the balances are deemed by the directors to approximate their fair values. The fair value of balances are determined with reference to the carrying value and the NAV of the underlying investments. ECLs were recognised by considering on, a discounted basis, the cash shortfalls which would be incurred in a default scenario for prescribed future periods and multiplying the shortfalls by the probability of the scenario occurring.

	2024				
Movement in ECL	**Opening ECL**	**ECL raised**	**ECL realised**	**ECL reversed**	**Closing ECL**
AMS#	**(294 954)**	**(74 400)**	**–**	**–**	**(369 354)**
ARF	**(281)**	**(426)**	**–**	**–**	**(707)**
AWIC$	**(724)**	**–**	**–**	**724**	**–**
Harlequin Duck	**–**	**–**	**–**	**–**	**–**
Attacq Treasury Share Company@	**(176)**	**–**	**–**	**52**	**(124)**
AWIC~	**–**	**(294)**	**–**	**–**	**(294)**
Brooklyn Bridge*	**(1 700)**	**(1 078)**	**–**	**–**	**(2 778)**
Lynnaur*	**(140)**	**(73)**	**–**	**–**	**(213)**
Lynnwood Bridge*	**(2)**	**(70)**	**–**	**–**	**(72)**
	(297 977)	**(76 341)**	**–**	**776**	**(373 542)**

Movement in ECL	2023				
AMS	(223 305)	(67 276)	–	–	(290 581)
ARF	(248)	(33)	–	–	(281)
AWIC	(1 809)	–	–	1 085	(724)
Harlequin Duck	–	–	–	–	–
Attacq Treasury Share Company	(275)	–	–	99	(176)
Brooklyn Bridge	(1 410)	(290)	–	–	(1 700)
Lynnaur	(248)	–	–	108	(140)
Lynnwood Bridge	(21)	–	–	19	(2)
	(227 316)	(67 599)	–	1 311	(293 604)

Notes to the financial statements

43. NON-CONTROLLING INTERESTS

	Principal place of business	NCI effective interest/voting rights (%)	GROUP 2024	GROUP 2023
Government Employees Pension Fund (GEPF)	SA	30% (2023: 0%)	1 848 031	–

On 5 July 2023 Attacq, AWIC and the GEPF entered into a Subscription and Sale of Shares and Claims Agreement in terms of which the GEPF would acquire a 30% shareholding in AWIC (a 100% subsidiary of Attacq) by subscribing for new shares and acquiring existing issued shares from Attacq.

Attacq would also dispose of 30% of its existing shareholder loan and Attacq and GEPF would advance a further R1.0 billion in shareholder loans to AWIC, R700.0 million from Attacq and R300.0 million from the GEPF. All shareholder loans extended to AWIC are interest-free, have no fixed terms of repayment, and will be repaid as and when the AWIC board of directors determines that there is free cash flow available.

The final condition precedent was fulfilled on 18 September 2023, being the approval by the Attacq shareholders at a general meeting.

30.0% of AWIC's equity and shareholder loans passed to the GEPF against payment for the purchase price, with the purchase price determined with reference to AWIC's 31 October 2023 management accounts.

This resulted in a non-controlling interest reserve at group level from the effective date of the transaction being 27 October 2023.

The total consideration paid by the GEPF in respect of the Sale Shares, the Subscription Shares, the Sale Claim and the additional loan was R2.7 billion, comprising R1.41 billion in respect of the Shares and R1.26 billion in respect of the additional loan. No additional shareholder loan was advanced by Attacq.

Attacq controls AWIC due to the number of voting rights held.

The NCI balance is reconciled as follows:

Figures in R'000s	2024
Opening balance	–
Disposal of Sale Shares	149 158
Issue of Subscription Shares	1 428 167
Share of total comprehensive profit for the year	270 706
Share of dividends for the year	–
Other movement	–
Balance at end of year	**1 848 031**

Notes to the financial statements

43. NON-CONTROLLING INTERESTS

Summarised financial information for AWIC, the subsidiary that has a NCI, is presented below, which reflects the financial information prepared in accordance with IFRS.

Figures in R'000s	2024
Summarised Statement of financial position	
Non-current assets	15 035 674
Investment properties	13 521 794
Straight-line lease debtor	834 495
Other non-current assets	679 385
Current assets	414 140
Total Assets	**15 449 814**
Non-current liabilities	4 549 454
Long-term borrowings	3 398 221
Other non-current liabilities	1 151 233
Current liabilities	556 427
Total liabilities	**5 105 881**
Net Assets	**10 343 933**
Net Assets attributable to non-controlling interests at 30%	**3 103 181**
Non-controlling interests	**1 848 031**
Equity loan from outside shareholder*	**1 255 150**
Summarised of profit or loss and other comprehensive income	
Revenue	1 069 472
Property expenses	(415 907)
Operating and other expenses	(85 015)
Fair value adjustments	484 912
Investment income	60 914
Finance costs	(239 378)
Other	27 357
Total comprehensive gain	**902 353**
Total comprehensive gain attributable to non-controlling interests at 30%	**270 706**

* *The equity loan from outside shareholder has a R955.1 million portion which relates to a loan receivable by the company from AWIC*

The information above is the amount before inter-company eliminations. There are no differences between AWIC from the Group's accounting policies.

Notes to the financial statements

43. NON-CONTROLLING INTERESTS

Disposal of interest in subsidiaries

The table below summarises the fair value of the disposed assets and liabilities of AWIC on the date of disposal.

	AWIC
Figures in R'000s	**31 October 2023**
Total carrying value of AWIC's net assets on disposal date	3 973 731
Carrying value of AWIC's net assets on Disposal of Sale Shares	149 158
Cash received for Disposal of sale shares	128 543
Transaction reserve on Disposal of sale shares	**(20 615)**
Total carrying value of AWIC's net assets on disposal date	3 973 731
Issue of subscription shares	1 284 018
Total carrying value of AWIC's net assets after issue of subscription shares	5 257 749
Net asset value of AWIC attributable to the Issue of subscriptions shares	1 428 166
Cash received for Issue of subscription shares	1 284 018
Transaction reserve on Issue of subscription shares	**(144 148)**
Total transaction reserve	**(164 764)**

Supplementary information

Property portfolio detail			2024				
Multi/single tenanted	**Property**	**Province**	**Valuation R'000**	**GLA m²**	**GMR R**	**GMR R/m²**	**Vacancy m²**
Retail-experience hubs[1]			11 159 011	333 361			9 037
Multi	Glenfair Boulevard Shopping Centre	Gauteng	420 566	16 523	5 216 417	249	1 753
Multi	Lynnwood Bridge Retail	Gauteng	289 763	11 921	4 944 917	216	16
Multi	Garden Route Mall	Western Cape	1 506 215	54 000	16 171 917	209	202
Multi	Brooklyn Mall[#]	Gauteng	412 508	18 835	5 907 583	274	3 596
Multi	Mooirivier Mall	North West	1 274 211	50 141	13 335 167	201	789
Multi	Eikestad Mall Precinct[^]	Western Cape	936 618	38 239	10 678 417	199	1 206
Multi	Waterfall – Mall of Africa	Gauteng	5 956 600	129 367	61 287 917	340	1 475
Multi	Waterfall – Waterfall Corner	Gauteng	251 310	10 056	3 690 167	227	–
Multi	Waterfall – Waterfall Lifestyle	Gauteng	111 221	4 279	1 818 250	292	–
Collaboration hubs[2]			6 224 092	269 364			37 253
Multi	Brooklyn Bridge Office Park	Gauteng	253 125	23 528	3 727 250	166	7 952
Multi	Lynnwood Bridge Offices	Gauteng	815 653	27 616	10 753 000	311	107
Single	Lynnwood Bridge – Auditor General	Gauteng	513 528	19 104	–	–	–
Multi	Waterfall – Cell C Campus	Gauteng	691 499	43 962	10 012 583	192	4 920
Single	Waterfall – Waterfall View	Gauteng	333 535	24 354	–	–	18 157
Multi	Waterfall – Maxwell Office Park*	Gauteng	444 763	18 492	5 766 167	228	1 285
Multi	Waterfall – Allandale Building	Gauteng	295 010	15 476	2 624 500	171	3 330
Single	Waterfall – PwC Tower and PwC Annex**	Gauteng	1 434 568	36 461	–	–	–
Multi	Waterfall – Gateway West Building	Gauteng	339 467	13 803	4 503 750	256	448
Multi	Waterfall – Corporate Campus*	Gauteng	451 013	17 458	5 487 500	238	453
Single	Waterfall – Ingress PSG	Gauteng	125 031	4 311	–	–	–
Multi	Waterfall – Ingress Building 2	Gauteng	97 759	4 395	1 243 333	203	–
Multi	Waterfall – Nexus – Building 1	Gauteng	154 809	7 252	1 918 417	224	601
Multi	Waterfall – Waterfall Point Building 2	Gauteng	50 330	2 585	901 167	229	–
Single	Waterfall – Waterfall Point Building 4	Gauteng	64 950	2 585	–	–	–
Single	Waterfall – Novartis	Gauteng	159 053	7 982	–	–	–

Supplementary information

Property portfolio detail			2024				
Multi/single tenanted	Property	Province	Valuation R'000	GLA m^2	GMR R	GMR R/m^2	Vacancy m^2
Logistics hubs[3]			2 005 214	159 882			–
Single	Waterfall – Amrod	Gauteng	225 497	20 687	–	–	–
Single	Waterfall – BMW	Gauteng	309 746	31 987	–	–	–
Single	Waterfall – Cotton On	Gauteng	114 866	10 374	–	–	–
Single	Waterfall – Cummins*	Gauteng	131 368	7 649	–	–	–
Single	Waterfall – Dimension Data	Gauteng	99 458	8 291	–	–	–
Single	Waterfall – Dischem	Gauteng	85 405	8 518	–	–	–
Single	Waterfall – Massbuild Distribution Centre	Gauteng	236 198	25 017	–	–	–
Single	Waterfall – GloTool	Gauteng	56 362	5 262	–	–	–
Single	Waterfall – Pirtek	Gauteng	33 804	2 816	–	–	–
Single	Waterfall – Superga warehouse	Gauteng	56 995	4 710	–	–	–
Single	Waterfall – Midi warehouse 4	Gauteng	57 125	4 603	–	–	–
Single	Waterfall – Plumblink	Gauteng	83 010	7 576	–	–	–
Single	Waterfall – Vantage	Gauteng	326 565	5 781	–	–	–
Single	Waterfall – Zimmer	Gauteng	34 770	2 050			
Single	LP 9 South Warehouses	Gauteng	154 045	14 561	–	–	–
Hotel[4]			629 186	20 405			
Single	Waterfall – City Lodge	Gauteng	158 038	5 744	–	–	–
Multi	Waterfall – Courtyard	Gauteng	222 189	6 715	2 386 583	283	–
Single	Lynnwood Bridge City Lodge	Gauteng	248 958	7 946	–	–	–
Developments under construction			4 736	–			–
Multi	Waterfall – Ingress Building 3	Gauteng	4 736	–	–	–	–

*# 25.0% share, * 50.0% share, ** 75.0% share, ^ 80.0% share*

1 Multi-tenanted retail-experience hubs weighted average rental rate R265.9/m (2023: R243.3/m²)

2 Single-tenanted collaboration hubs weighted average rental rate of R278.2/m^2 (2023: R267.0/m^2)

3 Single-tenanted logistics hubs weighted average rental rate of R99.6/m^2 (2023: R108.0/m^2)

4 Single-tenanted hotel segment weighted average rental rate of R291.0/m^2 (2023: R271.0/m^2)

Supplementary information

Property portfolio detail			2023				
Multi/single tenanted	Property	Province	Valuation R'000	GLA m^2	GMR R	GMR R/m^2	Vacancy m^2
Retail-experience hubs			9 293 020	308 507			12 606
Multi	Glenfair Boulevard Shopping Centre	Gauteng	395 311	16 521	5 165 417	240	532
Multi	Lynnwood Bridge Retail	Gauteng	256 599	12 241	4 417 250	201	603
Multi	Garden Route Mall	Western Cape	1 358 843	53 970	14 731 417	196	93
Multi	Brooklyn Mall[#]	Gauteng	443 093	18 813	5 760 250	267	2 000
Multi	Mooirivier Mall	North West	1 181 944	50 438	12 617 500	191	3 029
Multi	Eikestad Mall Precinct[^]	Western Cape	843 050	38 279	10 243 667	189	1 189
Multi	Waterfall – Mall of Africa[^]	Gauteng	4 480 441	103 958	43 967 667	315	4 556
Multi	Waterfall – Waterfall Corner	Gauteng	230 506	10 008	3 167 417	209	604
Single	Waterfall – Waterfall Lifestyle	Gauteng	103 233	4 279	1 760 667	266	–
Collaboration hubs[1]			6 011 218	268 975			43 186
Multi	Brooklyn Bridge Office Park	Gauteng	297 581	23 528	3 783 833	166	7 670
Multi	Lynnwood Bridge Offices	Gauteng	743 533	27 227	10 069 000	304	1 234
Single	Lynnwood Bridge -Auditor General	Gauteng	523 084	19 104	@	@	–
Single	Waterfall – Cell C Campus	Gauteng	723 614	43 962	@	@	4 920
Single	Waterfall – Waterfall Circle	Gauteng	304 247	24 354	@	@	24 354
Multi	Waterfall – Maxwell Office Park*	Gauteng	395 651	18 492	5 413 250	219	268
Multi	Waterfall – Allandale Building	Gauteng	264 064	15 476	3 687 667	202	1 990
Single	Waterfall – PwC Tower and PwC Annex**	Gauteng	1 404 153	36 461	@	@	–
Multi	Waterfall – Gateway West Building	Gauteng	317 396	13 803	4 643 833	260	448
Multi	Waterfall – Corporate Campus*	Gauteng	418 729	17 458	5 453 500	241	454
Single	Waterfall – Ingress PSG	Gauteng	112 839	4 311	@	@	–
Multi	Waterfall – Ingress Building 2	Gauteng	76 535	4 395	693 083	194	–
Multi	Waterfall – Nexus - Building 1	Gauteng	140 236	7 252	1 172 667	211	1 848
Multi	Waterfall – Waterfall Point Building 2	Gauteng	54 912	2 585	827 667	223	–
Single	Waterfall – Waterfall Point Building 4	Gauteng	68 199	2 585	@	@	–
Single	Waterfall – Novartis	Gauteng	166 444	7 982	@	@	–

Supplementary information

Property portfolio detail			2023				
Multi/single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Logistics hubs[2]			1 744 413	143 603			
Single	Waterfall – Amrod[$]	Gauteng	210 902	18 969	@	@	–
Single	Waterfall – BMW	Gauteng	309 544	31 987	@	@	–
Single	Waterfall – Cotton On[$]	Gauteng	106 706	10 374	@	@	–
Single	Waterfall – Cummins*	Gauteng	123 053	7 649	@	@	–
Single	Waterfall – Dimension Data	Gauteng	105 971	8 291	@	@	–
Single	Waterfall – Dischem	Gauteng	92 243	8 518	@	@	–
Single	Waterfall – Massbuild Distribution Centre[$]	Gauteng	229 768	25 017	@	@	–
Single	Waterfall – GloTool	Gauteng	56 773	5 262	@	@	–
Single	Waterfall – Pirtek	Gauteng	33 525	2 816	@	@	–
Single	Waterfall – Superga warehouse	Gauteng	55 696	4 710	@	@	–
Single	Waterfall – Midi warehouse 4	Gauteng	55 151	4 603	@	@	–
Single	Waterfall – Plumblink*	Gauteng	77 069	7 576	@	@	–
Single	Waterfall – Vantage Data centre	Gauteng	252 981	5 781	@	@	–
Single	Waterfall – Zimmer Biomet*	Gauteng	35 031	2 050	@	@	–
Hotel[3]			576 080	20 405			
Single	Waterfall – City Lodge	Gauteng	105 643	5 744	@	@	–
Single	Waterfall – Courtyard	Gauteng	216 685	6 715	@	@	–
Single	Lynnwood Bridge City Lodge	Gauteng	253 753	7 946	@	@	–
Developments under construction			43 140	14 641			
Single	Waterfall – Midi units logistics development	Gauteng	43 140	14 641	@	@	–

*# 25.0% share, * 50.0% share, ** 75.0% share, ^ 80.0% share, $ Classified, in part or wholly, as held for sale (note 28)*

1 Single-tenanted collaboration hubs weighted average rental rate of R267.0/m2 (2022: R201.0/m2)

2 Single-tenanted logistics hubs weighted average rental rate of R108.0/m² (2022: R116.0/m²)

3 Single-tenanted hotel segment weighted average rental rate of R271.0/m² (2022: R240.0/m²)

@ Single-tenanted properties

Supplementary information

	2024			2023		
Analysis of tenant base	**% of GLA**	**GLA (m^2)***	**Number of tenants**	**% of GLA**	**GLA (m^2)***	**Number of tenants**
Retail-experience hubs						
Category A tenants	**71%**	**221 312**	**295**	71%	204 694	295
Category B tenants	**16%**	**50 167**	**178**	17%	49 048	177
Category C tenants	**13%**	**42 256**	**363**	12%	34 663	363
Total	**100%**	**313 735**	**836**	100%	288 405	835
Collaboration hubs						
Category A tenants	**81%**	**183 057**	**77**	81%	176 911	72
Category B tenants	**13%**	**28 442**	**19**	15%	33 336	24
Category C tenants	**6%**	**13 274**	**30**	4%	9 390	24
Total	**100%**	**224 773**	**126**	100%	219 637	120
Logistics hubs						
Category A tenants	**74%**	**116 921**	**10**	75%	118 283	10
Category B tenants	**26%**	**41 124**	**5**	25%	39 406	5
Total	**100%**	**158 045**	**15**	100%	157 689	15
Hotel						
Category A tenants	**100%**	**19 967**	**3**	100%	19 967	3
Total	**100%**	**19 967**	**3**	100%	19 967	3

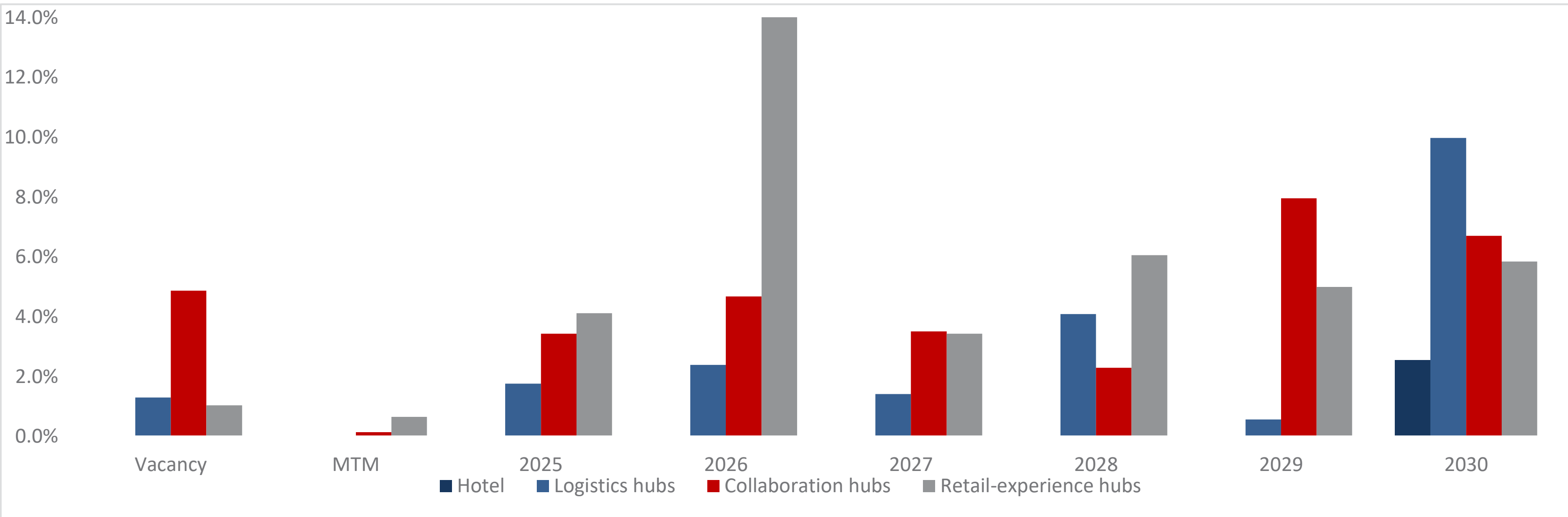
* *Occupied rentable area*

Supplementary information

	Historical average annualised property yield (%)		Weighted average rental escalations based on GLA (%)	
Sector	**2024**	**2023**	**2024**	**2023**
Retail-experience hubs	6.8%	7.1%	6.5%	6.5%
Collaboration hubs	8.5%	9.3%	7.4%	7.3%
Logistics hubs	8.3%	7.8%	6.6%	6.4%
Hotel	8.2%	8.4%	7.0%	7.0%
Total	7.50%	7.9%	6.9%	6.8%

	Based of GLA (%)		Based on GMR (%)	
Province	**2024**	**2023**	**2024**	**2023**
Gauteng	81.8%	80.8%	82.8%	81.8%
Western Cape	11.8%	12.4%	11.2%	12.0%
North West	6.4%	6.8%	6.0%	6.2%

Lease expiry by sector (% of GLA)

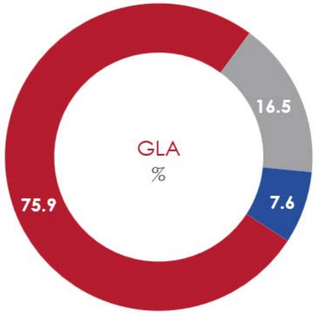


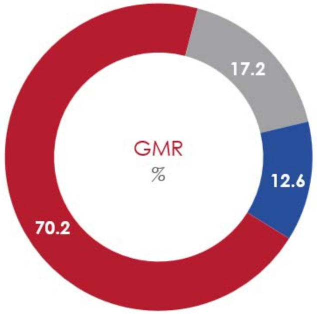
Supplementary information

Lease expiry by sector – GMR(R'000)

Sector	Monthly	FY25	FY26	FY27	FY28	FY29	FY30
Retail-experience hubs	1 827	9 407	31 289	8 932	13 495	11 935	6 539
Collaboration hubs	243	6 545	9 877	5 902	3 612	16 471	14 118
Logistics hubs	–	1 215	1 790	1 313	3 501	403	7 411
Hotel	–	–	–	–	–	–	5 829
Other	–	–	–	–	–	–	4 124
Total	2 070	17 167	42 956	16 147	20 608	28 809	38 021

Client profile *(%)*





- A-grade
- B-grade
- C-grade

- Clients are graded A, B or C
- A-grade: large international and national clients, large listed entities, and government or major franchises
- B-grade: smaller international and national clients, listed clients, franchisees, medium to large professional firms
- C-grade: smaller clients and sole proprietors

Supplementary information

FUNDS FROM OPERATIONS

Reconciliation of profit for the year to funds from operations

	GROUP	
Figures in R'000s	**2024**	**2023**
Profit per IFRS statement of comprehensive income attributable to the parent	**950 397**	520 286
Profit for the year	**1 221 103**	520 286
Non-controlling interest	**(270 706)**	–
Adjusted for:		
Accounting/specific adjustments:		
Fair value adjustments to:		
• Investment property	**(828 591)**	4 277
• Debt and equity instruments held at FVPL	**58 835**	(86 160)
Depreciation of an administrative nature and amortisation of intangible assets	**6 567**	4 033
• Net impairment and ECL of joint ventures and associates, other investments and loans	**250 309**	65 689
• ECL on guarantees	**–**	(203)
Deferred tax movement recognised in profit or loss	**33 966**	69 272
Derecognition gain on IFRS 16	**–**	(157)
Straight-line lease income adjustments	**(18 954)**	(760)
Adjustment arising from investing activities:		
Gains and losses on disposal of:		
• Loss on disposal of investment property	**5 410**	885
• Profit from sectional title units	**(7 308)**	(25 590)
• Profit on disposal of other assets	**–**	(800)
Foreign exchange and hedging items:		
• Amortisation of interest rate cap	**(7 271)**	(7 045)
• Foreign exchange gains or losses relating to capital items - realised and unrealised	**1**	(210)
Other adjustments:		
Adjustments made for equity-accounted entities	**30 392**	77 500
Tax impact of the above adjustments	**716**	–
Non-controlling interest in respect of the above adjustments	**158 801**	–
SA REIT FFO	**633 270**	621 017
Number of shares outstanding at end of period (net of treasury shares)		
• Number of shares in issue*	**699 770 784**	705 123 739
• Weighted average number of shares in issue*	**702 681 944**	705 123 739
• Diluted weighted average number of shares in issue*	**719 053 349**	718 128 308

	GROUP	
Figures in R'000s	**2024**	**2023**
SA REIT FFO per share (cents)		
• Basic (cents)	**90.5**	88.1
• Basic weighted (cents)	**90.1**	88.1
• Diluted (cents)	**88.1**	86.5
Company-specific adjustments:		
Non-cash income from associates - Africa	**(1 708)**	1 772
Non-cash income from associates - SA portfolio	**(1 184)**	(52)
Adjustment for Cell C, expected credit loss for rental not received in cash	**(9 669)**	(55 017)
Non-cash adjustment in respect of depreciation of property operations, amortisation of letting commission and tenant installations and infrastructure costs	**19 545**	6 278
Interest on lease liability	**22 484**	23 494
Rental paid	**(53 777)**	(52 717)
Net non-cash property owners association (income) / loss	**(2 764)**	2 006
Lease cancellation fee	**–**	982
Prescribed utility accruals	**–**	(20 290)
Unsustainable and / or non cash interest received	**(10 199)**	(20 646)
Prepayment penalties on settlement of debt	**20 518**	
Brokerage fees	**4 446**	–
Insurance proceeds (Covid-19)	**(21 264)**	–
Non-controlling interest in respect of the above adjustments	**6 051**	–
Distributable income	**605 748**	**506 829**
Distributable income per share (cents)		
• Basic (cents)	**86.6**	71.9
• Basic weighted (cents)	**86.2**	71.9
• Diluted (cents)	**84.2**	70.6
Dividends	**483 314**	408 972
Interim	**210 403**	204 486
Final	**272 911**	204 486
Dividend per share (cents) - 80.0% pay out ratio (June 2023: 80.7%)	**69.0**	58.0
Interim	**30.0**	29.0
Final	**39.0**	29.0

* *Adjusted for 46 427 553 treasury shares (2023: 46 427 553)*

Supplementary information

RECONCILIATION BETWEEN CASH FROM OPERATING ACTIVITIES AND FUNDS FROM OPERATIONS

	GROUP	
Figures in R'000s	**2024**	**2023**
Net cash generated from operating activities	**838 173**	686 483
Adjusted for working capital movements	**(78 892)**	(72 627)
Increase / (Decrease) in accounts receivable	**(2 199)**	(14 400)
(Decrease) / Increase in inventory	**(24 397)**	(33 692)
(Increase) / Decrease in accounts payable	**(52 296)**	(24 535)
Net cash generated from operating activities adjusted for working capital movements	**759 281**	613 856
Bad debt written off and ECLs on trade and other receivables	**(209)**	56 647
Difference between interest accrued and interest paid	**5 598**	(108)
Share-based payments	**(4 912)**	(16 491)
Net proceeds from the sale of sectional-title units	**(7 308)**	(26 354)
Lease cancellation fee	**–**	982
Prescribed utility accruals	**–**	(20 290)
Adjustment for Cell C, expected credit loss for rental not received in cash	**(9 669)**	(55 017)
Amortisation of interest rate cap	**(7 271)**	(7 045)
Difference between taxation accrued and taxation paid	**1 613**	(2 101)
Finance cost capitalised	**4 148**	2 531
Prepayment penalties on settlement of debt	**20 518**	–
Brokerage fees	**4 446**	–
Capital repayment of lease liability	**(31 617)**	(29 619)
Net income from property owners association not distributable	**(2 764)**	2 006
Dividend income from associates	**(2 443)**	(11 708)
Insurance proceeds (Covid-19)	**(21 264)**	–
Minority adjustment	**(105 855)**	–
Unsustainable cash interest received	**(4 958)**	–
Infrastructure costs	**5 230**	–
Other movements	**3 184**	(460)
Distributable income	**605 748**	506 829

Figures in R'000s	**2024**	**2023**
SA REIT net asset valuer (NAV) per share		
Reported NAV attributable to parent	**12 546 147**	12 443 160
Adjustments:		
Dividends to be declared[%]	**(272 911)**	(204 486)
Fair value of derivative financial instruments	**16 491**	(45 576)
Deferred tax	**302 900**	268 930
SA REIT NAV	**12 592 627**	12 462 028
Number of shares outstanding at end of period (net of treasury shares)		
Number of shares in issue*	**699 770 784**	705 123 739
Effect of dilutive instruments (options, convertibles and equity interests)	**16 371 405**	13 004 569
Diluted number of shares in issue*	**716 142 189**	718 128 308
SA REIT NAV per share (Rand)	**17.58**	**17.35**
* *Adjusted for 46 427 553 treasury shares*		
SA REIT cost-to-income ratio		
Expense		
Operating expenses per IFRS income statement (includes municipal expenses)	**973 796**	824 100
Administrative expenses per IFRS income statement	**243 323**	192 265
Exclude		
Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets	**(6 567)**	(4 033)
Operating costs	**1 210 552**	1 012 332
Rental income		
Contractual rental income per IFRS income statement (excluding straight-lining)	**1 881 482**	1 761 671
Utility and operating recoveries per IFRS income statement	**655 415**	570 579
Gross rental income	**2 536 897**	2 332 250
SA REIT cost-to-income ratio (%)	**47.7**	43.4

Supplementary information

Figures in R'000s	2024	2023
SA REIT administrative cost-to-income ratio		
Expense		
Administrative expenses per IFRS income statement	**243 323**	192 265
Administrative costs	**243 323**	192 265
Rental income		
Contractual rental income per IFRS income statement (excluding straight-lining)	**1 881 482**	1 761 671
Utility and operating recoveries per IFRS income statement	**655 415**	570 579
Gross rental income	**2 536 897**	2 332 250
SA REIT administrative cost-to-income ratio (%)	**9.6**	8.2
SA REIT loan to value (LTV)		
Gross debt	**6 079 714**	8 384 893
Adjustments:		
Cash and cash equivalents	**(482 638)**	(606 534)
Derivative financial instruments	**16 491**	(45 576)
Net debt	**5 613 567**	7 732 783
Total assets	**22 889 534**	21 839 867
Adjustments:		
Cash and cash equivalents	**(482 638)**	(606 534)
Derivative financial assets	**(15 424)**	(47 990)
Trade and other receivables	**(179 816)**	(197 546)
Carrying amount of property-related assets	**22 211 656**	20 987 797
SA REIT LTV (%)	**25.3**	36.8

Figures in R'000s	2024	2023
SA REIT net initial yield		
Investment property	**21 036 733**	18 732 928
Less:		
Properties under development	**(38 307)**	(43 164)
Leasehold land	**(737 933)**	(826 347)
Grossed up property value	**20 260 493**	17 863 417
Property income		
Contractual cash rentals	**2 044 799**	1 799 778
Add:		
Notional rent for rent-free periods, discounted rentals, stepped rentals and lease incentives	**–**	–
Less:		
Non-recoverable property expenses	**(406 147)**	(376 912)
Annualised net rental	**1 638 652**	1 422 866
Net initial yield (%)	**8.1**	8.0
SA REIT GLA vacancy rate		
Gross lettable area of vacant space	**56 432**	58 553
Gross lettable area of total property portfolio	**783 012**	735 792
SA REIT GLA vacancy rate (%)	**7.2**	8.0

Supplementary information

	30 June 2024		30 June 2023%	
SA REIT Cost of Debt	**Rand**	**Total**	**Rand**	**Total**
Variable interest-rate borrowings				
Floating interest rate plus weighted average margin	10.1	10.1	10.4	10.4
Fixed interest-rate borrowings				
Weighted average fixed rate	–	–	–	–
Pre-adjusted weighted average cost of debt	10.1	10.1	10.4	10.4
Adjustments:				
Impact of interest rate derivatives	(0.1)	(0.1)	(0.2)	(0.2)
Interest of cross-currency interest rate swaps	–	–	–	–
Amortised transaction costs imputed into the effective interest rate	0.1	0.1	0.1	0.1
All-in weighted average cost of debt	10.0	10.0	10.3	10.3

% *Prior year figures have been updated to reflect the correct comparative amounts*

SHAREHOLDER INFORMATION

Beneficial shareholders holding 5.0% or more of Attacq's issued share capital:

	At 30 June 2024		At 30 June 2023	
Number of shares	**Shares held**	**%**	**Shares held**	**%**
Coronation	**149 078 080**	**20.0%**	138 214 020	18.4%
GEPF	**129 265 707**	**17.3%**	104 906 062	14.0%
Total	**278 343 787**	**37.3%**	243 120 082	32.3%

Beneficial shareholder spread

	At 30 June 2024			At 30 June 2023		
	Number	**Shares held**	**%**	**Number**	**Shares held**	**%**
Non-public	**10**	**328 512 784**	**44.0%**	11	292 736 741	39.0%
> 10.0%	**2**	**278 343 787**	**37.3%**	2	243 120 082	32.3%
Treasury shares	**2**	**46 427 553**	**6.2%**	2	46 427 553	6.2%
Directors and associates	**6**	**3 741 444**	**0.5%**	7	3 189 106	0.4%
Public	**7 179**	**417 685 553**	**56.0%**	7 784	458 814 551	61.0%
Total	**7 189**	**746 198 337**	**100.0%**	7 795	751 551 292	100.0%

Summary of trading in Attacq shares

	30 June 2024	30 June 2023
Number of trades	**71 136**	44 138
Total number of shares traded	**274 320 576**	237 652 833
Total value of shares traded (R'000)	**2 581 190**	1 840 456
Closing high (R)	**11.55**	9.15
Closing low (R)	**7.72**	5.37
Closing price (R)	**10.85**	8.46