Consolidated annual financial statements

for the year ended 28 February 2025

Contents

The consolidated annual financial statements for the year ended 28 February 2025 have been audited by PricewaterhouseCoopers Inc., in compliance with the applicable requirements of the Companies Act, 2008. The audited consolidated annual financial statements were prepared under the supervision of Ms L Razack, CA(SA).

"Equites is the only specialist logistics REIT listed on the JSE with a footprint in SA and the UK".

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Reports

Directors' responsibility for the consolidated annual financial statements

The Company's directors are responsible for the preparation and fair presentation of the consolidated annual financial statements, comprising the statements of financial position at 28 February 2025, and the statements of comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended, and the notes to the annual financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report, in accordance with International Financial Reporting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the JSE Listings Requirements and the requirements of the South African Companies Act 71 of 2008.

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; maintaining adequate accounting records and an effective system of risk management; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The directors are also responsible for the controls over, and security of, the website and, where applicable, for establishing and controlling the process for electronically distributing annual reports and other financial information to shareholders and to the Companies and Intellectual Property Commission.

The directors have made an assessment of the Group's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

The consolidated annual financial statements of Equites Property Fund Limited were approved by the Board of directors on 14 May 2025 and are signed on its behalf by:

Leon Campher
Chairman

Andrea Taverna-Turisan
Chief Executive Officer

Signatures are not included here for security purposes.

Declaration by the company secretary

In terms of section 88(2)(e) and in my capacity as company secretary, I hereby confirm, in terms of the Companies Act that, for the year ended 28 February 2025, the Group has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.

Thabo Vilakazi
Company Secretary

CEO and CFO Responsibility Statement

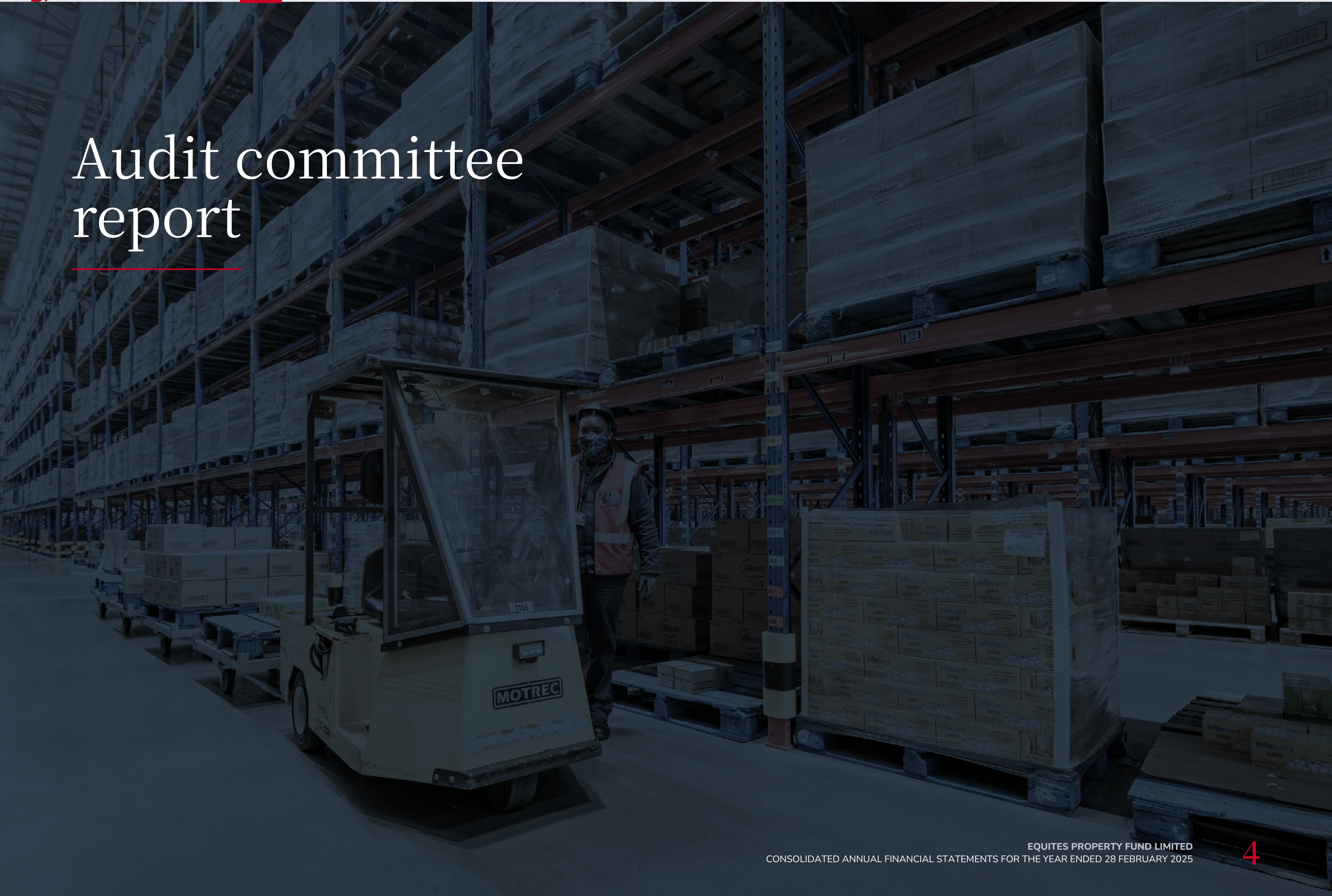
Each of the directors, whose names are stated below, hereby confirm that:

- The consolidated annual financial statements set out on pages 18 to 73 fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated annual financial statements false or misleading;
- Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the consolidated annual financial statements of the issuer;
- The internal financial controls are adequate and effective and can be relied upon in compiling the consolidated annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of 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 remediated any deficiencies; and
- We are not aware of any fraud involving directors.

Andrea Taverna-Turisan
Chief Executive Officer

Laila Razack
Chief Financial Officer

Audit committee report



Audit committee report

The Audit Committee ("the committee") takes pleasure in presenting its report for the financial year ended 28 February 2025.

TERMS OF REFERENCE

The committee acts in accordance with its terms of reference which governs the members' roles and responsibilities. These terms of reference include the statutory requirements of the Companies Act and the King IV Report on Corporate Governance for South Africa, as well as certain responsibilities delegated to it by the Board.

The committee is mainly responsible for ongoing oversight and review of the following areas:

- Effectiveness of the internal financial controls and compliance with laws and regulations
- Annual financial statements and any other financial information presented to shareholders and ensuring compliance with IFRS
- Integrated reporting and consideration of the factors and risks that could impact on the integrity of the integrated report
- Internal audit function
- Appointment and assessment of the independence of the external auditor and external audit reports
- Non-audit services provided by the external auditors
- Solvency and liquidity position and the going concern assessment.

The committee confirms that it has fulfilled all its statutory obligations, as well as its responsibilities under its terms of reference for the year ended 28 February 2025.

COMMITTEE COMPOSITION

The terms of reference require an annual evaluation of the performance of the committee and its members, as well as confirmation of the members' independence in terms of King IV and the Companies Act.

The committee comprises of the following members, as appointed at the AGM held on 14 August 2024:

- Fulvio Tonelli (Chair) CA(SA); BCom (Hons)
- Doug Murray BA Accountancy & Finance, CA
- Keabetswe Ntuli CA(SA); BAcc (Hons)
- Mustaq Brey CA(SA); BCompt (Hons).

All committee members are independent non-executive directors. The outcome of the annual evaluation and confirmation of independence, respectively, was satisfactory.

The committee met three times during the year and included the below attendees by invitation:

- Chief Financial Officer
- Treasurer
- Head of Finance
- Internal Auditor
- Representation from PricewaterhouseCoopers Inc.
- Chief Executive Officer
- Chief Operating Officer
- Company Secretary
- Chairperson of the Board.

MATTERS ADDRESSED

The committee has addressed the below matters during the year:

FINANCIAL RESULTS

- Reviewed the 2024 Consolidated and Separate Annual Financial Statements, Integrated Report and Summarised Audited Consolidated Financial Statements, and recommended the financial results and dividend declaration to the Board for approval
- Reviewed the solvency and liquidity position and the going concern assessment
- Reviewed the valuation methodology and process implemented by management
- Reviewed the CEO and CFO attestation of financial controls
- Reviewed the 2025 Interim financial results and recommended the results and dividend declaration to the Board for approval
- Reviewed the management accounts to monitor financial performance
- Reviewed the material matters to be disclosed in the 2025 Integrated Report

EXTERNAL AUDITORS

- Considered feedback from the external auditors
- Approved non-audit fees to PwC
- Recommended the reappointment of PwC as external auditor, including the designated partner
- Approved the external audit plan for FY25 and the proposed audit fee

DEBT

- Monitored compliance with debt covenants

INTERNAL AUDIT

- Considered the findings from the internal audit reports
- Reviewed and approved the internal audit plan for the year

COMPLIANCE

- Approved the committee planner for the year
- Monitored the Company REIT status
- Reviewed & updated the committee's terms of reference
- Monitor King IV compliance
- Discussed the 2024 JSE Proactive Monitoring report

Audit committee report (continued)

VALUATION OF INVESTMENT PROPERTY

The major risk relating to investment property is the valuation of such. The valuation of investment property has been highlighted as an area where critical judgements and estimates as detailed in note 4 of the annual financial statements are applied. The Group externally values all income-producing properties twice a year. The fair value is determined using the discounted cash flow method of valuation for SA properties and the income capitalisation method for UK properties.

Properties under development generally take less than 12 months to complete and all related costs incurred are at arm's length, which equates to the fair value of the development. Where the fair value cannot be readily determined, properties under development are measured at cost. The fair value of vacant land is determined by comparing land costs to comparable land parcels, adjusted for infrastructure costs incurred.

Through discussion with the executive directors, the committee is comfortable with the valuation methodology followed, including related critical inputs. A number of non-executive board members have extensive experience in the property industry and the Board as a whole reviews and approves the valuations and thereby ensures that the overall fair value of investment property is not materially misstated. No matters of a material nature in this regard were brought to the attention of the audit committee by the external auditors.

The committee is satisfied that all income-producing properties were externally valued as of 28 February 2025.

INTERNAL FINANCIAL CONTROLS

The committee continually monitors the efficiency of the internal financial controls. The committee is satisfied that a combined assurance model is applied to provide a co-ordinated approach to all assurance activities and that this adequately addresses all significant risks facing the Group. The committee confirms that no material breakdown of internal financial controls was identified during the current financial year.

In accordance with paragraph 3.84(g)(ii) of the JSE Listings Requirements, the committee further confirms that the Group has established appropriate financial reporting procedures and that those procedures are operating effectively.

EXTERNAL AUDITORS

The committee assessed the suitability of PricewaterhouseCoopers Inc. ("PwC"), as external auditors, and is satisfied that PwC conducts its duties with the requisite independence and objectivity. The committee approved the auditor's terms, audit plan and proposed fee and assessed the quality of the external audit process for the year ended 28 February 2025.

The committee continuously monitors the extent of non-audit services performed by PwC and adopted a formal framework for the pre-approval of allowable non-audit services above certain pre-determined thresholds. The committee is also satisfied that none of these types of services performed by PwC in the 2025 financial year had an impact on their independence.

The committee recommends for approval to the shareholders of the reappointment of PwC as external auditor for the 2026 financial year.

INTERNAL AUDIT

The internal audit function reports functionally to the chairperson of the committee, and administratively to the CFO. A risk-based approach has been applied to develop the annual internal audit plan.

The internal audit plan:

- is formally approved by the audit committee
- is formulated by considering key risk factors as identified through ongoing risk assessments but also incorporating any additional matters identified by management and the audit committee
- considers the evaluation of governance, operational and financial processes and associated controls
- considers the contracting of outsourced specialist skills, where necessary to ensure the plan has adequately skilled resources
- is reviewed to consider new risk areas as the business evolves.

Among the various risk areas under review, the past year saw a focus on the ESG, financial processing controls and follow-up reviews, as well as employee relations and human resources.

All identified control weaknesses are brought to the attention of management and the committee through a formal reporting process. The internal audit function presents progress and status reports at each committee meeting. The committee continuously assesses the capacity of the internal audit function, and where appropriate use is made of suitably qualified external and independent specialised resources to complete the agreed workplan for the year.

PROACTIVE MONITORING

The committee confirms that it has considered the findings contained in the JSE's 2024 Proactive Monitoring report when reviewing the annual financial statements for the year ended 28 February 2025.

FINANCIAL DIRECTOR

In terms of paragraph 3.84(g)(i) of the JSE Listings Requirements, the committee has considered the expertise and experience of the CFO, Laila Razack, and is satisfied that these are appropriate for her role. The committee is further satisfied that the finance function and composition of the finance team is effective.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The committee confirms that it formally recommended the adoption of the 2025 consolidated annual financial statements to the Board.

Fulvio Tonelli
Chairperson of the audit committee

Cape Town
14 May 2025

Signatures are not included here for security purposes.

Directors' report

Directors' report

For the year ended 28 February 2025

The Directors have pleasure in presenting the consolidated annual financial statements of Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025.

NATURE OF BUSINESS

Equites is listed on the JSE as a REIT and its main business is rental income generation from investment in and development of modern logistic facilities. The Company is incorporated and domiciled in South Africa with its registered address being 14th Floor Portside Tower, 4 Bree Street, Cape Town, South Africa, 8001.

The Company carries on its business directly and through a number of subsidiaries. During the current year, the Group made the following changes to its investment property portfolio:

- acquired land for development in Gauteng, SA;
- completed seven developments in SA;
- commenced two developments in SA;
- disposed of undivided shares in five logistics properties and disposed of a further eight facilities in line with the Group's SA disposal programme;
- disposed of four UK subsidiaries within the ENGL venture and the remainder of the sites relating to the ENGL development platform is either classified as held-for-sale or included in trading property; and
- disposed of one logistics asset in the UK.

The Group made the decision to sell its investment in Equites Newlands Group Limited ("ENGL"), which was the vehicle utilised to undertake development activities in the UK. The sale was structured in tranches:

- the first was the disposal of four option companies (as noted above) which transferred for £4.5m in cash and a deferred consideration of £4.0m, expected to be received in FY26;
- the second was the transfer of the subsequent sale companies for a consideration of £1.5m with a long-stop date of 30 June 2025.

The sale specifically excluded the forward-funded development underway at Newport Pagnell and the land held in Equites Newlands Basingstoke Limited ("ENBL"). In addition, the Group acquired ENBL from ENGL and is now 100% owned by Equites.

Income-producing properties are currently situated in Western Cape, Gauteng, KwaZulu-Natal and Eastern Cape in SA, and the UK.

FINANCIAL RESULTS

The detailed financial results are fully set out in the consolidated annual financial statements.

STATED CAPITAL

The authorised share capital of the Company remained unchanged at 2 000 000 000 (two billion) ordinary shares of no par value.

The issued share capital at year end is 835 179 723 (2024: 780 684 498) ordinary shares of no par value. 693 (2024: 2 877) ordinary shares are held as treasury shares. All movements in issued shares are detailed in note 13 to the consolidated annual financial statements.

BORROWINGS

Equites has unlimited borrowing powers in terms of the Memorandum of Incorporation, but the Group has maintained its debt levels below 60% of its gross asset value (gearing ratio) due to JSE requirements for REITs. The Group is also subject to certain financial covenants with the strictest being a 50% loan-to-value ratio covenant on its debt, an interest coverage ratio of equal to or greater than 2 times, and an unencumbered asset ratio equal to or greater than 20%. The Group's overall borrowings were R11.8 billion (2024: R12.1billion) at the reporting date as detailed in note 6 to the consolidated annual financial statements. The Group's debt officer, as contemplated in paragraphs 6.39(a) and 7.3(g) of the JSE Debt Listings Requirements, is Warren Douglas (Treasurer and Head of Risk Management).

DISTRIBUTION TO SHAREHOLDERS

The total distribution for the year ended 28 February 2025 of 133.92 (2024: 131.12) cents per share is 2.1% higher than the comparative period and in line with distribution guidance previously provided. This is made up of the interim dividend declared on 9 October 2024 (dividend number 22) of 66.50 cents per share and the final dividend declared on 14 May 2025 (dividend number 23) of 67.42 cents per share.

DIVIDEND DECLARED

Dividend number 23 for 67.41880 cents per share was declared on 14 May 2025 with the following salient dates:

Last day to trade in order to receive a cash dividend	Tuesday, 3 June
Shares trade ex-dividend	Wednesday, 4 June
Record date to receive a cash dividend	Friday, 6 June
Payment of cash dividends to certificated shareholders by electronic funds transfer	Monday, 9 June
Dematerialised shareholders' CSDP or broker accounts credited with the cash dividend payment	Monday, 9 June

Notes:

1. Shares may not be dematerialised or rematerialised between Wednesday, 4 June 2025 and Friday, 6 June 2025, both days inclusive.
2. The above dates and times are subject to change. Any changes will be released on SENS.

The Board confirms the use of distribution per listed securities as the relevant measure of financial results for the purposes of trading statements.

SOLVENCY AND LIQUIDITY TEST

The Directors have performed the required solvency and liquidity tests required by the Companies Act and have reasonably concluded that the Group will satisfy the solvency and liquidity test immediately after completing the distribution.

GOING CONCERN

The annual financial statements of the Group were prepared on a going concern basis. The Board is satisfied that the Group has adequate resources to continue trading for the foreseeable future based on a formal review of the results, forecasts and assessing available resources.

Directors' report (continued)

For the year ended 28 February 2025

SUBSIDIARIES

The Company has the following wholly-owned subsidiaries, unless otherwise indicated, all of which are property investment/trading companies:

Group structure

EQUITES PROPERTY FUND LIMITED

- 100% EQUITES UK PROPERTIES LTD[2]
- 50.1% RETAIL LOGISTICS FUND (RF) (PTY) LTD
- 51% PLUMBAGO INVESTMENT PLATFORM (PTY) LTD
  - 100% PLUMBAGO LOGISTICS PLATFORM (PTY) LTD
- 100% SWISH PROPERTY SEVEN (PTY) LTD
- 100% KOVACS INVESTMENTS 715 (PTY) LTD
- 100% GALT PROPERTY TWO (PTY) LTD
- 100% EQUITES INTERNATIONAL LTD[1]
  - 100% EQUITES UK DEVELOPER LTD[2]
    - 100% EQUITES NEWLANDS (BASINGSTOKE) LTD[2]
  - 100% EQUITES UK SPV 1 LTD[1]
  - 100% EQUITES UK SPV 4 LTD[1]
  - 100% EQUITES UK SPV 5 LTD[1]
  - 100% EQUITES UK SPV 6 LTD[1]
  - 100% EQUITES UK SPV 9 LTD[1]
  - 100% EQUITES UK SPV 10 LTD[1]
  - 100% EQUITES UK SPV 11 LTD[1]
  - 100% EQUITES UK SPV 12 LTD[1]
  - 100% EQUITES PETERBOROUGH GATEWAY LTD[2]
  - 60% EQUITES NEWLANDS (LAND) LTD[2]
  - 60% EQUITES NEWLANDS GROUP LTD[2]
    - 100% EQUITES NEWLANDS (GOLDTHORPE) LTD[2]
      - 50% GOLDTHORPE DEVELOPMENT PARTNERSHIP LLP[2]
    - 100% EQUITES NEWLANDS (LAND 2) LTD[2]
    - 100% EQUITES NEWLANDS (SNODLAND) LTD[2]
    - 100% EQUITES NEWLANDS (HOYLAND) LTD[2]
      - 100% EQUITES NEWLANDS (HOYLAND PLOT 2) LTD[2]
    - 100% EQUITES NEWLANDS (EGHAM) LTD[2]
    - 100% EQUITES NEWLANDS (RUGBY) LTD[2]
    - 100% EQUITES NEWLANDS (PETERBOROUGH DEVELOPER) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST PLOT 1) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST PLOT 2) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST PLOT 3) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST PLOT 4) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST PLOT 5) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST PLOT 6) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST PLOT 7) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST PLOT 8) LTD[2]
  - 60% EQUITES NEWLANDS (PETERBOROUGH WEST) LTD[2]
  - 60% EQUITES NEWLANDS (THRAPSTON EAST) LTD[2]
  - 60% EQUITES NEWLANDS (THRAPSTON PLOT 1) LTD[2]
  - 60% EQUITES NEWLANDS (THRAPSTON PLOT 2) LTD[2]
  - 60% EQUITES NEWLANDS (THRAPSTON PLOT 3) LTD[2]
  - 60% EQUITES NEWLANDS (THRAPSTON PLOT 4) LTD[2]
  - 60% EQUITES NEWLANDS (THRAPSTON PLOT 5) LTD[2]
  - 60% EQUITES NEWLANDS (THRAPSTON PLOT 6) LTD[2]
- 100% GALT PROPERTY ONE (PTY) LTD
- 100% EQUITES PROPERTY MANAGEMENT SERVICES (PTY) LTD
- 100% EQUITES INVESTMENTS 1 (PTY) LTD
  - 100% CHAMBER LANE PROPERTIES 3 (PTY) LTD
- 100% DORMELL PROPERTIES 711 (PTY) LTD
- 100% PROP FOR LIST (PTY) LTD
- 100% EQUITES ATLANTIC HILLS (PTY) LTD
- 100% EA WATERFALL LOGISTICS JV (PTY) LTD

[1] Incorporated in Isle of Man
[2] Incorporated in the United Kingdom

The Group was integral in the formation of The Michel Lanfranchi Foundation NPC which houses all the corporate social responsibility initiatives of the Group. In line with IFRS® 10, the following companies are consolidated as structured entities:

STRUCTURED ENTITIES CONSOLIDATED

- 100% THE MICHEL LANFRANCHI FOUNDATION NPC
  - 100% ILANGA LAKUSASA (PTY) LTD

Directors' report (continued)

For the year ended 28 February 2025

DIRECTORS

The directors of the Company as at the date of this report are:

INDEPENDENT NON-EXECUTIVE DIRECTORS

- MA Brey
- PL Campher (Chairman)
- E Cross
- N Mkhize
- AD Murray
- K Ntuli
- F Tonelli

NON-EXECUTIVE DIRECTORS

- AJ Gouws

EXECUTIVE DIRECTORS

- GR Gous (COO)
- L Razack (CFO)
- A Taverna-Turisan (CEO)

In terms of the Memorandum of Incorporation, a third of the non-executive directors will retire at the next annual general meeting and are eligible for re-election.

DIRECTORS' INTEREST IN ORDINARY SHARES

DIRECTORS' INTEREST AS AT 28 FEBRUARY 2025

	BENEFICIALLY HELD					
DIRECTORS	DIRECTLY	INDIRECTLY	ASSOCIATES	TOTAL	%	PLEDGED
MA Brey	—	112 500	10 000	122 500	0.0%	—
PL Campher	—	—	—	—	—	—
E Cross	—	—	—	—	—	—
GR Gous[1]	1 075 138	2 020 648	300 000	3 395 786	0.4%	2 782 993
AJ Gouws	15 757	7 711 955	—	7 727 712	0.9%	—
N Mkhize	—	—	—	—	—	—
AD Murray	—	250 053	—	250 053	0.0%	—
K Ntuli	3 602	—	—	3 602	0.0%	—
L Razack[1]	296 468	—	—	296 468	0.0%	—
A Taverna-Turisan[1]	215 671	9 004 000	—	9 219 671	1.1%	7 000 000
F Tonelli	—	—	—	—	—	—
TOTAL	**1 587 277**	**19 099 156**	**310 000**	**21 015 792**	**2.5%**	**9 782 993**

DIRECTORS' INTEREST AS AT 28 FEBRUARY 2024

	BENEFICIALLY HELD					
DIRECTORS	DIRECTLY	INDIRECTLY	ASSOCIATES	TOTAL	%	PLEDGED
MA Brey	—	112 500	10 000	122 500	0.0%	—
PL Campher	—	—	—	—	—	—
E Cross	—	—	—	—	—	—
GR Gous[1]	921 328	2 020 648	300 000	3 241 976	0.4%	2 782 993
AJ Gouws	15 043	7 711 955	—	7 726 998	1.0%	—
N Mkhize	—	—	—	—	—	—
AD Murray	—	250 053	—	250 053	0.0%	—
K Ntuli	3 602	—	—	3 602	0.0%	—
L Razack[1]	112 562	—	—	112 562	0.0%	—
A Taverna-Turisan[1]	596 644	9 004 000	—	9 600 644	1.2%	7 000 000
F Tonelli	—	—	—	—	—	—
TOTAL	**1 649 179**	**19 099 156**	**310 000**	**21 058 335**	**2.7%**	**9 782 993**

[1] The conditional shares awarded, but not yet issued, to the executive directors during the year, as set out in note 14 to the consolidated annual financial statements, have not been included in the table above.

There have been no changes to the directors' interest in the Company's shares between the end of the financial year and the approval of the financial statements.

COMPANY SECRETARY

Thabo Vilakazi has been appointed with effect from 18 March 2024.

AUDITORS

PwC continued as external auditors in accordance with Section 90 (1) of the Companies Act. A resolution for their reappointment will be proposed at the upcoming annual general meeting.

LITIGATION

The directors are not aware of any legal or arbitration proceedings, that have commenced, are pending or have been threatened, that have or may have a material impact on the results of the Group.

SUBSEQUENT EVENTS

The directors are not aware of any other events, apart from those disclosed in note 28, which have occurred since the end of the financial year, which have a material impact on the results and disclosures in these financial statements.

HOLDING COMPANY

Equites has no holding company and the main shareholders are detailed in Appendix 1 to the consolidated annual financial statements.

Independent auditor's report

Independent auditor's report

To the Shareholders of Equites Property Fund Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Equites Property Fund Limited (the Group) and its subsidiaries (together the Group) as at 28 February 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

WHAT WE HAVE AUDITED

Equites Property Fund Limited's consolidated financial statements set out on pages 18 to 73 comprise:
- the Consolidated statement of financial position as at 28 February 2025;
- the Consolidated statement of comprehensive income for the year then ended;
- the Consolidated statement of changes in equity for the year then ended;
- the Consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

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 financial statements section of our report.

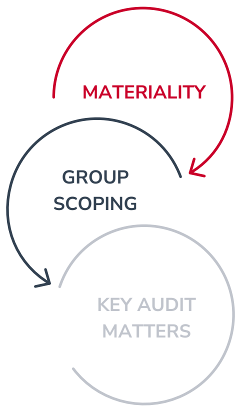
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

OUR AUDIT APPROACH

OVERVIEW



FINAL MATERIALITY
- R176 million, which represents 1% of consolidated net assets

GROUP AUDIT SCOPE
- The Group consists of property-investment companies in both South Africa and the United Kingdom. Twenty-eight legal entities and two sub-groups are considered components for our group scoping purposes;
- Four full scope audits were performed for the individually significant components;
- We have audited certain significant account balances at a group level, which resulted in testing of balances in twenty-one components; and
- The remaining five components were considered to be inconsequential.

KEY AUDIT MATTERS
- Valuation of investment properties.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and group audit scope below.

Independent auditor's report (continued)

To the Shareholders of Equites Property Fund Limited

FINAL MATERIALITY

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

CONSOLIDATED FINANCIAL STATEMENTS

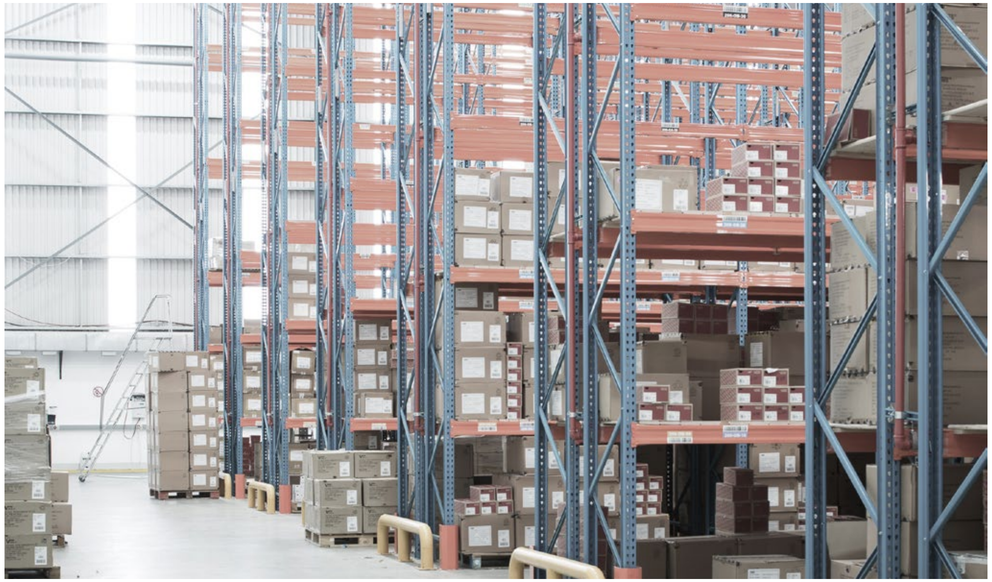
FINAL MATERIALITY	R176 million
HOW WE DETERMINED IT	1% of consolidated net assets.
RATIONALE FOR THE MATERIALITY BENCHMARK APPLIED	We chose consolidated net assets as the benchmark because, in our view, it is the key benchmark against which the performance of the Group is most commonly measured by users of the consolidated financial statements. Although the Group is profit-orientated, its strategic focus is to deliver long term shareholder returns through the acquisition and development of investment properties. As a Real Estate Investment Trust ("REIT"), the users are likely to be more concerned with the net assets underlying the Group, compared to profitability. We chose 1% based on our professional judgement and after consideration of the range of the quantitative materiality thresholds that we would typically apply when using net assets to compute materiality.

GROUP AUDIT SCOPE

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group comprises of twenty-eight legal entities and two sub-groups, each considered to be a component for our group scoping purposes. In determining which components will be subject to audit procedures, we considered whether these components are significant (due to risk or size), non-significant or inconsequential to the Group. We have determined four components to be significant, twenty-one components to be non-significant and five components to be inconsequential to the Group.

We have scoped in four South African components for full scope audits, namely Equites Property Fund Limited, Chamber Lane Properties 3 (Pty) Ltd, Retail Logistics Fund (RF) (Pty) Ltd and Plumbago Logistics Platform (Pty) Ltd. Furthermore, we have audited certain significant account balances at a group level, which resulted in testing of balances in twenty-one components. This, together with additional procedures performed at the group level, including testing of consolidation journals and intercompany eliminations and analytics, gave us sufficient appropriate audit evidence regarding the financial information of the Group. All of the work was performed by the Group audit team.



Independent auditor's report (continued)

To the Shareholders of Equites Property Fund Limited

KEY AUDIT MATTERS

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

In terms of ISA 701 Communicating key audit matters in the independent auditor's report / the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
VALUATION OF INVESTMENT PROPERTIES The Group's investment property portfolio is split between South Africa and the United Kingdom, with a total valuation, including the straight-lining lease adjustment, in the consolidated statement of financial position of R25.9 billion. The fair value gain recognised for the year amounts to R190 million. Refer to note 4 to the consolidated financial statements for details on the valuation of investment properties and note 31.1 for the property schedule. We considered the valuation of investment properties to be a matter of most significance to the current year audit due to the following: • The significance of the estimates and judgements involved in its determination; and • The magnitude of the balance of the investment properties recorded in the consolidated statement of financial position, as well as the changes in fair value relating to the property portfolio recorded in the consolidated statement of comprehensive income. The investment properties are stated at their fair values based on directors' valuations and external valuations as deemed appropriate. The fair values of investment properties at year end were determined using the discounted cash flow and income capitalisation methods of valuation. The valuation of the Group's investment property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location and the forecasted future net cash flows and residual value for that particular property.	We obtained an understanding of the approach followed by management for the valuation of the Group's investment property portfolio through discussions with management. We inspected a sample of valuation reports for the properties valued externally in the current year and assessed whether the valuation approach followed for each property and the approach followed by management were in accordance with IFRS and suitable for use in determining the fair value for the purpose of the consolidated financial statements. Our work, as detailed in the procedures below, focused on the largest properties in the portfolio, as well as those properties where the assumptions used and/or year-on-year capital value movement suggested a possible outlier versus market data for the relevant sector. We evaluated the external valuers' qualifications and expertise and evaluated whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work through direct communication with the valuer, and inspection of their credentials. We did not note any aspects in this regard requiring further consideration. We made use of our internal valuation expertise in our assessment of the reasonableness of the valuation methodologies and assumptions applied based on their knowledge of the industry and the markets in which the group operates. We evaluated comparable market evidence in assessing the fair value of the properties. No material differences were noted. We tested the accuracy, reliability and completeness of data inputs into the directors' valuations, as well as in the valuations prepared by the external valuers. We focused on the following data inputs: rental income, tenancy schedules, expenditure details and square metre details which underpin the investment property valuations for the selected investment properties. We found no material deviations. We evaluated the forecasted future net cash flows by comparing them to lease agreements and noted no material deviations. We evaluated the significant assumptions, including discount rates, capitalisation rates, exit capitalisation rates, vacancy rates, market rental growth rates and any adjustment factors by comparing it to historic and market benchmarks in order to assess whether they were in a reasonable range for the respective market, sector and asset. Our audit procedures on the above indicated that the assumptions fell within an acceptable range.

Independent auditor's report (continued)

To the Shareholders of Equites Property Fund Limited

KEY AUDIT MATTERS (CONTINUED)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
VALUATION OF INVESTMENT PROPERTIES (CONTINUED) In determining a property's valuation, the directors and the valuers take into account property-specific information such as expected market rental growth, discount rate, exit capitalisation rate and capitalisation rates. The directors and valuers apply yields, discount rates, market rentals and exit capitalisation rates which are influenced by prevailing market yields and comparable market transactions for properties with similar characteristics, to arrive at the final valuation. Investment property under development and vacant land are subsequently measured at fair value at each reporting period. If the fair value cannot be reasonably determined, this is measured at cost. The Group capitalises borrowing costs on new developments and major refurbishments that are deemed to be qualifying assets based on management's judgement in line with IFRS Accounting Standards ("IFRS") requirements as reflected in note 4 to the consolidated financial statements.	For investment properties under development, we agreed the development costs incurred to relevant underlying documentation and assessed the eligibility of capitalising these costs against the criteria set out in IAS 40: Investment Property. On a sample basis, we recalculated and assessed the appropriateness of the borrowing costs capitalised and also assessed management's judgement in assessing when an asset becomes a qualifying asset in accordance with IAS 23: Borrowing Costs. No material exceptions were noted. In respect of vacant land, we recalculated, on a sample basis, the value of the land based on comparable market data and comparable listed sales prices. Our audit procedures on the above did not identify any material differences. For a representative sample of the straight-lining lease income accrual we agreed the inputs in the calculation to the underlying lease agreements and tested the accuracy of the calculation through reperformance. We did not identify any material differences. We further evaluated the appropriateness of the disclosures in the consolidated financial statements concerning the key assumptions to which the valuations are most sensitive, and the inter-relationship between the assumptions and the valuation amounts. Based on the results of our work performed and taking into account the applicable requirements of IFRS, we noted no material differences.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Equites Property Fund Consolidated Annual Financial Statements for the year ended 28 February 2025" and the document titled "Equites Property Fund Annual Financial Statements for the year ended 28 February 2025", which include(s) the Declaration by the company secretary, the Audit committee report and the Directors' report as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the other sections of the document titled "Equites Property Fund Integrated Report 2025", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group'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 or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report (continued)

To the Shareholders of Equites Property Fund Limited

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the Group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 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

AUDIT TENURE

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Equites Property Fund Limited for 9 years.

PricewaterhouseCoopers Inc.
Director: P Liedeman
Registered Auditor

Cape Town, South Africa
14 May 2025

Signatures are not included here for security purposes.

Group annual financial statements

Statement of financial position

Equites Property Fund Limited and its subsidiaries at 28 February 2025

R'000	NOTES	2025	2024
ASSETS			
NON-CURRENT ASSETS			
Investment property (excluding straight-lining)	4	24 437 171	24 050 575
Straight-lining lease income accrual	4.3	1 412 013	1 121 199
Land options	4.1	—	154 461
Deferred tax asset	15	6	3 580
Other financial assets	7	38 901	72 654
Trade and other receivables	11	30 349	611 048
Loan receivable	12	83 356	54 441
Property, plant and equipment	17	40 354	22 337
		26 042 150	**26 090 295**
CURRENT ASSETS			
Trading property	5	900 856	948 685
Trade and other receivables	11	1 038 175	390 721
Other financial assets	7	62 081	132 713
Loan receivable	12	11 651	3 013
Cash and cash equivalents	9	1 527 169	493 253
		3 539 932	**1 968 385**
Investment property held-for-sale	4.2	960 330	2 164 480
TOTAL ASSETS		**30 542 412**	**30 223 160**

R'000	NOTES	2025	2024
EQUITY AND LIABILITIES			
EQUITY AND RESERVES			
Stated capital	13	12 964 573	12 257 529
Accumulated loss		(208 129)	(99 985)
Foreign currency translation reserve		977 073	1 195 109
Share-based payment reserve	14	38 431	30 570
TOTAL ATTRIBUTABLE TO OWNERS		**13 771 948**	**13 383 223**
Non-controlling interest	10	3 785 154	3 562 275
TOTAL EQUITY AND RESERVES		**17 557 102**	**16 945 498**
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	6	10 304 627	9 468 043
Financial guarantees	7.3.4	10 000	10 000
Other financial liabilities	7	27 286	30 180
Deferred tax liability	15	198 209	151 423
Other payables	16	84 017	67 676
		10 624 139	**9 727 322**
CURRENT LIABILITIES			
Loans and borrowings	6	1 529 250	2 631 904
Trade and other payables	16	814 043	889 397
Current tax payable		3 462	2 146
Other financial liabilities	7	14 416	26 893
		2 361 171	**3 550 340**
TOTAL LIABILITIES		**12 985 310**	**13 277 662**
TOTAL EQUITY AND LIABILITIES		**30 542 412**	**30 223 160**

Statement of comprehensive income

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

R'000	NOTES	2025	2024
Property revenue and tenant recoveries		2 361 622	2 128 110
Straight-lining of leases adjustment		370 427	334 539
Other revenue[1]		1 524 647	21 537
GROSS PROPERTY REVENUE	18	**4 256 696**	**2 484 186**
Cost of sales[1]	19	(1 595 026)	(59 668)
Property operating and management expenses	21	(605 489)	(471 830)
Other net gains/(losses)	20	(18 325)	(447 921)
Administrative expenses	21	(182 907)	(153 332)
Fair value adjustments – investment property	4	164 231	550 903
OPERATING PROFIT BEFORE FINANCING ACTIVITIES		**2 019 180**	**1 902 338**
Finance cost	22	(850 624)	(622 981)
Finance income	23	315 710	203 721
NET PROFIT BEFORE TAX		**1 484 266**	**1 483 078**
Taxation	24	(66 480)	39 557
PROFIT FOR THE YEAR		**1 417 786**	**1 522 635**
OTHER COMPREHENSIVE INCOME			
Items that may subsequently be reclassified to profit or loss:			
Translation of foreign operations		(215 183)	494 852
Items reclassified to profit or loss:			
Reclassification of FCTR		(6 533)	(68 830)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1 196 070**	**1 948 657**
PROFIT ATTRIBUTABLE TO:			
Owners of the parent		943 550	1 151 765
Non-controlling interest	10	474 236	370 870
		1 417 786	**1 522 635**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the parent		725 514	1 568 578
Non-controlling interest	10	470 556	380 079
		1 196 070	**1 531 844**
Basic earnings per share (cents)	2	116.6	147.5
Diluted earnings per share (cents)	2	115.2	145.8

1 Renamed from "Revenue from trading properties and developments" and "Cost of sales from trading properties and developments" as it now includes additional sources of revenue. Refer to note 18 & 19 for a breakdown.

Statement of cash flows

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

R'000	NOTES	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	25.1	1 549 187	1 554 791
Finance cost paid	22	(821 016)	(642 423)
Finance income received	23	247 986	213 490
Tax paid	25.7	(7 863)	(2 382)
Dividends paid	25.6	(1 268 671)	(1 404 240)
NET CASH FLOWS UTILISED BY OPERATING ACTIVITIES		**(300 377)**	**(280 764)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investment properties	25.2	(142 289)	(638 253)
Development of investment properties	25.3	(1 232 017)	(2 489 885)
Finance cost paid capitalised to investment properties	22	(257 503)	(352 488)
Proceeds from disposal of investment property and subsidiaries (net of costs)	25.4	1 997 808	2 933 274
Purchases of current financial assets[2]	25.5	(2 950 840)	(1 072 402)
Proceeds on divestment of current financial assets[2]	23	2 950 840	1 072 402
Proceeds from loan receivable		—	750
Proceeds from disposal of property, plant and equipment		2 206	—
Purchase and development of property, plant and equipment	17	(10 999)	(6 476)
NET CASH FLOWS UTILISED BY INVESTING ACTIVITIES		**357 206**	**(553 078)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Share issue costs refunded/(paid)	13.3	318	(284)
Proceeds from share issue relating to dividend reinvestment programme	13.3	696 129	—
Repurchase of shares	13.3	—	(81 113)
Repayment of lease liability		(11 336)	(11 543)
Proceeds from borrowings	6.1	8 153 508	13 522 423
Repayment of borrowings	25.8	(7 870 848)	(12 386 068)
NET CASH FLOWS RAISED FROM FINANCING ACTIVITIES		**967 771**	**1 043 415**
Net increase in cash and cash equivalents		1 024 600	209 573
Effect of exchange rate movements on cash and cash equivalents		9 316	25 988
Cash and cash equivalents at the beginning of the year		493 253	257 692
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	**1 527 169**	**493 253**

2 This primarily consists of investments in and divestments of surplus cash held in money market funds.

Statement of changes in equity

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

R'000	NOTES	STATED CAPITAL	ACCUMULATED LOSS	FOREIGN CURRENCY TRANSLATION RESERVE	SHARE-BASED PAYMENT RESERVE	TOTAL ATTRIBUTABLE TO PARENT	NON-CONTROLLING INTEREST	TOTAL
Balance at 1 March 2023		12 136 465	(49 514)	778 296	22 316	12 887 563	3 384 200	16 271 763
Profit for the year		—	1 151 765	—	—	1 151 765	370 870	1 522 635
Other comprehensive income		—	—	416 813	—	416 813	9 209	426 022
Shares issued in terms of share-based payment transaction	13	196 069	—	—	—	196 069	—	196 069
Shares repurchased and cancelled	13	(75 497)	—	—	—	(75 497)	—	(75 497)
Shares repurchased and issued in terms of conditional share plan		—	—	—	(5 616)	(5 616)	—	(5 616)
Treasury shares issued in terms of conditional share plan	13	831	—	—	(831)	—	—	—
Shares forfeited in terms of conditional share plan	13	(55)	—	—	55	—	—	—
Equity-settled share-based payment charge	14	—	—	—	14 646	14 646	—	14 646
Dividends distributed to shareholders		—	(1 202 236)	—	—	(1 202 236)	(202 004)	(1 404 240)
Share issue costs	13	(284)	—	—	—	(284)	—	(284)
BALANCE AT 29 FEBRUARY 2024		**12 257 529**	**(99 985)**	**1 195 109**	**30 570**	**13 383 223**	**3 562 275**	**16 945 498**
Balance at 1 March 2024		12 257 529	(99 985)	1 195 109	30 570	13 383 223	3 562 275	16 945 498
Profit for the year		—	943 550	—	—	943 550	474 236	1 417 786
Other comprehensive loss		—	—	(218 036)	—	(218 036)	(3 680)	(221 716)
Transactions with NCI	10	—	—	—	—	—	(30 700)	(30 700)
Shares issued in terms of dividend reinvestment programme	13	696 129	—	—	—	696 129	—	696 129
Shares issued in terms of conditional share plan	13	10 551	—	—	(10 551)	—	—	—
Treasury shares issued in terms of conditional share plan	13	309	—	—	(309)	—	—	—
Shares forfeited in terms of conditional share plan	13	(263)	—	—	263	—	—	—
Equity-settled share-based payment charge	14	—	—	—	18 458	18 458	—	18 458
Dividends distributed to shareholders		—	(1 051 694)	—	—	(1 051 694)	(216 977)	(1 268 671)
Share issue costs refunded	13	318	—	—	—	318	—	318
BALANCE AT 28 FEBRUARY 2025		**12 964 573**	**(208 129)**	**977 073**	**38 431**	**13 771 948**	**3 785 154**	**17 557 102**

Notes to the annual financial statements

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

1 PREPARATION OF FINANCIAL STATEMENTS

The principal accounting policies applied in the preparation of the consolidated financial statements are set out in the notes to the consolidated annual financial statements and are consistent with those applied in the previous year, unless otherwise stated. The consolidated annual financial statements were authorised for issue by the Board of directors on 14 May 2025.

1.1 BASIS OF PREPARATION

The consolidated annual financial statements have been prepared in accordance with IFRS® Accounting Standards, the IFRS Interpretations Committee interpretations, the South African Institute of Chartered Accountants ("SAICA") Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council ("FRSC"), the requirements of the Companies Act of South Africa No. 71 of 2008, as amended and the Listings Requirements of the exchange operated by JSE Limited ("JSE").

1.2 BASIS OF MEASUREMENT

The consolidated annual financial statements are prepared on the historical cost basis, except for investment property, derivative financial instruments and financial instruments at fair value through profit or loss, which are measured at fair value.

1.3 BASIS OF CONSOLIDATION

The Group consolidates all of its subsidiaries. Accounting policies are applied consistently in all Group companies. The results of subsidiaries are included from the effective date of acquisition up to the effective date of disposal. Subsidiaries are deconsolidated from the date that control ceases. All subsidiaries have the same financial year ends and are consolidated to that date.

All intra-group transactions, balances and unrealised gains and losses on transactions between entities of the Group have been eliminated.

1.3.1 CONTROL

Subsidiaries are entities (including structured entities) over which the Group has control. Control exists when the following can be demonstrated:

- power over the investee through having existing rights that give it the current ability to direct relevant activities;
- exposure, or rights to variable returns from its involvement with the investee; and
- the ability to affect those returns through its power to govern the financial and operating policies of the investor's returns.

1.3.2 BUSINESS COMBINATIONS

When the Group gains control of a business, the business combination is accounted for using the acquisition method at the acquisition date (the date on which control is transferred). The consideration transferred is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition. Acquisition-related costs are expensed as incurred. Identifiable assets acquired as well as liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the consideration transferred over the fair value of the Group's share of the identifiable net assets of the subsidiary acquired is recorded as goodwill. If the consideration transferred is less than the Group's share of the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss.

For acquisition of subsidiaries not meeting the definition of a business, the Group allocates the cost between the individual identifiable assets and liabilities in the Group on their relative fair values at the date of acquisition. Such transactions or events do not give rise to goodwill.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

1 PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

1.4 FUNCTIONAL CURRENCY

All items in the consolidated annual financial statements are measured using the currency of the primary economic environment in which it operates (the functional currency). The consolidated annual financial statements are presented in South African Rand, which is Equites' functional and the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the average exchange rates for the relevant period. These average exchange rates approximate the spot rate at the date of the transaction. Gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at closing rates, are recognised in the statement of comprehensive income.

Subsidiaries that have a functional currency that is different from the presentation currency of the Group are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenditure for each statement of comprehensive income presented are translated at the average exchange rates for the period; and
- all resulting translation differences are recognised in other comprehensive income and presented as a separate component of equity in foreign currency translation reserve ("FCTR").

Exchange rate differences arising from the translation of a net investment in foreign operations is recognised in FCTR. The Group's net investment in foreign operation is equal to the equity investment plus all monetary items that are receivable from or payable to the foreign operation, for which settlement is neither planned nor likely to occur in the foreseeable future. On disposal or a decrease in the Group's effective interest in the foreign subsidiary, all or a proportionate share of the exchange differences accumulated in equity in respect of that subsidiary attributable to the equity holders of the Group are reclassified to profit or loss. The amount of FCTR reclassified to profit or loss is calculated based on the appreciation or devaluation in the functional currency of the foreign subsidiary disposed against the functional currency of the Group.

1.5 STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE FOR THE FIRST TIME AT 28 FEBRUARY 2025

The standards, amendments and interpretations effective for the first time in the current financial year have been summarised below. The impact of the adoption of these standards and amendments have been considered and is deemed immaterial.

	EFFECTIVE DATE (PERIODS BEGINNING ON OR AFTER)
Amendments to IAS 1 – Non-current liabilities with covenants	1 Jan 2024
Amendment to IFRS 16 – Leases on sale and leaseback	1 Jan 2024
Amendments to Supplier Finance Arrangements (IAS 7 and IFRS 7)	1 Jan 2024

1.6 STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE AT 28 FEBRUARY 2025

The table below summarises the standards, amendments and interpretations that have been published, but that are not yet effective in the current financial year and are relevant to the Group. None of these standards, amendments and interpretations are expected to have a material impact on the results of the Group.

	EFFECTIVE DATE (PERIODS BEGINNING ON OR AFTER)
Amendments to IAS 21 Lack of Exchangeability	1 Jan 2025
Amendments to IFRS 9 & IFRS 7 – Classification and measurement of financial instruments	1 Jan 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 Jan 2027
IFRS 19 – Subsidiaries without Public Accountability	1 Jan 2027

Management is in the process of assessing the impact of the implementation of IFRS 18 and IFRS 19.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

2 EARNINGS AND HEADLINE EARNINGS PER SHARE

This note provides the obligatory information in terms of IAS 33 Earnings per share and SAICA Circular 1/2023 for the Group.

ACCOUNTING POLICY

Earnings per share is calculated by dividing the net profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year. Headline earnings per share is calculated in terms of the requirements set out in Circular 1/2023 issued by SAICA.

Diluted earnings and diluted headline earnings per share are determined by adjusting for the impact on earnings and the weighted average number of ordinary shares of all known dilutive potential ordinary shares.

2.1 BASIC EARNINGS PER SHARE

R'000	2025	2024
BASIC EARNINGS		
Earnings (profit attributable to owners of the parent)	943 550	1 151 765
NUMBER OF SHARES		
Shares in issue	835 179 723	780 684 498
Weighted average number of shares in issue	808 977 238	781 049 778
Add: weighted potential dilutive impact of conditional shares	10 259 895	8 685 198
Diluted weighted average number of shares in issues	819 237 134	789 734 976
CENTS		
BASIC EARNINGS PER SHARE		
Basic earnings per share	116.6	147.5
Diluted earnings per share	115.2	145.8

2.2 HEADLINE EARNINGS PER SHARE

R'000	NOTES	2025	2024
RECONCILIATION BETWEEN BASIC EARNINGS AND HEADLINE EARNINGS:			
Earnings (profit attributable to owners of the parent)		943 550	1 151 765
Adjusted for:			
Fair value adjustments to investment properties	4.1	(190 204)	(553 556)
Fair value adjustment of non-current assets held-for-sale	4.2	25 973	2 652
Less: Fair value adjustment to investment properties (NCI)	10.1	90 368	95 545
Impairment of land options	4.1	54 768	—
Loss on sale of non-current assets	20	16 631	149 827
Less: Profit on sale of non-current assets (NCI)	10.1	71 384	68 554
HEADLINE EARNINGS		**1 012 470**	**914 787**
CENTS			
HEADLINE EARNINGS PER SHARE			
Headline earnings per share		125.2	117.1
Diluted headline earnings per share		123.6	115.8

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

3 SEGMENT INFORMATION

ACCOUNTING POLICY

The Group identifies and presents operating segments on the basis of internal reporting that is regularly reviewed by the chief operating decision-makers ("CODM"). The CODM has been identified as the Group's executive directors. The CODM allocates resources and assesses the performance of the operating segments of the Group.

- The Group has identified the following reportable segments:
- **SA industrial** – This part of the business incorporates all the SA industrial and logistics assets. This comprised of 59 (2024: 61) completed properties split between prime logistics nodes in Western Cape, Eastern Cape, Gauteng and KwaZulu-Natal, and one (2024: three) industrial property and land parcel located in the Western Cape held-for-sale.
- **UK industrial** – This part of the business incorporates all completed buildings and development sites in the UK. This comprised of six (2024: six) income-producing properties and two (2024: three) properties and all remaining land parcels as held-for-sale.
- **UK developer** – This part of the business relates specifically to the activities within ENGL which pertain to disposal of land and turnkey developments. These projects are assessed based on different measurement and performance criteria, specifically relating to disposal profits as opposed to long-term property fundamentals. Profits generated from this segment are specifically excluded from distributable income. This comprised of one ongoing development site (2024: no ongoing development sites) in the UK.
- **Other** – Non-property related activities.

The geographic analysis of revenue is based on the country where the building is situated, and therefore where the rental income is derived. Equites generates the majority of revenue from properties situated in SA, while the remainder of revenue is generated through properties situated in the UK. The SA and UK markets differ in terms of market risk, political risk and the processes for the purchase and letting of assets. For this reason, the CODM analyses the assets in these markets separately and allocates resources according to this analysis.

The CODM primarily uses a measure of revenue and operating profit before financing activities to assess the performance of the operating segment. The operating segment is the same as the reportable segment.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

3 SEGMENT INFORMATION (CONTINUED)

The segment information for the Group for the year ended 28 February 2025 is set out below:

		OPERATING SEGMENTS				
R'000	NOTES	SA INDUSTRIAL	UK INDUSTRIAL	UK DEVELOPER	OTHER[1]	TOTAL
STATEMENT OF COMPREHENSIVE INCOME						
Property revenue and tenant recoveries	18	2 032 206	329 416	—	—	2 361 622
Straight-lining of leases adjustment	18	308 884	61 543	—	—	370 427
Other revenue	18	857	—	1 523 251	539	1 524 647
Cost of sales[2]	19	(2 411)	—	(1 592 615)	—	(1 595 026)
Property operating and management expenses	21	(593 915)	(11 574)	—	—	(605 489)
Administrative cost[2]	21	(128 213)	(28 521)	(25 874)	(299)	(182 908)
Fair value adjustments – investment property	4	369 737	(205 506)	—	—	164 231
Operating profit/(loss) before financing activities		1 861 648	205 225	(47 933)	240	2 019 180
Finance income	23	214 564	101 028	118	—	315 710
Finance cost	22	(691 690)	(158 934)	—	—	(850 624)
Current tax expense	24	(849)	—	(8 885)	—	(9 734)
STATEMENT OF FINANCIAL POSITION						
Investment property (including straight-lining)	4	20 992 718	4 856 468	—	—	25 849 186
Investment property held-for-sale	4	139 296	821 032	—	—	960 328
Trading property	5	—	—	900 856	—	900 856
Trade and other receivables	11	192 955	734 574	140 564	430	1 068 523
Loans and borrowings	6	9 082 111	2 751 766	—	—	11 833 877
Total assets		23 085 970	6 606 699	846 918	755	30 540 342
Total liabilities		9 561 142	3 395 273	27 303	1 592	12 985 310

1 The "Other" segment historically held all investment property held-for-sale. In the current year, these have been disclosed as part of the relevant segment to which the property relates. This is aligned with how management now views these properties. The "Other" segment now discloses non-property related activities. The comparatives have been restated to reflect this change.

2 Cost of sales and Administrative cost have been included into the Segments note in the current year as management assesses these when measuring the performance of the operating segment. Comparative has been restated accordingly.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

3 SEGMENT INFORMATION (CONTINUED)

The restated segment information for the Group for the year ended 29 February 2024 is set out below:

		OPERATING SEGMENTS				
R'000	NOTES	SA INDUSTRIAL	UK INDUSTRIAL	UK DEVELOPER	OTHER[1]	TOTAL
STATEMENT OF COMPREHENSIVE INCOME						
Property revenue and tenant recoveries	18	1 761 400	366 655	—	55	2 128 110
Straight-lining of leases adjustment	18	271 866	62 673	—	—	334 539
Other revenue	18	21 537	—	—	—	21 537
Cost of sales[2]	19	(21 046)	—	(38 622)	—	(59 668)
Property operating and management expenses	21	(458 876)	(12 954)	—	—	(471 830)
Administrative cost[2]	21	(98 802)	(43 227)	(11 302)	(1)	(153 332)
Fair value adjustments – investment property	4	199 608	351 295	—	—	550 903
Operating profit/(loss) before financing activities		1 317 317	620 123	(35 156)	54	1 902 338
Finance income	23	160 511	43 210	—	—	203 721
Finance cost	22	(439 338)	(183 643)	—	—	(622 981)
Current tax income/(expense)	24	(11 211)	—	5 002	—	(6 209)
STATEMENT OF FINANCIAL POSITION						
Investment property (including straight-lining) and land options	4	19 863 967	5 462 268	—	—	25 326 235
Investment property held-for-sale	4	468 094	1 696 386	—	—	2 164 480
Trading property	5	—	—	948 685	—	948 685
Trade and other receivables	11	258 041	735 729	7 921	79	1 001 769
Loans and borrowings	6	8 839 959	3 259 988	—	—	12 099 947
Total assets		20 814 629	8 438 079	970 306	146	30 223 160
Total liabilities		9 205 334	4 044 732	27 591	5	13 277 662

[1] The "Other" segment historically held all investment property held-for-sale. In the current year, these have been disclosed as part of the relevant segment to which the property relates. This is aligned with how management now views these properties. The "Other" segment now discloses non-property related activities. The comparatives have been restated to reflect this change.

[2] Cost of sales and Administrative cost have been included into the Segments note in the current year as management assesses these when measuring the performance of the operating segment. Comparative has been restated accordingly.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

	R'000	2025	2024
4	**INVESTMENT PROPERTY**		
	Income-producing investment property	23 425 146	20 481 501
	Investment property under development	204 530	2 355 755
	Freehold land	797 576	1 193 062
	Right-of-use asset	9 919	20 257
	INVESTMENT PROPERTY (EXCLUDING STRAIGHT-LINING) (note 4.1)	**24 437 171**	**24 050 575**
	Investment property held-for-sale (note 4.2)	960 330	2 164 480
	Straight-lining lease income accrual (note 4.3)	1 412 013	1 121 199
	FAIR VALUE OF INVESTMENT PROPERTY	**26 809 514**	**27 336 254**
	Land options at cost (note 4.1)	—	154 461
	TOTAL INVESTMENT PROPERTY	**26 809 514**	**27 490 715**

ACCOUNTING POLICY

Investment property is held to earn rental income and/or for capital appreciation, and is made up of the following:

- income-producing investment property comprising land and buildings, leased to tenants under an operating lease,
- investment property under development and vacant land available for development,
- land options exercisable at a future date subject to receiving planning consent, and
- property held-for-sale where the carrying amount will be recovered through sale rather than continuing use.

Investment property is initially measured at cost, including transaction cost. Subsequently, investment property is measured at fair value at each reporting date. Changes in fair value are recognised in profit or loss in the period in which they arise, and is excluded from the calculation of distributable earnings. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other costs, including repairs and maintenance, are expensed as incurred. Future costs or capital commitments are not included in the fair value of investment property.

All income-producing properties are valued externally by a registered valuer at each reporting date. All UK properties were valued using the income capitalisation method, with all SA properties valued using the discounted cash flow ("DCF") technique. Adjustments to the fair value of investment properties are computed net of the impact of accounting for lease income on a straight-line basis over the term of lease.

Lease commission expenditure is capitalised to the cost of investment property and amortised over a straight-line basis over the term of the lease.

A gain or loss arising on disposal of investment property is recognised in profit or loss, measured as the difference between the net disposal proceeds and the carrying amount.

INVESTMENT PROPERTY UNDER DEVELOPMENT AND FREEHOLD LAND

Investment property under development comprises the cost of the land and development and is measured at fair value at each reporting date. If the fair value cannot be reasonably determined, this is measured at cost. Upon completion of the development, these properties become part of income-producing investment property.

Investment property under development and vacant land is transferred to trading properties when there is a change in use which results in the entity concluding that it will recover the future economic benefits from the asset through sale in the short term, as opposed to holding the asset for capital appreciation and/or to generate rental income. This arrangement may arise in the UK where the entity has engaged in significant development activity.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

4 INVESTMENT PROPERTY (CONTINUED)

ACCOUNTING POLICY (CONTINUED)

LAND OPTIONS

In the UK, land is held through long-term option agreements that are exercisable at a future date subject to receiving planning consent. Land options are non-financial assets and are initially capitalised at cost and considered for any impairment indication annually. The impairment review includes consideration of the resale value of the option, likelihood of achieving planning consent and current recoverable value as determined by an independent valuer.

In the calculation of the resale value or recoverable value of land options, several estimates are required which includes the expected size of the development, expected rental and capitalisation rates, estimated build costs, the time to complete the development and anticipated progress with achieving planning consent, as well as the associated risks of achieving the above.

Once a land option is exercised and the land is drawn down it is transferred into vacant land.

INVESTMENT PROPERTY HELD-FOR-SALE

Investment property is classified as held-for-sale if it is expected that its carrying amount will be recovered principally through sale rather than continuing use. The following conditions are required to be met to be classified as held-for-sale:

- management is committed to a plan to sell,
- an active programme to locate a buyer is initiated,
- the asset is available for immediate sale in its present condition,
- the asset is being actively marketed for sale at a price reasonable in relation to its fair value,
- the sale is highly probable, within 12 months of classification as held-for-sale, and subject only to terms that are usual and customary for sale of such assets; and
- actions required to complete the plan indicate that it is unlikely that the plan will be significantly changed or withdrawn.

Investment properties held-for-sale are excluded from the measurement scope of IFRS 5 Non-Current Assets Held-for-Sale and Discontinued Operations and is measured at fair value less costs to sell with gains/losses recognised in the statement of comprehensive income upon sale.

BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset are capitalised to the cost of that asset until such time as the asset is ready for the intended use.

Borrowing costs comprise interest on borrowings and amortisation of capitalised loan arrangement fees. The amount of borrowing costs eligible for capitalisation is determined as follows:

- **Specific borrowings:** actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment income from surplus funds derived from those borrowings; and
- **General borrowings:** weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset(s).

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs capitalised cannot exceed actual borrowing costs incurred.

A qualifying asset is defined as an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. An asset that normally takes more than a year to be ready for use will usually be a qualifying asset. The Group classifies the following as qualifying assets:

- investment property under development,
- land held for the purpose of development,
- income-producing investment property under major refurbishment,
- trading property (note 5), and
- land options.

Capitalisation commences when expenditures are incurred for the asset, borrowing costs are incurred, and the Group undertakes activities that are necessary to prepare the asset for its intended use. This occurs as follows:

- **Properties under development and refurbishments:** once expenditures are incurred; and
- **Land:** once land or land option is acquired and in the process of being developed, i.e. when town planning, zoning, earthworks, etc commences with a view to utilising this in development.

The Group ceases capitalising borrowing costs on each qualifying asset on the date on which practical completion is issued. On this date, substantially all the activities necessary to prepare the qualifying asset for its intended use are considered to be complete.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

4 INVESTMENT PROPERTY (CONTINUED)

ACCOUNTING POLICY (CONTINUED)

LEASES

The Group is a party to leasehold land in respect of certain investment properties, giving rise to a right-of-use asset recognised as investment property at lease commencement date. The right-of-use asset is measured at the initial amount of the lease liability adjusted for any lease payments made in advance, plus any initial direct costs incurred less any lease incentives received. The lease liability is initially measured at the present value of the future lease payments discounted using the Group's incremental borrowing rate. The lease payments consist of a fixed percentage of the income generated from the investment property.

The right-of-use asset recognised as investment property is subsequently measured at fair value. A remeasurement occurs when there is a change in the future lease cash flows arising from a change in the underlying tenant lease. Where the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the underlying right-of-use asset.

CRITICAL ESTIMATES AND JUDGEMENTS

VALUATION OF INCOME-PRODUCING INVESTMENT PROPERTY

The Group has appointed a panel of external valuers to conduct the valuation for each property. The independent valuers applied, among other inputs, current market prices for properties with similar characteristics, leases and cash flow projections. All SA valuations are performed using a discounted cash flow method and UK valuations are performed using an income capitalisation method:

DISCOUNTED CASH FLOW METHOD

The fair value of each income-producing SA property is determined by calculating its net present value by discounting forecasted future net cash flows and a residual value at the end of the cash flow projection period by the discount rate of each property. The residual value is calculated using an appropriate exit capitalisation rate. The discount rate used to determine the fair value of each property is a function of the exit capitalisation rate and the long-term market rental growth rate. The exit capitalisation rate is dependent on a number of factors, including location, asset class, market conditions, lease covenants and the risks inherent in the property.

INCOME CAPITALISATION METHOD

The external valuations in the UK were performed by capitalising the current income stream by targeting a net initial yield as well as taking into account the nominal equivalent yield, as the properties are reversionary. This considers the length of secure income for the property, the covenant strength of the tenant, the quality of the building and associated reletting prospects. Additionally, comparable market evidence is evaluated in determining the fair value.

SIGNIFICANT UNOBSERVABLE INPUTS

- Exit capitalisation rates varied between 7.3% and 9.0% (2024: 7.3% and 9.0%) for SA properties.
- Discount rates varied between 12.0% and 13.5% (2024: 12.3% and 13.8%) for SA properties.
- Net initial yields for UK properties varied between 4.2% and 5.9% (2024: 4.2% and 5.3%).
- Reversionary yields for the UK properties varied between 5.0% and 6.3% (2024: 5.0% and 6.0%).
- Expected market rentals.

INTER-RELATIONSHIP BETWEEN UNOBSERVABLE INPUTS AND FAIR VALUE MEASUREMENT

The overall valuations are sensitive to the assumptions listed above. The impact of vacancy is deemed to be immaterial on the valuations as the majority of the Group's leases are long dated, with no view of material vacancies in the portfolio in the near future. Management deems that the range of possible alternative assumptions is greatest for the exit capitalisation rates. The impact of changing the significant unobservable inputs on the fair value of investment property is detailed in note 8.

ACQUISITION OF PROPERTY SUBSIDIARIES

Where the Group obtains control of entities that own investment properties, or when the Group acquires properties or a group of properties collectively, an evaluation is performed as to whether such acquisitions should be accounted for as business combinations or acquisitions in terms of IAS 40 Investment Properties. An acquisition is not considered to be a business combination if at the date of the acquisition of the entity the integrated activities deemed necessary to generate a business are not present. The Group concluded that all acquisitions of properties in the current financial year were of this nature. Therefore these were accounted for in terms of IAS 40 Investment Properties.

LEASE TERM

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

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

4 INVESTMENT PROPERTY (CONTINUED)

4.1 RECONCILIATION OF INVESTMENT PROPERTY

	SA					UK			
R'000	LOGISTICS	INDUSTRIAL	PROPERTIES UNDER DEVELOPMENT	ZONED INDUSTRIAL LAND[2]	RIGHT-OF-USE ASSET	LOGISTICS	STRATEGIC LAND HOLDINGS[2]	LAND OPTIONS[4]	TOTAL
BALANCE AS AT 28 FEBRUARY 2023	**13 125 935**	**356 894**	**1 320 513**	**912 801**	**27 758**	**6 734 950**	**1 179 143**	**100 552**	**23 758 546**
Acquisitions	560 000	—	62 570	211 752	—	—	—	—	**834 322**
Improvements and extensions	62 790	30	—	—	—	—	—	—	**62 820**
Construction and development costs[3]	—	—	2 408 052	97 830	—	—	276 897	27 770	**2 810 549**
Transfers[1]	1 110 658	108 044	(1 482 507)	(246 226)	(5 977)	(2 415 381)	(1 401 449)	—	**(4 332 838)**
Letting commission capitalised	4 170	—	2 335	—	—	437	—	—	**6 942**
Letting commission amortised	(3 172)	—	—	—	—	(708)	—	—	**(3 880)**
Lease incentives capitalised	246	—	—	—	—	—	—	—	**246**
Lease incentives amortised	(4 137)	—	—	—	—	—	—	—	**(4 137)**
Remeasurements	—	—	—	—	4 701	—	—	—	**4 701**
Fair value adjustment	223 086	5 428	44 792	(64 821)	(6 225)	220 756	130 539	—	**553 555**
Disposals	—	—	—	—	—	(244 186)	—	—	**(244 186)**
Foreign exchange gain	—	—	—	—	—	635 661	96 596	26 139	**758 396**
BALANCE AS AT 29 FEBRUARY 2024	**15 079 576**	**470 396**	**2 355 755**	**911 336**	**20 257**	**4 931 529**	**281 726**	**154 461**	**24 205 036**
Acquisitions	—	—	—	142 289	—	—	—	—	**142 289**
Improvements and extensions	88 519	9 778	—	—	—	—	—	—	**98 297**
Construction and development costs[3]	—	—	1 135 355	88 072	—	—	22 149	32 789	**1 278 365**
Transfers[1]	2 650 258	(120 000)	(3 286 580)	(225 787)	(13 755)	—	(12 292)	(87 883)	**(1 096 039)**
Letting commission capitalised	10 955	—	—	—	—	—	—	—	**10 955**
Letting commission amortised	(6 551)	—	—	—	—	(826)	—	—	**(7 377)**
Lease incentives capitalised	8 779	490	—	—	—	—	—	—	**9 269**
Lease incentives amortised	(980)	(42)	—	—	—	—	—	—	**(1 022)**
Remeasurements	—	—	—	—	8 887	—	—	—	**8 887**
Fair value adjustment	495 732	(1 797)	—	(118 334)	(5 470)	22 113	(202 040)	—	**190 204**
Impairment	—	—	—	—	—	—	—	(54 768)	**(54 768)**
Disposals	—	—	—	—	—	—	(82 918)	(39 748)	**(122 666)**
Foreign exchange loss	—	—	—	—	—	(212 783)	(6 625)	(4 851)	**(224 259)**
BALANCE AS AT 28 FEBRUARY 2025	**18 326 288**	**358 825**	**204 530**	**797 576**	**9 919**	**4 740 033**	**—**	**—**	**24 437 171**

[1] Transfers relates to the following:
- i) Land which has been zoned and serviced and is available for a development to commence;
- ii) Land where a development has commenced;
- iii) Investment properties under development which have been completed;
- iv) Properties that are being refurbished;
- v) Properties, vacant land and land options that have been recognised as held-for-sale (note 4.2); and
- vi) Land and developments which are held as trading property (note 5).

[2] Zoned industrial land is land parcels that have the necessary zoning rights and have been prepared for developments. Strategic land holdings are land parcels for which the necessary zoning rights are being obtained.

[3] Includes borrowing costs capitalised of R258 million (2024: R352 million).

[4] Land held through long-term option agreements that are exercisable at a future date subject to receiving planning consent.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

4 INVESTMENT PROPERTY (CONTINUED)

4.2 INVESTMENT PROPERTY HELD-FOR-SALE[1]

	SA			UK			
	LOGISTICS	INDUSTRIAL	ZONED INDUSTRIAL LAND	LOGISTICS	STRATEGIC LAND HOLDINGS	LAND OPTIONS	TOTAL
BALANCE AS AT 28 FEBRUARY 2023	**1 133 070**	**—**	**—**	**1 204 563**	**—**	**—**	**2 337 633**
Transfers	527 951	—	—	2 428 356	—	1 388 593	**4 344 900**
Improvements	4 609	—	—	—	—	—	**4 609**
Letting commission capitalised	1 825	—	—	—	—	—	**1 825**
Letting commission amortised	(2 462)	—	—	—	—	—	**(2 462)**
Lease incentive amortised	(101)	—	—	—	—	—	**(101)**
Straight-lining of leases adjustment	(1 109)	—	—	—	—	—	**(1 109)**
Fair value adjustment	(2 652)	—	—	—	—	—	**(2 652)**
Foreign exchange gain	—	—	—	9 248	—	—	**9 248**
Disposal	(1 191 782)	—	—	(1 947 036)	—	(1 388 593)	**(4 527 411)**
BALANCE AS AT 29 FEBRUARY 2024	**469 349**	**—**	**—**	**1 695 131**	**—**	**—**	**2 164 480**
Transfers	908 360	120 000	19 300	—	12 292	87 883	**1 147 835**
Improvements	(47)	—	—	—	—	—	**(47)**
Letting commission amortised	(1 171)	—	—	(205)	—	—	**(1 376)**
Lease incentive amortised	(479)	—	—	—	—	—	**(479)**
Straight-lining of leases adjustment	(12 104)	—	—	27 957	—	—	**15 853**
Fair value adjustment	(394)	—	—	(25 579)	—	—	**(25 973)**
Foreign exchange loss	—	—	—	(100 427)	—	—	**(100 427)**
Disposal	(1 363 514)	—	—	(876 022)	—	—	**(2 239 536)**
BALANCE AS AT 28 FEBRUARY 2025	**—**	**120 000**	**19 300**	**720 855**	**12 292**	**87 883**	**960 330**

[1] Note has been further disaggregated during the current year

Investment property held-for-sale at year-end includes properties comprising of one non-core property and one land parcel in the Western Cape, two logistics properties, land and land options in the UK. The Group has concluded sale agreements for all SA properties and UK land and land options and transfer is expected during FY26. The UK logistics properties are being actively marketed with transfer expected in the next 12 months.

During the year, an additional 11 income-producing properties (all situated in Gauteng) were transferred to held-for-sale and disposed of before year end. All assets were disposed of at fair value.

All properties held-for-sale in the prior year were sold in the current year, except for two logistics properties in the UK.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

4 INVESTMENT PROPERTY (CONTINUED)

4.3 STRAIGHT-LINING LEASE INCOME ACCRUAL

R'000	2025	2024
Contractual lease receivables are as follows:		
Within one year	1 865 344	1 714 254
Within two years	1 865 501	1 662 142
Within three years	1 830 134	1 656 220
Within four years	1 777 935	1 609 959
Within five years	1 755 688	1 555 741
Beyond five years	15 873 044	12 898 404
	24 967 646	**21 096 720**
Less: lease revenue on a straight-line basis	(23 514 061)	(19 949 187)
Recognised as held-for-sale	(41 572)	(26 334)
STRAIGHT-LINING LEASE INCOME ACCRUAL	**1 412 013**	**1 121 199**

The Group has assessed the impact of ECL on the straight-lining lease income accrual. The Group deems the impact to be immaterial and any negative impacts would be reflected in the fair value of investment property.

4.4 EXTERNAL VALUATIONS

External property valuations were obtained from the following independent valuers:

- Knight Frank Proprietary Limited, Mills Fitchet Magnus Penny, CBRE Excellerate, and Premium Valuation Services in SA
- Cushman & Wakefield Debenham Tie Leung Limited, Savills (UK) Limited and Jones Lang LaSelle IP, Inc. in the UK

The valuers are considered to hold the relevant professional qualifications with experience in the location and category of the investment properties valued.

Refer to note 8 for the fair value disclosure.

R'000	2025	2024
Portfolio externally valued	24 847 080	21 622 957
Investment properties encumbered as security against the Group's loan facilities	10 720 041	14 358 956

The majority of the Group's leases are fully repairing and insuring with the average lease expiring after 14.0 years (2024: 12.6 years). SA leases contain contractual escalations over the lease where UK leases contain rent reviews after every 5 years.

5 TRADING PROPERTY

ACCOUNTING POLICY

Trading properties comprise of land acquired, and property under development with the intention of disposing for a profit in the ordinary course of business. Trading properties are recognised at the lower of cost and net realisable value. Costs include all costs of purchase, transaction costs, costs of conversion, capitalised interest and other costs incurred in bringing the properties to their present condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and make the sale.

Trading properties under development takes longer than 12 months to complete, however, the asset can be sold in its current state should the contracting party intend to complete the sale prior to completion of the property. Trading properties are transferred to investment properties when there is a change of intention which results in the Group concluding that it will recover the future economic benefits from the asset through holding the asset for capital appreciation and/or to generate rental income in the long-term.

R'000	2025	2024
Opening balance	948 685	748 448
Transfers from Investment Property (note 4.1)	—	12 856
Capital expenditure[1]	1 630 260	160 756
Disposals[2]	(1 614 458)	(46 813)
Impairment	(51 573)	(12 855)
Foreign exchange (loss)/gain	(12 058)	86 293
CLOSING BALANCE	**900 856**	**948 685**

[1] Includes costs capitalised of R89 million (2024: R89 million).

[2] Includes trading property disposed through the sale of Equites Newlands Junction 24 Ltd of R72 million.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

6 LOANS AND BORROWINGS

ACCOUNTING POLICY

Borrowings are initially recognised at fair value (net of any transaction costs) and subsequently at amortised cost. Borrowings are generally long-term in nature and are classified as non-current liabilities, except to the extent that amounts are contractually repayable in the 12 months from the reporting date.

Borrowings are classified as financial liabilities and are measured at amortised cost using the effective interest rate method.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Non-current liabilities held-for-sale comprise of financial instruments that are excluded from the measurement scope of IFRS 5 Non-current assets held-for-sale and Discontinued Operations and continue to be measured at amortised cost using the effective interest rate method. Non-current liabilities held-for-sale are presented separately from loans and borrowings in the statement of financial position.

R'000	2025	2024
NON-CURRENT LIABILITIES		
Secured bank loans	3 689 393	5 175 391
Unsecured bank loans	2 565 000	1 765 000
Unsecured bonds and commercial paper	4 076 000	2 565 000
Loan fees	(25 766)	(37 348)
	10 304 627	**9 468 043**
CURRENT LIABILITIES		
Secured bank loans	607 282	1 225 786
Unsecured bonds and commercial paper	847 000	1 314 968
Accrued interest	74 968	91 150
	1 529 250	**2 631 904**
LOANS AND BORROWINGS	**11 833 877**	**12 099 947**

The fair values of loans and borrowings are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature. Fair value is determined in accordance with Level 3 fair value methodology.

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 7.

R'000	2025	2024
6.1 RECONCILIATION OF LOANS AND BORROWINGS		
OPENING BALANCE		
Debt balance	12 046 145	11 259 734
Loan fees	(37 348)	—
Accrued interest	91 150	94 855
OPENING LOANS AND BORROWINGS	**12 099 947**	**11 354 589**
Opening balance	12 099 947	11 354 589
Proceeds from borrowings	8 153 508	13 522 423
Repayment of borrowings	(8 257 691)	(13 181 531)
Foreign exchange (gain)/loss	(157 287)	400 142
Loan fees paid and amortised	11 583	8 029
Movement in accrued interest	(16 183)	(3 705)
LOANS AND BORROWINGS	**11 833 877**	**12 099 947**
CLOSING BALANCE		
Debt balance	11 784 675	12 046 145
Loan fees	(25 766)	(37 348)
Accrued interest	74 968	91 150
LOANS AND BORROWINGS	**11 833 877**	**12 099 947**
6.2 SOURCES OF DEBT FUNDING		
JSE-listed debt	4 223 000	3 845 000
Absa	815 000	815 000
Aviva Commercial Finance	2 444 484	2 554 713
HSBC UK Bank	307 282	735 318
Investec	200 000	200 000
Nedbank	2 100 000	1 850 000
RMB	1 400 000	1 750 786
Standard Bank of South Africa	1 700 000	2 100 000
TOTAL DEBT FACILITY	**13 189 766**	**13 850 817**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

6 LOANS AND BORROWINGS (CONTINUED)

6.3 TERMS AND REPAYMENT SCHEDULE

The terms and conditions of outstanding loans are as follows:

AT 28 FEBRUARY 2025	CURRENCY	NOMINAL INTEREST RATE[1]	MATURITY	BALANCE R'000
Secured bank loans	GBP	3.92%	2032	2 444 485
Secured bank loans	ZAR	3mJ+1.35%	2025-2027	1 544 908
Secured bank loans	GBP	S+2.22%	2025	307 282
Unsecured bank loans	ZAR	3mJ+1.43%	2026-28	2 765 000
Unsecured bonds	ZAR	3mJ +1.32%	2025-2031	4 523 000
Unsecured commercial paper	ZAR	3mJ +0.925%	2025	200 000
DEBT BALANCE				**11 784 675**

AT 29 FEBRUARY 2024	CURRENCY	NOMINAL INTEREST RATE[1]	MATURITY	BALANCE R'000
Secured bank loans	GBP	3.92%	2032	2 554 713
Secured bank loans	ZAR	3mJ+1.48%	2024-27	2 685 360
Secured bank loans	GBP	S+2.22%	2025	735 318
Secured bank loans	GBP	S+1.60%	2024	425 786
Unsecured bank loans	ZAR	3mJ+1.45%	2024-28	1 799 968
Unsecured bonds	ZAR	3mJ +1.48%	2024-28	3 645 000
Unsecured commercial paper	ZAR	3mJ +1.00%	2024	200 000
DEBT BALANCE				**12 046 145**

[1] Nominal interest rate: weighted average rate where more than one loans have been aggregated by maturity bucket
3mJ: 3 month JIBAR
S: SONIA

R'000	2025	2024

6.4 MATURITY PROFILE

The earliest contractual maturity date of outstanding loans is profiled as follows:

R'000	2025	2024
Within one year	1 454 282	2 540 753
Within two years	2 344 908	2 017 678
Within three years	1 621 000	1 750 000
Within four years	1 900 000	1 033 000
Within five years	1 370 000	1 900 000
Beyond five years	3 094 485	2 804 714
DEBT BALANCE	**11 784 675**	**12 046 145**

6.5 FINANCIAL COVENANTS

The Group has a number of debt facility agreements which contain various financial covenants. Across all of these facility agreements, the strictest of Group financial covenants require the Group to maintain a LTV ratio of no more than 50%, an interest coverage ratio of at least 2 times, net asset value ("NAV") in excess of R8 billion, unencumbered properties of at least R2 billion and an unencumbered asset ratio of at least 20%[3]. All of these financial covenants have been complied with during the reporting period.

FINANCIAL COVENANT	REQUIREMENT	2025	2024
Net asset value	≥ R8 billion	R17.6 billion	R16.9 billion
Unencumbered properties	≥ R2 billion	R17.7 billion	R14.7 billion
Loan-to-value ratio	≤ 50%	36.0%	39.6%
Interest coverage ratio (note 7.4.4 contains further analysis of interest rate risk)	≥ 2 times	2.3 times	2.2 times
Unencumbered asset ratio	≥ 20%	62.3%	50.6%

[3] A single loan within PLP requires the maintenance of an LTV ratio below 40%, and an ICR above 2.5x. This loan has met these covenants for the year under review.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

R'000	2025	2024
6 LOANS AND BORROWINGS (CONTINUED)		
6.6 SUSTAINABILITY-LINKED KEY PERFORMANCE INDICATORS		
NEDBANK REVOLVING CREDIT FACILITY (30180251)	—	**110 361**

The Group entered into a R750 million 3-year sustainability-linked revolving credit facility with Nedbank in February 2023. The loan has two key performance indicators, and an annual measurement date of 30 September. If either of the SPTs are not met, the interest payable under the note will be increased by 3bp per annum. The changes in these rates will be reflected in the period in which the change occurs. The sustainability performance targets are:

- All new building developments are to be EDGE and/or BREEAM certified.
- Renewable energy as a proportion of total energy consumption needs to increase by 20% per annum.

During the period under review, the Group achieved both SPTs on the abovementioned sustainability-linked RCF. This facility was undrawn at 28 February 2025.

R'000	2025	2024
STANDARD BANK OF SOUTH AFRICA FACILITY F	—	**800 000**

The Group entered into a R800 million 3-year sustainability-linked loan with Standard Bank in October 2021. The loan has three key performance indicators, and an annual measurement date of 30 September. If two or more of the SPTs are met, the interest payable under the note will be reduced by up to 3bp per annum and if one or less SPTs are met, the interest payable will be increased by up to 3bp per annum. The changes in these rates will be reflected in the period in which the change occurs. The sustainability performance targets are:

- All new building developments are to be EDGE and/or BREEAM certified.
- Renewable energy as a proportion of total energy consumption needs to increase by 15% per annum.
- Enterprise and supplier development spend needs to increase by 20% per annum.

During the period under review, the Group achieved all three SPTs on the abovementioned sustainability-linked loan. This loan was repaid on maturity in October 2024.

R'000	2025	2024
RMB GREEN LOAN	—	**225 000**

The Group entered into a R225 million 4-year green loan with RMB in September 2021. The loan is deemed to be a sustainability-linked note in compliance with the Loan Market Association ("LMA") Green Loan Principles by virtue of the loan proceeds being applied to two IFC EDGE certified properties: Equites Park Meadowview 19A and 19B. Due to the sustainable design of these two properties, they have significant energy usage, water usage and embodied energy savings. This loan was repaid in June 2024.

R'000	2025	2024
SUSTAINABILITY-LINKED FUNDING	—	**1 135 361**
Non-current	—	335 361
Current	—	800 000

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

7 FINANCIAL RISK MANAGEMENT

ACCOUNTING POLICY

FINANCIAL ASSETS

Financial assets at fair value through profit or loss are investments which were acquired principally for the purpose of selling in the short-term. These financial assets therefore are not classified either at amortised cost or fair value through other comprehensive income. Such assets are classified as current or non-current based on their expected maturity.

Financial assets at fair value through profit or loss are carried at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group's derivative financial instruments comprise of interest rate and foreign exchange rate instruments and are either assets or liabilities and are classified as current or non-current based on the termination date of the instrument. Purchases and settlements of derivative financial instruments are initially recognised on the trade date at fair value and are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of derivative financial instruments are included as fair value adjustments in profit and loss together with the related interest and/or other income. Realised gains and losses in respect of interest rate derivatives are presented in finance costs. Income accrued on currency derivative instruments are presented within other net gains or losses.

The Group does not apply hedge accounting and does not enter into derivative contracts for trading or speculative purposes. Any references to hedging refers to economic hedges.

FINANCIAL GUARANTEES

Financial guarantees issued are initially recognised at fair value and are subsequently measured at the higher of:

- The loss allowance determined as expected credit loss under IFRS 9 and
- The amount initially recognised (fair value) less any cumulative amount of amortisation on a straight-line basis over the term of the guarantee.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk (note 7.2);
- Liquidity risk (note 7.3); and
- Market risk, including interest rate and foreign exchange risk (note 7.4).

7.1 RISK MANAGEMENT FRAMEWORK

The Company's Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group Risk and Capital Committee is responsible for developing the Group's risk management policies, and evaluating and improving the effectiveness of risk management, control and governance processes within the Group. 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 to mitigate risks, 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. In respect of financial reporting risks, the Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and the Group Risk and Capital Committee reviews the adequacy of the risk management framework in relation to the risks faced by the Group. Both committees report regularly to the Board of directors on activities.

CAPITAL MANAGEMENT

The Group has continued to pursue the strategic objective of maintaining a robust capital base while providing consistent returns to shareholders. This goal is achieved through a careful balance of equity and debt management, which allows the Group to sustainably grow the business while reducing the cost of capital. The Group remains committed to maintaining an optimal capital structure that aligns with the best practices in the industry, utilising various mechanisms such as issuing new shares, raising new debt, or selling assets to reduce debt. The Group employs various measures to monitor capital, including the calculation of a loan-to-value ("LTV") ratio – the ratio of net debt to the fair value of property assets – consistent with others in the industry. The Group aims for an LTV ratio that aligns with the capital structure, with a focus on ensuring that the business is appropriately structured to reduce risk and maximise the ability to take advantage of potential future opportunities.

7.2 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 arises principally from the Group's receivables from customers and vendor loans. Credit risk also arises from the Group's cash balances and derivative financial instruments (where these are in an asset position) held with financial institutions. The carrying amounts of financial assets represent the maximum credit exposure. Impairment losses on financial assets recognised in profit or loss relate to trade and other receivables.

The Group deposits funds and trades derivative instruments with various financial institutions in both SA and the UK. From a credit risk perspective, the Group places reliance on the published credit ratings of the major rating agencies together with the Group's own analysis and research.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

R'000			2025	2024
7 FINANCIAL RISK MANAGEMENT (CONTINUED)				
7.2 CREDIT RISK (CONTINUED)				
7.2.1 FINANCIAL ASSETS				
FINANCIAL ASSETS AT FAIR VALUE				
Derivatives not specifically designated as hedging instruments (note 7.2.2)			100 982	205 367
FINANCIAL ASSETS AT AMORTISED COST				
Cash and cash equivalents (note 9)			1 527 169	493 253
Trade and other receivables (note 11)			1 039 096	872 464
Loan receivable (note 12)			95 007	57 454
FINANCIAL ASSETS			**2 762 254**	**1 628 538**
Total current			2 609 647	890 396
Total non-current			152 607	738 142

7.2.2 DERIVATIVE FINANCIAL ASSETS

The Group is exposed to credit risk in relation to derivative financial instruments which have a mark-to-market value in favour of the Group. The breakdown of this exposure both by derivative instrument type and by counterparty is as follows.

FOREIGN CURRENCY LONG TERM DEPOSIT RATINGS	MOODY'S	S&P	2025	2024
Absa Bank	Ba2	BB-	16 291	33 012
HSBC UK Bank	A1	AA-	6 926	19 093
Nedbank	Ba1	BB-	29 802	91 275
RMB	Ba2	BB-	19 630	8 836
Standard Bank of South Africa	Ba2	BB-	6 497	34 785
Investec	Ba2	BB-	21 836	18 366
DERIVATIVES WITH A POSITIVE MARK-TO-MARKET VALUATION BY COUNTERPARTY			**100 982**	**205 367**
Interest Rate Swaps			92 779	176 967
Interest Rate Derivatives			4 581	21 216
FX Zero-Cost Collars			3 622	7 184
DERIVATIVES WITH A POSITIVE MARK-TO-MARKET VALUATION BY INSTRUMENT			**100 982**	**205 367**

7.3 LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities as they become due. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors its net liquidity position on a continuous basis by means of expected cash flows. The Group seeks to reduce liquidity risk through the regular review of the maturity profile of financial liabilities to reduce refinancing risk, utilising facilities with differing maturities to reduce maturity concentration and by employing revolving credit and other similar facilities.

7.3.1 FINANCING ARRANGEMENTS

The Group had R1.5 billion (2024: R1.45 billion) of revolving credit facilities as at 28 February 2025, of which R1.41 billion (2024: R1.40 billion) was undrawn at year-end. The Group also had R1.53 billion in cash at year end (2024: R493 million).

	2025		2024	
MATURITY[1]	DEBT BALANCE	UNDRAWN FACILITIES	DEBT BALANCE	UNDRAWN FACILITIES
Within one year	1 454 282	1 250 000	2 540 753	665 033
Within two years	2 344 908	155 092	2 017 678	639 639
Within three years	1 621 000	—	1 750 000	500 000
Within four years	1 900 000	—	1 033 000	—
Within five years	1 370 000	—	1 900 000	—
Beyond five years	3 094 487	—	2 804 714	—
DEBT AND BANKING FACILITIES	**11 784 677**	**1 405 092**	**12 046 145**	**1 804 672**

[1] The disclosure relating to the maturity profile of the loans has been expanded. As a result, the maturity profile in the prior year comparatives have been expanded accordingly.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

R'000	2025	2024
7 FINANCIAL RISK MANAGEMENT (CONTINUED)		
7.3 LIQUIDITY RISK (CONTINUED)		
7.3.2 FINANCIAL LIABILITIES		
FINANCIAL LIABILITIES AT FAIR VALUE		
Derivatives not specifically designated as hedging instruments (note 7.4.2)	41 702	57 073
FINANCIAL LIABILITIES AT AMORTISED COST		
Trade and other payables (note 16)	449 752	531 050
Financial Guarantee (note 7.3.4)	10 000	10 000
Loans and borrowings (note 6)	11 833 877	12 099 947
FINANCIAL LIABILITIES	**12 335 331**	**12 698 070**
Total current	1 993 418	3 097 921
Total non-current	10 341 913	9 600 149

7.3.3 MATURITIES OF FINANCIAL LIABILITIES

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative and derivative financial liabilities. The amounts disclosed in the tables for non-derivative financial liabilities are the contractual undiscounted cash flows, and the amounts for derivatives are the current mark-to-market valuations. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

2025	REPAYABLE WITHIN ONE YEAR OR ON-DEMAND	REPAYABLE BETWEEN ONE AND TWO YEARS	REPAYABLE BETWEEN TWO AND THREE YEARS	REPAYABLE BETWEEN THREE AND FOUR YEARS	REPAYABLE BETWEEN FOUR AND FIVE YEARS	REPAYABLE BEYOND FIVE YEARS	TOTAL
Debt	1 454 282	2 344 908	1 621 000	1 900 000	1 370 000	3 094 487	11 784 677
Interest repayments	903 750	792 050	612 206	487 687	341 818	236 740	3 374 251
Trade and other payables	503 977	7 653	6 685	6 996	6 518	5 806	537 635
Derivatives	1 083	20 953	12 877	6 789	—	—	41 702
TOTAL	**2 863 092**	**3 165 564**	**2 252 768**	**2 401 472**	**1 718 336**	**3 337 033**	**15 738 265**

2024							
Debt	2 540 753	2 017 678	1 750 000	1 033 000	1 900 000	2 804 714	12 046 145
Interest repayments	935 673	738 236	581 627	445 783	365 471	218 518	3 285 308
Trade and other payables	497 758	5 337	4 072	4 157	4 288	15 438	531 050
Derivatives	11 183	9 500	36 272	—	—	118	57 073
TOTAL	**3 985 367**	**2 770 751**	**2 371 971**	**1 482 940**	**2 269 759**	**3 038 788**	**15 919 576**

[1] The maturity profile has been expanded. As a result the prior year comparative has been updated accordingly.

The interest payments on variable interest rate loans and bond issues in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above table as interest rates and exchange rates change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

7.3.4 FINANCIAL GUARANTEE

The Group provided a financial guarantee in favour of Nedbank in terms of which the Group guarantees the fulfilment of Mabel Black Knight Investments 1 Proprietary Limited's obligations to Nedbank, limited to R10 million. Nedbank will release this security once Mabel's LTV reaches 50% or less and ICR of 2 times.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

7 FINANCIAL RISK MANAGEMENT (CONTINUED)

7.4 MARKET RISK

Market risk is the risk that changes in market prices will affect the Group's income or the value of its holdings of financial instruments. From the Group's perspective, the main market risks at present pertain to interest rates (both in SA and the UK) and foreign exchange rates (principally the GBP/ZAR exchange rate). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivatives to manage market risks. All such transactions are carried out within the Group's treasury policy guidelines set by the Risk and Capital Committee.

The Group does not apply hedge accounting and does not enter into derivative contracts for trading or speculative purposes.

7.4.1 MANAGING INTEREST RATE BENCHMARK REFORM AND ASSOCIATED RISKS

OVERVIEW

The South African Reserve Bank ("SARB") embarked on a process to replace the Johannesburg Interbank Average Rate ("JIBAR") in response to global reforms of interbank rates. In November 2022 the SARB began publishing the South African Rand Overnight Index Average ("ZARONIA"). In early November 2023, the SARB designated ZARONIA as the successor rate to replace JIBAR. The observation period for ZARONIA ended on 3 November 2023 and the SARB has indicated that market participants may use the published ZARONIA as a reference rate in pricing financial contracts going forward. The SARB has indicated that the transition from JIBAR to ZARONIA is a multi-year initiative and has not yet communicated a cessation date for JIBAR. The Group currently has a number of contracts which reference ZAR JIBAR, all of which have yet to transition to an alternative benchmark interest rate as at 28 February 2025. These contracts are disclosed within the table below. The use of an alternative reference rate is not expected to have a material impact on the Group's assessment of interest rate risk.

DERIVATIVES

The Group holds derivatives, including interest rate swaps, for risk management purposes which have floating legs that are indexed to ZAR JIBAR. The Group's derivative instruments are governed by contracts based on ISDA master agreements. The transition from ZAR JIBAR to an alternative secured overnight financing rate (ZARONIA) may occur at different times for the hedged item and hedging instrument, which may lead to hedge ineffectiveness. The Group will endeavour to match the timing of the transition of liabilities referenced to ZAR JIBAR with the timing of the transition of derivatives related to those liabilities to the extent possible.

R'000	2025	2024
LIABILITIES EXPOSED TO ZAR JIBAR MATURING AFTER YEAR END		
Long-term debt	9 032 908	8 330 328
Derivatives	41 156	48 533
TOTAL	**9 074 064**	**8 378 861**

7.4.2 DERIVATIVE INSTRUMENTS

The Group utilises a range of derivative instruments to hedge market risks. The Group does not enter into derivative instruments for speculative purposes. All derivative instruments are valued at mark-to-market. The table below describes the reason for the utilisation of the derivative instruments employed by the Group.

DERIVATIVE	RISK MITIGATION
INTEREST RATE SWAPS AND DERIVATIVES	The Group enters into derivative financial instruments to manage its exposure to interest rates by hedging the interest rate exposure on floating rate loans.
DUAL CURRENCY DEPOSITS	The Group enters into short-term financial instruments to obtain higher investment yields when currency flows and liquidity permit.
FX AVERAGE RATE ZERO-COST COLLARS AND FORWARDS	The Group enters into foreign exchange derivatives to manage exposure to foreign exchange risk by forward selling foreign currency according to predetermined foreign income hedging levels.

R'000	NOTIONAL VALUE		MARK-TO-MARKET VALUE	
DERIVATIVE INSTRUMENTS	2025	2024	2025	2024
Interest rate swaps	6 682 307	7 204 961	75 265	176 967
Interest rate derivatives	200 000	1 000 000	(19 060)	(27 317)
FX zero-cost collars	258 796	337 350	3 075	3 483
FX average rate forwards	—	56 227	—	(4 839)
TOTAL	**7 141 103**	**8 598 538**	**59 280**	**148 294**
Derivative financial assets (note 7.2.2)			100 982	205 367
Derivative financial liabilities (note 7.3.2)			(41 702)	(57 073)

£'000	2025	2024
GBP-referenced instruments	24 316	48 086

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

7 FINANCIAL RISK MANAGEMENT (CONTINUED)

7.4 MARKET RISK (CONTINUED)

7.4.3 CURRENCY & TRANSLATION RISK

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which revenue, costs, receivables and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are the ZAR and GBP. Most of the Group's external revenue and costs arise within SA and are denominated in South African Rand. Where the Group's foreign operations trade and are funded in their functional currency, this limits their exposure to foreign exchange volatility. Therefore, the Group's policy is, wherever possible, that funding should be secured in a currency to match the currency of the underlying rental cashflows to minimise foreign exchange volatility through natural hedges. Where this is not possible at competitive rates, the Group enters into derivative instruments to hedge foreign currency, capital purchases, purchase and sale commitments, interest expense and foreign currency investments. The Group currently partially finances the UK through a combination of SA debt and equity and therefore has foreign exchange exposure on its capital investment in the UK.

	2025	2024
The following exchange rates have been applied:		
GBP/ZAR average rate	23.2822	23.3853
GBP/ZAR year-end spot rate	23.2808	24.3306
£'000		
7.4.3.1 EXPOSURE TO CURRENCY RISK		
The summary quantitative data about the Group's exposure to currency risk on financial assets and financial liabilities is as follows:		
Trade and other receivables	34 625	30 045
Cash and cash equivalents	6 861	17 678
Derivatives	429	2 941
Secured bank loans – UK institutions	(118 199)	(135 222)
Secured bank loans – SA institutions	—	(17 500)
Trade payables	(4 208)	(26 314)
NET STATEMENT OF FINANCIAL POSITION EXPOSURE	**(80 492)**	**(128 372)**
Next 12 months forecast distributable income	6 573	10 221
NET FORECAST TRANSACTION EXPOSURE	**6 573**	**10 221**
NET EXPOSURE	**(73 919)**	**(118 151)**

7.4.3.2 HEDGING OF CAPITAL INVESTMENT – TRANSLATION RISK

The table below shows the carrying amounts of the Group's foreign currency assets and liabilities.

£'000	2025	2024
Foreign assets	351 184	371 573
Foreign liabilities	(150 563)	(179 701)
FOREIGN NET ASSETS	**200 621**	**191 872**

7.4.3.3 HEDGING OF CASH FLOW

Cash flows from Group operations in the UK are exposed to movements in the GBP/ZAR exchange rate. To manage the impact of currency volatility, the Group has a policy of using financial derivative instruments to hedge the foreign exchange risk of at least 80% of its 12 month projected forward net operating cashflow and 40% of its 12-24 month projected forward net operating cashflow derived in foreign currency. Historically, development funding requirements exceeded net operating rental cashflows in the UK and cash flows were retained in the UK and reinvested into developments, eliminating the requirement for cash flow hedges. Net operating income is hedged using monthly average forwards and collars (refer hedging of distributable earnings in note 7.4.3.4), and this policy and associated trades will remain in place, thereby continuing to hedge UK operating cashflows in line with our policy. Any material non-operating cashflows will be analysed and adjudicated on a case-by-case basis, and where these are inflows, taking into account the repayment of debt and any associated hedging positions.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

7 FINANCIAL RISK MANAGEMENT (CONTINUED)

7.4 MARKET RISK (CONTINUED)

7.4.3 CURRENCY & TRANSLATION RISK (CONTINUED)

7.4.3.4 HEDGING OF DISTRIBUTABLE EARNINGS

The Group utilises natural hedges to minimise its exposure of fluctuations in foreign exchange rates on its distributable earnings to the full extent possible. The Group settles interest expenses on GBP-denominated loans and derivative hedges in GBP, which partially hedges its foreign exchange rate exposure. In relation to the residual exchange rate risk, the Group assesses the likely impact on the funds to be received from its foreign operations of reasonably possible changes in the GBP/ZAR exchange rate using financial modelling and hedges its exposure to this exchange rate. The Group has implemented a base hedging level for funds expected to be earned from its UK operations in the next 24 months in line with the below policy.

- Hedge 80% of the income projected to be received in the following 6 months;
- Hedge 70% of the income projected to be received in months 7 to 12;
- Hedge 45% of the income projected to be received in months 13 to 18; and
- Hedge 30% of the projected income to be received in months 19 to 24.

The average 12-month minimum hedging level is 75%, and the level of income hedging tapers off with later maturities to provide the Group with limited upside in relation to the GBP/ZAR exchange rate. As time elapses, each maturity will move closer towards the initial period and therefore the amount of Group income hedged will increase in line with the above policy. As at 28 February 2025, the Group had hedged net income to be received over the next 24 months as follows.

SIX-MONTH PERIOD ENDING	EFFECTIVE HEDGING LEVEL	BLENDED PARTICIPATION FLOOR	BLENDED PARTICIPATION CAP
31 August 2025	80%	R23.66/£	R25.42/£
28 February 2026	70%	R23.66/£	R26.12/£
31 August 2026	45%	R23.43/£	R25.79/£
28 February 2027	30%	R23.30/£	R26.19/£

7.4.3.5 SENSITIVITY ANALYSIS TO EXCHANGE RATES

The sensitivity analysis applies two standard deviations ("2SD") above and below the GBP/ZAR 52-week simple moving average exchange rate. This includes the impact of currency hedging and assumes that other macroeconomic factors remain unchanged.

An analysis of the sensitivity of changes in exchange rates has been performed in relation to net profit, total equity and distributable earnings:

	2025		2024	
	2SD GBP/ZAR STRENGTH	2SD GBP/ZAR WEAKNESS	2SD GBP/ZAR STRENGTH	2SD GBP/ZAR WEAKNESS
Spot exchange rate	24.0311	22.5305	25.6113	23.0499
Average exchange rate	24.0325	22.5319	24.6659	22.1046
Distributable earnings (R'000)	1 627	(1 627)	42 613	(41 433)
Net profit (R'000)	973	(973)	26 509	(35 917)
Total equity (R'000)	150 525	(150 525)	276 124	(276 124)

7.4.4 INTEREST RATE RISK

The Group is exposed to interest rate risk on loans advanced, interest-bearing borrowings and cash and cash equivalents. The Group adopts a proactive interest rate risk management policy in order to achieve a low cost of debt whilst mitigating against interest rate risk. It is the Group's policy to hedge at least 80% of the interest rate risk of all debt with a contractual maturity greater than one year either using interest rate derivatives or entering into fixed-rate loan agreements. The Group aims to limit debt with a contractual maturity of one year or less to below 20% of all debt. With regard to the sensitivity to interest rates, the Group aims to ensure that the increase in the cost of debt is less than 250bp for a 500bp increase in interest rates.

R'000	2025	2024
7.4.4.1 INTEREST RATE DERIVATIVE INSTRUMENTS		
The following table depicts the nominal value of the interest rate derivative instruments which the Group has utilised to hedge floating rate liabilities:		
JIBAR-linked interest rate swaps	6 375 000	6 035 000
JIBAR-linked interest rate derivatives	200 000	1 000 000
SONIA-linked interest rate swaps	307 307	1 169 961
TOTAL INTEREST RATE DERIVATIVES	**6 882 307**	**8 204 961**
Weighted average maturity	Jan 2027	Nov 2025

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

7 FINANCIAL RISK MANAGEMENT (CONTINUED)
7.4 MARKET RISK (CONTINUED)
7.4.4 INTEREST RATE RISK (CONTINUED)
7.4.4.2 HEDGING EFFECTIVENESS

The Group regularly assesses the adequacy of its interest rate cover by analysing the effective interest rate hedges on total committed future financing cash outflows.

HEDGE EFFECTIVENESS AS AT 28 FEBRUARY 2025

R'000	INTEREST RATE HEDGES ZAR-DENOMINATED	GBP-DENOMINATED	TOTAL
MATURITY PROFILE			
Within one year	1 125 000	232 808	1 357 808
Within two years	2 850 000	74 499	2 924 499
Within three years	2 100 000	—	2 100 000
Within four years	500 000	—	500 000
INTEREST RATE HEDGES	**6 575 000**	**307 307**	**6 882 307**

INTEREST HEDGE COVER	TARGET	FACILITIES	BALANCES
Hedge cover maturing greater than one year	≥80%	82.7%	83.4%
Short-term debt as a percentage of total debt balance	<20%	3.8%	1.7%
Debt cost change	<250bp for 500bp move	140bp	n/a

R'000	FACILITIES FLOATING	FACILITIES FIXED	FACILITIES TOTAL	BALANCES FLOATING	BALANCES FIXED	BALANCES TOTAL
MATURITY PROFILE						
Short-term debt balance (excluding accrued interest)	500 000	—	500 000	200 000	—	200 000
Long-term debt balance (excluding accrued interest)	2 204 282	—	2 204 282	1 254 282	—	1 254 282
Within one year	2 704 282	—	2 704 282	1 454 282	—	1 454 282
Within two years	1 876 250	—	1 876 250	1 798 549	—	1 798 549
Within three years	1 621 000	—	1 621 000	1 621 000	—	1 621 000
Within four years	1 675 450	—	1 675 450	1 675 450	—	1 675 450
Within five years	1 370 000	—	1 370 000	1 370 000	—	1 370 000
Beyond five years	650 000	2 444 484	3 094 484	650 000	2 444 484	3 094 484
DEBT BALANCE TO BE HEDGED	**9 896 982**	**2 444 484**	**12 341 466**	**8 569 281**	**2 444 484**	**11 013 765**
Debt not required to be hedged	848 300	—	848 300	770 913	—	770 913
DEBT BALANCE	**10 745 282**	**2 444 484**	**13 189 766**	**9 340 194**	**2 444 484**	**11 784 678**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

7 FINANCIAL RISK MANAGEMENT (CONTINUED)
7.4 MARKET RISK (CONTINUED)
7.4.3 CURRENCY & TRANSLATION RISK (CONTINUED)
7.4.4.2 HEDGING EFFECTIVENESS (CONTINUED)

HEDGE EFFECTIVENESS AS AT 29 FEBRUARY 2024

R'000	INTEREST RATE HEDGES ZAR-DENOMINATED	INTEREST RATE HEDGES GBP-DENOMINATED	INTEREST RATE HEDGES TOTAL
MATURITY PROFILE			
Within one year	2 860 000	391 382	3 251 382
Within two years	1 125 000	243 306	1 368 306
Within three years	2 550 000	535 273	3 085 273
Within five years	500 000	—	500 000
INTEREST RATE HEDGES	**7 035 000**	**1 169 961**	**8 204 961**

R'000	FACILITIES FLOATING	FACILITIES FIXED	FACILITIES TOTAL	BALANCES FLOATING	BALANCES FIXED	BALANCES TOTAL
MATURITY PROFILE						
Short-term debt balance (excluding accrued interest)	525 250	—	525 250	217 316	—	217 316
Long-term debt balance (excluding accrued interest)	2 555 786	—	2 555 786	2 305 786	—	2 305 786
Within one year	3 081 036	—	3 081 036	2 523 102	—	2 523 102
Within two years	2 657 318	—	2 657 318	2 017 678	—	2 017 678
Within three years	1 751 000	—	1 751 000	1 500 500	—	1 500 500
Within four years	1 033 000	—	1 033 000	1 033 000	—	1 033 000
Within five years	1 675 450	—	1 675 450	1 675 450	—	1 675 450
Beyond five years	250 000	2 554 713	2 804 713	250 000	2 554 713	2 804 713
DEBT BALANCE TO BE HEDGED	**10 447 804**	**2 554 713**	**13 002 517**	**8 999 730**	**2 554 713**	**11 554 443**
Debt not required to be hedged	848 300	—	848 300	491 702	—	491 702
DEBT BALANCE	**11 296 104**	**2 554 713**	**13 850 817**	**9 491 432**	**2 554 713**	**12 046 145**

INTEREST HEDGE COVER	TARGET	FACILITIES	BALANCES
Hedge cover maturing greater than one year	≥80%	75.7%	83.1%
Short-term debt as a percentage of total debt balance	<20%	3.8%	1.8%
Debt cost change	<250bp for 500bp move	166bp	n/a

7.4.4.3 SENSITIVITY ANALYSIS TO INTEREST RATES

The Group has calculated the sensitivity of changes in interest rates on net profit assuming a 50bp parallel shift of the yield curve in either direction. As the main component of the movement in net profit for the year would arise from an accounting mismatch whereby derivatives are fair valued and the related financial liabilities are not, the Group has also outlined the impact of changes in interest rates on distributable earnings which it considers to be more appropriate. The sensitivity analysis includes the impact of interest rate hedging and it assumes that other macroeconomic factors remain unchanged.

R'000	2025 +50BP	2025 -50BP	2024 +50BP	2024 -50BP
Distributable earnings	(12 283)	12 283	(13 572)	8 988
Net profit	(12 220)	12 220	17 918	(34 534)

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

8 FAIR VALUE MEASUREMENT

Assets and liabilities recognised and subsequently measured at fair value are categorised into a three-tier hierarchy that reflects the significance of the inputs used in the valuation technique. The levels of the hierarchy are defined as follows:

Level 1 – unadjusted, quoted prices in an active market for identical assets and liabilities. Quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 – valuation techniques using inputs that are observable either directly (i.e. as prices other than quoted prices that are included in level 1) or indirectly (i.e. from derived prices).

Level 3 – valuation techniques using inputs that are not based on observable market data (unobservable inputs).

R'000	LEVEL OF HIERARCHY	2025	2024
ASSETS AND LIABILITIES MEASURED AT FAIR VALUE			
FINANCIAL ASSETS			
Derivative financial instruments (note 7.2.2)	Level 2	100 982	205 367
FINANCIAL LIABILITIES			
Derivative financial instruments (note 7.3.2)	Level 2	(41 702)	(57 073)
NON-FINANCIAL ASSETS			
Investment properties[1] (note 4)	Level 3	25 849 184	25 171 774

[1] Excluding Investment property held-for-sale and land options at cost

There have been no transfers between level 1, level 2 or level 3 during the period under review. Derivative financial instruments are measured with reference to observable market inputs (interest rates, yield curves, FX rates) based on mid-market levels.

SENSITIVITY OF FAIR VALUES TO CHANGES IN UNOBSERVABLE INPUTS (LEVEL 3):

Valuation of income-producing investment property is sensitive to changes in unobservable inputs used in determining fair value.

2025 (R'000)	EXIT CAPITALISATION RATES		DISCOUNT RATES		MARKET RENTALS		INCOME CAPITALISATION YIELDS	
Change in input	-0.1%	+0.1%	-0.1%	+0.1%	+5%	-5%	-0.5%	0.5%
Increase/(decrease) in fair value:								
SA Industrial	244 520	(215 151)	235 695	(224 046)	417 339	(404 734)	—	—
UK Industrial	—	—	—	—	—	—	561 853	(454 899)

2024 (R'000)	EXIT CAPITALISATION RATES		DISCOUNT RATES		MARKET RENTALS		INCOME CAPITALISATION YIELDS	
Change in input	-0.1%	+0.1%	-0.1%	+0.1%	+5%	-5%	-0.5%	0.5%
Increase/(decrease) in fair value:								
SA Industrial	222 775	(199 040)	201 309	(199 072)	404 839	(385 072)	—	—
UK Industrial	—	—	—	—	—	—	563 348	(460 104)

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

9 CASH AND CASH EQUIVALENTS

ACCOUNTING POLICY
Cash comprises cash on hand and positive bank balances. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and not subject to a significant risk of a change in value.

R'000	2025	2024
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Current accounts	294 571	460 369
Cash on call	1 232 598	32 884
CASH AND CASH EQUIVALENTS	**1 527 169**	**493 253**

Cash and cash equivalents comprise amounts which are immediately available and the carrying amounts are equivalent to the fair values.

Cash on call to the value of R24.2 million includes restricted cash relating to tenant deposits held in 32-day call accounts.

All cash and cash equivalents and derivative financial assets are held with reputable financial institutions. Cash balances are only retained for working capital requirements.

The Group is exposed to credit risk on cash deposits at financial institutions. Included in the cash on call account is tenant deposits. This cash has been deposited into 32 day call accounts with First Rand Bank Limited. The breakdown of this exposure by counterparty is as follows:

FOREIGN CURRENCY LONG TERM DEPOSIT RATINGS	MOODY'S	S&P	2025	2024
Absa	Ba2	BB-	13 522	15 565
HSBC UK Bank	A1	A+	82 805	51 369
Investec Bank	Ba2	BB-	179 071	74 617
FirstRand Bank Limited	Ba2	BB-	24 341	23 246
Nedbank	Ba2	BB-	1 062 823	17 267
Royal Bank of Scotland	A1	A+	54 937	309 844
Standard Bank of South Africa	Ba2	BB-	109 670	1 345
CASH AND CASH EQUIVALENTS			**1 527 169**	**493 253**

10 NON-CONTROLLING INTERESTS

ACCOUNTING POLICY
Non-controlling interest ("NCI") is disclosed in equity, separately from the equity of the owners of the parent. NCI is initially measured at the fair value of the consideration to acquire the minority interest in the subsidiary. Subsequently, the NCI's share of profit or loss and other comprehensive income is attributable to the NCI recognised in equity less any dividends paid to them.

CRITICAL ESTIMATES AND JUDGEMENTS

CONSOLIDATION OF STRUCTURED ENTITY

The Group assisted in the incorporation of the Michel Lanfranchi Foundation NPC ("MLF") which houses all the corporate social responsibility projects and initiatives of the Group. The main objective of MLF is to contribute to educational infrastructure at primary, secondary and tertiary education level, as well as to facilitate bursaries and scholarships to deserving individuals. Equites was instrumental in the formation of MLF and is currently the only source of donation income to the Foundation.

The Group has applied judgement in determining the treatment of the relationship with MLF. An IFRS 10 assessment has been performed to determine if the Group controls MLF and its subsidiaries. While the Group does not have influence over the board's decision making or operations of MLF, the board of MLF also serve as board members of Equites. The IFRS 10 assessment concluded that the Group should consolidate MLF and its subsidiary.

POWER OVER MLF

The relevant activities of the Foundation include the collection of donation fee income in order to fulfil its mandate of contributing to educational infrastructure at primary, secondary and tertiary education level, as well as to facilitate bursaries and scholarships to deserving individuals. At present, these activities are only made possible through the donations provided by Equites. The directors of MLF provide a budget to Equites at the beginning of each financial period which details the intended projects for the upcoming year. On an annual basis, the Equites board determines the amount it wishes to allocate to the Foundation and continually monitors the allocated budget against the actual spend.

RIGHT TO VARIABLE RETURNS

As MLF is an NPC, there are no variable returns as the intention is purely philanthropic.

ABILITY TO USE ITS POWER OVER MLF TO CONTROL THE AMOUNT OF RETURNS

As MLF is an NPC, there are no variable returns as the intention is purely philanthropic.

Through the above assessment it was concluded that MLF shall be consolidated by Equites in respect of its Group consolidated financial statements.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

10 NON-CONTROLLING INTERESTS (CONTINUED)

CRITICAL ESTIMATES AND JUDGEMENTS

CONSOLIDATION OF PLUMBAGO INVESTMENT PLATFORM PROPRIETARY LIMITED ("PIP")

Equites and Eskom Pension and Provident Fund ("EPPF") established a strategic venture in respect of a logistics campus let to DSV Solutions. To determine whether Equites exercises control over PIP, the Group carefully assessed the below IFRS10 considerations.

POWER OVER PIP

The business of the PIP group is broadly defined to include a number of activities of a property company, with the main relevant activity relating to the selecting, acquiring and disposing of property assets. As this vehicle has third-party debt, a relevant activity also includes the ability to select and structure the funding in the vehicle. Decisions about the relevant activities of PIP are made by the board. Through its majority stake, Equites is able to appoint one additional director and is therefore able to direct decisions over the relevant activities. The substantive rights inferred through its majority stake also include the ability to appoint key management personnel, the ability to enter into significant transactions and the ability to dominate the nomination of members to PIP's board.

In the founding and operational agreements which govern PIP, EPPF has been granted a number of protective rights and the scope of PIP's activities have been partially restricted, however, it is conclusive that Equites has the substantive right to direct the relevant activities of PIP such that it has power over PIP.

RIGHT TO VARIABLE RETURNS

Equites, as a holder of 51% of the equity in PIP, remains exposed to both downside risks and upside potential as a result of the broad scope of the business that PIP can conduct and through its ability to direct the activities that are undertaken by PIP.

ABILITY TO USE ITS POWER OVER PIP TO CONTROL THE AMOUNT OF RETURNS

Equites' power over PIP gives Equites the ability to affect the amount of returns generated by PIP. As Equites actively manages the PIP group, Equites determines the amount of dividends to be declared by PIP.

Through the above assessment it was concluded that PIP shall be consolidated by Equites in respect of its consolidated financial statements and EPPF should be reflected as a 49% non-controlling interest at a Group level.

CRITICAL ESTIMATES AND JUDGEMENTS

CONSOLIDATION OF RETAIL LOGISTICS FUND (RF) PROPRIETARY LIMITED ("RLF")

Equites and Shoprite Checkers Proprietary Limited established a strategic venture in respect of Shoprite's distribution centres. Equites acquired a 50.1% stake in RLF on 4 November 2020, when the distribution centres transferred to RLF, with Shoprite holding the remaining 49.9%.

To determine whether Equites exercises control over RLF, the Group carefully assessed the below IFRS10 considerations.

POWER OVER RLF

The business of RLF is broadly defined to include a number of activities of a property company, with the main relevant activity relating to the selecting, acquiring and disposing of property assets and the related funding thereof. Decisions about the relevant activities of RLF are made by the board. Through its majority stake, Equites is able to appoint one additional director and is therefore able to direct decisions over the relevant activities. The substantive rights inferred through its majority stake also include the ability to appoint key management personnel, the ability to enter into significant transactions and the ability to dominate the nomination of members to RLF's board.

In the founding and operational agreements which govern RLF, Shoprite has been granted a number of protective rights and the scope of RLF's activities have been partially restricted, however, it is conclusive that Equites has the substantive right to direct the relevant activities of RLF such that it has power over RLF.

RIGHT TO VARIABLE RETURNS

Equites, as a holder of 50.1% of the equity in RLF, remains exposed to both downside risks and upside potential as a result of the broad scope of the business that RLF can conduct and through its ability to direct the activities that are undertaken by RLF.

ABILITY TO USE ITS POWER OVER RLF TO CONTROL THE AMOUNT OF RETURNS

Equites' power over RLF gives Equites the ability to affect the amount of returns generated by RLF. As Equites actively manages RLF, Equites determines the amount of dividends to be declared by RLF.

Through the above assessment it was concluded that RLF shall be consolidated by Equites in respect of its consolidated financial statements and Shoprite should be reflected as a 49.9% non-controlling interest at a Group level.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

10 NON-CONTROLLING INTERESTS (CONTINUED)

R'000	EQUITES NEWLANDS GROUP LIMITED	PLUMBAGO INVESTMENT PLATFORM PROPRIETARY LIMITED GROUP	RETAIL LOGISTICS FUND (RF) PROPRIETARY LIMITED	THE MICHEL LANFRANCHI FOUNDATION NPC GROUP	TOTAL
NCI %	**40%**	**49%**	**49.9%**	**100%**	
BALANCE AT 28 FEBRUARY 2023	**114 436**	**819 418**	**2 405 380**	**44 966**	**3 384 200**
Share of profit/(loss) for the year	(29 252)	120 943	288 715	(9 536)	**370 870**
Share of other comprehensive income for the year	9 209	—	—	—	**9 209**
Dividend declared	—	(48 270)	(153 734)	—	**(202 004)**
BALANCE AT 29 FEBRUARY 2024	**94 393**	**892 091**	**2 540 361**	**35 430**	**3 562 275**
Share of profit/(loss) for the year	50 559	115 415	300 358	7 904	**474 236**
Share of other comprehensive income for the year	(3 680)	—	—	—	**(3 680)**
Transactions with NCI[1]	(30 700)				**(30 700)**
Dividend declared	—	(51 289)	(165 688)	—	**(216 977)**
BALANCE AT 28 FEBRUARY 2025	**110 572**	**956 217**	**2 675 031**	**43 334**	**3 785 154**

[1] Transactions with NCI relate to the disposal of four subsidiaries (Equites Newlands (Junction 24) Limited, Equites Newlands (Junction 16) Limited, Equites Newlands (Rushden) Limited and Equites Newlands (Cambridge) Limited) (R26.0m) and the acquisition of the minority share in Equites Newlands Basingstoke Limited (R4.7m)

10.1 SHARE OF PROFIT FOR THE YEAR ATTRIBUTABLE TO NON-CONTROLLING INTEREST INCLUDES THE FOLLOWING:

	FOR THE YEAR ENDED 28 FEBRUARY 2025				
R'000	EQUITES NEWLANDS GROUP LIMITED	PLUMBAGO INVESTMENT PLATFORM PROPRIETARY LIMITED GROUP	RETAIL LOGISTICS FUND (RF) PROPRIETARY LIMITED	THE MICHEL LANFRANCHI FOUNDATION NPC GROUP	TOTAL
Fair value adjustment – investment property	—	42 003	38 332	10 033	**90 368**
Profit on sale of non-current asset	71 384	—	—	—	**71 384**
Fair value adjustment – derivatives	—	(1 831)	—	—	**(1 831)**
Straight-lining of leases adjustment	—	17 287	96 013	(2 168)	**111 132**
Net profit from developments	44 387	—	—	—	**44 387**
Items of a capital nature	23 305	—	—	—	**23 305**
ADJUSTMENT TO DISTRIBUTABLE EARNINGS	**139 076**	**57 459**	**134 345**	**7 865**	**338 745**
CONTRIBUTION TO DISTRIBUTABLE EARNINGS	**(88 517)**	**57 956**	**166 013**	**39**	**135 491**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

10 NON-CONTROLLING INTERESTS (CONTINUED)

10.1 SHARE OF PROFIT FOR THE YEAR ATTRIBUTABLE TO NON-CONTROLLING INTEREST INCLUDES THE FOLLOWING (CONTINUED):

	FOR THE YEAR ENDED 29 FEBRUARY 2024				
R'000	EQUITES NEWLANDS GROUP LIMITED	PLUMBAGO INVESTMENT PLATFORM PROPRIETARY LIMITED GROUP	RETAIL LOGISTICS FUND (RF) PROPRIETARY LIMITED	THE MICHEL LANFRANCHI FOUNDATION NPC GROUP	TOTAL
Fair value adjustment – investment property	—	46 821	46 801	1 923	**95 545**
Profit on sale of non-current asset	68 554	—	—	—	**68 554**
Fair value adjustment – derivatives	—	(465)	—	—	**(465)**
Straight-lining of leases adjustment	—	23 739	85 790	(735)	**108 794**
Net loss from trading properties and developments	(35 114)	—	—	—	**(35 114)**
Expenses of a capital nature	—	—	(435)	—	**(435)**
ADJUSTMENT TO DISTRIBUTABLE EARNINGS	**33 440**	**70 095**	**132 156**	**1 188**	**236 879**
DISTRIBUTABLE EARNINGS	**(62 692)**	**50 848**	**156 559**	**(10 724)**	**133 991**

10.2 SUMMARISED STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2025

R'000	EQUITES NEWLANDS GROUP LIMITED 100%	PLUMBAGO INVESTMENT PLATFORM PROPRIETARY LIMITED GROUP 100%	RETAIL LOGISTICS FUND (RF) PROPRIETARY LIMITED 100%	THE MICHEL LANFRANCHI FOUNDATION NPC GROUP 100%
SUMMARISED STATEMENT OF FINANCIAL POSITION				
Non-current assets	388 261	2 453 369	6 844 627	190 007
Current assets	952 634	138 354	147 463	428
TOTAL ASSETS	**1 340 895**	**2 591 723**	**6 992 090**	**190 435**
Non-current liabilities	—	619 555	1 449 194	145 550
Current liabilities	1 064 435	20 705	182 108	1 552
TOTAL LIABILITIES	**1 064 435**	**640 260**	**1 631 302**	**147 102**
NET ASSET VALUE	**276 460**	**1 951 463**	**5 360 788**	**43 333**
SUMMARISED STATEMENT OF COMPREHENSIVE INCOME				
Property revenue and tenant recoveries	—	215 444	603 990	22 956
Gross profit from trading properties and turnkey developments	474	—	—	—
Property operating and management expenses	—	(41 431)	(214 284)	(4 239)
Administrative costs	(5 592)	(526)	(671)	(804)
Other net gains	178 460	—	—	—
Finance cost	(57 670)	(77 527)	(59 722)	(16 597)
Current taxation	(8 885)	—	—	—
PROFIT FOR THE YEAR	**126 398**	**235 541**	**601 921**	**7 904**
SUMMARISED STATEMENT OF CASH FLOWS				
Cash flows from operating activities	(235 150)	(2 047)	93 272	(648)
Cash flows from investing activities	(75 811)	—	(543 963)	(2 575)
Cash flows from financing activities	69 187	—	559 533	3 150
Effect of exchange rate movements	(13 354)	—	—	—
NET CASH MOVEMENT	**(255 128)**	**(2 047)**	**108 842**	**(73)**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

10 NON-CONTROLLING INTERESTS (CONTINUED)

SUMMARISED STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2024

R'000	EQUITES NEWLANDS GROUP LIMITED	PLUMBAGO INVESTMENT PLATFORM PROPRIETARY LIMITED GROUP	RETAIL LOGISTICS FUND (RF) PROPRIETARY LIMITED	THE MICHEL LANFRANCHI FOUNDATION NPC GROUP
	100%	100%	100%	100%
SUMMARISED STATEMENT OF FINANCIAL POSITION				
Non-current assets	1 735 147	2 344 636	6 031 502	179 565
Current assets	351 071	132 030	165 509	144
TOTAL ASSETS	**2 086 218**	**2 476 666**	**6 197 011**	**179 709**
Non-current liabilities	—	629 452	948 467	142 400
Current liabilities	1 850 236	26 620	157 638	1 880
TOTAL LIABILITIES	**1 850 236**	**656 072**	**1 106 105**	**144 280**
NET ASSET VALUE	**235 982**	**1 820 594**	**5 090 906**	**35 429**
SUMMARISED STATEMENT OF COMPREHENSIVE INCOME				
Gross property revenue	823	246 081	644 595	21 201
Gross profit from trading properties and developments	(23 854)	—	—	—
Property operating and management expenses	(4 830)	(36 087)	(155 347)	(3 345)
Administrative cost	(20 344)	(494)	(1 499)	(564)
Other net gains	171 384	—	—	—
Finance cost	(165 450)	(70 751)	(10 290)	(16 613)
Current taxation	5 002	—	—	—
PROFIT/(LOSS) FOR THE YEAR	**(73 131)**	**246 823**	**578 587**	**(9 536)**
SUMMARISED STATEMENT OF CASH FLOWS				
Cash flows from operating activities	160 489	2 237	105 710	209
Cash flows from investing activities	517 135	—	(1 122 089)	(1 724)
Cash flows from financing activities	(396 050)	—	983 842	(6 869)
Effect of exchange rate movements	12 788	—	—	—
NET CASH MOVEMENT	**294 362**	**2 237**	**(32 537)**	**(8 384)**

11 TRADE AND OTHER RECEIVABLES

ACCOUNTING POLICY

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost less expected credit loss ("ECL"). Trade receivables are amounts due from tenants for contractual lease charges and recoveries and are classified as current assets unless recovery is expected more than 12 months from the reporting date. The fair value of trade and other receivables approximates the carrying amounts due to its short-term nature.

The Group has credit vetting procedures in place before entering into leases with new tenants. The Group's tenants are predominantly blue-chip companies and there were no significant concentrations of credit risk at year-end.

WRITE OFF POLICY

The Group recognised bad debts where it is reasonably certain that the amounts are non-recoverable or where the Group does not intend to pursue legal action to recoup the amount outstanding.

EXPECTED CREDIT LOSS ASSESSMENT – TENANT RECEIVABLES

Trade receivables are assessed for impairment at each reporting date. The Group applies the simplified approach permitted by IFRS 9: Financial Instruments, which requires lifetime ECL to be recognised from initial recognition of the trade receivable. This represents the ECL that will result from all possible default events over the expected life of the trade receivable. A tenant is considered to be in default if no payment is received within a month.

The Group makes use of a provision matrix based on the payment profile of trade receivables and the historical credit losses experienced over the period. Trade receivables are aggregated into groups of receivables that share similar credit risk characteristics. In assessing the appropriate grouping, we have considered the applicable region (South Africa or United Kingdom), tenant grading (A-grade, B-grade or C-grade) and credit life cycle (performing vs non-performing).

The historical loss rates are adjusted to reflect current and forward-looking information that could significantly impact the tenant's ability to settle the trade receivable. The forward-looking adjustment was based on the change in credit default risk of government bonds in South Africa (R2032) and the United Kingdom (10 year guild).

Deferred rent receivables form part of tenant receivables. ECL on these amounts have been assessed and are immaterial.

ECL is recorded in the loss allowance account until the Group is satisfied that no recovery of the amount owing is possible, at which point the amount is considered irrecoverable and is written off against trade receivables directly. Movements in ECL are included in property operating and management expenses in the statement of comprehensive income.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

11 TRADE AND OTHER RECEIVABLES (CONTINUED)

ACCOUNTING POLICY (CONTINUED)

EXPECTED CREDIT LOSS ASSESSMENT – OTHER RECEIVABLES

Deferred consideration: We have assessed the impact of expected credit losses on other receivables considering the probability of default, debtor's credit rating and potential recourses on the deferred consideration and deem the impact to be immaterial.

Sundry debtors: We have assessed the impact of expected credit losses considering the probability of default, debtor's credit rating and potential recourses on the other receivables and deem the fair value of the other receivables to be the consideration expected.

CRITICAL ESTIMATES AND JUDGEMENTS

VALUATION OF DEFERRED CONSIDERATION

Deferred purchase consideration consist of a contractual receivable in relation to the land sale at Newport Pagnell, UK, the ENGL disposal and the land sale at Lords View, Gauteng.

This receivable includes a significant financing component and is discounted to present value on initial recognition to the cash price equivalent that would be reflected in a separate financing transaction. The discount rate applied was determined using current market interest rates adjusted for the buyer's credit risk. The discount rate is not subsequently adjusted for changes in interest or other circumstances. The difference between the contracted amount and the deferred consideration is treated as interest income and is recognised over the period until actual receipt, using the effective interest method.

R'000	2025	2024
Gross trade receivables (tenants)	24 804	57 767
Deferred rent receivables	342	578
Loss allowance (note 11.3)	(1 652)	(2 564)
NET TENANT RECEIVABLES	**23 494**	**55 781**
Municipal and rental deposits	29 803	37 335
Supplier development loan (note 11.4)	23 000	10 000
Sundry debtors	111 774	128 831
Deferred consideration	724 087	609 607
Accrued income	114 205	17 268
Municipal receivables	29 595	9 923
VAT receivable	—	52 464
Prepaid expenses	29 428	76 841
Loss allowance – sundry debtors (note 11.5)	(22 431)	—
Other receivables	5 569	3 719
TRADE AND OTHER RECEIVABLES	**1 068 524**	**1 001 769**
Non-current	30 349	611 048
Current	1 038 175	390 721
CLASSIFICATION OF TRADE AND OTHER RECEIVABLES		
The Group's trade and other receivables have been classified as follows:		
Financial instruments at amortised cost	1 039 096	872 464
Non-financial instruments	29 428	129 305
TRADE AND OTHER RECEIVABLES	**1 068 524**	**1 001 769**

11.1 CREDIT QUALITY OF TRADE RECEIVABLES

R'000	2025	2024
The credit quality of trade receivables is evaluated with reference to available financial information and history with the Group and can be categorised into the following groups:		
A – Large multinational companies, large listed companies and government organisations	17 770	47 730
B – Smaller multinational and national tenants	222	246
C – Other local tenants and sole proprietors	6 812	9 791
GROSS TRADE RECEIVABLES	**24 804**	**57 767**

The maximum exposure to credit risk for trade and other receivables are the carrying values.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

11 TRADE AND OTHER RECEIVABLES (CONTINUED)

11.2 AGEING OF TRADE RECEIVABLES

The ageing of trade receivables as at year end was as follows:

	TRADE RECEIVABLES		DEFERRED RENT	
R'000	2025	2024	2025	2024
Current	16 920	45 408	342	578
1 – 30 days past due	3 211	2 695	—	—
31 – 60 days past due	1 242	1 252	—	—
61 – 90 days past due	1 225	1 255	—	—
91 days past due or more	2 206	7 157	—	—
TOTAL	**24 804**	**57 767**	**342**	**578**

11.3 EXPECTED CREDIT LOSS ALLOWANCE – TENANT RECEIVABLES

The ECL provision was determined as follows for trade receivables:

	EXPECTED CREDIT LOSS RATE		TRADE RECEIVABLES	
R'000	2025	2024	2025	2024
Current	0.00%	0.00%	—	—
1 – 30 days past due	27.03%	7.10%	868	191
31 – 60 days past due	15.90%	18.47%	198	231
61 – 90 days past due	29.22%	17.67%	358	222
91 days or more past due	10.32%	26.83%	228	1 920
LOSS ALLOWANCE			**1 652**	**2 564**

RECONCILIATION OF LOSS ALLOWANCE

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

R'000	2025	2024
Opening balance	2 564	2 477
Remeasurement of loss allowance	(912)	87
CLOSING BALANCE	**1 652**	**2 564**

Trade receivables of nil (2024: nil) have been written off during the year.

R'000	2025	2024
11.4 SUPPLIER DEVELOPMENT LOAN		
Damon at Sons Construction Proprietary Limited	23 000	10 000

These amounts were advanced to one of our suppliers as part of our supplier development programme and are unsecured, do not bear interest and have no fixed terms of repayment.

11.5 EXPECTED CREDIT LOSS ALLOWANCE – SUNDRY DEBTORS

The ECL provision was determined considering the expected fair value to be recovered.

RECONCILIATION OF LOSS ALLOWANCE

The following table shows the movement in the loss allowance for Sundry debtors:

R'000	2025	2024
Measurement of loss allowance	22 431	—
CLOSING BALANCE	**22 431**	**—**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

12 LOAN RECEIVABLE

ACCOUNTING POLICY
The Group holds loan receivables which is classified as a financial asset at amortised cost as the payments comprise solely principal and interest. Loans receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method less ECL.

EXPECTED CREDIT LOSS ASSESSMENT
Loan receivables are assessed for impairment at each reporting date. ECL assessment considers the current net asset value and liquidity situation of the borrowers, The ECL is calculated, considering forward-looking macroeconomic factors, likelihood of default based on repayment performance of the borrower and applying these to the amount owing and probability of default.

R'000	2025	2024
Mabel Black Knight Investments 1 Proprietary Limited	57 307	57 307
BOPA Moruo ERF 497 Proprietary Limited	29 500	—
Accrued interest income	8 785	147
Loss allowance (note 12.1)	(585)	—
LOAN RECEIVABLE	**95 007**	**57 454**
Current	11 651	3 013
Non-current	83 356	54 441

The Group concluded a single indivisible transaction in terms of Statement 102 of the Broad-Based Black Economic Empowerment Codes of Good Practice, whereby it disposed of six property assets located in the Western Cape to Mabel Black Knight Investments 1 Proprietary Limited ("Mabel"), a 100% black-owned consortium. The transaction was concluded in July 2022 and included the advancement of a five-year loan to Mabel of R59.8 million, which bears interest at the prime overdraft rate and interest is repayable quarterly, compounded monthly, and capital is repayable in four equal annual instalments of 5% of the loan advanced with the balance repayable on the loan termination date.

The BOPA Moruo ERF 497 Proprietary Limited ("BOPA") loan was concluded on 22 March 2024 in terms of a Statement 102 B-BBEE transaction and included the advancement of a five year loan to BOPA of R29.5 million, which bears interest at the prime overdraft rate and interest is payable quarterly, compounded monthly and capital is repayable on the termination of the loan.

R'000	2025	2024
12.1 EXPECTED CREDIT LOSS ALLOWANCE – LOAN RECEIVABLES		
The expected credit loss has been determined, taking into consideration interest payment history and the credit risk of the borrowers		
RECONCILIATION OF LOSS ALLOWANCE		
The following table shows the movement in the loss allowance for loan receivables:		
Measurement of loss allowance	585	—
CLOSING BALANCE	**585**	**—**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

13 STATED CAPITAL

ACCOUNTING POLICY

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares and share options are recognised as a deduction from equity.

TREASURY SHARES

Unvested restricted shares forfeited by employee participants of the CSP are classified as treasury shares. The cost price of these shares, together with related transaction costs, is deducted from equity. The issued and weighted average number of shares is reduced by the unvested restricted shares held by employee participants in terms of the CSP for the purposes of the basic and headline earnings per share calculations. Treasury shares are reallocated to issued shares when the shares have been allocated to an employee participant in terms of the CSP.

SHARE REPURCHASES AND CANCELLATIONS

Consideration paid for share buybacks, including any directly attributable incremental costs are deducted from equity. These shares are held as treasury shares until they have been cancelled by the JSE.

		NUMBER OF SHARES		AMOUNT (R'000)	
		2025	2024	2025	2024
13.1	**AUTHORISED SHARES**				
	Ordinary shares, of the same class and no par value	2 000 000 000	2 000 000 000	—	—
13.2	**ISSUED SHARES**				
	Ordinary shares, of the same class and no par value	835 179 723	780 684 498	12 964 582	12 257 584

The unissued shares are under the control of the directors (subject to limitations set by shareholders' resolutions) until the next annual general meeting.

		NUMBER OF SHARES		AMOUNT (R'000)	
		2025	2024	2025	2024
13.3	**RECONCILIATION OF ISSUED SHARES**				
	ORDINARY SHARES:				
	Opening balance	780 684 498	774 089 562	12 257 584	12 137 296
	Shares issued in respect of conditional share plan	785 593	—	10 551	—
	Shares issued in respect of share-based payment transactions (note 25.2)	—	12 857 794	—	196 069
	Shares issued in terms of dividend reinvestment programme	53 709 632	—	696 129	—
	Shares repurchased[1]	—	(6 262 858)	—	(75 497)
	Share issue costs	—	—	318	(284)
	ISSUED SHARES	**835 179 723**	**780 684 498**	**12 964 582**	**12 257 584**
	TREASURY SHARES:				
	Opening balance	2 877	43 549	55	831
	Treasury shares issued in terms of conditional share plan	(19 080)	(43 549)	(309)	(831)
	Shares forfeited in respect of conditional share plan	16 896	2 877	263	55
	TREASURY SHARES	**693**	**2 877**	**9**	**55**
	NET SHARE CAPITAL	**835 179 030**	**780 681 621**	**12 964 573**	**12 257 529**

[1] 2024: 6 727 838 shares repurchased between 01 March 2023 and 14 November 2023 at an average price of R12.06 per share.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

14 SHARE-BASED PAYMENT RESERVE

ACCOUNTING POLICY

For equity-settled share-based payment transactions, the Group measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the Group cannot estimate reliably the fair value of the goods or services received, the Group measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

The Group operates a conditional share plan, which is classified as an equity-settled share-based payment plan, under which it receives services from employees as consideration for equity instruments of the Group. Executive directors and all employees are beneficiaries under the scheme. The fair value of the employee services received in exchange for the grant of shares is recognised as an expense on a straight-line basis over the vesting period, with a corresponding adjustment to the share-based payment reserve.

The total amount expensed to profit or loss is determined by reference to the fair value rights to equity instruments granted, including any market performance conditions and excluding the impact of any non-market performance vesting conditions. Non-market performance vesting conditions are included in assumptions regarding the number of shares granted that are expected to vest. At the end of each reporting period, the Group revises its estimates of the number of shares granted that are expected to vest and recognises the impact of any changes in profit or loss with a corresponding adjustment to equity.

The effect of all conditional shares granted is taken into account when calculating diluted earnings and diluted headline earnings per share.

R'000	2025	2024
Conditional share plan (note 14.1)	38 431	30 570
SHARE-BASED PAYMENT RESERVE	**38 431**	**30 570**

14.1 CONDITIONAL SHARE PLAN

In terms of its conditional share plan, the Group has granted conditional shares to executive directors and staff.

Long-term incentive awards are granted annually in the form of conditional shares in Equites. The total quantum of shares (at face value) awarded for the year was set as 85% of TGP for the CEO and 80% of TGP for the COO and CFO based on the 30-day VWAP on the date of the award. For individual employees, awards are made based on individual employment contracts. All awards are subject to performance conditions and require the participant to be employed by the Group until the 31st May following the end of the 3-year performance period.

The full details of the scheme will be included in the remuneration report.

The CSP awards have been recognised as equity-settled share-based payments as a separate category within equity. The fair value of the conditional share plan charge has been measured using the Black-Scholes formula. The following assumptions were incorporated in the valuation:

ASSUMPTIONS	2022 AWARD GRANTED	2023 AWARD GRANTED	2024 AWARD GRANTED	2025 AWARD GRANTED
Maximum number of unvested instruments – Directors	1 263 941	1 816 864	2 203 685	2 290 437
Maximum number of unvested instruments – Other	595 249	1 085 717	1 004 001	—
Weighted average fair value of instruments at measurement date	39 712 289	44 873 915	28 846 241	31 847 021
Grant date	20 Feb 2022	27 Feb 2023	29 Feb 2024	26 Feb 2025
Vesting date	31 May 2027	31 May 2028	31 May 2029	31 May 2030
Issue price (30 day VWAP)	R21.36	R15.82	R13.83	R13.90
Forfeiture rate – conditional share plan	5.0%	5.0%	5.0%	5.0%
Forfeiture rate – matching shares	12.5%	12.5%	12.5%	12.5%
Dividend yield	10.0%	10.0%	10.0%	10.0%
Performance condition factor	188.0%	57.5%	75.0%	75.0%

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

	R'000	2025	2024
14	**SHARE-BASED PAYMENT RESERVE (CONTINUED)**		
14.1	**CONDITIONAL SHARE PLAN (CONTINUED)**		
14.1.1	**RECONCILIATION OF CONDITIONAL SHARE PLAN RESERVE**		
	Opening balance	30 570	22 316
	Expense recognised in profit or loss	18 458	14 646
	Shares issued[1]	(10 860)	(6 447)
	Shares forfeited (note 13.3)	263	55
	CLOSING BALANCE	**38 431**	**30 570**

[1] Issued shares are subject to a 2 year restriction as detailed above.

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price since listing. The expected forfeiture rate has been based on historical experience and general employee behaviour. On an annual basis, assumptions are adjusted with the availability of objective evidence. Where these result in changes in the non-market conditions of the scheme, the cumulative impact is charged to profit and loss in the year the adjustment is made.

After 3 years from grant date the participant may elect to defer the vesting of the applicable tranche of shares by a further 24 months. This election will result in the award being increased on a 3-for-1 basis (i.e. by 33.3%). The only further vesting condition will be for the participant to remain in the Group's employment for these 24 months. Should the employee leave within the 24 month period, the shares vest immediately, however, the employee forfeits the matching shares.

	NUMBER OF SHARES	2025	2024
14.1.2	**SHARES AVAILABLE FOR UTILISATION IN TERMS OF THE CONDITIONAL SHARE PLAN**		
	Maximum limit	20 000 000	20 000 000
	Opening unissued shares	16 019 152	16 512 917
	Shares issued	(804 673)	(493 765)
	CLOSING UNISSUED SHARES	**15 214 479**	**16 019 152**

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

14 SHARE-BASED PAYMENT RESERVE (CONTINUED)
14.1 CONDITIONAL SHARE PLAN (CONTINUED)
14.1.3 NUMBER OF SHARES ALLOCATED TO DIRECTORS IN TERMS OF THE AWARD SCHEME

2025	OPENING BALANCE	GRANTED	LAPSED	VESTED	CLOSING BALANCE	IFRS 2 CHARGE R'000	FAIR VALUE OF SHARES GRANTED R'000
Andrea Taverna-Turisan	2 922 373	993 989	(314 524)	(314 523)	3 287 315	2 512	13 821
Gerhard Riaan Gous	2 102 881	715 253	(226 325)	(226 324)	2 365 485	1 807	9 945
Laila Razack	1 708 741	581 195	(183 905)	(183 905)	1 922 126	1 469	8 081
	6 733 995	**2 290 437**	**(724 754)**	**(724 752)**	**7 574 926**	**5 788**	**31 847**

2024	OPENING BALANCE	GRANTED	LAPSED	VESTED	CLOSING BALANCE	IFRS 2 CHARGE R'000	FAIR VALUE OF SHARES GRANTED R'000
Andrea Taverna-Turisan	1 966 031	1 585 389	(448 196)	(180 851)	2 922 373	1 775	20 753
Gerhard Riaan Gous	1 414 715	1 140 815	(322 513)	(130 136)	2 102 881	1 585	14 933
Laila Razack	1 149 562	926 989	(262 064)	(105 746)	1 708 741	3 263	12 134
	4 530 308	**3 653 193**	**(1 032 773)**	**(416 733)**	**6 733 995**	**6 623**	**47 820**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

	R'000	2025	2024
15	**DEFERRED TAX ASSET AND LIABILITY**		
	Deferred tax asset	6	3 580
	Deferred tax liability	(198 209)	(151 423)
		(198 203)	**(147 843)**
	NET DEFERRED TAX LIABILITY		
	Capital allowances	(153 813)	(166 155)
	Capital loss unutilised	13 255	13 853
	Tax losses	32 424	73 669
	Fair value adjustment	(90 069)	(69 210)
		(198 203)	**(147 843)**
	RECONCILIATION OF DEFERRED TAX ASSET/(LIABILITY)		
	Opening balance	(147 843)	(179 186)
	Investment property – allowances utilised and recognised	5 173	2 671
	Tax losses recognised and utilised	32 426	(3 243)
	Capital loss (utilised)/recognised	(57 174)	13 315
	Fair value adjustment	(23 847)	33 023
	Foreign exchange movement	(6 938)	(14 423)
	CLOSING BALANCE	**(198 203)**	**(147 843)**
	Assessed losses for which no deferred tax asset is recognised	722 605	375 991

SOUTH AFRICA

The Group is a REIT as defined by section 25BB of the South African Income Tax Act which allows a deduction of the qualifying distribution to shareholders, limited to taxable income. To the extent that no tax will become payable in future as a result of section 25BB, no deferred tax was recognised on assessed losses and items such as IFRS® accounting adjustments. Deferred tax is not recognised on the fair value adjustment of investment properties as capital gains tax is not applicable in terms of section 25BB. In addition, section 25BB does not allow for allowances relating to immovable property. Allowances granted in prior years, before becoming a REIT must be recouped in the year the immovable property is sold. A deferred tax liability will be recognised on the recoupment to the extent it will result in a tax liability after the qualifying distribution deduction.

Only one SA subsidiary of the Group does not meet the definition of a controlled company as per section 25BB and therefore is eligible to recognised deferred tax on assessed losses which can be offset against future taxable income.

UNITED KINGDOM

A deferred tax asset/(liability) is recognised on all temporary differences relating to capital allowances, fair value adjustments and tax losses. A deferred tax asset is recognised to the extent that there are future taxable profits against which it can be offset. Recognised tax losses relate to tax obligations to HM Revenue and Customs under Corporations Tax.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

16 TRADE AND OTHER PAYABLES

ACCOUNTING POLICY

Trade and other payables are classified as financial liabilities where they meet the definition of a financial liability. These are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after year end.

Lease liabilities are initially measured at the present value of the future lease payments discounted using the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments and variable payments dependent on an index or a rate, initially measured using the index or rate as at the lease commencement date. It is remeasured when there is a change in the future lease cash flows arising from a change in the Group's assessment of whether it will exercise an extension or termination option or where variable payments become fixed.

Each sale agreement is analysed separately and an assessment is made on the fact pattern of each agreement to determine if any guarantees issued fall within the scope of IFRS 15 or IFRS 9. Rental guarantees which are related to the performance and quality of the property being sold and is contingent on the occurrence or non-occurrence of a future event, sellers apply the variable consideration guidance in IFRS 15. The rental guarantees are dependent on the occurrence or non-occurrence of a vacancy or lower rental achieved at a potential future date at the sold property, these therefore fall within the scope of IFRS 15. An estimated rental guarantee has been recognised as a liability taking into account the probability of a variable consideration to be paid at a future date. This amount reduces the net profit on sale (or increases the net loss on sale) recognised in net other gains and losses. Any subsequent changes in the rental guarantee will be adjusted against profit/loss on sale.

CRITICAL ESTIMATES AND JUDGEMENTS

MEASUREMENT OF LEASE LIABILITY

Equites pays land rental in Waterfall, Gauteng when the buildings are subleased. In determining the lease liability for the Waterfall leases, Equites looks to the lease term and lease payments of the underlying sub-lease agreement, in calculating the amount that will form part of the right-of-use asset and lease liability of the head lease agreement, as this portion has been determined to be in substance fixed.

MEASUREMENT OF RENTAL GUARANTEES

Property disposal agreements include provision for rental guarantees due to the purchaser. This provision ensures that the purchaser is guaranteed a fixed rental in the event that the tenant vacates or a specified rent and/or escalation is not achieved on renewal of the lease. Equites considers the likelihood of tenant vacancies as well as the best estimate of rent and escalations to be achieved upon renewal to determine the rental guarantee obligation at each reporting date.

R'000	2025	2024
Trade payables and accruals	334 296	430 154
Rent received in advance	135 968	104 932
Lease liabilities	27 771	32 897
Rental guarantees	32 214	12 103
Share-based payment liability	21 721	3 618
Shareholders for dividends	89	74
Tenant deposits	50 819	51 093
VAT payable	290 619	317 474
Other payables	4 563	4 728
TRADE AND OTHER PAYABLES	**898 060**	**957 073**
Current	814 043	889 397
Non-current	84 017	67 676
CLASSIFICATION OF TRADE AND OTHER PAYABLES		
The Group's trade and other payables have been classified as follows:		
Financial instruments at amortised cost	449 752	531 050
Non-financial instruments	448 308	426 023
TRADE AND OTHER PAYABLES	**898 060**	**957 073**

Refer to note 7.3 for liquidity risk disclosure for trade and other payables.

The fair value of trade and other payables approximates the carrying amounts.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

17 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICY

Property, plant and equipment are tangible assets held by the Group for administrative and operational purposes and are expected to be used during more than one period. All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment. The historical cost includes all expenditure that is directly attributable to the acquisition of the asset and is depreciated on a straight-line basis, from the date it is available for use, at rates appropriate to the various classes of assets involved, taking into account the estimated useful life and residual values of the individual items, as follows:

• Computer equipment	3 years
• Equipment	6 years
• Furniture and fittings	6 years
• Solar	5 years
• Buildings	20 years
• Land	n/a

The Group determines the estimated useful lives, residual values and the related depreciation charges at acquisition and these are reviewed at each statement of financial position date. If appropriate, adjustments are made and accounted for prospectively as a change in estimate.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other costs, including repairs and maintenance, are expensed as incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal or scrapping of property, plant and equipment, being the difference between the net proceeds on disposal or scrapping and the carrying amount, are recognised in profit or loss.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the Group's non-financial assets are reviewed for indicators of impairment at each reporting date. Where such indicators exist, the assets recoverable amount is estimated.

Where the carrying value of an asset exceeds its estimated recoverable amount, the carrying value is impaired and the asset is written down to its recoverable amount. The recoverable amount is calculated as the higher of the asset's fair value less cost to sell and the value in use. These calculations are prepared based on management's assumptions and estimates such as forecasted cash flows, management budgets and financial outlook. For the purpose of impairment testing the assets are allocated to cash-generating units. Cash-generating units are the lowest levels for which separately identifiable cash flows can be determined.

The Group assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for an asset has decreased or no longer exists and recognises a reversal of an impairment loss. Impairment losses are only reversed to the extent that they do not increase an asset's carrying value above the carrying value it would have been if no impairment loss had been recognised.

Impairment losses and reversal are recognised in profit or loss.

LEASES

The Group is a party to a lease in respect of its Cape Town office, situated in the Portside building.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is measured at the initial amount of the lease liability adjusted for any lease payments made in advance, plus any initial direct costs incurred less any lease incentives received. A right-of-use asset in relation to leased offices is recognised as Property, Plant and Equipment and depreciated on a straight-line basis over the lease term.

It is remeasured when there is a change in the future lease cash flows arising from a change in the Group's assessment of whether it will exercise an extension or termination option or where variable payments become fixed. Where the finance lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the underlying right-of-use asset.

CRITICAL ESTIMATES AND JUDGEMENTS

LEASE TERM

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

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

R'000	FURNITURE AND FITTINGS	EQUIPMENT	COMPUTER EQUIPMENT	BUILDINGS	LAND	SOLAR	RIGHT-OF-USE ASSET	TOTAL
Cost	14 113	636	2 593	7 899	1 551	—	10 443	37 235
Accumulated depreciation	(6 051)	(193)	(997)	(636)	—	—	(2 299)	(10 176)
CARRYING VALUE AT 28 FEBRUARY 2023	**8 062**	**443**	**1 596**	**7 263**	**1 551**	**—**	**8 144**	**27 059**
FOR THE YEAR ENDED 29 FEBRUARY 2024								
Opening carrying value	8 062	443	1 596	7 263	1 551	—	8 144	27 059
Additions	5 455	35	600	386	—	—	—	6 476
Right-of-use asset remeasurement	—	—	—	—	—	—	22	22
Depreciation charge for the year	(4 692)	(123)	(697)	(391)	—	—	(5 446)	(11 349)
Foreign exchange movements	160	—	(31)	—	—	—	—	129
CLOSING CARRYING VALUE	**8 985**	**355**	**1 468**	**7 258**	**1 551**	**—**	**2 720**	**22 337**
Cost	19 754	671	3 199	8 285	1 551	—	10 465	43 925
Accumulated depreciation	(10 769)	(316)	(1 731)	(1 027)	—	—	(7 745)	(21 588)
CARRYING VALUE AT 29 FEBRUARY 2024	**8 985**	**355**	**1 468**	**7 258**	**1 551**	**—**	**2 720**	**22 337**
FOR THE YEAR ENDED 28 FEBRUARY 2025								
Opening carrying value	8 985	355	1 468	7 258	1 551	—	2 720	22 337
Additions	51	—	584	800	—	9 564	—	10 999
Disposals	(2 042)	(16)	(148)	—	—	—	—	(2 206)
Right-of-use asset remeasurement	—	—	—	—	—	—	17 002	17 002
Depreciation charge for the year	(1 892)	(130)	(555)	(380)	—	(1 127)	(3 302)	(7 386)
Foreign exchange movements	(412)	—	20	—	—	—	—	(392)
CLOSING CARRYING VALUE	**4 690**	**209**	**1 369**	**7 678**	**1 551**	**8 437**	**16 420**	**40 354**
Cost	17 094	655	3 552	9 095	1 551	9 564	27 142	68 652
Accumulated depreciation	(12 404)	(446)	(2 183)	(1 417)	—	(1 127)	(10 722)	(28 299)
CARRYING VALUE AT 28 FEBRUARY 2025	**4 690**	**209**	**1 369**	**7 678**	**1 551**	**8 437**	**16 420**	**40 354**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

18 GROSS PROPERTY REVENUE

ACCOUNTING POLICY

Revenue comprises the following:

- Contractual rental income
- Tenant recoveries
- Sale of land held as trading property
- Proceeds from sale of turnkey developments
- Revenue from electricity generation

Contractual rental income from operating leases are recognised on a straight-line basis over the term of the lease taking into account fixed escalations. Lease incentives are recognised, on a straight-line basis, as a reduction of rental income over the lease period.

Tenant recoveries are levied monthly in arrears as a result of the Group recovering costs of providing the tenant with services as determined by the lease agreement. The Group negotiates the terms of the service, manages the relationship with the suppliers and is liable for payment (even if the property is vacant or the expense is not recovered from the tenant), and therefore maintains primary responsibility for providing the service. The Group acts as a principal on its own account when recovering operating costs from tenants. For certain service contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. These recoveries are variable and dependent on the cost/actual usage of the service provided.

Revenue is measured at the transaction price agreed under the contract. For arrangements that include deferred payment terms that exceed 12 months, the Group adjusts the transaction price for the financing component, with the impact recognised as interest income using the effective interest rate method over the period of the financing.

Property and asset management fees on assets under the Group's management are recognised, over the period which the service relates, in terms of the respective management agreements are recognised within other revenue

Rental income received in advance is recognised as a current liability as part of trade and other payables in the statement of financial position.

Land sale is recognised at a point in time, when the land is transferred to the buyer, at the consideration received for the land.

Revenue from developments is recognised over a period of time for the duration of the development. Revenue is recognised at the total consideration receivable for the development on a stage of completion basis.

Revenue from electricity generation is recognised as consumed by customers at the tariff agreed with the customer in terms of the power purchase agreements concluded.

CRITICAL ESTIMATES AND JUDGEMENTS

PRINCIPAL VERSUS AGENT CONSIDERATION

Determining whether the Group is the principal or agent for turnkey developments requires significant judgement.

Determining whether the Group is the principal or agent for turnkey developments (which includes revenue from developments) requires significant judgement.

The following factors were considered to understand the relationship and contractual arrangements between the various parties:

- The Group negotiates the maximum commitment in relation to the development and appoints all contractors and professionals.
- The building contractor has a duty to provide the construction, infrastructure, and related works according to specification, with due care and warranty however, the Group remains ultimately responsible for oversight, compliance and fulfilment of the development works to the point of practical completion.
- The Group combines third-party goods and services to provide the complete development works to the customer.
- The Group gains control of the infrastructure and building works through the various stages of completion.

Based on management's assessment of the contractual arrangement the Group is regarded as the principal to the contract.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

	R'000	2025	2024
18	**GROSS PROPERTY REVENUE (CONTINUED)**		
	Contractual rental income	1 817 164	1 694 157
	Tenant recoveries (note 18.2)	544 458	433 673
	PROPERTY REVENUE AND TENANT RECOVERIES	**2 361 622**	**2 127 830**
	Straight-lining of leases adjustment	370 427	334 539
	Revenue from developments[1]	1 523 251	21 537
	Revenue from electricity generation	857	—
	Other income	539	280
	GROSS PROPERTY REVENUE	**4 256 696**	**2 484 186**

[1] Revenue from trading properties and developments were disclosed in a separate note in the prior year

	R'000	2025	2024
18.1	**TENANTS COMPRISING >10% OF PROPERTY REVENUE AND TENANT RECOVERIES**		
	Shoprite Checkers Proprietary Limited	29.0%	22.8%
	DSV Solutions Proprietary Limited	11.7%	12.7%

Both these tenants are included in the SA Industrial segment.

Refer to note 31 for revenue disaggregation by sector, location and tenant grade.

	R'000	2025	2024
18.2	**TENANT RECOVERIES**		
	IFRS 16 variable recoveries	526 143	225 178
	IFRS 15 tenant recoveries[2]	18 315	208 495
	TOTAL	**544 458**	**433 673**

[2] The frequency and value of these recoveries are not detailed in the lease agreements as they are based on actual expenses incurred and therefore fall within the scope of IFRS 15.

	R'000	2025	2024
	PROPERTY OPERATING AND MANAGEMENT EXPENSES		
	Recoverable expenses	577 213	446 506
	Non-recoverable expenses	28 276	25 324
	TOTAL	**605 489**	**471 830**
19	**COST OF SALES**		
	Developments	1 542 326	46 813
	Solar generation	1 127	—
	Trading property impairment	51 573	12 855
	TOTAL	**1 595 026**	**59 668**

	R'000	2025	2024
20	**OTHER NET GAINS/(LOSSES)**		
	Income from foreign exchange derivative instruments	1 622	51 871
	Fair value adjustment on foreign exchange derivative instruments	4 432	102 242
	Insurance recoveries	364	(13)
	Gain /(Loss) on sale of subsidiary companies (note 20.1)	23 554	(49 780)
	Loss on sale of investment property	(40 185)	(100 047)
	Impairment on land options	(54 769)	—
	Foreign exchange gain/(loss)	29 035	(470 934)
	Sundry income	17 622	18 740
	TOTAL	**(18 325)**	**(447 921)**
20.1	**LOSS ON SALE OF SUBSIDIARY COMPANIES**		
	Gain/(loss) on sale of subsidiary companies	17 021	(118 610)
	Reclassification of FCTR	6 533	68 830
	TOTAL	**23 554**	**(49 780)**

Through the ENGL disposal, the Group disposed of its investment in four subsidiaries ("initial sale companies"), namely (Equites Newlands (Junction 24) Limited, Equites Newlands (Junction 16) Limited, Equites Newlands (Rushden) Limited and Equites Newlands (Cambridge) Limited) on 18 July 2024 for a consideration of £8.6 million (2024: Disposal of investment in Equites UK SPV 7 Limited and Equites UK SPV 8 Limited on 21 March 2023).

The below table summaries the transaction relating to the disposal of the initial sale companies:

R'000	NOTES	2025
PROCEEDS		**202 051**
Cash		108 782
Deferred consideration	11	93 269
ASSETS DISPOSED		**(194 797)**
Land and land options	4.1	(122 666)
Trading properties	5	(72 132)
NON-CONTROLLING INTEREST	10	**(25 983)**
Disposal related fees and foreign exchange difference		35 751
GAIN ON SALE OF SUBSIDIARY COMPANY		**17 021**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

	R'000	2025	2024
21	**EXPENSES BY NATURE**		
	Property management and operating expenses and administrative expenses comprise of the following:		
	Employee costs (note 21.1)	120 435	88 618
	Operating and administrative expenses (note 21.2)	667 964	536 544
	TOTAL PROPERTY MANAGEMENT AND ADMINISTRATIVE EXPENSES	**788 399**	**625 162**

ACCOUNTING POLICY

LOW VALUE LEASED ASSETS

Printing rentals for office printers is recognised in other operating expenses and has been separately disclosed below. The Group has applied the exemption in IFRS 16 for these assets and a lease liability and right-of-use asset has not been recognised for these assets.

SHORT-TERM EMPLOYEE BENEFITS

Wages, salaries, paid annual leave and other costs of short-term employee benefits are recognised as employee benefit expense in profit or loss in the period in which the services are rendered.

SHORT-TERM BONUSES

The Group recognises an expense in profit or loss and accrues for short-term bonuses in the statement of financial position where such payments can be contractually determined or where past practice has created a constructive obligation.

	R'000	2025	2024
21.1	**EMPLOYEE COSTS**		
	Employee remuneration	65 248	52 235
	Executive director remuneration (note 21.4)	36 209	30 828
	Non-executive directors fees (note 21.3)	5 872	5 876
	Share-based payment expense	34 365	7 999
	Capitalised to investment property	(21 259)	(8 320)
	TOTAL	**120 435**	**88 618**

	R'000	2025	2024
21.2	**OPERATING AND ADMINISTRATIVE EXPENSES**		
	Property rates and utility expenses	505 113	381 401
	Property operational costs	46 178	38 770
	Insurance costs	47 597	50 300
	Audit fees	6 488	5 851
	PricewaterhouseCoopers Inc.	4 430	4 164
	Cooper Parry LLP	2 058	1 687
	Bad debts	7 496	8
	Depreciation of property, plant and equipment (non-distributable)	6 259	11 349
	Loss allowance	21 977	86
	Marketing expense	5 426	3 911
	Non-audit fees	2 090	2 479
	PricewaterhouseCoopers Inc.	490	625
	Cooper Parry LLP	1 600	1 854
	Professional, secretarial and other administrative expenses	27 168	79 501
	Rental expense[1]	1 108	1 860
	Other operating expenses	18 232	14 305
	Capitalised to investment property	(27 168)	(53 277)
	TOTAL	**667 964**	**536 544**

[1] Rental expense relates to leases of low-value assets and short-term leases that are not shown as a right-of-use asset, under IFRS 16

	R'000	2025	2024
21.3	**NON-EXECUTIVE DIRECTORS FEES**		
	The following fees were paid to non-executive directors for their services as directors:		
	DIRECTOR		
	Leon Campher	1 086	1 024
	André Gouws	485	425
	Doug Murray	703	663
	Eunice Cross	657	620
	Fulvio Tonelli	858	794
	Keabetswe Ntuli	704	681
	Mustaq Brey	723	810
	Ndabezinhle Mkhize	656	587
	Ruth Benjamin-Swales (retired 17 August 2023)	—	272
	TOTAL	**5 872**	**5 876**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

21 EXPENSES BY NATURE (CONTINUED)

21.4 EXECUTIVE DIRECTOR REMUNERATION

	2025							
R'000	SALARY	BENEFITS	PERFORMANCE BONUS	OTHER FEES	TOTAL	DIVIDEND EQUIVALENT ON EOS	VALUE OF EQUITY-SETTLED SHARE-BASED PAYMENT INCENTIVES GRANTED[1]	TOTAL
Andrea Taverna-Turisan	5 835	113	6 472	—	12 420	3 100	5 183	20 703
Gerhard Riaan Gous	4 461	104	4 477	—	9 042	2 370	3 729	15 141
Laila Razack	3 625	79	3 607	40	7 351	1 926	3 030	12 307
TOTAL	**13 921**	**296**	**14 556**	**40**	**28 813**	**7 396**	**11 942**	**48 151**

	2024							
R'000	SALARY	BENEFITS	PERFORMANCE BONUS	OTHER FEES	TOTAL	DIVIDEND EQUIVALENT ON EOS	VALUE OF EQUITY-SETTLED SHARE-BASED PAYMENT INCENTIVES GRANTED[1]	TOTAL
Andrea Taverna-Turisan	5 505	103	5 505	—	11 113	2 172	2 743	16 028
Gerhard Riaan Gous	4 209	97	3 788	—	8 094	1 644	2 325	12 063
Laila Razack	3 420	40	3 078	20	6 558	1 247	3 864	11 669
TOTAL	**13 134**	**240**	**12 371**	**20**	**25 765**	**5 063**	**8 932**	**39 760**

[1] Further detail relating to share-based payments is included in note 14.1.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

22 FINANCE COST

ACCOUNTING POLICY
Interest expense is recognised using the effective interest method and expensed in the statement of profit or loss and other comprehensive income.

R'000	2025	2024
Interest expense on borrowings	1 052 600	973 572
Interest on lease liabilities	2 938	2 227
Finance costs relating to interest rate derivatives	20 368	22 737
Fair value loss/(gain) on interest rate derivatives	108 130	63 201
Interest on utility accounts and other	1 555	2 499
Borrowing costs capitalised to investment and trading property[1]	(334 967)	(441 255)
FINANCE COST	**850 624**	**622 981**

[1] The capitalisation rate applied during the year was 9.03% (2024: 9.1%) in relation to general borrowings and 3.5% (2024: 3.5%) in relation to specific borrowings.

RECONCILIATION OF FINANCE COST EXPENSE TO FINANCE COST PAID	2025	2024
Interest accrued opening balance	91 790	95 922
Finance costs	850 624	622 981
Fair value (loss)/gain on interest rate derivatives	(108 130)	(63 201)
Interest on lease liabilities	(2 938)	(2 227)
Loan fee amortisation	(14 034)	(18 536)
Loan fees paid	2 451	10 507
Borrowing costs capitalised to trading property	77 464	88 767
Interest accrued closing balance	(76 211)	(91 790)
FINANCE COST PAID	**821 016**	**642 422**

23 FINANCE INCOME

ACCOUNTING POLICY
Finance income comprises interest earned on positive bank balances, short-term investments and on overdue accounts. Interest is recognised in profit or loss using the effective interest rate method.

R'000	2025	2024
Interest received from tenants and other	1 596	2 016
Interest received on financial assets at fair value	156 206	178 962
Interest received on deferred consideration	58 204	6 147
Interest received on loan receivables	9 919	6 658
Interest received on call and current account balances	89 785	9 938
TOTAL	**315 710**	**203 721**

RECONCILIATION OF FINANCE INCOME TO FINANCE INCOME RECEIVED	2025	2024
Interest accrued opening balance	14 507	30 423
Finance income	315 710	203 721
Interest received on deferred consideration	(58 204)	(6 147)
Interest accrued closing balance	(24 027)	(14 507)
FINANCE INCOME RECEIVED	**247 986**	**213 490**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

24 TAXATION

ACCOUNTING POLICY

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position. Deferred income tax is recognised, using the liability method, for calculated income tax losses and temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is not recognised if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit nor loss.

Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised.

SOUTH AFRICAN TAX LAWS

The income tax expense for the period comprises current and deferred income tax and is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it will also be recognised in other comprehensive income or directly in equity as applicable. The Group is a REIT and all SA and IOM subsidiaries in the Group are "controlled companies" (as defined in the Income Tax Act), except for one SA company which is not a "property company" as defined by section 25BB. The Group applies judgement in determining what income sources constitute "rental income" as defined by section 25BB of the Income Tax Act. The Group is subject to tax at 27% in South Africa and any remaining taxable income, after deducting the section 25BB qualifying distribution, is subject to tax at the full corporate rate.

UNITED KINGDOM TAX LAWS

All UK operating subsidiaries are subject to Corporations Tax and the tax charge is calculated as 25% of taxable income. In the UK, the Group has sufficient tax losses to utilise against taxable income.

TAXATION FOR THE YEAR ENDED 28 FEBRUARY 2025

R'000	SA TAX	UK TAX	TOTAL
Current tax	849	8 885	9 734
Prior year	849	—	849
Current year	—	8 885	8 885
Deferred tax	62	56 684	56 746
Current year	62	56 684	56 746
TOTAL	**911**	**65 569**	**66 480**

TAXATION FOR THE YEAR ENDED 29 FEBRUARY 2024

R'000	SA TAX	UK TAX	TOTAL
TAX EXPENSE			
Current tax	11 211	(5 002)	6 209
Prior year	141	—	141
Current year	11 070	(5 002)	6 068
Deferred tax	(67)	(45 699)	(45 766)
Current year	(67)	(45 699)	(45 766)
TOTAL	**11 144**	**(50 701)**	**(39 557)**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

24 TAXATION (CONTINUED)

RECONCILIATION BETWEEN APPLICABLE TAX RATE AND EFFECTIVE TAX RATE

R'000	2025	2024
Profit before tax	1 484 266	1 483 078
Income tax at 27% (2024: 27%)	400 752	400 431
Amounts not subject to tax:		
Fair value adjustment – investment property	(18 588)	(184 409)
Impairment on land options	14 788	(10 541)
Fair value adjustment – derivative financial instruments	27 998	(10 541)
Straight-lining of leases adjustment	(100 015)	(90 326)
Loss on sale of non-current assets	4 490	40 453
IFRS 2 adjustments	9 278	2 160
Depreciation	1 994	3 064
Loss allowance	5 934	—
Payroll provisions	7 629	—
Amounts not included in profit before tax:		
Interest capitalised	(47 149)	(119 139)
Overheads capitalised	(2 260)	(14 385)
Salaries capitalised	(3 118)	(2 246)
Donations	26	25
Items of a capital nature	419	1 739
Wear and tear allowances	(775)	(1 392)
UK capital allowances	(5 587)	(2 885)
Tax losses	(34 981)	5 505
UK capital losses	61 748	(14 380)
Other	23 724	7 796
Foreign tax differential	(4 180)	4 062
Qualifying distribution	(275 647)	(65 089)
TAXATION	**66 480**	**(39 557)**
Effective tax rate	4.5%	-2.7%

25 NOTES TO THE STATEMENT OF CASH FLOWS

25.1 CASH GENERATED FROM OPERATIONS

R'000	NOTES	2025	2024
Profit before tax		1 484 266	1 483 078
Adjusted for:			
Finance costs	22	850 624	622 981
Finance income	23	(315 710)	(203 721)
Loss on disposals	20	16 630	149 827
Foreign exchange differences	20	(29 035)	470 934
Straight-lining of leases adjustment	18	(370 427)	(334 539)
Fair value adjustments – investment property	4	(164 231)	(550 903)
Impairment of land options	4.1	54 769	—
Fair value adjustments – derivative instruments	20	(4 432)	(102 242)
Impairment of trading property	19	51 573	12 855
Depreciation and amortisation		17 640	21 929
IFRS 2 share-based payment charge	21.1	18 458	7 999
Loss allowance	21.2	21 977	87
Working capital movements:			
Decrease/(increase) in trading properties		13 646	(197 762)
Decrease/(increase) in trade and other receivables		66 459	(118 958)
Increase in derivative instruments		(14 684)	(451 564)
(decrease)/increase in trade and other payables		(148 336)	744 790
CASH GENERATED FROM OPERATIONS		**1 549 187**	**1 554 791**

25.2 CASH PAID IN RESPECT OF INVESTMENT PROPERTY ACQUIRED

R'000	NOTES	2025	2024
Investment property acquired	4.1	(142 289)	(834 322)
Shares issued	13.3	—	196 069
		(142 289)	**(638 253)**

25.3 CASH PAID IN RESPECT OF INVESTMENT PROPERTY DEVELOPMENTS

R'000	NOTES	2025	2024
Opening construction and development cost accrued		(120 261)	(75 643)
Improvements and extensions	4.1 & 4.2	(98 250)	(67 429)
Construction and development cost	4.1	(1 278 365)	(2 810 549)
Letting commission capitalised	4.1 & 4.2	(10 955)	(8 767)
Lease incentive capitalised	4.1	(9 269)	(246)
Finance cost paid capitalised to investment properties	22	257 503	352 488
Closing construction and development cost accrued		27 580	120 261
		(1 232 017)	**(2 489 885)**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

R'000	NOTES	2025	2024
25 NOTES TO THE STATEMENT OF CASH FLOWS (CONTINUED)			
25.4 CASH RECEIVED IN RESPECT OF DISPOSALS OF INVESTMENT PROPERTY AND SUBSIDIARIES			
Loss on disposal	20	(16 630)	(149 827)
Investment property disposed	4.1	122 666	244 186
Held-for-sale property disposed	4.2	2 239 536	4 527 411
Straight-lining disposed	4.2	—	(20 282)
Trading property disposed	5	72 132	—
Transactions with NCI	10	25 983	—
Loans advanced to the purchaser	12	(29 500)	—
Deferred purchase price		(95 521)	(603 212)
Rental guarantees issued	16	23 026	12 103
Loans repaid directly by purchaser	25.8	(386 843)	(795 463)
Foreign exchange difference		42 959	(281 642)
		1 997 808	**2 933 274**
25.5 INVESTMENTS AND DIVESTMENTS OF CURRENT FINANCIAL ASSETS			
Investments		(2 950 840)	(1 072 402)
Proceeds from divestments		2 950 840	1 072 402
		—	—
25.6 DIVIDENDS PAID TO SHAREHOLDERS			
Dividends distributed to owners of the parent		(1 051 694)	(1 202 236)
Dividends distributed to non-controlling interest		(216 977)	(202 004)
		(1 268 671)	**(1 404 240)**
25.7 TAX PAID			
Tax payable opening balance		(2 146)	1 681
Amounts charged to profit or loss		(9 734)	(6 209)
Foreign exchange differences		555	—
Tax payable closing balance		3 462	2 146
		(7 863)	**(2 382)**
25.8 LOANS & BORROWINGS REPAID			
Repayment of borrowings	6.1	(8 257 691)	(13 181 531)
Loans repaid directly by purchaser of investment property	25.4	386 843	795 463
		(7 870 848)	**(12 386 068)**

R'000	2025	2024
26 CAPITAL COMMITMENTS		
Authorised and contracted for acquisition or construction of new industrial properties	461 371	843 702
Authorised but not contracted	—	50 253
	461 371	**893 955**

27 RELATED PARTIES

Related party relationships exist between the Company, its subsidiaries, directors, and key management of the Group. Refer to the Director's Report for a list of all subsidiaries and structured entities consolidated.

Remuneration paid to directors is set out in note 21.

Details of the conditional share plan in which the directors participate are provided in note 14.

Details of directors' interest in the ordinary shares of the Group are provided in the Directors Report.

In the ordinary course of business, the Group entered into the following other transactions with related parties:

R'000	2025	2024
Dividend paid to related party shareholders	27 910	41 733

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

28 SUBSEQUENT EVENTS

28.1 DIVIDENDS DECLARED AFTER YEAR END

A dividend of 67.42 cents per share was declared on 14 May 2025.

29 GOING CONCERN

The Directors have assessed the Group's ability to continue as a going concern. Despite current liabilities exceeding current assets, the Group includes unutilised facilities in determining the liquidity position. Current assets (including unutilised facilities) amounts to R4.9 billion (2024: R3.7 billion). Based on an assessment of the Group's current cashflow forecast, its operational environment, geographical diversity and industry trends, the Group believes it will remain both solvent and liquid for the next 12 months, and intends to pay out at least 75% of distributable income. The Directors believe, based on their assessment of the Group's financial performance and financial position there is no reasonable material uncertainties about the entity's ability to continue as a going concern for the next 12 months. The Directors remain committed to maintaining its REIT status over the next financial period.

30 SEPARATE ANNUAL FINANCIAL STATEMENTS

Separate statutory annual financial statements for Equites Property Fund Limited in accordance with IFRS® Accounting Standards and the requirements of the Companies Act have been prepared and issued as separate financial statements. Please refer to these financial statements for the company balances, transactions, and disclosures. These have been issued separately for ease of reference purposes.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

31 PROPERTY ANALYSIS

31.1 PROPERTY SCHEDULE[1]

PROPERTY NAME	LOCATION	COUNTRY	GROSS LETTABLE AREA (M²)	AVERAGE RENTAL PER M² (RAND)	VALUE (R'000)	DATE OF LAST EXTERNAL VALUATION
LOGISTICS PROPERTIES						
Plumbago Campus	Witfontein, Gauteng	South Africa	144 213	Note 1	2 446 000	28 February 2025
Hoyland Common	Hoyland	United Kingdom	31 857	Note 1	1 978 868	28 February 2025
Centurion 1	Centurion, Gauteng	South Africa	178 231	Note 1	1 887 400	28 February 2025
Equites Park – Riverfields 5	Witfontein, Gauteng	South Africa	93 512	Note 1	1 464 750	28 February 2025
Brackenfell 2	Brackenfell, Western Cape	South Africa	140 048	Note 1	1 459 693	28 February 2025
Wells Estate	Gqeberha, Eastern Cape	South Africa	99 288	Note 1	1 362 475	28 February 2025
Scimitar Way	Coventry	United Kingdom	19 881	Note 1	1 147 743	28 February 2025
Canelands campus	Canelands, KwaZulu-Natal	South Africa	101 944	Note 1	1 142 700	28 February 2025
Brackenfell 1	Brackenfell, Western Cape	South Africa	109 568	Note 1	894 323	28 February 2025
Super G	Wakefield	United Kingdom	24 340	Note 1	779 907	28 February 2025
Equites Park – Riverfields 4	Witfontein, Gauteng	South Africa	51 429	Note 1	680 665	28 February 2025
Island Road West	Reading	United Kingdom	11 027	Note 1	635 659	28 February 2025
Equites Park – Meadowview 8[3]	Meadowview, Gauteng	South Africa	28 459	Note 1	515 125	28 February 2025
Equites Park – Meadowview 18	Meadowview, Gauteng	South Africa	25 111	Note 1	380 014	28 February 2025
Equites Park – Riverfields 1	Witfontein, Gauteng	South Africa	22 396	Note 1	378 378	28 February 2025
Equites Park – Jet Park 1 East	Jet Park, Gauteng	South Africa	28 890	Note 1	370 244	28 February 2025
Equites Park – Lords View 1[2]	Lords View, Gauteng	South Africa	29 771	Note 1	364 365	28 February 2025
Germiston 1[3]	Germiston, Gauteng	South Africa	26 278	Note 1	345 605	28 February 2025
Equites Park – Meadowview 19A	Meadowview, Gauteng	South Africa	21 448	Note 1	328 768	28 February 2025
Equites Park – Atlantic Hills 1	Atlantic Hills, Western Cape	South Africa	19 171	Note 1	320 484	28 February 2025
Equites Park – Meadowview 15	Meadowview, Gauteng	South Africa	22 945	Note 1	317 000	28 February 2025
Equites Park – Meadowview 19B	Meadowview, Gauteng	South Africa	23 235	Note 1	315 913	28 February 2025
The Hub – Unit 3	Burgess Hill	United Kingdom	4 962	Note 1	314 291	28 February 2025
Longmeadow[3]	Longmeadow, Gauteng	South Africa	24 592	Note 1	279 890	28 February 2025
Waterfall 22B	Waterfall, Gauteng	South Africa	20 892	Note 1	252 273	28 February 2025
Equites Park – Riverfields 2	Witfontein, Gauteng	South Africa	17 894	Note 1	235 587	28 February 2025
Equites Park – Jet Park 2	Jet Park, Gauteng	South Africa	16 721	Note 1	226 496	28 February 2025
Waterfall 8A	Waterfall, Gauteng	South Africa	12 638	Note 1	224 000	28 February 2025
Equites Park – Meadowview 11	Meadowview, Gauteng	South Africa	13 974	Note 1	212 155	28 February 2025

[1] Excludes properties that are held-for-sale as at 28 February 2025
[2] 75% ownership
[3] 65% ownership
Note 1: The rental per m² for single-tenanted buildings has not been disclosed.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

31 PROPERTY ANALYSIS (CONTINUED)

31.1 PROPERTY SCHEDULE[1] (CONTINUED)

PROPERTY NAME	LOCATION	COUNTRY	GROSS LETTABLE AREA (M²)	AVERAGE RENTAL PER M² (RAND)	VALUE (R'000)	DATE OF LAST EXTERNAL VALUATION
LOGISTICS PROPERTIES (CONTINUED)						
Parow Industria 4	Parow, Western Cape	South Africa	17 646	Note 1	209 271	28 February 2025
Equites Park – Meadowview 9 & 10	Meadowview, Gauteng	South Africa	15 019	Note 1	185 064	28 February 2025
Equites Park – Lords View 4[2]	Lords View, Gauteng	South Africa	11 243	Note 1	168 035	28 February 2025
Waterfall 9B	Waterfall, Gauteng	South Africa	6 650	Note 1	162 964	28 February 2025
Equites Park – Jet Park 4	Jet Park, Gauteng	South Africa	10 597	Note 1	153 525	28 February 2025
Waterfall 9D	Waterfall, Gauteng	South Africa	7 970	Note 1	146 829	28 February 2025
Equites Park – Bellville 2	Bellville, Western Cape	South Africa	9 861	Note 1	145 900	28 February 2025
Equites Park – Meadowview 3A	Meadowview, Gauteng	South Africa	10 465	Note 1	145 320	28 February 2025
Waterfall 8B	Waterfall, Gauteng	South Africa	8 690	Note 1	118 013	28 February 2025
Airport Industria 1	Airport Industria, Western Cape	South Africa	9 518	Note 1	115 911	28 February 2025
Equites Park – Lords View 3[2]	Lords View, Gauteng	South Africa	9 005	Note 1	107 115	28 February 2025
Equites Park – Meadowview 14	Meadowview, Gauteng	South Africa	8 359	Note 1	106 872	28 February 2025
Epping Industria	Epping, Western Cape	South Africa	8 177	Note 1	100 852	28 February 2025
Equites Park – Meadowview 7	Meadowview, Gauteng	South Africa	8 230	Note 1	95 108	28 February 2025
Equites Park – Saxdowne 3	Blackheath, Western Cape	South Africa	11 028	Note 1	93 625	28 February 2025
Equites Park – Meadowview 12	Meadowview, Gauteng	South Africa	7 542	Note 1	92 148	28 February 2025
Philippi 2	Philippi, Western Cape	South Africa	8 422	Note 1	92 080	28 February 2025
Equites Park – Lords View 5[2]	Lords View, Gauteng	South Africa	7 023	Note 1	84 746	28 February 2025
Equites Park – Bellville 3	Bellville, Western Cape	South Africa	5 983	Note 1	83 800	28 February 2025
Equites Park – Lords View 2[2]	Lords View, Gauteng	South Africa	8 525	Note 1	81 226	28 February 2025
Equites Park – Meadowview 6	Meadowview, Gauteng	South Africa	6 205	Note 1	78 600	28 February 2025
Equites Park – Atlantic Hills 2	Atlantic Hills, Western Cape	South Africa	4 654	Note 1	71 886	28 February 2025
Airport Industria 2	Airport Industria, Western Cape	South Africa	5 661	Note 1	71 131	28 February 2025
Equites Park – Meadowview 3B	Meadowview, Gauteng	South Africa	5 097	Note 1	69 000	28 February 2025
Equites Park – Jet Park 6	Jet Park, Gauteng	South Africa	4 929	Note 1	68 916	28 February 2025
Equites Park – Atlantic Hills 5	Atlantic Hills, Western Cape	South Africa	5 844	Note 1	68 310	28 February 2025
Equites Park – Meadowview 4	Meadowview, Gauteng	South Africa	5 000	Note 1	67 800	28 February 2025
Waterfall 9C	Waterfall, Gauteng	South Africa	3 219	Note 1	57 849	28 February 2025
Equites Park – Atlantic Hills 3	Atlantic Hills, Western Cape	South Africa	4 358	Note 1	51 975	28 February 2025
Equites Park – Meadowview 2	Meadowview, Gauteng	South Africa	3 280	Note 1	37 643	28 February 2025
Equites Park – Atlantic Hills 4	Atlantic Hills, Western Cape	South Africa	3 498	Note 1	37 276	28 February 2025
TOTAL LOGISTICS PROPERTIES			**1 606 413**	**92.7**	**24 429 561**	

1 Excludes properties that are held-for-sale as at 28 February 2025

2 75% ownership

Note 1: The rental per m² for single-tenanted buildings has not been disclosed.

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

31 PROPERTY ANALYSIS (CONTINUED)

31.1 PROPERTY SCHEDULE[1] (CONTINUED)

PROPERTY NAME	LOCATION	COUNTRY	GROSS LETTABLE AREA (M²)	AVERAGE RENTAL PER M² (RAND)	VALUE (R'000)	DATE OF LAST EXTERNAL VALUATION
NON-LOGISTICS PROPERTIES						
INDUSTRIAL						
Equites Park – Riverfields 6	Witfontein, Gauteng	South Africa	—	Note 1	161 835	28 February 2025
Airport Industria 7	Airport Industria, Western Cape	South Africa	5 549	Note 1	128 048	28 February 2025
Equites Park – Saxdowne 1	Blackheath, Western Cape	South Africa	4 019	Note 1	64 700	28 February 2025
Equites Park – Saxdowne 2	Blackheath, Western Cape	South Africa	1 895	Note 1	37 750	28 February 2025
Equites Park – Meadowview 16	Meadowview, Gauteng	South Africa	1 287	Note 1	21 000	28 February 2025
Equites Park – Meadowview Cell Tower 12	Meadowview, Gauteng	South Africa	98	Note 1	2 626	28 February 2025
Equites Park – Meadowview Cell Tower 11	Meadowview, Gauteng	South Africa	81	Note 1	1 560	28 February 2025
TOTAL NON-LOGISTIC PROPERTIES			**12 929**	**147.7**	**417 519**	
TOTAL INCOME EARNING PROPERTIES			**1 619 342**	**93.2**	**24 847 080**	

[1] Excludes properties that are held-for-sale as at 28 February 2025

Note 1: The rental per m² for single-tenanted buildings has not been disclosed.

PROPERTY NAME	LOCATION	COUNTRY	VALUE (R'000)
PROPERTIES UNDER DEVELOPMENT			
Equites Park – Riverfields 3	Witfontein, Gauteng	South Africa	135 508
Equites Park – Meadowview 5	Meadowview, Gauteng	South Africa	69 022
TOTAL PROPERTIES UNDER DEVELOPMENT			**204 530**
VACANT LAND			
ZONED INDUSTRIAL LAND			
Gauteng	Witfontein, Jet Park	South Africa	699 540
Western Cape	Brackenfell	South Africa	81 808
KwaZulu-Natal	Canelands	South Africa	16 228
TOTAL ZONED INDUSTRIAL LAND			**797 576**
TOTAL PROPERTIES, DEVELOPMENTS AND VACANT LAND			**25 849 186**

Notes to the annual financial statements (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

31 PROPERTY ANALYSIS (CONTINUED)

31.2 TENANT PROFILE

	REVENUE (R'000)	REVENUE (%)	GROSS LETTABLE AREA (M²)	GROSS LETTABLE AREA (%)	NUMBER OF TENANTS	NUMBER OF TENANTS %
A – Large nationals, large listeds companies and government	2 330 690	98.7%	1 602 259	99.0%	67	97.2%
B – Smaller international and national tenants	9 044	0.4%	4 654	0.3%	1	1.4%
C – Other local tenants and sole proprietors	21 888	0.9%	11 028	0.6%	1	1.4%
Vacant	n/a	n/a	1 401	0.1%	n/a	n/a
	2 361 622	**100.0%**	**1 619 342**	**100%**	**69**	**100.0%**

31.3 SECTORAL PROFILE (INCLUDING VACANCY PROFILE)

	REVENUE (R'000)	REVENUE (%)	GROSS LETTABLE AREA (M²)	GROSS LETTABLE AREA %	VACANCY AREA (M²)	VACANCY (%)
Logistics	2 333 251	98.8%	1 606 413	99.2%	1 401	0.1%
Industrial	28 371	1.2%	12 929	0.8%	—	0.0%
	2 361 622	**100.0%**	**1 619 342**	**100.0%**	**1 401**	**0.1%**

31.4 GEOGRAPHICAL PROFILE

	REVENUE (R'000)	REVENUE (%)	GROSS LETTABLE AREA (M²)	GROSS LETTABLE AREA %
Gauteng	1 416 055	60.0%	951 142	58.7%
Western Cape	447 851	19.0%	374 901	23.2%
KwaZulu-Natal	136 965	5.8%	101 944	6.3%
Eastern Cape	32 022	1.4%	99 288	6.1%
United Kingdom	328 729	13.8%	92 067	5.7%
	2 361 622	**100.0%**	**1 619 342**	**100.0%**

31.5 LEASE EXPIRY PROFILE

LEASE EXPIRY PROFILE BASED ON GROSS LETTABLE AREA	LOGISTICS	INDUSTRIAL	TOTAL
Vacant	0.1%	0.0%	0.1%
Expiry in the year to 28 February 2026	2.0%	0.0%	2.0%
Expiry in the year to 28 February 2027	2.0%	31.1%	2.0%
Expiry in the year to 29 February 2028	7.4%	14.7%	7.4%
Expiry in the year to 28 February 2029	2.6%	0.0%	2.6%
Expiry in the year to 28 February 2030	5.5%	10.0%	5.6%
Thereafter	80.4%	44.2%	80.1%
	100.0%	**100.0%**	**100.0%**

LEASE EXPIRY PROFILE BASED ON REVENUE	LOGISTICS	INDUSTRIAL	TOTAL
Expiry in the year to 28 February 2026	5.5%	0.0%	5.4%
Expiry in the year to 28 February 2027	4.3%	25.2%	4.6%
Expiry in the year to 29 February 2028	9.6%	14.1%	9.6%
Expiry in the year to 28 February 2029	3.4%	0.0%	3.3%
Expiry in the year to 28 February 2030	7.9%	9.7%	8.0%
Thereafter	69.3%	51.0%	69.1%
	100.0%	**100.0%**	**100.0%**

31.6 WEIGHTED AVERAGE ESCALATIONS, LEASE EXPIRY AND INITIAL YIELD

SECTOR	YIELD (%)[2]	LEASE EXPIRY (YEARS)[3]	ESCALATION (%)[4]
South Africa – Logistics	8.0	14.5	6.1
South Africa – Industrial	9.0	7.9	6.9
		14.1	**6.1**
United Kingdom – Logistics[1]	5.1	13.1	n/a
AVERAGE ANNUALISED PORTFOLIO		**14.0**	

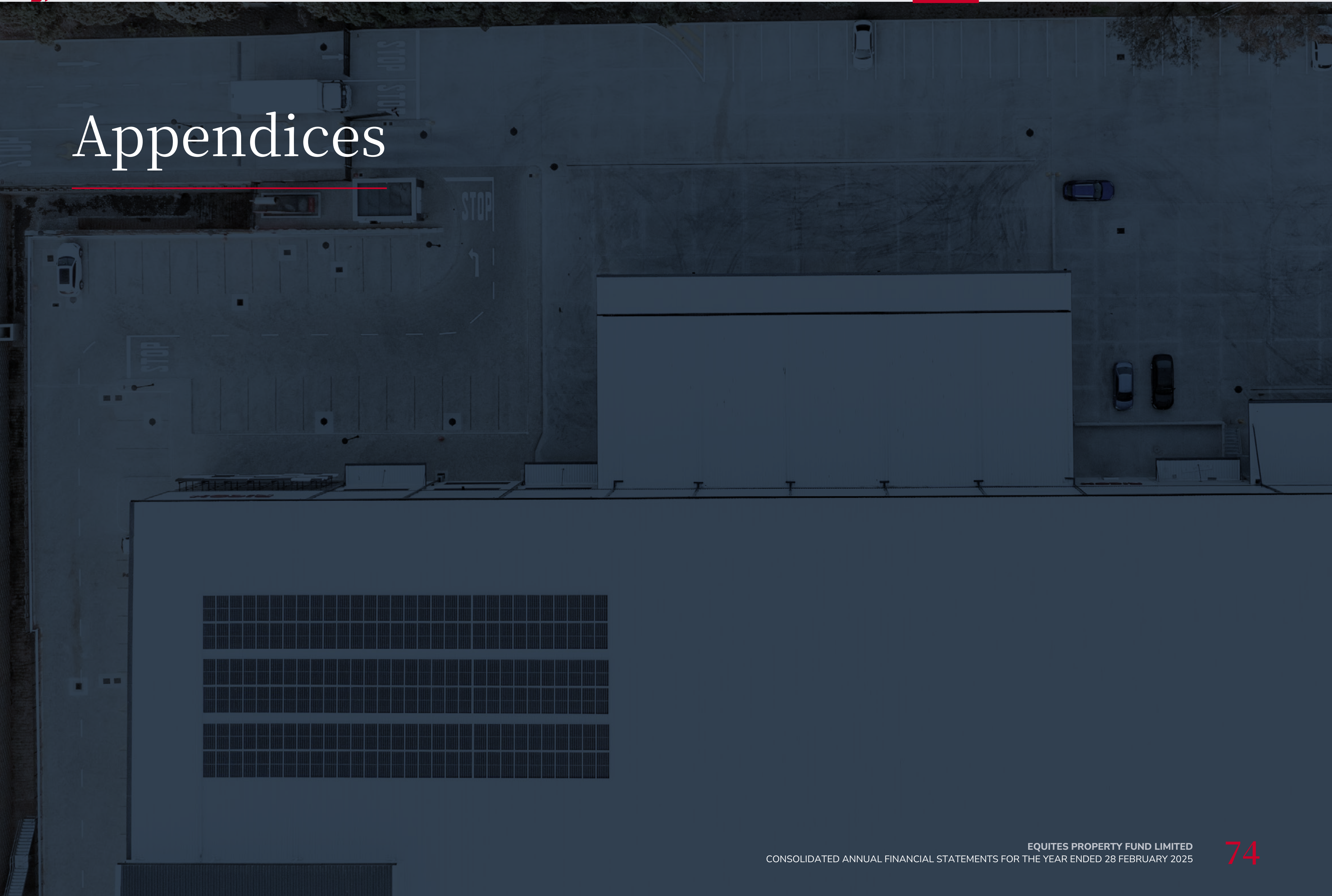
1 Majority of the leases for properties in the UK are structured with five year annual rent reviews and not fixed annual escalations

2 Based on property valuation

3 Based on revenue

4 Based on gross lettable area

Appendices



Appendix 1

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

SHAREHOLDER ANALYSIS

1 SHAREHOLDER SPREAD

SHAREHOLDER SPREAD	NUMBER OF SHAREHOLDER ACCOUNTS	% OF TOTAL SHAREHOLDER ACCOUNTS	NUMBER OF SHARES	% OF ISSUED SHARES
1 – 1 000	3 113	48.5%	405 917	0.1%
1 001 – 10 000	1 943	30.3%	7 869 681	0.9%
10 001 – 100 000	883	13.8%	27 827 345	3.3%
100 001 – 1 000 000	348	5.4%	112 361 832	13.5%
Over 1 000 000	128	2.0%	686 714 948	82.2%
	6 415	**100%**	**835 179 723**	**100%**

2 DISTRIBUTION OF SHAREHOLDERS

DISTRIBUTION OF SHAREHOLDERS	NUMBER OF SHAREHOLDINGS	% OF TOTAL SHAREHOLDINGS	SHARES HELD	% HELD
Banks, Brokers & Nominees	17	0.3%	11 925 965	1.4%
Close Corporations	46	0.7%	961 912	0.1%
Collective Investment Schemes	285	4.4%	273 296 618	32.7%
Control Accounts and Unclaimed Shares	3	0.1%	14	0.0%
Insurance & Assurance Corporate Funds	6	0.1%	9 056 028	1.1%
Lending, Collateral & Pledged Accounts	11	0.2%	7 765 049	0.9%
Non-SA Custodians	53	0.8%	88 213 634	10.6%
NPO & Charity Funds	78	1.2%	5 037 903	0.6%
Organs of State & Public Entities	23	0.4%	20 804 251	2.5%
Pooled & Mutual Funds	113	1.8%	49 222 553	5.9%
Private Companies	226	3.5%	39 067 634	4.7%
Retail Individuals	4 756	74.1%	19 788 034	2.4%
Retirement Benefit Funds	206	3.2%	289 801 003	34.7%
Trusts & Investment Partnerships	592	9.2%	20 239 125	2.4%
TOTAL	**6 415**	**100%**	**835 179 723**	**100%**

3 SHAREHOLDER TYPE

SHAREHOLDER TYPE	NUMBER OF SHAREHOLDINGS	% OF TOTAL SHAREHOLDINGS	NUMBER OF SHARES	% OF ISSUED CAPITAL
NON-PUBLIC SHAREHOLDERS	**18**	**0.2%**	**162 841 326**	**19.5%**
Beneficial Holders > 10%	1	0.0%	141 622 230	17.0%
Directors and Associates (Indirect Holdings)	9	0.1%	19 723 679	2.4%
Directors and Associates (Direct Holdings)	8	0.1%	1 495 417	0.2%
PUBLIC SHAREHOLDERS	**6 397**	**99.8%**	**672 338 397**	**80.5%**
TOTAL	**6 415**	**100%**	**835 179 723**	**100%**

4 BENEFICIAL SHAREHOLDERS HOLDING > 3% OF ISSUED SHARES

BENEFICIAL SHAREHOLDERS HOLDING > 3% OF ISSUED SHARES	TOTAL SHAREHOLDING	% HELD
Government Employees Pension Fund	175 968 556	21.1%
Coronation Fund Managers	128 923 798	15.4%
Old Mutual Group	40 757 682	4.9%
Eskom Pension & Provident Fund	34 908 794	4.2%
JP Morgan (Custodian)	27 069 646	3.2%
Ninety One	26 002 782	3.1%
State Street Bank (Custodian)	25 029 659	3.0%
	458 660 917	**54.9%**

5 FUND MANAGERS HOLDING > 3% OF ISSUED SHARES

FUND MANAGERS HOLDING > 3% OF ISSUED SHARES	TOTAL SHAREHOLDING	% HELD
Public Investment Corporation	156 607 832	18.8%
Coronation Fund Managers	156 077 710	18.7%
Meago Asset Management	48 838 737	5.9%
Sesfikile Capital	46 715 638	5.6%
Old Mutual Investment Group	42 106 789	5.0%
Ninety One	34 498 833	4.1%
Eskom Pension & Provident Investment Management	19 009 493	2.3%
	503 855 032	**60.4%**

Appendix 1 (continued)

Equites Property Fund Limited and its subsidiaries for the year ended 28 February 2025

SHAREHOLDER ANALYSIS (CONTINUED)

6 BENEFICIAL HOLDING BY REGION

	TOTAL SHAREHOLDING	% HELD
South Africa	721 982 568	86.5%
United States	81 087 488	9.7%
United Kingdom	12 629 011	1.5%
Mauritius	9 163 396	1.1%
Switzerland	3 430 531	0.4%
Italy	2 377 879	0.3%
Balance (not listed above)	4 508 850	0.5%
	835 179 723	**100%**

TOTAL NUMBER OF SHAREHOLDERS	**6 415**
TOTAL NUMBER OF SHARES IN ISSUE	**835 179 723**

7 SHARE PRICE PERFORMANCE

Opening Price 01 March 2024	R12.95
Closing Price 28 February 2025	R13.90
Closing High for period (10 & 11 December 2024)	R15.10
Closing Low for period (25 April 2024)	R11.59
Opening Price 01 March 2023	R15.64
Closing Price 29 February 2024	R13.09
Closing High for period (12 April 2023)	R15.86
Closing Low for period (12 June 2023)	R10.68
Number of shares in issue	835 179 723
Volume traded during period	443 519 916
Ratio of volume traded to shares issued	53.1%
Market capitalisation at 28 February 2025	R11 608 998 150

Glossary

2SD – Two standard deviations
AGM – Annual General Meeting
B-BBEE – Broad-Based Black Economic Empowerment
The Board – The Board of Directors
BOPA – BOPA Moruo ERF 497 Proprietary Limited
BREEAM – Building Research Establishment Environmental Assessment Method
bp – Basis point
CA(SA) – Chartered Accountant of South Africa
CEO – Chief Executive Officer
CFO – Chief Financial Officer
COO – Chief Operating Officer
CODM – Chief Operating Decision Maker
Companies Act – the Companies Act, No. 71 of 2008, as amended from time to time
Company – Equites Property Fund Limited
CSDP – Central Securities Depository Participant
CSP – Conditional share plan
DCF – Discounted Cash Flow
EAR – Enhanced Auditor Reporting
EDGE – Excellence in Design for Greater Efficiencies
ECL – Expected credit losses
EPPF – Eskom Pension and Provident Fund
ENBL – Equites Newlands Basingstoke Limited
ENGL – Equites Newlands Group Limited
EOS – Executive outperformance scheme
Equites – Equites Property Fund Limited
ESG – Environmental, Social, and Governance
FRSC – Financial Reporting Standards Council
FCTR – Foreign currency translation reserve
FX – Foreign exchange
GBP – Pound sterling
Group – Equites Property Fund Limited and its subsidiaries
HM – His Majesty
IAS – International Accounting Standards
ICR – Interest cover ratio
IFC – International Finance Corporation
IFRS® – International Financial Reporting Standards
IOM – Isle of Man
IRBA – Independent Regulatory Board of Auditors
ISA – International Auditing Standards
ISDA – International Swaps and Derivatives Association
JIBAR – Johannesburg Interbank Average Rate
JSE – Johannesburg Stock Exchange
King Code/King IV – King IV Report on Corporate Governance for South Africa
LMA – Loan Market Association
LTV – Loan-to-value
Mabel – Mabel Black Knight Investments 1 Proprietary Limited
MLF – The Michel Lanfranchi Foundation NPC
NAV – Net asset value
NCI – Non-controlling interest
NPC – Non-profit company
PLP – Plumbago Investments Platform Proprietary Limited
PIP – Plumbago Investment Platform Proprietary Limited
PwC – Pricewaterhouse Coopers Inc.
RCF – Revolving Credit Facility
REIT – Real Estate Investment Trust
RLF – Retail Logistics Fund (RF) Proprietary Limited
RMB – Rand Merchant Bank
SA – South Africa
SAICA – The South African Institute of Chartered Accountants
SARB – South African Reserve Bank
SENS – Stock Exchange News Service
Shoprite – Shoprite Checkers Proprietary Limited
SONIA – Sterling Overnight Index Average
SPT – Sustainability performance target
TGP – Total guaranteed pay
UK – United Kingdom
VAT – Value Added Tax
VWAP – Volume weighted average price
ZAR – South African Rand
ZARONIA – South African Rand Overnight Index Average

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