



INTEGRATED
ANNUAL
REPORT
2024

87

PERCENT

Generation Education

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

60

PERCENT

Aria Property Group

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

100

PERCENT

Club Mykonos Langebaan

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

40

PERCENT

Ask Partners

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

100

PERCENT

Resi Investment Group

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

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

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

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

Published on: 28 November 2024

Financial year-end: 31 August 2024

INTEGRATED ANNUAL REPORT

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Over the past five years I have written in my chairman's report about the multi-year strategic journey that the board has been driving of releasing capital from our mature property businesses, of redeploying it into our growing private education businesses and of returning surplus capital to shareholders. This journey has resulted in the payment of distributions to shareholders over that five-year period of 115 cents per share.



CHAIRMAN
ROBIN
LOCKHART-
ROSS

Chairman's Report

In my report last year, I indicated that, while the board anticipated the financial year ending 31 August 2024 ("FY2024") to be a year of consolidation and repositioning in our core businesses, as the previous year ended 31 August 2023 had been, we were nevertheless still confident that the direction and momentum of our travel would yield meaningful results towards our goal of unlocking value for our shareholders.

So I am really pleased in my report this year to reflect on the significance of the major transaction concluded and approved by shareholders so soon after the close of FY2024, in terms of which Trematon will dispose of its 60% interest in the ARIA commercial property business to our co-shareholders in ARIA for a cash consideration of R293 million. Although the expected net cash proceeds after tax of around R240 million will be lower than the intrinsic net asset value ("INAV") of

R275 million attributed to the ARIA investment at the FY2023 year-end, the board was comfortable to recommend this sale to our shareholders, because of the optionality that the transaction will provide the board in deciding the next steps in and the catalytic effect it can have on the pace of our value unlock journey.

Assuming the requisite regulatory approvals are obtained, disposal of its interest in ARIA will leave the group with two main ongoing operating segments, namely the resort/leisure property operations of Club Mykonos and the bricks-and-mortar schools and edutech businesses in Generation Schools. The other two main operating segments are both effectively in realisation mode, with the remaining INAV of the RESI Group and the ASK investment now below R30 million each, as a result of continuing sales of the residential properties in the former and the repatriation of syndicated

loan repayments from the latter. In addition to these operating segments, the group also holds other minor investments that are capable of being realised within 12 to 18 months.

Club Mykonos is a mature, cash-generative business that will require only limited capital investment by the group going forward to unlock further value. This value unlock will be derived partly through innovative asset management initiatives and through income-accretive additions to the resort's entertainment offerings, but mainly through development and sale of the remaining undeveloped land on a plot-and-plan basis, which is likely to be triggered within the next 12 months.

Both the bricks-and-mortar Generation Schools business and the edutech business, GenExperience ("GenEx"), have proven to be capital intensive. But the two most recent schools that were added to the Generation portfolio, at Somerset West and Modderfontein, have both been structured on a capital-light basis, in the sense that these campuses are occupied and operated under long-term lease from property developers. And our board has previously signalled that any future additions to the school portfolio will only be considered on a similar basis.

It is unlikely, however, that the board will commit significant new capital to the bricks-and-mortar schools business in the short to medium term, aside from necessary replacement, refurbishment and expansionary expenditure at existing campuses, at least until such time as we have achieved the capacity utilisation in our schools that will result in the operating efficiencies that are needed to earn the targeted return on the substantial capital already invested. Although excellent progress has been made over the past year by Generation's management in rationalising operations, we have struggled in the current economic environment to sustain existing pupil numbers at some of our campuses and hence to attain the originally projected growth in fee revenue.

It is apparent that more work will need to be done, heading into the 2025 academic year, on boosting pupil intake and improving student retention if the group is to extract the full potential value out of Generation. But in the interim, the current reality is reflected in the decrease in the INAV attributed to Generation at the FY2024 year-end to R293 million, which is down from R353 million in FY2023.

The GenEx edutech business is still in start-up phase, having yet to attain a critical mass of annuity fee-paying customers to achieve break-even, despite having concluded some promising partnership arrangements with other online education providers. Trematon is, however, no longer funding the ongoing development of GenEx's product offering and the roll-out of its client-acquisition programmes. We succeeded during this past year in attracting a third-party investor who has contributed an initial US\$500 000 into GenEx in return for a 10% shareholding that has thus seen the group's interest in GenEx reduce from 82.7% to 68.2%. As previously detailed in a SENS announcement, the arrangement with the third-party investor could see Trematon diluting its interest to below 40% over time against further similar tranches of equity injection by the investor.

Pending implementation of the ARIA disposal transaction, the board has resolved to declare a distribution of 23 cents per share for FY2024. This will be paid as 16.4 cents in the form of a return of capital that will be free of dividend withholding tax and 6.6 cents as a cash dividend that will attract the 20% withholding tax. This payout will bring to 138 cents per share the cumulative distributions paid to shareholders over the six financial years from 2019 to 2024, which should be seen in the context of a share price of 255 cents at 31 August 2019 and an INAV per share of 355 cents at 31 August 2024.

Post receipt of the ARIA sales proceeds, the board will review the group's medium-term capital requirements and reinvestment alternatives, specifically in relation to the Club Mykonos and Generation businesses in the context of the commentary above, as well as the then gearing level, available liquidity and cost structures at group level and the realisation timelines of the group's minor investments. This will frame the board's decision on how much of the proceeds should be retained and how much can be distributed to shareholders as a special dividend, about which an appropriate announcement will be made by the board on SENS early in 2025.

Beyond the disposal of the ARIA investment, it is too early to comment at this stage with any certainty on the medium-term outlook for the group, including the previously floated possibility that Trematon could become the listed vehicle for the Generation Schools business. It is certain, however, that the ARIA transaction will serve as a catalyst to facilitate other material steps by the board towards the continued transformation of the group and the further return of capital to shareholders.

As I noted at the beginning of this report, the strategic objective that the board embraced some five years ago was of necessity a multi-year journey, given the underlying nature of the bulk of the group's direct property investments. So it has been gratifying for the board to note our incremental progress over this extended period, despite the challenging macroeconomic and sociopolitical conditions of the group's external business environment, and now our recent acceleration over these past few months towards the achievement of this objective.

That we have come this far in our journey and are now well placed to take the next steps is due to the guidance and support of our board, the leadership and commitment of our executive team under our CEO, Arnold Shapiro, the persistence and resilience of the management teams in our subsidiaries and associates, and the dedication and contribution of our staff across all of our varied business operations: my sincere thanks and compliments are extended to them for their individual and collective efforts.



Robin Lockhart-Ross
Independent Non-executive Chairman



CEO's and CFO's Joint Report

Introduction

The group has made further progress in realising the value of its mature investments with the aim of returning funds to shareholders while retaining sufficient cash to fund those operations that have the potential to achieve good returns, or which are not yet optimised for sale.

The most significant transaction was entered into subsequent to year-end, whereby the group sold its investment in ARIA to an ARIA management consortium for R293 million. The results of the shareholder meeting approving the transaction were announced on SENS on 26 November 2024. This transaction is still subject to certain conditions precedent which are expected

to be met. Once this transaction is unconditional, payment will be received in January 2025.

Realisations of residential properties have continued steadily. The RESI business is no longer material and will wind down over the next 12 to 24 months. The staff complement has already been reduced in line with the decreased activity.

The two remaining operating businesses which will continue after the ARIA sale are GenEd and CML. There are also some non-core residual assets which are not material and can be easily disposed of. GenEx, the edutech arm of GenEd, continues to operate at a loss but is currently carried at no value in the INAV and is not being funded by the group.

GenEd showed improved results for the period under review due to improved efficiencies, and the schools are building strong communities. Pupil numbers have however been below expectations, so the INAV attributable to GenEd has been reduced to reflect the slower-than-expected growth trajectory.

CML is a mature business but has some commercial opportunities which can generate good returns, and projects are under way to take advantage of this.

The focus of management is to try and ensure that shareholders are able to realise as close to full INAV as possible over the next few years via further asset sales or restructuring. This focus has had the effect of narrowing the discount of the share price to the INAV as is illustrated in the graph on page 9 of this report.

A distribution of 23 cents has been declared of which 16.4 cents is paid out of capital and 6.6 cents out of retained earnings. Together with this distribution declared, a total of 138 cents has now been paid and/or declared to shareholders over the past six years. This high level of distributions, coupled with the narrowing of the discount, has the effect of ensuring that shareholder value is not eroded by a persistent large discount between the share price and INAV.

Distribution Declared

23
CENTS
(2023: 32 CENTS)

Group Revenue Increased By
to R565.9 MILLION

2
PERCENT
(2023: R554.3 MILLION)

Profit After Tax Down
to a loss of R4.8 MILLION

104
PERCENT
(2023: R121.7 MILLION)

Intrinsic Net Asset Value Per Share
decreased by 19%

355
CENTS
(2023: 439 CENTS)

Earnings Per Share Down By
to a loss of 4.5 CENTS

114
PERCENT
(2023: 31.7 CENTS)

RESULTS

Group revenue increased by 2.1% to R565.9 million (2023: R554.3 million). Revenue from rental income increased by 1.1% mainly due to rental increases within ARIA. Rental escalations were partially off-set by ongoing sales of residential units within RESI. These sales are not included in revenue because the units were held as investment properties and carried at their fair market value. CML concluded the sale and transfer of a large amount of land sales in the prior year, that were not repeated in the current year, which also had the effect of reducing revenue growth in the current year. School fee income increased by 2.6% mainly due to an increase in school fees, however a decrease in student numbers has off-set some of this increase. Edutech revenue has increase by 130.8%, however this is off a very low base with the Rand amount being immaterial.

A loss after tax of R4.8 million was realised from the year, decreasing from a profit of R121.7 million in the prior year. The prior-year profit was largely driven by fair value adjustments of investment properties which were not repeated in the current year.

Earnings attributable to shareholders decreased to a loss of R10.1 million (2023: profit of R71.6 million), which translates to a loss of 4.5 cents per share (2023: profit of 31.7 cents per share). Headline earnings was 0.1 cents per share, decreasing from 3.6 cents per share in the prior year.

GenEd's operations improved over the prior year, realising an operating profit of R30.8 million (2023: R17.1 million). This translated into a profit after finance costs, IFRS adjustments and tax of R0.4 million from the previous year's R4.8 million loss. The improvement in operating profit was mostly driven by improved cost management and a small increase in school fee revenue.

The commercial property segment, ARIA, has performed in line with budget and contributed R12.6 million to earnings. CML's commercial, leisure and development properties in Langebaan continue to be a stable cash generator and are all performing in line with expectations. Management is currently finalising





plans to subdivide the remaining residential plots and expects to begin marketing these for sale within the next 12 months.

RESI continues to dispose of its residential properties in line with the group's objectives of realising mature assets. R43.2 million of residential properties were sold during the year, realising a cash surplus of R15.2 million.

Profit from the equity accounted investments in ASK was R0.3 million (2023: R11.7 million). The lower earnings from ASK were due to the majority of loan syndications being settled in the prior year with dividends being declared on those profits. This was not repeated in the current year.

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

- ARIA: the intrinsic net asset value was adjusted to reflect the net after tax proceeds to be received from the sale of this investment;
- RESI: continued decrease in value due to sales of properties and the distribution of the net cash proceeds received to Trematon;
- GenEd: the decrease in the value of GenEd is due to a more conservative forecast of pupil numbers based on recent experience and existing trading conditions. No value is currently attributed to GenEx; and
- Cash: movement relates to the cash received from RESI sales, less the distributions paid to shareholders in December 2023.

The above INAV movements translate to a decrease in INAV per share to 355 cents (2023: 439 cents per share).

Arnold Shapiro
Chief Executive Officer

Arthur Winkler
Chief Financial Officer

Intrinsic Value Report

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

The intrinsic net asset value report below illustrates the intrinsic net asset value of all investment categories of the group for the year ended 31 August 2024. The determination of the intrinsic net asset value is the responsibility of the directors of Trematon. The intrinsic net asset value report has been prepared to assist investors in analysing future prospects of the group.

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

	Notes	INTRINSIC VALUE	
		2024 R	2023 R
Generation Education	1	293 003 113	352 787 779
ARIA Property Group	2	240 000 000	275 197 898
Club Mykonos Langebaan	3	107 699 253	118 519 601
ASK Partners	4	28 762 086	31 241 073
RESI Investment Group	5	28 749 436	58 824 332
Cash	6	57 998 667	100 500 885
Other	7	34 670 900	54 769 227
Total		790 883 455	991 840 795
Number of net shares in issue		222 774 248	225 829 248
Diluted number of shares		222 774 248	225 829 248
INAV per share (cents)		355	439
INAV per share – diluted (cents)		355	439

Notes

1. GenEd's school operations have been valued by a JSE-accredited independent valuer using a discounted cash flows method.

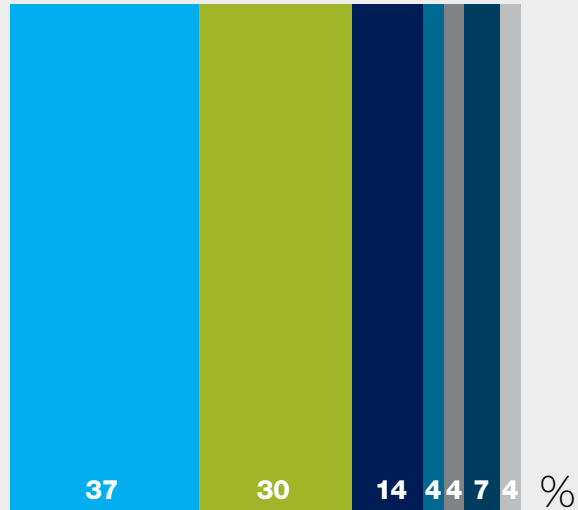
The INAV has decreased due to existing trading conditions and lower student number growth estimates. The edutech business "GenEx" is not included in INAV as it is still in the start-up phase.

2. The ARIA value is based on the transaction concluded whereby ARIA will repurchase Trematon's 60% shareholding in the company for the transaction price as disclosed in the circular posted to shareholders on 29 October 2024.

3. CML has been valued using directors' valuations. INAV has reduced due to the sale of land and the distribution of proceeds to Trematon. The value of the marina was also reduced at year-end due to a weaker performance in the current year and high capex required over the next five years.

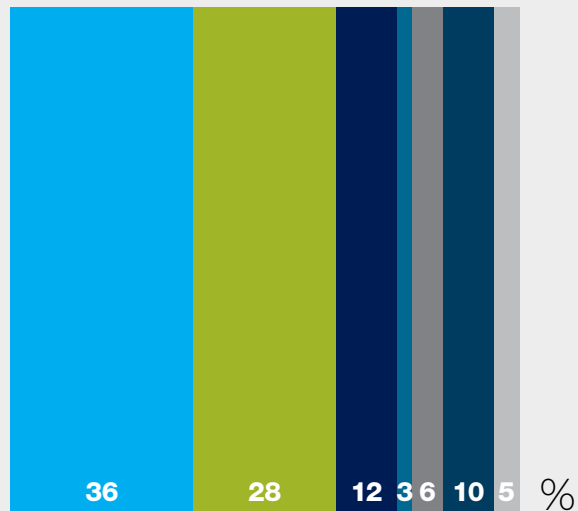
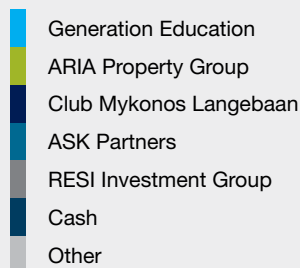
2024

INTRINSIC VALUE BY INVESTMENT



2023

INTRINSIC VALUE BY INVESTMENT








- The investment in ASK is carried at cost plus equity accounted profits, foreign currency movements and valuation adjustments. ASK's value decreased since August 2023 due to the settlement of loan underwrites in the UK and the repatriation of these funds to South Africa.
- RESI has been valued using directors' valuations. The portfolio is actively traded and the valuations are based on actual selling prices of similar units in the area after taking into account sales commissions and other sales expenses. The decrease in INAV since the prior year was due to the sale of properties and the distribution of net cash proceeds to Trematon. The cash received by Trematon is included in Cash in this INAV report.

- Current year's cash includes cash held in all subsidiaries, other than ARIA and GenEd, where it is included in their respective INAV. In December 2023 a distribution of R72.3 million was paid to shareholders.
- Other includes shares held-for-trading, loans due from directors' trusts and other minor assets. The balance has reduced due to the repayment of directors' loans and a combination of the realisation and/or impairment of some of the minor assets.

Board of directors

Non-executive directors

				
<p>ROBIN LOCKHART-ROSS (66)</p>	<p>RUDI STUMPF (54)</p>	<p>JONATHAN FISHER (52)</p>	<p>KEITH GETZ (68)</p>	<p>MADALET SESSIONS (45)</p>
<p>BCom (Hons), MAcc, CA (SA)</p>	<p>FIA</p>	<p>BCom</p>	<p>BProc, LLM</p>	<p>MCom</p>
<p>INDEPENDENT NON-EXECUTIVE CHAIRMAN</p>	<p>NON-EXECUTIVE DIRECTOR</p>	<p>INDEPENDENT NON-EXECUTIVE DIRECTOR</p>	<p>NON-EXECUTIVE DIRECTOR</p>	<p>INDEPENDENT NON-EXECUTIVE DIRECTOR</p>

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

Years of service: 5

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

Years of service: 19*

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

Years of service: 13**

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

Years of service: 5

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

Years of service: 4

* The board has assessed that his character and judgement have not been impaired or affected by his length of service, which is in excess of nine years.

** The board has assessed that his independence, character and judgement have not been impaired or affected by his length of service, which is in excess of nine years.

Executive directors



ARNOLD SHAPIRO
(62)

BBus Sci
(Finance Hons)

CHIEF EXECUTIVE OFFICER
EXECUTIVE DIRECTOR

Arnold has been the Chief Executive Officer of Trematon for the past 19 years. Prior to this he occupied senior management positions in the asset management industry including analysis, portfolio management and general management.

Years of service: 19



ARTHUR WINKLER
(47)

BCom, CA (SA)

CHIEF FINANCIAL OFFICER
EXECUTIVE DIRECTOR

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

Years of service: 16



ALLAN GROLL
(69)

EXECUTIVE DIRECTOR

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

Years of service: 19

Company secretary



JAC VOS
(42)

BCom, CA (SA)

COMPANY SECRETARY

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

Years of service: 15

Investment



87
PERCENT

g
Generation
Curiosity. Experience. Knowledge.

www.generationschools.co.za

JEVRON EPSTEIN
CHIEF EXECUTIVE OFFICER

JAC VOS
FINANCIAL DIRECTOR

Revenue in GenEd increased by 2.6% year on year to R209.1 million. The increase was due to fee increases which were partially off-set by a reduction in student numbers.

Operational performance showed significant improvement, achieving an operating profit of R30.8 million (2023: R17.1 million). This resulted in a profit after finance costs, IFRS adjustments and tax of R0.4 million, which is an improvement from the previous year's R4.8 million loss, due to improved operational efficiencies.

Student numbers at year-end were 2 246 (2023: 2 391). The group's current capacity utilisation is 68% at year-end so there is a lot of scope for improved profit as the schools grow.

GenEd continues to deliver impressive academic outcomes, as demonstrated by our Cambridge results for 2023/2024. With 853 subject entries across the group, 66% of grades achieved were C or higher, including 35 A*-grades and 150 A-grades. These results highlight the dedication of our students and educators to maintaining high standards of academic excellence. Since 2021, 181 students have completed their AS Levels, achieving a remarkable total of 167 A*-grades and 507 A-grades.

Beyond Cambridge, GenEd's innovative dual pathway programme has provided diverse opportunities for students, with 65 achieving Matric Equivalence through Sí (our bespoke alternative school exit route), and several advancing to prestigious higher education institutions. Notable successes include students gaining admission to Bolton University and





Bangor University for BSc (Hons) Business Management programmes, set to graduate as early as age 19.

GenEd's alumni continue to excel in fields such as Medicine, Actuarial Science, Engineering and the Arts at leading institutions locally and internationally. These achievements underscore the strength of our academic offerings and our commitment to nurturing well-rounded, globally competitive graduates.

The schools are all located in growing residential nodes where there are limited public-school offerings so we are confident they will fill over time, although the rate of growth has been slower than originally anticipated. In response to this, GenEd will pilot a locally focused curriculum to complement our internationally accredited offerings. This initiative is being tested on a modest scale, with plans for broader implementation if proven successful. This flexibility demonstrates our ability to adapt to our communities while maintaining the core focus of preparing students for employment or further education, whether local or international.

At the heart of our mission is fostering a sense of community and belonging, creating an environment where students thrive emotionally and academically. Happy children remains the cornerstone of our retention strategy and the foundation for attracting new families to our schools.

GENEX

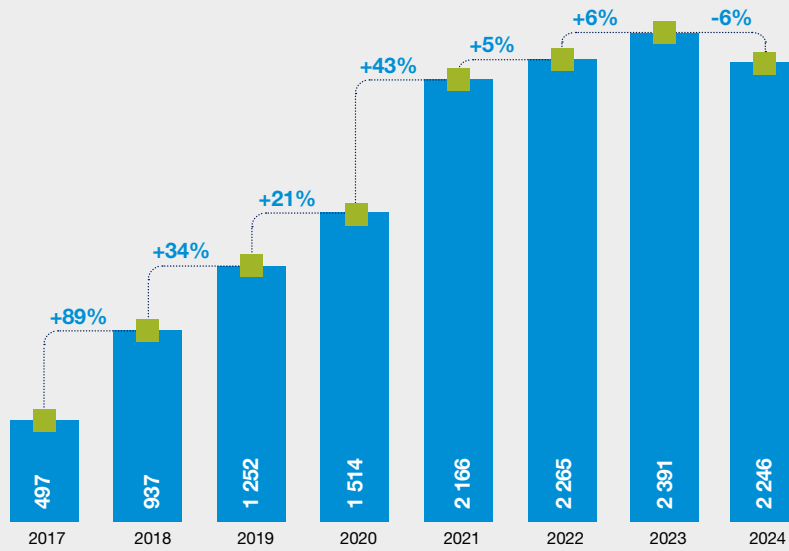
GenEx saw a significant revenue increase of 130.1%, rising from R3.5 million to R8.1 million. The growth in revenue was driven by research and development work performed by GenEx for one of the largest online schools in the USA and an increase in Cambridge examination services. GenEx was also selected as a successful tender candidate to continue working with the USA school over the next three years. The scope of the work focuses on integrating artificial intelligence and large language model applications within the edutech sector.

Additionally, GenEx secured a \$500 000 investment from a third party during the year, which will support the expansion and enhancement of its services. As a result of this investment, TMT's effective holding in GenEx decreased from 82.7% to 68.2%.

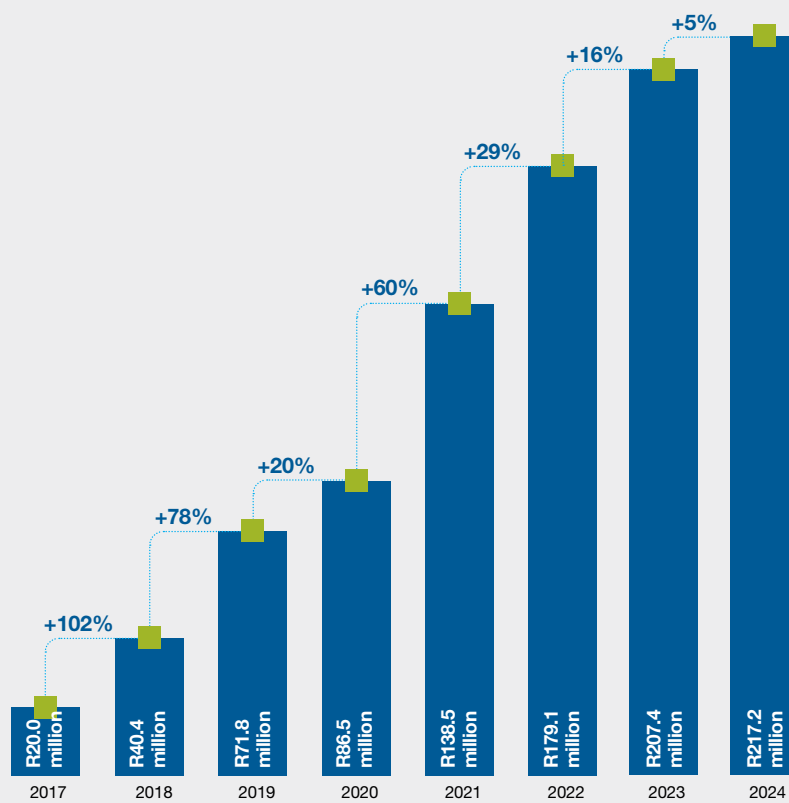
This business is not yet profitable but losses are no longer being funded by the group. There are many potentially profitable aspects to the business, but it operates in a very competitive space in which prices are low and scale is necessary to make good returns, so the next few months will focus on growing GenEx's presence in Africa and the Middle East in an attempt to reach the requisite scale for profitability.



2246
2024
STUDENTS



NUMBER OF STUDENTS



REVENUE

Investment

60
PERCENT



ILAN KAPLAN
MANAGING DIRECTOR

JUSTIN ROOME
EXECUTIVE DIRECTOR

ARIA has concluded the year with a portfolio occupancy rate of 99%. This slight year-on-year increase in occupancy is mostly attributable to the tenant reconfigurations and letting activity at both Maynard and Riverside Malls. Some of the deals concluded saw tenants such as African Bank, Nedbank, Sleepmasters, Metropolitan, Refinery, Spur, Rocomamas and Clicks come into the malls.

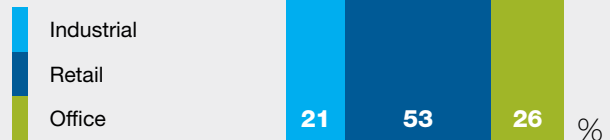




ARIA continued its history of strong revenue collection with a 99% collection rate for the financial year. Foot counts at all retail assets also saw positive year-on-year growth with tenant turnovers mostly seeing a similar positive trajectory.

During the year R75 million in interest rate swaps expired, with ARIA entering into three additional interest rate swap derivatives during the period with a total value of R250 million. At year-end ARIA has interest rate swaps to the value of R450 million in place, providing ARIA with a 46.39% interest rate hedge position.

SECTOR SPLIT BY FAIR VALUE



GEOGRAPHIC SPLIT BY FAIR VALUE



SECTOR SPLIT BY GLA







Investment

100
PERCENT



www.clubmykonos.co.za



**CLUB
MYKONOS**
LANGEBAAN



Revenue in CML has decreased by 4.6% to R62.2 million (2023: R65.2 million). Revenue is heavily dependent on development sales and there is currently no sales inventory. Our next development project is in the planning phases and will be launched within the next six months. This should have the effect of returning further asset value to shareholders in the 2025 financial year.

CML contributed R10.6 million (2023: R12.4 million) to group operating profit in the current year.

CML has proven to be a stable cash generator and incremental improvements are constantly added as market conditions permit. Planned additions to the leisure offering include courts for padel, pickleball, basketball and a new games arcade. Further solar power opportunities are also being investigated.

For more information on the resort, visit our website: www.clubmykonos.co.za or follow us on social media.

Investment

40
PERCENT

a.s.k

www.askpartners.co.uk



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

**THE
BRICK**
MAIDA VALE



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

BROADOAKS
SOLIHULL

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

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

The investment achieved profits of R0.3 million in the current financial year (2023: R13.1 million). The decrease in profits is due to the majority of loan syndications being settled in the prior year and these profits being distributed. The movement in the Rand:Pound exchange rate resulted in a decrease of R0.5 million in the foreign currency translation reserve.

Investment

100
PERCENT



www.resi.co.za



**RESI
PROPERTY**



RESI continues to dispose of its remaining residential units. 49 units were sold during the year with a value of R43.2 million.

These properties are recognised as investment properties and are therefore carried at their fair market value, so there is no impact on the current year's profit.

This business is being wound down over the next 12 to 24 months dependent on the rate of sales.

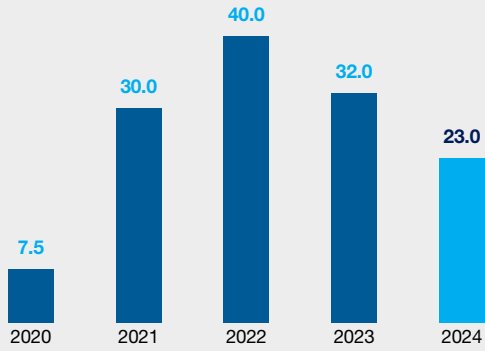
Five-year review

	2024 R	2023 R	2022 R	2021 R	2020 R
Operating results					
Revenue	565 895 862	554 251 546	489 459 488	402 540 050	375 245 550
Profit/(loss) before tax	10 642 583	151 554 257	43 160 868	(3 430 904)	2 113 237
(Loss)/earnings attributable to shareholders	(10 106 320)	71 577 575	18 305 596	(16 499 577)	(4 182 415)
Headline earnings/(loss) attributable to shareholders	262 672	8 189 537	19 251 813	4 367 994	(6 965 805)
Statement of financial position summary					
Non-current assets	2 098 097 365	2 150 463 720	2 120 373 419	2 073 367 631	2 067 139 118
Current assets	268 303 031	321 487 639	266 518 263	263 443 214	230 572 458
Non-current assets held-for-sale	18 220 916	61 879 900	114 425 608	6 892 747	91 411 180
Total assets	2 384 621 312	2 533 831 259	2 501 317 290	2 343 703 592	2 389 122 756
Non-current liabilities	1 225 921 031	1 445 006 183	1 416 258 734	1 214 214 590	1 029 420 675
Current liabilities	245 681 803	82 443 420	114 261 664	165 031 183	333 881 606
Total liabilities	1 471 602 834	1 527 449 603	1 530 520 398	1 379 245 773	1 363 302 281
Shareholders' equity	718 371 473	826 319 301	834 515 750	835 964 945	898 794 959
Non-controlling interest	194 647 005	180 062 355	136 281 142	128 492 874	127 025 516
Total equity	913 018 478	1 006 381 656	970 796 892	964 457 819	1 025 820 475
Statistics					
Number of shares in issue	222 774 248	225 829 248	225 829 248	208 605 031	216 711 029
Net asset value per share (cents)	322	366	370	401	416
Intrinsic net asset value per share (cents)	355	439	487	536	519
(Loss)/earnings per share (cents)	(4.5)	31.7	8.3	(7.9)	(2.0)
Headline earnings/(loss) per share (cents)	0.1	3.6	8.7	2.1	(3.3)
Distributions declared per share (cents)	23.00	32.00	40.00	30.00	7.50

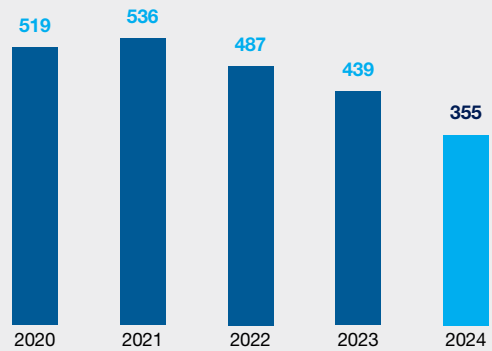
SHARE PRICE AND INAV (Cents)



DISTRIBUTION DECLARED (Cents per share)



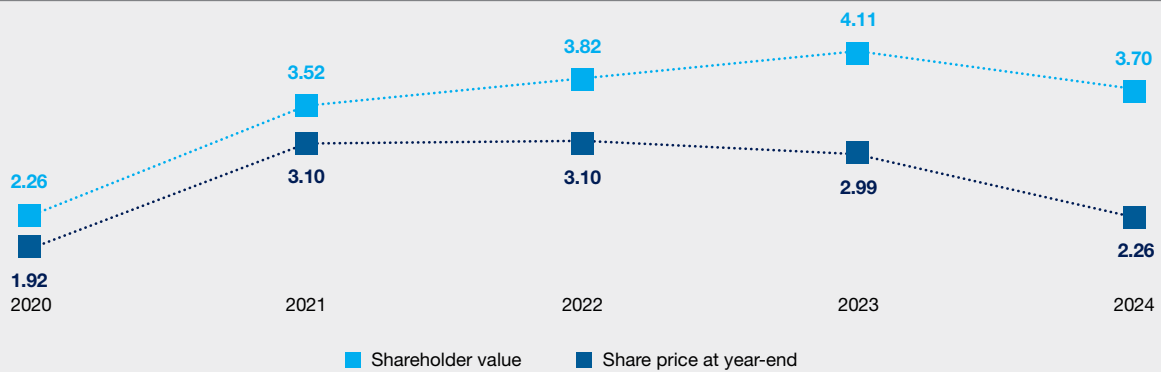
INAV PER SHARE (Cents)



SHARE PRICE AT YEAR-END (Rand)



SHAREHOLDER RETURN (Rand)



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

Corporate governance review

INTRODUCTION

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

Board composition, structure and responsibilities

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

Independent directors are considered to be independent in accordance with guidance indicated by the Companies Act and King IV.

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

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

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

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

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

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

The remuneration of directors is disclosed in note 28 of this Integrated Annual Report.

Board functioning

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

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

Audit and risk committee

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

The audit and risk committee sets the principles for recommending the use of external auditors for non-audit services. Due to the size of the executive management structure it is not considered necessary to have an internal audit function. The audit and risk committee intends to review this function during the year. The report of the audit and risk

committee for the year ended 31 August 2024 is set out on pages 42 and 43.

Investment committee

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

Remuneration committee

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

Social and ethics committee

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

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

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

Attendance

Board

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

Audit and risk committee

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

Remuneration committee

Members	Meetings attended
MA Sessions (Chairperson)	2/2
R Lockhart-Ross	2/2
R Stumpf	2/2

Social and ethics committee

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

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

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

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

Corporate governance review

(continued)

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

Occupational levels	Male				Female				Total
	A	C	O	W	A	C	O	W	
Executive directors and top management	–	–	–	13	1	–	1	11	26
Middle management	3	3	1	12	2	6	–	33	60
Skilled technical workers, junior management and supervisors	13	13	1	39	24	47	5	141	283
Semi-skilled and discretionary decision-making	26	17	1	5	40	28	–	7	124
Total permanent	42	33	3	69	67	81	6	192	493
Temporary employees	–	–	–	–	–	–	–	–	–
Total temporary	–	–	–	–	–	–	–	–	–
Grand total	42	33	3	69	67	81	6	192	493

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

Gender and race diversity

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

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

Broad-based black economic empowerment

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

Company secretary

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

Stakeholder communication

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

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

Internal control

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

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

Risk management

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

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

Dealings in company shares

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

Dealings by directors in the company's shares are notified to the JSE Limited in accordance with its requirements. Shares held by directors are disclosed in the Directors' Report on page 50.

Remuneration report

The group's remuneration policy, which is set out in part I of this report, and the implementation report, which is set out in part II of this report, will be proposed to shareholders for a non-binding advisory vote at the annual general meeting ("AGM") in January 2025.

PART I: REMUNERATION POLICY

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

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

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

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

Executive directors' remuneration

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

The remuneration paid to executive directors is disclosed on page 33 and note 28.

Guaranteed remuneration

Executive directors, along with all employees, receive guaranteed packages. These guaranteed packages are reviewed annually in August. Salaries are set in relation to the scope and nature of an individual's role, experience and performance, to ensure market competitiveness and sustainable performance. No salary increases were awarded to the executive directors for the 2024 financial year.

Variable remuneration

• Short-term incentive scheme

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

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

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

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

A total of R1.5 million (2023: R2.1 million) was paid out to executives of subsidiaries as part of the short-term bonus scheme of the group for the reporting period.

• Long-term incentive scheme

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

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

Executive service conditions

There are no fixed-term service contracts.

Non-executive directors' fees

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

The proposed fees for the 2025 financial year, which are subject to approval by shareholders at the forthcoming AGM in January 2025, are included in the notice of AGM on page 118.

Remuneration governance

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

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

At year-end the committee comprised independent non-executive directors Ms MA Sessions (Chairperson) and Mr R Lockhart-Ross, and non-executive director Mr R Stumpf. The Chief Executive Officer and Chief Financial Officer are invitees to the committee (if required). The composition of the committee was reassessed in the 2024 financial year and the directors were satisfied that the majority of members are independent.

PART II: IMPLEMENTATION OF REMUNERATION POLICY

Directors' remuneration

	Basic salary R	Taxable benefits R	Short-term incentive bonus R	Total R
Executive directors				
2024				
AJ Shapiro	3 472 200	38 985	–	3 511 185
A Groll	2 231 700	20 582	–	2 252 282
AL Winkler	2 160 600	36 185	–	2 196 785
Total	7 864 500	95 752	–	7 960 252
2023				
AJ Shapiro	3 472 200	45 532	–	3 517 732
A Groll	2 231 700	21 341	–	2 253 041
AL Winkler	2 160 600	42 566	168 727	2 371 893
Total	7 864 500	109 439	168 727	8 142 666

	Directors' fees	
	2024 R	2023 R
Non-executive directors		
R Lockhart-Ross	551 250	561 756
JP Fisher	294 000	294 000
K Getz	252 000	252 000
MA Sessions	283 500	294 000
R Stumpf	252 000	262 500
Total	1 632 750	1 664 256

	2024 R	2023 R
Total directors' remuneration		
Executive directors	7 960 252	8 142 666
Non-executive directors	1 632 750	1 664 256
Total	9 593 002	9 806 922

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

King IV application register

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

1 THE GOVERNING BODY SHOULD LEAD ETHICALLY AND EFFECTIVELY.

Ethics

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

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

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

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

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

Effectiveness

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

APPLICATION / EXPLANATION

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

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

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

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

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

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

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

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

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

APPLICATION / EXPLANATION

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

APPLICATION / EXPLANATION

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

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

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

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

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

APPLICATION / EXPLANATION

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

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

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

APPLICATION / EXPLANATION

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

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

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

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

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

APPLICATION / EXPLANATION

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

King IV application register

(continued)

7

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

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

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

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

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

The board as a whole considers and, if appropriate, approves recommendations, subject to shareholder approval.

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

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

APPLICATION / EXPLANATION

8

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

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

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

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

APPLICATION / EXPLANATION

9

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

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

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

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

APPLICATION / EXPLANATION

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

APPLICATION / EXPLANATION

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

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

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

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

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

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

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

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

APPLICATION / EXPLANATION

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

The board exercises oversight of risk via, inter alia:

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

The formalised reporting structures established across the group ensure that the board receives regular risk reports from the divisional management, which considers the risks that could impact their division.

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

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

King IV application register

(continued)

12

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

APPLICATION / EXPLANATION

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

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

13

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

APPLICATION / EXPLANATION

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

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

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

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

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

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

14

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

APPLICATION / EXPLANATION

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

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

The remuneration policy, together with the implementation report, will be presented to shareholders at the company's annual general meeting to be held on 24 January 2025 for a non-binding, advisory vote by shareholders. Voting at annual general meetings on the remuneration policy and implementation report and any required actions flowing from the exercise by shareholders of their votes, will be conducted in compliance with the requirements of the Companies Act, No. 71 of 2008, the listings regulations of the JSE Limited and King IV.

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

15

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

APPLICATION / EXPLANATION

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

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

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

16

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

APPLICATION / EXPLANATION

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

Future areas of focus will include the following ongoing practices:

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

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





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Report of the audit and risk committee

Role of the committee

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

The committee is pleased to present its report for the financial year ended 31 August 2024 as recommended by the King Report on Corporate Governance for South Africa and in line with the Companies Act.

Objective and scope

The overall objectives of the committee are as follows:

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

During the year under review, the committee:

- Considered and satisfied itself of the appropriateness of the expertise and experience of the Chief Financial Officer.
- Ensured that the company has established appropriate financial reporting procedures and that those procedures are operating.
- Received and reviewed reports from the external auditors concerning the effectiveness of the internal control environment, systems and processes.
- Considered the independence and objectivity of the external auditors and ensured that the scope of any additional services provided was not such that they could be seen to have impaired their independence.
- Reviewed and recommended for adoption by the board, such financial information that is publicly disclosed, which for the year included the consolidated financial statements for the year ended 31 August 2024.

- Ensured that appropriate financial reporting procedures exist and are working which include consideration of all entities included in the consolidated group IFRS financial statements.
- Ensured that it has access to all the financial information of the group to allow the group to effectively prepare and report on its financial statements.

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

Composition of the committee

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

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

Meetings

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

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

External audit

The committee has satisfied itself through enquiry that the auditors of Trematon and its subsidiaries are independent as defined by the Companies Act. The committee, in consultation with executive management, has agreed to the audit fee for the 2024 financial year. The fee is considered appropriate for the work that could reasonably have been foreseen at that time.

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

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

Key audit matter

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

- Valuation of investment properties

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

Accounting practices and internal control

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

Financial statements

The audit and risk committee has evaluated the consolidated financial statements for the year ended 31 August 2024 and considers that they comply, in all material aspects, with the requirements of the Companies Act and IFRS® Accounting Standards. The committee has therefore recommended the financial statements for approval to the board. The board has subsequently approved the financial statements, which will be open for discussion at the forthcoming annual general meeting.

Evaluation of chief financial officer

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



JP Fisher
Audit and Risk Committee Chairman

27 November 2024

Directors' responsibilities and approval

The directors of the company, whose names are stated on pages 10 and 11 are responsible for the preparation and fair presentation of the group annual financial statements and annual financial statements of Trematon Capital Investments Limited, comprising the statements of financial position at 31 August 2024, and the statements of comprehensive income, the statements of changes in equity and statements of cash flow for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the Directors' Report, in accordance with IFRS® Accounting Standards, the JSE Limited Listings Requirements, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

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

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

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

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

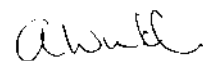
financial statements in conformity with International Standards on Auditing.

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

- the annual financial statements set out on pages 53 to 112, fairly present in all material respects the financial position, financial performance and cash flows of the company and group in terms of IFRS Accounting Standards;
- to the best of their knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the company and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the company;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of financial controls;
- where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.



AJ Shapiro
Chief Executive Officer



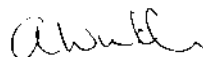
AL Winkler
Chief Financial Officer

Approval of the group annual financial statements and separate parent annual financial statements

The group annual financial statements and annual financial statements of Trematon Capital Investments Limited were approved by the board of directors on 27 November 2024 and are signed on their behalf by:



AJ Shapiro
Chief Executive Officer



AL Winkler
Chief Financial Officer

Declaration by Company Secretary

In my capacity as Company Secretary, I hereby confirm, in terms of the Companies Act, 2008, that for the year ended 31 August 2024, the company has lodged with the Companies and Intellectual Property Commission all such returns as are required by a public company in terms of this Act and that all such returns are true, correct and up to date.



JJ Vos
Company Secretary

27 November 2024

Independent auditor's report

to the shareholders of Trematon Capital Investments Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Trematon Capital Investments Limited ("the group and company") set out on pages 53 to 112, which comprise the consolidated and separate statements of financial position as at 31 August 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Trematon Capital Investments Limited as at 31 August 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter**Valuation of Investment Properties (Group)**

Investment properties measured at fair value pertains to the group's most significant asset category and includes various judgemental areas due to the complexity and subjectivity involved in determining the properties' fair values. Relevant accounting standards impacting this risk area have been assessed in accordance with IAS 40, IFRS 13 and IFRS 16. As disclosed per note 4, the investment property portfolio for the group has a total carrying value of R1.6 billion.

Refer to note 1: Basis of preparation describing the material accounting policy information regarding the fair value of investment property and land and buildings and the following notes to the consolidated financial statements for further details:

- Note 4: Investment property
- Note 34: Fair value measurement

We considered the valuation of investment property a key audit matter as the valuation of investment properties is subjective in nature given that the inputs into the valuation methods are inherently judgemental and highly sensitive. The magnitude of the balance of the investment properties recorded in the consolidated statement of financial position as well as the changes to the fair value relating to the investment property portfolio recorded in the consolidated financial statements of profit or loss and other comprehensive income.

Property valuations are performed at each reporting period and the following unobservable inputs are used in the determination of the fair value of investment properties such as: rental escalations, discount rates, capitalisation rates, vacancy rates, rental growth rates and projected net cash flows from each investment property. These assumptions introduce inherent uncertainties that may impact the accuracy of fair value estimates. These inputs are judgemental and determined by management based on unique property-specific information and current market conditions.

In the current period the inputs into the valuations remain more susceptible to change as a result of the current market conditions. The full property value is internally valued by management.

All property values have been assessed using the discounted cash flow ("DCF") valuation method except for residential property where the income capitalisation method was used. By incorporating these assumptions, management provides a fair value estimate that reflects the market dynamics and inherent risks associated with the investment properties.

How our audit procedures addressed the key audit matter

Our audit procedures included, amongst others, the following:

- We obtained an understanding of the approach followed by management in respect of the valuation of the group's investment property portfolio (which included those properties classified as held-for-sale) through discussions with management. This includes the process around preparing budgets that drive the cash flows produced by the group and assessed them for reasonability.
- We performed our own assessment of the reasonability of the valuation methodologies and assumptions applied based on our knowledge of the industry and the markets in which the group operates (such and SAPOA rates and the Rode report).

Furthermore, we performed the following procedures specific to the investment property valuations:

- Inspected management's valuations and assessed whether the valuation approach for each of these properties was in accordance with IFRS Accounting Standards and suitable in determining the fair value for the purpose of the consolidated financial statements.
- Evaluated whether management possessed the necessary expertise, experience and knowledge to accurately compute the fair value of the properties in the portfolio.
- Evaluated the significant inputs such as: rental escalations, discount rates, capitalisation rates, vacancy rates, rental growth rates and projected net cash flows from each investment property against appropriate market information and historic information in order to assess whether they were within a reasonable range.
- Assessed the capitalisation rates applied by management with recently available comparable information (such as SAPOA rates and the Rode report).

We considered management bias in evaluating consistency of key assumptions by comparing these to prior periods and considered changes in the economic environment. We found the assumptions to be consistent with prior periods and the economic environment, with no indication of management bias.

Based on the results of our work performed, we accepted management's rental escalations, discount rates, capitalisation rates, vacancy rates, rental growth rates and projected net cash flows as reasonable.

We evaluated the disclosures relating to investment property to ensure compliance with IFRS Accounting Standards and the Johannesburg Stock Exchange Listings Requirements.

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

Independent auditor's report

(continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Trematon Capital Investments Limited Integrated Report 2024", which includes the Directors' Report, the Report of the Audit and Risk Committee, Chairman's Report, CEO's and CFO's Joint Report, Intrinsic Value Report, Corporate Governance Review, Remuneration Report and the Declaration by Company Secretary as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's reports thereon.

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in

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

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Moore Cape Town Inc. has been the auditor of Trematon Capital Investments Limited for two years.

Moore Cape Town

Moore Cape Town Incorporated
Chartered Accountants (SA)
Registered Auditors

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

28 November 2024

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

Directors' report

The directors submit their report for the year ended 31 August 2024.

Corporate information

Trematon Capital Investments Limited (the "company" or "Trematon") is a company domiciled in South Africa. The consolidated financial statements as at and for the year ended 31 August 2024 comprise the company and its subsidiaries (together referred to as the "group" and individually as "group entities") and the group's interest in associates and joint ventures.

Review of activities

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

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

Directors' interest in shares

Directors' interest in shares

	2024			2023		
	Direct beneficial	Indirect beneficial	Total	Direct beneficial	Indirect beneficial	Total
Executive						
A Groll	1 000 000	55 550 000	56 550 000	1 000 000	55 550 000	56 550 000
AJ Shapiro	1 429 584	17 247 832	18 677 416	1 429 584	17 247 832	18 677 416
AL Winkler	350 001	876 777	1 226 778	350 001	876 777	1 226 778
Non-executive						
R Stumpf	–	10 399 808	10 399 808	–	10 399 808	10 399 808
K Getz	114 865	–	114 865	114 865	–	114 865
MA Sessions	–	14 000	14 000	–	14 000	14 000
	2 894 450	84 088 417	86 982 867	2 894 450	84 088 417	86 982 867

Directors' interest in restricted shares

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

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

Accounting policies

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

Issue of shares

No shares were issued by the company during the current and prior year.

Treasury shares

3 055 000 (2023: nil) treasury shares were acquired and cancelled during the year. There were no treasury shares held at year-end.

Borrowing limitations

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

Compliance with applicable laws

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

Special resolutions

The following special resolutions considered at the annual general meeting held on 24 January 2024 as proposed in the Annual Report for the 2023 financial year were passed:

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

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

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

Special resolution number 4: The authority to pay non-executive directors' fees – Non-executive directors' fees paid for the period ended 31 August 2023, and further that the non-executive directors' fees proposed for the period from 1 September 2023 until 31 August 2024 were approved.

Distribution

On 27 November 2024, subsequent to year-end, the board of directors declared a capital distribution of 16.40 cents per share (2023: 32.0 cents) as a return of contributed tax

capital and a dividend distribution of 6.60 cents per share (2023: nil cents) (collectively "the Distribution") to shareholders recorded in the share register of the company at the close of business on Friday, 20 December 2024. The total Distribution will equate to R51.2 million.

In compliance with IAS 10 – Events after the Balance Sheet Date, the Distribution will only be accounted for in the financial statements in the year ending 31 August 2025.

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

The implications of the Distribution on shareholders are as follows:

- The gross dividend of 6.60 cents per share from income reserves will be subject to dividend withholding tax at a rate of 20%. Consequently, a net final dividend of 5.28 cents per share will be distributed to those shareholders who are not exempt from paying dividend tax. In terms of dividend tax legislation, the dividend tax amount due will be withheld and paid over to the South African Revenue Service by a nominee company, stockbroker or Central Securities Depository Participant ("CSDP") (collectively "regulated intermediary") on behalf of the shareholders.
- The capital reduction distribution of 16.40 cents per share is not subject to dividend withholding tax as it is paid out of capital reserves. As the capital reduction distribution will be regarded as a return of capital and may therefore have potential capital gains tax consequences, shareholders are advised to consult their tax advisers regarding the impact of the capital reduction distribution.

As at the date of declaration of the Distribution there were 222 774 248 shares in issue. The income tax reference number of Trematon Capital Investments Limited is 9340/323/84/0.

In compliance with the Companies Act, the directors confirm and have resolved that the company will satisfy the solvency and liquidity test immediately after the payment of the Distribution.

In accordance with the provisions of Strate (Pty) Limited, the electronic settlement and custody system used by the JSE Limited, the relevant dates for the Distribution are as follows:

Last date to trade:	Tuesday, 17 December 2024
Ex-date:	Wednesday, 18 December 2024
Record date:	Friday, 20 December 2024
Payment date:	Monday, 23 December 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 18 December 2024 and Friday, 20 December 2024, both days inclusive. Only the shareholders recorded in the company's share register as at record date are entitled to receive the Distribution declared.

Payments for certificated shareholders will be transferred electronically to their bank accounts on the payment date. Shareholders who hold dematerialised shares will have their accounts at their CSDP or stockbroker credited on Monday, 23 December 2024.

Directors' report

(continued)

Directors

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

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

Subsequent events

Subsequent to year-end properties with a carrying value of R6.7 million recognised as non-current assets held-for-sale transferred to the buyers of those properties and were derecognised.

After year-end Trematon entered into agreements to sell its 60% interest in Aria – see detailed announcement released on SENS on 9 September 2024 for further details.

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

Going concern

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

Auditor

Moore Cape Town Inc. will continue in office as the external auditors of the company in accordance with section 90 of the Companies Act, No. 71 of 2008.

Cape Town
27 November 2024

Statements of financial position

at 31 August 2024

	Notes	GROUP		COMPANY	
		2024 R	2023 R	2024 R	2023 R
ASSETS					
Non-current assets					
Property, plant and equipment	3	336 626 789	363 767 650	–	–
Investment properties	4	1 591 012 824	1 595 642 106	–	–
Right-of-use asset	5	45 284 733	60 890 578	–	–
Investments in subsidiaries	6	–	–	20	20
Investments in associate entities	8	24 515 295	26 638 007	–	–
Loans to group companies	9	–	–	275 000 000	161 609 824
Deferred tax asset	10	29 823 362	30 009 741	–	–
Goodwill		8 175 000	8 175 000	–	–
Derivatives		–	980 986	–	–
Loan to joint venture	11	14 242 364	14 894 692	–	–
Loans receivable	12	48 416 998	49 464 960	26 593 686	29 562 694
		2 098 097 365	2 150 463 720	301 593 706	191 172 538
Current assets					
Financial assets at fair value through profit or loss	13	6 392 345	6 392 345	–	–
Trade and other receivables	14	16 702 324	13 991 678	–	–
Inventories	15	30 970 776	30 361 588	–	–
Derivatives		–	345 537	–	–
Cash and cash equivalents	16	213 336 321	267 656 101	680 020	307 695
Current tax assets		901 265	2 740 390	–	–
		268 303 031	321 487 639	680 020	307 695
Non-current assets held-for-sale	4	18 220 916	61 879 900	–	–
Total assets		2 384 621 312	2 533 831 259	302 273 726	191 480 233
EQUITY AND LIABILITIES					
Equity					
Share capital and share premium	17	38 798 154	117 702 128	38 798 154	117 702 128
Fair value reserve	18	28 661 085	47 073 828	–	–
Foreign currency translation reserve		20 312 059	20 836 850	–	–
Accumulated profit/(loss)		630 600 175	640 706 495	126 546 718	(23 559 822)
Total equity attributable to equity holders of the parent		718 371 473	826 319 301	165 344 872	94 142 306
Non-controlling interest	6	194 647 005	180 062 355	–	–
		913 018 478	1 006 381 656	165 344 872	94 142 306
Liabilities					
Non-current liabilities					
Loans payable	19	994 674 097	1 188 874 409	6 416 549	90 648 039
Derivatives		1 617 093	–	–	–
Trade and other payables	20	57 353 121	59 653 840	–	–
Lease liability	21	64 851 057	81 749 105	–	–
Deferred tax liability	10	107 425 663	114 728 829	–	–
		1 225 921 031	1 445 006 183	6 416 549	90 648 039
Current liabilities					
Loans payable	19	139 142 117	10 241 845	90 648 973	6 409 549
Current tax liabilities		203 390	265 207	–	–
Loan from group companies	9	–	–	39 469 430	–
Lease liability	21	8 222 886	990 283	–	–
Trade and other payables	20	98 113 410	70 946 085	393 902	280 339
		245 681 803	82 443 420	130 512 305	6 689 888
Total liabilities		1 471 602 834	1 527 449 603	136 928 854	97 337 927
Total equity and liabilities		2 384 621 312	2 533 831 259	302 273 726	191 480 233

Statements of comprehensive income

for the year ended 31 August 2024

	Notes	GROUP		COMPANY	
		2024 R	2023 R	2024 R	2023 R
Revenue	22	565 895 862	554 251 546	164 846 933	137 410 759
Profit from property operations		147 894 464	125 561 267	-	-
Revenue – property		340 954 178	337 180 394	-	-
Cost of property and land sold		(1 213 838)	(12 179 840)	-	-
Employee benefits – property	23	(34 484 020)	(32 948 111)	-	-
Operating expenses – property	23	(157 361 856)	(166 491 176)	-	-
Profit from education operations		30 790 567	17 051 871	-	-
Revenue – education		209 119 812	203 901 018	-	-
Employee benefits – education	23	(110 628 237)	(111 024 373)	-	-
Operating expenses – education	23	(67 701 008)	(75 824 774)	-	-
Loss from edutech operations		(10 633 983)	(12 386 301)	-	-
Revenue – edutech		8 065 608	3 495 027	-	-
Employee benefits – edutech	23	(14 015 061)	(11 409 205)	-	-
Operating expenses – edutech	23	(4 684 530)	(4 472 123)	-	-
(Loss)/profit from other operations		(5 522 399)	(4 427 732)	161 313 531	133 825 806
Revenue – other		7 756 264	9 675 107	164 846 933	137 410 759
Employee benefits – other	23	(10 792 938)	(11 867 620)	(1 833 565)	(1 869 798)
Operating expenses – other	23	(2 485 725)	(2 235 219)	(1 699 837)	(1 715 155)
Profit from equity accounted investments		341 034	11 685 157	-	-
Loss from equity accounted associate (net of tax) – property	8	-	(1 431 959)	-	-
Profit from equity accounted associates (net of tax) – other	8	341 034	13 117 116	-	-
Total operating profit		162 869 683	137 484 262	161 313 531	133 825 806
Total realised loss		(90 684)	-	-	-
Realised loss on sale of subsidiary		(288 075)	-	-	-
Realised profit on sale of non-current assets		197 391	-	-	-
Total (loss)/profit from fair value adjustments		(23 120 835)	144 975 458	-	-
Fair value adjustment on investment properties and non-current assets held-for-sale	4	(16 446 972)	140 488 044	-	-
Fair value adjustment on financial liabilities/assets at fair value through profit or loss		(2 943 615)	(403 352)	-	-
(Increase)/decrease of expected credit loss on loans	11	(2 189 829)	3 741 879	-	-
Foreign exchange loss		(30 669)	(250 493)	-	-
(Increase)/decrease in loss allowance	14	(1 509 750)	1 399 380	-	-
Loan written off	11	(1 150 000)	(9 037 500)	-	-
Other income		1 407 242	1 396 509	-	-
Profit before finance costs		139 915 406	274 818 729	161 313 531	133 825 806
Total finance costs	24	(129 272 823)	(123 264 472)	(11 206 991)	(10 072 513)
Finance costs – property		(105 272 182)	(100 987 670)	-	-
– education		(24 000 641)	(22 276 802)	-	-
– other		-	-	(11 206 991)	(10 072 513)
Profit before income tax		10 642 583	151 554 257	150 106 540	123 753 293
Income tax	25	(15 487 105)	(29 895 469)	-	-
(Loss)/profit for the year		(4 844 522)	121 658 788	150 106 540	123 753 293

Statements of comprehensive income

for the year ended 31 August 2024 (continued)

	Notes	GROUP		COMPANY	
		2024 R	2023 R	2024 R	2023 R
Other comprehensive income					
Items that will not subsequently be reclassified to profit/(loss):					
Fair value (loss)/gain on revaluation of property, plant and equipment	18	(23 485 642)	1 625	-	-
Tax effects of revaluation	18	5 072 899	(364)	-	-
Items that are or may subsequently be reclassified to profit/(loss):					
Foreign currency translation differences on equity accounted investments		(524 791)	10 556 414	-	-
Other comprehensive (loss)/income for the year		(18 937 534)	10 557 675	-	-
Total comprehensive (loss)/income for the year		(23 782 056)	132 216 463	150 106 540	123 753 293
(Loss)/profit attributable to:					
Equity holders of the parent		(10 106 320)	71 577 575	150 106 540	123 753 293
Non-controlling interests		5 261 798	50 081 213	-	-
		(4 844 522)	121 658 788	150 106 540	123 753 293
Total comprehensive (loss)/income attributable to:					
Equity holders of the parent		(29 043 854)	82 135 250	150 106 540	123 753 293
Non-controlling interests		5 261 798	50 081 213	-	-
		(23 782 056)	132 216 463	150 106 540	123 753 293
Basic (loss)/earnings per share (cents)	26	(4.5)	31.7		
Diluted (loss)/earnings per share (cents)	26	(4.5)	31.7		

Statements of changes in equity

for the year ended 31 August 2024

GROUP		Notes	Share capital R	Share premium R	Total share capital R
Balance at 1 September 2022			2 258 293	205 775 534	208 033 827
Total comprehensive income for the year			-	-	-
Profit for the year			-	-	-
Foreign exchange movements on investment in associate			-	-	-
Fair value gain on revaluation of property, plant and equipment			-	-	-
Tax effects on revaluation			-	-	-
Capital distribution		38	-	(90 331 699)	(90 331 699)
Dividends declared to non-controlling interest			-	-	-
Balance at 31 August 2023			2 258 293	115 443 835	117 702 128
Balance at 1 September 2023			2 258 293	115 443 835	117 702 128
Total comprehensive (loss)/income for the year			-	-	-
(Loss)/profit for the year			-	-	-
Foreign exchange movements on investment in associate			-	-	-
Fair value loss on revaluation of property, plant and equipment			-	-	-
Tax effects on revaluation			-	-	-
Treasury shares cancelled			(30 550)	(6 608 064)	(6 638 614)
Treasury shares acquired			-	-	-
Capital distribution		38	-	(72 265 360)	(72 265 360)
Share capital issued to non-controlling interest in GenEx			-	-	-
Dividends declared to non-controlling interest			-	-	-
Balance at 31 August 2024			2 227 743	36 570 411	38 798 154
Notes			17	17	17
COMPANY		Notes	Share capital R	Share premium R	Total share capital R
Balance at 1 September 2022			2 258 293	205 775 534	208 033 827
Total comprehensive income for the year			-	-	-
Capital distribution		38	-	(90 331 699)	(90 331 699)
Balance at 31 August 2023			2 258 293	115 443 835	117 702 128
Balance at 1 September 2023			2 258 293	115 443 835	117 702 128
Total comprehensive income for the year			-	-	-
Treasury shares acquired			(30 550)	(6 608 064)	(6 638 614)
Treasury shares cancelled			-	-	-
Capital distribution		38	-	(72 265 360)	(72 265 360)
Balance at 31 August 2024			2 227 743	36 570 411	38 798 154
Notes			17	17	17

Treasury shares R	Foreign currency translation reserve R	Fair value reserve R	Accumulated profit R	Total R	Non- controlling interest R	Total equity R
-	10 280 436	47 072 567	569 128 920	834 515 750	136 281 142	970 796 892
-	10 556 414	1 261	71 577 575	82 135 250	50 081 213	132 216 463
-	-	-	71 577 575	71 577 575	50 081 213	121 658 788
-	10 556 414	-	-	10 556 414	-	10 556 414
-	-	1 625	-	1 625	-	1 625
-	-	(364)	-	(364)	-	(364)
-	-	-	-	(90 331 699)	-	(90 331 699)
-	-	-	-	-	(6 300 000)	(6 300 000)
-	20 836 850	47 073 828	640 706 495	826 319 301	180 062 355	1 006 381 656
-	20 836 850	47 073 828	640 706 495	826 319 301	180 062 355	1 006 381 656
-	(524 791)	(18 412 743)	(10 106 320)	(29 043 854)	5 261 798	(23 782 056)
-	-	-	(10 106 320)	(10 106 320)	5 261 798	(4 844 522)
-	(524 791)	-	-	(524 791)	-	(524 791)
-	-	(23 485 642)	-	(23 485 642)	-	(23 485 642)
-	-	5 072 899	-	5 072 899	-	5 072 899
6 638 614	-	-	-	-	-	-
(6 638 614)	-	-	-	(6 638 614)	-	(6 638 614)
-	-	-	-	(72 265 360)	-	(72 265 360)
-	-	-	-	-	14 122 852	14 122 852
-	-	-	-	-	(4 800 000)	(4 800 000)
-	20 312 059	28 661 085	630 600 175	718 371 473	194 647 005	913 018 478

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Treasury shares R	Accumulated (loss)/profit R	Total equity R
-	(147 313 115)	60 720 712
-	123 753 293	123 753 293
-	-	(90 331 699)
-	(23 559 822)	94 142 306
-	(23 559 822)	94 142 306
-	150 106 540	150 106 540
6 638 614	-	-
(6 638 614)	-	(6 638 614)
-	-	(72 265 360)
-	126 546 718	165 344 872

Statements of cash flows

for the year ended 31 August 2024

	Notes	GROUP		COMPANY	
		2024 R	2023 R	2024 R	2023 R
Cash flows from operating activities					
Cash generated from operations	29	181 405 209	152 945 120	1 514 656	504 170
Finance income		14 733 955	20 363 812	8 768	14 052
Dividends received	8	152 456	54 856 367	621 700	–
Finance costs		(122 880 932)	(122 710 782)	–	–
Income tax paid	30	(15 753 686)	(10 585 395)	–	–
Net cash inflow from operating activities		57 657 002	94 869 122	2 145 124	518 222
Cash flows from investing activities					
Acquisition of property, plant and equipment	3	(6 027 846)	(23 790 534)	–	–
Acquisition of and addition to investment properties	4	(13 801 766)	(1 043 020)	–	–
Proceeds on disposal of investment properties and non-current assets held-for-sale	4	43 199 762	59 745 708	–	–
Proceeds on disposal of property, plant and equipment		866 197	6 449 361	–	–
Proceeds from share buy-back of associate	8	1 786 500	68 375 581	–	–
Loans receivable repaid		5 548 261	6 218 299	–	–
Loans repaid by group companies	9	–	–	37 661 745	89 184 797
Loan advanced to joint ventures	11	(2 687 500)	(11 350 000)	–	–
Purchase of business		–	(8 175 000)	–	–
Net cash inflow from investing activities		28 883 608	96 430 395	37 661 745	89 184 797
Cash flows from financing activities					
Acquisition of treasury shares		(6 638 614)	–	(6 638 614)	–
Capital distribution	38	(72 265 360)	(90 331 699)	(72 265 360)	(90 331 699)
Dividends paid to non-controlling interest		(4 800 000)	(6 300 000)	–	–
Proceeds from issue of shares to GenEx non-controlling interest		14 122 852	–	–	–
Repayment of borrowings		(71 248 599)	(36 798 601)	–	–
Proceeds from loan from group companies		–	–	39 469 430	–
Proceeds from borrowings		–	7 240 318	–	–
Net cash outflow from financing activities		(140 829 721)	(126 189 982)	(39 434 544)	(90 331 699)
Net cash (decrease)/increase in cash and cash equivalents					
		(54 289 111)	65 109 535	372 325	(628 680)
Foreign exchange translation adjustments on cash and cash equivalents		(30 669)	(250 493)	–	–
Cash and cash equivalents at the beginning of the year		267 656 101	202 797 059	307 695	936 375
Total cash and cash equivalents at the end of the year	16	213 336 321	267 656 101	680 020	307 695

Notes to the annual financial statements

for the year ended 31 August 2024

1. Basis of preparation

The annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IASB”), the JSE Listings Requirements, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act of South Africa.

Functional and presentation currency

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

(a) International reporting standards adopted during the year

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of accounting policies

Disclosure of accounting policies (amendments to IAS 1 and IFRS Practice Statement 2) is intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendment does not have a material impact on the group.

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

The amendments relating to the definition of accounting estimates which distinguishes clearly between a change in accounting policy and a change in accounting estimate, revises the definition of an accounting estimate, provides reworded and specific examples of accounting estimates and clarifies that measurement techniques and inputs used in developing accounting estimates are not accounting policies. The amendment does not have a material impact on the group.

IAS 12 – Income Taxes

Amendment relating to deferred tax related to assets and liabilities arising from a single transaction which narrows the scope of the exemption for recognition of taxable/deductible temporary differences that arise on certain transactions. The transaction should not give rise to equal taxable and deductible temporary differences. Further clarification that deferred tax must be recognised on initial recognition of IFRS 16 leases and similar types of transactions that give rise to the recognition of an asset and a liability, such as decommissioning, restoration and similar liabilities with corresponding amounts recognised as part of the related asset. The amendment does not have a material impact on the group.

(b) International reporting standards not yet effective

At the date of approval of the financial statements, new accounting standards and amendments to existing standards have been published but are not yet effective and have not been early adopted by the group or company. The group has not yet assessed the impact of the amendments.

IAS 1 – Classification of Liabilities as Current or Non-current and Non-Current Liabilities with Covenants

Amendments to clarify how to classify debt and other liabilities as current or non-current. The amendment to

the standard is effective for periods beginning on or after 1 January 2024.

IAS 7 and IFRS 7 – Disclosures: Supplier Finance Arrangements

The amendment supplements existing disclosure requirements through requiring the disclosure of specific information about supplier finance arrangements and the effect on the group’s liabilities, cash flows and liquidity risk. The amendment to the standard is effective for periods beginning on or after 1 January 2024.

IAS 21 – The effects of changes in exchange rates

The amendment requires an entity to apply a consistent approach in assessing whether a currency is exchangeable or not into another currency and determines the exchange rate to use and the disclosures to provide when it is not. The amendment to the standard is effective for periods beginning on or after 1 January 2025.

IFRS 18 – Presentation and Disclosure in Financial Statements

The standard replaces IAS 1 Presentation of Financial Statements. Many existing principles in IAS 1 will remain unchanged. The standard focuses on the improvement of companies’ reporting of financial performance for enhanced comparability. The amendment to the standard is effective for periods beginning on or after 1 January 2027.

(c) Significant sources of estimation uncertainty

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

Impairment of financial assets

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

Fair value of investment property and land and buildings

The fair value of property is measured at the reporting date as determined by the directors or independent professional valuers, taking into account the effect of lease smoothing in terms of IAS 40. The fair value of properties is estimated using either an income approach which capitalises the estimated rental income stream, net of projected operating costs or the discounted cash flow model or recent sales information of similar properties in the same development, or a combination of the valuation approaches. Refer to note 34 for detail on assumptions applied in the valuation of property.

Property, plant and equipment

Items of property, plant and equipment are depreciated over their useful lives. The useful life of an item of property, plant and equipment is the period over which

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

the group expects to use the item. Useful lives of assets are reviewed annually. The group uses the following indicators to determine useful life:

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

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

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

Impairments

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

Incremental borrowing rate implicit in the lease

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

(d) Significant judgements

Group accounting

Consolidated structured entities

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

Taxation

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

The deferred tax rate applied to assets is determined by the expected manner of recovery, while the fair value adjustments of investment property in its entirety will be recovered through sale. Where the expected recovery of the asset is through sale, the effective capital gains tax rate of 21.60% (2023: 21.60%) is used.

If the expected manner of recovery is through use, the normal tax rate of 27% (2023: 27%) is applied.

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

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

Leases

The lease referred to in note 5 contains an option to terminate and extend the lease. Judgement is required in determining whether there is reasonable certainty whether these options will be exercised. As at 31 August 2024 it was determined that there is no reasonable certainty that the lease will be terminated or extended, therefore the lease has been accounted for over the initial lease period of 15 years. It is unlikely that the group will exercise the option to terminate the lease within four years. It takes a number of years to establish a school and for the school to become profitable, therefore the group is highly likely to commit to the lease for longer than four years. The cancellation option included in the lease was not included as part of the lease term as it is not reasonably certain that the group will exercise this option. The decision regarding the extension will be impacted by uncertain future economic factors such as competition in the market and the impact of online learning compared to face-to-face learning.

Classification of profit share agreement

The group has applied judgement in accounting for the profit share agreements in relation to the properties on York Street Boulevard, Maynard Mall, Edgars Wynberg and Riverside Mall. Unanimous consent is required from each of the parties to the agreement for the relevant activities, and therefore this profit share agreement is classified as a joint operation. The group has applied judgement in

classifying and measuring the joint operator's share of the fair value of the property as a financial liability at fair value through profit or loss. The share of profits from current lease contracts is recognised as a financial liability at amortised cost.

Classification of segments

The group determines and presents segment information based on quantitative thresholds, the information that is provided internally to the board and the nature of the segments. The group comprises four segments, namely property investments, education, UK investments and corporate/other. The chief operating decision-maker has been identified as the Executive Management. Refer to note 35 for details.

2. Material accounting policies

(a) Basis of consolidation

(i) Company financial statements

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

Group financial statements

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

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

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

(ii) Joint ventures

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

Company financial statements

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

Group financial statements

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

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

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

(iii) Associates

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

Company financial statements

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

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

Group financial statements

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

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

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

Foreign associates

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

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

(iv) Transactions eliminated on consolidation

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

(v) Joint operations

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

(b) Financial instruments

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

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

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

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

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

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

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

(ii) Trade and other receivables

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

Impairment

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

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

Measurement and recognition of expected credit losses

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

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

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

(iii) Cash and cash equivalents

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

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

Loans receivable are initially recognised at fair value.

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

Impairment

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

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

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

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

Impairment of loans with no fixed terms of repayment

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

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

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

Significant increase in credit risk on loans receivable

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

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

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

Definition of default on loans receivable

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

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

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

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

Definition of default on trade and other receivables

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

(v) Write-off policy of financial assets

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

(vi) Loans payable

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

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

(vii) Trade payables

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

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

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

(c) Equity

(i) Share capital and share premium

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

(ii) Treasury shares

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

(d) Property, plant and equipment

Recognition and measurement

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

Land is not depreciated.

Land and buildings occupied by the group are classified as property, plant and equipment. The accumulated depreciation of the buildings is determined by using the proportionate restatement method with no transfer of the reserve to retained earnings.

(e) Investment property

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

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

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

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

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

(f) Inventories

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

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

(g) Right-of-use assets

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

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the lease term. Right-of-use assets are subject to impairment, in terms of IAS 36 – Impairment of assets.

(h) Lease liabilities

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

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

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

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

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

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments' change is due to a change in a floating interest rate, in which case a revised discount rate is used); and
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

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

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

the accretion of interest and reduced for the lease payments made.

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

(i) Fair value reserve

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

(j) Revenue

Rental income

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

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

School and registration fees

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

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

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

Sale of property

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

Commission

Commission is charged to owners for renting out their property on their behalf and the commission is recognised at a point in time when a tenant has been placed into the unit. The units are rented out on a short-term

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for the year ended 31 August 2024 (continued)

basis. The commission earned is the net amount of the consideration received after paying the owners' rental income, at which point the commission is paid.

Other revenue

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

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

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

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

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

(k) Employee benefits

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

(l) Income tax

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

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

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

(m) Guarantees

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

(n) Segmental reporting

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

(o) Cost of property and land sold

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

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

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

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

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

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

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

(q) Financial risk management

(i) Overview

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

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

This note and note 31 present information about the group's exposure to each of the above risks; the group's objectives, policies and processes for measuring and managing risk; and the group's management of capital. Further quantitative disclosures are included throughout these financial statements.

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

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

The group's risk management policies are established to identify and analyse the risks faced by the group, to set

appropriate risk limits and controls, and to monitor risks and adherence to limits.

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

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

(ii) Credit risk

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

Loans receivable

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

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

Trade and other receivables

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

Bank balances

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

Guarantees

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

(iii) Liquidity risk

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

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

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

(iv) Market risk

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

(v) Currency risk

The group has no significant exposure to currency risk.

(vi) Interest rate risk

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

(vii) Interest rate benchmark reform

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

(viii) Other market price risk

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

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

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for the year ended 31 August 2024 (continued)

(ix) Capital management

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

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

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

Financial covenants

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

GenEd Group: • For the Standard Bank loan, the following covenants are applicable:

- The ratio of EBITDA to interest payable shall be not less than four times; this covenant was met as of 31 August 2024 and all indications are that it will be met in future years.
- The gross debt to EBITDA ratio should not exceed 2.5 times. The covenant was met as of 31 August 2024 and all indications are that it will be met in future years.
- Trematon INAV to exceed R800 million.
- Number of students to exceed not less than 2 223 by 31 December 2024. The number of students at 31 August 2024 was 2 246 and therefore the group is confident this covenant will be met.

ARIA: • The Standard Bank loan requires an interest cover ratio of 1.6 times in the first year, 1.7 times in the second year, 1.8 times in the third year and 1.9 times in the fourth year. The minimum loan to value ratios range between 55% and 62%.

- The Nedbank loans require interest cover ratios ranging between 1.5 and 1.75 times as well as a minimum loan to value ratio ranging between 65% and 67.5%.

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

Return on capital

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

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Loss)/profit attributable to equity holders of the parent	(10 106 320)	71 577 575	150 106 540	123 753 293
Total equity attributable to equity holders of the parent	718 371 473	826 319 301	165 344 872	94 142 306
Ratio of profit/(loss) to total shareholders' equity	(1%)	9%	91%	131%

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

3. Property, plant and equipment

GROUP	2024			2023		
	Cost/ valuation R	Accumulated depreciation R	Carrying value R	Cost/ valuation R	Accumulated depreciation R	Carrying value R
Land and buildings	309 690 602	(8 023 482)	301 667 120	331 721 843	(7 783 013)	323 938 830
Fixtures and fittings	26 847 840	(19 590 910)	7 256 929	19 167 996	(10 567 761)	8 600 235
Motor vehicles	7 644 396	(5 234 932)	2 409 464	7 693 040	(4 410 055)	3 282 985
Office furniture and equipment	8 423 479	(3 022 348)	5 401 131	17 200 400	(10 526 013)	6 674 387
Harbour equipment and moorings	5 176 183	(2 119 146)	3 057 037	7 172 275	(3 408 863)	3 763 412
IT equipment and software	30 104 583	(14 073 521)	16 031 062	33 170 560	(17 705 631)	15 464 929
School equipment	7 260 043	(6 455 997)	804 045	8 757 180	(6 714 308)	2 042 872
	395 147 126	(58 520 337)	336 626 789	424 883 294	(61 115 644)	363 767 650

Reconciliation of property, plant and equipment

	Opening balance R	Additions R	Disposals R	Revaluation R	Depreciation R	Closing balance R
2024						
Land and buildings	323 938 830	1 754 444	-	(23 458 695)	(567 459)	301 667 120
Fixtures and fittings	8 600 235	1 668 843	(102 400)	-	(2 909 748)	7 256 929
Motor vehicles	3 282 985	408 964	(101 522)	-	(1 180 963)	2 409 464
Office furniture and equipment	6 674 386	108 063	(26 043)	-	(1 355 275)	5 401 131
Harbour equipment and moorings	3 763 412	-	-	-	(706 375)	3 057 037
IT equipment and software	15 464 929	2 065 613	(14 520)	-	(1 484 961)	16 031 062
School equipment	2 042 872	21 919	(621 712)	-	(639 034)	804 045
	363 767 650	6 027 846	(866 197)	(23 458 695)	(8 843 815)	336 626 789
2023						
Land and buildings	321 474 951	5 558 516	(2 626 000)	97 812	(566 449)	323 938 830
Fixtures and fittings	10 621 475	1 885 184	-	-	(3 906 424)	8 600 235
Motor vehicles	4 457 428	-	-	-	(1 174 443)	3 282 985
Office furniture and equipment	6 657 517	879 799	(485 985)	-	(376 945)	6 674 386
Harbour equipment and moorings	4 177 619	3 566 013	(3 279 058)	-	(701 162)	3 763 412
IT equipment and software	6 726 961	11 572 142	(42 820)	-	(2 791 353)	15 464 929
School equipment	2 726 841	328 880	(15 497)	-	(997 352)	2 042 872
	356 842 792	23 790 534	(6 449 360)	97 812	(10 514 128)	363 767 650

Expenditure incurred on construction of property, plant and equipment, included in additions above, amounted to R1.8 million for the year (2023: R5.6 million). Borrowing costs capitalised relating to the construction of property, plant and equipment amounted to Rnil million (2023: R0.5 million) at rates linked to prime.

The total value of land and buildings pledged as security amounts to R301.4 million (2023: R324.4 million).

The group has not entered into any commitments of capital.

The carrying amount of land and buildings would have amounted to R277.9 million (2023: R276.7 million), had land and buildings been recognised under the cost model.

Refer to note 34 for detailed information on the revaluation of land and buildings.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

4. Investment properties

	Note	GROUP	
		2024 R	2023 R
Carrying value		1 591 012 824	1 595 642 106
Carrying value at the beginning of the year		1 595 642 106	1 461 914 204
Straight-line rental income adjustment against investment properties		(2 443 298)	(603 162)
Fair value adjustment on investment properties	34	(15 987 750)	140 488 044
Transfer to non-current assets held-for-sale		–	(7 200 000)
Additions to investment properties		13 801 766	1 043 020
Carrying value at the end of the year		1 591 012 824	1 595 642 106
The carrying value comprises:			
Straight-line lease asset		32 228 389	32 228 389
Investment property		1 558 784 435	1 563 413 717
		1 591 012 824	1 595 642 106
	Note	2024 R	2023 R
Income and expenses relating to investment properties recognised through profit or loss:			
Income from investment properties	22	292 996 148	276 230 092
Direct expenses from income-generating investment properties*		(132 089 358)	(118 593 167)
Reconciliation of non-current assets held-for-sale:			
Opening balance		61 879 900	114 425 608
Disposals		(43 199 762)	(59 745 708)
Fair value adjustment of non-current assets held-for-sale		(459 222)	–
Transfer from investment property		–	7 200 000
Closing balance		18 220 916	61 879 900

* All investment properties are income generating for the full year ended 31 August 2024.

The total value of investment properties pledged as security amounts to R1.3 billion (2023: R1.5 billion). See note 19: Loans payable.

RESI, which includes Tremprop (Pty) Limited and The Resi Investment Trust, disposed of multiple residential properties for a total consideration of R43.7 million.

Non-current assets held-for-sale relate to properties held by RESI where sale agreements were entered into before year-end or where the properties are being actively marketed as management remains committed to selling these assets. These assets therefore meet the definition of non-current assets held-for-sale and are carried at the total selling price less costs to sell.

Property valuations

The fair value of the investment properties, which equals the carrying value, is based on directors' valuations. Refer to note 34 for the detailed valuation techniques used.

See note 36 for minimum lease payments receivable.

5. Right-of-use asset

	GROUP	
	2024 R	2023 R
Balance at the beginning of the year	60 890 578	65 827 652
Depreciation	(4 309 499)	(4 937 074)
Changes in lease terms	(11 296 347)	–
Balance at the end of the year	45 284 732	60 890 578
Cost	74 056 108	74 056 108
Accumulated depreciation	(17 475 029)	(13 165 530)
Lease term amendments	(11 296 347)	–
Net book value	45 284 732	60 890 578
Amounts recognised in profit or loss:		
Depreciation expense of right-of-use asset	(4 309 499)	(4 937 074)
Interest expense on lease liabilities	(8 110 646)	(7 964 241)
Total cash flows recognised	6 479 744	7 314 000
Repayments of interest	6 479 744	7 314 000

The group leases a property in which a GenEd school in Somerset West operates. The lease was entered into effective 1 January 2021 for a period of 15 years. In January 2024 the rental was reduced for the current and following calendar years, which has the effect of reducing the right-of-use asset value. There has been no change to the lease period.

The lease liability is disclosed in note 21.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

6. Investments in subsidiaries

Name of entity	Principal activity	COMPANY			
		% holding/control		Carrying amount	
		2024	2023	2024 R	2023 R
Held directly					
Tremgrowth (Pty) Limited	Equity investments	100.0	100.0	10	10
Tremtrade (Pty) Limited	Equity investments	100.0	100.0	10	10
Held indirectly					
Club Mykonos Langebaan (Pty) Limited	Property and investments	100.0	100.0	-	-
Club Mykonos Langebaan Rental Services Company (Pty) Limited	Property management	100.0	100.0	-	-
Club Mykonos Langebaan Resort Managers (Pty) Limited	Marina and property services	100.0	100.0	-	-
Langebaan Adventures (Pty) Limited	Resort activities	100.0	-	-	-
Club Mykonos Management (Pty) Limited	Resort management services	100.0	100.0	-	-
West Coast Holiday Lifestyles (Pty) Limited	Marina and property services	75.0	75.0	-	-
Aria Property Group (Pty) Limited	Property investments	60.0	60.0	-	-
Tremprop (Pty) Limited	Property investments	100.0	100.0	-	-
Resi Investment Trust	Property investments	100.0	100.0	-	-
Stalagmite Property Investments (Pty) Limited	Property investments	66.7	66.7	-	-
Generation Holdings (Pty) Limited	School investments	87.0	87.0	-	-
Prophen (Pty) Limited	Property investments	87.0	87.0	-	-
Generation Education (Pty) Limited	School operations	87.0	87.0	-	-
Si Institute (Pty) Limited	School operations	87.0	87.0	-	-
GenExperience (Pty) Limited	School operations	68.2	82.7	-	-
Blue Moon Montessori School (Pty) Limited*	School operations	-	78.3	-	-
				20	20

* This company was sold during the year.

All subsidiaries are incorporated and operate solely in South Africa.

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

The company provides financial support in the form of guarantees and sureties for loans granted to certain of its property investment subsidiaries, as described in note 19.

6. Investments in subsidiaries (continued)

Details of subsidiaries that have non-controlling interests

Name of company	GROUP			
	% holding by non-controlling interests		Share capital issued to non-controlling interests	
	2024	2023	2024 R	2023 R
Aria Property Group (Pty) Limited	40.0	40.0	–	–
Stalagmite Property Investments (Pty) Limited	33.3	33.3	–	–
Generations Group*	13.0	13.0	–	–
GenExperience (Pty) Limited**	31.8	17.3	14 122 851	–
West Coast Holiday Lifestyles (Pty) Limited	25.0	25.0	–	–
			14 122 851	–

Name of company	Profit/(loss) allocated to non-controlling interests	
	2024 R	2023 R
Aria Property Group (Pty) Limited	5 055 115	51 378 191
Stalagmite Property Investments (Pty) Limited	(71 885)	(95 773)
Generations Group*	(43 792)	(2 037 398)
GenExperience (Pty) Limited**	(625 238)	–
West Coast Holiday Lifestyles (Pty) Limited	947 599	836 193
	5 261 799	50 081 213

Name of company	Distributions to non-controlling interests		Accumulated non-controlling interests	
	2024 R	2023 R	2024 R	2023 R
Aria Property Group (Pty) Limited	(4 800 000)	(6 000 000)	183 488 848	183 233 733
Stalagmite Property Investments (Pty) Limited	–	–	1 591 222	1 663 107
Generations Group*	–	–	(7 452 938)	(7 409 146)
GenExperience (Pty) Limited**	–	–	13 497 613	–
West Coast Holiday Lifestyles (Pty) Limited	–	(300 000)	3 522 260	2 574 661
	(4 800 000)	(6 300 000)	194 647 005	180 062 355

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

** In the current year, GenExperience (Pty) Limited was unbundled from the Generations Group and is now held directly by Tremgrowth (Pty) Limited, a 100%-held subsidiary of Trematon Limited.

Following the unbundling, GenExperience (Pty) Limited raised additional capital by way of a rights issue. Tremgrowth (Pty) Limited as well as an unrelated party participated in the rights issue (see SENS announcement released on 6 August 2024 for full details). As a result, Trematon's indirect shareholding was reduced from 82.7% to 68.2%. The new shareholder of GenEx has the right to acquire further shares in GenEx for which he will have to pay US\$500 000 for every additional 10% acquisition with a maximum shareholding of 60%.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

6. Investments in subsidiaries (continued)

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

	GROUP	
	2024 R	2023 R
Aria Property Group (Pty) Limited		
Current assets (excluding cash and cash equivalents)	4 704 059	6 348 079
Cash and cash equivalents	103 696 400	140 571 554
Non-current assets	1 499 329 424	1 499 387 641
Total assets	1 607 729 883	1 646 307 274
Current liabilities	38 252 148	17 935 693
Non-current liabilities	1 111 978 477	1 171 510 109
Total liabilities	1 150 230 625	1 189 445 802
Revenue	270 749 183	250 681 429
Fair value adjustments on investment properties	(9 565 774)	144 786 805
Fair value adjustments on derivatives	(2 943 615)	(433 828)
Interest received	7 762 650	8 898 614
Finance costs	(102 523 394)	(96 232 284)
Net operating expenses	(140 731 142)	(143 500 040)
Profit before tax	22 747 908	164 200 696
Profit after tax	12 637 789	128 445 478
Total comprehensive income	12 637 789	128 445 478
Net cash inflow from operating activities	51 454 985	24 084 581
Net cash (outflow)/inflow from investing activities	(19 524 292)	2 329 308
Net cash (outflow)/inflow from financing activities	(68 805 848)	30 108
Dividends paid to non-controlling interests	(4 800 000)	(6 000 000)
Dividends attributable to equity holders of the group	7 200 000	9 000 000

6. Investments in subsidiaries (continued)

	GROUP	
	2024 R	2023 R
Generations Group		
Current assets (excluding cash and cash equivalents)	8 018 105	3 446 584
Cash and cash equivalents	20 586 920	8 614 847
Non-current assets	408 752 845	453 868 627
Total assets	437 357 870	465 930 058
Current liabilities	69 253 994	30 219 127
Shareholder loan – current	303 089 307	337 578 464
Non-current liabilities	89 985 785	129 675 748
Total liabilities	462 329 086	497 473 339
Revenue	207 346 362	205 502 350
Interest received	2 743 450	1 893 695
Finance costs – bank loan	(4 683 003)	(4 240 048)
– shareholder loan	(13 155 284)	(12 800 624)
– IFRS 16: Right-of-use asset	(8 110 646)	(7 964 241)
Depreciation	(10 689 452)	(13 290 043)
Net operating expenses	(173 535 819)	(189 834 848)
Loss before tax	(84 392)	(20 733 759)
Profit/(loss) after tax	458 302	(12 836 091)
Total comprehensive income/(loss)	458 302	(12 836 091)
Net cash inflow from operating activities	17 311 442	8 089 356
Net cash inflow/(outflow) for investing activities	3 090 334	(24 010 698)
Net cash (outflow)/inflow from financing activities	(6 913 073)	15 059 466
Dividends paid to non-controlling interests	-	-
Dividends attributable to equity holders of the group	-	-

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

7. Investment in joint ventures

		GROUP	
		2024	2023
		R	R
Name of entity	Principal activity		
The Woodstock Hub (Pty) Limited	Property investments	-	-
		-	-
This entity is strategic to the group's operations.			
The joint venture is incorporated and operates solely in South Africa.			
The Woodstock Hub (Pty) Limited			
The investment represents a 50% (2023: 50%) interest and comprises:			
Shares at cost		50	50
Post-acquisition reserves		(50)	(50)
		-	-
The group has signed total suretyships in favour of Nedbank Limited for an amount limited to R10 million (2023: R10 million) and Investec Limited for an amount limited to R21.8 million (2023: R46.8 million) in respect of the above investment. At year-end the total borrowings of The Woodstock Hub (Pty) Limited relating to the suretyships amounted to R39 million (2023: R97 million).			
The group has assessed the exposure in terms of the financial guarantees at year-end and determined that there is a very low risk of exposure. Based on this assessment no liability was raised and no further disclosure is provided.			
Current assets (excluding cash and cash equivalents)		245 264	525 573
Cash and cash equivalents		1 856 470	2 015 750
Non-current assets		-	13 125 146
Non-current assets held-for-sale		66 498 825	112 774 870
Total assets		68 600 559	128 441 339
Current liabilities		71 082 310	68 511 558
Non-current liabilities		38 938 005	96 969 879
Total liabilities		110 020 315	165 481 437
Revenue		6 514 573	11 096 058
Other income		2 479 062	18 075 000
Expenses		(5 483 025)	(8 072 653)
Fair value adjustments		(1 210 203)	(3 442 464)
Finance costs		(6 680 012)	(10 172 182)
Loss before tax		(4 379 605)	7 483 759
Tax		-	-
(Loss)/profit after tax		(4 379 605)	7 483 759
Share of (loss)/profit for the year*		(2 189 803)	3 741 880
Net asset value		(41 419 756)	(37 040 099)
Equity accounted loss*		-	-
(Impairment)/reversal of impairment of shareholder loan to The Woodstock Hub (Pty) Limited		(1 150 000)	3 741 880
Total (loss)/profit for the year		(1 150 000)	3 741 880

* The equity accounted profit/(loss) is not recognised in terms of IAS 28 due to the fact that the investment in the joint venture, including the related subordinated loan (refer to note 11), has been impaired to Rnil and until such time as accumulated losses are reversed, no earnings from the joint venture will be recognised.
Unrecognised share of losses to date amount to R26.2 million (2023: R24 million).
The losses incurred in the joint venture resulted in an impairment of the loan to the joint venture (refer to note 11).

8. Investment in associate entities

		GROUP	
		2024	2023
		R	R
Name of entity	Principal activity		
Leopard ASK Intermediate Investco Limited*	Specialised property financing	15 860 124	17 458 308
ASK Partners Holdco Limited*	Specialised property financing	8 655 141	9 179 669
Yieldex Trading 2 (Pty) Limited	Property investments	30	30
		24 515 295	26 638 007

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

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

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

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

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

Leopard ASK Intermediate Investco Limited

The investment represents a 40% (2023: 40%) interest and comprises:

Cost	67 649 200	67 649 200
Shares repurchased*	(67 649 200)	(67 649 200)
Gain on investment	(2 512 881)	(726 381)
Dividends received	(32 776 087)	(32 776 087)
Foreign currency translation reserve	20 361 492	20 700 039
Post-acquisition share of reserves	30 787 600	30 260 737
	15 860 124	17 458 308

ASK Partners Holdco Limited

The investment represents a 40% (2023: 40%) interest and comprises:

Cost	4 735 444	4 735 444
Shares repurchased*	(4 566 240)	(4 566 240)
Dividends received	(22 232 736)	(22 080 280)
Foreign currency translation reserve	(49 432)	136 811
Post-acquisition share of reserves	30 768 105	30 953 934
	8 655 141	9 179 669

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

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

8. Investment in associate entities (continued)

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

	GROUP	
	2024 R	2023 R
Leopard ASK Intermediate Investco Limited		
Current assets	52 392 678	54 735 690
Cash and cash equivalents	5 866 359	9 803 649
Total assets	58 259 037	64 539 339
Current liabilities	42 398 912	47 081 031
Total liabilities	42 398 912	47 081 031
Revenue	5 675 974	9 315 412
Expenses	(1 617 410)	(1 231 704)
Finance costs	(3 356 071)	(3 174 456)
Profit before tax	702 492	4 909 252
Tax	(175 629)	(932 760)
Profit after tax	526 863	3 976 492
Other comprehensive (loss)/income	(338 547)	8 501 899
Total comprehensive income/(loss)	188 316	12 478 391
Share of profit for the year	526 863	3 976 492
Share of other comprehensive (loss)/income	(338 547)	8 501 899
Dividends received from associate	152 456	32 776 087
Net asset value	15 860 124	17 458 308
Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate is set out below:		
Net assets of the associate	15 860 124	17 458 308
Less amounts attributable to Trematon	(15 860 124)	(17 458 308)
	-	-
% ownership of associate	40.00%	40.00%
Proportion of the group's ownership in the associate	15 860 124	17 458 308
Carrying amount of the group's interest in the associate	15 860 124	17 458 308
Trematon Group has a 40% investment in Leopard ASK Intermediate Investco Limited, but a right to dividend distributions equal to 100% of the entity's profits which is directly linked to the B-shares. This is due to the controlling shareholder receiving its percentage by way of interest income. The full cost of the investment has been returned to Trematon and any additional amounts received have been disclosed as a gain on investment.		
Summarised information in respect of associates that are not individually material:		
Aggregate share of (loss)/profit for the year	(185 829)	7 708 665
Aggregate total comprehensive (loss)/income	(185 829)	7 708 665
Summary of profit/(loss) from equity accounted associates (net of tax)		
Yieldex Trading 2 (Pty) Limited	-	(1 431 959)
Leopard ASK Intermediate Investco Limited	526 863	3 976 492
ASK Partners Holdco Limited	(185 829)	9 140 624
	341 034	11 685 157

9. Loans to/(from) group companies

	COMPANY	
	2024 R	2023 R
Tremtrade (Pty) Limited	(39 469 430)	36 609 824
Tremgrowth (Pty) Limited	275 000 000	125 000 000
	235 530 570	161 609 824
Non-current assets	275 000 000	161 609 824
	275 000 000	161 609 824
Current liabilities	(39 469 430)	–
	(39 469 430)	–

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

The loan to Tremgrowth is unsecured and interest free. The loan has no repayment terms and is therefore considered to be repayable on demand. Management expects this loan to be settled within the next 12 to 24 months from the proceeds of the sale of investments.

Credit quality

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

Tremtrade and Tremgrowth

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

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

The company's exposure to credit risk is disclosed in note 31.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

10. Deferred tax

	GROUP	
	2024 R	2023 R
Deferred tax asset	29 823 362	30 009 741
Deferred tax liability	(107 425 663)	(114 728 829)
	(77 602 301)	(84 719 088)
Comprises:		
Deferred tax asset on fair value adjustments through profit or loss	1 282 803	4 212 431
Temporary differences arising from fair value adjustments on acquisition of subsidiary	(2 703 201)	(2 726 160)
Temporary difference on tax losses	38 305 246	40 471 948
Temporary differences arising from revaluation of property, plant and equipment	(8 059 812)	(11 138 620)
Temporary differences from fair value adjustments on investment properties	(83 578 097)	(96 517 522)
Temporary differences arising from straight-lining adjustments on leases	(8 608 558)	(10 224 869)
Temporary differences arising from accelerated allowances on property, plant and equipment	(30 950 165)	(21 885 940)
Temporary differences arising from income received in advance	4 087 932	6 245 497
Temporary differences arising from prepayments	(920 282)	(1 329 797)
Temporary differences arising on derivatives	228 673	(327 146)
Temporary differences arising from accrued expenses	3 000 488	2 759 900
Temporary difference on right-of-use asset	(12 226 878)	(16 768 820)
Temporary difference on lease liability	19 531 655	22 096 322
Temporary differences arising from ECLs	3 007 895	413 688
	(77 602 301)	(84 719 088)
Reconciliation of deferred tax liability		
At the beginning of the year	(84 719 088)	(66 330 547)
Temporary differences	2 043 888	(18 388 177)
Revaluation of property, plant and equipment through OCI	5 072 899	(364)
	(77 602 301)	(84 719 088)

Deferred tax has been calculated at 21.6% (2023: 21.6%) on the fair value adjustments on investment properties.

A deferred tax asset amounting to R4.9 million (2023: R4.9 million) for the company in respect of estimated tax losses has not been recognised as it is not sufficiently probable that the related tax benefit will be realised. The company has calculated estimated tax losses available for set-off against future taxable income amounting to R17.1 million (2023: R18.1 million).

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

11. Loan to joint venture

	GROUP	
	2024 R	2023 R
The Woodstock Hub (Pty) Limited	14 242 364	14 894 692
	14 242 364	14 894 692

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

Credit quality

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

The Woodstock Hub (Pty) Limited loan

Gross loan value	36 102 242	42 452 241
Loan written off*	(1 150 000)	(9 037 500)
	34 952 242	33 414 741
Expected credit loss*	(20 709 878)	(18 520 049)
	14 242 364	14 894 692

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

Opening balance	(18 520 049)	(22 261 928)
(Additional)/reversal of ECL**	(2 189 829)	3 741 879
	(20 709 878)	(18 520 049)

* Management has assessed the recoverability of the loan to The Woodstock Hub and has written off an amount of R1.2 million (2023: R9 million) which they consider is not recoverable. An ECL is still being recognised for their share of estimated credit losses on the remaining loan balance.

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

The company's exposure to credit risk is disclosed in note 31.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

12. Loans receivable

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Long-term portion				
Epstein Family Investments (Pty) Limited	21 823 312	19 902 266	–	–
Armchair Trust	11 396 997	12 861 231	11 396 997	12 861 231
Salvete Trust	11 557 147	12 960 300	11 557 147	12 960 300
Alevai Investment Trust	2 369 367	2 397 978	2 369 367	2 397 978
Nest Egg Trust	1 270 175	1 343 185	1 270 175	1 343 185
	48 416 998	49 464 960	26 593 686	29 562 694

The loans bear interest at the rates applicable from time to time to a loan denominated in Rands as described in paragraph (a) of the definition of the “official rate of interest” in section 1(1) of the Income Tax Act, 1962. The loans have no repayment terms and are therefore considered to be repayable on demand, except for the loans to the Armchair Trust, Salvete Trust, Alevai Investment Trust and Nest Egg Trust which are repayable from the distributions received on the underlying shares held.

Credit quality

Management reviewed the credit risk at year-end and determined the credit risk has not significantly increased from initial recognition with a low risk of default in the next 12 months for all the loans based on the expected future cash flows of the borrowing entities and their net asset values. ECLs are limited to the 12-month ECLs only. ECLs for the 12-month period have been determined as below:

Epstein Family Investments (Pty) Limited

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

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

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

Management has assessed the recoverability of each loan receivable and has determined that there is no immediate risk of an expected credit loss. The underlying shares in respect of each loan have been ceded to the company as collateral and their values exceed the value of each loan receivable. The fair value of these shares exceed the value of each loan receivable.

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

The company's exposure to credit risk is disclosed in note 31.

13. Financial asset at fair value through profit or loss

	GROUP	
	2024 R	2023 R
Investments		
91 319 220 (2023: 91 319 220) shares in Freedom Property Fund Limited	6 392 345	6 392 345

14. Trade and other receivables

Trade accounts receivable	11 546 914	6 398 197
Loss allowance	(2 557 382)	(1 047 632)
Other receivables	2 255 159	2 041 325
Prepayments and deposits	4 759 829	5 440 737
VAT	697 804	1 159 051
	16 702 324	13 991 678
Categorisation of trade and other receivables		
At amortised cost	11 244 691	7 391 890
Non-financial instruments	5 457 633	6 599 788
	16 702 324	13 991 678

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

14. Trade and other receivables (continued)

Credit quality

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

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

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

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

Expected credit loss model

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

The loss allowance provision for the group has been calculated and is not material for any classes of debtors, therefore no further disclosures are provided.

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

The group's exposure to credit risk and impairment losses related to trade and other receivables is disclosed in note 31.

Expected credit loss allowances on trade receivables

As of 31 August 2024 trade and other receivables provision for ECLs was adjusted by R1.5 million (2023: decrease of R1.4 million).

Loss allowance on other receivables and deposits

The loss allowance provision for other receivables and deposits have been calculated, and is deemed not material, therefore no further disclosures are provided.

	GROUP	
	2024 R	2023 R
Reconciliation of provision for ECLs		
Balance at the beginning of the year	(1 047 632)	(2 447 012)
Charge for the year	(1 509 750)	-
Loss allowance utilised	-	1 399 380
Bad debts written off during the year (included in operating expenses)	-	2 095 264
Balance at the end of the year	(2 557 382)	1 047 632

15. Inventories

	GROUP	
	2024 R	2023 R
Property and land	30 332 625	29 588 517
Residential – developed and undeveloped	22 087 674	21 343 566
Commercial – undeveloped	8 244 951	8 244 951
Residential units	638 151	773 071
	30 970 776	30 361 588

All inventories are carried at cost. No provision for stock write-down has been raised. The cost of inventories recognised as an expense during the year was R1.2 million (2023: R12.2 million).

16. Cash and cash equivalents

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Bank balances	213 336 321	267 656 101	680 020	307 695
Current assets	213 336 321	267 656 101	680 020	307 695

The group has undrawn borrowing facilities of R5.7 million (2023: R15.5 million) with Investec Bank Limited that relate to investment properties included in non-current assets held-for-sale. The undrawn balance available reduces as properties are sold.

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

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

17. Share capital and share premium

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Authorised				
1 000 000 000 ordinary shares of 1 cent each	10 000 000	10 000 000	10 000 000	10 000 000
777 225 752 (2023: 774 170 752) unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.				
Issued				
222 774 248 (2023: 225 829 248) ordinary shares of 1 cent each	2 227 743	2 258 293	2 227 743	2 258 293
Share premium	36 570 411	115 443 835	36 570 411	115 443 835
	38 798 154	117 702 128	38 798 154	117 702 128

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

17. Share capital and share premium (continued)

	GROUP	
	2024 R	2023 R
Number of shares in issue		
Balance at the beginning of the year	225 829 248	224 934 173
Treasury shares acquired	(3 055 000)	–
Restricted shares vested	–	895 075
Balance at the end of the year	222 774 248	225 829 248
Restricted shares are shares issued in terms of the share incentive scheme and remain restricted until certain conditions are met.		
Included in the balance at year-end are 3 721 306 (2023: 3 721 306) shares of which none has not yet vested.		
Weighted number of shares		
Balance at the beginning of the year	225 829 248	224 934 173
Restricted shares vested – weighted	–	895 075
Treasury shares acquired – weighted	(1 746 138)	–
Weighted average number of ordinary shares in issue during the year	224 083 110	225 829 248
Diluted weighted average number of shares		
Weighted average number of ordinary shares in issue during the year	224 083 110	225 829 248
Diluted weighted average number of shares at the end of the year	224 083 110	225 829 248

The treasury shares were held by Trematon Capital Investments Limited.

3 055 000 (2023: nil) treasury shares were purchased during the year. The weighted average price per treasury share purchased during the year was R2.17.

During the year 3 055 000 (2023: nil) treasury shares were cancelled and added to unissued ordinary shares.

18. Fair value reserve

	GROUP	
	2024 R	2023 R
Comprises:		
Fair value gain on revaluation of property, plant and equipment	36 822 326	60 307 968
Tax effects on revaluation of property, plant and equipment	(8 161 241)	(13 234 140)
	28 661 085	47 073 828
Reconciliation of movement in fair value reserve		
At the beginning of the year	47 073 828	47 072 567
Fair value (loss)/gain on revaluation of property, plant and equipment	(23 485 642)	1 625
Tax effects of revaluation	5 072 899	(364)
Balance at the end of the year	28 661 085	47 073 828

19. Loans payable

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Current portion				
Standard Bank of South Africa Limited – term loan 1	42 830 219	887 808	–	–
Nedbank Limited – term loan 1	50 172 500	–	50 172 500	–
– term loan 2	40 476 473	–	40 476 473	–
– term loan 3	–	6 409 549	–	6 409 549
Investec Bank Limited – term loan 1	4 516 041	1 797 604	–	–
Other loan	1 146 884	1 146 884	–	–
	139 142 117	10 241 845	90 648 973	6 409 549
Long-term portion				
Standard Bank of South Africa Limited – term loan 1	–	42 000 000	–	–
– term loan 2	250 458 785	244 209 548	–	–
Nedbank Limited – term loan 1	–	50 172 500	–	50 172 500
– term loan 2	–	40 475 539	–	40 475 539
– term loan 3	6 416 549	–	6 416 549	–
– term loan 4	719 550 343	782 187 426	–	–
Investec Bank Limited – term loan 1	16 241 570	20 196 721	–	–
– term loan 2	2 006 850	9 632 675	–	–
	994 674 097	1 188 874 409	6 416 549	90 648 039
	1 133 816 214	1 199 116 254	97 065 522	97 057 588

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

19. Loans payable (continued)

The amount owing to Standard Bank Limited – term loan 1 bears interest at JIBAR + 2.3%. Repayments are interest only with the full capital amount repayable in May 2025. The loan is secured by a first covering mortgage bond over the respective property.

The amount owing to Standard Bank Limited – term loan 2 bears interest at JIBAR + 2.3%. Repayments are interest only with the full capital amount repayable in August 2026. The loan is secured by a first covering mortgage bond over the respective properties.

The amount owing to Nedbank Limited – term loan 1 and term loan 2 bears interest at prime - 0.25%. Repayments are interest only with the full capital amount repayable in December 2024. The loans are secured by a first covering mortgage bond over the respective properties.

The amount owing to Nedbank Limited – term loan 3 bears interest at prime - 0.5%. Repayments are interest only with the full capital amount repayable in November 2026. The loan is secured by a first covering mortgage bond over the respective properties.

The amount owing to Nedbank Limited – term loan 4 bears interest at JIBAR + 2.3%. Repayments are interest only with the full capital amount repayable in September 2026. The loan is secured by a first covering mortgage bond over the respective properties.

The amount owing to Investec Bank Limited – term loan 1 bears interest at prime - 0.25%. Repayments include interest and capital and is repayable by August 2026. The loan is secured by a first covering mortgage bond over the respective property.

The amount owing to Investec Bank Limited – term loan 2 bears interest at prime - 0.25%. Repayments are interest only with the full capital amount repayable in April 2026. The loans are secured by a first covering mortgage bond over the respective properties.

The company has signed suretyships in favour of Nedbank Limited for subsidiaries in the group. Trematon Capital Investment's exposure is limited to R136.8 million (2023: R138.2 million) in respect of the loans owing to Nedbank Limited by the subsidiaries.

The company has signed suretyships in favour of Standard Bank Limited for subsidiaries in the group. Trematon Capital Investment's exposure is limited to R42 million (2023: R42 million) in respect of the loans owing to Standard Bank Limited by the subsidiaries in the group.

The company has signed suretyships in favour of Investec Bank Limited for subsidiaries in the group. Trematon Capital Investment's exposure is limited to R21.9 million (2023: R91.6 million) in respect of the loans owing to Investec Bank Limited by the subsidiaries in the group.

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

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

SARB indicated its intention to move away from JIBAR and identified a potential successor in the South African Rand Overnight Index Average Rate (ZARONIA). The group will be guided by the banks on this transition.

The group's exposure to interest rate and liquidity risk is disclosed in note 31.

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

20. Trade and other payables

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Trade payables	28 425 524	10 327 022	393 902	280 339
Deposits	13 832 153	11 514 591	-	-
Sundry creditors	8 359 179	7 294 892	-	-
VAT	2 368 925	2 657 555	-	-
Accruals	1 024 251	1 575 846	-	-
Income received in advance*	29 449 398	30 049 999	-	-
Other payables**	72 007 101	67 180 020	-	-
	155 466 531	130 599 925	393 902	280 339
Non-current liabilities	57 353 121	59 653 840	-	-
Current liabilities	98 113 410	70 946 085	393 902	280 339
	155 466 531	130 599 925	393 902	280 339
Categorisation of trade and other payables				
At amortised cost	83 454 476	54 608 593	393 902	280 339
Financial liability at fair value through profit or loss	39 169 481	41 707 932	-	-
Non-financial instruments	32 842 574	34 283 400	-	-
	155 466 531	130 599 925	393 902	280 339

* Income received in advance includes rental income and school fees.

** Included in other payables is an amount of R52.4 million (2023: R53.6 million) owing to ZRG Investments (Pty) Limited ("ZRG"), a property investment company incorporated in South Africa, in terms of profit share arrangements on four properties held by ARIA, namely York Street Boulevard, Maynard Mall, Edgars Wynberg and Riverside Mall which are located in Cape Town. The payable consists of accumulated profits and capital gains based on the third party's profit share percentage, which is equal to 33.33% for York Street Boulevard and 15% for Maynard Mall, Edgars Wynberg and Riverside Mall. These arrangements are strategic to the group's activities. ZRG Investments (Pty) Limited is an external company not related to the group.

The liability owing to ZRG can be split into two components: ZRG's share of the fair value of the investment property and capital contributions, which amounted to R39.2 million (2023: R41.7 million); and ZRG's share of profit from leasing operations, which amounted to R13.2 million (2023: R11.9 million) at year-end. The amount owing to ZRG relating to fair value adjustments of investment property and capital contribution is classified as a non-current liability. Trematon has a right to defer settlement beyond 12 months as this amount becomes payable on the sale of the property, which is subject to Trematon and ZRG Investments' unanimous consent and is not expected to occur in the next 12 months. The portion owing to ZRG relating to leasing operations has been classified under current liabilities.

The fair value of trade and other payables approximates the carrying value due to the short-term nature thereof. Refer to note 34 for further details around the financial liability at fair value through profit or loss.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

21. Lease liability

	GROUP	
	2024 R	2023 R
Total lease liabilities	73 073 943	82 739 388
Analysed as follows:		
Non-current	64 851 057	81 749 105
Current	8 222 886	990 283
Opening balance	82 739 388	82 089 147
Finance charges	8 110 646	7 964 241
Lease repayments	(6 479 744)	(7 314 000)
Changes to lease terms	(11 296 347)	–
Closing balance	73 073 943	82 739 388
Maturity analysis:		
Year 1	8 222 886	8 898 240
Years 2 – 5	42 816 664	40 851 101
Years 5+	87 351 578	100 184 898
	138 391 128	149 934 239
Less: unearned interest	(65 317 185)	(67 194 851)
	73 073 943	82 739 388

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

The carrying value of the right-of-use asset amounts to R45.3 million (2023: R60.9 million) at year-end.

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

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

The details of the lease are disclosed in note 5.

22. Revenue

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Revenue				
<i>At a point in time</i>				
Sale of property and land	3 230 435	19 304 308	-	-
Other school income	19 309 373	13 792 095	-	-
Commission received	9 440 805	7 216 600	-	-
Services and other revenue*	28 425 766	26 170 975	-	-
	60 406 379	66 483 978	-	-
<i>Over time</i>				
School and registration fees	184 379 059	181 965 050	-	-
Administration fee income	1 050 231	1 756 187	-	-
Management fees	7 829 415	7 452 427	-	-
	193 258 705	191 173 664	-	-
<i>Straight-line basis</i>				
Rental income	292 996 148	276 230 092	-	-
	292 996 148	276 230 092	-	-
	546 661 232	533 887 734	-	-
Investment revenue				
Other investment income	-	-	430 221	-
Dividends received	-	-	150 621 700	125 000 000
Interest received – subsidiaries	-	-	11 206 991	10 072 513
– bank	14 733 955	16 367 249	8 768	14 052
– other**	4 500 675	3 996 563	2 579 253	2 324 194
	19 234 630	20 363 812	164 846 933	137 410 759
	565 895 862	554 251 546	164 846 933	137 410 759
Revenue per segment				
Property	340 954 178	337 180 394	-	-
Education	209 119 812	203 901 018	-	-
Edutech	8 065 608	3 495 027	-	-
Corporate and other revenue	7 756 264	9 675 107	164 846 933	137 410 759
	565 895 862	554 251 546	164 846 933	137 410 759
Timing of revenue recognition				
At a point in time	60 406 379	66 483 978	-	-
Over time	193 258 705	191 173 664	-	-
Straight-line basis	292 996 148	276 230 092	-	-
	546 661 232	533 887 734	-	-

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

** Interest received – other includes interest received on loans to directors. See note 12.

Refer to note 32.1 for the financial category disclosure of investment revenue.

Refer to note 35 for the segment reporting over revenue.

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for the year ended 31 August 2024 (continued)

22. Revenue (continued)

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Reconciliation of revenue per segment				
Property				
Rental income	292 996 148	276 230 092	-	-
Sale of property and land	3 230 435	19 304 308	-	-
Administration fee income	1 050 231	1 756 187	-	-
Services and other revenue	17 805 465	16 425 770	-	-
Management fees	7 829 415	7 452 427	-	-
Commission received	9 440 805	7 216 600	-	-
Interest income	8 601 679	8 795 010	-	-
	340 954 178	337 180 394	-	-
Education				
Education and registration fee income	180 163 028	178 470 023	-	-
Other education income	19 309 373	13 792 095	-	-
Services and other revenue	6 713 961	9 745 205	-	-
Administration fee income	190 000	-	-	-
Interest income	2 743 450	1 893 695	-	-
	209 119 812	203 901 018	-	-
Edutech				
Education and registration fee income	7 932 371	3 495 027	-	-
Interest income	133 237	-	-	-
	8 065 608	3 495 027	-	-
Corporate and other				
Dividend income	-	-	150 621 700	125 000 000
Other income	-	-	430 221	-
Interest income	7 756 264	9 675 107	13 795 012	12 410 759
	7 756 264	9 675 107	164 846 933	137 410 759
	565 895 862	554 251 546	164 846 933	137 410 759

23. Operating profit/loss

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Operating profit/loss is stated after accounting for the following:				
Other operating expenses				
Depreciation*	(13 153 314)	(15 451 202)	-	-
Municipal expenses*	(81 941 138)	(78 357 642)	-	-
Staff costs*	(169 920 256)	(167 249 309)	(1 833 565)	(1 869 798)

* Refer to note 35: Segmental information.

24. Finance costs

Loans payable	121 162 177	115 268 968	11 206 991	10 072 513
Other loans	-	31 263	-	-
Lease liability	8 110 646	7 964 241	-	-
	129 272 823	123 264 472	11 206 991	10 072 513

25. Income tax expense

South African normal tax

Current tax – current year	17 530 994	11 506 928	-	-
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Deferred tax

Deferred tax – temporary differences	(2 043 889)	18 388 541	-	-
	15 487 105	29 895 469	-	-

	%	%	%	%
Reconciliation of effective tax rate:				
Statutory tax rate	27.0	27.0	27.0	27.0
Profit from equity accounted investments – exempt	(0.9)	(6.1)	-	-
Other tax-exempt income*	(6.4)	(3.4)	(27.1)	(27.0)
Effect of change in tax rate	-	1.7	-	-
Other non-deductible expenses**	44.3	0.6	0.2	-
Capital gains tax	3.4	(4.9)	-	-
Tax losses	78.1	4.8	(0.1)	-
Effective tax rate	145.5	19.7	-	-

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

** Includes expenses of a capital nature.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

26. Earnings and net asset value per share

	GROUP	
	2024 Cents	2023 Cents
Net asset value per share	322	366
Basic earnings per share	(4.5)	31.7
Diluted earnings per share	(4.5)	31.7

The calculation of net asset value per share is based on 222 774 248 ordinary shares in issue at year-end (2023: 225 829 248) and a total equity attributable to ordinary shareholders of R718 371 473 (2023: R826 319 301).

The calculation of basic earnings per share is based on the weighted average number of 224 083 110 ordinary shares in issue during the year (2023: 225 829 248) and a loss attributable to ordinary shareholders of R10 106 320 (2023: profit of R71 577 575).

The calculation of diluted earnings per share is based on the diluted weighted average number of 224 083 110 ordinary shares in issue during the year (2023: 225 829 248) and a loss attributable to ordinary shareholders of R10 106 320 (2023: profit of R71 577 575).

27. Headline earnings per share

	Note	GROUP			
		2024		2023	
		Gross R	Net R	Gross R	Net R
Profit attributable to equity holders of the parent			(10 106 320)		71 577 575
Fair value adjustment on investment properties		16 446 972	9 894 592	(140 488 044)	(64 737 484)
Fair value adjustments within equity accounted profits	4	605 101	474 400	1 721 232	1 349 446
Headline earnings			262 672		8 189 537

	GROUP	
	2024 Cents	2023 Cents
Headline earnings per share	0.1	3.6
Diluted headline earnings per share	0.1	3.6

The calculation of headline earnings per share is based on the weighted average number of 224 083 110 ordinary shares in issue during the year (2023: 225 829 248).

The calculation of diluted headline earnings per share is based on the diluted weighted average number of 224 083 110 ordinary shares in issue during the year (2023: 225 829 248).

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

28. Remuneration

Directors' emoluments	Short-term employee benefits				Total R
	Fees for services R	Basic salary R	Taxable benefits R	Bonus R	
2024					
Executive directors					
AJ Shapiro	-	3 472 200	38 985	-	3 511 185
A Groll	-	2 231 700	20 582	-	2 252 282
AL Winkler	-	2 160 600	36 185	-	2 196 785
Non-executive directors					
R Lockhart-Ross	551 250	-	-	-	551 250
K Getz	252 000	-	-	-	252 000
JP Fisher	294 000	-	-	-	294 000
R Stumpf	252 000	-	-	-	252 000
MA Sessions	283 500	-	-	-	283 500
Total	1 632 750	7 864 500	95 752	-	9 593 002
Paid by subsidiaries	-	7 864 500	95 752	-	7 960 252
2023					
Executive directors					
AJ Shapiro	-	3 472 200	45 532	-	3 517 732
A Groll	-	2 231 700	21 341	-	2 253 041
AL Winkler	-	2 160 600	42 566	168 727	2 371 893
Non-executive directors					
R Lockhart-Ross	561 756	-	-	-	561 756
K Getz	252 000	-	-	-	252 000
JP Fisher	294 000	-	-	-	294 000
R Stumpf	262 500	-	-	-	262 500
MA Sessions	294 000	-	-	-	294 000
Total	1 664 256	7 864 500	109 439	168 727	9 806 922
Paid by subsidiaries	-	7 864 500	109 439	168 727	8 142 666

Notes to the annual financial statements

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29. Cash utilised in operations

	Notes	GROUP		COMPANY	
		2024 R	2023 R	2024 R	2023 R
Profit before income tax		10 642 583	151 554 257	150 106 540	123 753 293
Adjusted for:					
Depreciation	3, 5	13 153 314	15 451 202	-	-
Equity accounted earnings of associates and joint ventures	8	(341 034)	(11 685 157)	-	-
Other income	22	-	-	(430 221)	-
Dividend income	22	-	-	(150 621 700)	(125 000 000)
Interest received	22	(19 234 630)	(20 363 812)	(13 795 012)	(12 410 759)
Finance costs	24	129 272 823	123 264 472	11 206 991	10 072 513
Fair value adjustment on investment properties and non-current assets held-for-sale	4	16 446 972	(140 488 044)	-	-
Fair value adjustment on financial liabilities at fair value through profit or loss		2 943 615	403 352	-	-
Foreign exchange loss		30 669	250 493	-	-
Movement in ECLs	14	1 509 750	(1 399 380)	-	-
Additional/(reversal of) ECL on loan	11	2 189 829	(3 741 879)	-	-
Loan written off	11	1 150 000	9 037 500	-	-
Profit on disposal of non-current assets		(197 391)	-	-	-
Straight-line adjustment against investment properties	4	2 443 298	603 162	-	-
Other non-cash items		1 358 389	-	-	-
Expenses settled by group company		-	-	5 048 058	3 939 429
Changes in working capital:					
Increase in trade and other receivables		(4 220 396)	(3 222 989)	-	-
(Increase)/decrease in inventory		(609 188)	11 773 514	-	-
Increase in trade and other payables		24 866 606	21 508 429	-	149 694
		181 405 209	152 945 120	1 514 656	504 170

30. Taxation paid

	Notes	GROUP		COMPANY	
		2024 R	2023 R	2024 R	2023 R
Balance at the beginning of the year		2 475 183	3 396 716	-	-
Current tax charge		(17 530 994)	(11 506 928)	-	-
Balance at the end of the year		(697 875)	(2 475 183)	-	-
		(15 753 686)	(10 585 395)	-	-

31. Financial instruments

31.1 Credit risk

	Notes	GROUP		COMPANY	
		2024 R	2023 R	2024 R	2023 R
Exposure to credit risk					
The carrying amount of financial assets represents the maximum credit exposure.					
The maximum exposure to credit risk at the reporting date was:					
Carrying amount					
Loans receivable	11, 12	62 659 362	64 359 652	-	-
Trade and other receivables	14	11 244 691	7 391 890	-	-
Cash and cash equivalents	16	213 336 321	267 656 101	680 020	307 695
Loans to group companies	9	-	-	275 000 000	161 609 824
		287 240 374	339 407 643	275 680 020	161 917 519

31.2 Liquidity risk

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

GROUP	Notes	Carrying amount	Contractual cash flows	Not later than 1 month	Between 1 – 3 months
		R	R	R	R
Non-derivative financial liabilities					
2024					
Loans payable	19	1 133 816 214	1 373 701 000	10 122 908	20 245 816
Trade and other payables	20	83 454 476	122 675 522	46 079 381	2 116 680
Lease liabilities	21	73 073 943	138 391 128	685 241	1 370 481
		1 290 344 633	1 634 767 650	56 887 530	23 732 977
Guarantees*		-	56 850 000	-	-
		1 290 344 633	1 691 617 650	56 887 530	23 732 977
2023					
Loans payable	19	1 199 116 254	1 581 804 565	12 036 733	29 208 607
Trade and other payables	20	54 608 593	71 662 893	6 619 662	-
Lease liabilities	21	82 739 388	149 934 239	713 000	1 426 000
		1 336 464 235	1 803 401 697	19 369 395	30 634 607
Guarantees*		-	56 850 000	-	-
		1 336 464 235	1 860 251 697	19 369 395	30 634 607

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

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

31. Financial instruments (continued)

31.2 Liquidity risk (continued)

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

GROUP	Notes	3 months – 1 year R	Total within 1 year R	Between 1 – 2 years R	Between 2 and 5 years R	Over 5 years R
Non-derivative financial liabilities						
2024						
Loans payable	19	218 782 495	249 151 220	391 264 014	733 285 767	–
Trade and other payables	20	17 634 397	65 830 458	6 434 142	50 410 922	–
Lease liabilities	21	6 167 165	8 222 886	10 704 166	32 112 498	87 351 578
		242 584 057	323 204 564	408 402 322	815 809 187	87 351 578
Guarantees*		56 850 000	56 850 000	–	–	–
		299 434 057	380 054 564	408 402 322	815 809 187	87 351 578
2023						
Loans payable	19	96 497 882	137 743 222	19 448 409	1 424 612 934	–
Trade and other payables	20	11 316 034	17 935 696	–	53 727 197	–
Lease liabilities	21	6 759 240	8 898 240	9 432 134	31 418 967	100 184 898
		114 573 156	164 577 158	28 880 543	1 509 759 098	100 184 898
Guarantees*		56 850 000	56 850 000	–	–	–
		171 423 156	221 427 158	28 880 543	1 509 759 098	100 184 898

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

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

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

The trade and other payables expected to be settled after five years relate to the cumulative fair value adjustments on investment properties which form part of the profit share arrangement and initial contribution by ZRG Investments (Pty) Limited which is more fully described in note 20.

31. Financial instruments (continued)

31.2 Liquidity risk (continued)

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

COMPANY	Notes	Carrying amount R	Contractual cash flows R	Not later than 1 month R	Between 1 and 3 months R
Non-derivative financial liabilities					
2024					
Trade and other payables	20	393 902	393 902	393 902	-
Loan payable	19	97 065 522	102 553 519	925 824	1 851 649
Guarantees*		-	147 150 000	-	-
		97 459 424	250 097 421	1 319 726	1 851 649
2023					
Trade and other payables	20	280 339	280 339	280 339	-
Loan payable	19	97 057 588	110 844 545	927 160	9 191 028
Guarantees*		-	273 350 000	-	-
		97 337 927	384 474 884	1 207 499	9 191 028

COMPANY	Notes	3 months to 1 year R	Within 1 year R	Between 1 – 2 years R	Between 2 – 5 years R
Non-derivative financial liabilities					
2024					
Trade and other payables	20	-	393 902	-	-
Loan payable	19	91 744 080	94 521 553	721 074	7 310 892
Guarantees*		147 150 000	147 150 000	-	-
		238 894 080	242 065 455	721 074	7 310 892
2023					
Trade and other payables	20	-	280 339	-	-
Loan payable	19	6 925 878	17 044 066	93 800 479	-
Guarantees*		273 350 000	273 350 000	-	-
		280 275 878	290 674 405	93 800 479	-

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

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

31. Financial instruments (continued)

31.3 Market risk

31.3.1 Interest rate risk

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

GROUP	Type %	Notes	Carrying amount		
			Year 1 R	2 – 5 years R	Total R
2024					
Assets					
Loans receivable	Variable rate	11, 12	–	62 659 362	62 659 362
Trade and other receivables	Variable rate	14	11 244 691	–	11 244 691
Derivatives	Variable rate		–	–	–
Cash and cash equivalents	Variable rate	16	213 336 321	–	213 336 321
			224 581 012	62 659 362	287 240 374
Liabilities					
Loans payable	Variable rate	19	139 142 117	994 674 097	1 133 816 214
Derivatives	Variable rate		–	1 617 092	1 617 092
			139 142 117	996 291 189	1 135 433 306
2023					
Assets					
Loans receivable	Variable rate	11, 12	–	64 359 652	64 359 652
Trade and other receivables	Variable rate	14	7 391 890	–	7 391 890
Derivatives	Variable rate		345 537	–	345 537
Cash and cash equivalents	Variable rate	16	267 656 101	–	267 656 101
			275 393 528	64 359 652	339 753 180
Liabilities					
Loans payable	Variable rate	19	10 241 845	1 188 874 409	1 199 116 254
			10 241 845	1 188 874 409	1 199 116 254

31. Financial instruments (continued)

31.3 Market risk (continued)

31.3.1 Interest rate risk (continued)

COMPANY	Type %	Notes	Carrying amount		
			Year 1 R	2 – 5 years R	Total R
2024					
Assets					
Cash and cash equivalents	Variable rate	16	680 020	–	680 020
Loans to group companies	Variable rate	9	–	97 065 522	97 065 522
			680 020	97 065 522	97 745 542
Liabilities					
Derivatives	Variable rate		–	–	–
Loan payable	Variable rate	19	90 648 973	6 416 549	97 065 522
			90 648 973	6 416 549	97 065 522
2023					
Assets					
Cash and cash equivalents	Variable rate	16	307 695	–	307 695
Loans to group companies	Variable rate	9	–	97 057 588	97 057 588
			307 695	97 057 588	97 365 283
Liabilities					
Derivatives	Variable rate		–	–	–
Loan payable	Variable rate	19	6 409 549	90 648 039	97 057 588
			6 409 549	90 648 039	97 057 588

Cash flow sensitivity analysis for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss after tax by the amounts shown below. A decrease of 100 basis points will have the same but opposite effect. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as 2023.

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Variable rate instruments – assets	2 068 131	2 443 735	703 768	701 030
Variable rate instruments – liabilities	(8 163 477)	(8 633 637)	(698 872)	(698 815)

31.3.2 Equity risk

Equity price sensitivity analysis

An increase of 10% in the price of the investment in shares at the reporting date would have increased profit or loss after tax and other comprehensive income respectively by the amounts shown below. A decrease of 10% will have the same but opposite effect. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as 2023.

	GROUP	
	2024 R	2023 R
Financial assets at fair value through profit or loss	460 249	460 249

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

32. Financial assets and liabilities by category

32.1 Financial assets by category

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

GROUP	Notes	At amortised cost R	Fair value through profit or loss R	Total R
2024				
Loans receivable	11, 12	62 659 362	–	62 659 362
Trade and other receivables	14	11 244 691	–	11 244 691
Cash and cash equivalents	16	213 336 321	–	213 336 321
Financial asset at fair value through profit or loss	13	–	6 392 345	6 392 345
		287 240 374	6 392 345	293 632 719
2023				
Loans receivable	11, 12	64 359 652	–	64 359 652
Trade and other receivables	14	7 391 890	–	7 391 890
Cash and cash equivalents	16	267 656 101	–	267 656 101
Derivatives		–	1 326 523	1 326 523
Financial asset at fair value through profit or loss	13	–	6 392 345	6 392 345
		339 407 643	7 718 868	347 126 511

COMPANY	Notes	At amortised cost R	Total R
2024			
Loans to group companies	9	275 000 000	275 000 000
Cash and cash equivalents	16	680 020	680 020
		275 680 020	275 680 020
2023			
Loans to group companies	9	161 609 824	161 609 824
Cash and cash equivalents	16	307 695	307 695
		161 917 519	161 917 519

32. Financial assets and liabilities by category (continued)

32.2 Financial liabilities by category

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

GROUP	Notes	At amortised cost R	Fair value through profit or loss R	Total R
2024				
Loans payable	19	1 133 816 214	–	1 133 816 214
Derivatives		–	1 617 092	1 617 092
Trade and other payables	20	83 454 476	39 169 481	122 623 957
		1 217 270 690	40 786 573	1 258 057 263
2023				
Loans payable	19	1 199 116 254	–	1 199 116 254
Trade and other payables	20	54 608 593	41 707 932	96 316 525
		1 253 724 847	41 707 932	1 295 432 779

COMPANY	Notes	At amortised cost R	Total R
2024			
Loans from group companies	9	39 469 430	39 469 430
Loan payable	19	97 065 522	97 065 522
Trade and other payables	20	393 902	393 902
		136 928 854	136 928 854
2023			
Loan payable	19	97 057 588	97 057 588
Trade and other payables	20	280 339	280 339
		97 337 927	97 337 927

33. Net gains or losses on financial assets and liabilities

33.1 Financial assets

GROUP	Notes	Interest income R	ECL movement R
2024			
Financial assets at amortised cost	22	19 234 630	(3 043 807)
2023			
Financial assets at amortised cost	22	20 363 812	5 141 259

COMPANY	Notes	Interest income R	Dividend income R
2024			
Financial assets at amortised cost	22	13 795 012	150 621 700
2023			
Financial assets at amortised cost	22	12 410 759	125 000 000

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for the year ended 31 August 2024 (continued)

33. Net gains or losses on financial assets and liabilities (continued)

33.2 Financial liabilities

GROUP	Notes	Interest expense R	Fair value adjustments through profit or loss (mandatory) R
2024			
Financial liabilities at amortised cost	24	121 162 177	-
Financial liabilities at fair value		-	(2 943 615)
		121 162 177	(2 943 615)
2023			
Financial liabilities at amortised cost	24	115 300 231	-
Financial liabilities at fair value		-	(403 352)
		115 300 231	(403 352)

COMPANY	Notes	Interest expense R
2024		
Financial liabilities at amortised cost	24	11 206 991
2023		
Financial liabilities at amortised cost	24	10 072 513

34. Fair value measurement

Fair value hierarchy

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

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

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

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

34. Fair value measurement (continued)

Financial instruments

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

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

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

GROUP	Notes	Level 1 R	Level 2 R	Level 3 R	Total R
2024					
Assets					
Financial asset at fair value through profit or loss	13	-	6 392 345	-	6 392 345
		-	6 392 345	-	6 392 345
Liabilities					
Profit share arrangements at fair value through profit or loss	20	-	-	39 169 481	39 169 481
Derivatives at fair value through profit or loss		-	1 617 093	-	1 617 093
		-	1 617 093	39 169 481	40 786 574
2023					
Assets					
Financial asset at fair value through profit or loss	13	-	6 392 345	-	6 392 345
Derivatives at fair value through profit or loss		-	345 537	-	345 537
		-	6 737 882	-	6 737 882
Liabilities					
Profit share arrangements at fair value through profit or loss	20	-	-	41 707 932	41 707 932
		-	-	41 707 932	41 707 932

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

34. Fair value measurement (continued)

Fair value measurement of derivatives

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

Fair value measurement of profit-sharing arrangements

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

Fair value measurement of financial asset at fair value through profit or loss

The fair value of financial asset at fair value through profit or loss is determined based on the last publicly traded price of the share which is traded in a public market, however there was minimal trade during the year and it therefore meets the definition of Level 2: Valuation techniques.

Fair value measurement of non-financial assets (property)

The fair value of the investment properties and land and buildings measured at fair value, which equals the carrying value, is based either on independent professional valuers who have recognised professional qualifications and experience in the valuation of similar properties or directors' valuations. In the current year, all the properties were valued using directors' valuations, while in the prior year 68% were independently valued.

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

At the reporting date the key assumptions and unobservable inputs used by the group in determining the fair values at 31 August 2024 were the following:

Description	Valuation technique	Significant unobservable inputs and range of estimates used		
		Capitalisation rate %	Vacancy rate %	Rands per sqm
2024				
Retail	Income approach	8.9 – 9.2	3.0 – 5.0	N/A
Commercial	Income approach	9.6 – 10.3	3.0 – 11.5	N/A
Industrial	Income approach	9.7 – 14.1	3.0 – 5.0	N/A
Residential	Market approach	N/A	N/A	4 136 – 19 098
Schools	Market approach	N/A	N/A	3 920 – 32 415*
2023				
Retail	Income approach	8.8 – 9.5	0.0 – 5.0	N/A
Commercial	Income approach or market approach	8.9 – 11.0	0.0 – 3.0	N/A
Industrial	Income approach	9.5 – 13.0	0.0 – 5.0	N/A
Residential	Market approach	N/A	N/A	13 755 – 17 143
Schools	Market approach	N/A	N/A	5 402 – 37 664*

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

34. Fair value measurement (continued)

Sensitivity analysis

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

Input	Change %	GROUP	
		2024 R	2023 R
Increase in capitalisation rate	0.5	(107 017 819)	(72 374 029)
Decrease in capitalisation rate	0.5	58 677 071	80 152 238
Increase in vacancy rate	2.0	(58 793 058)	(44 105 908)
Decrease in vacancy rate	2.0	(2 576 774)	18 083 550
Increase in Rands per sqm	10.0	33 966 036	38 726 607
Decrease in Rands per sqm	10.0	(33 966 036)	(38 726 607)

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

GROUP	Notes	Level 3 R
Assets		
2024		
Investment property	4	1 591 012 824
Property, plant and equipment	3	301 667 120
Non-current assets held-for-sale	4	18 220 916
		<u>1 910 900 860</u>
2023		
Investment property	4	1 595 642 106
Property, plant and equipment	3	323 938 830
Non-current assets held-for-sale	4	61 879 900
		<u>1 981 460 836</u>

Movement in level 3 assets measured at fair value

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

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

	GROUP	
	2024 R	2023 R
Profit share arrangements at fair value through profit or loss		
Opening balance	41 707 932	27 568 840
Fair value adjustments	(2 538 451)	14 139 092
Closing balance	<u>39 169 481</u>	<u>41 707 932</u>

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for the year ended 31 August 2024 (continued)

35. Segmental information

The group comprises the following main reportable operating segments:

	Property R	Education R	Edutech R	UK investments R	Corporate and other R	Total R
2024						
Revenue	340 954 178	209 119 812	8 065 608	-	7 756 264	565 895 862
Revenue – at a point in time	31 526 936	28 879 443	-	-	-	60 406 379
Revenue – over time	7 829 415	177 496 919	7 932 371	-	-	193 258 705
Revenue – straight-line basis	292 996 148	-	-	-	-	292 996 148
Investment revenue	8 601 679	2 743 450	133 237	-	7 756 264	19 234 630
Profit from equity accounted associates	-	-	-	341 034	-	341 034
Fair value adjustments on investment properties	(16 446 963)	-	-	-	-	(16 446 963)
Increase in ECL recognised in profit or loss	(2 189 829)	-	-	-	-	(2 189 829)
Loan written off	(1 150 000)	-	-	-	-	(1 150 000)
Interest expense	(105 272 182)	(24 000 641)	-	-	-	(129 272 823)
Depreciation	(2 475 540)	(10 677 774)	-	-	-	(13 153 314)
Municipal expenses	(75 564 148)	(6 376 990)	-	-	-	(81 941 138)
Staff costs	(34 484 020)	(110 628 237)	(14 015 061)	-	(10 792 938)	(169 920 256)
Net income/(loss) before tax	10 815 064	13 157 141	(10 633 982)	341 034	(3 036 674)	10 642 583
Taxation	(9 629 661)	458 302	(6 431 909)	-	116 164	(15 487 104)
Net income/(loss) for the year	1 185 403	13 615 443	(17 065 891)	341 034	(2 920 510)	(4 844 522)
Other comprehensive loss	(18 412 743)	-	-	(524 791)	-	(18 937 534)
Total assets	1 804 122 440	426 046 360	25 875 738	24 515 265	104 061 509	2 384 621 312
Non-current assets held-for-sale	18 220 916	-	-	-	-	18 220 916
Total liabilities	1 206 751 180	256 305 301	7 147 539	-	1 398 814	1 471 602 834
Non-controlling interest	188 602 330	(7 452 938)	13 497 613	-	-	194 647 005
Net asset value	408 768 931	177 193 997	5 230 585	24 515 265	102 662 695	718 371 473
Equity accounted investments	30	-	-	24 515 265	-	24 515 295
Non-current assets*	1 616 364 198	324 738 658	15 096 490	24 515 265	-	1 980 714 611
Additions to non-current assets	15 166 625	3 234 641	1 428 347	-	-	19 829 613

* Non-current assets other than financial instruments and deferred tax assets and includes goodwill.

35. Segmental information (continued)

	Property R	Education R	Edutech R	UK investments R	Corporate and other R	Total R
2023						
Revenue	337 180 394	203 901 018	3 495 027	–	9 675 107	554 251 546
Revenue – at a point in time	44 702 865	21 781 113	–	–	–	66 483 978
Revenue – over time	7 452 427	180 226 210	3 495 027	–	–	191 173 664
Revenue – straight-line basis	276 230 092	–	–	–	–	276 230 092
Investment revenue	8 795 010	1 893 695	–	–	9 675 107	20 363 812
(Loss)/profit from equity accounted associates	(1 431 959)	–	–	13 117 116	–	11 685 157
Fair value adjustments on investment properties	140 488 044	–	–	–	–	140 488 044
Decrease in ECL recognised in profit or loss	3 741 879	–	–	–	–	3 741 879
Loan written off	(9 037 500)	–	–	–	–	(9 037 500)
Interest expense	(100 987 670)	(22 276 802)	–	–	–	(123 264 472)
Depreciation	(2 028 099)	(13 423 103)	–	–	–	(15 451 202)
Municipal expenses	(68 061 353)	(10 296 289)	–	–	–	(78 357 642)
Staff costs	(32 948 111)	(111 024 373)	(11 409 205)	–	(11 867 620)	(167 249 309)
Net income/(loss) before tax	148 562 789	4 453 166	(12 386 301)	13 117 116	(2 192 513)	151 554 257
Taxation	(38 911 887)	7 897 668	–	–	1 118 750	(29 895 469)
Net income/(loss) for the year	109 650 902	12 350 834	(12 386 301)	13 117 116	(1 073 763)	121 658 788
Other comprehensive income/(loss)	166 408	(165 147)	–	10 556 414	–	10 557 675
Total assets	1 897 045 217	432 036 158	22 164 462	26 637 977	155 947 445	2 533 831 259
Non-current assets held-for-sale	61 879 900	–	–	–	–	61 879 900
Total liabilities	1 269 245 638	248 236 267	2 306 648	–	7 661 050	1 527 449 603
Non-controlling interest	187 471 501	(7 409 146)	–	–	–	180 062 355
Net asset value	440 328 078	191 209 037	19 857 814	26 637 977	148 286 395	826 319 301
Equity accounted investments	30	–	–	26 637 977	–	26 638 007
Non-current assets*	1 621 774 199	390 498 861	15 732 553	26 637 977	–	2 054 643 590
Additions to non-current assets	8 720 151	6 198 032	9 915 371	–	–	24 833 554

* Non-current assets other than financial instruments and deferred tax assets.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

35. Segmental information (continued)

Identification of reportable segments

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

Segment revenue excludes value-added taxation.

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

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

Reportable segments

Property investments

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

Education

Revenue from this segment is derived from school fees.

Edutech

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

UK property investments

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

Corporate and other

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

Geographical information

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

36. Minimum lease payments receivable

	GROUP	
	2024 R	2023 R
Receivable within one year	210 631 528	181 440 224
Receivable within two to five years	504 082 704	484 576 452
Receivable beyond five years	99 399 252	136 159 757
	814 113 484	802 176 433

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

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

37. Related parties

Identity of related parties

Subsidiaries – refer to note 6;

Joint ventures – refer to note 7;

Associates – refer to note 8;

Key management personnel – refer to the directors' report

Entities under control of key management personnel – Armchair Trust

– Salvete Trust

– Alevai Investment Trust

– Nest Egg Trust

	Notes	GROUP		COMPANY	
		2024 R	2023 R	2024 R	2023 R
Related party transactions					
Distributions and dividends received from associates	8	152 456	54 856 367	–	–
Profit from equity accounted associates	8	341 034	11 685 157	–	–
(Increase)/decrease of ECL on loan to equity accounted joint venture	11	(2 189 829)	3 741 879	–	–
Administration fees received from joint ventures		720 000	960 000	–	–
Interest received from directors' trusts		2 579 253	2 324 194	2 579 253	2 324 194
Interest received from subsidiaries		–	–	11 206 991	10 072 513
Distributions received from subsidiaries		–	–	150 000 000	125 000 000
Directors' emoluments – refer to note 28.					
Related party balances					
Loan receivable from equity accounted joint venture	11	14 242 364	14 894 692	–	–
Loans receivable from directors' trusts	12	26 593 686	29 562 694	26 593 686	29 562 694
Loans to subsidiaries	9	–	–	235 530 570	161 609 824

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

The company has signed suretyships for loans payable by subsidiaries in favour of Nedbank Limited, Standard Bank Limited and Investec Bank Limited. The total suretyships signed amounted to R147.2 million (2023: R281.6 million) at year-end.

Notes to the annual financial statements

for the year ended 31 August 2024 (continued)

38. Capital distributions

	GROUP		COMPANY	
	2024 R	2023 R	2024 R	2023 R
Capital distribution	72 265 360	90 331 699	72 265 360	90 331 699

	Cents	Cents
The company has paid the following cash distributions per share to shareholders:		
Capital distribution paid (per share)	32.00	40.00
The company has proposed the following cash distributions per share to shareholders:		
Capital distribution proposed (per share)	16.40	32.00
Dividend proposed (per share)	6.60	–
Total distribution proposed (per share)	23.00	32.00

	2024	2023
Capital distributions paid to shareholders holding greater than 20% of the issued share capital of the company		
Number of shares	121 657 160	121 657 160
Total distributions paid (Rand)	38 930 291	48 662 864

39. Subsequent events

Subsequent to year-end properties with a carrying amount of R6.7 million recognised as non-current assets held-for-sale were transferred to the buyers of those properties and were derecognised.

After year-end Trematon entered into agreements to sell its 60% interest in Aria – see detailed announcement released on SENS on 9 September 2024 for further details.

A shareholders meeting was held on 26 November 2024 to approve the transaction, which was approved with a majority vote. For full details of the meeting, please refer to the SENS announcement released on 26 November 2024.

Refer to note 38 for the capital distribution declared after year-end.

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

40. Going concern

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

Analysis of shareholders

Register date: 31 August 2024

Issued share capital: 222 774 248 shares

	Number of shareholders	%	Number of shares	%
Shareholder spread				
1 – 1 000 shares	1 053	68.91	116 379	0.05
1 001 – 10 000 shares	254	16.62	1 056 995	0.47
10 001 – 100 000 shares	163	10.67	5 041 918	2.26
100 001 – 1 000 000 shares	36	2.36	11 035 890	4.95
1 000 001 shares and over	22	1.44	205 523 066	92.27
Total	1 528	100.00	222 774 248	100.00
Distribution of shareholders				
Banks/Brokers	4	0.26	2 315 230	1.04
Close Corporations	7	0.46	2 592 674	1.16
Endowment Funds	3	0.20	530 006	0.24
Individuals	1 415	92.60	15 319 337	6.88
Mutual Funds	6	0.39	15 449 280	6.93
Private Companies	43	2.81	40 113 962	18.01
Public Companies	1	0.07	1 900	0.00
Trusts	49	3.21	146 451 859	65.74
Total	1 528	100.00	222 774 248	100.00
Public/Non-public shareholders				
Non-public shareholders	11	0.72	96 221 351	43.19
Directors and associates of the company	11	0.72	96 221 351	43.19
Controlling shareholder holding more than 35%	-	-	-	-
Public shareholders	1 517	99.28	126 552 897	56.81
Total	1 528	100.00	222 774 248	100.00
Registered shareholders holding 3% or more				
The Suikerbos Trust			66 107 160	29.67
The Armchair Trust			55 550 000	24.94
Buff-Shares (Pty) Limited			18 591 303	8.35
The Salvete Trust			17 247 832	7.74
Investec BCI Dynamic Equity Fund			10 972 496	4.93
Marr Holdings (Pty) Limited			8 978 872	4.03
Total			177 447 663	79.66

Notice of annual general meeting for the year ended 31 August 2024

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF TREMATON CAPITAL INVESTMENTS LIMITED ("TREMATON" OR "THE COMPANY" OR "THE GROUP") WILL BE HELD ENTIRELY BY ELECTRONIC COMMUNICATION ON FRIDAY, 24 JANUARY 2025, AT 10:00 TO CONDUCT THE UNDERMENTIONED BUSINESS AND FOR THE UNDERMENTIONED ORDINARY AND SPECIAL RESOLUTIONS TO BE PROPOSED:

Record date to determine which shareholders are entitled to receive the notice of AGM	Friday, 22 November 2024
Date of posting of this notice of AGM and announcement of AGM on SENS	Thursday, 28 November 2024
Last day to trade in order to be eligible to attend and vote at the AGM	Tuesday, 14 January 2025
Record date to determine which shareholders are entitled to attend and vote at the AGM	Friday, 17 January 2025
Forms of proxy to be lodged at transfer secretaries by 10:00 on	Wednesday, 22 January 2025
AGM of the company to be held at 10:00 on	Friday, 24 January 2025
Results of the AGM announced on SENS	Friday, 24 January 2025

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

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

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

Presentation of audited annual financial statements

The audited consolidated annual financial statements of the company, including the reports of the board of directors ("board" or "directors"), audit and risk committee and the independent auditors, for the year ended 31 August 2024, will be presented to shareholders as required in terms of section 30(3)(d) of the Act. The complete set of audited consolidated annual financial statements, together with the report of the directors and the independent auditors' report are set out on pages 46 to 112 of the Integrated Annual Report ("report") and the audit and risk committee report is set out on pages 42 and 43 thereof.

Section A – Ordinary resolutions

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

In order to be adopted:

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

1. Ordinary resolution number 1: The re-election of non-executive directors

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

- 1.1 Mr K Getz; and
- 1.2 Ms MA Sessions."

Brief biographies of the aforementioned non-executive directors are included on page 10 of the report in which this notice is incorporated.

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

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

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

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

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

- 3.1 Mr JP Fisher;
- 3.2 Mr R Lockhart-Ross*; and
- 3.3 subject to the adoption of ordinary resolution number 1.2, Ms MA Sessions.”

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

Brief biographies of the aforementioned directors are included on page 10 of the report.

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

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

“To endorse, through a non-binding advisory vote, the remuneration policy of the company, as recommended by the King IV Report on Corporate Governance for South Africa in order to ascertain shareholders’ views on the company’s remuneration policy. The company’s remuneration report and policy is set out on page 32 of the report.”

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

“To endorse, through a non-binding advisory vote, the remuneration implementation report of the company, as recommended by the King IV Report on Corporate Governance for South Africa. The company’s remuneration implementation report is set out on page 33 of the report.”

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

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

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

25% or more of the total number of votes exercisable by shareholders present or represented by proxy at the AGM, the board will issue an invitation, included in the announcement to shareholders advising of the results of the AGM, to be published on SENS on 24 January 2025, to those shareholders who voted against the applicable resolution to engage with the company at a meeting scheduled for this purpose.

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

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

- (a) the approval shall be valid until the date of the next AGM, provided it shall not extend beyond 15 months from the date of this resolution;
- (b) the number of ordinary shares issued for cash shall, in any one financial year in the aggregate, not exceed 66 832 274 shares, being 30% of the company’s issued shares as at the date of this notice, excluding treasury shares;
- (c) after the company has issued shares in terms of this general authority representing, on a cumulative basis within a financial year, 5% or more of the number of shares in issue prior to that issue, the company will publish an announcement containing full details of the issue, including the effects of the issue on the net asset value per share, net tangible asset value per share, earnings per share, headline earnings per share, and diluted earnings and headline earnings per share;
- (d) in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount at which such shares may be issued will be 10% of the weighted average traded price on the JSE of those shares over the 30 business days prior to the date that the price of the issue is determined or agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the company’s shares have not traded in such 30-business-day period;
- (e) any shares issued under this authority during the period contemplated in paragraph (a) above, must be deducted from the number in paragraph (b) above;
- (f) in the event of a sub-division or consolidation of issued shares during the period contemplated in paragraph (a) above, the existing authority must be adjusted accordingly to represent the same allocation ratio;
- (g) any such issue will only be made to public shareholders as defined in the Listings Requirements and not to related parties; and

Notice of annual general meeting

for the year ended 31 August 2024 (continued)

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

Explanatory note

The reason for this ordinary resolution is, and the effect thereof will be, to authorise the directors to allot and issue, for cash, any of the company's unissued ordinary shares, as they in their discretion deem fit, subject to the applicable provisions of the Listings Requirements, the Act, the MOI and this resolution.

As mentioned above, in terms of the Listings Requirements, this ordinary resolution requires the support of at least 75% of the total number of votes exercisable by shareholders present or represented by proxy at the meeting.

6. Ordinary resolution number 6: Directors' authority to implement resolutions

“To authorise each and every director of the company to do all such things and sign all documents and take all such action as they consider necessary to give effect to and implement the ordinary and special resolutions as set out in this notice.”

Section B – Special resolutions

To consider and if deemed fit, pass, the undermentioned special resolutions numbers 1 to 4, with or without modification. In order to be adopted these resolutions require the support of at least 75% of the total number of votes exercisable by shareholders present or represented by proxy at the meeting:

7. Special resolution number 1: Financial assistance for subscription of securities

“To authorise the directors of the company, in terms of section 44 of the Act, to provide direct or indirect financial assistance by way of loans, guarantees, the provision of security or otherwise to any person (as defined in the Act and including the Trematon Share Incentive Trust and any participant thereof), for the purposes of, or in connection with, the subscription of any option, or any securities (as defined in the Act), issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company.”

Explanatory note

The reason for this special resolution is, and the effect thereof will be, to grant the directors of the company the authority to cause the company to provide direct or indirect financial assistance to any person as contemplated in section 44 of the Act.

8. Special resolution number 2: Financial assistance

“To authorise the directors of the company, in terms of section 45 of the Act, to cause the company to provide any direct or indirect financial assistance to any director or prescribed officer of the company, or of a related or inter-related company, or to a related or

inter-related company or corporation, or to a member of a related or inter-related company or corporation, or to a person (as defined in the Act) related to any such company (including the company), corporation, director, prescribed officer or member or to the Trematon Share Incentive Trust (to the extent, if any, necessary in law) insofar as any director or prescribed officer thereof is a participant thereof or is related or inter-related, directly or indirectly, to any such participant.”

Explanatory note

The reason for this special resolution is, and the effect thereof will be, to grant the directors of the company the authority to cause the company to provide financial assistance to any director or prescribed officer of the company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person related to any such company (including the company), corporation, director, prescribed officer or member, as contemplated in section 45 of the Act.

9. Special resolution number 3: General authority to repurchase shares

“To authorise the company or any of its subsidiaries to repurchase or purchase, as the case may be, ordinary shares issued by the company on such terms and conditions and in such amounts as the directors of the company may decide, but subject always to the provisions of the Act, the MOI, the Listings Requirements and the following further limitations:

- (i) that the repurchase of shares be effected through the order book operated by the JSE trading system and be done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- (ii) that this authority shall not extend beyond 15 months from the date of this resolution or the date of the next AGM, whichever is the earlier date;
- (iii) that authorisation thereto is given by the MOI;
- (iv) that an announcement be made giving such details as may be required in terms of the Listings Requirements when the company, or any subsidiary or subsidiaries of the company collectively, has cumulatively repurchased 3% of the initial number (the number of that class of shares in issue at the time that the general authority is granted) of the relevant class of securities and for each 3% in aggregate of the initial number of that class acquired thereafter;
- (v) at any one time, the company or any subsidiary may only appoint one agent to effect any repurchase on behalf of the company or any subsidiary, as the case may be;
- (vi) the repurchase of shares will not take place during a prohibited period as defined by the Listings Requirements unless a repurchase programme where the quantities of shares to be traded during the relevant period are fixed (not subject to any variation) is in place and has been submitted to the JSE in writing prior to commencement of the

prohibited period. The company must instruct only one independent third party which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;

- (vii) the repurchase of shares shall not, in the aggregate, in any one financial year, exceed 20% of the company's issued share capital at the time this authority is given, provided that a subsidiary, or subsidiaries of the company collectively, shall not hold in excess of 10% of the number of shares issued by the company;
- (viii) the repurchase of shares may not be made at a price greater than 10% above the weighted average traded price of the market value of the shares as determined over the five business days immediately preceding the date on which the transaction was effected. The JSE should be consulted for a ruling if the company's shares have not traded in such five-business-day period;
- (ix) prior to entering the market to proceed with the repurchase, the board shall have confirmed by resolution that the company and its subsidiaries have passed the solvency and liquidity test as set out in section 4 of the Act and confirming that, subsequent to the test being performed, there had been no material changes to the financial position of the group; and
- (x) the board is of the opinion that this authority should be in place so as to enable the company, as and when the opportunity presents itself, to repurchase shares."

Explanatory note

The reason for this special resolution is, and the effect thereof will be, to grant, in terms of the provisions of the Act and the Listings Requirements, and subject to the terms and conditions embodied in this special resolution, a general authority to the directors to approve the acquisition by the company or any of its subsidiaries of the company's own shares, which authority shall be used by the directors at their discretion provided that such authority shall not extend beyond 15 months of the date of this AGM.

Disclosures required in terms of the Listings Requirements

In terms of the Listings Requirements, the following disclosures are required with reference to the repurchase of the company's shares as set out in special resolution number 3 above:

Statement of directors

As at the date of this report the company's directors undertake that, after considering the effect of the maximum repurchase permitted, they will not implement any such repurchase unless the provisions of sections 4 and 48 of the Act will be complied with and for a period

of 12 months after the date of any resolution of the directors authorising such general repurchase:

- (i) the company and the group will be able, in the ordinary course of business, to pay its debts;
- (ii) the assets of the company and the group will be in excess of the liabilities of the company and the group, recognised and measured in accordance with IFRS[®] Accounting Standards;
- (iii) the share capital and reserves of the company and the group will be adequate for ordinary business purposes;
- (iv) the working capital resources of the company and the group will be adequate for ordinary business purposes;
- (v) the company and the group has complied with the applicable provisions of the Act and the Listings Requirements.

Directors' responsibility statement

The directors, whose names are given on pages 10 and 11 of the report, collectively and individually, accept full responsibility for the accuracy of the information pertaining to the above special resolution and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the above special resolution contains all information required by law and the Listings Requirements.

Material changes

Other than the facts and developments reported on in the report, there have been no material changes in the affairs, financial or trading position of the group since the signature date of the report and the posting date thereof.

The following further disclosures required in terms of the Listings Requirements are set out in accordance with the reference pages in the report of which this notice forms part:

Directors and management (refer to pages 10 and 11)

Directors' interests in the company's shares (refer to page 50)

10. Special resolution number 4: The authority to pay non-executive directors' fees

"That the non-executive directors' (whose further details and designations are set out on page 10 of the report) fees paid for the period ended 31 August 2024, as set out on page 95 of the report, be and are hereby approved.

Further, that the non-executive directors' fees payable for the period from 1 September 2024 until 31 August 2025 be and are hereby approved:

Notice of annual general meeting

for the year ended 31 August 2024 (continued)

Name	2025 R	2024 R
JP Fisher	241 500	241 500
K Getz	241 500	241 500
R Lockhart-Ross	509 250	509 250
MA Sessions	241 500	241 500
R Stumpf	241 500	241 500

Additional fees are paid to non-executive directors for meeting attendance as follows:

Audit committee (per meeting)	R15 750 (2024: R15 750)
Audit committee – Chairman (per meeting)	R21 000 (2024: R21 000)
Remuneration committee (per meeting)	R10 500 (2024: R10 500)
Social and ethics committee (per meeting)	R10 500 (2024: R10 500)

Explanatory note

The reason for this special resolution is, and the effect thereof will be, to grant the company the authority to pay fees to non-executive directors for their services as directors in terms of section 66 of the Act. Furthermore, in terms of the Act and the King IV Report on Governance for South Africa, remuneration payable to non-executive directors should be approved by shareholders in advance or within the previous two years.

Section C – To transact such other business (if any) as may be transacted at an AGM

Entitlement to attend and vote at the AGM in person or by proxy

- Equity securities held by a share trust or scheme will not have their votes at the AGM taken into account for the purposes of resolutions passed in terms of the JSE Listings Requirements.
- Unlisted securities (if applicable) and shares held as treasury shares may not vote.

Certificated and dematerialised shareholders with “own name” registration

A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote in his/her place. The proxy need not be a member of the company. For administrative purposes, it is requested that proxy forms be forwarded so as to reach the transfer secretaries by no later than 10:00 on Wednesday, 22 January 2025, so as to assist the company to timeously verify the identity of the shareholders and their proxies who wish to participate by electronic communication at the AGM. Proxy forms may be presented at any time prior to or at the AGM, but should be submitted by not later than 08:00 on the day of the meeting in accordance with the instructions therein, where those proxy forms are e-mailed to the TMS at proxy@tmsmeetings.co.za.

Presentation of suitable identification by the proxy when registering his attendance on the day of the AGM will be required.

Dematerialised shareholders, other than with “own name” registration

Shareholders who have already dematerialised their shares other than with “own name” registration, must advise their Central Securities Depository Participant (“CSDP”) or broker of their voting instructions if they are unable to attend the AGM but wish to be represented thereat. This should be done by the cut-off time stipulated by their CSDP or broker. If, however, such members wish to attend the AGM in person, then they will need to request their CSDP or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between the dematerialised shareholder and the CSDP or broker.

Participation in the meeting

The board of directors of the company has determined that the record date for the purposes of determining which shareholders of the company are entitled to receive notice of the AGM was Friday, 22 November 2024 and the last date for purposes of determining which shareholders of the company are entitled to participate in and vote at the AGM is Friday, 17 January 2025. Accordingly, only shareholders who are registered in the register of members of the company on Friday, 17 January 2025 will be entitled to participate in and vote at the AGM.

This notice of AGM includes the attached proxy form.

Electronic participation

Shareholders who wish to electronically participate in and/or vote at the AGM are required to complete the Electronic Participation Application Form available on page 123 and e-mail same to TMS at proxy@tmsmeetings.co.za and contact them on +27 11 520 7950/1/2 as soon as possible, but in any event no later than 10:00 on Monday, 20 January 2025. Shareholders are strongly encouraged to submit votes by proxy before the meeting. If shareholders wish to participate in the AGM, they should instruct their CSDP or broker to issue them with the necessary letter of representation to participate in the AGM, in the manner stipulated in their custody agreement. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker, to accommodate such requests.

TMS will assist shareholders with the requirements for electronic participation in and/or voting at the AGM. TMS is further obliged to validate (in correspondence with Trematon and, in particular, the transfer secretaries, and shareholders’ CSDPs) each such shareholder’s entitlement to participate in and/or vote at the AGM, before providing them with the necessary means to access the AGM and/or the associated voting platform.

Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the AGM. Any such charges will not be for the account of Trematon and/or TMS. Trematon or TMS cannot be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such shareholder from participating in and/or voting at the AGM.

Shareholders are reminded that they are still able to vote normally through proxy submission, despite deciding to participate either electronically or not at all in the AGM. Shareholders are strongly encouraged to submit votes by proxy in advance of the AGM to the transfer secretaries – JSE Investor Services (Pty) Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196 (PO Box 4844, Johannesburg, 2000) South Africa, e-mail meetfax@linkmarketservices.co.za or facsimile 086 674 2450 by no later than 10:00 on Wednesday, 22 January 2024.

Kindly ensure that TMS is copied when submitting all completed proxy forms and/or letters of representation to the transfer secretaries.

Please forward all relevant information to the below-mentioned:

The Meeting Specialist (Pty) Limited
JSE Building
One Exchange Square
2 Gwen Lane
Sandown
Sandton
South Africa
2196

Attention: Michael Wenner, Farhana Adam or Izzy van Schoor
Tel: +27 11 520 7950/1/2
E-mail: michael.wenner@tmsmeetings.co.za
E-mail: farhana.adam@tmsmeetings.co.za
E-mail: izzy.vanschoor@tmsmeetings.co.za
E-mail: proxy@tmsmeetings.co.za

As required in terms of section 63(1) of the Companies Act, before any person may attend or participate in the AGM, that person must present reasonably satisfactory identification and the presiding person at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or as a proxy for a shareholder, has been reasonably verified. So as to comply with this verification procedure set out in section 63(1) of the Companies Act, shareholders wishing to participate electronically in the AGM are required to deliver written notice to TMS by e-mail to proxy@tmsmeetings.co.za by no later than 10:00 on Wednesday, 22 January 2025 that they wish to participate via electronic communication at the AGM (the electronic notice). For the electronic participation to be valid, it must contain:

- if the shareholder is an individual, a certified copy of his/her original identity document and/or passport and/or driver's licence;
- if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the AGM via electronic communication; and
- a valid e-mail address and/or mobile telephone number (the contact e-mail address/number).

Shareholder rights

In terms of section 58 of the Companies Act, No. 71 of 2008 (as amended), shareholders have rights to be represented by proxy as herewith stated.

- (1) At any time, a shareholder of the company may appoint any individual, including an individual who is not a shareholder of the company, as a proxy to:
 - (a) participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder; or
 - (b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.

Provided that the shareholder may appoint more than one proxy to exercise voting rights attached to different shares held by the shareholder.

- (2) A proxy appointment:
 - (a) must be in writing, dated and signed by the shareholder; and
 - (b) remains valid for:
 - (i) one year after the date on which it was signed; or
 - (ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4)(c), or expires earlier as contemplated in subsection (8)(d).
- (3) Except to the extent that the Memorandum of Incorporation of the company provides otherwise:
 - (a) a shareholder of the company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
 - (b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - (c) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
- (4) Irrespective of the form of instrument used to appoint a proxy:
 - (a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - (c) if the appointment is revocable, a shareholder may revoke the proxy appointment by:
 - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - (ii) delivering a copy of the revocation instrument to the proxy and to the company.

Notice of annual general meeting

for the year ended 31 August 2024 (continued)

- (5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:
- (a) the date stated in the revocation instrument, if any; or
 - (b) the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).
- (6) If the instrument appointing a proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by this Act or the company's MOI to be delivered by the company to the shareholder must be delivered by the company to:
- (a) the shareholder; or
 - (b) the proxy or proxies, if the shareholder has:
 - (i) directed the company to do so, in writing; and
 - (ii) paid any reasonable fee charged by the company for doing so.
- (7) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI, or the instrument appointing the proxy, provides otherwise.
- (8) If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument for appointing a proxy:
- (a) the invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
 - (b) the invitation, or form of instrument supplied by the company for the purpose of appointing a proxy, must:
 - (i) bear a reasonably prominent summary of the rights established by this section;
 - (ii) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by the shareholder; and
 - (iii) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or is to abstain from voting;
 - (c) the company must not require that the proxy appointment be made irrevocable; and
 - (d) the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to subsection (5).
- (9) Subsections (8)(b) and (d) do not apply if the company merely supplies a generally available standard form of proxy appointment on request by a shareholder.

By order of the board



JJ Vos
Company Secretary

Cape Town
28 November 2024

Proxy form



TREMATON CAPITAL INVESTMENTS LIMITED
 (Incorporated in the Republic of South Africa)
 (Registration number 1997/008691/06)
 JSE code: TMT ISIN: ZAE000013991
 ("Trematon" or "the company" or "the group")

THIS FORM OF PROXY IS ONLY FOR USE BY:

- shareholders who hold their shares in certificated form; and
- shareholders who hold dematerialised shares with "own name" registration,

at the annual general meeting (the "AGM") of shareholders of the company to be held entirely by electronic communication at 10:00 on Friday, 24 January 2025.

Other shareholders must give their voting instructions to their CSDP or broker (see note 8).

Each shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy (who need not be a shareholder of the company) to attend, participate in, speak and vote in place of that shareholder at the AGM, and at any adjournment thereafter.

Please note the following:

- the appointment of your proxy may be suspended at any time to the extent that you choose to act directly and in person in the exercise of your rights as a shareholder at the AGM;
- the appointment of the proxy is revocable; and
- you may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the company.

Please note that any shareholder of the company that is a company may authorise any person to act as its representative at the AGM.

Please also note that section 63(1) of the Act requires that persons wishing to participate in the AGM (including the aforementioned representative) provide satisfactory identification before they may so participate.

I/We (BLOCK LETTERS) _____

of _____

being the registered holder/s of _____ ordinary shares

hereby appoint

1. _____ whom failing

2. _____ whom failing

3. the Chairman of the AGM as my/our proxy to vote for me/us and on my/our behalf at the AGM of the company to be held on 24 January 2025 and at any adjournment thereof as follows:

	Number of shares	In favour of	Against	Abstain
Section A				
Ordinary resolution number 1 – Re-election of non-executive directors				
Ordinary resolution number 1.1 – Re-election of K Getz				
Ordinary resolution number 1.2 – Re-election of MA Sessions				
Ordinary resolution number 2 – Re-appointment of the independent auditor and designated auditor				
Ordinary resolution number 3 – Appointment of the audit and risk committee				
Ordinary resolution number 3.1 – Election of JP Fisher				
Ordinary resolution number 3.2 – Election of R Lockhart-Ross				
Ordinary resolution number 3.3 – Election of MA Sessions				
Ordinary resolution number 4.1 – Endorsement of remuneration policy				
Ordinary resolution number 4.2 – Implementation of remuneration policy				
Ordinary resolution number 5 – General authority to issue securities for cash				
Ordinary resolution number 6 – Directors to implement resolutions				
Section B				
Special resolution number 1 – Financial assistance for subscription of securities				
Special resolution number 2 – Financial assistance				
Special resolution number 3 – General authority to repurchase shares				
Special resolution number 4 – Authority to pay non-executive directors' fees				

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of shares held in respect of which you desire to vote (see note 2).

This form of proxy shall be valid only until the AGM of the shareholders of the company to be held on Friday, 24 January 2025 and any adjournment thereof.

Signed at _____ on _____ 20_____.

Signature _____

(Authority of signatory to be attached if applicable – see note 5)

Assisted by me (where applicable – see note 10) _____ Telephone number _____

Please also read the notes overleaf.

Registered office
 3rd Floor
 Aria North Wharf
 42 Hans Strijdom Avenue
 Cape Town, 8001

Postal address
 PO Box 15176
 Vlaeberg, 8018
 Tel: 021 421 5550

Transfer secretaries
 JSE Investor Services (Pty) Limited
 One Exchange Square, 2 Gwen Lane, Sandown
 Sandton, 2196
 PO Box 4844, Johannesburg, 2000

Notes to the proxy

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided with or without deleting "the Chairman of the AGM". The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. If there is no clear indication as to the voting instructions to the proxy, the proxy form will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's votes exercisable thereat.
3. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of votes cast and in respect of which any abstention is recorded may not exceed the total votes exercisable by the shareholder or his/her proxy.
4. Any deletion, alteration or correction to this form of proxy must be initialled by the signatory/ies, but any such alteration or correction will only be validly made if it is accepted by the Chairperson.
5. Documentary evidence establishing the authority of a person signing this form of proxy in the representative capacity must be attached to this form of proxy unless previously recorded by the company.
6. Forms of proxy may be presented any time prior to or at the AGM and also at the company's registered office at 3rd Floor, Aria North Wharf, 42 Hans Strijdom Avenue, Cape Town, 8001 (PO Box 15176, Vlaeberg, 8018), or the company's transfer secretaries. Should forms of proxy be presented at the company's transfer secretaries these must be completed and received by:

JSE Investor Services (Pty) Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196 (PO Box 4844, Johannesburg, 2000) by not later than 10:00 on Wednesday, 22 January 2025 or, if not so received by 10:00 on Wednesday, 22 January 2025, by e-mailing it to the TMS at proxy@tmsmeetings.co.za at any time before the commencement of the AGM but not later than 08:00 on the day of the AGM.
7. The completion and lodging of this form of proxy by certificated members and dematerialised members with "own name" registration will not preclude the shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such shareholder wish to do so.
8. Dematerialised shareholders, other than with "own name" registration, must advise their Central Securities Depository Participant ("CSDP") or broker of their voting instructions if they are unable to attend the AGM, but wish to be represented thereat. This should be done by the cut-off time stipulated by their CSDP or broker. If, however, such members wish to attend the AGM by electronic participation, then they will need to request their CSDP or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between the dematerialised shareholder and the CSDP or broker.
9. A form of proxy shall be deemed to include the right to demand or join in demanding a poll.
10. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company Secretary.

Electronic Participation Application Form



TREMATON CAPITAL INVESTMENTS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1997/008691/06)
JSE code: TMT ISIN: ZAE000013991
("Trematon" or "the company" or "the group")

Name and surname of shareholder _____

Name and surname of shareholder representative _____
(If applicable)

ID number _____

E-mail address _____

Cell number _____

Telephone number _____

Name of CSDP or broker _____
(If shares are held in dematerialised format)

SCA number or broker account number _____

Number of shares _____

Signature _____

Date _____

TERMS AND CONDITIONS FOR PARTICIPATION AT THE TREMATON AGM VIA ELECTRONIC COMMUNICATION

1. The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the AGM is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.
2. The Participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies Trematon and TMS against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against Trematon and TMS, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the AGM.
3. Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must act in accordance with the requirements set out above.
4. Once the Participant has received the link, the onus to safeguard this information remains with the Participant.
5. The application will only be deemed successful if the Electronic Participation Application Form has been completed and fully signed by the Participant and e-mailed to TMS at proxy@tmsmeetings.co.za.

Shareholder name _____

Signature _____

Date _____

Notes to the electronic participation application

1. Shareholders or their proxies who wish to participate in the AGM via electronic communication ("Participants"), must deliver the Electronic Participation Application Form overleaf to TMS via e-mail to proxy@tmsmeetings.co.za.
2. Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must provide TMS with the information requested overleaf.
3. Each shareholder, who has complied with the requirements overleaf, will be contacted between Wednesday, 22 January 2025 and Thursday, 23 January 2025 via e-mail/mobile with a unique link to allow them to participate in the virtual meeting.
4. The cost of the Participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
5. The cut-off time, for administrative purposes, to participate in the meeting will be 10:00 on Wednesday, 22 January 2025.
6. The Participant's unique link will be forwarded to the e-mail/cell number provided in the Electronic Participation Application Form.

General information

Country of incorporation and domicile
South Africa

Company registration number
1997/008691/06

Nature of business and principal activities
Investments

Audit and risk committee
JP Fisher (Chairman)
R Lockhart-Ross
MA Sessions

Directors
R Lockhart-Ross (Chairman – Independent Non-executive Chairman)
AJ Shapiro (Chief Executive Officer – Executive Director)
AL Winkler (Chief Financial Officer – Executive Director)
JP Fisher (Independent Non-executive Director)
K Getz (Non-executive Director)
A Groll (Executive Director)
MA Sessions (Independent Non-executive Director)
R Stumpf (Non-executive Director)

Remuneration committee
MA Sessions (Chairperson)
R Lockhart-Ross
R Stumpf

Registered office
3rd Floor
Aria North Wharf
42 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
Tel: 021 421 5550

Social and ethics committee
K Getz (Chairman)
JP Fisher
AJ Shapiro

Postal address
PO Box 15176
Vlaeberg
8018

Investment committee
R Lockhart-Ross (Chairman)
K Getz
A Groll
AJ Shapiro
R Stumpf
AL Winkler

Website
www.trematon.co.za

Attorneys
Bernadt, Vukic, Potash & Getz

Bankers
Investec Bank Limited

Sponsors
Questco Corporate Advisory (Pty) Limited

Auditor
Moore Cape Town Inc.

Transfer secretaries
JSE Investor Services (Pty) Limited
One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196
PO Box 4844, Johannesburg, 2000

Company secretary
JJ Vos
3rd Floor
Aria North Wharf
42 Hans Strijdom Avenue
Foreshore
Cape Town, 8001

