



2024

ANNUAL FINANCIAL STATEMENTS

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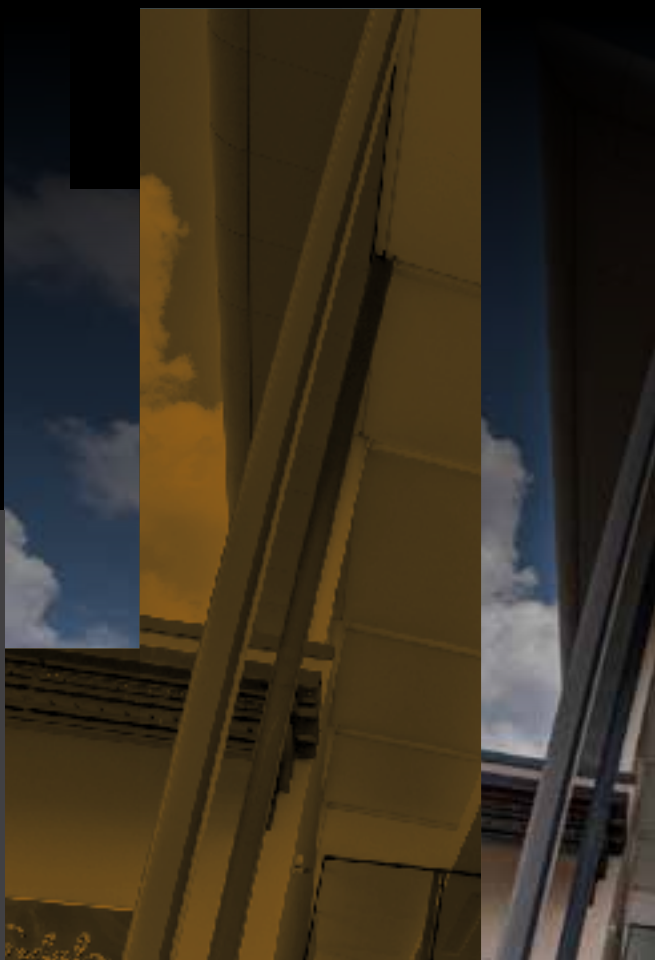


ALEX MALL GAUTENG

# GENERAL INFORMATION



EXEMPLAR



**REGISTERED NAME**

Exemplar REITail Limited

**COMPANY REGISTRATION NUMBER**

2018/022591/06

**COUNTRY OF INCORPORATION AND DOMICILE**

South Africa

**NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES**

Exemplar REITail is a market leader in the ownership and management of rural and township retail real estate in South Africa

**EXECUTIVE DIRECTORS**

Church, DA  
McCormick, J (Jason)  
McCormick, J (John)

**NON-EXECUTIVE DIRECTORS**

Azzopardi, GVC  
Berkeley, FM  
Katzenellenbogen, PJ  
Mandindi, N  
Maponya, EP

**REGISTERED OFFICE AND BUSINESS ADDRESS**

204 Von Willich Avenue  
Clubview  
Centurion  
0157

**AUDITOR**

BDO South Africa Incorporated  
Chartered Accountants (S.A.)  
Registered Auditor

**LEVEL OF ASSURANCE**

These Group and Company financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

**PREPARER**

The financial statements were internally compiled by: D.H McTeer - BCompt (Hons), CA (SA) under the supervision of D.A. Church (Chief Financial Officer - BCompt (Hons), CA (SA))



The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the Group and Company financial statements and related financial information included in this report. It is their responsibility to ensure that the Group and Company financial statements fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of its operations and cash flows for the financial year then ended, in conformity with IFRS Accounting Standards. The external auditor is engaged to express an independent opinion on the Group and Company financial statements.

The consolidated and separate financial statements are prepared in accordance with IFRS Accounting Standards, the SA financial reporting requirements' per Section 8.60 of the JSE Listings requirements, the Companies Act and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

The directors have reviewed the Group's and Company's cash flow forecast for the period to 28 February 2025 and, in light of this review and the current financial position, they are satisfied that the Group and Company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Group and Company financial statements. The Group and Company financial statements have been examined by the Group and Company's external auditors and their report is presented on pages 14 to 17.



**Declaration by Group chief executive officer (CEO) and chief financial officer (CFO) for the year ended 29 February 2024**

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

- a) the annual financial statements set out on pages 18 to 69, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards;
- 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 has been provided to effectively prepare the financial statements; and
- 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 taken steps to remedy the deficiencies and;
- f) we are not aware of any fraud involving directors.

The Group and Company financial statements set out on pages 18 to 69, which have been prepared on the going concern basis, were approved by the board of directors on 27 May 2024 and were signed on their behalf by:



**MCCORMICK, J (JASON)**  
Chief Executive Officer  
27 May 2024



**CHURCH, DA**  
Chief Financial Officer  
27 May 2024



In terms of section 88(2)(e) of the Companies Act, and in my capacity as company secretary, I hereby certify that, to the best of my knowledge, Exemplar REITail Limited has filed the required returns and notices with the Companies and Intellectual Property Commission as are required in terms of the Companies Act, for the year ended 29 February 2024, and that all such returns and notices appear to be true, correct, and up to date.



**ANANDA BOOYSEN**  
Company secretary  
27 May 2024

# DECLARATION BY THE COMPANY SECRETARY

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## MEMBERS

Peter J Katzenellenbogen (chair)  
Frank M Berkeley  
Elias P Maponya

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*The Audit and Risk Committee is pleased to present its report for the financial year ended 29 February 2024.*

## FUNCTION AND COMPOSITION OF THE COMMITTEE

The committee charter, delineating the committee's obligations and duties, underwent review and endorsement by the board in February 2024. Operating in accordance with section 94(7)(f) of the Companies Act, King IV, the Company's memorandum of incorporation, and the JSE Listings Requirements, the committee assumes responsibility for ensuring the integrity of financial reporting and the audit process, overseeing integrated reporting, reviewing the Company's finance function, supervising risk, compliance, and the governance of technology and information. Committee members are subject to re-election by shareholders at each AGM. The committee convenes at least three times annually, with special meetings convened as necessary, and attendance records are available in the Exemplar integrated annual report. An annual assessment of the committee's performance is conducted, with the board expressing satisfaction with the chair's expertise in accounting and financial management based on the positive outcome of the evaluation conducted in the year under review.

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## ACTIVITIES OF THE COMMITTEE DURING FY2024

### FINANCIAL STATEMENTS AND THE INTEGRATED ANNUAL REPORT

The committee has conducted an assessment of the effectiveness of internal financial controls, determining them to be effective in all significant aspects and providing a dependable foundation for the preparation of annual financial statements. Subsequent to a thorough review of the financial statements for the financial year ending on 29 February 2024, the committee has affirmed their compliance with IFRS Accounting Standards in all significant regards and has proposed their approval by the board of directors. Additionally, the committee has sanctioned the accounting policies employed in the formulation of the financial statements. Moreover, the committee has scrutinised the integrated annual report of the Group, affirming the reliability, coherence, and equitable representation of its contents. It was prepared in accordance with appropriate reporting standards while adhering to the mandates of King IV and the JSE Listings Requirements. Consequently, the committee has recommended the report for endorsement by the board of directors.

### GOING CONCERN STATUS AND SOLVENCY AND LIQUIDITY

Following an examination of the going concern assertion provided by management, the committee proposed its approval by the board. The committee is satisfied with the board's execution of a solvency and liquidity assessment as per sections 4 and 46 of the Companies Act, determining that the Company will meet the requirements of the test subsequent to the final dividend payment. Furthermore, the solvency and liquidity test was also conducted during the interim distribution phase.



#### INTERNAL AUDIT

The committee is responsible for overseeing the internal audit function, which is performed by Moore Johannesburg and which conducts specific *ad hoc* audits.

#### EXTERNAL AUDITORS

The committee has conducted an evaluation of the independence of BDO South Africa Incorporated (“BDO”) as the external auditors and Stephen Shaw as the engagement audit partner and is confident that they satisfy the requisite independence criteria. Upon reviewing the information delineated in paragraphs 3.84(g)(iii) and 22.15(h) of the JSE Listings Requirements, the committee has ascertained that both BDO and the engagement audit partner possess the essential expertise, competence, and experience to discharge their duties effectively. Furthermore, the committee has meticulously examined BDO’s engagement terms, encompassing the provision of non-audit services, the audit fee, and their report on the annual financial statements. Additionally, the committee has assessed BDO’s performance, including their identification of key audit matters. Consequently, the committee recommends BDO as auditors and Stephen Shaw as the engagement audit partner for shareholder endorsement at the forthcoming AGM.

#### FINANCE FUNCTION REVIEW

The committee has assessed the resources and expertise within the Company’s finance function and the CFO, who holds responsibility for this function, and is satisfied with their sufficiency.

The committee has also considered, and is satisfied with the expertise and experience of the CFO.

#### RISK MANAGEMENT AND COMPLIANCE

The committee oversees the Company’s risk management and compliance functions and has verified the sufficiency of the risk management procedures in operation. The policies prohibit the Company from participating in any derivative transactions beyond the scope of its regular business activities, a directive that has been diligently followed in all significant regards. The committee is satisfied with the efficiency of the compliance procedures and the management of any disclosures received through the fraud and ethics hotline.



**PETER J KATZENELLENBOGEN**

*Chair: Audit and Risk Committee*

27 May 2024



*The directors have pleasure in submitting their report on the Group and Company financial statements of Exemplar REITail Limited for the year ended 29 February 2024.*

**Exemplar is a listed Real Estate Investment Trust (REIT), which owns and manages township and rural retail real estate. The Company was incorporated on 17 January 2018 and commenced trading on 1 June 2018.**

## 1. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The Group and Company financial statements have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently with those reflected in note 1.

Full details of the financial position, results of operations and cash flows of the Group and Company are set out in these Group financial statements.

## 2. STATED CAPITAL

The Company's authorised share capital comprises 5 000 000 000 (2023: 5 000 000 000) ordinary shares of no par value.

As at the date of this report, the Company had 332 290 686 (2023: 332 290 686) shares in issue.

## 3. DIVIDENDS

The Group's dividend policy is to consider declaration of an interim and a final dividend in respect of each financial period. At its discretion, the board of directors may consider a special dividend, where appropriate.

A final dividend of 72,40709 cents per share was paid on 19 June 2023 to the Company's shareholders for the year ended 28 February 2023. This dividend equated to a total of R 240 602 018.

An interim dividend in respect of the six months ended 31 August 2023 of 64,27220 cents per share was declared on 6 November 2023 and paid on 27 November 2023 to the Company's shareholders. This dividend equated to a total of R 213 570 532.

Dividends totalling R 20 732 374 were declared in the current financial year to the non-controlling shareholders in three subsidiary companies, with an additional dividend payable at year end of R 8 960 554. As disclosed in note 33.

The board of directors has approved a final dividend of 57,03275 cents per share as well as a return of contributed tax capital of 17,63150 cents for the year ended 29 February 2024. The Company has therefore declared a dividend of R 416 317 102 and a return of contributed tax capital of R 58 587 822 for the financial year ended 29 February 2024.

The return of contributed tax capital and dividends have been declared from retained earnings. The dividends meet the requirement of a REIT "qualifying distribution" for purposes of section 25BB of the Income Tax Act 58 of 1962 (as amended).

The Company uses distribution per share as its key performance measure for JSE Trading Statement purposes.



## 4. DIRECTORS' INTERESTS

### DIRECTORS' INTERESTS IN EXEMPLAR SHARES

John McCormick and Jason McCormick are beneficiaries of the John McCormick Family Trust (JMFT), which is a 0.69% (2023: 0.69%) shareholder of Exemplar and owns 2 299 385 shares in the Company. Additionally, both are directors of McCormick Property Development (Pty) Ltd (MPD), which is a 57.27% (2023: 60.28%) shareholder of Exemplar and owns 190 318 534 (2023: 200 318 534) shares in the Company.

Set out below are the names of directors of the Company that, directly or indirectly, are beneficially interested in Exemplar shares in issue at the last practicable date. No directors have resigned from the Company since the date of incorporation of the Company.

2024						
Directors	Beneficially held					Number of shares subject to security, guarantee, collateral or otherwise
	Directly	Indirectly	Associate	Total	%	
Church, DA	1	4 280 972	-	4 280 973	1.29%	-
McCormick, J (Jason)	-	252 563 471	-	252 563 471	76.01%	-
McCormick, J (John)	-	244 349 720	-	244 349 720	73.53%	-

2023						
Directors	Beneficially held					Number of shares subject to security, guarantee, collateral or otherwise
	Directly	Indirectly	Associate	Total	%	
Church, DA	1	4 280 972	-	4 280 973	1.29%	-
McCormick, J (Jason)	-	257 563 471	-	257 563 471	77.51%	-
McCormick, J (John)	-	254 349 720	-	254 349 720	76.54%	-

The JMFT has interests in the following shareholders of Exemplar and is able to exercise or control more than 35% of the voting rights of these entities, which are therefore considered associates.

2024						
Associates	Beneficially held by the associate			%	JMFT interest in the associate	Number of shares subject to security, guarantee, collateral or otherwise
	Directly	Indirectly	Total			
Blouberg Mall (Pty) Ltd	14 557 154	-	14 557 154	4.38%	80.00%	11 645 724
Diepkloof Plaza (Pty) Ltd	16 440 379	-	16 440 379	4.95%	40.00%	6 527 175
Olievenhout Plaza (Pty) Ltd	12 810 228	-	12 810 228	3.86%	100.00%	12 810 228
Modjadji Plaza (Pty) Ltd	7 924 040	-	7 924 040	2.38%	100.00%	7 924 040

2023						
Associates	Beneficially held by the associate			%	JMFT interest in the associate	Number of shares subject to security, guarantee, collateral or otherwise
	Directly	Indirectly	Total			
Blouberg Mall (Pty) Ltd	14 557 154	-	14 557 154	4.38%	80.00%	11 645 724
Diepkloof Plaza (Pty) Ltd	16 440 379	-	16 440 379	4.95%	40.00%	6 527 175
Olievenhout Plaza (Pty) Ltd	12 810 228	-	12 810 228	3.86%	100.00%	12 810 228
Modjadji Plaza (Pty) Ltd	7 924 040	-	7 924 040	2.38%	100.00%	7 924 040



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

**DIRECTORS' INTERESTS IN TRANSACTIONS**

Save as disclosed in the above and in note 34 - Directors' Emoluments, note 8 - Loans receivable, note 12 - Share based payments reserve and note 36 - Related parties, none of the directors of the Company, has or had any material beneficial interest, direct or indirect, in transactions that were effected by the Group during the current financial year or immediately preceding the financial year or during any earlier financial year and which remain in any respect outstanding.

**5. GOING CONCERN**

The directors believe that the Group and Company have adequate financial resources to continue in operation for the foreseeable future and accordingly, the annual financial statements have been prepared on a going concern basis. This assessment is supported by the Group's budgets for the 2025 financial year. Furthermore, the directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Group and Company. (note 43 - Going Concern)

**6. EVENTS AFTER THE REPORTING PERIOD**

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report. (note 44 - Events after the reporting period)

**7. AUDITOR**

BDO South Africa Incorporated were appointed as auditors for the Group for 2024 in accordance with section 90 of the Companies Act of South Africa.

At the AGM, the shareholders will be requested to reappoint BDO South Africa Incorporated as the independent external auditor of the Group and to confirm Mr Stephen Shaw as the designated engagement audit partner for the 2025 financial period.

**8. SECRETARY**

The company secretary is Miss A. Booysen.

The Group financial statements set out on pages 18 to 69, which have been prepared on the going concern basis, were approved by the board of directors on 27 May 2024, and were signed on their behalf by:



**MCCORMICK, J (JASON)**  
Chief Executive Officer  
27 May 2024



**CHURCH, DA**  
Chief Financial Officer  
27 May 2024



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

### OPINION

We have audited the consolidated and separate financial statements of Exemplar REITail Limited (the group and the company) set out on pages 18 to 69, which comprise the consolidated and separate statements of financial position as at 29 February 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Exemplar REITail Limited as at 29 February 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.

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### BASIS FOR OPINION

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

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### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of the most significant 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 financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



KEY MATTERS	HOW THE MATTER WAS ADDRESSED
Investment property/Fair value movements in Investment property.	We performed the following procedures amongst others: Assessed the competency and objectivity of the independent valuator. This included verifying professional qualifications and registrations and assessing the independence and appropriateness of the valuator used;
Significant judgement and estimates are required by the directors in determining the fair value of investment property.	With the assistance of our valuation expertise, compared the significant assumptions and judgements against historical inputs and market data where available and investigated unexpected movements;
The Portfolio is valued annually by an independent valuator - Quadrant .	For all properties, the calculations were scrutinised for accuracy, the inputs for reasonableness and the valuations recomputed;
The valuations were based on discounted cash flow models. Note 3 Investment property sets out the most significant inputs into valuations, all of which are unobservable.	The forecast revenue applied in the first year of both the discounted cash flow (DCF) model and income capitalisation model was assessed for reasonability. The inputs, used to generate the revenue forecast, were agreed to underlying contracts and compared to the current year revenue for reasonability;  The projected property expenses applied in the first year of both the DCF model and income capitalisation model was assessed for reasonability. This was performed by comparison to actual expenses in the current financial period;
The valuation of investment property is considered a matter of most significance to the current your audit of the consolidated and separate financial statements due to the value of the balance, the significant judgements and estimates associated with determining fair value and the sensitivity of the valuations to changes in assumptions.	We assessed the reasonability of revenue and expense growth rates in the DCF model subsequent to the initial forecast year to underlying lease information, available industry data for similar investment properties and our knowledge of the client; and  In addition, we assessed the adequacy of the disclosure in the financial statements, including disclosure on significant inputs and sensitivity analysis.

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Exemplar REITail Limited Annual Financial Statements for the year ended 29 February 2024", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Integrated Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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



## 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 the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

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

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

and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and / or the company to cease to continue as a going concern.

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

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

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

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



## REPORT OF OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that BDO South Africa Incorporated has been the auditor of Exemplar REITail Limited for 6 years.



*BDO South Africa Inc.*

**BDO SOUTH AFRICA  
INCORPORATED**  
Registered Auditors

27 May 2024

**SD SHAW**  
Director  
Registered Auditor

Wanderers Office Park  
52 Corlett Drive  
Illovo  
2196



## STATEMENT OF FINANCIAL POSITION for the year ended 29 February 2024

	Notes	GROUP		COMPANY	
		2024	2023	2024	2023
		R	R	R	R
<b>Assets</b>					
<b>Non-Current Assets</b>					
Investment property	3	8 508 005 581	8 045 587 084	3 984 991 956	3 777 973 428
Investments in subsidiaries	4	-	-	1 033 370 354	1 027 888 215
Operating lease asset	3	199 790 776	190 144 721	110 071 714	104 110 000
Property, plant and equipment	5	76 879 209	19 864 961	289 855 129	236 154 466
Loans receivable	8	24 867 180	-	24 867 180	-
Derivative financial instruments	6	258 857	-	258 857	-
		<b>8 809 801 603</b>	<b>8 255 596 766</b>	<b>5 443 415 190</b>	<b>5 146 126 109</b>
<b>Current Assets</b>					
Derivative financial instruments	6	-	43 131 204	-	27 838 007
Loans to subsidiaries	7	-	-	2 293 347 577	1 788 080 572
Loans receivable	8	32 393 916	35 191 989	30 256 255	32 480 916
Trade and other receivables	9	75 034 186	70 615 587	36 732 515	29 202 723
Dividend receivable	23	-	-	15 871 102	20 929 442
Cash and cash equivalents	10	42 843 244	59 218 534	27 240 732	46 787 331
		<b>150 271 346</b>	<b>208 157 314</b>	<b>2 403 448 181</b>	<b>1 945 318 991</b>
<b>Total Assets</b>		<b>8 960 072 949</b>	<b>8 463 754 080</b>	<b>7 846 863 371</b>	<b>7 091 445 100</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
Equity attributable to equity holders of parent					
Stated capital	11	3 310 533 449	3 310 533 449	3 310 533 449	3 310 533 449
Retained income		1 626 388 040	1 371 869 450	784 417 759	679 272 231
Share based payment reserve	12	12 909 297	3 866 247	12 909 297	3 866 247
		<b>4 949 830 786</b>	<b>4 686 269 146</b>	<b>4 107 860 505</b>	<b>3 993 671 927</b>
Non-controlling interest	13	249 003 474	224 400 569	-	-
		<b>5 198 834 260</b>	<b>4 910 669 715</b>	<b>4 107 860 505</b>	<b>3 993 671 927</b>
<b>Liabilities</b>					
<b>Non-Current Liabilities</b>					
Financial liabilities	14	2 977 115 645	2 545 876 967	2 977 115 645	2 545 876 967
Lease liabilities	15	57 161 071	46 394 810	14 082 961	12 980 934
Deferred tax	16	205 830 401	165 863 720	158 565 348	122 480 265
		<b>3 240 107 117</b>	<b>2 758 135 497</b>	<b>3 149 763 954</b>	<b>2 681 338 166</b>
<b>Current Liabilities</b>					
Financial liabilities	14	285 000 000	435 000 000	285 000 000	-
Trade and other payables	17	223 014 220	226 952 850	87 813 570	82 568 871
Lease liabilities	15	4 156 798	3 896 871	1 207 583	1 174 618
Loans from subsidiaries	18	-	-	215 217 759	216 191 518
Dividend payable	33	8 960 554	12 599 147	-	-
Vendor finance payable	42	-	116 500 000	-	116 500 000
		<b>521 131 572</b>	<b>794 948 868</b>	<b>589 238 912</b>	<b>416 435 007</b>
<b>Total Liabilities</b>		<b>3 761 238 689</b>	<b>3 553 084 365</b>	<b>3 739 002 866</b>	<b>3 097 773 173</b>
<b>Total Equity and Liabilities</b>		<b>8 960 072 949</b>	<b>8 463 754 080</b>	<b>7 846 863 371</b>	<b>7 091 445 100</b>



## STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

### for the year ended 29 February 2024

	Notes	GROUP		COMPANY	
		2024	2023	2024	2023
		R	R	R	R
Rental income and recoveries	19	1 219 692 142	1 047 494 888	567 235 028	488 030 137
Property operating costs	20	(435 544 480)	(354 957 853)	(173 890 980)	(175 853 833)
<b>Net property income</b>		<b>784 147 662</b>	<b>692 537 035</b>	<b>393 344 048</b>	<b>312 176 304</b>
Other income	21	27 578 848	55 388 755	38 670 771	94 959 573
Administrative expenses and corporate costs		(64 489 978)	(50 981 658)	(57 622 950)	(46 931 617)
Investment income	23	15 901 697	34 666 057	349 048 298	293 974 734
Insurance reimbursement on material loss	24	-	69 165 709	-	69 165 709
Reversal of impairment loss/(impairment loss)	25	-	-	11 799 924	(27 359 300)
Finance costs	26	(287 031 941)	(200 414 261)	(261 388 219)	(179 729 299)
Fair value adjustments on investment property	3	360 758 759	467 611 026	149 130 438	197 042 298
Fair value adjustments on derivative financial instruments	6	(42 872 347)	12 232 239	(27 579 150)	8 909 515
<b>Profit before taxation</b>		<b>793 992 700</b>	<b>1 080 204 902</b>	<b>595 403 160</b>	<b>722 207 917</b>
Taxation	27	(39 966 681)	(51 486 212)	(36 085 082)	(38 295 950)
<b>Profit for the period</b>		<b>754 026 019</b>	<b>1 028 718 690</b>	<b>559 318 078</b>	<b>683 911 967</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>754 026 019</b>	<b>1 028 718 690</b>	<b>559 318 078</b>	<b>683 911 967</b>
<b>Profit attributable to:</b>					
Owners of the parent		708 691 140	975 341 712		
Non-controlling interest	13	45 334 879	53 376 978		
		<b>754 026 019</b>	<b>1 028 718 690</b>		
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		708 691 140	975 341 712		
Non-controlling interest	13	45 334 879	53 376 978		
		<b>754 026 018</b>	<b>1 028 718 690</b>		
<b>Earnings per share</b>	34				
Basic earnings per share (cents)		213,27445	293,52063		
Diluted earnings per share (cents)		207,16470	288,46391		



## STATEMENT OF CHANGES IN EQUITY for the year ended 29 February 2024

GROUP						
	Stated capital	Retained income	Share based payment reserve	Total attributable to equity holders of the Company	Non-controlling interest	Total equity
Notes	R	R	R	R	R	R
<b>Balance at 28 February 2022</b>	<b>3 310 533 449</b>	<b>926 319 234</b>	-	<b>4 236 852 683</b>	<b>263 932 445</b>	<b>4 500 785 128</b>
Profit for the period	-	975 341 712	-	975 341 712	53 376 978	1 028 718 690
Dividends declared	33	(468 425 329)	-	(468 425 329)	(23 686 419)	(492 111 748)
IFRS 2 Charge	-	-	3 866 247	3 866 247	-	3 866 247
Acquisition of non-controlling interest	40	-	-	-	(69 222 435)	(69 222 435)
Premium paid on acquisition of non-controlling interest	40	(61 366 167)	-	(61 366 167)	-	(61 366 167)
<b>Balance at 28 February 2023</b>	<b>3 310 533 449</b>	<b>1 371 869 450</b>	<b>3 866 247</b>	<b>4 686 269 146</b>	<b>224 400 569</b>	<b>4 910 669 715</b>
Profit for the period	-	708 691 140	-	708 691 139	45 334 879	754 026 018
Dividends declared	33	(454 172 550)	-	(454 172 550)	(20 732 374)	(474 904 924)
Non-controlling interest arising on acquisition	-	-	-	-	400	400
IFRS 2 Charge	-	-	9 043 050	9 043 050	-	9 043 050
<b>Balance at 29 February 2024</b>	<b>3 310 533 449</b>	<b>1 626 388 040</b>	<b>12 909 297</b>	<b>4 949 830 786</b>	<b>249 003 474</b>	<b>5 198 834 260</b>
Notes	11		12		13	

COMPANY				
	Stated capital	Retained income	Share based payment reserve	Total equity
Notes	R	R	R	R
<b>Balance at 28 February 2022</b>	<b>3 310 533 449</b>	<b>463 785 593</b>	-	<b>3 774 319 042</b>
Profit for the period	-	683 911 967	-	683 911 967
Dividends declared and paid	-	(468 425 329)	-	(468 425 329)
IFRS 2 Charge	-	-	3 866 247	3 866 247
<b>Balance at 28 February 2023</b>	<b>3 310 533 449</b>	<b>679 272 231</b>	<b>3 866 247</b>	<b>3 993 671 927</b>
Profit for the period	-	559 318 078	-	559 318 080
Dividends declared	33	(454 172 550)	-	(454 172 550)
IFRS 2 Charge	-	-	9 043 050	9 043 050
<b>Balance at 29 February 2024</b>	<b>3 310 533 449</b>	<b>784 417 759</b>	<b>12 909 297</b>	<b>4 107 860 505</b>
Notes	11		12	



## STATEMENT OF CASH FLOWS

### for the year ended 29 February 2024

	Notes	GROUP		COMPANY	
		2024	2023	2024	2023
		R	R	R	R
<b>Cash flows from operating activities</b>					
Cash generated from operations	28	746 437 648	688 955 292	383 316 541	344 133 808
Interest income received	23	15 901 697	34 666 057	103 917 827	89 361 622
Finance costs paid	26	(277 355 456)	(214 274 905)	(258 007 480)	(176 986 465)
Dividend income received	23	-	-	250 188 811	202 768 594
Dividends paid	33	(478 543 517)	(490 731 927)	(454 172 550)	(468 425 329)
<b>Net cash generated from / (used in) operating activities</b>		<b>6 440 372</b>	<b>18 614 517</b>	<b>25 243 149</b>	<b>(9 147 770)</b>
<b>Cash flows used in investing activities</b>					
Additions to investment property	3	(98 438 805)	(500 398 423)	(51 884 266)	(210 353 359)
Proceeds from material loss insurance claim	24	-	69 165 709	-	69 165 709
Purchase of property, plant and equipment	5	(59 779 561)	(7 809 619)	(67 153 020)	(60 705 270)
Investments in subsidiaries	4	-	-	(562 623)	(137 345 464)
Loans receivable repaid	31	2 798 073	12 391 932	2 224 661	11 601 332
Loans receivable advanced	31	(24 867 180)	-	(24 867 180)	-
Loans to subsidiaries advanced	30	-	-	(498 716 256)	(689 930 231)
Shareholder loan acquired	30	-	-	(7 099 900)	-
Loans to subsidiaries repaid	30	-	-	7 429 559	456 789 750
Vendor finance settled		(116 500 000)	-	(116 500 000)	-
<b>Net cash used in investing activities</b>		<b>(296 787 473)</b>	<b>(426 650 401)</b>	<b>(757 129 025)</b>	<b>(560 777 534)</b>
<b>Cash flows used in financing activities</b>					
Acquisition of non-controlling interest	40	-	(133 282 500)	-	-
Loans from subsidiaries advanced	32	-	-	(3 620 933)	50 596 387
Loans from subsidiaries repaid	32	-	-	2 647 174	(25 092 334)
Repayment of lease liabilities	15	(6 028 189)	(976 920)	(1 686 964)	(548 248)
Proceeds from financial liabilities	29	1 263 000 000	312 000 000	1 263 000 000	312 000 000
Repayment of financial liabilities	29	(983 000 000)	-	(548 000 000)	-
<b>Net cash generated from financing activities</b>		<b>273 971 811</b>	<b>177 740 580</b>	<b>712 339 277</b>	<b>336 955 805</b>
Total cash movement for the period		(16 375 290)	(230 295 303)	(19 546 599)	(232 969 499)
Total cash at beginning of the period		59 218 534	289 513 837	46 787 331	279 756 830
<b>Total cash at end of the period</b>	10	<b>42 843 244</b>	<b>59 218 534</b>	<b>27 240 732</b>	<b>46 787 331</b>



## CORPORATE INFORMATION

Exemplar REITail Limited ("Exemplar" or the "Company") is a corporate REIT incorporated and registered in South Africa.

### 1. MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Group and Company financial statements are set out below.

#### 1.1 BASIS OF PREPARATION

The Group and Company financial statements are prepared on the historical cost basis except for investment properties and derivative financial instruments which are measured at fair value. The financial statements are prepared on the going concern basis. They are presented in Rand, which is the Group and Company's functional currency, and all values are rounded to the nearest Rand.

The Group financial statements have been prepared in accordance with, and in compliance with, IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the SA financial reporting requirements, the requirements of the Companies Act 71 of 2008 of South Africa, as amended, ("the Companies Act") and the Listings Requirements of the JSE Limited.

The accounting policies are consistent with those applied in the prior periods.

#### 1.2 USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses, as well as judgements used in accounting for the acquisitions of the asset portfolios and effective dates.

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

#### Assumptions and estimation uncertainties

The preparation of the financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions concerning the future as described below. Estimates and assumptions, an integral part of financial reporting, have an impact on the amounts reported for the Group's assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a risk of resulting in a material adjustment in the year ended 29 February 2024 is included in the following notes:

##### Investment property valuation - note 3

The property portfolio is valued externally by a professional valuer on an annual basis using the discounted cash flow method. Cash flow projections are based on estimates of future net rental cash flows, discounted using rates that reflect current market assessments, together with external evidence such as current market rentals for similar properties in the same location.

Future rentals are estimated taking into account existing lease contracts and escalations, location, the condition of the property, lease covenants, current market rentals, conditions and the economy.

Estimation is therefore used in determining the appropriate inputs to estimate the fair value of the investment property.



**Impairment of trade and other receivables - note 9**

Impairment adjustments are raised against trade receivables in terms of IFRS 9's ECL model. This is achieved by converting an historic ECL into a probability-weighted forward-looking ECL. At year-end, the probability-weighted forward-looking ECL was adjusted to account for the state of the economy. Management has therefore given careful consideration to indicators that their customers may be experiencing financial difficulty, such as later than normal payments or partial payments, and recognise impairment losses or makes realistic provisions based on the losses expected, net of the VAT clawback and deposits or guarantees held.

**Judgements**

IFRS Accounting Standards requires management to exercise its judgement in the process of applying the Group's accounting policies. Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

**Accounting policies**

Note 1.3 - Consolidation: in reaching a conclusion on whether the Group has de facto control over an investee (see Note 4 - *Investments in subsidiaries*);

Note 1.4 - Joint arrangements: in assessing the substance of an investor's interest by virtue of contractual agreement (see note - 41 *Joint operations*);

Note 1.10 - Leases: whether an arrangement contains a lease.

**1.3 CONSOLIDATION****Basis of consolidation****Subsidiaries**

The Group financial statements include the financial statements of the Company and subsidiaries that it controls. Control is achieved when the Group 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 Group re-assesses whether or not it controls an investee if the facts and circumstances indicate that there are changes to one or more of the elements of control.

Cost comprises the fair value of any assets transferred, liabilities or obligations assumed and equity instruments issued, less transaction costs.

**Investments in subsidiaries in the separate financial statements**

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses where necessary.

**1.4 JOINT ARRANGEMENTS**

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Company recognises the following in relation to its interests 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 share of the revenue from the sale of the output by the joint operation; and
- its share of expenses, including its share of any expenses incurred jointly.

**1.5 INVESTMENT PROPERTY**

The cost of investment property comprises the purchase price and directly attributable expenditure. Subsequent expenditure relating to investment property is capitalised when it is probable that there will be future economic benefits from the use of the asset. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

After initial recognition, investment property is measured at fair value. Fair values are determined annually by an external independent registered valuer on the open market value basis. The valuer uses the discounted cash flow method to determine fair value.

Gains or losses arising from changes in the fair values of investment property are included in profit or loss for the year in which they arise. Immediately prior to disposal of investment property, the investment property is revalued to the net sales proceeds and such revaluation is recognised in profit or loss in the period during which it occurs.

Tenant installation costs are capitalised and amortised over the period of the respective lease. The carrying value of tenant installations is included with investment properties.

**Lease property - Group as lessee**

At the beginning of an arrangement, the Group assesses whether or not it contains a lease. An agreement is or contains a lease if it transfers the right to control the use of an asset identified for a period of time in exchange for consideration.

At initial recognition, the lease liability is measured at the present value of the lease payments. The asset is recognised at the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, less any lease incentives received.



## 1.6 PROPERTY, PLANT AND EQUIPMENT

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

The office building is carried at cost during the construction phase. When the asset comes into use the it will be carried at fair value and revalued on an annual basis.

Depreciation is calculated on the straight-line method, to write off the costs to their residual values over their estimated useful lives. The depreciation rates applicable are as follows:

Item	Average useful life
Computer equipment	3 years
Furniture and fixtures	10 years
Motor vehicles	5 years
Office equipment	5 years
Meter reading equipment	5 years
Solar assets - panels and installation	25 years
Solar assets - inverters and accessories	10 years

The useful lives and residual values of property, plant and equipment are assessed annually.

## 1.7 FINANCIAL INSTRUMENTS

The Group's financial instruments consist mainly of derivative instruments, trade and other receivables, trade and other payables, cash and borrowings. Financial instruments are initially measured at fair value plus, in the case of financial instruments not measured at fair value through profit and loss, transaction costs.

Subsequent to initial recognition these instruments are measured as set out below:

Cash and equivalents  
- Carried at amortised cost.

Derivative financial instruments  
- Carried at fair value, with gain or loss on measurement to fair value recognised immediately in profit or loss. Directly attributable transaction costs are recognised in profit or loss when incurred.

Trade and other receivables  
- Stated at amortised cost using the effective interest method less accumulated impairment losses.

Trade and other payables  
- Stated at amortised cost using the effective interest method.

Related party loans receivable  
- Stated at amortised cost using the effective interest method less accumulated impairment losses.

Related party loans payable  
- Stated at amortised cost using the effective interest method.

Financial liabilities  
- Stated at amortised cost using effective interest method.

Discounting is not applied for all financial instruments carried at amortised cost where the financial effect of the time value of money is not considered to be material, as the fair values of these instruments approximate their carrying values.

### Derecognition

#### Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the contractual rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flow from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where the terms of an existing liability are substantially modified, the exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

#### Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes.



**Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**Interest-bearing borrowings**

Interest-bearing borrowings comprise long-term loans from various financial institutions which accrue interest over the pre-determined loan period.

**1.8 IMPAIRMENT****Non-financial assets**

The carrying amounts of the Group and Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognised in profit or loss.

The recoverable amount of an asset or a cash-generating unit is the greater of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For any asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognised.

**Financial assets**

In terms of IFRS 9 an entity is required to recognise an expected credit loss on a financial asset at amortised cost based on unbiased, forward-looking information. Exposures would be divided into the following three stages:

- Stage 1: 12-month expected credit loss will be recognised on exposures where the credit risk has not significantly increased since origination.
- Stage 2: Lifetime expected credit losses will be recognised for exposures with a significant increase in credit risk since origination.
- Stage 3: Lifetime expected credit losses will be recognised on exposures that meet the definition of default.

Significant financial assets are tested for impairment individually. The remaining financial assets are assessed collectively in groups that share similar credit characteristics.

All impairment losses are recognised separately in profit or loss, and disclosed on the face of the Statement of Comprehensive Income if material.

**Trade receivables and lease receivables - Note 9**

An entity has a policy choice to apply either the simplified approach or the general approach for all lease receivables that result from transactions that are within the scope of IFRS 16. The simplified approach does not require an entity to track the changes in credit risk, but instead, requires the entity to recognise a loss allowance based on lifetime expected credit losses (ECLs) at each reporting date, right from origination.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on an individual basis, trade receivables are assessed net of the value-added tax clawback and deposit or guarantee held. Arrears aged 60 days and over are in most instances deemed to be irrecoverable and provided for. The expected loss rates are based on the Group's historical credit losses experienced over the period prior to the period end and are reassessed at each reporting date. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers, as well as potential changes in the debtors risk profiles. The Group has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

Trade receivables are written off when internal and initial legal collection processes have been exhausted and a judgement is made that the amount is likely not recoverable. Factors considered when monitoring credit risk and determining write-offs include the financial status of the debtor or counterparty, existence and quality of security, disputes and failure of the debtor to engage on payment plans or untraceable debtors.

Impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. Judgement, based on past history, existing market conditions and forward-looking estimates of economic growth and forecast of retail sales, are used in making these assumptions.



**Loans to subsidiaries and loans receivables - Note 7 and 8**

A significant increase in credit risk (SICR), in the context of IFRS 9, is a significant change in the estimated default risk. A default event is the failure of a debtor to fulfil an obligation to settle monies owed to the Group in a timely manner. The Group uses a forward-looking approach to assess significant increase in credit and default risk of customers as part of the entity's internal credit risk management practices, that incorporates value judgements, market indicators and dealing with other relevant qualitative factors. Once assessed, the Group will consider write off when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

A loan is considered to be in default when there is evidence that the borrower is in significant financial difficulty such that it will have insufficient funds to repay the loan on demand. This is assessed based on the number of factors, including various liquidity and solvency ratios.

SICR assessment is performed qualitatively by reference to the borrower's cash flow and liquid asset position. The risk that the borrower will default on a demand loan depends on whether the subsidiary has sufficient cash or other liquid assets to repay the loan immediately (meaning that the risk of default is very low, possibly close to 0%) or it will not (meaning that the risk of default is very high, possibly close to 100%). A loan is considered to be credit impaired if it meets the definition of a defaulted loan.

**Investments in subsidiaries - Note 4**

The carrying value of each investment in subsidiary is assessed for impairment in terms of IAS 36 and in instances where the investment is considered to be impaired, the investment was written down to its estimated recoverable amount by way of an impairment loss. The estimated recoverable amount of each subsidiary is calculated by reference to its net asset value as the underlying assets are carried at fair value.

**1.9 LEASES**

A lease, where the Group acts as a lessor, is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

A lease liability and right of use asset is recognised for all leases where the Group acts as a lessee.

**Leases - Group as the lessor**

Due to the nature of the Group's lease agreements, they are considered to be operating leases. Operating lease income is recognised as an income on a straight-line basis over the lease term.

Turnover rentals (variable rentals based on the turnover achieved by a tenant) are included in revenue when the amounts can be reliably measured. When a contract includes both lease and non-lease components, the group applies IFRS 15 to allocate the consideration under the contract to each component.

Income for leases is disclosed under rental income and recoveries in profit or loss.

**1.10 RENTAL INCOME AND RECOVERIES**

Rental income and recoveries comprises gross rental revenue, operating cost recoveries, as well as marketing and parking income, excluding value added taxation.

The Group recognises revenue in accordance with:

- IFRS 16 – Contractual rental income; and
- IFRS 15 – Revenue from cost recoveries.

Rental revenue from investment property is recognised on a straight-line lease basis on commencement of a lease and is measured based on the consideration specified in the contract. Operating cost recoveries, comprising the Group's recovery of costs for providing the tenant with services as determined by the lease agreement, are levied monthly in arrears. Operating cost recoveries are based on consumption and actual expenses incurred and are accounted for in accordance with IFRS 15. Rental and recoveries are billed on a monthly basis and payment is due by the first of the month. Turnover rental, income from marketing and parking is recognised when the amounts can be reliably measured.

**1.11 INVESTMENT INCOME**

Interest is recognised, in profit and loss, using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

**1.12 OTHER INCOME**

Administration and management fees received are recognised when the services are rendered.

**1.13 PROPERTY OPERATING EXPENSES**

Costs incurred under service contracts entered into and property operating expenses are expensed as incurred.



## 1.14 EMPLOYEE BENEFITS

### **Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

### **Equity - settled instruments**

The fair value of options granted in terms of the employee share scheme is determined on grant date and amortised over the vesting period.

## 1.15 INCOME TAX

In accordance with the Group's status as a REIT, the dividend declared meets the requirements of a qualifying distribution for the purposes of section 25BB of the Income Tax Act, 58 of 1962, (as amended) (the "Income Tax Act").

As the Group has obtained REIT status effective 12 June 2018, the Group is not liable for capital gains tax on the disposal of directly held properties and local REIT securities. In addition, no deferred tax has been provided on movements in the fair value of investment property as no capital gains tax is payable on disposal of properties due to the REIT legislation. Deferred tax has been provided for capital allowances claimed in respect of investment property acquired in terms of the business acquisitions which allowances will be recouped on the disposal of such assets.

## 1.16 FINANCE COSTS

Finance costs comprise interest payable on borrowings calculated using the effective interest method.

## 1.17 SEGMENTAL REPORTING

The Group identifies and presents operating segments based on the information that is provided internally to the Group's management and internal reporting structure which will be determined by the Group's executive committee. A segment is a distinguishable component of the group that is engaged either in providing services (business segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments.

The Group's segments are based on geographical segments and are determined based on the location of the properties, presented by province.

Segment results include revenue and expenses directly attributable to a segment and the relevant portion of Group revenue and expenses that can be allocated on a reasonable basis to a segment. Segmental assets comprise those assets that are directly attributable to the segment or can be allocated to the segment on a reasonable basis.

## 1.18 EARNINGS PER SHARE

The Group presents basic earnings per share, headline earnings per share, diluted earnings per share and diluted headline earnings per share.

Basic earnings per share is calculated by dividing the profit attributable to equity holders by the weighted average number of shares in issue during the year.

Headline earnings per share is calculated by dividing the headline earnings attributable to equity holders by the weighted average number of shares in issue during the year in accordance with SAICA Circular 01/2023.

Options granted to employees to acquire shares in the Company in terms of the equity-settled share scheme, have a dilutionary effect

Diluted earnings per share and diluted headline earnings per share are calculated respectively by dividing the profit attributable to equity holders and headline earnings attributable to equity holders by the diluted weighted average shares in issue during the year.



## 2. NEW STANDARDS AND INTERPRETATIONS

### 2.1 STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

The following amendments are effective for the period beginning 1 March 2023:

- IFRS 17 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors); and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes).

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2023. See the applicable notes for further details on how the amendments affected the Group.

#### IFRS 17 Insurance Contracts

IFRS 17 was issued by the IASB in 2017 and replaces IFRS 4 for annual reporting period beginning on or after 1 January 2023.

IFRS 17 introduces an internationally consistent approach to the accounting for insurance contracts. Prior to IFRS 17, significant diversity has existed worldwide relating to the accounting for and disclosure of insurance contracts, with IFRS 4 permitting many previous accounting approaches to be followed.

Since IFRS 17 applies to all insurance contracts issued by an entity (with limited scope exclusions), its adoption may have an effect on non-insurers. The Group carried out an assessment of its contracts and operations and concluded that the adoption of IFRS 17 has had no effect on the annual consolidated financial statements of the Group.

#### Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements)

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

These amendments have no effect on the measurement or presentation of any items in the Consolidated financial statements of the Group but affect the disclosure of accounting policies of the Group.

#### Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors)

The amendments to IAS 8, which added the definition of accounting estimates, clarify that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors.

These amendments had no effect on the consolidated financial statements of the Group.

#### Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes)

In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

These amendments had no effect on the annual consolidated financial statements of the Group.

### 2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 March 2024:

- Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of Financial Statements);
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements); and
- Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures)

The following amendments are effective for the period beginning 1 March 2025:

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)

The Group does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Group.



### 3. INVESTMENT PROPERTY

	Notes	GROUP		COMPANY	
		2024	2023	2024	2023
		R	R	R	R
<b>Net carrying value</b>					
Cost		7 178 554 170	7 076 894 432	3 586 485 896	3 528 597 806
Cumulative fair value adjustments		1 329 451 411	968 692 652	398 506 060	249 375 622
		<b>8 508 005 581</b>	<b>8 045 587 084</b>	<b>3 984 991 956</b>	<b>3 777 973 428</b>
<b>Reconciliation of investment property</b>					
Investment properties at the beginning of the period		8 045 587 084	6 921 601 401	3 777 973 428	3 256 619 505
Additions		67 677 332	349 902 112	51 369 903	21 330 029
Reclassification from property, plant and equipment	5	29 412 105	9 811 114	7 682 328	-
Additions - riot damage		-	188 026 999	-	188 026 999
Additions - tenant installations		2 387 740	2 481 044	514 363	996 331
Tenant installations amortisation	20	(6 434 009)	(6 763 773)	(2 358 399)	(2 564 003)
Change in right-of-use asset		8 616 570	(3 582 838)	679 895	22 269
Properties acquired by group	39	-	116 500 000	-	116 500 000
Fair value adjustments		360 758 759	467 611 026	149 130 438	197 042 298
<b>Balance at the end of the period</b>		<b>8 508 005 581</b>	<b>8 045 587 084</b>	<b>3 984 991 956</b>	<b>3 777 973 428</b>
<b>Reconciliation to independent valuation</b>					
Investment property as per valuation		8 646 478 488	8 185 440 124	4 079 773 126	3 867 927 876
Operating lease assets		(199 790 776)	(190 144 721)	(110 071 714)	(104 110 000)
Lease liabilities	15	61 317 869	50 291 681	15 290 544	14 155 552
		<b>8 508 005 581</b>	<b>8 045 587 084</b>	<b>3 984 991 956</b>	<b>3 777 973 428</b>
<b>Reconciliation of additions to investment property</b>					
Additions		67 677 332	300 079 266	51 369 903	21 330 029
Reclassification from property, plant and equipment	5	28 373 733	9 811 114	-	-
Additions - riot damage		-	188 026 999	-	188 026 999
Additions - tenant installations		2 387 740	2 481 044	514 363	996 331
<b>Cash additions to investment property</b>		<b>98 438 805</b>	<b>500 398 423</b>	<b>51 884 266</b>	<b>210 353 359</b>

#### Security over properties

The investment properties have been mortgaged in favour of the lenders as disclosed in note 14. The lenders are further secured by the Company and its subsidiaries in the form of continuing irrevocable and unconditional joint and several guarantees which extend to the ultimate balance of sums payable. The extent of the guarantees given by Phola Park Shopping Centre (Pty) Ltd, Theku Plaza (Pty) Ltd and Mandeni Plaza (Pty) Ltd are limited to R 292 668 311, R 88 758 000 and R 105 704 160 respectively, plus interest and costs.



**Details of valuation**

All of the investment properties are valued once a year using the discounted cash flow method. The valuations were performed by Quadrant Properties (Pty) Ltd, external independent qualified property valuers, with recent experience in location and category of the investment property being valued. At the financial year end, market related rental income categorised by building location, type and grade, have been used as inputs to the discounted cash flow model.

**2023**

**Significant unobservable inputs and range of estimates used**

Geographical location	Capitalisation rate	Discount rate	Growth projection in revenue	Growth projection in contractual expenses
Gauteng	8.25% - 9.50%	13.50% - 15.00%	5.11% - 6.90%	5.25% - 5.50%
Mpumalanga	8.50% - 12.00%*	14.00% - 17.50%*	4.88% - 9.13%	5.50%
KwaZulu Natal	9.25% - 10.25%	14.75% - 15.75%	5.50%	5.50%
Limpopo	8.75% - 10.50%	14.25% - 15.75%	(1.5%) - 5.61% **	5.25% - 5.50%
Eastern Cape	8.75% - 9.50%	14.25% - 15.00%	4.60% - 5.06%	5.50%

**2022**

**Significant unobservable inputs and range of estimates used**

Geographical location	Capitalisation rate	Discount rate	Growth projection in revenue	Growth projection in contractual expenses
Gauteng	8.25% - 9.50%	13.50% - 15.00%	5.25% - 5.50%	5.25% - 5.50%
Mpumalanga	8.50% - 12.00%*	14.00% - 17.50%*	5.50%	5.50%
KwaZulu Natal	9.25% - 10.25%	14.75% - 15.75%	5.50%	5.50%
Limpopo	8.75% - 10.50%	14.25% - 15.75%	5.25% - 5.50%	5.25% - 5.50%
Eastern Cape	8.75% - 9.50%	14.25% - 15.00%	5.50%	5.50%

\* The capitalisation rate and discount rate applied in the valuation of Acornhoek Megacity were 12.00% and 17.50% (2023: 12.00% and 17.50%) respectively. Excluding Acornhoek Megacity, the capitalisation and discount rate ranges for Mpumalanga would be 8.50% - 9.50% (2023: 8.50% - 9.50%) and 14.00% - 15.00% (2023: 14.00% - 15.00%) respectively.

\*\* The growth projection in revenue and risk rate applied to Maake Plaza was -1.5% (2023: 5.25%). Excluding Maake Plaza, the growth projection in revenue and risk rate ranges for Limpopo would be 4.26% - 5.61% (2023: 5.25% - 5.50%). The lower projection in revenue and risk rate is due to the land lease expiring in approximately 4 years.

The fair value of the investment property has not been adjusted significantly for the purposes of financial reporting, other than for the lease liabilities and operating lease assets that are recognised separately in the statement of financial position.

**Inter-relationship between key unobservable inputs and fair value measurements**

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

Input	Change %	2024	2023
		R	R
Increase in capitalisation rate	1.00	(890 670 875)	(725 961 612)
Decrease in capitalisation rate	1.00	1 110 153 131	905 211 393
Increase in discount rate	1.00	(617 413 272)	(561 415 646)
Decrease in discount rate	1.00	617 413 272	561 415 646
Increase in projected revenue growth rate	1.00	1 110 153 131	905 211 393
Decrease in projected revenue growth rate	1.00	(890 670 875)	(725 961 612)
Increase in projected expense escalation rate	10.00	(477 774 582)	(556 363 872)
Decrease in projected expenses escalation rate	10.00	477 774 582	556 363 872

The fair value gains and losses are disclosed separately on the statement of profit or loss and other comprehensive income. The fair value of investment property is categorised as a level 3 recurring fair value measurement and there has been no transfer between levels in the current year. For the level 3 reconciliation, refer to the reconciliation of investment property contained within this note.

The effective date of the valuations was 29 February 2024 and 28 February 2023 for the prior financial year.



**Weighted average rental per m<sup>2</sup> for rentable area for the month of March 2024**

<b>Property</b>	<b>2024</b>	<b>2023</b>
	<b>R/m<sup>2</sup></b>	<b>R/m<sup>2</sup></b>
Acornhoek Megacity	72,69	77,67
Alex Mall	159,01	152,66
Atteridge Stadium Centre	219,95	208,40
Bizana Walk	164,06	163,02
Blouberg Mall	178,53	166,06
Chris Hani Crossing	214,77	203,87
Diepkloof Square	186,59	174,33
Greater Edendale Mall	120,98	124,41
Emoyeni Mall	123,58	123,40
Jane Furse Plaza	220,70	204,76
Katale Square	141,57	131,92
KwaBhaca Mall	161,06	152,02
Kwagga Mall	172,29	170,15
Lusiki Plaza	150,54	142,14
Maake Plaza	172,91	164,47
Mabopane Square	153,70	145,96
Mall of Thembisa	157,38	148,24
Mamelodi Square	146,46	142,32
Mandeni Mall	156,31	147,37
Modimall	130,69	124,67
Modjadji Plaza	187,23	175,92
Olievenhout Plaza	182,59	174,54
Phola Mall	176,51	166,00
Theku Plaza	169,56	159,27
Thorntree Shopping Centre	176,92	167,64
Tsakane Mall	202,10	198,45



## 4. INVESTMENTS IN SUBSIDIARIES

The following table lists the entities which are controlled directly by the Company, and the carrying amounts of the investments in the Company's financial statements:

Name of company	Notes	2024		2023	
		% holding	Carrying amount R	% holding	Carrying amount R
Alex Mall (Pty) Ltd		100.00	174 956 260	100.00	174 956 260
Bizana Walk (Pty) Ltd	13	60.00	648 777	60.00	89 604
Exemplar Leasing (Pty) Ltd		100.00	100	100.00	100
Exemplar Utilities (Pty) Ltd		100.00	100	100.00	100
Farisani Business Enterprise (Pty) Ltd	13	65.00	650	65.00	6 881 058
Jean Junction (Pty) Ltd		100.00	100	-	-
Katale Square (Pty) Ltd		100.00	19 373 775	100.00	19 373 775
KwaBhaca Mall (Pty) Ltd	13	60.00	3 270 109	60.00	3 268 009
Mabopane Square (Pty) Ltd		100.00	36 868 955	100.00	36 868 955
Maake Plaza (Pty) Ltd	25	100.00	54 197 149	100.00	59 809 934
Mall of Thembisa (Pty) Ltd	25 & 40	100.00	140 807 827	100.00	123 395 118
Mandeni Plaza (Pty) Ltd	13	50.00	25 881 595	50.00	25 881 595
Mbhashe LG Mall (Pty) Ltd	13	60.00	600	-	-
Modimall (Pty) Ltd		100.00	63 409 206	100.00	63 409 206
Phola Mall (Pty) Ltd	13	53.00	77 416 382	53.00	77 416 382
Theku Plaza (Pty) Ltd	13	82.50	84 396 835	82.50	84 396 835
Tsakane Mall (Pty) Ltd		100.00	352 141 284	100.00	352 141 284
Vuwani Plaza (Pty) Ltd	13	65.00	650	-	-
			<b>1 033 370 354</b>		<b>1 027 888 215</b>
<b>Reconciliation of investments in subsidiaries</b>					
Year on year movement in investment in subsidiaries			5 482 139		89 986 164
Shareholder loan claim acquired			-		20 000 000
less Reversal of impairment			(17 412 709)		-
add Impairment			5 612 785		27 359 300
Reclassification from investment in subsidiary to loan to subsidiaries			6 880 408		-
<b>Cash investments in subsidiaries</b>			<b>562 623</b>		<b>137 345 464</b>

The carrying amounts are stated net of impairments (refer to note 25 and note 13).

Mandeni Plaza (Pty) Ltd is considered to be a subsidiary of the Company, as control is evidenced by virtue of the Company's power to appoint or remove the majority of the members of the board of directors. The entity has been consolidated accordingly.

During the previous financial year the Company acquired the non controlling interest in the Mall of Thembisa Pty (Ltd), (refer to note 40).

All subsidiaries are incorporated and have their principal place of business in South Africa.



## 5. PROPERTY, PLANT AND EQUIPMENT

	GROUP		COMPANY	
	2024	2023	2024	2023
Notes	R	R	R	R
Computer equipment	602 301	939 653	490 430	756 728
Cost	1 854 981	1 727 986	1 465 841	1 357 892
Accumulated depreciation	(1 252 680)	(788 333)	(975 411)	(601 164)
Furniture and fixtures	321 548	475 979	145 057	192 172
Cost	1 401 973	1 379 754	474 445	452 226
Accumulated depreciation	(1 080 425)	(903 775)	(329 388)	(260 054)
Office equipment	3 254 255	3 589 486	2 400 966	2 598 747
Cost	5 228 261	4 839 880	3 827 866	3 439 485
Accumulated depreciation	(1 974 006)	(1 250 394)	(1 426 900)	(840 738)
Motor vehicles	1 377 236	1 729 982	1 377 236	1 729 982
Cost	2 067 258	2 067 258	2 067 258	2 067 258
Accumulated depreciation	(690 022)	(337 276)	(690 022)	(337 276)
Meter reading and solar equipment	10 939 831	11 987 788	232 147 695	229 734 764
Cost	10 975 793	12 014 164	240 827 597	234 027 126
Accumulated depreciation	(35 962)	(26 376)	(8 679 902)	(4 292 362)
Office building	60 384 038	1 142 073	53 293 745	1 142 073
Cost	60 384 038	1 142 073	53 293 745	1 142 073
Accumulated depreciation	-	-	-	-
	<b>76 879 209</b>	<b>19 864 961</b>	<b>289 855 129</b>	<b>236 154 466</b>
<b>Reconciliation of property, plant and equipment</b>				
Property, plant and equipment at the beginning of the period	19 864 961	23 102 191	236 154 466	179 960 952
Additions	<b>88 153 294</b>	<b>7 809 619</b>	<b>67 153 020</b>	<b>60 705 270</b>
Computer equipment	126 995	956 358	107 949	858 833
Furniture and fixtures	22 219	220 356	22 219	103 087
Office equipment	388 381	2 867 038	388 381	2 023 361
Motor vehicles	-	1 369 931	-	1 369 931
Buildings	59 241 966	1 142 073	52 151 671	1 142 073
Meter reading equipment and solar assets	28 373 733	1 253 863	14 482 800	55 207 985
Reclassification of meter reading equipment and solar assets to investment property	3 (29 412 105)	(9 811 114)	(7 682 328)	-
Depreciation	<b>(1 726 941)</b>	<b>(1 235 735)</b>	<b>(5 770 029)</b>	<b>(4 511 756)</b>
Computer equipment	(464 347)	(382 706)	(374 247)	(284 348)
Furniture and fixtures	(176 650)	(195 782)	(69 334)	(61 002)
Office equipment	(723 612)	(462 882)	(586 162)	(383 301)
Motor vehicles	(352 746)	(184 825)	(352 746)	(184 825)
Meter reading and solar equipment	(9 586)	(9 540)	(4 387 540)	(3 598 281)
	<b>76 879 209</b>	<b>19 864 961</b>	<b>289 855 129</b>	<b>236 154 466</b>

The office building is carried at cost during the construction phase. When the asset comes into use it will be carried at fair value and revalued on an annual basis.

### Reconciliation of property, plant and equipment additions

Additions	88 153 294	7 809 619	67 153 020	60 705 270
Additions purchased in current year reclassified as investment property	(28 373 733)	-	-	-
<b>Cash additions to property, plant and equipment</b>	<b>59 779 561</b>	<b>7 809 619</b>	<b>67 153 020</b>	<b>60 705 270</b>

Included in the cost of meter reading and solar equipment is R10 197 747 (2023: R11 966 233) of solar components which have not yet been installed or brought into use. Solar assets of R230 629 850 (2023: R222 833 780) owned by the Company and installed on the roofs of properties held through subsidiaries are classified as property, plant and equipment in the Company (as these solar assets are owned by the Company and not the subsidiaries) and on consolidation are reclassified to investment property.

## 6. DERIVATIVE FINANCIAL INSTRUMENTS

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Hedging derivatives</b>				
Interest rate derivatives	258 857	43 131 204	258 857	27 838 007

2024				
Transaction	Fixed rate payer	Floating rate payer	Rate	Notional
Interest rate cap	Exemplar	Counterparty	9.360%	R 500 000 000

2023				
Transaction	Fixed rate payer	Floating rate payer	Rate	Notional
Interest rate swap	Exemplar	Counterparty	4.295%	R 850 000 000
Interest rate swap	Mall of Thembisa	Counterparty	4.130%	R 435 000 000

The Group utilises these derivative financial instruments to hedge all, or a portion, of the interest rate risk associated with its borrowings. The principal objective of such arrangements is to minimise the risks and / or costs associated with the Company's operating and financing structure. The Company's interest rate cap matures on 26 May 2026. The Company and Mall of Thembisa (Pty) Ltd interest rate swap arrangements terminated on 11 December 2023 and 15 January 2024 respectively. The Company does not apply hedge accounting in terms of IFRS 9.

The derivative financial instruments were valued by ABSA Bank Limited as being the difference between the present value of interest payments at the fixed rate and the projected interest payments based on the forward yield curve. The Company and the Group subsidiary do not utilise derivatives for speculative or other purposes other than interest rate risk management.

Refer to note 38, Risk management for further details.



## 7. LOANS TO SUBSIDIARIES

	2024	2023
	R	R
Alex Mall (Pty) Ltd The loan is unsecured, is interest-free (2023: 0.00%) and has no fixed terms of repayment.	290 140 385	288 299 090
Bizana Walk (Pty) Ltd The loan is unsecured, bears interest at the prime rate plus 1.75% (2023: prime plus 2.00%) and has no fixed terms of repayment.	96 912 866	85 733 156
Exemplar Leasing (Pty) Ltd The loan is unsecured, is interest-free (2023: 0.00%) and has no fixed terms of repayment.	-	1 600 000
Exemplar Management (Pty) Ltd The loan is unsecured, is interest-free (2023: N/A) and has no fixed terms of repayment.	10 000	-
Farisani Business Enterprise (Pty) Ltd The loan is unsecured, is interest-free (2023: N/A) and has no fixed terms of repayment.	6 957 885	-
Jean Junction (Pty) Ltd The loan is unsecured, is interest-free (2023: N/A) and has no fixed terms of repayment.	7 099 900	-
Katale Square (Pty) Ltd The loan is unsecured, is interest-free (2023: 7.15%) and has no fixed terms of repayment.	93 295 754	96 711 284
KwaBhaca Mall (Pty) Ltd The loan is unsecured, bears interest at the prime lending rate (2023: prime lending rate) and has no fixed terms of repayment.	309 450 189	295 561 570
Mabopane Square (Pty) Ltd The loan is unsecured, is interest-free (2023: 7.15%) and has no fixed terms of repayment.	120 283 891	120 589 874
Mall of Thembisa (Pty) Ltd The loan is unsecured, is interest-free (2023: 0.00%) and has no fixed terms of repayment.	671 656 398	237 921 650
Mandeni Plaza (Pty) Ltd The loan is unsecured, bears interest at 9.40% (2023: 7.15%) and is repayable on demand.	107 320 455	106 204 246
Mbhashe LG Mall (Pty) Ltd The loan is unsecured, bears interest at the prime rate plus 2.00% interest (2023: N/A) and has no fixed terms of repayment.	14 145 191	-
Modimall (Pty) Ltd The loan is unsecured, is interest-free (2023: 0.00%) and has no fixed terms of repayment.	187 383 116	189 491 161
Phola Mall (Pty) Ltd The loan is unsecured, bears interest at 9.40% (2023: 7.15%) and is repayable on demand.	279 692 266	274 721 656
Theku Plaza (Pty) Ltd The loan is unsecured, bears interest at 9.40% (2023: 7.15%) and is repayable on demand.	96 326 602	80 309 630
Tsakane Mall (Pty) Ltd The loan is unsecured, is interest-free (2023: 7.15%) and has no fixed terms of repayment.	12 459 672	10 937 255
Vuwani Mall (Pty) Ltd The loan is unsecured, bears interest at the prime rate plus 2.00% interest (2023: N/A) and has no fixed terms of repayment.	213 007	-
	<b>2 293 347 577</b>	<b>1 788 080 572</b>

The credit risk of these loans is low considering, inter alia, that the subsidiaries property value and net income are expected to remain at or above current levels. The net asset value of each subsidiary is sufficient to cover the value of its loan and therefore management considers the loans recoverable. The loans are repayable on demand and the liquid assets do not cover the loan payable. An assessment is therefore done based on stage 3: lifetime expected credit losses. All available forward-looking information, including estimates of economic growth, the expected value of the investment properties and forecast of retail sales, were taken into account, which indicated that no expected credit loss exist and consequently the loans were not impaired.



## 8. LOANS RECEIVABLE

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Non-current loans receivable</b>				
Stilopro (Pty) Ltd - Bizana The loan is secured by a cession and pledge of the shares in Bizana Walk (Pty) Ltd, bears interest at the prime rate NACM and is repaid through the dividends received.	17 410 799	-	17 410 799	-
Stilopro (Pty) Ltd - Kwabacha The loan is secured by a cession and pledge of the shares in Kwabacha Mall (Pty) Ltd, bears interest at the prime rate NACM and is repaid through the dividends received.	7 456 381	-	7 456 381	-
	<b>24 867 180</b>	<b>-</b>	<b>24 867 180</b>	<b>-</b>
<b>Current loans receivable</b>				
Moemedi Enterprise (Pty) Ltd T/A Roots Katala Square The loan is secured by equipment with a cost of R5 805 660, bears interest at 11% NACM and is repayable in monthly instalments.	2 137 661	2 711 073	-	-
Employee share scheme	30 256 255	32 480 916	30 256 255	32 480 916
	<b>32 393 916</b>	<b>35 191 989</b>	<b>30 256 255</b>	<b>32 480 916</b>
Non-current loans receivable	24 867 180		24 867 180	
Current loans receivable	32 393 916		30 256 255	
	<b>57 261 096</b>	<b>35 191 989</b>	<b>55 123 435</b>	<b>32 480 916</b>

The loans to Stilopro, in both instances, relate to cost overruns funded by the Company. The loans will be repaid from the dividends that Stilopro will receive from the respective schemes.

In order to align the interests of the employees with those of the shareholders, the company provides eligible employees with the opportunity to acquire shares. The share debt bears interest from time to time at a rate determined by the directors, currently 8.71% (2023: 6.5%), until repaid in full. Dividends (or other distributions) on the plan shares are applied against the interest and the balance is credited to the outstanding debt.

Number of shares held as security at the beginning of the year	3 475 100	4 350 100	3 475 100	4 350 100
Number of shares released as security during the year	(25 000)	(875 000)	(25 000)	(875 000)
<b>Number of shares held as security at the end of the year</b>	<b>3 450 100</b>	<b>3 475 100</b>	<b>3 450 100</b>	<b>3 475 100</b>
Number of shares authorised to be issued under the scheme	10 000 000	10 000 000	10 000 000	10 000 000
Number of shares issued under the scheme	(4 350 100)	(4 350 100)	(4 350 100)	(4 350 100)
<b>Number of shares available for issue under the scheme at the end of the year</b>	<b>5 649 900</b>	<b>5 649 900</b>	<b>5 649 900</b>	<b>5 649 900</b>

Should an employee vacate office prior to settlement and the value of the shares falls below the outstanding loan balance, the employee will be obliged to settle the difference.

The credit risk of the employee share scheme loans are low considering, inter alia, that the net value of the shares would be sufficient to cover the share scheme debt. The Moemedi Enterprise (Pty) Ltd loan is also considered a low credit risk as the loan is secured by the assets and fixtures of the Roots Katala Square store. The loans to Stilopro (Pty) Ltd are a low credit risk as the loan will be repaid through the dividends that Stilopro (Pty) Ltd will receive from the Bizana Walk and Kwabacha Mall properties. The loans met the requirements for low risk financial assets and consequently 12-month expected credit losses were evaluated. A probability weighted risk of default during the next 12 months was applied to exposure at default. All available forward-looking information, including profit forecasts, estimates of economic growth and the expected value of the shares, were taken into account, which indicated no expected credit loss and consequently the loans were not impaired.

## 9. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Trade receivables	86 066 892	77 971 294	45 701 794	36 800 589
Expected credit loss of trade receivables	(48 406 880)	(36 398 198)	(25 784 943)	(18 125 264)
	<b>37 660 012</b>	<b>41 573 096</b>	<b>19 916 851</b>	<b>18 675 325</b>
Sundry debtors	10 600 496	1 283 828	5 599 919	467 559
Expected credit loss of sundry debtors	(1 961 577)	-	(1 961 577)	-
	<b>8 638 919</b>	<b>1 283 828</b>	<b>3 638 342</b>	<b>467 559</b>
Deposits	23 300 410	23 071 759	9 218 262	9 123 838
Other prepayments	5 434 845	2 955 086	3 959 060	936 001
Value-added Tax	-	1 731 818	-	-
	<b>75 034 186</b>	<b>70 615 587</b>	<b>36 732 515</b>	<b>29 202 723</b>

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

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on an individual basis, trade receivables are assessed net of the value-added tax clawback and deposit or guarantee held. Arrears aged 60 days and over are in most instances deemed to be irrecoverable and provided for. The expected loss rates are based on the Group's historical credit losses experienced over the period prior to the period end and are reassessed at each reporting date. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers, as well as potential changes in the debtor's risk profiles. The Group has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

The ECL provision against sundry debtors relates to an individual debtor whose credit worthiness is in doubt.

### Trade receivables

Group	GROUP			
	2024		2023	
	Balance	ECL allowance	Balance	ECL allowance
	R	R	R	R
Current	33 114 648	-	38 239 736	-
30 days	2 946 213	-	2 441 800	-
60 days	2 212 617	(613 466)	1 973 047	(1 081 487)
90 days	2 583 718	(2 583 718)	1 979 171	(1 979 171)
120+ days	45 209 696	(45 209 696)	33 337 540	(33 337 540)
	<b>86 066 892</b>	<b>(48 406 880)</b>	<b>77 971 294</b>	<b>(36 398 198)</b>

### Trade receivables

Company	COMPANY			
	2024		2023	
	Balance	ECL allowance	Balance	ECL allowance
	R	R	R	R
Current	17 771 808	-	17 038 949	-
30 days	1 750 981	-	1 087 037	-
60 days	1 418 110	(1 024 048)	1 131 717	(582 378)
90 days	1 436 048	(1 436 048)	1 044 870	(1 044 870)
120+ days	23 324 847	(23 324 847)	16 498 016	(16 498 016)
	<b>45 701 794</b>	<b>(25 784 943)</b>	<b>36 800 589</b>	<b>(18 125 264)</b>

The ECL allowance is established to anticipate and provision for potential credit losses arising from tenant defaults on rental payments. Changes in tenants' financial circumstances significantly impact ECL estimates. Economic downturns or tenant-specific challenges may lead to higher default probabilities, necessitating adjustments to the ECL allowance. Having reviewed the ECL and specific tenants, there is no significant concentration of credit risk in the current year or in the foreseeable future.

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Credit loss allowance reconciliation</b>				
Opening Balance	(36 398 198)	(46 291 797)	(18 125 264)	(22 520 296)
Reversal of allowance for credit notes - July 2021 riots	-	8 696 420	-	3 333 355
Allowance utilised	4 568 345	3 629 639	1 051 429	1 618 588
Allowance raised	(16 577 027)	(2 432 460)	(8 711 108)	(556 911)
Closing balance	(48 406 880)	(36 398 198)	(25 784 943)	(18 125 264)
<b>Deposits</b>				
Electricity	22 719 429	22 499 667	8 805 190	8 779 655
Water	449 052	380 163	373 453	304 564
Diesel	127 729	187 729	37 729	37 729
Telephone	4 200	4 200	1 890	1 890
	23 300 410	23 071 759	9 218 262	9 123 838

The Group has provided the above deposits to its suppliers. The electricity deposits are held by either Eskom or various municipalities. These deposits will remain in place until such time as an account is closed, which would only occur on the sale of a relevant property or it ceases trading. None of the properties are held for sale and all are going concerns. Historically, when accounts have been closed, the deposit has been refunded in full. Therefore, no credit loss allowance has been raised against these deposits.

## 10. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Cash on hand	127 951	159 776	62 283	82 836
Bank balances	29 096 265	46 220 735	17 499 071	37 574 841
Tenant deposits	13 619 028	12 838 023	9 679 378	9 129 654
	42 843 244	59 218 534	27 240 732	46 787 331

Cash on deposit is only placed with banks that are AA rated or higher.

Cash and cash equivalents that are not available for use by the Group and Company	5 882 211	23 235 313	4 364 111	23 235 313
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Restricted cash and cash equivalents of R 3 747 402 (2023: R3 747 402) are held in a Rand Merchant Bank call account linked to a guarantee issued to the Mbombela Local Municipality and a further R 2 134 809 (2023: R 0) is held in various First National Bank accounts linked to guarantees issued to various municipalities and Eskom.

## 11. STATED CAPITAL

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Authorised</b>				
5 000 000 000 ordinary shares with no par value				
<b>Issued</b>				
332 290 686 (2023: 332 290 686) ordinary shares with no par value	3 310 533 449	3 310 533 449	3 310 533 449	3 310 533 449
<b>Reconciliation of stated capital</b>				
Reported at beginning of year	3 310 533 449	3 310 533 449	3 310 533 449	3 310 533 449
Reported at end of year	3 310 533 449	3 310 533 449	3 310 533 449	3 310 533 449
<b>Reconciliation of number of shares</b>				
Reported at beginning of year	332 290 686	332 290 686	332 290 686	332 290 686
Reported at end of year	332 290 686	332 290 686	332 290 686	332 290 686



## 12. SHARE-BASED PAYMENT RESERVE

The Company operates two share based remuneration schemes for employees: a loan scheme and an equity settled scheme. The loan scheme is further explained in note 8

In terms of the equity settled scheme employees are granted options to acquire shares in the Company at either market price or RNil. The options vest in three equal tranches, 3, 4 and 5 years after grant date. Employees have 2 years in which to exercise their options. Options not exercised within this period lapse. Options which vest at a date subsequent to the date of resignation of employees are forfeited. The options are valued using the Black-Scholes model, the inputs and outputs of the model are shown below:

	GROUP		COMPANY	
	2024	2023	2024	2023
	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes
<b>Option pricing model used</b>				
<b>Valuation model inputs:</b>				
Market value (Rands)	12.00	12.00	12.00	12.00
Strike price (Rands)	0.00	0.00	0.00	0.00
Volatility	20.00%	20.00%	20.00%	20.00%
Time to expiry	5, 6 and 7 years	5, 6 and 7 years	5, 6 and 7 years	5, 6 and 7 years
<b>Grant date 13 July 2022</b>				
Risk free rate for 5 years	8.62%	8.62%	8.62%	8.62%
Risk free rate for 6 years	8.94%	8.94%	8.94%	8.94%
Risk free rate for 7 years	9.25%	9.25%	9.25%	9.25%
Dividend yield	10.83%	10.83%	10.83%	10.83%
<b>Grant date 24 May 2023</b>				
Risk free rate for 5 years	11.75%	-	11.75%	-
Risk free rate for 6 years	11.75%	-	11.75%	-
Risk free rate for 7 years	11.75%	-	11.75%	-
Dividend yield	11.76%	-	11.76%	-
<b>Grant date 24 July 2023</b>				
Risk free rate for 5 years	11.75%	-	11.75%	-
Risk free rate for 6 years	11.75%	-	11.75%	-
Risk free rate for 7 years	11.75%	-	11.75%	-
Dividend yield	11.76%	-	11.76%	0
Options granted during the year	4 175 000	5 825 000	4 175 000	5 825 000
Options forfeited	(50 000)	(150 000)	(50 000)	(150 000)
<b>Total unexercised options end of year</b>	<b>9 800 000</b>	<b>5 675 000</b>	<b>9 800 000</b>	<b>5 675 000</b>
<b>Grant date 13 July 2022</b>	<b>5 625 000</b>	<b>5 675 000</b>	<b>5 625 000</b>	<b>5 675 000</b>
Expiring 13 July 2027	1 875 000	1 891 660	1 875 000	1 891 660
Expiring 13 July 2028	1 875 000	1 891 669	1 875 000	1 891 669
Expiring 13 July 2029	1 875 000	1 891 671	1 875 000	1 891 671
<b>Grant date 24 May 2023</b>	<b>1 925 000</b>	<b>-</b>	<b>1 925 000</b>	<b>-</b>
Expiring 24 May 2028	641 672	-	641 672	-
Expiring 24 May 2029	641 665	-	641 665	-
Expiring 24 May 2030	641 663	-	641 663	-
<b>Grant date 24 July 2023</b>	<b>2 250 000</b>	<b>-</b>	<b>2 250 000</b>	<b>-</b>
Expiring 24 July 2028	749 998	-	749 998	-
Expiring 24 July 2029	750 001	-	750 001	-
Expiring 24 July 2030	750 001	-	750 001	-



	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Option premium (Rand/option as per Black-Scholes model output):</b>				
Expiring 13 July 2027	6,98145	6,98145	6,98145	6,98145
Expiring 13 July 2028	6,26467	6,26467	6,26467	6,26467
Expiring 13 July 2029	5,62149	5,62149	5,62149	5,62149
Expiring 24 May 2028	6,66524	-	6,66524	-
Expiring 24 May 2029	5,92575	-	5,92575	-
Expiring 24 May 2030	5,26829	-	5,26829	-
Expiring 24 July 2028	6,66524	-	6,66524	-
Expiring 24 July 2029	5,92575	-	5,92575	-
Expiring 24 July 2030	5,26829	-	5,26829	-
	<b>60 230 954</b>	<b>35 691 229</b>	<b>60 230 954</b>	<b>35 691 229</b>
<b>Total cost (number of shares multiplied by option premium):</b>				
Expiring 13 July 2027	13 090 219	13 206 530	13 090 219	13 206 530
Expiring 13 July 2028	11 746 265	11 850 691	11 746 265	11 850 691
Expiring 13 July 2029	10 540 293	10 634 008	10 540 293	10 634 008
Expiring 24 May 2028	4 276 901	-	4 276 901	-
Expiring 24 May 2029	3 802 344	-	3 802 344	-
Expiring 24 May 2030	3 380 470	-	3 380 470	-
Expiring 24 July 2028	4 998 920	-	4 998 920	-
Expiring 24 July 2029	4 444 316	-	4 444 316	-
Expiring 24 July 2030	3 951 226	-	3 951 226	-
	<b>9 043 050</b>	<b>3 866 247</b>	<b>9 043 050</b>	<b>3 866 247</b>
<b>IFRS2 charge:</b>				
Expiring 13 July 2027	2 641 306	1 664 385	2 641 306	1 664 385
Expiring 13 July 2028	1 975 115	1 244 593	1 975 115	1 244 593
Expiring 13 July 2029	1 519 144	957 269	1 519 144	957 269
Expiring 24 May 2028	658 526	-	658 526	-
Expiring 24 May 2029	487 881	-	487 881	-
Expiring 24 May 2030	371 785	-	371 785	-
Expiring 24 July 2028	602 610	-	602 610	-
Expiring 24 July 2029	446 461	-	446 461	-
Expiring 24 July 2030	340 222	-	340 222	-



### 13. NON-CONTROLLING INTEREST

The non-controlling interest of R 249 003 474 (2023: R 224 400 569) represents 50% of the net asset value of Mandeni (see note 4 - Investments in subsidiaries), 47% of the net asset value of Phola, 17.5% of the net asset value of Theku, 40% of the net asset value of Bizana Walk, 40% of the net asset value of KwaBhaca Mall, 40% of the net asset value of Mbhashe LG Mall, 35% of the net assets of Vuwani Plaza and 35% of the net assets of Farisani Business Enterprise. The following is summarised financial information for Mandeni, Phola, Theku, Bizana, KwaBhaca, Mbhashe, Vuwani and Farisani prepared in accordance with IFRS Accounting Standards, adjusted for fair value adjustments on acquisition and differences in Group accounting policies. The information is before inter-Group eliminations.

2024	Bizana Walk Proprietary Limited R	Kwabhaca Mall Proprietary Limited R	Mandeni Plaza Proprietary Limited R	Phola Mall Proprietary Limited R	Theku Plaza Proprietary Limited R	Total R
<b>Extracts from statement of profit and loss and other comprehensive income:</b>						
Rental income and recoveries	25 491 036	52 928 095	33 066 285	88 893 814	44 567 647	244 946 877
Profit / (loss) after taxation	(6 375 603)	6 771 069	11 134 763	64 170 520	53 995 240	129 981 165
<b>Attributable to equity holders of Exemplar</b>	<b>(3 825 362)</b>	<b>4 062 641</b>	<b>5 567 382</b>	<b>34 010 376</b>	<b>44 546 073</b>	<b>84 503 698</b>
<b>Attributable to non-controlling interest</b>	<b>(2 550 241)</b>	<b>2 708 428</b>	<b>5 567 382</b>	<b>30 160 144</b>	<b>9 449 167</b>	<b>45 477 467</b>
Dividends paid to non-controlling interest during the year	-	-	(3 246 122)	(13 617 640)	(3 868 612)	(20 732 374)
<b>Extracts from the statement of financial position:</b>						
Non-current assets	117 252 844	347 553 135	186 763 241	666 557 801	325 000 000	1 666 552 546
Current assets	6 205 533	4 922 501	1 416 246	8 525 139	3 315 939	24 230 110
Non-current liabilities	(7 797 872)	(17 210 952)	(8 738 984)	(14 704 796)	(8 878 586)	(57 331 190)
Current liabilities	(101 793 394)	(320 361 125)	(113 890 376)	(302 645 247)	(110 382 613)	(972 340 032)
Net assets	13 867 111	14 903 559	65 550 127	357 732 897	209 054 740	661 111 434
<b>Net assets attributable to non-controlling interest</b>	<b>5 546 844</b>	<b>5 961 424</b>	<b>32 775 064</b>	<b>168 134 462</b>	<b>36 584 580</b>	<b>249 003 474</b>
<b>Extracts from the statement of cash flows:</b>						
Cash flows from operating activities	(1 294 311)	(13 691 252)	(846 177)	(3 249 373)	(1 756 791)	(20 661 966)
Cash flows from investing activities	(7 912 689)	1 827 187	(264 076)	(383 920)	(14 362 739)	(44 521 762)
Cash flows from financing activities	9 472 905	12 191 068	645 444	4 657 648	16 016 972	66 257 506
<b>Net cash flow</b>	<b>265 905</b>	<b>327 003</b>	<b>(464 809)</b>	<b>1 024 355</b>	<b>(102 558)</b>	<b>1 073 778</b>



### 13. NON-CONTROLLING INTEREST CONTINUED

2023	Bizana Walk Proprietary Limited R	Kwabhaca Mall Proprietary Limited R	Mandeni Plaza Proprietary Limited R	Phola Mall Proprietary Limited R	Theku Plaza Proprietary Limited R	Total R
<b>Extracts from statement of profit and loss and other comprehensive income:</b>						
Rental income and recoveries	3 337 198	16 122 531	30 403 385	81 017 898	51 717 495	182 598 506
Profit after taxation	20 241 714	8 134 354	7 623 968	64 989 932	43 824 566	144 814 533
<b>Attributable to equity holders of Exemplar</b>	<b>12 145 028</b>	<b>4 880 613</b>	<b>3 811 984</b>	<b>34 444 664</b>	<b>36 155 267</b>	<b>91 437 555</b>
<b>Attributable to non-controlling interest</b>	<b>8 096 685</b>	<b>3 253 742</b>	<b>3 811 984</b>	<b>30 545 268</b>	<b>7 669 299</b>	<b>53 376 978</b>
Dividends paid to non-controlling interest during the year	-	-	(4 561 701)	(15 644 922)	(3 479 797)	(23 686 419)
<b>Extracts from the statement of financial position:</b>						
Non-current assets	116 011 894	336 520 387	181 200 732	626 069 375	279 000 000	1 538 802 389
Current assets	1 611 061	5 573 244	2 704 540	7 960 377	3 532 972	21 382 193
Non-current liabilities	(3 924 287)	(16 142 034)	(7 738 357)	(8 560 157)	(8 846 761)	(45 211 595)
Current liabilities	(93 456 955)	(317 817 244)	(115 258 604)	(302 933 504)	(96 520 359)	(925 986 665)
Net assets	20 241 714	8 134 353	60 908 311	322 536 091	177 165 852	588 986 321
<b>Net assets attributable to non-controlling interest</b>	<b>8 096 685</b>	<b>3 253 741</b>	<b>30 454 156</b>	<b>151 591 963</b>	<b>31 004 024</b>	<b>224 400 569</b>
<b>Extracts from the statement of cash flows:</b>						
Cash flows from operating activities	(5 502 652)	(12 916 548)	15 908 040	46 948 007	34 401 714	78 838 561
Cash flows from investing activities	88 049 633	173 954 050	(8 377 145)	(33 746 074)	(25 411 335)	194 469 130
Cash flows from financing activities	(82 473 472)	(160 516 584)	(6 528 104)	(13 189 823)	(8 143 377)	(270 851 361)
<b>Net cash flow</b>	<b>73 509</b>	<b>520 919</b>	<b>1 002 791</b>	<b>12 110</b>	<b>847 002</b>	<b>2 456 331</b>



## 14. FINANCIAL LIABILITIES

Held at amortised cost	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>ABSA Bank Limited - Facility 1</b> The loan bears interest at the 3 month JIBAR plus 1.70%, with interest-only quarterly instalments. The facility maturity date was 17 December 2023.	-	435 000 000	-	-
<b>ABSA Bank Limited - Facility D</b> The facility of R 200 million bears interest at prime minus 1.60%, with interest-only monthly instalments. The facility maturity date is 4 November 2024.	100 000 000	56 000 000	100 000 000	56 000 000
<b>ABSA Bank Limited - Facility C</b> The facility of R 609 million bears interest at the 3 month JIBAR plus 1.70%, with interest-only quarterly instalments. The facility maturity date is 4 November 2024. This facility has been refinanced in the current financial year by Facility C1 and Facility H.	-	249 000 000	-	249 000 000
<b>ABSA Bank Limited - Facility C1</b> The loan bears interest at the 3 month JIBAR plus 1.70%, with interest-only quarterly instalments. The facility maturity date is 4 November 2024.	185 000 000	-	185 000 000	-
<b>ABSA Bank Limited - Facility H</b> The loan bears interest at the 3 month JIBAR plus 1.70%, with interest-only quarterly instalments. The facility maturity date is 4 November 2027.	424 000 000	-	424 000 000	-
<b>ABSA Bank Limited - Facility A1</b> The loan bears interest at the 3 month JIBAR plus 1.80%, with interest-only quarterly instalments. The facility maturity date is 4 November 2025.	91 000 000	91 000 000	91 000 000	91 000 000
<b>ABSA Bank Limited - Facility B1</b> The loan bears interest at the 3 month JIBAR plus 1.86%, with interest-only quarterly instalments. The facility maturity date is 4 November 2026.	750 000 000	750 000 000	750 000 000	750 000 000
<b>ABSA Bank Limited - Facility F</b> The loan bears interest at the 3 month JIBAR plus 1.60%, with interest-only quarterly instalments. The facility maturity date is 4 November 2026.	200 000 000	-	200 000 000	-
<b>ABSA Bank Limited - Facility G</b> The loan bears interest at the 3 month JIBAR plus 1.70%, with interest-only quarterly instalments. The facility maturity date is 4 November 2027.	235 000 000	-	235 000 000	-
<b>Nedbank Limited - Facility A2</b> The loan bears interest at the 3 month JIBAR plus 1.80%, with interest-only quarterly instalments. The facility maturity date is 4 November 2025.	500 000 000	500 000 000	500 000 000	500 000 000
<b>Nedbank Limited - Facility B2</b> The loan bears interest at the 3 month JIBAR plus 1.86%, with interest-only quarterly instalments. The facility maturity date is 4 November 2026.	100 000 000	100 000 000	100 000 000	100 000 000
<b>Standard Bank South Africa Limited - Facility E</b> The facility of R 200 million bears interest at the 3 month JIBAR plus 1.78%, with interest-only quarterly instalments. The facility maturity date is 4 November 2024.	-	124 000 000	-	124 000 000
<b>Standard Bank South Africa Limited - Facility A3</b> The loan bears interest at the 3 month JIBAR plus 1.80%, with interest-only quarterly instalments. The facility maturity date is 4 November 2025.	426 000 000	426 000 000	426 000 000	426 000 000



	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Standard Bank South Africa Limited - Facility B3</b>	<b>259 000 000</b>	<b>259 000 000</b>	<b>259 000 000</b>	<b>259 000 000</b>
The loan bears interest at the 3 month JIBAR plus 1.86%, with interest-only quarterly instalments. The facility maturity date is 4 November 2026.				
Prepaid participation fees on facilities	3 270 000 000 (7 884 355)	2 990 000 000 (9 123 033)	3 270 000 000 (7 884 355)	2 555 000 000 (9 123 033)
	<b>3 262 115 645</b>	<b>2 980 876 967</b>	<b>3 262 115 645</b>	<b>2 545 876 967</b>
Non-current liabilities	2 977 115 645	2 545 876 967	2 977 115 645	2 545 876 967
Current liabilities	285 000 000	435 000 000	285 000 000	-
	<b>3 262 115 645</b>	<b>2 980 876 967</b>	<b>3 262 115 645</b>	<b>2 545 876 967</b>

### Security

In terms of a Common Terms Agreement, the above facilities are secured by investment properties held by the Company and by its subsidiaries, with a fair value of R 8 256 124 424 (2023: R 7 213 969 749).

All contracts referencing the Jibar will be actively transitioned to an alternative reference rate once the IBOR reform transition has been finalised.

### Available facilities and residual values

The Group ensures that sufficient unutilised borrowing facilities are available for future commitments and operating requirements. Total facilities available to the Group at the reporting date amounted to R 3 570 000 000 (2023: R 3 570 000 000), of which R3 262 115 645 (2023: R 2 980 876 967) had been utilised. The Group's policy is to refinance the residual portion of interest-bearing borrowings as they become due for renewal.

Further details relating to interest-bearing borrowings are disclosed in notes 6 and 38.



## 15. LEASE LIABILITIES

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Lease payments due</b>				
- within one year	4 753 541	4 312 348	1 382 146	1 344 246
- in second to fifth year inclusive	22 518 145	20 117 644	6 273 031	5 733 637
- in sixth to tenth year inclusive	39 412 089	32 579 676	9 903 780	9 079 429
- later than ten years	965 450 189	805 330 234	251 647 099	251 366 210
	1 032 133 964	862 339 902	269 206 056	267 523 522
less: future finance charges	(970 816 095)	(812 048 221)	(253 915 512)	(253 367 970)
<b>Present value of lease payments</b>	<b>61 317 869</b>	<b>50 291 681</b>	<b>15 290 544</b>	<b>14 155 552</b>
<b>Present value of lease payments due</b>				
- within one year	4 156 798	3 896 871	1 207 583	1 174 618
- in second to fifth year inclusive	14 103 852	12 875 453	3 922 663	3 584 908
- in sixth to tenth year inclusive	13 505 881	11 244 069	3 380 087	3 098 120
- later than ten years	29 551 338	22 275 288	6 780 211	6 297 906
	<b>61 317 869</b>	<b>50 291 681</b>	<b>15 290 544</b>	<b>14 155 552</b>
<b>Reconciliation of lease liability</b>				
Balance at beginning of year	50 291 681	27 838 077	14 155 552	14 681 530
Leases entered into during the year	-	23 408 254	-	-
Adjustment to leases	8 186 220	-	249 545	-
Lease payment	(6 028 189)	(6 156 213)	(1 686 964)	(2 677 126)
CPI adjustment	430 350	22 270	430 350	22 270
Interest	8 437 807	5 179 294	2 142 061	2 128 878
Balance at end of year	<b>61 317 869</b>	<b>50 291 681</b>	<b>15 290 544</b>	<b>14 155 552</b>
Non-current liabilities	57 161 071	46 394 810	14 082 961	12 980 934
Current liabilities	4 156 798	3 896 871	1 207 583	1 174 618
	<b>61 317 869</b>	<b>50 291 681</b>	<b>15 290 544</b>	<b>14 155 552</b>

Acornhoek Megacity was developed on land subject to a 30 year notarial lease commencing 1 September 2017, with a 20 year option to renew on the same terms and conditions as provided in the current lease. The rental is escalated by 10% per annum and the lease liability has been discounted at a rate of 14.25% per annum.

Diepkloof Square was developed on land subject to a 30 year notarial lease commencing 1 December 2006, with an option to renew for a further 3 equal periods, each of which is 9 years and 11 months. A market related rental will be negotiated between the parties at the time of renewal. The rental is escalated by 4% per annum and the lease liability has been discounted at a rate of 14.50% per annum.

Exemplar head office is subject to a 5 year lease arrangement commencing 1 June 2018. The lease is escalated annually at a rate linked to the average Consumer Price Index and the lease liability has been discounted at a rate of 15.00% per annum. From 1 June 2023 the lease reverted to a month to month lease.

Maake Plaza was developed on land subject to a 22 year notarial lease commencing 1 September 2006. The rental is escalated by 10% per annum and the lease liability has been discounted at a rate of 15.00% per annum.

Mandeni Mall was developed on land subject to a 40 year notarial lease commencing 1 April 2012. The rental is the greater of 2.7% of gross rental income or a base rent amount escalated by 10% per annum. The lease liability has been discounted at a rate of 14.50% per annum.

Phola Mall was developed on land subject to a 50 year notarial lease commencing 1 March 2015. The rental is escalated by 10% per annum and the lease liability has been discounted at a rate of 13.75% per annum.

Bizana Walk was developed on land subject to two 40 year notarial leases commencing 1 December 2022 and 1 January 2023 respectively. The rental is escalated by 6% and 8%. The lease liability has been discounted at a rate of 14.5% per annum.

KwaBhaca Mall was developed on land subject to 5 notarial leases commencing between 1 November 2022 and January 2023. These leases range between 40 to 60 year terms. The rental is escalated by the higher of 6% or CPI. The lease liability has been discounted at a rate of 14.25% per annum.

In all cases, it has been assumed that options to renew are exercised for purposes of the lease liability calculations.

## 16. DEFERRED TAX

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Property, plant and equipment	99 138 163	53 482 230	99 138 163	53 491 430
Expected credit loss allowance	(8 159 690)	(5 918 220)	(4 494 936)	(2 936 292)
Prepaid expenses	916 099	797 872	255 239	252 721
Allowance for future expenditure on contracts	36 411	842	-	-
Income received in advance	(7 078 937)	(6 174 640)	(3 439 723)	(2 991 299)
Bonus and leave accruals	(296 650)	(236 030)	(259 735)	(228 417)
Other accruals	(260 812)	(234 393)	(260 812)	(234 393)
Fair value adjustments on derivatives	(4 059 272)	11 645 425	69 891	7 516 262
Capital allowances on investment property	181 272 778	163 899 715	67 557 261	67 610 253
Tax losses	(55 677 689)	(51 399 081)	-	-
<b>Total deferred tax liability</b>	<b>205 830 401</b>	<b>165 863 720</b>	<b>158 565 348</b>	<b>122 480 265</b>
<b>Reconciliation of deferred tax liability</b>				
At beginning of year	165 863 720	114 377 508	122 480 265	84 184 315
Property, plant and equipment	45 655 933	35 073 913	45 646 733	34 960 722
Expected credit loss allowance	(2 241 470)	483 314	(1 558 644)	287 114
Prepaid expenses	118 227	26 210	2 518	(128 436)
Allowance for future expenditure on contracts	35 569	(561 129)	-	(433 289)
Income received in advance	(904 297)	834 456	(448 424)	1 007 914
Bonus and leave accruals	(60 620)	49 640	(31 318)	(7 239)
Other accruals	(26 419)	34 294	(26 419)	34 292
Fair value adjustments on derivatives	(15 704 697)	3 302 704	(7 446 371)	2 405 569
Capital allowances on investment property	17 373 063	17 095 779	(52 992)	169 303
Tax losses	(4 278 608)	(4 852 969)	-	-
	<b>205 830 401</b>	<b>165 863 720</b>	<b>158 565 348</b>	<b>122 480 265</b>

## 17. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Trade payables	28 197 090	47 373 913	18 509 212	18 224 123
Deposits received	39 207 604	37 876 373	19 618 380	18 684 232
Accrued leave pay and bonus	1 245 540	1 042 897	961 980	845 990
Accruals	2 875 643	6 204 289	1 165 297	3 766 676
Rates and utilities accruals	108 849 824	101 066 049	26 251 202	25 430 446
Other payables	7 013 662	1 227 251	4 826 932	661 134
Amounts received in advance	26 218 287	22 869 037	12 739 715	11 078 884
Value-added Tax	9 406 570	9 293 041	3 740 852	3 877 386
	<b>223 014 220</b>	<b>226 952 850</b>	<b>87 813 570</b>	<b>82 568 871</b>

Amounts received in advance relate to rental payments received in advance, these amounts will be realised in following month.

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



## 18. LOANS FROM SUBSIDIARIES

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Exemplar Utilities (Pty) Ltd	-	-	185 964 089	186 036 203
The loan is unsecured, is interest-free (2023: 7.15%) and has no fixed terms of repayment.				
Maake Plaza (Pty) Ltd	-	-	29 253 670	30 155 315
The loan is unsecured, is interest-free (2023: 0.00%) and has no fixed terms of repayment.				
	-	-	<b>215 217 759</b>	<b>216 191 518</b>

## 19. RENTAL INCOME AND RECOVERIES

Rental and recoveries are billed on a monthly basis and payment is due by the first of the month.

Rental income and turnover rental income are accounted for in terms of IFRS 16. Operating cost recoveries are based on consumption and actual expenses incurred and are accounted for in accordance with IFRS 15.

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Rental income	784 809 501	687 194 096	370 294 228	331 926 475
COVID-19 credits	-	(3 683)	-	(3 683)
Riot credits	-	(11 614 056)	-	(15 171 125)
Turnover rental income	7 155 815	3 697 749	2 737 336	1 363 842
Recovery income	418 080 771	327 150 232	188 241 750	146 067 816
Operating lease equalisation	9 646 055	41 070 550	5 961 714	23 846 812
	<b>1 219 692 142</b>	<b>1 047 494 888</b>	<b>567 235 028</b>	<b>488 030 137</b>



## 20. PROPERTY OPERATING COSTS

	Notes	GROUP		COMPANY	
		2024	2023	2024	2023
		R	R	R	R
Accounting fees		86 553	103 918	24 343	6 356
Audit fees		1 362 811	1 333 153	602 034	712 353
Bad debts		16 810 609	2 328 366	10 534 325	505 607
Bank charges		177 478	157 236	98 824	84 327
Cleaning expenses		29 252 367	24 344 036	13 466 886	10 869 405
COVID-19 expenses		-	4 394	-	991
Depreciation		886 903	668 802	577 366	399 121
Employee costs		9 993 093	8 935 429	4 411 111	4 170 229
General expenses		773 957	743 193	389 348	365 414
Insurance		8 556 837	6 570 427	3 584 126	2 924 830
Legal expenses		1 029 018	625 922	467 764	401 270
Marketing		7 174 443	5 972 897	3 080 334	2 187 019
Rates and utilities		293 873 707	240 791 818	106 571 750	122 198 683
Repairs and maintenance		20 931 893	22 216 539	9 969 413	12 714 136
Security expenses		36 602 899	32 067 325	17 022 748	15 109 433
Stationery		235 572	282 040	118 526	136 257
Telephone and fax		817 325	658 470	390 811	284 558
Tenant installations amortisation	3	6 434 009	6 763 773	2 358 399	2 564 003
Travel - Local		545 006	390 115	222 872	219 841
		<b>435 544 480</b>	<b>354 957 853</b>	<b>173 890 980</b>	<b>175 853 833</b>

## 21. OTHER INCOME

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Administration and management fees received	25 411 509	31 719 845	26 715 345	31 751 390
Insurance claim on rental loss	-	22 355 312	-	22 355 312
Sundry income	2 167 339	1 313 598	11 955 426	40 852 871
	<b>27 578 848</b>	<b>55 388 755</b>	<b>38 670 771</b>	<b>94 959 573</b>

Administration and management fees relate to fees not eliminated on consolidation and those fees earned from properties outside of the Group, as well as solar development fees and leasing commissions not eliminated on consolidation.



## 22. PROFIT BEFORE TAXATION

Profit before tax for the period is stated after charging the following, amongst others:

	Notes	GROUP		COMPANY	
		2024	2023	2024	2023
		R	R	R	R
<b>Employee costs</b>		<b>59 201 922</b>	<b>48 756 266</b>	<b>45 904 152</b>	<b>35 764 612</b>
IFRS 2 charge on equity settled share scheme	12	9 043 050	3 866 247	9 043 050	3 866 247
Salaries, wages, bonuses and other benefits		50 158 872	44 890 019	36 861 102	31 898 365
<b>Depreciation</b>					
Depreciation of property, plant and equipment	5	1 726 939	1 235 735	5 770 030	4 511 753

## 23. INVESTMENT INCOME

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Dividend income</b>				
<b>Group companies:</b>				
Subsidiaries - Local	-	-	245 130 471	204 613 111
<b>Interest income</b>				
<b>Investments in financial assets:</b>				
Bank and other cash	6 617 788	11 639 164	5 089 975	10 818 351
Employee share scheme	2 736 837	2 660 413	2 736 837	2 660 413
Loans receivable	1 173 432	-	1 173 432	-
Other financial assets	5 373 640	20 366 480	3 139 168	1 579 708
	15 901 697	34 666 057	12 139 412	15 058 472
<b>Loans to Group companies:</b>				
Subsidiaries	-	-	91 778 415	74 303 151
<b>Total interest income</b>	<b>15 901 697</b>	<b>34 666 057</b>	<b>103 917 827</b>	<b>89 361 623</b>
<b>Total investment income</b>	<b>15 901 697</b>	<b>34 666 057</b>	<b>349 048 298</b>	<b>293 974 734</b>
<b>Reconciliation of dividend income received</b>				
Dividends received in current year	-	-	245 130 471	204 613 111
Dividend receivable prior year	-	-	20 929 442	19 084 925
Dividend receivable current year	-	-	(15 871 102)	(20 929 442)
<b>Cash dividend income received</b>	<b>-</b>	<b>-</b>	<b>250 188 811</b>	<b>202 768 594</b>

## 24. INSURANCE CLAIM ON MATERIAL LOSS

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Insurance claim received on material loss	-	69 165 709	-	69 165 709

This amount relates to the cost to rebuild the centres damaged during the July 2021 riots.



## 25. REVERSAL OF IMPAIRMENT LOSS / (IMPAIRMENT LOSS)

2024	Notes	Mall of		Totals
		Maake Plaza (Pty) Ltd	Thembisa (Pty) Ltd	
Net asset value	4	54 197 149	164 728 039	218 925 188
Net asset value limited to original investment in subsidiary for impairment purposes		-	(23 920 212)	(23 920 212)
Investment in subsidiary - opening balance		(59 809 934)	(123 395 118)	(183 205 052)
<b>(Impairment loss) / Reversal of impairment loss</b>		<b>(5 612 785)</b>	<b>17 412 709</b>	<b>11 799 924</b>

2023	Notes	Mall of		Totals
		Maake Plaza (Pty) Ltd	Thembisa (Pty) Ltd	
Net asset value	4	59 809 934	123 395 118	183 205 052
Investment in subsidiary - opening balance		(69 756 525)	(140 807 827)	(210 564 352)
<b>(Impairment loss) / Reversal of impairment loss</b>		<b>(9 946 591)</b>	<b>(17 412 709)</b>	<b>(27 359 300)</b>

With respect to Maake Plaza (Pty) Ltd, the fair value of the investment decreases annually as the land lease expires in 2028, resulting in the above impairment loss for the current and prior financial year.

The impairment of the investment in the Mall of Thembisa Pty (Ltd) has been reversed, as the recoverable amount exceeds the investment in the subsidiary.

Net asset value is considered to be the recoverable amount as the underlying assets in the subsidiaries are carried at fair value.

## 26. FINANCE COSTS

Notes	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Interest bearing borrowings	272 975 059	188 838 581	253 788 174	161 228 190
Amortisation of participation fees on facilities	5 438 221	2 742 834	5 438 221	2 742 834
Imputed interest on lease liabilities	8 437 807	5 179 294	2 142 061	2 128 878
Other interest paid	180 854	3 653 552	19 763	13 629 397
<b>Total finance costs</b>	<b>287 031 941</b>	<b>200 414 261</b>	<b>261 388 219</b>	<b>179 729 299</b>

### Reconciliation of finance costs from operating activities

Total finance costs	287 031 941	200 414 261	261 388 219	179 729 299
Imputed interest on lease liabilities	(8 437 807)	-	(2 142 061)	-
Movement in prepaid participation fees on facilities	(1 238 678)	(2 742 834)	(1 238 678)	(2 742 834)
Capitalised borrowing costs	-	16 603 478	-	-
<b>Finance costs from operating activities</b>	<b>277 355 456</b>	<b>214 274 905</b>	<b>258 007 480</b>	<b>176 986 465</b>



## 27. TAXATION

### Major components of the income tax expense

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Deferred</b>				
Property, plant and equipment	45 655 933	35 073 913	45 646 731	34 960 722
Expected credit loss allowance	(2 230 955)	483 314	(1 558 643)	287 114
Prepaid expenses	129 390	26 210	2 519	(128 436)
Allowance for future expenditure on contracts	35 569	(561 129)	-	(433 289)
Income received in advance	(943 865)	834 456	(448 424)	1 007 914
Bonus and leave accruals	(60 620)	49 640	(31 317)	(7 239)
Other accruals	(26 419)	34 294	(26 419)	34 292
Fair value movements on derivatives	(15 704 697)	3 302 704	(7 446 371)	2 405 569
Capital allowances	20 132 214	17 095 779	(52 994)	169 303
Tax loss	(7 019 869)	(4 852 969)	-	-
<b>Originating and reversing temporary differences</b>	<b>39 966 681</b>	<b>51 486 212</b>	<b>36 085 082</b>	<b>38 295 950</b>

### Reconciliation of the tax expense

#### Reconciliation between applicable tax rate and average effective tax rate

Applicable tax rate	27.00%	28.00%	27.00%	28.00%
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#### Tax effect of adjustments on taxable income

Permanent difference on tax deductible REIT dividend (s25BB qualifying deduction)	(16.06)%	(16.69)%	(18.07)%	(17.94)%
Permanent difference on fair value adjustments	(9.38)%	(12.12)%	(6.93)%	(7.63)%
Permanent difference on operating lease equalisation adjustments	(0.25)%	(1.06)%	(0.28)%	(0.92)%
Permanent difference on impairment loss / (reversal)	(0.31)%	0.00%	(0.55)%	1.06%
Permanent difference on S12B allowance	(0.24)%	-	(0.43)%	-
Permanent difference on lease liabilities	-	0.09%	-	-
Permanent difference on insurance claim proceeds - material loss	-	(1.79)%	-	(2.68)%
Deferred tax asset not recognised	-	(0.21)%	-	-
Substantively enacted tax rate change	-	(0.28)%	-	(0.42)%
Originating temporary differences	2.79%	-	5.46%	-
Originating and reversing temporary differences on tax loss	0.06%	-	-	-
(Over) / under provision of deferred tax for prior periods	-	8.83%	-	5.85%
	<b>3.61%</b>	<b>4.77%</b>	<b>6.21%</b>	<b>5.31%</b>



## 28. CASH GENERATED FROM OPERATIONS

Notes	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Profit before taxation	793 992 700	1 080 204 902	595 403 160	722 207 917
<b>Adjustments for:</b>				
Depreciation and amortisation	8 160 948	11 582 346	8 128 429	7 053 487
Share-based payment charge	9 043 050	3 866 247	9 043 050	3 866 247
Dividend income	-	-	(245 130 471)	(204 613 111)
Interest income	(15 901 697)	(34 666 057)	(103 917 827)	(89 361 623)
Finance costs	287 031 941	200 414 261	261 388 219	179 729 299
Insurance claim on material loss	-	(69 165 709)	-	(69 165 709)
Impairment loss / (reversal of impairment loss)	-	-	(11 799 924)	27 359 300
Fair value adjustments on investment property	(360 758 759)	(467 611 026)	(149 130 438)	(197 042 298)
Movement in lease liabilities	-	22 270	-	22 270
Movement in lease equalisation	(9 646 055)	(41 070 550)	(5 961 714)	(23 846 812)
Fair value adjustments on derivative financial instruments	42 872 347	(12 232 239)	27 579 150	(8 909 515)
<b>Changes in working capital:</b>				
Trade and other receivables	(4 418 197)	(13 490 411)	(7 529 792)	(1 812 873)
Trade and other payables	(3 938 630)	31 101 258	5 244 699	(1 352 771)
	<b>746 437 648</b>	<b>688 955 292</b>	<b>383 316 541</b>	<b>344 133 808</b>

## 29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Notes	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Balance at beginning of year	2 980 876 967	2 666 134 133	2 545 876 967	2 231 134 133
Movement in prepaid participation fees on facilities	1 238 678	2 742 834	1 238 678	2 742 834
Proceeds from financial liabilities	1 263 000 000	312 000 000	1 263 000 000	312 000 000
Repayment of financial liabilities	(983 000 000)	-	(548 000 000)	-
Balance at end of year	<b>3 262 115 645</b>	<b>2 980 876 967</b>	<b>3 262 115 645</b>	<b>2 545 876 967</b>

## 30. RECONCILIATION OF LOANS TO SUBSIDIARIES FROM INVESTING ACTIVITIES

Notes	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Balance at beginning of year	-	-	1 788 080 572	1 534 940 090
<b>Increase in loans to subsidiaries</b>	<b>-</b>	<b>-</b>	<b>505 267 005</b>	<b>253 140 482</b>
Repayment of subsidiary loans	-	-	(7 429 559)	(456 789 750)
Advances of subsidiary loans	-	-	498 716 256	689 930 231
Amount reclassified from investment in subsidiary to loan to subsidiary	-	-	6 880 408	-
Loans to subsidiaries acquired	-	-	7 099 900	20 000 000
Balance at end of year	<b>-</b>	<b>-</b>	<b>2 293 347 577</b>	<b>1 788 080 572</b>



### 31. RECONCILIATION OF LOANS RECEIVABLE ARISING FROM INVESTING ACTIVITIES

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Notes				
Balance at beginning of year	35 191 989	47 583 921	32 480 916	44 082 248
<b>Increase in loans receivable</b>	<b>22 069 107</b>	<b>(12 391 932)</b>	<b>22 642 519</b>	<b>(11 601 332)</b>
Repayment of loans receivable	(2 798 073)	(12 391 932)	(2 224 661)	(11 601 332)
Advances of loans receivable	24 867 180	-	24 867 180	-
Balance at end of year	<b>57 261 096</b>	<b>35 191 989</b>	<b>55 123 435</b>	<b>32 480 916</b>

### 32. RECONCILIATION OF LOANS FROM SUBSIDIARIES ARISING FROM FINANCING ACTIVITIES

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Notes				
Balance at beginning of year	-	-	(216 191 518)	(190 687 465)
<b>Increase in loans from subsidiaries</b>	<b>-</b>	<b>-</b>	<b>973 759</b>	<b>(25 504 053)</b>
Repayment of subsidiary loans	-	-	(2 647 174)	25 092 334
Advances of subsidiary loans	-	-	3 620 933	(50 596 387)
Balance at end of year	-	-	<b>(215 217 759)</b>	<b>(216 191 518)</b>

### 33. DIVIDENDS PAID

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Shareholders of Exemplar	(454 172 550)	(468 425 329)	(454 172 550)	(468 425 329)
Dividends payable - prior year	(12 599 147)	(11 219 326)	-	-
Dividends payable - current year	8 960 554	12 599 147	-	-
Non-controlling interest	(20 732 374)	(23 686 419)	-	-
	<b>(478 543 517)</b>	<b>(490 731 927)</b>	<b>(454 172 550)</b>	<b>(468 425 329)</b>
<b>Dividends paid per share (cents)</b>				
Shareholders of Exemplar	136,67929	140,96854	136,67929	140,96854
Dividends payable - prior year	3,79160	3,37636	-	-
Dividends payable - current year	(2,69660)	(3,79160)	-	-
Non-controlling interest	6,23923	7,12822	-	-
	<b>144,01352</b>	<b>147,68152</b>	<b>136,67929</b>	<b>140,96854</b>

Dividends are paid from operating profits.

## 34. EARNINGS AND HEADLINE EARNINGS

### Reconciliation of basic earnings to headline earnings

	Notes	2024			
		Gross amount	Tax	Non-controlling interest	Net amount
Profit before tax for the year		793 992 700	(39 966 681)	(45 334 879)	708 691 140
Fair value adjustment to investment properties	3	(360 758 759)	-	29 233 969	(331 524 790)
<b>Headline earnings</b>		<b>433 233 941</b>	<b>(39 966 681)</b>	<b>(16 100 910)</b>	<b>377 166 350</b>
Notes			27		
Number of shares in issue					332 290 686
Weighted average number of shares in issue					332 290 686
Diluted weighted average number of shares in issue					342 090 686
Basic earnings per share (cents)					213,27445
Headline earnings per share (cents)					113,50494
Diluted earnings per share (cents)					207,16470
Diluted headline earnings per share (cents)					110,25332

### Reconciliation of basic earnings to headline earnings

	Notes	2023			
		Gross amount	Tax	Non-controlling interest	Net amount
Profit before tax for the year		1 080 204 902	(51 486 212)	(53 376 978)	975 341 712
Fair value adjustment to investment properties	3	(467 611 026)	-	31 712 680	(435 898 346)
Insurance claim on material loss	24	(69 165 709)	-	-	(69 165 709)
<b>Headline earnings</b>		<b>543 428 167</b>	<b>(51 486 212)</b>	<b>(21 664 298)</b>	<b>470 277 657</b>
Notes			27		
Number of shares in issue					332 290 686
Weighted average number of shares in issue					332 290 686
Diluted weighted average number of shares in issue					338 115 686
Basic earnings per share (cents)					293,52063
Headline earnings per share (cents)					141,52598
Diluted earnings per share (cents)					288,46391
Diluted headline earnings per share (cents)					139,08780

## 35. DIRECTORS' EMOLUMENTS

	2024		2023	
	R	R	R	R
<b>Executive directors remuneration</b>	<b>Salary<sup>1</sup></b>	<b>Distribution equivalents<sup>2</sup></b>	<b>2024 Total remuneration</b>	<b>2023 Total remuneration</b>
Church, DA	4 375 089		4 375 089	3 969 396
McCormick, J (Jason)	2 187 545	1 366 793	3 554 338	3 394 383
McCormick, J (John)	2 187 545		2 187 545	1 984 698
	<b>8 750 179</b>	<b>1 366 793</b>	<b>10 116 972</b>	<b>9 348 477</b>

<sup>1</sup> Includes pension fund, life cover, travel and cell phone allowance where applicable

<sup>2</sup> Amounts earned in respect of the distribution paid under the two share schemes

### Directors interest in share loan scheme

	2024 Total	2023 Total
Number of shares issued under share loan scheme		
McCormick, J (Jason) (Indirect beneficial)	1 000 000	1 000 000
Loan amount owing under share loan scheme (Rands)		
McCormick, J (Jason)	8 788 490	9 363 863
Interest paid under share loan scheme (Rands)		
McCormick, J (Jason)	791 420	633 469



<b>Directors interest in share scheme</b>	<b>2024 Total</b>	<b>2023 Total</b>
Number of shares granted under share scheme		
Church, DA (indirect beneficial)	2 000 000	2 000 000
McCormick, J (Jason) (Indirect beneficial)	2 000 000	-
Related IFRS 2 charge (Rands)		
Church, DA	2 162 315	2 162 315
McCormick, J (Jason)	2 048 858	-

	<b>2024</b>		<b>2023</b>	
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<b>Non-executive</b>	<b>Directors' fees</b>	<b>Total</b>	<b>Directors' fees</b>	<b>Total</b>
Azzopardi, GVC	470 693	470 693	439 900	439 900
Berkeley, FM	607 931	607 931	568 160	568 160
Katzenellenbogen, PJ	528 537	528 537	493 960	493 960
Mandindi, N	419 654	419 654	392 200	392 200
Maponya, EP	470 693	470 693	439 900	439 900
	<b>2 497 508</b>	<b>2 497 508</b>	<b>2 334 120</b>	<b>2 334 120</b>

## 36. RELATED PARTIES

### Relationships

Subsidiaries Refer to note 4

Exemplar Leasing (Pty) Ltd holds a mandate from Exemplar REITail Limited to perform all leasing related activities for the Group's property portfolio as well as other properties that are managed, but not owned by Exemplar.

Exemplar Utilities (Pty) Ltd holds a mandate from Exemplar REITail Limited to perform all utility monitoring and billing related activities for the Group's property portfolio as well as other properties that are managed, but not owned by Exemplar.

Shareholder with significant influence Jason McCormick  
The John McCormick Family Trust  
McCormick Property Development (Pty) Ltd

### Related party balances

	<b>Notes</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<b>Loan accounts - Owning (to) by related parties</b>					
Alex Mall (Pty) Ltd	7	-	-	290 140 385	288 299 090
Bizana Walk (Pty) Ltd	7	-	-	96 912 866	85 733 156
Exemplar Leasing (Pty) Ltd	7	-	-	-	1 600 000
Exemplar Management (Pty) Ltd	7	-	-	10 000	-
Exemplar Utilities (Pty) Ltd	18	-	-	(185 964 089)	(186 036 203)
Farisani Business Enterprise (Pty) Ltd	7	-	-	6 957 885	-
Jason McCormick - Share Scheme	35	8 788 490	9 363 863	8 788 490	9 363 863
Jean Junction (Pty) Ltd	7	-	-	7 099 900	-
Katale Square (Pty) Ltd	7	-	-	93 295 754	96 711 285
KwaBhaca Mall (Pty) Ltd	7	-	-	309 450 189	295 561 570
Maake Plaza (Pty) Ltd	18	-	-	(29 253 670)	(30 155 315)
Mabopane Square (Pty) Ltd	7	-	-	120 283 891	120 589 874
Mall of Thembisa (Pty) Ltd	7	-	-	671 656 398	237 921 650
Mandeni Plaza (Pty) Ltd	7	-	-	107 320 455	106 204 246
Mbhashe LG Mall (Pty) Ltd	7	-	-	14 145 191	-
Modimall (Pty) Ltd	7	-	-	187 383 116	189 491 161
Phola Mall (Pty) Ltd	7	-	-	279 692 266	274 721 654
Theku Plaza (Pty) Ltd	7	-	-	96 326 602	80 309 630
Tsakane Mall (Pty) Ltd	7	-	-	12 459 672	10 937 255
Vuwani (Pty) Ltd	7	-	-	213 007	-



	Notes	GROUP		COMPANY	
		2024	2023	2024	2023
		R	R	R	R
<b>Related party transactions</b>					
<b>Interest received from / (paid to) related parties</b>					
Bizana Walk (Pty) Ltd		-	-	-	(12 848 245)
Exemplar Utilities (Pty) Ltd		791 419	633 469	791 419	633 469
Jason McCormick - Share Scheme	35	-	-	-	6 841 869
Katale Square (Pty) Ltd		-	-	35 147 558	19 460 021
KwaBhaca Mall (Pty) Ltd		-	-	-	8 420 738
Mabopane Square (Pty) Ltd		-	-	9 934 868	7 509 998
Mandeni Plaza (Pty) Ltd		-	-	25 997 631	19 581 948
Phola Mall (Pty) Ltd		-	-	8 113 028	5 704 999
Theku Plaza (Pty) Ltd		-	-	8 113 028	5 704 999
<b>Commission received from related parties</b>					
Exemplar Leasing (Pty) Ltd		-	-	1 462 874	6 960 899
<b>Management fees received from related parties</b>					
Alex Mall (Pty) Ltd		-	-	3 289 593	2 460 939
Bizana Walk (Pty) Ltd		-	-	305 308	45 415
Katale Square (Pty) Ltd		-	-	514 766	475 272
KwaBhaca Mall (Pty) Ltd		-	-	761 708	291 577
Maaake Plaza (Pty) Ltd		-	-	93 056	291 205
Mabopane Square (Pty) Ltd		-	-	1 115 490	780 371
Mall of Thembisa (Pty) Ltd		-	-	4 136 099	3 670 616
Mandeni Plaza (Pty) Ltd		-	-	387 062	723 773
Modimall (Pty) Ltd		-	-	1 198 479	1 110 973
Phola Mall (Pty) Ltd		-	-	1 133 103	2 004 983
Theku Plaza (Pty) Ltd		-	-	892 720	981 253
Tsakane Mall (Pty) Ltd		-	-	1 486 340	1 417 135
<b>Purchase of solar assets from related parties</b>					
Exemplar Utilities (Pty) Ltd		-	-	-	23 833 156
<b>Purchase of 50% undivided share in Mamelodi Square from a related party</b>					
McCormick Property Development (Pty) Ltd	39	-	116 500 000	-	116 500 000
<b>Purchase of 100% share in Jean Junction from a related party</b>					
The John McCormick Family Trust	39	7 100 000	-	7 100 000	-
<b>Rooftop rent paid to related parties</b>					
Alex Mall (Pty) Ltd		-	-	(178 407)	(169 911)
Katale Square (Pty) Ltd		-	-	(75 411)	(71 820)
Mabopane Square (Pty) Ltd		-	-	(94 641)	(90 134)
Mall Of Thembisa (Pty) Ltd		-	-	(375 071)	(357 210)
Phola Mall (Pty) Ltd		-	-	(188 250)	(179 285)
Modimall (Pty) Ltd		-	-	(223 522)	(109 035)
Theku Plaza		-	-	(141 684)	(124 185)
Tsakane Mall (Pty) Ltd		-	-	(86 934)	(82 467)



	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
<b>Electricity income received from related parties</b>				
Alex Mall (Pty) Ltd	-	-	3 131 610	2 657 184
Katale Square (Pty) Ltd	-	-	1 304 070	1 092 426
Mabopane Square (Pty) Ltd	-	-	1 324 530	1 188 505
Mall Of Thembisa (Pty) Ltd	-	-	7 771 092	6 874 715
Mamelodi Square (Pty) Ltd	-	-	2 548 988	-
Modimall (Pty) Ltd	-	-	6 871 727	2 753 572
Phola Mall (Pty) Ltd	-	-	3 484 999	2 765 453
Theku Plaza (Pty) Ltd	-	-	2 234 285	1 567 087
Tsakane Mall (Pty) Ltd	-	-	2 718 162	1 027 953
<b>Dividends received from related parties</b>				
Alex Mall (Pty) Ltd	-	-	59 651 294	62 752 896
Katale Square (Pty) Ltd	-	-	12 774 469	2 824 987
Maake Plaza (Pty) Ltd	-	-	9 066 645	7 631 521
Mabopane Square (Pty) Ltd	-	-	14 604 017	5 314 888
Mall of Thembisa (Pty) Ltd	-	-	47 984 748	38 015 106
Mandeni Plaza (Pty) Ltd	-	-	3 246 122	4 561 701
Modimall (Pty) Ltd	-	-	25 801 955	13 805 570
Phola Mall (Pty) Ltd	-	-	15 356 062	17 642 146
Theku Plaza (Pty) Ltd	-	-	18 237 741	16 404 756
Tsakane Mall (Pty) Ltd	-	-	38 407 417	35 659 541
<b>Rent and operating costs paid to related parties</b>				
The John McCormick Family Trust	(1 563 422)	(1 451 842)	(1 563 422)	(1 451 842)

## 37. LEASE PAYMENTS RECEIVABLE

Lease payments comprise contractual rental income from investment properties and fixed operating recoveries due in terms of signed lease agreements.

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Receivable within year one	803 497 481	740 512 046	354 571 599	333 733 285
Receivable within year two	666 276 041	606 165 228	272 161 981	269 715 535
Receivable within year three	491 497 758	457 520 933	190 262 885	180 397 676
Receivable within year four	343 339 148	311 063 865	133 452 528	113 157 626
Receivable within year five	198 916 999	215 655 351	78 641 176	79 707 465
Receivable beyond five years	477 610 086	548 682 761	306 041 706	339 461 371
	<b>2 981 137 513</b>	<b>2 879 600 184</b>	<b>1 335 131 875</b>	<b>1 316 172 958</b>

The Group lets a number of retail properties under operating leases. Leases typically run for an average period of three to ten years, with an escalation rate ranging between 5 and 8 %.

## 38. RISK MANAGEMENT

### Categories of financial instruments

		GROUP			
Categories of financial assets		Fair value through profit or loss	Amortised cost	Non-financial assets	Total
2024	Notes	R	R	R	R
Derivative financial instruments	6	258 857	-	-	258 857
Loans receivable	8	-	57 261 096	-	57 261 096
Trade and other receivables	9	-	46 298 931	28 735 255	75 034 186
Cash and cash equivalents	10	-	42 843 244	-	42 843 244
		<b>258 857</b>	<b>146 403 271</b>	<b>28 735 255</b>	<b>175 397 383</b>
2023		R	R	R	R
Derivative financial instruments	6	43 131 204	-	-	43 131 204
Loans receivable	8	-	35 191 989	-	35 191 989
Trade and other receivables	9	-	42 856 924	27 758 663	70 615 587
Cash and cash equivalents	10	-	59 218 534	-	59 218 534
		<b>43 131 204</b>	<b>137 267 447</b>	<b>27 758 663</b>	<b>208 157 314</b>
Categories of financial liabilities		Fair value through profit or loss	Amortised cost	Non-financial assets	Total
2024		R	R	R	R
Financial liabilities	14	-	3 270 000 000	(7 884 355)	3 262 115 645
Trade and other payables	17	-	146 936 219	76 078 001	223 014 220
Lease liabilities	15	-	61 317 869	-	61 317 869
Dividends payable	33	-	8 960 554	-	8 960 554
		<b>-</b>	<b>3 487 214 642</b>	<b>68 193 646</b>	<b>3 555 408 288</b>



	Notes	Fair value through profit or loss	Amortised cost	Non-financial assets	Total
		R	R	R	R
<b>2023</b>					
Financial liabilities	14	-	2 990 000 000	(9 123 033)	2 980 876 967
Trade and other payables	17	-	155 871 502	71 081 348	226 952 850
Lease liabilities	15	-	50 291 681	-	50 291 681
Dividends payable	33	-	12 599 147	-	12 599 147
Vendor finance payable	42	-	116 500 000	-	116 500 000
		-	<b>3 325 262 330</b>	<b>61 958 315</b>	<b>3 387 220 645</b>

**Categories of financial instruments**

**COMPANY**

**Categories of financial assets**

	Notes	Fair value through profit or loss	Amortised cost	Non-financial assets	Total
		R	R	R	R
<b>2024</b>					
Derivative financial instruments	6	258 857	-	-	258 857
Loans to subsidiaries	7	-	2 293 347 577	-	2 293 347 577
Loans receivable	8	-	55 123 435	-	55 123 435
Trade and other receivables	9	-	23 555 193	13 177 322	36 732 515
Cash and cash equivalents	10	-	27 240 732	-	27 240 732
Dividend receivable		-	15 871 102	-	15 871 102
		<b>258 857</b>	<b>2 415 138 039</b>	<b>13 177 322</b>	<b>2 428 574 218</b>

	Notes	Fair value through profit or loss	Amortised cost	Non-financial assets	Total
		R	R	R	R
<b>2023</b>					
Derivative financial instruments	6	27 838 007	-	-	27 838 007
Loans to subsidiaries	7	-	1 788 080 572	-	1 788 080 572
Loans receivable	8	-	32 480 916	-	32 480 916
Trade and other receivables	9	-	19 142 884	10 059 839	29 202 723
Cash and cash equivalents	10	-	46 787 331	-	46 787 331
Dividend receivable		-	20 929 442	-	20 929 442
		<b>27 838 007</b>	<b>1 907 421 145</b>	<b>10 059 839</b>	<b>1 945 318 991</b>

**Categories of financial liabilities**

	Notes	Fair value through profit or loss	Amortised cost	Non-financial assets	Total
		R	R	R	R
<b>2024</b>					
Financial liabilities	14	-	3 270 000 000	(7 884 355)	3 262 115 645
Lease liabilities	15	-	15 290 544	-	15 290 544
Trade and other payables	17	-	50 752 643	37 060 927	87 813 570
Loans from subsidiaries	18	-	215 217 759	-	215 217 759
		-	<b>3 551 260 946</b>	<b>29 176 572</b>	<b>3 580 437 518</b>



2023	Notes	Fair value through profit or loss	Amortised cost	Non-financial liabilities	Total
		R	R	R	R
Financial liabilities	14	-	2 555 000 000	(9 123 033)	2 545 876 967
Lease liabilities	15	-	14 155 552	-	14 155 552
Trade and other payables	17	-	48 082 379	34 486 492	82 568 871
Loans from subsidiaries	18	-	216 191 518	-	216 191 518
Vendor finance	42	-	116 500 000	-	116 500 000
		-	<b>2 949 929 449</b>	<b>25 363 459</b>	<b>2 975 292 908</b>

Pre-tax gains and losses on financial instruments

GROUP				
Gains and losses on financial assets	Notes	Fair value through profit or loss	Amortised cost	Total
		R	R	R
2024				
Interest income	23	-	15 901 697	15 901 697
Loss on fair value of derivative financial instruments		(42 872 347)	-	(42 872 347)
		<b>(42 872 347)</b>	<b>15 901 697</b>	<b>(26 970 650)</b>

2023	Notes	Fair value through profit or loss	Amortised cost	Total
		R	R	R
Interest income	23	-	34 666 057	34 666 057
Gain on fair value of derivative financial instruments		12 232 239	-	12 232 239
		<b>12 232 239</b>	<b>34 666 057</b>	<b>46 898 296</b>

Gains and losses on financial liabilities	Notes	Fair value through profit or loss	Amortised cost	Total
		R	R	R
2024				
Finance costs	26	-	(287 031 941)	(287 031 941)
		<b>-</b>	<b>(287 031 941)</b>	<b>(287 031 941)</b>

2023	Notes	Fair value through profit or loss	Amortised cost	Total
		R	R	R
Finance costs	26	-	(200 414 261)	(200 414 261)
		<b>-</b>	<b>(200 414 261)</b>	<b>(200 414 261)</b>

COMPANY				
Gains and losses on financial assets	Notes	Fair value through profit or loss	Amortised cost	Total
		R	R	R
2024				
Interest income	23	-	103 917 827	103 917 827
Loss on fair value of derivative financial instruments		(27 579 150)	-	(27 579 150)
		<b>(27 579 150)</b>	<b>103 917 827</b>	<b>76 338 677</b>



	Notes	Fair value through profit or loss	Amortised cost	Total
		R	R	R
<b>2023</b>				
Interest income	23	-	89 361 623	89 361 623
Gain on fair value of derivative financial instruments		8 909 515	-	8 909 515
		<b>8 909 515</b>	<b>89 361 623</b>	<b>98 271 138</b>

	Notes	Fair value through profit or loss	Amortised cost	Total
		R	R	R
<b>2024</b>				
<b>Gains and losses on financial liabilities</b>				
Finance costs	26	-	(261 388 219)	(261 388 219)
		<b>-</b>	<b>(261 388 219)</b>	<b>(261 388 219)</b>

	Notes	Fair value through profit or loss	Amortised cost	Total
		R	R	R
<b>2023</b>				
<b>Gains and losses on financial liabilities</b>				
Finance costs	26	-	(179 729 299)	(179 729 299)
		<b>-</b>	<b>(179 729 299)</b>	<b>(179 729 299)</b>

### Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, as well as maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The capital structure is managed, inter alia, through ensuring that the Group has sufficient headroom to all loan covenants, hedging interest rates when cost effective, reviewing cashflow forecasts and monitoring debtors balances.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 14, cash and cash equivalents disclosed in notes 10, lease liabilities in note 15, trade and other payables in note 17, loans from subsidiaries in note 18 and equity as disclosed in the statement of financial position.

	Notes	GROUP		COMPANY	
		2024	2023	2024	2023
		R	R	R	R
Loans from subsidiaries	18	-	-	215 217 759	216 191 518
Financial liabilities	14	3 270 000 000	2 990 000 000	3 270 000 000	2 555 000 000
Lease liabilities	15	61 317 869	50 291 681	15 290 544	14 155 552
Trade and other payables	17	146 936 219	155 871 502	50 752 643	48 082 379
<b>Total borrowings</b>		<b>3 478 254 088</b>	<b>3 196 163 183</b>	<b>3 551 260 946</b>	<b>2 833 429 449</b>
Cash and cash equivalents	10	(42 843 244)	(59 218 534)	(27 240 732)	(46 787 331)
<b>Net borrowings</b>		<b>3 435 410 844</b>	<b>3 136 944 649</b>	<b>3 524 020 214</b>	<b>2 786 642 118</b>

The Group's loan agreements are subject to covenant clauses, comprising certain key financial ratios. The financial loan covenants comprise a Loan-to-Value Ratio that does not at any time exceed 50%, and an Interest Cover Ratio that is at all times at least 2.00 times. Neither of these covenants were breached during the current or prior financial year.



**SA REIT loan to value**

	2024	2023
	R	R
Gross Debt	3 262 115 645	3 097 376 967
Less:		
Cash and cash equivalents	(42 843 244)	(59 218 534)
Derivative financial instruments	(258 857)	(43 131 204)
<b>Net debt</b>	<b>3 219 013 544</b>	<b>2 995 027 229</b>
Total assets per statement of financial position	8 960 072 949	8 463 754 080
Less:		
Cash and cash equivalents	(42 843 244)	(59 218 534)
Derivative financial instruments	(258 857)	(43 131 204)
Staff share scheme loans	(30 256 255)	(32 480 916)
Trade and other receivables	(75 034 186)	(70 615 587)
Carrying amount of property-related assets	8 811 680 407	8 258 307 839
	<b>8 811 680 406</b>	<b>8 258 307 839</b>
<b>SA REIT loan to value</b>	<b>36.5%</b>	<b>36.3%</b>

**Financial risk management**

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Interest rate risk.

The Group's management policies are designed to ensure that there is an acceptable level of risk within the Group as a whole.

**Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group and Company are exposed to credit risk on loans receivable, trade and other receivables and cash and cash equivalents.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The Group only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is assessed individually for creditworthiness before terms and conditions are offered, which involves making use of information submitted by the counterparties as well as external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored. Furthermore, cash on deposit is only placed with banks that are AA rated or higher.

**Impairment of financial assets**

The Group has two types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables; and
- Loans receivable.

**Trade and other receivables and loans receivable**

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles over a period of 12 months before 28 February 2023 and the corresponding historical credit losses experienced within this period. To measure expected credit losses on an individual basis, trade receivables are assessed net of the value-added tax clawback and deposit or guarantee held. Arrears aged 60 days and over are in most instances deemed to be irrecoverable and provided for. The expected loss rates are based on the Group's historical credit losses experienced over the period prior to the period end and are reassessed at each reporting date. Refer to note 9 - Trade and other receivables for the key macroeconomic factors identified by the Group, and the adjustments to the historical loss rates based on expected changes in these factors.

The group uses a general approach to measure all loans receivable per note 8. Under this approach, loans receivable are initially recognized at fair value, which typically equals the amount disbursed, and subsequently measured at amortized cost using the effective interest method.

On that basis, the loss allowance as at 29 February 2024 was determined as follows for both trade receivables and loans receivable.



Financial assets exposed to credit risk at year end were as follows:

#### 2024

Loans receivable  
Trade receivables  
Other receivables  
Cash and cash equivalents

GROUP			
	Gross carrying amount	Credit loss allowance	Amortised cost
Notes	R	R	R
8	32 393 916	-	32 393 916
9	86 066 892	(48 406 880)	37 660 012
9	10 600 496	(1 961 577)	8 638 919
10	42 843 244	-	42 843 244
	<b>171 904 548</b>	<b>(50 368 457)</b>	<b>121 536 091</b>

#### 2023

Loans receivable  
Trade receivables  
Other receivables  
Cash and cash equivalents

	Gross carrying amount	Credit loss allowance	Amortised cost
	R	R	R
8	35 191 989	-	35 191 989
9	77 971 294	(36 398 198)	41 573 096
9	1 283 828	-	1 283 828
10	59 218 534	-	59 218 534
	<b>173 665 645</b>	<b>(36 398 198)</b>	<b>137 267 447</b>

#### 2024

Loans to subsidiaries  
Loans receivable  
Trade receivables  
Other receivables  
Cash and cash equivalents

COMPANY			
	Gross carrying amount	Credit loss allowance	Amortised cost
	R	R	R
7	2 293 347 577	-	2 293 347 577
8	30 256 255	-	30 256 255
9	45 701 794	(25 784 943)	19 916 851
9	5 599 919	(1 961 577)	3 638 342
10	27 240 732	-	27 240 732
	<b>2 402 146 277</b>	<b>(27 746 520)</b>	<b>2 374 399 757</b>

#### 2023

Loans to subsidiaries  
Loans receivable  
Trade receivables  
Other receivables  
Cash and cash equivalents

	Gross carrying amount	Credit loss allowance	Amortised cost
	R	R	R
7	1 788 080 572	-	1 788 080 572
8	32 480 916	-	32 480 916
9	36 800 589	(18 125 264)	18 675 325
9	467 559	-	467 559
10	46 787 331	-	46 787 331
	<b>1 904 616 967</b>	<b>(18 125 264)</b>	<b>1 886 491 703</b>

### Liquidity risk

The Group is exposed to liquidity risk as a result of future payment commitments, detailed below.

The Group mitigates its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing resources comprise a mixture of cash generated from operations and long and short-term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and the Company manages the liquidity risk through an ongoing review of commitments and credit facilities. Cash flow forecasts and budgets are prepared and adequate utilised borrowing facilities, disclosed in notes 10 and 14, are monitored.

Although the current liabilities exceed the current assets, due to the provisions raised and the current portion of financial liabilities, the financial statements have been prepared on a going concern basis as the entity has sufficient undrawn debt facilities, R300,000,000 at year end, and the fact that the company has been able to refinance all debt as it has come due historically and is well supported by the lender base.

The maturity profile of the contractual cash flows of financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.



		GROUP				
		Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
2024	Notes	R	R	R	R	R
<b>Non-current assets</b>						
Derivative financial instruments	6	-	-	258 857	-	258 857
<b>Non-current liabilities</b>						
Financial liabilities	14	-	(1 223 796 780)	(1 710 385 090)	(924 366 120)	(3 858 547 990)
<b>Current liabilities</b>						
Trade and other payables	17	(146 936 219)	-	-	-	(146 936 219)
Dividend payable	14	(8 960 554)	-	-	-	(8 960 554)
Financial liabilities	42	(313 873 950)	-	-	-	(313 873 950)
<b>Total Liabilities</b>		<b>(469 770 723)</b>	<b>(1 223 796 780)</b>	<b>(1 710 385 090)</b>	<b>(924 366 120)</b>	<b>(4 328 318 713)</b>
<b>2023</b>						
<b>Current assets</b>						
Derivative financial instruments	6	-	30 898 965	-	-	30 898 965
<b>Non-current liabilities</b>						
Financial liabilities	14	(207 833 630)	(728 195 155)	(1 293 335 759)	(1 129 140 705)	(3 358 505 249)
<b>Current liabilities</b>						
Trade and other payables	17	(155 871 502)	-	-	-	(155 871 502)
Dividend payable	33	(12 599 147)	-	-	-	(12 599 147)
Financial liabilities	14	(457 645 623)	-	-	-	(457 645 623)
Vendor finance payable	42	(116 500 000)	-	-	-	(116 500 000)
<b>Total Liabilities</b>		<b>(950 449 902)</b>	<b>(728 195 155)</b>	<b>(1 293 335 759)</b>	<b>(1 129 140 705)</b>	<b>(4 101 121 521)</b>
		COMPANY				
		Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
2024	Notes	R	R		R	R
<b>Current assets</b>						
Derivative financial instruments	6	-	258 857	258 857	-	517 714
<b>Non-current liabilities</b>						
Financial liabilities	14	-	(1 223 796 780)	(1 710 385 090)	(924 366 120)	(3 858 547 990)
<b>Current liabilities</b>						
Trade and other payables	17	(50 752 643)	-	-	-	(50 752 643)
Loans from subsidiaries	18	(215 217 759)	-	-	-	(215 217 759)
Financial liabilities	14	(313 873 950)	-	-	-	-
Vendor finance payable	42	-	-	-	-	-
<b>Total Liabilities</b>		<b>(579 844 352)</b>	<b>(1 223 796 780)</b>	<b>(1 710 385 090)</b>	<b>(924 366 120)</b>	<b>(4 124 518 392)</b>
<b>2023</b>						
<b>Current assets</b>						
Derivative financial instruments	6	-	27 838 007	-	-	27 838 007
<b>Non-current liabilities</b>						
Financial liabilities	14	(207 833 630)	(728 195 155)	(1 293 335 759)	(1 129 140 705)	(3 358 505 235)
<b>Current liabilities</b>						
Trade and other payables	17	(48 082 379)	-	-	-	(48 082 379)
Loans from subsidiaries	18	(216 191 518)	-	-	-	(216 191 518)
Vendor finance payable	42	(116 500 000)	-	-	-	(116 500 000)
<b>Total Liabilities</b>		<b>(588 607 527)</b>	<b>(728 195 155)</b>	<b>(1 293 335 759)</b>	<b>(1 129 140 705)</b>	<b>(3 739 279 132)</b>



**Interest rate risk**

Fluctuations in the interest rates impact on the value of investments, financing activities and interest rate swaps, giving rise to interest rate risk.

The interest rate risk arises primarily from long-term borrowings, which bear interest at rates linked to 3 month Jibar and the prime lending rate. The Company's weighted average cost of borrowing is 3 month JIBAR plus 1.79% (2023: 3 month JIBAR plus 1.905%), excluding the amortisation of hedging costs and participation fees. The Group strategy is well-managed and monitored, and 14.0% (2023: 43.1%) of Group debt is hedged by way of an interest rate cap. The Company and Mall of Thembisa (Pty) Ltd interest rate swaps terminated on 11 December 2023 and 15 January 2024 respectively, as disclosed in note 6. Monitoring of international and local economic climate and aligning development and hedging strategy with views of future rate movements further mitigates the risk.

A 1% increase in the effective interest rate applicable to interest-bearing borrowings, would have resulted in an increase in finance charges of R32 621 156 (2023: R 27 633 770) before tax.

**Fair value hierarchy for financial instruments and investment property**

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

The fair value hierarchy has the following levels:

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

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

Level 3 - fair value is determined through the use of valuation techniques using significant inputs (refer note 3 for assumptions applied to valuation of investment property).

		GROUP			
		Fair value	Level 1	Level 2	Level 3
2024	Notes	R	R	R	R
<b>Assets</b>					
Investment properties	3	8 646 478 488	-	-	8 646 478 488
Derivative financial instruments	6	-	-	-	-
<b>2023</b>					
<b>Assets</b>					
Investment properties	3	8 185 440 124	-	-	8 185 440 124
Derivative financial instruments	3	43 131 204	-	43 131 204	-
		COMPANY			
		Fair value	Level 1	Level 2	Level 3
2024		R	R	R	R
<b>Assets</b>					
Investment properties	3	4 079 773 126	-	-	4 079 773 126
Derivative financial instruments	6	-	-	-	-
<b>2023</b>					
<b>Assets</b>					
Investment properties	3	3 867 927 876	-	-	3 867 927 876
Derivative financial instruments	6	27 838 007	-	27 838 007	-

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

Refer to notes 3 and 6 for the relevant valuation methods, inputs and assumptions made.



### 39. ACQUISITION OF ASSETS AND LIABILITIES BY THE GROUP

During the current year, Exemplar acquired 100% of the shares in Jean Junction (Pty) Ltd, the property owning company in which the new Exemplar REITail head office will be housed, for R100 and the shareholder's claim for R7,099,900

In the prior year, Exemplar acquired a 50% undivided share in Mamelodi Square which was settled in the current year for cash of R116,500,000.

### 40. ACQUISITION OF NON-CONTROLLING INTEREST

In the prior financial year the Company acquired the non-controlling interest in Mall of Thembisa (Pty) Ltd.

	GROUP		COMPANY	
	2024	2023	2024	2023
	R	R	R	R
Purchase price of 49.9% of the shares	-	113 000 000	-	113 000 000
Loan claim acquired	-	20 000 000	-	20 000 000
Transaction costs	-	282 500	-	282 500
Cash paid	-	133 282 500	-	133 282 500
Utilisation of provision for interest	-	(2 693 898)	-	(2 693 898)
	-	130 588 602	-	130 588 602
Non-controlling interest	-	69 222 435	-	69 222 435
Premium paid on acquisition	-	61 366 167	-	61 366 167



## 41. JOINT OPERATIONS

Profits and losses resulting from the transactions with the joint operations are recognised in the Group's consolidated annual financial statements only to the extent of interests that are not related to the Group.

The Group accounts for the assets, liabilities, revenues and expenses relating to joint operations in accordance with the IFRS Accounting Standard applicable to the particular assets, liabilities, revenues and expenses.

In the separate annual financial statements of the Company, interests in joint operations are accounted for in the same manner.

	2024	2023
	%	%
<b>Joint operations comprise co-ownerships in the following properties:</b>		
Acornhoek Megacity	43.98	43.98
Chris Hani Crossing	50.00	50.00
Jane Furse Plaza	29.83	29.83
Kwagga Mall	43.51	43.51
Maake Plaza	30.00	30.00
Modjadji Plaza	70.00	70.00
Mamelodi Square	50.00	50.00
Tsakane Mall	50.00	50.00

### Exemplar's share of profit and loss and net assets:

	2024	2023
	R	R
<b>Statement of profit or loss and other comprehensive income</b>		
Rental income and recoveries	262 290 852	226 830 716
Straight-line lease income adjustments	(706 714)	(240 095)
Property operating costs	(101 782 954)	(80 181 608)
<b>Fair value adjustment to investment properties</b>	<b>61 854 172</b>	<b>81 279 890</b>
Other income	130 977	223
Interest income	2 698 576	1 427 674
Finance costs	(716 162)	(666 586)
Profit before taxation	223 768 747	228 450 215
<b>Profit before taxation</b>	<b>223 768 747</b>	<b>228 450 215</b>

### Statement of financial position

Opening fair value of property assets	1 884 823 327	1 686 492 960
Additions	1 432 694	2 178 219
Acquisitions	-	116 500 000
Net movement in tenant installations	(835 679)	(1 067 292)
Fair value adjustment	61 854 172	81 813 110
Lease liability	4 951 600	(320 356)
Operating lease asset	(706 714)	(773 315)
Closing fair value of property assets	1 951 519 400	1 884 823 327
Property, plant and equipment	775 691	984 153
Current assets	572 739 011	369 672 362
<b>Total assets</b>	<b>2 525 034 102</b>	<b>2 255 479 842</b>
Equity	2 429 076 211	2 331 933 528
Deferred taxation	45 362 677	(45 909 109)
Non-Current Liabilities	4 918 526	-
Current liabilities	45 676 688	(30 544 578)
<b>Total equity and liabilities</b>	<b>2 525 034 102</b>	<b>2 255 479 842</b>

All joint operations have their principal place of business in South Africa.



## 42. VENDOR FINANCE PAYABLE

This loan is attributable to the purchase of 50% undivided share in Mamelodi Square Proprietary Limited. The loan was settled in the current financial year.

## 43. GOING CONCERN

The current liabilities exceed the current assets by R370 860 226, mainly as a result of the current portion of the financial liabilities. Having assessed the forecast for the period ending 28 February 2025, the fact that the Group has available undrawn facilities of R300 million and that the Group has proven track record of refinancing debt as it matures, the directors have satisfied themselves that the Group is in a sound financial position and that it has adequate financial resources to continue in operation for the foreseeable future. Accordingly, the annual financial statements have been prepared on a going concern basis. The directors are not aware of any material changes that may adversely impact the Group and / or Company.

## 44. EVENTS AFTER THE REPORTING PERIOD

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

## 45. CONTINGENCIES

The claim made by a competing developer and disclosed in prior financial years is ongoing. Our Special Plea of Prescription against the Plaintiff's action was set down for hearing for the end of the April 2024. However, as the Plaintiff hasn't delivered certain documents requested from them for purposes of preparing for trial, the Special Plea trial was not ripe for hearing and had to be removed from the court roll. We will apply for a new date for the hearing of our Special Plea which we expect to be at the end of 2024. We are confident that we will be successful in our Special Plea.



# ANNEXURE A SEGMENT REPORT

## SEGMENT ANALYSIS

The Group identifies and presents operating segments based on information that is provided to the Group's management and internal reporting structure as determined by the Group's executive committee. The Group's management reviews the performance of its investment properties on an individual basis and due to the entire portfolio being retail, has taken a decision to aggregate operating segments and disclose such reportable segments on a geographical basis, being:

- Mpumalanga;
- KwaZulu-Natal;
- Limpopo; and
- Eastern Cape.

The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its financial statements.

	GLA	Investment property	Rental income and recoveries	Property operating expenses	Change in fair values	Net Property income including fair value adjustments
2024	m <sup>2</sup>	R	R	R	R	R
Gauteng	181 133	4 263 330 203	587 749 645	(177 366 663)	197 394 254	607 777 236
Mpumalanga	85 924	1 592 199 988	217 350 796	(85 223 263)	57 738 389	189 865 922
KwaZulu-Natal	55 421	874 381 625	147 100 628	(63 929 807)	13 039 985	96 210 805
Limpopo	52 639	1 064 497 720	154 115 252	(64 696 544)	76 382 621	165 801 329
Eastern Cape	39 414	713 596 045	113 375 821	(44 328 203)	16 203 510	85 251 128
	<b>414 530</b>	<b>8 508 005 581</b>	<b>1 219 692 142</b>	<b>(435 544 480)</b>	<b>360 758 759</b>	<b>1 144 906 421</b>

	GLA	Investment property	Rental income and recoveries	Property operating expenses	Change in fair values	Net Property income including fair value adjustments
2023	m <sup>2</sup>	R	R	R	R	R
Gauteng	181 170	4 080 196 799	533 441 123	(154 236 602)	222 739 633	601 944 154
Mpumalanga	85 924	1 532 263 973	204 777 424	(78 134 896)	83 295 725	209 938 253
KwaZulu-Natal	48 770	799 635 619	117 074 857	(43 011 293)	45 903 471	119 967 035
Limpopo	52 664	963 137 346	139 504 645	(56 908 506)	68 809 446	151 405 585
Eastern Cape	39 414	670 353 347	52 696 839	(22 666 556)	46 862 751	76 893 034
	<b>407 942</b>	<b>8 045 587 084</b>	<b>1 047 494 888</b>	<b>(354 957 853)</b>	<b>467 611 026</b>	<b>1 160 148 061</b>



## DISTRIBUTABLE EARNINGS RECONCILIATION

The following annexure does not form part of the IFRS financial statements:

	GROUP	
	2024	2023
	R	R
<b>Net property income including fair value adjustments</b>	<b>1 144 906 421</b>	<b>1 160 148 061</b>
Other income	27 578 848	55 388 755
Administrative expenses and corporate costs	(64 489 978)	(50 981 658)
Investment income	15 901 697	34 666 057
Finance costs	(287 031 941)	(200 414 261)
Insurance claim received on material loss	-	69 165 709
Fair value adjustment to derivative financial instruments	(42 872 347)	12 232 239
Taxation	(39 966 681)	(51 486 212)
<b>Total comprehensive income</b>	<b>754 026 019</b>	<b>1 028 718 690</b>
<b>Distributable earnings reconciliation</b>		
<b>Total comprehensive income</b>	<b>754 026 019</b>	<b>1 028 718 690</b>
<b>Distributable earnings adjustments:</b>		
Attributable to non-controlling interests	(45 334 879)	(53 376 978)
Fair value adjustment to derivative financial instruments	42 872 347	(12 232 239)
Fair value adjustment to investment properties	(360 758 759)	(467 611 026)
Non-controlling interest in fair value adjustment to investment properties	29 233 969	31 712 680
Straight-line lease income adjustments	(9 646 055)	(41 070 550)
Non-controlling interest in straight-line lease income adjustments	1 744 697	1 935 297
Lease liability adjustment - rent paid	(5 056 347)	(3 606 716)
Lease liability adjustment - interest on lease	8 437 807	5 179 294
Non-controlling interest in lease liability adjustments	(899 803)	(952 067)
Settlement costs of derivative financial instruments amortised	-	(5 015 642)
Insurance claim on material loss	-	(69 165 709)
Deferred tax movement	39 966 681	51 486 212
Non-controlling interest in deferred tax movement	(1 955 859)	(932 496)
IFRS2 Charge on Share Scheme	9 043 050	3 866 247
<b>Distributable income</b>	<b>461 672 868</b>	<b>468 934 998</b>
<b>Interim dividend paid</b>	<b>213 570 532</b>	<b>228 332 980</b>
Dividend per share (cents)	64,27220	68,71483
Number of shares	332 290 686	332 290 686
<b>Final distribution</b>	<b>248 102 336</b>	<b>240 602 018</b>
Final dividend	189 514 514	240 602 018
Dividend per share (cents)	57,03275	72,40709
Number of shares	332 290 686	332 290 686
Return of contributed tax capital	58 587 822	-
Return of contributed tax capital (cents)	17,63150	-
Number of shares	332 290 686	-
<b>Total distribution for the year</b>	<b>461 672 868</b>	<b>468 934 998</b>
Dividend per share for the year (cents)	121,30495	141,12192
Return of contributed tax capital per share for the year (cents)	17,63150	-
<b>Total distribution per share for the year (cents)</b>	<b>138,93645</b>	<b>141,12192</b>

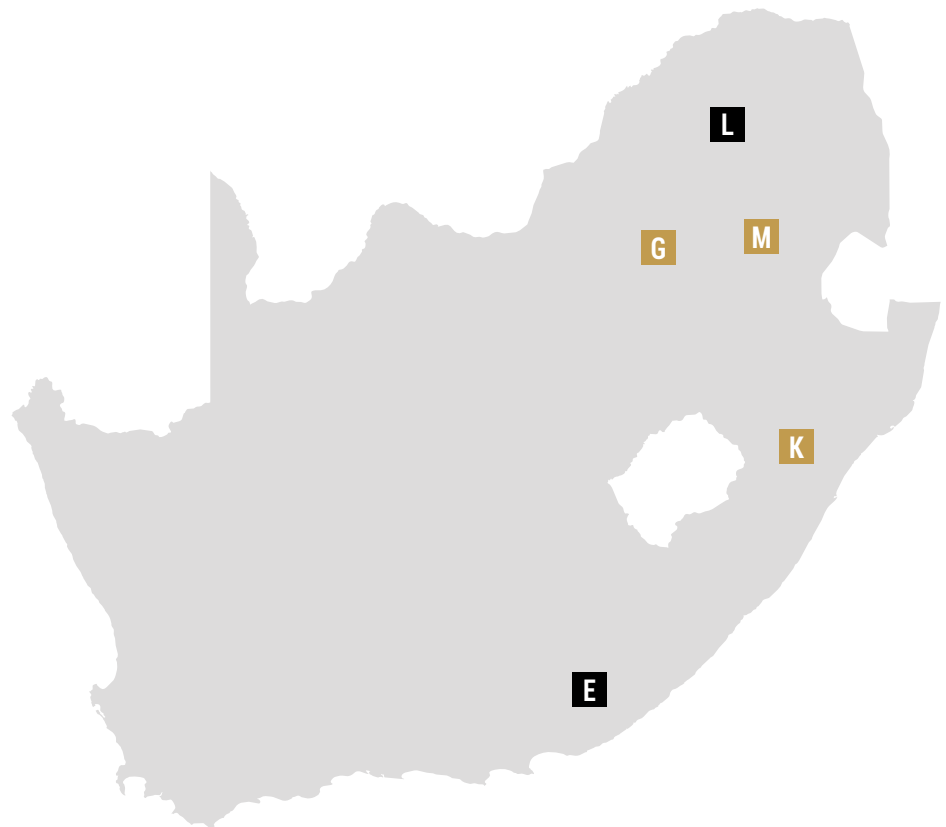




REDEVELOPMENT OF THEKU MALL KWAZULU-NATAL

# ANNEXURE C INVESTMENT PORTFOLIO

EXEMPLAR GROUP & COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2024



The Exemplar portfolio spans five provinces, totalling 414 530m<sup>2</sup> under ownership and an additional 187 814m<sup>2</sup> under management.

The average size of the 26 retail assets in the portfolio is 15 944m<sup>2</sup>, with the smallest being 4 796m<sup>2</sup> and the largest being 44 780m<sup>2</sup>.

## G GAUTENG



**ALEX MALL**  
29 137m<sup>2</sup>  
Alexandra  
Economic interest 100%



**ATTERIDGE STADIUM CENTRE**  
4 797m<sup>2</sup>  
Atteridgeville  
Economic interest 100%



**CHRIS HANI CROSSING**  
40 747m<sup>2</sup>  
Vosloorus  
Economic interest 50%



**DIEPKLOOF SQUARE**  
15 416m<sup>2</sup>  
Soweto  
Economic interest 100%



**MABOPANE SQUARE**  
10 398m<sup>2</sup>  
Mabopane  
Economic interest 100%



**MALL OF THEMBISA**  
44 780m<sup>2</sup>  
Thembisa  
Economic interest 100%



**MAMELODI SQUARE**  
16 521m<sup>2</sup>  
Mamelodi  
Economic interest 50%



**OLIEVENHOUT PLAZA**  
16 314m<sup>2</sup>  
Olivenhoutbosch  
Economic interest 100%



**THORNTREE SHOPPING CENTRE**  
15 620m<sup>2</sup>  
Soshanguve  
Economic interest 100%



**TSAKANE MALL**  
32 073m<sup>2</sup>  
East Rand  
Economic interest 50%



## LIMPOPO

### BLOUBERG MALL

13 333m<sup>2</sup>

Bochum

Economic interest 100%



### JANE FURSE PLAZA

18 904m<sup>2</sup>

Jane Furse

Economic interest 29.83%



### MAAKE PLAZA

14 394m<sup>2</sup>

Tzaneen

Economic interest 30%



### MODI MALL

22 510m<sup>2</sup>

Modimolle

Economic interest 100%



### MODJADJI PLAZA

9 769m<sup>2</sup>

Ga-Kgapane

Economic interest 70%



## MPUMALANGA

### ACORNHOEK MEGACITY

25 200m<sup>2</sup>

Bushbuckridge

Economic interest 43.98%



### EMOYENI MALL

23 427m<sup>2</sup>

Emoyeni

Economic interest 100%



### KATALE SQUARE

8 734m<sup>2</sup>

Marapyane

Economic interest 100%



### KWAGGA MALL

34 442m<sup>2</sup>

Kwaggafontein

Economic interest 43.51%



### PHOLA MALL

27 694m<sup>2</sup>

KwaMhlanga

Economic interest 53%



## UNDER MANAGEMENT

### GAUTENG

#### SOSHANGUVE PLAZA

19 000m<sup>2</sup>

Soshanguve



#### MAYFIELD SQUARE

23 753m<sup>2</sup>

Daveyton



### LIMPOPO

#### MAHLAKUNG MALL

10 326m<sup>2</sup>

Metz



#### TSHAKHUMA MALL

11 260m<sup>2</sup>

Tshakhuma



### MPUMALANGA

#### KABOKWENI PLAZA

14 603m<sup>2</sup>

Kabokweni



### KWAZULU-NATAL

#### EZAKHENI PLAZA

12 175m<sup>2</sup>

Ladysmith



### EASTERN CAPE

#### FLAGSTAFF SQUARE

10 920m<sup>2</sup>

Flagstaff



## EASTERN CAPE

### BIZANA WALK

6 892m<sup>2</sup>

Bizana

Economic interest 60%



## KWAZULU-NATAL



### EDENDALE MALL

28 733m<sup>2</sup>

Pietermaritzburg

Economic interest 100%



### MANDENI MALL

11 881m<sup>2</sup>

Mandeni

Economic interest 50%



### KWABHACA MALL

18 925m<sup>2</sup>

KwaBhaca (Mt. Frere)

Economic interest 60%



### LUSIKI PLAZA

13 597m<sup>2</sup>

Lusikisiki

Economic interest 100%



### THEKU PLAZA

14 807m<sup>2</sup>

Newcastle

Economic interest 82.5%



## UNDER DEVELOPMENT

### THEKU MALL (EXPANSION)

22 591m<sup>2</sup>

Newcastle, KwaZulu-Natal

Economic interest 82.5%

Opening October 2024

### MBHASHE LG MALL

20 638m<sup>2</sup>

Idutywa, Eastern Cape

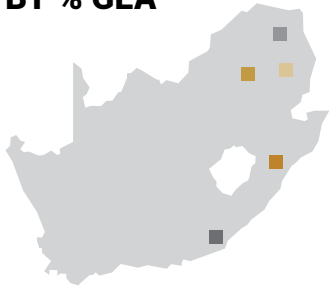
Economic interest 60%

Opening March 2025



## TENANTS BY GEOGRAPHIC SEGMENT

BY % GLA



■ GAUTENG	43.70%
■ MPUMALANGA	20.73%
■ KWAZULU-NATAL	13.37%
■ LIMPOPO	12.70%
■ EASTERN CAPE	9.51%

## BY % REVENUE

48.19%	GAUTENG
17.82%	MPUMALANGA
12.64%	LIMPOPO
12.06%	KWAZULU-NATAL
9.30%	EASTERN CAPE

**17.6%**

INCREASE IN RENTAL AND RECOVERY INCOME

WEIGHTED AVERAGE INVESTMENT PROPERTY CAPITALISATION RATE OF

**9.12%**

PORTFOLIO FAIR VALUE

**R8,71 billion**

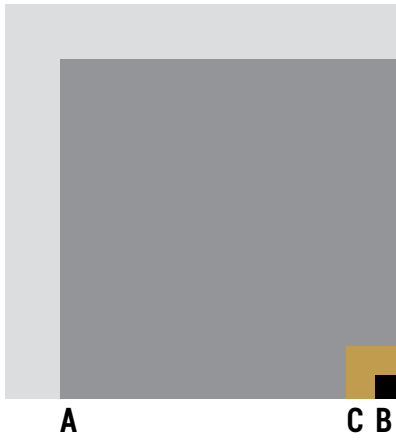
WEIGHTED AVERAGE BASIC RENTAL OF

**R162,35 per m<sup>2</sup>**

CHRIS HANI CROSSING GAUTENG



## TENANT GRADING



### CATEGORY A

**86%**

Category A includes large national and international tenants, as well as government or smaller tenants that come with rental guarantees. Notable tenants include Shoprite, Checkers, Pick n Pay, SUPERSPAR, Game, Cashbuild, Builders Superstore, The Truworths Group, The Foschini Group, The Mr Price Group, Pepkor, Absa, FNB, Capitec Bank, Standard Bank, Nedbank, Clicks, Famous Brands, KFC, McDonald's, Roots Butchery and Liquor City.

### CATEGORY B

**2.5%**

This category comprises smaller national and international tenants, in addition to smaller listed tenants, major franchisees, and medium to large professional firms. Notable tenants in the category include Express Stores, Drip, Delicious Fish & Chips and Pedros.

### CATEGORY C

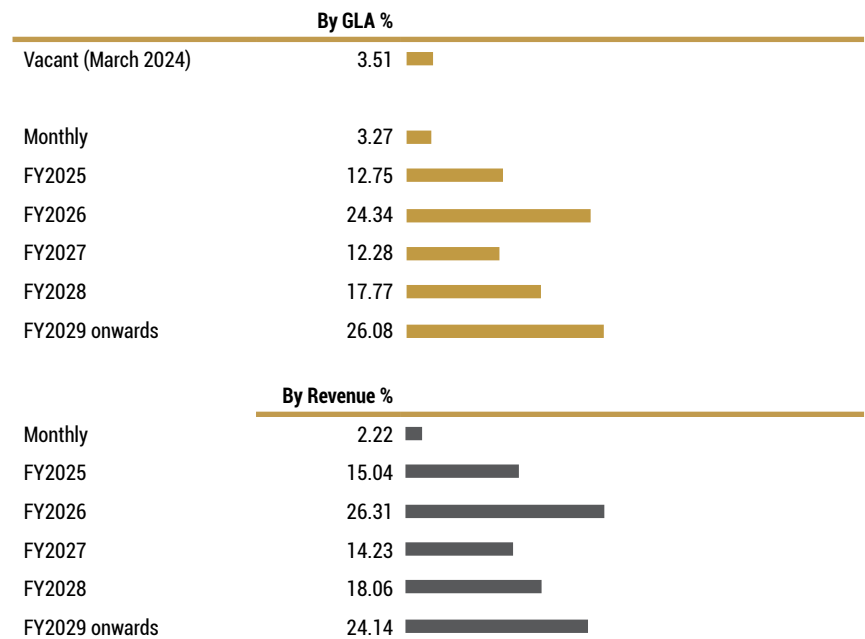
**11.5%**

This category consists of local tenants and sole proprietors such as doctors, pharmacists and hair salons. This segment comprises approximately 400 tenants, each with a small GLA footprint.

## CONTRACTUAL ESCALATION IN BASE RENTAL

The weighted average contractual rate of escalation in base rental incorporated in our live leases is 6.36%.

## LEASE EXPIRY PROFILE



## Analysis of ordinary shareholders as at 23 February 2024

Shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of issued capital
1 - 1 000 shares	39	27.66	9 333	-
1 001 - 10 000 shares	26	18.44	127 212	0.04
10 001 - 100 000 shares	41	29.08	1 691 945	0.51
100 001 - 1 000 000 shares	13	9.22	3 658 344	1.10
Over 1 000 000 shares	22	15.60	326 803 852	98.35
<b>Total</b>	<b>141</b>	<b>100.00</b>	<b>332 290 686</b>	<b>100.00</b>

## Distribution of shareholders

Individuals	98	69.50	6 523 552	1.96
Private companies	34	24.12	319 418 328	9.13
Trusts	8	5.67	6 348 803	1.91
Close corporations	1	0.71	3	-
<b>Total</b>	<b>141</b>	<b>100.00</b>	<b>332 290 686</b>	<b>100.00</b>

## Shareholder type

### Non-public shareholders

Directors and associates of a director	10	7.09	256 844 444	77.30
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### Public shareholders

	131	92.91	75 446 242	22.70
<b>Total</b>	<b>141</b>	<b>100.00</b>	<b>332 290 686</b>	<b>100.00</b>

## Shareholders holding 3% or more

McCormick Property Development Pty Ltd			190 318 534	57.27
Diepkloof Plaza Pty Ltd			16 440 379	4.95
Edendale Mall Pty Ltd			16 417 648	4.94
Blouberg Mall Pty Ltd			14 557 154	4.38
Olievenhout Plaza Pty Ltd			2 810 228	3.86
Seclari Pty Ltd			12 009 630	3.61
Safdev SSSDC Commercial Pty Ltd			11 996 742	3.61
<b>Total</b>			<b>274 550 315</b>	<b>82.62</b>





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