



BRIKOR LIMITED

THE SPIRIT OF BRICK MAKING



ANNUAL FINANCIAL STATEMENTS 2025





INTEGRATED ANNUAL REPORT

(to be published by the end of June 2025)

The Integrated Annual Report is our primary report to stakeholders. It shows the relationship between the interdependent elements of value creation at Brikor.



ANNUAL FINANCIAL STATEMENTS

(published on 19 June 2025)

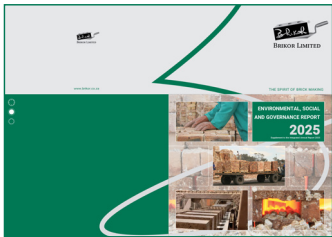
The Annual Financial Statements provide a comprehensive overview of Brikor's financial position (consolidated and separate) and enables our stakeholders to understand our financial performance.



NOTICE OF ANNUAL GENERAL MEETING

(to be published by the end of June 2025)

The Notice of Annual General Meeting ("AGM") provides supporting information for shareholders to participate in the AGM and contains a Form of Proxy.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

(to be published by the end of June 2025)

Our Environmental, Social and Governance ("ESG") Report is a detailed account of our environmental, social and governance activities during the reporting period and also includes economic indicators related to sustainability together with alignment to the Ten Principles of the United Nations Global Compact.



KING IV™ APPLICATION REGISTER

(to be published by the end of June 2025)

The King IV™ Application Register contains disclosure on Brikor's application of the King IV™ principles as well as the governance disclosures applicable to listed companies outlined in the JSE Listings Requirements.



EXECUTIVE SUMMARY OF COMPETENT PERSON'S REPORT

(to be published by the end of June 2025)

The Competent Person's Report provides updated estimates and reconciliation of mineral resources and mineral reserves and conforms to the South African Code for reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC) (2016) and section 12.13 of the JSE Listings Requirements. The full Competent Person's Report is also available on our website at

<https://brikor.net/wp-content/uploads/2025/06/COMPETENT-PERSONS-REPORT-2025-FINAL.pdf>.

The reporting suite is available on the following link:

<https://brikor.net/investor-centre/#reportingsuite2025>

For quick and easy access, scan the QR code on your smartphone



Follow us online at www.brikor.co.za

- Direct access to all the above reports is available on release
- Our website has detailed investor, sustainability, governance and business information

BRIKOR LIMITED CONSOLIDATED AND SEPARATE **ANNUAL FINANCIAL STATEMENTS**

CONTENTS

Page

2	Statement by the CEO and Financial Director
3	Statement of responsibility and approval by the directors
4	Certification by Company Secretary
5	Report of the Audit and Risk Committee
9	Directors' report
15	Independent auditor's report
21	Consolidated and separate statements of financial position
22	Consolidated and separate statements of profit or loss and other comprehensive income
23	Consolidated and separate statements of changes in equity
24	Consolidated and separate statements of cash flows
25	Notes to the consolidated and separate financial statements
106	Corporate information

LEVEL OF ASSURANCE

Brikor Limited has been established and incorporated in compliance with the provisions of the Companies Act of South Africa and operates in conformity with its Memorandum of Incorporation.

The consolidated and separate financial statements have been audited in compliance with Section 30 of the Companies Act of South Africa.

AUDITORS

Nexia SAB&T
Registered Auditors

PREPARER

The consolidated and separate financial statements for the year ended 28 February 2025 were prepared by Ms Bianca Saunders CA(SA), Financial Manager, under the supervision of Ms Joaret Botha CA(SA), Financial Director.

PUBLISHED

19 June 2025



STATEMENT BY THE CEO AND FINANCIAL DIRECTOR

In compliance with paragraph 3.84(k) of the JSE Listings Requirements

The directors, whose names are stated below, hereby confirm that –

- (a) the annual financial statements set out on pages 3 to 105, fairly present in all material respects the financial position, financial performance and cash flows of Brikor in terms of IFRS;
- (b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- (c) internal financial controls have been put in place to ensure that material information relating to Brikor and its consolidated subsidiaries have been provided to effectively prepare the financial statements of Brikor;
- (d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- (e) where we are not satisfied, we have disclosed to the Audit and Risk Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have remediated the deficiencies; and
- (f) we are not aware of any fraud involving directors.

Signed by the CEO and the Financial Director



Garnett Parkin
CEO

17 June 2025



Joaret Botha
Financial Director

STATEMENT OF RESPONSIBILITY AND APPROVAL BY DIRECTORS

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

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

The Group and the Company's Audit and Risk Committee plays an integral role in risk management as well as overseeing the Group and the Company's integrated reporting.

The King IV Code[™] of Corporate Governance has been integrated into the Group and the Company's strategies and operations.

The system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate financial statements. However, any system of internal financial controls can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Should an event arise where the directors are not satisfied with the internal financial controls, the directors will disclose to the Audit and Risk Committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and will take the necessary remedial action. During the reporting period, the directors were satisfied with the internal financial controls and no remedial action was required.

The directors have reviewed the Group and the Company's cash flow forecasts for the year ending 28 February 2026 and, in the light of this review and the current financial position, they are satisfied that the Group and the Company have or have access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors were given unrestricted access to all financial records and related data, including minutes of meetings of shareholders, the Board of Directors and Committees of the Board. The directors believe that all representations made to the independent auditors during their audit are valid and appropriate.

The external auditors are responsible for independently auditing and reporting on the Group and the Company's financial statements. The consolidated and separate financial statements have been examined by the Group and the Company's external auditors and their report is presented on pages 15 to 20.

The consolidated and separate financial statements set out on pages 21 to 105, which have been prepared on the going concern basis, were approved by the Board of Directors on 17 June 2025 and were signed on its behalf by:



Garnett Parkin
CEO



Joaret Botha
Financial Director



CERTIFICATION BY **COMPANY** **SECRETARY**

In my capacity as Company Secretary as at 28 February 2025, I hereby certify that for the year ended 28 February 2025, the Company has filed all such returns and notices as required by the Companies Act, no 71 of 2008, and that all such returns and notices appear to be true, correct and up to date.



Fusion Corporate Secretarial Services (Pty) Ltd
Represented by: Melinda Gous

17 June 2025

REPORT OF THE AUDIT AND RISK COMMITTEE

for the year ended 28 February 2025

The Audit and Risk Committee (the Committee) has pleasure in submitting this report, describing how it discharged its duties assigned in terms of the Companies Act, and additional duties assigned to it by the Board of Directors, in respect of the financial year ended 28 February 2025.

COMMITTEE MEMBERS AND ATTENDANCE AT MEETINGS

The Committee is constituted as a statutory committee of the Company in respect of its statutory duties as stipulated in section 94(7) of the Companies Act and is a committee of the Board in respect of all other duties assigned to it by the Board, as contemplated in the King Code (King IV™).

At the AGM held on 22 August 2024, the resolutions pertaining to the appointment of the members of the Committee being Mr Steve Naudé (Chairperson), Ms Mamsy Mokate and Ms Funeka Mtsila were passed by the requisite majority of shareholders.

The Committee meets at least three times a year. In terms of the JSE Listings Requirements, a representative of the Company's Designated Adviser attends all Audit and Risk Committee meetings. The Financial Director, executive directors and other members of management attend the Committee meetings by invitation.

The attendance at meetings during the period 1 March 2024 to 28 February 2025 was as follows:

	8 Apr 2024	23 May 2024	14 Nov 2024	5 Feb 2025	20 Feb 2025
MEMBERS					
Steve Naudé (<i>Chairperson</i>)	P	P	P	P	P
Mamsy Mokate	P	P	P	P	P
Funeka Mtsila	A	P	P	P	P
INVITEES					
Allan Pellow (<i>Chairperson of the Board</i>)	P	P	P	P	P
Garnett Parkin (<i>Chief Executive Officer</i>)	P	P	P	P	P
Joaret Botha (<i>Financial Director</i>)	P	P	P	P	P
Michiel Laubscher (<i>Non-Executive Director</i>)	N/I	P	P	N/I	P
Corné Oberholzer (<i>Non-Executive Director</i>)	N/I	P	P	N/I	P
Joe van Rensburg (<i>Executive Director: Mining</i>)	N/I	N/I	P	N/I	N/I
Exchange Sponsors (2008) (Pty) Ltd (<i>Designated Adviser</i>)	P	P	P	P	P
Nexia SAB&T (<i>External Auditor</i>)	NI	P	P	N/I	P
AP van der Merwe (<i>Consultant</i>)	N/I	N/I	N/I	P	N/I
COMPANY SECRETARY					
Company Secretary (Fusion Corporate Secretarial Services (Pty) Ltd)	A	P	P	P	P

P – Present

A – Apology

N/A – Not applicable

Report of the Audit and Risk Committee

continued

for the year ended 28 February 2025

MANDATE OF THE COMMITTEE – DISCHARGE OF DUTIES

The Committee's role and responsibilities are governed by a formal Charter as approved by the Board. The Charter is subject to an annual review by the Board. A copy of the Charter can be obtained at the Company's registered office.

The Committee has discharged all its responsibilities as required by the Companies Act, King IV™, the JSE Listings Requirements and the Board-approved terms of reference, including but not limited to the following:

AUDIT	
Auditor independence and rotation	<ul style="list-style-type: none"> The Committee recommended the reappointment of Nexia SAB&T as auditor, with Mr Aneel Darmalingam as the audit partner, for the ensuing year to shareholders for approval at the AGM to be held on 22 August 2025. The external auditor has unrestricted access to the Committee and its Chairperson with a view to ensuring that their independence is not impaired.
External audit scope and budget	<ul style="list-style-type: none"> Approved the external audit engagement letter, the audit plan and the budgeted audit fees payable to the external auditors. No non-audit services were provided by the external auditor during the 2025 financial year.
Quality of external audit	<ul style="list-style-type: none"> The quality of the audit has been of a high standard with independence and objectivity always at the forefront.
Approval of annual and interim financial statements	<ul style="list-style-type: none"> Considered the accounting treatments and the appropriateness of the accounting policies. The accounting policies applied in the 2025 financial statements are consistent with those applied in the prior year. Reviewed a documented assessment by management of the going concern premise of the Company and the Group before recommending to the Board that the Company and the Group will be going concerns in the foreseeable future. Met separately with management and the external auditor and was satisfied that there were no material control weaknesses. Reviewed the representation letter relating to the consolidated and separate financial statements. Ensured that appropriate financial reporting procedures exist and are working, which included consideration of all entities included in the consolidated financial statements and confirmed that the Committee had access to all Brikor's financial information to confirm the effective preparation and reporting of the Group and Company's financial statements. Examined the interim and annual financial information made public, prior to their approval by the Board.
JSE Proactive Monitoring Panel	<ul style="list-style-type: none"> Considered the 2024 JSE Report on Proactive Monitoring issued on 7 November 2024, including Annexure 4, and has taken the appropriate action to apply the findings.
Finance function and internal controls	<ul style="list-style-type: none"> Obtained assurances from the external auditor that adequate accounting records were being maintained. The Committee noted the report by the external auditor confirming that they have not identified any significant deficiencies in internal controls. Established that Brikor has appropriate financial reporting procedures in place and that those procedures are operating.
Financial Director and finance function	<ul style="list-style-type: none"> The Committee confirms that it has satisfied itself of the appropriateness of the experience and expertise of the Financial Director, Ms Joaret Botha CA(SA). The Committee considered the appropriateness of the expertise and adequacy of resources of the Company's finance function and the experience of the senior members of management responsible for the finance function and concluded these were appropriate.

Report of the Audit and Risk Committee

continued

for the year ended 28 February 2025

AUDIT (continued)	
Internal audit	<ul style="list-style-type: none"> Continuously reviewed the requirement and the necessity to appoint internal auditors, measured against affordability for the Company in its current form. It is confirmed that no Chief Audit Executive was appointed. An internal control framework will be developed which would ultimately assist with a more efficient internal audit process. The Board as a whole remains responsible for the assessment of the appropriateness of internal controls. There has been nothing material to report during the reporting period. A formal internal audit function will be evaluated in the future.
Solvency and liquidity	<ul style="list-style-type: none"> A detailed analysis of the solvency and liquidity of the Company and the Group was performed, being cognisant of the current economic environment and the resultant increase in diesel and other prices as well as high interest rates. The suggested changes to the health, social development, labour and other laws and regulations are not expected to have an impact on the solvency and liquidity of the Company or Group.
RISK	
Policies on risk management	<ul style="list-style-type: none"> The Committee reviewed the Risk Management Policy and remained satisfied with it. The Committee reviewed the revised risk register and was satisfied with the implementation and ongoing monitoring of the risk register. The Financial Director is the custodian of the risk register with the assistance of the risk controller.
Legal risk	<ul style="list-style-type: none"> The Committee was satisfied that there has been no material non-compliance with laws and regulations. The Committee is also satisfied that it has complied with all its legal, regulatory and other responsibilities during the reporting period. Refer to note 31 – Contingencies for disclosure relating to pending court case.
Financial risk	<ul style="list-style-type: none"> Refer to note 36 in the financial statements for full disclosure on financial risks.
IT governance risk	<ul style="list-style-type: none"> The Committee has noted that an outsourced IT company provides services to the Group, with off-site back-ups being done. New firewalls have been installed, which are tested on a regular basis. An alarm is sounded in the event that temperature changes occur in the server room. A Disaster Recovery Plan and Policy are in place. Operating procedures were updated during the reporting period. There were no reported threats of cyber-attack. The Committee received confirmation that the Company had documented internal procedures in the event of a cyber-attack, which was available to all employees.
Compliance with legal and regulatory responsibilities	<ul style="list-style-type: none"> Reviewed compliance with legal and regulatory responsibilities. The process of aligning certain policies and procedures with King IV™ is ongoing.
ASSURANCE	
Combined assurance	<ul style="list-style-type: none"> The Group adopted a five-tiered approach in respect of combined assurance, comprising management-based assurance, risk and compliance-based assurance, internal assurance and external assurance with Board and oversight sub-Committees as the fifth line of defence.



Report of the Audit and Risk Committee

continued

for the year ended 28 February 2025

GOVERNANCE	
Charter of the Audit and Risk Committee	<ul style="list-style-type: none">The Committee's Charter was reviewed, and no amendments were made during the reporting period.
Evaluation of the effectiveness and constitution of the Committee	<ul style="list-style-type: none">The Committee remained satisfied with the ongoing independence, skills, experience and qualifications of the Committee members.The Committee members noted their roles and responsibilities and remained committed to fulfilling same.
Annual workplan	<ul style="list-style-type: none">The Committee adopted its annual workplan for 2025 at the meeting held on 14 November 2024.

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

Following the review by the Committee of the consolidated and separate annual financial statements of Brikor for the year ended 28 February 2025, the Committee is of the view that, in all material aspects, it complies with the relevant provisions of the Companies Act and the IFRS® Accounting Standards and fairly presents the financial position at that date and the results of its operations and cash flows for the reporting period.

The Committee recommended the consolidated and separate financial statements for the year ended 28 February 2025 for approval to the Board on 17 June 2025.

CONCLUSION

The Report of the Audit and Risk Committee was approved by the Board on 17 June 2025.



Steve Naudé

Chairperson of the Audit and Risk Committee

DIRECTORS' REPORT

for the year ended 28 February 2025

The directors have pleasure in presenting their report on the activities of the Group and the Company, which forms part of the consolidated and separate annual financial statements for the year ended 28 February 2025. The consolidated and separate financial statements presented on pages 21 to 105 set out fully the financial position, results of operations and cash flows of the Group and the Company for the financial year ended 28 February 2025.

NATURE OF BUSINESS

Brikor, which listed on the AltX in August 2007, is a diverse manufacturer and supplier of building materials across a broad spectrum of the market from low-cost housing, residential to commercial, industrial, civil engineering and infrastructure projects. The Group operates through two segments, namely Bricks and Coal (the latter being through its wholly owned subsidiary, Ilangabi Resources (Pty) Ltd) and Kopanela Mining (Pty) Ltd.

During the reporting period, Ilangabi Investments 12 (Pty) Ltd's name was changed to Ilangabi Resources (Pty) Ltd.

Brikor has a 40% shareholding in Zingaro Holdings (Pty) Ltd ("Zingaro"), the details of which are disclosed in note 6 of the annual financial statements. Zingaro primarily operates in South Africa. Zingaro specialises in providing logistic and related services. Zingaro is an associate company of Brikor Limited.

AUTHORISED AND ISSUED STATED CAPITAL

There were no changes to the authorised ordinary no par value shares during the reporting period. The issued ordinary no par value shares remained at 838 242 031 (2024: 838 242 031) during the reporting period.

At the reporting date, Brikor held 15 900 000 ordinary no par value shares of its own issued shares. The shares were held as treasury shares by the Brikor Share Incentive Scheme Trust. During the current reporting period, all allocated scheme shares were cancelled. Refer to 'Events subsequent to the end of the reporting period' on page 104 for detailed disclosure.

At the last AGM held on 22 August 2024, the ordinary resolution granting the directors a general authority to allot and issue ordinary shares in the capital of the Company for cash as and when suitable situations arise and only if certain conditions are met, were not passed by the requisite majority of shareholders.

SPECIAL RESOLUTIONS AND NON-BINDING ADVISORY RESOLUTIONS

Special resolution number 1

The resolution granting the Company authority to repurchase its own shares was passed by the requisite majority of shareholders (100%).

Special resolution number 2

The resolution approving the fees payable to the non-executive directors was passed by the requisite majority of shareholders (100%).

Special resolution number 3

The requisite majority of shareholders (99,96%) passed the resolution authorising the directors under special resolution to provide financial assistance to any company or corporation which is related or inter-related to the Company in terms of section 45 of the Companies Act, subject to compliance with the requirements of the Company's constitutional documents and the Companies Act.

Directors' report

continued

for the year ended 28 February 2025

Special resolution number 4

The requisite majority of shareholders (99,96%) passed the resolution authorising the directors under special resolution to provide financial assistance to any company or corporation which is related or inter-related to the Company in terms of section 44 of the Companies Act, subject to compliance with the requirements of the Company's constitutional documents and the Companies Act.

No other special resolutions were passed by the Company's shareholders, which would affect the understanding of the Group.

Non-binding advisory resolutions

The non-binding endorsement of Brikor's Remuneration Policy and Brikor's Remuneration Implementation Report were each passed by 99,96% of shareholders present and represented by proxy, with 0,04% being dissenting votes in respect of the non-binding advisory resolutions.

DIVIDENDS

No dividends were declared or paid during the reporting period (2024: Rnil).

DIRECTORS AND COMPANY SECRETARY

The directors of the Company are shown below.

Name	Designation	Date appointed	Date resigned
Allan Pellow	Independent Non-Executive Director	21 February 2018	
Mamsy Mokate	Lead Independent Director	12 April 2017	
Garnett Parkin	Executive Director: Chief Executive Officer	20 February 2007	
Joaret Botha	Executive Director: Financial Director	29 June 2020	
Schalk Burger	Non-Executive Director	23 February 2024	23 May 2024
Michiel Laubscher	Non-Executive Director	1 February 2024	
Funeka Mtsila	Independent Non-Executive	18 June 2021	
Steve Naudé	Independent Non-Executive	22 October 2019	
Corné Oberholzer	Non-Executive Director	23 May 2024	
Johan (Joe) van Rensburg	Executive Director: Mining	23 May 2024	

In terms of the Company's Memorandum of Incorporation, Ms Funeka Mtsila retired by rotation at the AGM held on 22 August 2024 and was re-appointed by shareholders. The appointments of Mr Michiel Laubscher and Mr Corné Oberholzer as Non-Executive Directors and Mr Joe van Rensburg as an Executive Director were also ratified at the AGM held on 22 August 2024.

Mr Steve Naudé and Ms Mamsy Mokate retire by rotation and, being eligible, have offered themselves for re-election, therefore, resolutions confirming their re-appointments will be presented to shareholders at the AGM to be held on 22 August 2025.

Resolutions to confirm the re-appointments of Mr Steve Naudé (Chairperson), Ms Mamsy Mokate and Ms Funeka Mtsila as members of the Audit and Risk Committee, will be presented to shareholders at the AGM to be held on 22 August 2025.

In terms of sections 72 and 61 of the Companies Act, members of the Social and Ethics Committee have to be appointed by shareholders with effect from 27 December 2024, as opposed to being appointed by the Board, and the majority of the members must be non-executive directors. Resolutions to confirm the re-appointments of Ms Mamsy Mokate (Chairperson), Mr Steve Naudé, Ms Funeka Mtsila, Mr Michiel Laubscher and Ms Ronel Coetzee as members of the Social and Ethics Committee, will be presented to shareholders at the AGM to be held on 22 August 2025.

Directors' report

continued

for the year ended 28 February 2025

Fusion Corporate Secretarial Services (Pty) Ltd is the Company Secretary of Brikor.

ANALYSIS OF SHAREHOLDING

as at 28 February 2025

	Number of shareholdings	%	Number of shares	%
SHAREHOLDER SPREAD				
1 – 1 000 shares	10 656	84,59	1 426 404	0,17
1 001 – 10 000 shares	1 394	11,07	4 188 790	0,50
10 001 – 100 000 shares	416	3,30	13 667 501	1,63
100 001 – 1 000 000 shares	105	0,83	30 137 707	3,60
1 000 001 – 10 000 000 shares	23	0,18	54 069 669	6,45
10 000 001 shares and over	3	0,02	734 751 960	87,65
	12 597	100,00	838 242 031	100,00
DISTRIBUTION OF SHAREHOLDERS				
Banks/Brokers	11	0,09	2 241 715	0,27
Close Corporations	2	0,02	7 875	0,00
Endowment Fund	1	0,01	8 000	0,00
Nominees and Trusts	10	0,08	13 010 509	1,55
Other Corporations	17	0,13	147 820	0,02
Private Companies	30	0,24	716 543 076	85,48
Retail Investors	12 519	99,38	87 570 052	10,45
Share Trust	1	0,01	15 900 000	1,90
Trusts	6	0,05	2 812 984	0,34
	12 597	100,00	838 242 031	100,00
PUBLIC/NON-PUBLIC SHAREHOLDERS				
Non-public shareholders	4	0,03	722 086 221	86,14
Share Trust	1	0,01	15 900 000	1,90
Strategic Holdings	3	0,02	706 186 221	84,25
Public shareholders	12 593	99,97	116 155 810	13,86
	12 597	100,00	838 242 031	100,00

	Number of shares	%
Beneficial shareholders holding 5% or more		
Nikkel Trading 392 (Pty) Ltd	706 186 221	84,25
	706 186 221	84,25



Directors' report

continued

for the year ended 28 February 2025

DIRECTORS, ASSOCIATES AND PRESCRIBED OFFICERS' INTEREST IN THE ORDINARY SHARE CAPITAL OF THE COMPANY

At the reporting date, the directors held no direct or indirect beneficial interest (2024: Nil%) in the ordinary share capital of the Company.

There has been no material change in the directors' interest in the issued share capital between 28 February 2025 and the date of this report.

DIRECTORS AND PRESCRIBED OFFICERS' EMOLUMENTS

Details of the directors and prescribed officers' emoluments are set out in note 34 of the consolidated and separate financial statements.

DIRECTORS' INTEREST IN CONTRACTS

The directors have certified that they had no material interest in any transaction of any significance to the Company or any of its subsidiaries during the reporting period, other than as disclosed in note 33 – Related parties.

Nikkel Trading 392 (Pty) Ltd has a direct interest in the Contract Mining and Coal Purchase Agreement entered into on 30 June 2023 and approved by shareholders on 18 October 2023.

CONFLICT OF INTERESTS

No conflicts of interest have been identified other than the Contract Mining and Coal Purchase Agreement in which Nikkel Trading 392 (Pty) Ltd has a direct interest.

SUBSIDIARIES AND ASSOCIATES

Details of the holding Company's interest in subsidiaries and associates are set out in notes 5 and 6 of the consolidated and separate financial statements.

BORROWING POWERS

In terms of the Memorandum of Incorporation of the Company, the directors may exercise all the powers of the Company to borrow without limit, as they consider appropriate.

Directors' report

continued

for the year ended 28 February 2025

CORPORATE ACTIVITY DURING THE REPORTING PERIOD

Update on the Contract Mining and Coal Purchase Agreement

The Contract Mining and Coal Purchase Agreement ("the Agreement") was approved by shareholders on 18 October 2023, effective 1 November 2023. Salient clauses of the Agreement are as follows:

- The Service Provider (Ilangabi Colliery (Pty) Ltd, previously known as TCQ Mining (Pty) Ltd), shall, subject to the Ramp-Up Period (a period commencing on the Effective Date and for a period of 6 (six) consecutive months), produce the Tonnage Target of not less than 150 000 (one hundred and fifty thousand) tonnes of clean run-of-mine coal in each month (the "Underpin Tonnage Target");
- The Service Provider shall mine no less than a total of 400 000 (four hundred thousand) tonnes of coal during the Ramp-Up Period;
- The Service Provider will be obliged to ensure that the services are rendered in such a manner that (at least) the Underpin Tonnage Target is met at all times; and
- If the Service Provider fails to meet the Underpin Tonnage Target due to circumstances or events that the Service Provider believes are out of its control (excluding an Event of Force Majeure), the Service Provider shall notify the Company as soon as reasonably possible.

During the current reporting period, the Service Provider failed to meet the tonnage requirements for the Ramp-Up Period as well as the Underpin Tonnage Target, as a result of delays in obtaining secured off-take agreements for coal mined. The representatives of the Service Provider indicated that it is not commercially viable to mine the required tonnages without having confirmed off-take agreements in place. The main reason for not having confirmed off-take agreements in place was as a result of the delay in obtaining a water use licence for the Group's mining rights, being Vlakfontein and Grootfontein. The Brikor Board of Directors agreed that it made commercial sense to defer penalties as a result of not meeting the Underpin Tonnage Target as the delay in obtaining a water use licence was an event which was not under the control of the Service Provider. It was agreed that the Group will, therefore, only invoice for actual coal mined. The Service Provider experienced significant cash flow constraints as a result of not having confirmed off-take agreements in place. This had a knock-on effect on the ability of the Service Provider to repay its debt to the Brikor Group in terms of the Agreement. The Brikor Board of Directors has put the Service Provider on notice regarding the outstanding balances as at 31 December 2024 with all invoices thereafter being paid in terms of the Agreement. An expected credit loss has also been accounted for in terms of IFRS 9, see note 10.

The water use licence has been awarded during the reporting period. It is anticipated that the Service Provider will be in a better position to negotiate formal off-take agreements, which will enable the Service Provider to comply with the Underpin Tonnage Target as well as the payment terms as per the Agreement.

The Board of Directors will continue to ensure that the Service Provider complies with the terms of the Agreement and that the Agreement is managed in the best interest of all the Group's stakeholders.

Liquidation of dormant subsidiary companies

A voluntary process was entered into for the liquidation of Tugela Ready Mix (Pty) Ltd and Stanbrik Rooftiles (Pty) Ltd. An external agent has been appointed to facilitate the dissolution process.



Directors' report

continued

for the year ended 28 February 2025

LITIGATION

Ilangabi Resources (Pty) Ltd is currently a party to a litigation process instituted against the company as a result of events dating back to 2015, the details of which are disclosed in note 31 – Contingencies.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Sale of Rayton property

Consent in terms of section 11(1) has been granted by the Minister on 15 January 2024 and the cession of the mining right has been registered on 10 April 2024. Registration of the property at the title deeds office took place on 18 March 2025 and the sale was, accordingly, finalised subsequent to year-end.

Buy-back of ordinary shares

As per the SENS announcement on 28 February 2025, shareholders were advised that the Board of Directors of the Company entered into a share buy-back agreement ("Share Buy-Back Agreement") between the Company and the trustees for the time being of the Brikor Share Incentive Scheme ("the Trust") on 27 February 2025, in terms of which Share Buy-Back Agreement, *inter alia*, the Company will buy back 15 900 000 ordinary shares in the issued share capital of the Company ("Repurchase Shares"), at a purchase consideration of 14 cents per Repurchase Share, being an aggregate amount of R2 385 000 ("Purchase Price") in respect of all the Repurchase Shares (the "Repurchase"). The price per Repurchase Share was calculated based on the 30-day volume weighted average trading price of a Brikor share on the JSE immediately preceding 19 February 2025. The Purchase Price was to be discharged by the Company deducting and setting off the Purchase Price against the amount owing by the Trust to the Company and would have no cash flow implications for Brikor.

The rationale for the Repurchase is that the Trust has not allocated any of the Repurchase Shares to Brikor employees and will be wound down after the Repurchase has been completed.

The Repurchase needed to be approved by the shareholders of the Company (the "Shareholders"), holding not less than 75% of all votes exercisable by Shareholders in general meeting in accordance with the provisions of section 48(8) of the Companies Act, No 71 of 2008, as amended ("Companies Act"). The requisite notice of written shareholders' resolutions in terms of section 60 of the Companies Act was distributed to Brikor shareholders on 4 April 2025.

As per the SENS announcement on 6 May 2025, shareholders were advised that the written shareholders' resolution distributed on 4 April 2025 has passed.

Other than as disclosed above, the Board is not aware of any material events which occurred subsequent to the year ended 28 February 2025 and which need adjustment or disclosure in the consolidated and separate financial statements.

STATEMENT ON GOING CONCERN

The statement on going concern appears in note 38.

AUDITORS

At the AGM held on 22 August 2024, shareholders approved the appointment of Nexia SAB&T, with Mr Aneel Darmalingam as the designated audit partner. Nexia SAB&T has indicated their willingness to continue in office for the 2026 financial year. The Audit and Risk Committee has satisfied itself of the independence of the auditors and the designated audit partner, Mr Aneel Darmalingam.

A resolution to re-appoint Nexia SAB&T, as auditors, and Mr Aneel Darmalingam as designated audit partner, will be proposed at the next AGM scheduled to take place on 22 August 2025.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF BRIKOR LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Brikor Limited and its subsidiaries (the group and company) set out on pages 21 to 105, which comprise the consolidated and separate statements of financial position as at 28 February 2025; and the consolidated and separate statements of profit or loss and other comprehensive income; the consolidated and separate statements of changes in equity; and the consolidated and separate statements of cash flows for the year then ended; and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Brikor Limited and its subsidiaries as at 28 February 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

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

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and 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 and separate financial statements.

Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which is the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement. These factors 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 and separate financial statements as a whole.

Based on our professional judgement, we determined final materiality for the consolidated and separate financial statements as follows:

	Consolidated financial statements	Separate financial statements
Final materiality	R3 807 407 (2024: R4 931 149)	R2 779 611 (2024: R3 899 500)
Basis for determining materiality	1% of Revenue (2024: Average of 1% of Revenue and 2% of Total Assets)	1% of Revenue (2024: Average of 1% of Revenue and 2% of Total Assets)
Rationale for the materiality benchmark applied	We considered revenue to be the appropriate benchmark, as the entity operates in a high-volume, low-margin environment where revenue is considered a more stable and relevant indicator of financial performance.	We considered revenue to be the appropriate benchmark, as the entity operates in a high-volume, low-margin environment where revenue is considered a more stable and relevant indicator of financial performance.

Independent auditor's report

continued

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between R2 131 974 and R763 347. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

During our audit, we reassessed initial materiality and found no reason to change from our original assessment at planning.

Group audit Scope

We designed our group audit by assessing the risk of material misstatement at the group level and determining the nature, timing and extent of audit procedures to be performed across the group. Significant judgements were made in scoping the group audit, including the determination of components at which audit work, in support of the group audit opinion, needed to be performed to address the risk of material misstatement at group level. The decision to perform an audit of the entire financial information of the component, audits of one or more account balances, classes of transactions or disclosures or specified procedures was made considering the likelihood of material misstatements in those components and the overall risk profile of the group.

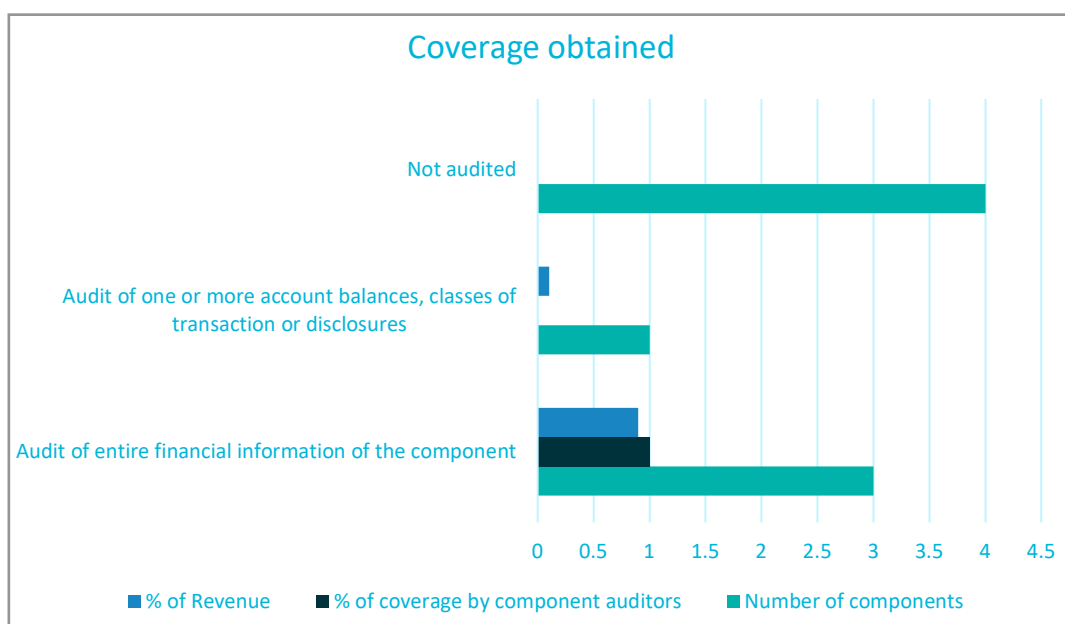
In selecting components, we involve the component auditors in the risk assessment process and perform risk assessment activities across the group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances and classes of transactions at the components contribute to those risks and thus determine which account balances and classes of transactions require an audit response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses.

We considered the following to determine the components at which audit work, in support of the group audit opinion, needed to be performed to provide an appropriate basis for undertaking audit work to address the risks of material misstatement at group level. This included an assessment of:

- Whether any individual component had relevant events or conditions that may result in a risk to the group financial statements.
- Whether the group auditor needed to obtain audit evidence on all or a significant portion of the component's financial statements.
- Size of the component i.e. component's contribution to relevant classes of transactions, account balance or disclosures and contribution to the group risks of material statements.
- Whether the individual component was subject to audit under local law.

Based on our assessment, there were 8 components within the group structure. Each consolidated legal entity was considered to be an individual component to be assessed. All components are based in South Africa.

In assessing the risk of material misstatement to the consolidated financial statements and ensuring adequate quantitative coverage of significant accounts, we summarize below the extent of audit work performed at the components in support of the group audit opinion.



Independent auditor's report

continued

We determined the type of work that needed to be performed by us, whether as the group auditor or by component auditors, or other firms or networks operating under our instruction. When the work was performed by component auditors, we defined the scope of work to be conducted at these components and the level of involvement necessary for us in the audit work at those components. We ensured a consistent audit approach through frequent communication with component auditors, detailed group instructions, regular status updates, through direction and supervision of the audit work performed by component auditors, including reviewing their working papers and engaging in regular communications to evaluate their findings. We also held planning and completion meetings with each component audit team to ensure alignment with the group audit strategy and consistency in applying audit procedures across the group. This approach provided us with sufficient appropriate audit evidence for the purposes of our opinion on the group financial statements as a whole.

For the components that were not audited, we considered if there were any events or conditions in these components that required additional procedures.

No procedures could be performed centrally as there are no central functions within the group. At a group level, we tested the consolidation process only.

Our audit procedures were designed to respond to the risks of material misstatement at both the group and component levels and to obtain sufficient appropriate audit evidence for the purposes of expressing our opinion on the consolidated financial statements.

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 and separate 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 the EAR Rule, we are required to report 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
Provision for environmental rehabilitation (Consolidated and Separate Financial Statements)	
<p>As at 28 February 2025, the group's environmental rehabilitation provision amounted to R92.4 million (R89.2 million in non-current liabilities and R3.2 million classified as non-current liabilities held for sale) and the company's environmental rehabilitation provision amounted to R63 million (R59.8 million in non-current liabilities and R3.2 million classified as non-current liabilities held for sale), as disclosed in notes 12 and 18 to the consolidated and separate financial statements.</p> <p>The group undertakes certain mining operations, in addition to its manufacturing activities, that require the provision for future rehabilitation of environmental damage caused by its operations.</p> <p>The group's operations are spread across numerous sites, and the provision for rehabilitation costs is determined for all of these locations. The inherent uncertainty in estimating future environmental rehabilitation costs impacts the completeness and valuation of the provision.</p>	<p>Our audit procedures included, amongst others, obtaining an understanding of the group's processes to estimate the environmental rehabilitation provisions. We also:</p> <ul style="list-style-type: none">• Assessed the professional competence and capabilities, objectivity, experience and independence of the experts appointed by management.• Tested the completeness of the sites included in the provision for environmental rehabilitation by ensuring that the calculation includes provisions for each site where the group has mining rights, including dormant sites.• Agreed the disturbed areas that require rehabilitation, per site, to the reports from the quantity surveyor and the independent expert.• Evaluated the appropriateness of the assumptions used by management in their calculation of the environmental rehabilitation by comparing key inputs and assumptions to external data sources and our own expectations based on our knowledge and experience of the industry.

Independent auditor's report

continued

Key Audit Matter	How our audit addressed the key audit matter
Provision for environmental rehabilitation (Consolidated and Separate Financial Statements)	
<p>In determining the present value of the total environmental rehabilitation provisions, management applies significant judgment and makes assumptions relating to future environmental rehabilitation costs, unscheduled closure costs on the reporting date, inflation rates, discount rates, and expected life of mine activities. Management has appointed independent environmental and quantity surveying experts to assist with these assumptions and calculations.</p> <p>We considered the determination of the environmental rehabilitation provision to be a matter of most significance to the current year audit due to the following:</p> <ul style="list-style-type: none"> • The significant judgement and estimation applied by management in determining the present value of the environmental rehabilitation provisions; and • The significance of the potential risk of material misstatement inherent in determining the environmental rehabilitation provisions 	<ul style="list-style-type: none"> • Obtained supporting evidence for closure costs considered in making the provision, and assessed whether the unit rates and quantities used were sufficient and appropriate. • Reviewed the calculation method to determine whether it is appropriate in the context of the financial reporting framework and the nature of the provision. As part of this assessment, we examined whether the data used in the calculation is complete and reliable. • Independently recalculated management's inflation rates, risk-free rates and discount rates applied with reference to relevant third-party sources. • Agreed the expected date of closure of mining activities to the respective life of mine certificates. • Evaluated whether the accounting treatment applied in determining the provision for environmental rehabilitation, the recognition of movement for the year and the related disclosures were in accordance with the applicable financial reporting framework. <p>We found the methods, assumptions and data used by management to be appropriate.</p> <p>We considered the group's and company's environmental rehabilitation provision and the disclosure thereof to be appropriate.</p>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Brikor Limited Annual Financial Statements 2025", which includes the Directors' Report, the Report of the Audit and Risk Committee, Certification of the Company Secretary, as required by the Companies Act of South Africa, the Statement of the CEO and Financial Director on Internal Controls as required by the JSE Limited Listing Requirements, and the Corporate Information, which we obtained prior to the date of this report, and the Integrated Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's reports thereon.

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

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

When we do receive and read the Integrated Annual Report 2025, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

Independent auditor's report

continued

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

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

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

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

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



Independent auditor's report

continued

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

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of Brikor Limited for 6 years.

Disclosure of Fee-related Matters

In terms of the EAR Rule, we disclose the following fee-related matters:

Category of services	Amount (Group) (Excl. VAT)	External component auditors (Group) (Excl. VAT)
Audit services fees paid or payable	R1 757 450	R825 000
Non-audit services	R0	R0



Nexia SAB&T

Aneel Darmalingam

Director

Registered Auditor

17 June 2025

119 Witch-Hazel Avenue

Highveld Technopark

Centurion

0157

Consolidated and separate STATEMENTS OF FINANCIAL POSITION

at 28 February

at 28 February		Group		Company	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
Note					
ASSETS					
Non-current assets		181 884	200 820	146 846	150 812
Property, plant and equipment	3	74 204	101 102	65 598	63 210
Intangible assets	4	2 570	3 110	395	450
Investments in and loans to subsidiaries	5	–	–	8 396	8 396
Investment in associate	6	56 025	58 421	50 000	50 000
Restricted financial assets	7	25 680	21 859	6 872	1 372
Deferred tax asset	8	23 405	16 328	15 585	15 788
Net investment in finance lease	14	–	–	–	11 596
Current assets		114 553	112 054	94 178	84 855
Inventories	9	92 173	75 462	79 362	50 356
Trade and other receivables	10	20 278	35 032	14 734	24 231
Cash and cash equivalents	11	637	95	82	94
Taxation	28	1 465	1 465	–	–
Net investment in finance lease	14	–	–	–	10 174
Non-current assets held-for-sale	12	5 356	4 989	5 356	4 989
Total assets		301 793	317 863	246 380	240 656
EQUITY AND LIABILITIES					
Equity		110 879	114 670	110 480	99 897
Equity attributable to equity holders of the Company		112 025	114 670	110 480	99 897
Stated capital	13	257 192	257 192	257 192	257 192
Accumulated loss		(145 167)	(142 522)	(146 712)	(157 295)
Non-controlling interest		(1 146)	–	–	–
Total liabilities		190 914	203 193	135 900	140 759
Non-current liabilities		93 444	76 901	67 533	58 100
Lease liability	14	854	5 631	854	5 631
Vendor loans	16	–	1 219	–	1 219
Loans from subsidiaries	5	–	–	3 490	3 490
Loans and borrowings	17	3 357	4 965	3 357	4 965
Provisions for environmental restoration	18	89 233	65 086	59 832	42 795
Current liabilities		94 314	123 503	65 211	79 870
Short-term portion of lease liability	14	3 655	12 065	3 655	12 065
Short-term portion of vendor loans	16	1 446	6 098	1 446	6 098
Short-term portion of loans and borrowings	17	1 640	3 694	1 640	2 529
Trade and other payables	19	71 739	87 619	53 854	56 823
Taxation	28	9 124	7 403	2 403	726
Bank overdraft	11	6 710	6 624	2 213	1 629
Liabilities directly associated with the assets held-for-sale	12	3 156	2 789	3 156	2 789
Total equity and liabilities		301 793	317 863	246 380	240 656

The notes on pages 25 to 105 are an integral part of the consolidated and separate financial statements.

Consolidated and separate **STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

for the year ended 28 February

	Note	Group		Company	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
Revenue	20	380 741	350 549	277 961	240 560
Cost of sales		(323 849)	(280 556)	(226 286)	(187 651)
Gross profit		56 892	69 993	51 675	52 909
Other income	21	3 602	7 009	12 752	15 733
Administrative expenses	21	(33 375)	(41 428)	(29 854)	(35 284)
Distribution expenses		(5 823)	(7 159)	(5 801)	(6 291)
Expenses		(15 947)	(4 576)	(10 539)	(4 923)
– Other expenses	21	(3 179)	(4 696)	(1 981)	(5 043)
– Impairment reversals	12	–	120	–	120
– Expected credit losses	10	(12 768)	–	(8 558)	–
Profit before interest, taxation and earnings from associate	21	5 349	23 839	18 233	22 144
Finance income	22	155	86	2 164	6 199
Finance costs	23	(12 047)	(13 964)	(7 682)	(10 639)
(Loss)/profit before taxation and earnings from associate		(6 543)	9 961	12 715	17 704
Taxation	24	5 148	(5 232)	(2 132)	(6 721)
(Loss)/profit for the year before earnings from associate		(1 395)	4 729	10 583	10 983
Share of (loss)/income from associate	6	(2 396)	3 515	–	–
(Loss)/profit for the year		(3 791)	8 244	10 583	10 983
Total comprehensive (loss)/income for the year		(3 791)	8 244	10 583	10 983
(Loss)/profit attributable to:					
Owners of the Company		(2 645)	8 244	10 583	10 983
Non-controlling interest		(1 146)	–	–	–
Total comprehensive (loss)/income for the year attributable to:					
Owners of the Company		(2 645)	8 244	10 583	10 983
Non-controlling interest		(1 146)	–	–	–
EARNINGS PER SHARE		2025 cents	2024 cents		
Basic and diluted earnings per share	25	(0,3)	1,0		

The notes on pages 25 to 105 are an integral part of the consolidated and separate financial statements.

Consolidated and separate **STATEMENTS OF CHANGES IN EQUITY**

for the year ended 28 February

	Stated capital R'000	Treasury shares R'000	Accumulated loss R'000	Equity attributable to holders of the Company R'000	Non- controlling interest R'000	Total equity R'000
Group						
Balance at 28 February 2023	273 092	(15 900)	(150 766)	106 426	–	106 426
Total comprehensive income for the year	–	–	8 244	8 244	–	8 244
Balance at 29 February 2024	273 092	(15 900)	(142 522)	114 670	–	114 670
Total comprehensive income for the year	–	–	(2 645)	(2 645)	(1 146)	(3 791)
Balance at 28 February 2025	273 092	(15 900)	(145 167)	112 025	(1 146)	110 879
Note	13	13				

	Stated capital R'000	Treasury shares R'000	Accumulated loss R'000	Total equity R'000
Company				
Balance at 28 February 2023	273 092	(15 900)	(168 278)	88 914
Total comprehensive income for the year	–	–	10 983	10 983
Balance at 29 February 2024	273 092	(15 900)	(157 295)	99 897
Total comprehensive income for the year	–	–	10 583	10 583
Balance at 28 February 2025	273 092	(15 900)	(146 712)	110 480
Note	13	13		

The notes on pages 25 to 105 are an integral part of the consolidated and separate financial statements.

Consolidated and separate **STATEMENTS** **OF CASH FLOWS**

for the year ended 28 February

	Note	Group		Company	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
Cash flows from operating activities		13 155	22 221	8 165	21 615
Cash generated from operations	27	18 073	30 133	10 265	22 549
Finance income	22	44	8	2 053	6 130
Finance costs	23	(4 469)	(7 920)	(3 721)	(7 064)
Tax paid	28	(493)	–	(432)	–
Cash flows from investing activities		2 677	2 978	5 450	4 859
Additions to property, plant and equipment	3	(1 111)	(4 672)	(1 111)	(4 878)
Proceeds on disposal of plant and equipment		3 788	3 838	3 451	1 244
Increase in investments in subsidiaries	5	–	–	–	(5)
Proceeds from gross investment in finance lease	14	–	–	3 110	8 498
Proceeds from restricted financial assets	7	–	3 812	–	–
Cash flows to financing activities		(15 376)	(28 545)	(14 211)	(27 942)
Lease capital repayments	14	(5 843)	(12 672)	(5 843)	(12 672)
Shareholder and vendor loans repaid	15; 16	(5 871)	(6 545)	(5 871)	(6 545)
Loans and borrowings repaid	17	(3 662)	(9 328)	(2 497)	(8 725)
Net increase/(decrease) in cash and cash equivalents		456	(3 346)	(596)	(1 468)
Cash and cash equivalents at beginning of year		(6 529)	(3 183)	(1 535)	(67)
Cash and cash equivalents at end of year	11	(6 073)	(6 529)	(2 131)	(1 535)

The notes on pages 25 to 105 are an integral part of the consolidated and separate financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

for the year ended 28 February 2025

1. ACCOUNTING POLICIES

1.1 PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Brikor Limited is a company domiciled in South Africa. The Company's registered office is 1 Marievale Road, Vorsterskroon, Nigel. The Group is primarily involved in the manufacturing of clay products (bricks) as well as coal and clay mining.

These financial statements contain the consolidated financial statements of Brikor Limited (the Group) and the separate financial statements of Brikor Limited (the Company) for the year ended 28 February 2025. The consolidated financial statements present the financial results of the Company and its subsidiaries (together referred to as the Group or individually as Group entities) and its associate.

The consolidated and separate financial statements of Brikor Limited were approved on 17 June 2025 and authorised for issue by the Board of Directors on 19 June 2025.

Basis of accounting

The consolidated and separate financial statements have been prepared in accordance with IFRS® Accounting Standards and the requirements of the Companies Act and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

These consolidated and separate financial statements are presented in South African rand, which is the functional currency of all the entities within the Group. All financial information has been rounded to the nearest Rand thousands, except when otherwise indicated.

The consolidated and separate financial statements have been prepared on the historical cost basis, except for restricted financial assets at fair value through profit or loss and assets and liabilities classified as held-for-sale.

Details of the Group's accounting policies are detailed below as part of each note to the financial statements. The Group has consistently applied the accounting policies set out below to all periods presented in these financial statements, except for the adoption of new and revised standards and interpretations.

New standards, amendments to standards and interpretations adopted

The Group adopted all the new standards, amendments to standards and interpretations, which are applicable to the Group, with the date of initial application of 1 March 2024. The adoption of these standards did not have a significant impact on these consolidated and separate financial statements.

1.2 USE OF ACCOUNTING ASSUMPTIONS, ESTIMATES AND JUDGEMENTS

The preparation of the consolidated and separate financial statements requires management to make accounting assumptions, estimates and judgements that affect the application of the Group's accounting policies and reported amounts of assets and liabilities, income and expenses.

Accounting assumptions, estimates and judgements are reviewed on an ongoing basis. Revisions to reported amounts are recognised in the period in which the revision is made and in any future periods affected. Actual results may differ from these estimates.

Information about assumptions and estimates in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are included in the notes:

- Note 3 – Property, plant and equipment
- Note 8 – Deferred tax asset
- Note 10 – Trade and other receivables
- Note 12 – Assets and liabilities classified as held-for-sale
- Note 18 – Provision for environmental restoration
- Note 31 – Contingencies



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

1. ACCOUNTING POLICIES continued

1.3 MEASUREMENT OF FAIR VALUES

A number of the Group's accounting policies and disclosure require the measurement of fair values, for both financial and non-financial assets and liabilities.

The directors regularly review significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the directors assess the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to and evaluated by the Group's Audit and Risk Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurements is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 7 – Restricted financial assets at fair value through profit or loss
- Note 12 – Assets and liabilities classified as held-for-sale

1.4 BASIS OF CONSOLIDATION

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

2. NEW STANDARDS AND INTERPRETATIONS

2.1 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

At the date of authorisation of these consolidated and separate financial statements, the following relevant standards, amendments to standards and interpretations that may be applicable to the business of the Group were in issue but not yet effective and may, therefore, have an impact on future consolidated and separate financial statements. These new standards, amendments to standards and interpretations will be adopted at their effective dates.

IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments (Effective 1 January 2026)

Amendments to the Classification and Measurement of Financial Instruments was issued in May 2024 in response to feedback received as part of the post-implementation review of the classification and measurement requirements in IFRS 9 Financial Instruments and related requirements in IFRS 7 – Financial Instruments: Disclosures.

The amendments specify:

- when a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date;
- how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs; and
- new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

Management is in the process of evaluating the impact of the amendment on its consolidated and separate financial statements. It is not expected that the amendment would have a material impact on the consolidated and separate financial statements.

Annual Improvements to IFRS® Accounting Standards (Effective 1 January 2026)

Annual Improvements to IFRS® Accounting Standards – Volume 11 contains the following amendments:

Accounting Standard	Nature of Change
IFRS 1 – First-time Adoption of IFRS	Hedge accounting for first-time adopter.
IFRS 7 – Financial Instruments: Disclosures	Gain or loss on derecognition
Guidance on implementing IFRS 7 – Financial Instruments: Disclosures	<ul style="list-style-type: none"> • Introduction; • Disclosure of deferred difference between fair value and transaction price; and • Credit risk disclosures.
IAS 7 – Statement of Cash Flows	Cost method
IFRS 9 – Financial Instruments	Derecognition of lease liabilities and transaction price
IFRS 10 – Consolidated Financial Statements	Determination of a 'de facto agent'

Management is in the process of evaluating the impact of the amendments on its consolidated and separate financial statements.



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

2. NEW STANDARDS AND INTERPRETATIONS continued

2.1 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS NOT YET ADOPTED continued

IFRS 18 – Presentation and Disclosure in Financial Statements (Effective 1 January 2027)

IFRS 18 – Presentation and Disclosure in Financial Statements was issued in April 2024 to replace IAS 1 – Presentation of Financial Statements. IFRS 18 aims to improve financial reporting by: requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and adding new principles for the aggregation and disaggregation of items. The IASB did not reconsider all aspects of IAS 1 when developing IFRS 18, but instead focused on the statement of profit or loss. The IASB retained some paragraphs from IAS 1 in IFRS 18 and moved some paragraphs from IAS 1 to IAS 8 Basis of Preparation of Financial Statements and IFRS 7 Financial Instruments: Disclosures.

Management is in the process of evaluating the impact of IFRS 18 on its consolidated and separate financial statements.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures (Effective 1 January 2027)

IFRS 19 – Subsidiaries without Public Accountability: Disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS® Accounting Standards with reduced disclosure requirements. These entities apply the requirements in other IFRS® Accounting Standards except for their disclosure requirements. Instead, these entities apply the requirements in IFRS 19.

Management is in the process of evaluating the impact of IFRS 19 on its consolidated and separate financial statements.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT

SIGNIFICANT ACCOUNTING ASSUMPTIONS AND ESTIMATES

Management makes estimates and assumptions concerning the future and the resulting accounting estimates will not always equal the actual results. The estimates, assumptions and judgements that have the most significant effect on property, plant and equipment are discussed below:

Impairment of property, plant and equipment

In accordance with the Group's accounting policy, each asset or cash-generating unit is evaluated every reporting period to determine whether there are any indications of impairment or reversal of previously recognised impairment losses. If any such indication exists, a formal estimate of the recoverable amount is performed. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised. A reversal of a previously recognised impairment loss is limited to the lesser of the amount that would not cause the increased carrying amount to exceed (a) its recoverable amount; or (b) the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset or cash-generating unit.

The recoverable amount of an asset or cash-generating group of assets is measured at the higher of fair value less costs of disposal and value-in-use. The determination of fair value and value-in-use requires management to make estimates and assumptions about expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves, operating costs, closure and rehabilitation costs and future capital expenditure. These estimates and assumptions are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying amount of the assets may be further impaired or the impairment charge reduced with the impact recorded in the income statement.

Mineral reserves and resources estimates

The Group is required to determine and report on the quantity of its mineral reserves and resources in accordance with the South African Code for the Reporting of Explorations Results, Mineral Resources and Mineral Reserves (SAMREC Code).

In order to calculate mineral reserves and resources, estimates and assumptions are required about a range of geological, technical and economic factors, including but not limited to quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices, exchange rates, unforeseen operational issues at mine sites and discount rates.

Estimating the quantity and/or grade of mineral reserves and resources requires the size, shape and depth of reclamation sites to be determined by analysing geological data such as the logging and assaying of drill samples. This process may require complex and difficult geological judgements and calculations to interpret the data.

Because the assumptions used to estimate mineral reserves and resources change from period to period and because additional geological data is generated during the course of operations, estimates of mineral reserves and resources may change from period to period.

Mineral reserves and resource estimates determined by management are reviewed by an independent mineral resources expert on an annual basis.

Changes in reported available mineral reserves and resources may affect the Group's life-of-mine plan, which would impact the financial results and financial position in a number of ways including the following:

- asset carrying values may be affected due to changes in estimate future cash flows;
- depreciation charged in profit or loss may change where such charges are determined by the units-of-production method, or where the useful lives of assets change;
- decommissioning, site restoration and environmental provisions may change where changes in estimated mineral reserves and resources affect expectations about the timing or cost of these activities; and
- the carrying value of deferred tax assets and liabilities may change due to changes in estimates of the likely recovery of the tax benefits and the timing thereof.



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

ACCOUNTING POLICIES

Recognition and measurement

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

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to or replace part of it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located are also included in the cost of property, plant and equipment, where the Group is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories. See note 18 for additional disclosure relating to environmental rehabilitation provision.

The costs of self-constructed assets include the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

Day-to-day servicing expenses incurred on property, plant and equipment are expensed directly in profit or loss for the period. Major maintenance that meets the recognition criteria is capitalised.

Deferred stripping

Production stripping costs in a surface mine are capitalised to property, plant and equipment if, and only if, all of the following criteria are met:

- It is probable that the future economic benefit associated with the stripping activity will flow to the Group; and
- The Group can identify the component of the ore body for which access has been improved; and
- The costs relating to the stripping activity associated with that component can be measured reliably.

If the above criteria are not met, the stripping costs are recognised directly in profit or loss.

The Group initially measures the stripping activity asset at cost, this being the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore. The stripping cost is included in plant and equipment.

After initial recognition, the stripping activity asset is carried at cost less accumulated depreciation and accumulated impairment losses. The stripping asset is depreciated on a straight-line basis, which is based on current remaining life of mine.

Derecognition

Derecognition occurs when an item of property, plant and equipment is disposed of, or when it is no longer expected to generate any further economic benefits.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

ACCOUNTING POLICIES continued

Depreciation

Depreciation commences when an asset is available-for-use. Depreciation is charged so as to write off the depreciable amount of items to their residual values, over their estimated useful lives, using a method that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Group.

Where an item comprises major components with different useful lives, the components are accounted for as separate items of property, plant and equipment and are depreciated over their estimated useful lives.

Land is not depreciated.

Methods of depreciation, remaining useful lives and residual values are reviewed annually. If the expectations differ from the previous estimates, the changes are accounted for as a change in accounting estimate.

The estimated useful lives and residual values are reviewed annually. If the expectations differ from the previous estimates, the changes are accounted for as a change in accounting estimates.

The estimated remaining useful lives of property, plant and equipment for current and comparative periods are as follows:

Item	Method	Remaining useful life
Buildings	Straight-line	15 to 23 years
Mineral reserves	Units of production	3 to 14 years *
Stripping cost	Units of production	7 to 8 years *
Plant and equipment	Straight-line	2 to 19 years
Furniture and fixtures	Straight-line	3 to 14 years
Motor vehicles	Straight-line	2 to 8 years

* Based on current production levels and remaining life of mine assessments. The life of mine range between 3 to 14 years, as noted above.

Impairment

The carrying amounts of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment of assets is recognised immediately in profit or loss.

The Group assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets, other than goodwill, may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset, other than goodwill attributable to a reversal of an impairment loss, does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets, other than goodwill, is recognised immediately in profit or loss.



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

ACCOUNTING POLICIES continued

Leases as lessee

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. In addition, the right-of-use asset is periodically tested for impairment if an indicator exists.

The Group presents right-of-use assets as part of property, plant and equipment and lease liabilities in 'lease liabilities' in the statement of financial position.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including office equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. See note 21 for disclosure of the short-term leases.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

	Cost R'000	Accumulated depreciation R'000	Carrying value R'000
Group			
2025			
Land	3 657	–	3 657
Mineral reserves	2 768	(1 841)	927
Buildings	39 467	(22 288)	17 179
Plant, equipment and stripping cost	102 278	(51 278)	51 000
Furniture and fixtures	2 922	(2 359)	563
Motor vehicles	4 005	(3 127)	878
	155 097	(80 893)	74 204
2024			
Land	3 657	–	3 657
Mineral reserves	2 768	(1 714)	1 054
Buildings	37 409	(20 082)	17 327
Plant, equipment and stripping cost	126 805	(49 839)	76 966
Furniture and fixtures	3 056	(2 240)	816
Motor vehicles	4 099	(2 817)	1 282
	177 794	(76 692)	101 102

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

Reconciliation of property, plant and equipment

	Land R'000	Mineral reserves R'000	Buildings R'000	Plant and equipment R'000	Stripping cost R'000	Furniture and fixtures R'000	Motor vehicles R'000	Total R'000
Group								
2025								
Carrying value 1 March 2024	3 657	1 054	17 327	61 956	15 010	816	1 282	101 102
Additions	–	–	–	4 993	–	37	–	5 030
Disposals *	–	–	–	(17 386)	–	(44)	(65)	(17 495)
Depreciation	–	(127)	(2 206)	(13 492)	(342)	(246)	(339)	(16 752)
Increase in decommissioning asset ^	–	–	2 058	261	–	–	–	2 319
Carrying value 28 February 2025	3 657	927	17 179	36 332	14 668	563	878	74 204
2024								
Carrying value 1 March 2023	3 657	1 181	19 054	78 757	4 284	1 167	1 808	109 908
Additions	–	–	74	4 358	10 821	76	165	15 494
Disposals *	–	–	(60)	(6 110)	–	(8)	(191)	(6 369)
Depreciation	–	(127)	(2 177)	(17 544)	(95)	(419)	(500)	(20 862)
Increase in decommissioning asset ^	–	–	436	2 495	–	–	–	2 931
Carrying value 29 February 2024	3 657	1 054	17 327	61 956	15 010	816	1 282	101 102

* Assets with a carrying value of R 0,8 million (2024: R0,5 million) were scrapped during the year ended 28 February 2025 and are included as part of disposals above. These assets were not in a working condition and it is not cost effective for these items to be repaired.

Included in disposals is equipment with a carrying value of R15,6 million, which was leased from BLC and sold during the current reporting period. See note 21 for disclosure regarding profit/loss on disposal and cancellation of leases.

^ See note 18 for accounting policy relating to the environmental rehabilitation provision and related cost capitalised to the decommissioning asset.

Cash additions amounted to R1,1 million (2024: R4,7 million), with the remainder of the additions relating to right-of-use assets acquired through lease agreement with Manitou (2024: stripping costs incurred on the Group's surface mine operations).

Detail of the land and buildings

A register containing the information of land and buildings is available for inspection at the registered office of the Company.

Securities

Mining equipment with a carrying value of R3,6 million (2024: R5,7 million), financed through Nedbank, remains vested in the bank until all amounts due have been paid (see note 17).

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

Right-of-use assets

The Group leases the following production and mining equipment, which is included in property, plant and equipment as indicated below:

Manitou Forklifts

The Group leases forklifts from Manitou in terms of a lease agreement for a period of 24 months. The Group has the intention to rent the equipment for the entire lease term. Lease payments as per the contract were used in determining the lease liability and right-of-use asset.

When measuring the lease liabilities and right-of-use assets relating to the forklifts, the Group discounted the lease payments using its incremental borrowing rate at the date of entering into the respective contracts.

Included in plant and equipment are right-of-use assets relating to the forklifts with a carrying value of R2,5 million (2024: R1,9 million) as at 28 February 2025. See note 14 for additional disclosure relating to the lease liability.

Boutique Leasing Company (Pty) Ltd ("BLC")

During October 2022, the Group entered into a lease agreement with BLC where the Group rents mining equipment for a period of 36 months and motor vehicles for a period of 60 months on a rent-to-own basis. The Group has the intention to rent the equipment for the entire lease term after which ownership of the equipment and motor vehicles will transfer to the Group.

When measuring the lease liabilities and right-of-use assets relating to the mining equipment and motor vehicles, the Group discounted the lease payments using the interest rate implicit in the lease.

During the current reporting period, equipment with a carrying value of R15,6 million was sold and, accordingly, the lease agreement for these assets were cancelled. See note 14 for disclosure of the penalties as a result of cancellation of the lease.

Included in plant and equipment are right-of-use assets leased from BLC with a carrying value of R2,1 million (2024: R19,1 million) and motor vehicles with a carrying value of R0,3 million (2024: R0,5 million) as at 28 February 2025. See note 14 for additional disclosure relating to the lease liability.

Goscor Finance (Pty) Ltd ("Goscor")

During November 2022, the Group entered into a lease agreement with Goscor where the Group rents mining equipment for a period of 36 months on a rent-to-own basis. The Group has the intention to rent the equipment for the entire lease term after which ownership of the equipment will transfer to the Group.

When measuring the lease liabilities and right-of-use assets relating to the mining equipment, the Group discounted the lease payments using the interest rate implicit in the lease.

Included in plant and equipment are right-of-use assets leased from Goscor with a carrying value of R1,5 million (2024: R1,9 million) as at 28 February 2025. See note 14 for additional disclosure relating to the lease liability.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

The below table illustrates the movement in the right-of-use assets for the current financial year:

	Motor vehicles R'000	Plant and equipment R'000	Total R'000
Group			
2025			
Right-of-use assets			
Balance at 1 March	412	22 994	23 406
Additions	–	3 919	3 919
Cancellation of lease #	–	(15 553)	(15 553)
Depreciation charge for the year	(111)	(5 215)	(5 326)
	301	6 145	6 446
2024			
Right-of-use assets			
Balance at 1 March	523	35 668	36 191
Derecognition *	–	(2 797)	(2 797)
Depreciation charge for the year	(111)	(9 877)	(9 988)
	412	22 994	23 406

* The derecognition during the 2024 financial year relates to the termination of a grader, which was leased from Goscor. No termination penalties were payable.

Derecognition of mining equipment sold and related lease cancelled.

The Group has presented interest expense (see note 23) separately from the depreciation charge for the right-of-use assets.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

	Cost R'000	Accumulated depreciation R'000	Carrying value R'000
Company			
2025			
Land	3 657	–	3 657
Mineral reserves	2 768	(1 841)	927
Buildings	32 425	(15 406)	17 019
Plant, equipment and stripping	67 715	(25 071)	42 644
Furniture and fixtures	2 621	(2 110)	511
Motor vehicles	3 442	(2 602)	840
	112 628	(47 030)	65 598
2024			
Land	3 657	–	3 657
Mineral reserves	2 768	(1 714)	1 054
Buildings	30 367	(13 254)	17 113
Plant, equipment and stripping	61 349	(21 899)	39 450
Furniture and fixtures	2 598	(1 893)	705
Motor vehicles	3 536	(2 305)	1 231
	104 275	(41 065)	63 210

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

Reconciliation of property, plant and equipment

	Land R'000	Mineral reserves R'000	Buildings R'000	Plant and equipment R'000	Stripping cost R'000	Furniture and fixtures R'000	Motor vehicles R'000	Total R'000
Company								
2025								
Carrying value 1 March 2024	3 657	1 054	17 113	24 440	15 010	705	1 231	63 210
Additions	–	–	–	4 993	–	37	–	5 030
Transfers #	–	–	–	5 666	–	–	–	5 666
Disposals *	–	–	–	(185)	–	–	(65)	(250)
Depreciation	–	(127)	(2 152)	(7 117)	(342)	(231)	(326)	(10 295)
Increase in decommissioning asset ^	–	–	2 058	179	–	–	–	2 237
Carrying value 28 February 2025	3 657	927	17 019	27 976	14 668	511	840	65 598
2024								
Carrying value 1 March 2023	3 657	1 181	18 624	28 685	4 284	1 005	1 508	58 944
Additions	–	–	74	4 299	10 821	76	430	15 700
Disposals *	–	–	(60)	(2 438)	–	–	(220)	(2 718)
Depreciation	–	(127)	(1 961)	(7 651)	(95)	(376)	(487)	(10 697)
Increase in decommissioning asset ^	–	–	436	1 545	–	–	–	1 981
Carrying value 29 February 2024	3 657	1 054	17 113	24 440	15 010	705	1 231	63 210

* Assets scrapped during the reporting period ended 28 February 2025 amounted to Rnil million (2024: R0,3 million) and form part of the total disposals indicated above.

Transfers of mining equipment from investment in finance lease to plant and equipment on 28 February 2025. See note 14 for cancellation of lease agreement between the Company and its subsidiary.

^ See note 18 for accounting policy relating to the environmental rehabilitation provision and related cost capitalised to the decommissioning asset.

Cash additions amounted to R1,1 million (2024: R4,9 million), with the remainder of the additions relating to right-of-use assets acquired through lease agreement with Manitou (2024: stripping costs incurred on the Grootfontein mining area).

Detail of the land and buildings

A register containing the information of land and buildings is available for inspection at the registered office of the Company.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. **PROPERTY, PLANT AND EQUIPMENT** continued

Right-of-use assets

The Company leases the following production and mining equipment, which is included in property, plant and equipment as indicated below:

Manitou Forklifts

The Company leases forklifts from Manitou in terms of a lease agreement for a period of 24 months. The Company has the intention to rent the equipment for the entire lease term. Lease payments as per the contract were used in determining the lease liability and right-of-use asset.

When measuring the lease liabilities and right-of-use assets relating to the forklifts, the Group discounted the lease payments using its incremental borrowing rate at the date of entering into the respective contracts.

Included in plant and equipment are right-of-use assets relating to the forklifts with a carrying value of R2,5 million (2024: R1,9 million) as at 28 February 2025. See note 14 for additional disclosure relating to the lease liability.

Boutique Leasing Company (Pty) Ltd ("BLC")

During October 2022, the Company entered into a lease agreement with BLC where the Company rents mining equipment for a period of 36 months and motor vehicles for a period of 60 months on a rent-to-own basis. The Company has the intention to rent the equipment for the entire lease term after which ownership of the equipment and motor vehicles will transfer to the Company. The mining equipment is sub-leased to Ilangabi Resources (Pty) Ltd and has, accordingly, been derecognised as right-of-use assets. The equipment, which is sub-leased, has been accounted for as an investment in the lease in the stand-alone financial statements of the Company. See note 14 for additional disclosure relating to the investment in the lease.

With effect from 28 February 2025, Ilangabi Resources (Pty) Ltd cancelled the lease agreement and the equipment was, accordingly, transferred to plant and equipment.

Goscor Finance (Pty) Ltd ("Goscor")

During November 2022, the Company entered into a lease agreement with Goscor where the Company rents mining equipment for a period of 36 months on a rent-to-own basis. The Company has the intention to rent the equipment for the entire lease term after which ownership of the equipment will transfer to the Company.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

3. PROPERTY, PLANT AND EQUIPMENT continued

The below table illustrates the movement in the right-of-use assets applicable to the Company for the current financial year:

	Motor vehicles R'000	Plant and equipment R'000	Total R'000
Company			
2025			
Right-of-use assets			
Balance at 1 March	412	3 824	4 236
Additions *	–	3 919	3 919
Transfers #	–	2 092	2 092
Depreciation charge for the year	(111)	(3 690)	(3 801)
	301	6 145	6 446
2024			
Right-of-use assets			
Balance at 1 March	523	7 773	8 296
Depreciation charge for the year	(111)	(3 949)	(4 060)
	412	3 824	4 236

* Additions relate to the new forklifts acquired through lease agreement with Manitou.

Transfer of mining equipment subsequent to the cancellation of the sub-lease with Ilangabi Resources (Pty) Ltd.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

4. INTANGIBLE ASSETS

SIGNIFICANT ACCOUNTING ASSUMPTIONS AND ESTIMATES

Intangible assets include mining rights and goodwill.

ACCOUNTING POLICIES

Recognition and measurement

Mining right intangible assets have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the mining right and preparing the asset for its intended use.

The expenditure capitalised includes application and registration fees with the Department of Mineral Resources and Energy, overhead costs which are directly attributable to the development of the application of the mining right and mine plans.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Mining right intangible assets are amortised on a units of production method limited to the remaining life of the mine.

The amortisation period and the amortisation method for mining right intangible assets are reviewed annually. If the expectations differ from the previous estimate, the changes are accounted for as a change in accounting estimates.

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

Item	Method	Useful life
Mining rights	Units of production	3 to 14 years *

** Based on current production levels for the Group's respective mining rights and in line with the current life of mine assessment.*

The Group derecognises mining right intangible assets on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of a mining right intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. The gain or loss is recognised in profit or loss when the mining right intangible asset is derecognised.

Impairment

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. Refer to note 3 – Property, plant and equipment for the accounting policy relating to impairment of assets.

Notes to the
consolidated and separate financial statements continued
for the year ended 28 February 2025

	Cost R'000	Accumulated amortisation R'000	Carrying value R'000
4. INTANGIBLE ASSETS <small>continued</small>			
Group			
2025			
Mining rights	10 345	(7 775)	2 570
	10 345	(7 775)	2 570
2024			
Mining rights	10 345	(7 235)	3 110
	10 345	(7 235)	3 110
Company			
2025			
Mining rights	1 112	(717)	395
	1 112	(717)	395
2024			
Mining rights	1 112	(662)	450
	1 112	(662)	450

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

	Mining rights R'000	Total R'000
4. INTANGIBLE ASSETS <small>continued</small>		
Reconciliation of intangible assets		
Group		
2025		
Carrying value 1 March 2024	3 110	3 110
Amortisation	(540)	(540)
Carrying value 28 February 2025	2 570	2 570
2024		
Carrying value 1 March 2023	3 731	3 731
Amortisation	(621)	(621)
Carrying value 29 February 2024	3 110	3 110
Company		
2025		
Carrying value 1 March 2024	450	450
Amortisation	(55)	(55)
Carrying value 28 February 2025	395	395
2024		
Carrying value 1 March 2023	505	505
Amortisation	(55)	(55)
Carrying value 29 February 2024	450	450

5. INVESTMENTS IN AND LOANS TO/(FROM) SUBSIDIARIES

ACCOUNTING POLICIES

Financial liabilities

Classification and subsequent measurement

After initial recognition, loans from subsidiaries are subsequently measured at amortised cost using the effective interest rate method. Interest expense is recognised in profit or loss.

Derecognition

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



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

5. INVESTMENTS IN AND LOANS TO/(FROM) SUBSIDIARIES continued

ACCOUNTING POLICIES continued

Financial assets

Recognition and initial measurement

Loans to subsidiaries are initially recognised when they are originated. A financial asset is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issues.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at:

- Amortised cost.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as a FVTPL:

- It is held with a business model whose objective is to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments for the principal amount and interest on the principal amount outstanding.

This category is the most relevant to the Company.

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include loans to subsidiaries.

Investment in subsidiaries

Investments in subsidiaries are non-derivative financial assets and categorised as investments at cost less accumulated impairment losses.

Impairment

The Company applies a general approach for measuring impairment on loans receivable.

Loss allowances for loans receivable are measured at an amount equal to lifetime expected credit losses ("ECLs"). When determining whether the credit risk of the loan receivable has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost and effort.

The Company considers credit risk to have increased significantly since initial recognition, if there has been a change in the counterparty's ability to meet its obligations.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

5. INVESTMENTS IN AND LOANS TO/(FROM) SUBSIDIARIES continued

	Share capital R	Effective holding		Investment		Amount owing by/(to) subsidiaries	
		2025 %	2024 %	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Ilangabi Resources (Pty) Ltd [#]	100	100	100	3 000	3 000	3 639	3 639
Kopanela Mining (Pty) Ltd [^]	100	70	70	1 518	1 518	–	–
Stanger Brick and Tile (Pty) Ltd [*]	10	100	100	–	–	(3 490)	(3 490)
Tugela Ready Mix (Pty) Ltd	100	100	100	–	–	–	–
Stanbrik Roof Tiles (Pty) Ltd	100	100	100	–	–	–	–
Impala Construction Supplies (Pty) Ltd [*]	100	100	100	–	–	239	239
				4 518	4 518	388	388

[#] The loan is unsecured and interest free. There are no fixed repayment terms for the loan, but it was agreed that the loan will not be called upon for full settlement within the next financial year.

^{*} Dormant company. The loans to/(from) dormant companies are unsecured, interest free and have no fixed repayment terms. It was agreed that these loans will not be called upon for full settlement within the next 12 months subsequent to approval of these financial statements.

[^] See non-controlling interests below.

	2025 R'000	2024 R'000
Disclosed as:		
Non-current assets – Investments in and loans to subsidiaries	8 396	8 396
Non-current liabilities – Loans from subsidiaries	(3 490)	(3 490)
	4 906	4 906

Impairment of loan accounts

The remaining balance of the loans receivable from Ilangabi Resources (Pty) Ltd and Impala Construction Supplies (Pty) Ltd are expected to be recovered from the subsidiaries. Management did not identify any change in the ability of these subsidiaries to settle the loans. In addition, based on management's assessment of future cash flows expected to flow to these entities, management has determined that the expected credit losses on these loans are not material.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

5. INVESTMENTS IN AND LOANS TO/(FROM) SUBSIDIARIES continued

Non-controlling interests

The following table summarises the information relating to the Group's subsidiary (Kopanela Mining (Pty) Ltd) that has material non-controlling interests ("NCI"), before intra-group eliminations:

	2025 R'000	2024 R'000
Kopanela Mining (Pty) Ltd		
NCI percentage	30%	30%
Non-current assets	2 592	1 486
Current assets	5 482	6 532
Non-current liabilities	–	–
Current liabilities	10 409	6 533
Net assets	(2 335)	1 485
Net assets attributable to NCI	(701)	446
Revenue	14 464	–
Profit/(loss) for the year	(3 821)	(33)
Profit attributable to NCI	(1 146)	–
Cash flows from operating activities	539	826
Cash flows from investing activities	–	–
Cash flows from financing activities (dividends to NCI: Rnil)	–	–
Net increase/(decrease) in cash and cash equivalents	539	826

Reconciliation of investments in and loans to/(from) subsidiaries

	2025 R'000	2024 R'000
Opening balance	4 906	4 901
Cash contributions made	–	5
Closing balance	4 906	4 906

Fair value of financial instruments

Refer to note 36 for fair value disclosures.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

6. INVESTMENT IN ASSOCIATE

ACCOUNTING POLICIES

Investment in associates – Separate financial statements

Investments in associates are non-derivative financial assets and categorised as investments at cost less accumulated impairment losses in the separate financial statements of the Company.

Investment in associates – Group

Associates in which the Group exercises significant influence are accounted for using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is presumed if Brikor holds 20% or more of the voting rights, unless evidence exists of the contrary.

Equity accounting involves the Group recording its share of the associate's net income and equity. Brikor's interest in an associate is initially recorded at cost and is subsequently adjusted for Brikor's share in the net assets of the associate, less any impairment in the value of individual investments. Where the Group transacts with the associate, unrealised profits and losses on assets are eliminated to the extent of Brikor's interest in the associate.

Changes in Brikor's interests in associates are accounted for as a gain or loss on disposal with any differences between the amount by which the carrying value of the associate is adjusted and fair value of the consideration received being recognised directly in the consolidated statement of profit or loss and other comprehensive income.

Reconciliation of investment in associate

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
1 March	58 421	54 906	50 000	50 000
Share of income from associate	(2 396)	3 515	–	–
	56 025	58 421	50 000	50 000

Brikor acquired 40% of the issued share capital of Zingaro Holdings (Pty) Ltd ("Zingaro") from Elsie Johanna Mac Master, Leon Mac Master and Pieter Barend Buys ("the Sellers") with effect from 2 March 2021.

Brikor acquired 40% of all ordinary shares in Zingaro for a purchase consideration of R50 000 000.

The Sellers granted Brikor an irrevocable right and option from the effective date until 30 April 2023 to call the remaining 60 shares, which equated to 60% shareholding in Zingaro, from the Sellers for a purchase consideration of R90 000 000 in the aggregate, which purchase consideration was to be discharged by the allotment and issue by Brikor of 600 000 000 ordinary shares in Brikor to the Sellers at an issue price of 15 cents per Brikor share, i.e., in exchange for a fixed number of Brikor shares. The option expired on 30 April 2023.

Brikor did not elect to purchase the remaining 60 shares, as per the option agreement, and, therefore, continues to hold 40% shares in Zingaro.

Impairment

Based on the evaluation of the impairment indicators as per IAS 28 – Investment in Associates and Joint Ventures, management has not identified any impairment indicators. No impairment was, therefore, raised during the reporting period.

Details of material associates

Zingaro Holdings (Pty) Ltd has a February year-end, which is in line with the Group.

Summarised financial information in respect of Brikor's associate, reflecting 100% of the underlying associates' relevant figures, is set out below. The summarised financial information shown represents amounts from the associate's financial statements that were prepared in accordance with IFRS.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

6. INVESTMENT IN ASSOCIATE continued

	2025 R'000	2024 R'000
Non-current assets	266 077	248 121
Current assets	51 680	61 099
Non-current liabilities	(190 552)	(161 892)
Current liabilities	(74 862)	(59 576)
Non-controlling interest	34 231	4 811
Net assets 28 February	86 574	92 563
Brikor's ownership interest	40%	40%

Summarised profit or loss in respect of Brikor's associate, reflecting 100% of the underlying associate's relevant figures for the year ended 28 February 2025 including Group adjustments relating to alignment of accounting policies or fair value adjustments, is set out below.

	2025 R'000	2024 R'000
Revenue	198 585	213 743
(Loss)/profit for the period	(35 408)	(926)
– Profit/(loss) attributable to owners of the parent	(5 989)	8 788
– Loss attributable to non-controlling interest	(29 419)	(9 714)
Total comprehensive income for the period	(35 408)	(926)
– Total comprehensive income attributable to owners of the parent	(5 989)	8 788
– Total comprehensive income attributable to non-controlling interest	(29 419)	(9 714)
<i>The above profit for the period includes the following:</i>		
Depreciation	16 766	22 417
Loss on disposal of property, plant and equipment	7 880	7 991
Interest income	1 433	1 419
Finance cost	16 232	13 803
Taxation income	6 819	5 856

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

7. RESTRICTED FINANCIAL ASSETS

ACCOUNTING POLICIES

Financial assets – Classification

Refer to note 5 for detail relating to classification of financial assets.

Financial assets – Subsequent measurement

Financial assets measured at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets measured at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including interest or dividend income, are recognised in profit or loss.

Restricted investments

Liberty Life New Growth Rehabilitation Plan Trust at fair value through profit or loss

Included in restricted investments are financial assets that are measured at fair value through profit or loss because they are managed on a fair value basis. These investments are valued based on the observable market value of the underlying pool of equity investments as determined by the financial services provider at each reporting date. The fair value is calculated with reference to the underlying equity instruments.

The Liberty Life New Growth Rehabilitation Plant Trust is a dedicated environmental trust fund to fund the estimated cost of rehabilitation at the end of life of mine. The amounts contributed to these funds are included in non-current assets and are measured at fair value through profit or loss. Fair value gains or losses are taken directly to profit or loss under other income or other expenses.

The Liberty Life New Growth Trust funds were transferred to Guardrisk during the 2024 financial year.

Financial assets measured at amortised cost

Included in restricted financial assets are investments in Leopont Rehabilitation Trust that are classified as financial assets measured at amortised cost. Measured at amortised cost financial assets are initially recognised at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost less any allowances for impairment losses.

Investment in Guardrisk Cell Captive – Funding of environmental rehabilitation activities

Funds invested in the Guardrisk Cell Captive, held within Guardrisk Insurance Company Limited or Guardrisk are non-derivative financial assets categorised as financial assets measured at fair value through profit or loss as the funds are invested by Guardrisk in liquid money market funds. These assets are initially measured at fair value and subsequent changes in fair value are recognised in profit or loss as they arise and are included in other income or other expenses. The investments in Guardrisk are for the sole use of environmental and Eskom financial guarantees. Guarantees held by Guardrisk are only cancelled when the DMRE provides the Company and Guardrisk with a signed closure certificate.

The investment in the Guardrisk Cell Captive is for the sole use as determined in the policies and are, therefore, included in non-current assets. Neither the investment in the Cell Captive, nor the guarantees issued by Guardrisk create an IFRS 17 Insurance Contract. The investment in the Cell Captive and guarantees issued relate to risks already present in the Group and Company, i.e., through the provision for environmental rehabilitation.

The fair value of the restricted investment is quoted level 2 financial instruments.

During the 2024 financial year, the Group made a decision to change its method of providing for environmental rehabilitation from funding in a specific rehabilitation trust to financial guarantees, which is an allowed method in terms of the National Environmental Management Act. A new ring-fenced policy relating to the funds was concluded. In this regard the rehabilitation trust directly transferred a total amount of R25,4 million (inclusive of VAT) to the new ring-fenced policy with Guardrisk in terms of which Guardrisk issued rehabilitation financial guarantees on behalf of the Company. The funds are ring-fenced for the sole objective of future rehabilitation during and at the end of the relevant life of mine. All the required approvals for the change in method and transfer of the rehabilitation trust funds were obtained from the Department of Mineral Resources and Energy ("DMRE") and a thorough consideration of the tax and legal impacts were completed prior to the funds being transferred to Guardrisk.

Environmental rehabilitation payments to reduce the environmental rehabilitation obligations and ongoing rehabilitation expenditure are mostly funded by cash from operations.

Guardrisk has guarantees in issue amounting to R34,1 million to the DMRE on behalf of the environmental obligations. The funds for environmental rehabilitation in the cell captive serve as collateral for these guarantees.

During the current financial year, a portion of the funds was transferred and ring-fenced for guarantees required by Eskom Holdings SOC Ltd. Eskom requires the guarantees based on average usage for three months.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

7. RESTRICTED FINANCIAL ASSETS continued

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Restricted investments				
<i>Liberty Life New Growth Rehabilitation Plan Trust</i>	–	–	–	–
– Opening balance	–	25 324	–	–
– Unrealised net fair value gains	–	116	–	–
– Transfer to investment in Guardrisk	–	(25 356)	–	–
The proceeds from these funds are intended to fund environmental rehabilitation obligations and they are not available for general purposes of the Group. Refer to note 18.				
<i>Leopont Rehabilitation Trust – Absa fixed deposit</i>	1 372	1 372	1 372	1 372
The proceeds from these funds are intended to fund environmental rehabilitation obligations and they are not available for general purposes of the Group. Refer to note 18.				
<i>Investment in Guardrisk Cell Captive</i>	24 308	20 487	5 500	–
– Opening balance	20 487	–	–	–
– Investment in Guardrisk	–	22 049	3 121	–
– Guarantees cancelled (closure certificates received)	–	(3 812)	–	–
– Contributions made (included in trade payables)	3 039	2 175	1 471	–
– Unrealised fair value gains	782	75	908	–
The proceeds from these funds are intended to fund environmental rehabilitation obligations as well as guarantees held on behalf of the Group for Eskom Holdings SOC Ltd. They are not available for general purposes of the Group. Refer to notes 18 and 32.				
Non-current assets	25 680	21 859	6 872	1 372

Expected credit losses: fixed deposits

Based on management's assessment of future cash flows from the fixed deposit, management has determined that the expected credit losses on the fixed deposit are not material during the current or previous financial years. In addition, the balance of the fixed deposit is also not material and, hence, the expected credit loss would also be immaterial.

Fair value of financial instruments

Refer to note 36 for fair value disclosures relating to the restricted investments.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

8. DEFERRED TAX ASSET/(LIABILITY)

SIGNIFICANT ACCOUNTING ASSUMPTIONS, ESTIMATES AND JUDGEMENTS

Assumptions and judgement are required in determining deferred tax assets and liabilities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

ACCOUNTING POLICIES

Deferred tax assets and liabilities

Deferred taxation is provided for all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; or
- the initial recognition of an asset or liability in a transaction which:
 - is not a business combination; and
 - at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

8. DEFERRED TAX ASSET/(LIABILITY) continued

	Company	
	2025 R'000	2024 R'000
Reconciliation of deferred tax asset		
At beginning of year	15 788	21 782
Change in taxation rate *	–	(776)
Originating and reversing temporary differences	7 543	(2 314)
Calculated tax losses (utilised)/created	(7 746)	(2 904)
	15 585	15 788
Deferred tax asset		
<i>Comprising:</i>		
Property, plant and equipment	(4 526)	(3 168)
Provisions	15 834	9 986
Receipts in advance	1 440	1 255
Right-of-use assets and related lease liability	(31)	(1 612)
Rehabilitation trust funds	–	(1 287)
Calculated tax losses	2 868	10 614
	15 585	15 788

* The change in taxation rate is as a result of the tax rate reduction to 27%, effective for years ended on or after 31 March 2023.

The Group and the Company do not have any unrecognised deferred tax assets relating to assessed losses as at 28 February 2025 or 29 February 2024. Management lodged a dispute with SARS relating to the 2019 income tax assessment. SARS incorrectly increased the assessed loss by R15,2 million. Management is not in agreement with the difference and has submitted all necessary documentation to SARS. The matter remains unresolved at the date of release of the consolidated and separate financial statements.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

8. DEFERRED TAX ASSET/(LIABILITY) continued

Deferred tax asset recoverability analysis

The following table is the analysis of the movement of the deferred tax asset of the Company over the last five years.

As evidenced from the table below, the deferred tax asset relating to tax losses decreased significantly and remains recoverable.

	Company				
	2025 R'000	2024 R'000	2023 R'000	2022 R'000	2021 R'000
Calculated losses					
Opening balance	10 614	14 018	17 505	20 993	22 161
Change in taxation rate	–	(500)	–	–	–
(Utilised)/created	(7 746)	(2 904)	(3 487)	(3 488)	(1 168)
Closing balance calculated tax losses	2 868	10 614	14 018	17 505	20 993
Temporary differences					
Opening balance	5 174	7 764	7 564	6 473	5 530
Change in taxation rate	–	(276)	–	–	–
Increase/(decrease)	7 543	(2 314)	200	1 091	943
Closing balance temporary differences	12 717	5 174	7 764	7 564	6 473
Total deferred tax asset	15 585	15 788	21 782	25 069	27 466

	Group	
	2025 R'000	2024 R'000
Reconciliation of deferred tax asset/(liability)		
At beginning of year	16 328	(949)
Change in taxation rate	–	34
Calculated tax losses (utilised)/created	(6 627)	76
Originating and reversing temporary differences	13 704	1 379
	23 405	540
Deferred tax asset/(liability)		
<i>Comprising:</i>		
Property, plant and equipment	(6 393)	(2 696)
Provisions	22 354	5 558
Receipts in advance	1 440	–
Right-of-use asset and related lease liability	(130)	–
Rehabilitation trust funds	–	(4 469)
Calculated tax losses	6 134	2 147
Deferred tax asset *	23 405	540
Total deferred tax asset – Group	23 405	16 328

* The deferred tax asset as at 29 February 2024 is attributable to the Company's subsidiary, Ilangabi Resources (Pty) Ltd.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

9. INVENTORIES

SIGNIFICANT ACCOUNTING ASSUMPTIONS AND ESTIMATES

Allowance for damaged and obsolete inventory and determining net realisable values

Judgement is used to determine the lower of cost or net realisable value of inventory. Management also made estimates of the selling price and direct cost to sell on certain inventory items in determining the net realisable value. The write-down is charged to profit or loss in the period that it is identified.

ACCOUNTING POLICIES

Inventory comprises clay products (bricks) as well as mined coal and clay, which are measured at the lower of cost and net realisable value.

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

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

The cost of bricks manufactured or coal and clay mined are assigned using the weighted average cost formula.

When inventory is sold, the carrying amount of that is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventory to net realisable value and all losses of inventory are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventory, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventory recognised as an expense in the period in which the reversal occurs.

The amount of the reversal is limited to the amount of the original write-down so that the new carrying amount is the lower of cost and net realisable value.

Consumable stores are stated at cost less allowances for obsolescence. Cost of consumables is based on the weighted average cost principle and includes expenditure incurred in acquiring and bringing them to their existing location and condition.

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Raw materials	17 394	10 334	14 454	10 334
Work in progress (bricks)	36 891	24 877	36 891	24 877
Work in progress (coal)	19 452	6 019	18 143	4 415
Finished goods	17 205	32 288	8 643	9 406
Consumables	1 231	1 944	1 231	1 324
	92 173	75 462	79 362	50 356

Group

In 2025, inventory of R323,8 million (2024: R280,6 million) was recognised as an expense during the reporting period and included in cost of sales.

All inventory movements are classified under cost of sales.

Impairments

Inventory totalling R14,8 million was written down by R3,1 million to their net realisable value of R11,7 million during the year ended 29 February 2024. No inventory write-downs occurred during the year ended 28 February 2025.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

9. INVENTORIES continued

Company

In 2025, inventory of R226,3 million (2024: R187,7 million) was recognised as an expense during the reporting period and included in cost of sales.

All inventory movements are classified under cost of sales.

Impairments

No inventory write-downs occurred for the years ended 28 February 2025 and 29 February 2024.

10. TRADE AND OTHER RECEIVABLES

SIGNIFICANT ACCOUNTING ASSUMPTIONS AND ESTIMATES

Impairment

The Group and Company recognise a loss allowance for expected credit losses ("ECLs") for trade receivables that are measured at amortised cost. Loss allowances are deducted from the gross carrying amount of the trade receivable. External trade receivables (external customers) are assessed separately from related party receivables (related parties) based on different credit risk characteristics.

Measurement of expected credit losses

The simplified approach is used to measure expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. Historic ECL percentages are calculated using the probability of default (PD) and loss-given default (LGD) of a trade receivable. The PD and LGD represent the likelihood of the occurrence of a default and the quantum of any losses arising from that default. In determining the PDs and LGDs in respect of external and related receivables, the Company considers past payment history, historical financial information and any collateral held (including the liquidity thereof). The Company considers market conditions specific to the counterparty as well as macro-economic forecasts, including GDP growth rates, interest and inflation rates, where appropriate, when determining forward-looking ECLs. Judgement is applied when assessing the potential impact of macro-economic forecasts on each individual credit risk profile.

Lifetime expected credit losses are the credit losses that result from all probable default events over the expected life of the trade receivable.

A trade receivable is in default when contractual payments are past due the standard credit terms, which are 30 days to 60 days. This is considered to be an appropriate indicator of default when considered against the Group and Company's external customer base, the trading terms for which are predominantly 30 days. This is also informed by the Group and Company's extensive experience with its customer base.

External trade receivables are covered by the credit insurance provider. An outstanding trade receivable amount that is claimed from the insurer is written off upon the conclusion of an insurance claim when applicable. For outstanding amounts not recovered via the claim process, once all internal measures to collect contractual cash flows have been exhausted, the matter is referred for legal action in an attempt to secure recoveries. Contractual amounts outstanding, still subject to enforcement activity, are not written off. Such amounts are provided for and only impaired upon settlement of action. Every case is assessed on its own merit before a decision to write off is finalised. The timing of this decision is uncertain and will depend on the facts and merits of the collection efforts and is based on the cost versus benefit of continuing the collection effort.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

10. TRADE AND OTHER RECEIVABLES continued

ACCOUNTING POLICIES

To consider if a default has occurred the Group and Company consider whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available, reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the performance and behaviour of the borrower, including changes in the operating results of the borrower (if available); and
- significant changes in the value of the collateral supporting the obligation.

Recognition and initial measurement

Trade and other receivables are initially recognised when they are originated. A financial asset is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly to its acquisition or issues.

Classification and subsequent measurement

On initial recognition, trade and other receivables are classified as measured at:

- Amortised cost.

See note 5 for detailed accounting policies relating to financial assets.

The Group and Company's financial assets at amortised cost include trade receivables, deposits and other receivables.

	Group		Company	
	2025	2024	2025	2024
	R'000	R'000	R'000	R'000
Financial assets				
Trade receivables	25 308	23 526	21 370	22 435
External customers	8 638	13 178	8 052	9 137
Related parties	16 670	10 348	13 318	13 298
Less: Allowance for expected credit losses	(12 768)	–	(8 558)	–
Trade receivables – net	12 540	23 526	12 812	22 435
Deposits	7 310	7 231	1 733	1 622
Other receivables	–	3 048	–	–
	19 850	33 805	14 545	24 057
Non-financial assets				
Value added tax	238	1 060	–	121
Trade payables paid in advance	190	167	189	53
	428	1 227	189	174
	20 278	35 032	14 734	24 231

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

10. TRADE AND OTHER RECEIVABLES continued

Credit risk

Credit risk is the risk of financial loss to the Group and Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group and Company's receivables from customers, defined as trade receivables.

The carrying amounts of financial assets represent the maximum credit exposure.

External customers

The Group and Company's exposure to credit risk, relating to external customers, is influenced mainly by the individual characteristics of each customer. Each customer's credit profile is determined by considering the customer's financial position, payment record, guarantees and other relevant information. Credit limits are monitored regularly, and credit exposures are monitored daily. Any sales exceeding those limits either require additional credit cover, collateral or guarantees. Where these are not available, it requires the approval of the executive directors, and above certain threshold, that of the Board of Directors. This decision will be based on past payment history, size of the customer and the strategic nature of the customer.

Credit insurance is underwritten by the Credit Guarantee Insurance Corporation of South Africa Ltd and is only applicable to the Group and Company's external customers. A total of R8,6 million (2024: R13,2 million) of the net trade receivables balance is covered by credit insurance, representing 69% (2024: 56%) of the balance at year-end.

ECL relating to the Group and Company's external trade receivables

Allowances for expected credit losses relating to external customers are based on the ageing and recoverability of external receivables, approved credit terms, credit guarantee per individual customer and historical default rate. Customers handed over for collection are fully provided for unless insured, in which case the participation percentage of the insurer is deducted. Overdue customers without cover are fully provided for. Amounts past due relating to external customers at the current and previous reporting dates are not material and hence the expected credit loss relating to external customers are also assessed as not material.

Related party receivables

Related party receivables are managed in terms of the Contract Mining and Coal Purchase Agreement, effective 1 November 2023. Significant concentrations of credit risk apply to one customer (also a related party customer), which equates to 63,8% (2024: one customer 24,5%) of the trade receivables balance at the reporting date.

As at 28 February 2025, the total receivables past 90 days amounted to R12,5 million (2024: R3,7 million). The past due amount relates to one customer, whom is also a related party to the Group and Company.

Expected credit loss assessment for related party receivables:

In accordance with IFRS 9, the Group and Company followed a simplified approach when determining expected credit losses for trade receivables. In terms of the simplified approach, the Group and Company are not required to determine whether the credit risk has increased significantly since initial recognition of the trade receivable. Instead, the Group and Company recognised a loss allowance equal to the lifetime expected credit losses on every reporting date. The applicable default rates are applied to overdue balances after taking into account insured trade receivable balances.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

10. TRADE AND OTHER RECEIVABLES continued

The trade receivables do not have a significant financing component. In addition, all known specifically impaired related party receivables are provided for. The Group and Company use the following matrix for its related party receivable:

Days past due	Default rate %	Ageing of overdue trade receivables R'000	Lifetime expected credit loss R'000	Specifically impaired trade receivables R'000	Total expected credit loss R'000
Group					
For the year ended 28 February 2025					
0 to 30 days	68	286	192	–	192
31 to 60 days	75	–	–	–	–
61 to 90 days	75	–	–	–	–
91 to 120 days	90	1 556	1 405	–	1 405
121 to 150 days	100	11 171	11 171	–	11 171
		13 013	12 768	–	12 768
For the year ended 29 February 2024					
0 to 30 days	–	3 410	–	–	–
31 to 60 days	–	2 247	–	–	–
61 to 90 days	–	–	–	–	–
91 to 120 days	–	–	–	–	–
121 to 150 days	–	102	–	–	–
		5 758	–	–	–

As at 29 February 2024, the net receivable in terms of the Contract Mining and Coal Purchase Agreement amounted to R5,8 million of which only R0,1 million was due past 60 days. The amount as well as any expected credit loss is therefore assessed as not material and, hence, no expected credit loss was accounted for during the financial year ended 29 February 2024.

Days past due	Default rate %	Ageing of overdue trade receivables R'000	Lifetime expected credit loss R'000	Specifically impaired trade receivables R'000	Total expected credit loss R'000
Company					
For the year ended 28 February 2025					
0 to 30 days	76	311	237	–	237
31 to 60 days	77	877	675	–	675
61 to 90 days	88	792	694	–	694
91 to 120 days	88	774	679	–	679
121 to 150 days	100	6 273	6 273	–	6 273
		9 027	8 558	–	8 558

As at 29 February 2024, the net receivable in terms of the Contract Mining and Coal Purchase Agreement amounted to R0,3 million. The amount as well as any expected credit loss is assessed as not material and, hence, no expected credit loss was accounted for during the financial year ended 29 February 2024.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

10. TRADE AND OTHER RECEIVABLES continued

Movement in the allowance for expected credit losses during the year was as follow:

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Trade and other receivables impaired – related party receivable				
<i>Allowance for expected credit losses</i>				
Balance as at 1 March	–	–	–	–
Expected credit loss resulting from an increase in default rate	12 768	–	8 558	–
Balance as at year-end	12 768	–	8 558	–

Deposits

Deposits include a deposit receivable in terms of the Contract Mining and Coal Purchase Agreement of R5,6 million. In terms of the agreement the deposit is repayable over 12 months from the date of the deposit being received. A corresponding liability is, therefore, also accounted for as part of trade and other payables (note 19). No expected credit loss was raised on the deposit receivable due to the fact that the amount is repayable over a period upon receipt and no income was recognised as a result of the deposit receivable.

Securities

At 28 February 2025, trade receivables to the value of R6,7 million (2024: R4,9 million) were pledged as security in respect of the overdraft facility granted to the Group. See note 11 for details regarding the overdraft facility.

Fair value of financial instruments

There is no material difference between the fair value of trade receivables and other receivables and their carrying value due to the short-term maturity of these instruments.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

11. CASH AND CASH EQUIVALENTS

ACCOUNTING POLICIES

Cash and cash equivalents are non-derivative financial assets that comprise cash on hand, and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Cash and cash equivalents are categorised as financial assets measured at amortised cost.

Bank overdrafts are included within current liabilities in the statement of financial position and within cash and cash equivalents in the statement of cash flows.

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Cash and cash equivalents consist of:				
Bank balances	637	95	82	94
Bank overdraft	(6 710)	(6 624)	(2 213)	(1 629)
	(6 073)	(6 529)	(2 131)	(1 535)
Disclosed as:				
Current assets				
Cash and cash equivalents	637	95	82	94
Current liabilities				
Bank overdraft	(6 710)	(6 624)	(2 213)	(1 629)
	(6 073)	(6 529)	(2 131)	(1 535)

Credit risk

The Group banks with a reputable bank and all savings are in money market accounts, which are considered to be low risk investments.

Fair value of financial instruments

There is no material difference between the fair value of cash and cash equivalents and their carrying value due to the short-term maturity of these instruments.

Facilities

At the reporting date, the Company had R2,0 million (2024: R2,5 million) of undrawn facilities and the Group had R3,1 million (2024: R2,5 million) of undrawn facilities. Refer to note 10 for trade receivables pledged in lieu of the overdraft facility.

The overdraft facilities are reviewed on an annual basis and interest is charged at the prime lending rate plus 0,98%.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

12. ASSETS AND LIABILITIES HELD-FOR-SALE

ACCOUNTING ASSUMPTIONS, ESTIMATES AND JUDGEMENTS

The assessment of whether the disposal is highly probable require the exercise of judgement and estimates of the outcome of future events not wholly within the control of the Group.

ACCOUNTING POLICIES

Assets held-for-sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Immediately before classification as held-for-sale, the assets, or components of a disposal group, are re-measured in accordance with the Group's other accounting policies. Thereafter, generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a *pro rata* basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on re-measurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Assets held-for-sale

On 20 September 2016, the Group committed to sell one of its properties, namely the Rayton property situated at Portion 31 of Witfontein NO.510 – JR District Bronkhorstspuit "Rayton".

Rayton property


The offer received for Rayton amounting to R2,2 million, which is inclusive of the transfer of the environmental rehabilitation obligation, were accepted and signed by the company on 17 April 2017. The environmental provision of this property continued to unwind and had a change of estimate to the value of R0,08 million (2024: R0,06 million). Accordingly, in order to realign the property to its recoverable amount, Rnil (2024: R0,1 million) of the previous impairment was reversed.

The non-recurring fair value determination of the non-current assets held-for-sale of R2,2 million has been classified as a level 2 fair value. The valuation was determined by the contractual amount of the offer received in the open market.

The sale was subject to the approval in terms of section 11(1) of the Mineral and Petroleum Resources Development Act, no 28 of 2008, being granted by the Minister in respect of the cession and transfer of the mining right to the purchaser.

Consent in terms of section 11(1) was granted by the Minister on 15 January 2024 and the cession of the mining right was registered on 10 April 2024. The sale is subject to the registration of the property at the title deeds office.

Registration at the title deeds office took place on 18 March 2025 and the sale was, therefore, finalised subsequent to year-end. Proceeds in terms of the sale was also received upon registration.



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

12. ASSETS AND LIABILITIES HELD-FOR-SALE

continued

Cumulative income or expenses included in profit or loss and other comprehensive income for assets held-for-sale

	2025 R'000	2024 R'000
Group and Company		
Change in estimate for environmental rehabilitation provision	(83)	64
Impairment reversal	–	120
Net financing cost	(283)	(261)
Fair value adjustment	366	77
Loss from operating activities (no tax effect)	–	–

Assets and liabilities held-for-sale relating to the Rayton property

The non-current assets held-for-sale are stated at the lower of carrying value or fair value less cost to sell and comprised the following:

	2025 R'000	2024 R'000
Group and Company		
Non-current assets held-for-sale		
Property, plant and equipment	5 356	4 989
	5 356	4 989
Non-current liabilities held-for-sale		
Environmental rehabilitation provision	(3 156)	(2 789)
	(3 156)	(2 789)

Assets and liabilities held-for-sale are not specifically allocated to a reportable segment. Refer to note 29 for where these are included.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

13. STATED CAPITAL

ACCOUNTING POLICIES

Ordinary shares

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

Repurchase of stated capital

When stated capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity.

Shares in the Company held by the Brikor Share Purchase Trust are classified as treasury shares. The consideration paid, which includes directly attributable costs, net of tax effects, for these shares is deducted from equity. The number of shares held is deducted from the number of issued shares and the weighted average number of shares in the determination of earnings per share. Dividends received on treasury shares are eliminated on consolidation. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in the equity and the resulting surplus or deficit in the transaction is presented within stated capital.

Dividends

Ordinary dividends are recognised as a liability in the period in which they are declared.

	2025 '000	2024 '000
Group and Company		
Authorised		
1 000 000 000 ordinary shares of no par value (2024: 1 000 000 000)		
Reconciliation of number of shares authorised		
Reported at 1 March	1 000 000	1 000 000
	1 000 000	1 000 000
Reconciliation of number of no par value shares issued ('000)		
Reported at 1 March	838 242	838 242
Less: Brikor Share Incentive Scheme Trust – treasury shares	(15 900)	(15 900)
	822 342	822 342

All shares are fully paid.

All shares rank equally with regards to the Group's residual assets.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

13. STATED CAPITAL continued

	2025 R'000	2024 R'000
Group and Company		
Stated capital		
838 242 031 ordinary shares of no par value (2024: 838 242 031 ordinary shares of no par value)	273 092	273 092
Less: 15 900 000 (2024: 15 900 000) treasury shares held by the Brikor Share Incentive Scheme Trust	(15 900)	(15 900)
	257 192	257 192

Holders of the shares are entitled to dividends as declared from time to time, and are entitled to one vote per share at general meetings of the Company.

14. LEASES

ACCOUNTING POLICIES

Leases as lessee

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. See also note 3 for additional disclosures.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently measured at amortised cost using the effective interest method.

The corresponding lease obligation is included within lease liabilities in the statement of financial position. The interest component is charged to finance cost over the lease term to reflect a constant rate of interest on the remaining balance of the obligation.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

14. LEASES continued

ACCOUNTING POLICIES continued

Leases as lessor

When the Group and Company act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group and Company make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group and Company consider certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group and Company are an intermediate lessor, it accounts for its interests in the head lease and the sub lease separately. It assesses the lease classification of a sub lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group and Company apply the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group and Company further regularly review estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group and Company recognise lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'. The operating lease income is not material to the Group and Company.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

14. LEASES continued

Leases as lessee

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Lease liability – Manitou	2 704	2 094	2 704	2 094
See note 3 for details regarding the lease.				
Lease liability – Boutique Leasing Company (Pty) Ltd	995	13 998	995	13 998
See note 3 for details regarding the lease. The interest rate implicit in the lease ranges between 7,95% and 16,7%.				
During the current reporting period, mining equipment was sold and the lease was accordingly terminated.				
Lease liability – Goscor Finance (Pty) Ltd	810	1 604	810	1 604
See note 3 for details regarding the lease.				
When measuring the lease liabilities and right-of-use assets relating to the mining equipment, the Group discounted the lease payments using the interest rate implicit in the lease. The interest rate implicit in the lease is 17,10%				
	4 509	17 696	4 509	17 696
Presented as:				
Non-current liabilities	854	5 631	854	5 631
Current liabilities	3 655	12 065	3 655	12 065
	4 509	17 696	4 509	17 696

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

14. LEASES continued

Reconciliation of lease liability

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Balance at 1 March	17 696	32 380	17 696	32 380
Additions to right-of-use assets	3 919	–	3 919	–
Lease capital payments	(5 843)	(12 672)	(5 843)	(12 672)
– Lease payments made (total including interest)	(7 056)	(16 430)	(7 056)	(16 430)
– Interest expenses (total including interest)	1 213	3 758	1 213	3 758
Penalties on cancellation of lease	838	–	838	–
Cancellation of lease *	(12 101)	(2 012)	(12 101)	(2 012)
	4 509	17 696	4 509	17 696

* See note 3 for details regarding the cancellation. Total lease liability cancelled amounted to R12,1 million with regards to right-of-use assets of R15,6 million held through BLC. R3,5 million was received in cash whilst the remaining was used to settle the liability.

Fair value of financial instruments

The carrying value of the lease liabilities approximates its fair value as a result of future cash flows being incorporated in the carrying value of the lease liability.

Liquidity risk

Repayments within one year will be funded by utilising cash balances and by future cash flows. Lease liabilities classified under current liabilities are due to be settled within twelve months from the reporting date. See note 36 for an analysis of the contractual cash flows, which is similar to the maturity analysis for the liability.

Leases as lessor

The below is as a result of the sub-lease arrangement between the Company and its subsidiary, as disclosed in note 3.

	Company	
	2025 R'000	2024 R'000
Net investment in finance leases		
Balance at 1 March	21 770	32 914
Repayments	(3 110)	(8 498)
– Payments received	(5 120)	(14 628)
– Interest accrued	2 010	6 130
Cancellation of sub-lease and transfer to plant and equipment (note 3)	(5 666)	–
– BLC assets	(2 092)	–
– Nedbank excavators	(3 574)	–
Cancellation of sub-lease and disposal of related mining equipment	(14 873)	(2 646)
Profit on cancellation of sub-lease	1 879	–
	–	21 770
Presented as:		
Non-current assets	–	11 596
Current assets	–	10 174
	–	21 770

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

14. LEASES continued

Credit risk

The Company applies the simplified approach for measuring impairment on lease receivables.

The Company estimates the loss allowance on finance lease receivables at the end of the reporting period at an amount equal to the lifetime ECL. None of the lease receivables at the end of the reporting period is past due, taking into account the historical default experience as well as various macro-economic factors, management considers that no finance lease receivable is impaired.

Fair value of financial instruments

The carrying value of the lease assets approximates its fair value as a result of future cash flows being incorporated in the carrying value of the lease assets.

Maturity analysis

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

	Company	
	2025 R'000	2024 R'000
Less than one year	–	13 920
One to two years	–	9 220
Two to three years	–	2 640
Three to four years	–	1 760
Total undiscounted lease receivable	–	27 540
Unearned finance income	–	(5 770)
Net investment in finance lease	–	21 770

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

15. SHAREHOLDERS' LOANS

ACCOUNTING POLICIES

A financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

After initial recognition, shareholders' loans are subsequently measured at amortised cost using the effective interest rate method. Interest expense is also recognised in profit or loss.

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Loan – Estate late G v N Parkin				
Shareholder's loan				
Opening balance	–	2 017	–	2 017
Add: Interest	–	36	–	36
Less: Payments	–	(2 053)	–	(2 053)
Cash repayments	–	(2 053)	–	(2 053)
	–	–	–	–
The above loan is unsecured and bears interest at 7,59% per annum for all the respective years. In July 2018, the Group entered into a 60-month payment arrangement of R0,4 million a month, commencing at the end of July 2018 until June 2023. The loan was paid in full during the 2024 financial year.				
Presented as:				
Current liabilities				
At amortised cost	–	–	–	–
	–	–	–	–

Fair value of financial instruments

The carrying value of the unsecured borrowings approximates its fair value. The fixed interest rates for these loans are in line with current market rates and the credit risk of the borrower remained consistent.

Liquidity risk

Shareholder loans are used in long-term funding and further details are included in note 36.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

16. VENDOR LOANS

ACCOUNTING POLICIES

See note 15 for accounting policy relating to financial liabilities.

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Loan – EJ Mac Master				
Opening balance	2 439	3 949	2 439	3 949
Add: Interest	209	324	209	324
Less: Cash payments made *	(2 166)	(1 834)	(2 166)	(1 834)
	482	2 439	482	2 439
Loan – L Mac Master				
Opening balance	2 439	3 948	2 439	3 948
Add: Interest	209	324	209	324
Less: Cash payments made *	(2 166)	(1 833)	(2 166)	(1 833)
	482	2 439	482	2 439
Loan – PB Buys				
Opening balance	2 439	3 948	2 439	3 948
Add: Interest	209	324	209	324
Less: Cash payments made *	(2 166)	(1 833)	(2 166)	(1 833)
	482	2 439	482	2 439
Total vendor loans	1 446	7 317	1 446	7 317

* Total payments made on the loan accounts during the current year amount to R6,5 million of which R5,9 million relate to capital repayments and R0,6 million to interest repayments.

The above loans bear interest at the prime rate less 1%, calculated and compounded quarterly in arrears with effect from the effective date until the date upon which the subject loans have been repaid in full to the sellers. The respective loans are repayable in monthly instalments of R0,2 million (including capital and interest) each. The subject loans outstanding as at the fifth anniversary of the effective date, being 1 March 2026, shall be paid by Brikor to the sellers within ten business days after the fifth anniversary of the effective date. In addition, Brikor has the right to repay the outstanding subject loans from time to time in greater instalments and more frequently.

Presented as:

Non-current liabilities

At amortised cost	–	1 219	–	1 219
-------------------	---	-------	---	-------

Current liabilities

At amortised cost	1 446	6 098	1 446	6 098
-------------------	-------	-------	-------	-------

	1 446	7 317	1 446	7 317
--	-------	-------	-------	-------

Fair value of financial instruments

The carrying value of the unsecured borrowings approximates its fair value. The interest rates for these loans are in line with current market rates and the credit risk of the borrower remained consistent.

Liquidity risk

Vendor loans are used in long-term funding and further details are included in note 36.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

17. LOANS AND BORROWINGS

ACCOUNTING POLICIES

See note 15 for accounting policy relating to financial liabilities.

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Loan – C Sardinha				
Ilangabi Resources (Pty) Ltd entered into a loan agreement with C Sardinha during April 2022. The loan is repayable in monthly instalments of R0,1 million and interest is charged at 8%, compounded monthly. The loan was paid in full during the current reporting period.				
Opening balance	1 165	1 768	–	–
Add: Interest	56	112	–	–
Less: Cash payments made	(1 221)	(715)	–	–
	–	1 165	–	–
Instalment Sale Agreement – Nedbank Limited				
The Company entered into an instalment sale agreement with Nedbank during October 2022 for the purchase of two LOVOL Excavators. Interest is charged at the prime rate plus 0,85%, compounded monthly in arrears, and the loan is repayable in monthly instalments of R0,2 million over a period of 60 months. Ownership in the assets will remain vested in the bank until all amounts due have been paid.				
Opening balance	6 435	9 653	6 435	9 653
Add: Interest	698	867	698	867
Less: Cash payments made	(2 136)	(4 085)	(2 136)	(4 085)
	4 997	6 435	4 997	6 435
Instalment Sale Agreement – CNH Industrial and Construction SA (Pty) Ltd (“CNH”)				
The Company obtained a credit facility through CNH for the purchase of two CASE front end loaders during September 2022. Interest is charged at the prime rate plus 2%, compounded monthly in arrears, and the loan is repayable in monthly instalments of R0,5 million over a period of 18 months. The equipment was paid in full during the current reporting period and ownership vested in the Company.				
Opening balance	1 059	6 566	1 059	6 566
Add: Interest	19	554	19	554
Less: Cash payments made	(1 078)	(6 061)	(1 078)	(6 061)
	–	1 059	–	1 059
	4 997	8 659	4 997	7 494

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

17. LOANS AND BORROWINGS continued

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Presented as:				
Non-current liabilities				
At amortised cost	3 357	4 965	3 357	4 965
Current liabilities				
At amortised cost	1 640	3 694	1 640	2 529
	4 997	8 659	4 997	7 494
Capital repayments				
Total cash payments made	4 435	10 861	3 214	10 146
Less: Interest paid	(773)	(1 533)	(717)	(1 421)
Capital payments	3 662	9 328	2 497	8 725

Fair value of financial instruments

The carrying value of the loans and borrowings approximates its fair value. The interest rates for these loans are in line with current market rates and the credit risk of the borrower remained consistent.

Liquidity risk

Repayments within one year will be funded by utilising cash balances and by future cash flows. Loans and borrowings classified under current liabilities are due to be settled within twelve months from the reporting date. See note 36 for an analysis of the contractual cash flows, which is similar to the maturity analysis for the liability.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

18. PROVISIONS

SIGNIFICANT ACCOUNTING ASSUMPTIONS, ESTIMATES AND JUDGEMENTS

Environmental rehabilitation provision

Estimates for future environmental rehabilitation costs are determined with the assistance of an independent environmental and quantity surveyor experts and are based on the Group's environmental management plans which are developed in accordance with regulatory requirements, the life-of-mine plan and the planned method of rehabilitation which is influenced by developments in trends and technology. These judgements and assumptions may result in future actual expenditure differing from the amounts currently provided.

The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. The effect of subsequent changes to assumptions in estimating an obligation for which the provision was recognised as part of the cost of an item of property, plant and equipment is adjusted against the asset, i.e., decommissioning asset. Any subsequent changes to the obligation which did not relate to the initial construction of a related asset are charged to profit or loss.

Provisions for environmental rehabilitation obligations arise when land is disturbed by excavation or operating activities and are measured at the present value of the directors' best estimate of future economic outflows.

In determining the present value of the provision, management applies assumptions and estimates in determining variables such as discount rates, inflation rates and timing of cash outflows.

ACCOUNTING POLICIES

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of the gross provision is reviewed annually and is reported as the present value of the expenditure expected to be required to settle the obligation. Provisions are determined by discounting the expected future cash flows pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognised as a finance cost.

Annual changes in the environmental restoration provision consist of financing expenses relating to the change in the present value of the provision and inflationary increases in the provision, as well as changes in estimates.

The present value of dismantling and removing the asset created before production commenced (decommissioning liabilities) are capitalised to property, plant and equipment against an increase in the rehabilitation provision. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised in profit or loss. If the asset value is increased and there is an indication that the revised carrying value is not recoverable, an impairment test is performed in accordance with the accounting policy dealing with impairments of property, plant and equipment. Over time, the liability is increased to reflect an interest element, and the capitalised cost is depreciated over the life of the related asset.

The present value of environmental rehabilitation costs relating to activities after production commenced as well as subsequent changes therein are charged to profit or loss and presented as part of cost of sales. The cost of ongoing rehabilitation is recognised in profit or loss as incurred. Cash costs incurred to rehabilitate these disturbances are presented as operating activities in the statement of cash flows.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

18. PROVISIONS continued

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Environmental rehabilitation provision	89 233	65 086	59 832	42 795
Total	89 233	65 086	59 832	42 795
Provision: Environmental rehabilitation				
Opening balance	65 086	55 166	42 795	36 965
Unwinding of interest	5 815	4 628	3 584	2 832
Change in estimate	18 332	5 292	13 453	2 998
Recognised in profit or loss	16 013	2 360	11 216	1 016
Recognised in property, plant and equipment (as part of the decommissioning asset)	2 319	2 932	2 237	1 982
Closing balance	89 233	65 086	59 832	42 795

Group

The rehabilitation provision relates to the estimated costs of correcting any disturbance relating to mining and other activities and those incidental thereto. The level of provision is commensurate with work completed to date. The current gross closure cost of rehabilitation was estimated at R108 million (2024: R82,9 million). The future cost of the provision was calculated by escalating estimated costs at a risk-adjusted CPI of 5,5% (2024: 6%) per annum over the life of the operations ranging between 3 to 8 years (2024: 2 to 9 years). The life of the operations is assessed year-on-year. This future cost is discounted at South African Government Bond Rate ranging between 9,10% and 10,52% (2024: 8,96% and 11,71%) to arrive at a carrying value of R89,2 million (2024: R65,1 million).

The Group invested funds into various environmental trusts to be utilised by the Group as and when restoration activities are incurred. The total amount held in these trusts amounted to R1,4 million (2024: R1,4 million) at the reporting date (see note 7).

The Department of Minerals and Energy holds guarantees in its favour for the mining rehabilitation cost to the amount of R34,1 million (2024: R34,1 million). The guarantees were issued by Guardrisk on behalf of the Company, see note 32. Furthermore, the Group holds decommissioning assets to the value of R14,5 million (2024: R14,2 million) as part of property, plant and equipment, which will be utilised in extinguishing the rehabilitation liability.

Company

The future cost of rehabilitation was estimated at R75,5 million (2024: R58,6 million). The future cost of the provision was calculated by escalating estimated costs at a risk-adjusted CPI of 5,5% (2024: 6%) per annum over the life of the operations ranging between 6 to 8 years (2024: 6 to 9 years). This future cost is discounted at South African Government Bond Rate of 10,52% (2024: 8,96% and 11,71%) to arrive at a carrying value of R59,8 million (2024: R42,8 million).

The total amount held in trusts amounted to R1,4 million (2024: R1,4 million) at the reporting date (see note 7).

The Department of Minerals holds guarantees in its favour for the mining rehabilitation cost to the amount of R34,1 million (2024: R34,1 million). See note 32. Furthermore, the Company holds decommissioning assets to the value of R12,8 million (2024: R12 million) as part of property, plant and equipment, which will be utilised in extinguishing the rehabilitation liability.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

18. PROVISIONS continued

Material changes in estimate

The significant increase in the provision for environmental rehabilitation for the Group and Company is as a direct result of the increase in the gross closure cost for the Grootfontein and Vlakfontein mining right areas.

Grootfontein Mining Area (Included in the Group and Company financial results)

The quantum of the financial provision for the operational activities associated with the Grootfontein mining right increased by 141% in comparison to the previous financial year. The current gross closure cost for Grootfontein is estimated at R23,2 million (2024: R9,7 million). The main reason for the increase in the closure cost is as a result of the increase in mining activities and related material movements. A significant increase in the dozing unit rate during the current reporting period also contributed to the significant increase in the closure cost.

Vlakfontein Mining Area (Included in the Group financial results)

The quantum of the financial provision for the operational activities associated with the Vlakfontein mining right increased by 34% in comparison to the previous financial year. The current gross closure cost for Vlakfontein is estimated at R32,1 million (2024: R23,9 million). The main reason for the increase in the closure cost is as a result of the increase in mining activities and related material movements. A significant increase in the dozing unit rate during the current reporting period also contributed to the significant increase in the closure cost.

Sensitivity analysis

The risk-free rates used to discount the estimated cash flows based on the underlying currency and time duration of the obligation are provided in the table below.

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Risk-free rate 28 February	9,10 to 10,52	8,96 to 11,71	10,52	8,96 to 11,71

	2025 R'000	2024 R'000	2025 R'000	2024 R'000
A 1% change in the discount rate would have the following effect on the environmental rehabilitation provision:				
Increase in the discount rate	14 708	2 769	10 616	908
Amount recognised in profit or loss	13 106	530	9 095	(381)
Amount recognised in property, plant and equipment	1 602	2 239	1 521	1 289
Decrease in the discount rate	22 200	8 001	16 504	5 262
Amount recognised in profit or loss	19 110	4 317	13 496	2 528
Amount recognised in property, plant and equipment	3 090	3 684	3 008	2 734



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

19. TRADE AND OTHER PAYABLES

ACCOUNTING POLICIES

Trade and other payables

Initial recognition and measurement

Trade and other payables are measured, at initial recognition, as financial liabilities at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issues.

Classification, subsequent measurement and gains and losses

After initial recognition, trade and other payables are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of profit or loss when the trade and other payables are derecognised. Interest expense is also recognised in profit or loss.

Short-term employee benefits

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

The expected cost of compensation absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absence, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance and the obligation can be estimated reliably.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

19. TRADE AND OTHER PAYABLES continued

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Financial liabilities				
Trade payables	18 788	34 916	19 525	23 805
External	15 266	27 979	9 998	15 234
Related party	3 522	6 937	9 527	8 571
Accruals (includes amounts payable as per note 7)	6 663	4 980	5 774	1 979
Deposits repayable (in terms of the Contract Mining and Coal Purchase Agreement)	5 577	5 577	–	–
	31 028	45 473	25 299	25 784
Non-financial liabilities				
Receipts in advance	2 534	5 478	5 334	4 648
Value added tax	10 050	8 177	4 548	8 177
Royalty tax accrual *	15 279	14 142	5 889	5 220
Carbon tax accrual #	9 008	6 896	9 008	6 896
Employee-related liabilities	3 840	7 453	3 776	6 098
	40 711	42 146	28 555	31 039
	71 739	87 619	53 854	56 823

* *Royalties levied on the extraction of mineral resources in terms of the Mineral and Petroleum Resources Royalty Act, 2008.*

Environmental tax on carbon dioxide (CO₂) equivalent of greenhouse gas emissions imposed in terms of the Carbon Tax Act, no 15 of 2019, and Customs and Excise Act, no 91 of 1964.

The average credit period on purchases is 34,8 days (2024: 49,7 days) from the date of statement. The Group has financial risk management policies in place.

Liquidity risk

Trade payables and other creditors and accruals are all expected to be settled within 12 months from the reporting date.

Fair value of financial instruments

The fair value of trade payables and other creditors and accruals approximate their carrying value due to their short-term maturities.



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

20. REVENUE

ACCOUNTING POLICIES

To determine whether to recognise revenue, the Group and Company follow a five-step process:

- Identifying the contract with the customer;
- Identifying the performance obligations;
- Determining the transaction price;
- Allocating the transaction price to the performance obligations; and
- Recognising revenue as/when performance obligations are satisfied.

Revenue from contracts with customers – sale of goods

The Group and Company generate revenue primarily from the sale of clay products (being clay bricks and clay minerals), related ancillary products (being pallets and wrapping for bricks), coal minerals and related transportation services. The transportation services relate to the transport of the clay bricks and coal minerals.

The sale of the relevant goods and the related transportation services are combined as a single performance obligation. No significant judgement is required in assessing the performance obligation.

The Group and Company measure and recognise revenue when the control over the clay products, related ancillary products, coal and clay minerals and transportation services is transferred to the customer. Control transfers to the customers at the date of delivery or collection, which is at a point in time for all the respective revenue streams.

Revenue is measured based on the consideration specified in a contract with the customer. Contractual payment terms are similar for all revenue streams and are between 30 and 90 days.

Nature and timing of satisfaction of performance obligations

Revenue is measured on a best estimate basis on the date of delivery or collection specified in the contract with the customer at the fair value of the consideration received or receivable and represents the amounts receivable for the goods provided in the normal course of business, net of discounts and value added tax.

Revenue derived from the sale of coal whereby the Group acts as an agent

The Group acts as an agent for a portion of the revenue derived from the sale of coal minerals and the related transportation of the coal minerals to the customer. The nature of the performance obligation is to arrange for the delivery of the coal minerals and related transportation thereof to another party. In terms of the Contract Mining and Coal Purchase Agreement, all coal mined is purchased by the Service Provider and, hence, the Group does not control the coal minerals and related transportation services before it is transferred to the customer. The Group buys back the coal from the Service Provider and then sells the coal to a third party, acting as agent in this transaction.

Revenue is recognised at the date of delivery of the coal minerals, which is at a point in time.

The Group recognises revenue in the amount of any fee or commission to which it expects to be entitled to, in exchange for arranging the specified goods to be provided to the other party. The Group's fee or commission might be the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods provided by that party.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

20. REVENUE continued

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Revenue from contracts with customers consists of:				
Clay products	183 006	195 390	181 419	191 889
Coal minerals	161 952	120 992	66 502	14 553
Transportation of clay products and ancillary products	35 783	34 167	30 040	34 118
Total revenue recognised as principle	380 741	350 549	277 961	240 560
Revenue from sale of coal whereby the Group acts as an agent consists of:				
Revenue				
Coal sales	38 046	4 311	–	–
Coal transport	16 131	1 765	–	–
Total revenue	54 177	6 076	–	–
Cost of sales				
Coal expenses	38 046	4 311	–	–
Coal transport expenses	16 131	1 765	–	–
Total cost of sales	54 177	6 076	–	–
Net revenue recognised as an agent *	–	–	–	–
Total revenue	380 741	350 549	277 961	240 560

* The net revenue recognised as agent is Rnil as all coal mined is sold to the service provider in terms of the Contract Mining and Coal Purchase Agreement. The portion on-sold as agent is bought back from the service provider at the sales price.

Disclosure of disaggregated revenue from contracts with customers:

- The Group and Company disaggregate revenue per type of good or service, as shown in the table above. The disaggregation is done based on revenue derived from the sale of clay products (being clay bricks and clay minerals), coal minerals and the related transportation services of the clay products. It should be noted that the performance obligation for the different revenue streams remains the same and in line with the accounting policy.
- Revenue is derived solely from South African customers and within the region in which the Group and Company is situated. No additional geographical areas have, therefore, been identified.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
21. PROFIT/(LOSS) BEFORE INTEREST AND TAXATION				
Profit/(loss) before interest and taxation is stated after:				
Income – included in other income				
Profit on disposal of property, plant and equipment	406	859	–	–
Management fees	–	–	5 253	10 718
Diesel rebates received	1 081	3 648	–	–
Fair value gain on restricted financial assets (refer note 7)	782	191	908	–
Fair value gain on assets and liabilities held for sale (refer note 12)	366	77	366	77
Expenses				
Short-term lease charges				
– Equipment – cost of sales	2 584	16 299	2 493	1 735
Depreciation – cost of sales *	14 986	18 206	8 545	8 085
Depreciation #	1 766	2 656	1 750	2 612
Amortisation – cost of sales	540	621	55	55
Loss on disposal of property, plant and equipment ^	629	102	20	1 152
Loss on scrapping of property, plant and equipment ^	913	489	167	322
Inventory – net realisable value adjustments – cost of sales	–	3 085	–	–
Impairment included in other expenses ^	–	(120)	–	(120)
– Impairment reversals of held-for-sale assets	–	(120)	–	(120)
Movement in provision for environmental rehabilitation (refer note 18) – cost of sales	16 013	2 360	11 216	1 016
Movement in provision for environmental rehabilitation – held-for-sale liabilities (refer note 12)	83	(64)	83	(64)
Directors' remuneration (refer note 34)	9 139	8 238	6 836	7 388
– Directors' emoluments #	9 139	8 238	6 836	7 388
Auditor's remuneration #	1 661	1 684	1 298	1 341
– Audit fees #	1 661	1 684	1 298	1 341
Employee costs – cost of sales	80 111	95 680	76 275	81 692
Allowance for expected credit losses ^	12 768	–	8 558	–
Penalties on cancellation of leases ^	838	–	838	–
Profit on cancellation of sub-lease (note 14)	–	–	(1 879)	–
Loss on cancellation of lease	386	–	210	–

* Includes depreciation in respect of the right-of-use assets. See note 3 for disclosure relating to the right-of-use asset.

^ Costs included in other expenses as per the statement of profit or loss and other comprehensive income.


Included in administrative expenses.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
21. PROFIT/(LOSS) BEFORE INTEREST AND TAXATION <small>continued</small>				
Expenses (continued)				
Secretarial fees #	1 012	1 573	984	1 573
Workmen's Compensation Fund #	1 161	1 290	1 161	1 290
Employee costs #	6 477	9 512	7 655	8 508
Professional fees #	3 620	3 659	3 061	3 659
Insurance #	2 291	2 386	1 952	1 506
Carbon tax – cost of sales	2 834	2 631	2 834	2 631
Professional fees – cost of sales	3 431	1 173	330	276
Electricity – cost of sales	14 147	13 445	11 704	10 647
Contract mining cost – cost of sales	115 510	49 872	65 572	13 988
Repairs and maintenance – cost of sales	8 409	11 952	8 045	8 382
Diesel – cost of sales	33 740	48 534	10 791	11 027
Transportation – cost of sales	28 040	31 688	28 040	31 688

Included in administrative expenses.



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

22. FINANCE INCOME

ACCOUNTING POLICIES

Finance income is recognised, in profit or loss, using the effective interest method. Finance income includes interest received and growth on other financial assets and cash and cash equivalents.

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Interest received recognised in statement of profit or loss				
Bank	44	8	43	–
Net investment in lease	–	–	2 010	6 130
Cash flow items	44	8	2 053	6 130
South African Revenue Service – on normal tax	–	9	–	–
Other receivables	111	69	111	69
Non-cash flow items	111	78	111	69
Total finance income	155	86	2 164	6 199

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

23. FINANCE COSTS

ACCOUNTING POLICIES

Finance expenses comprise interest payable on financial instruments measured at amortised cost calculated using the effective interest method and unwinding of the provision for environmental rehabilitation.

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Interest paid recognised in statement of profit or loss				
Bank overdraft	778	727	195	236
Trade and other payables	185	481	111	296
Shareholder and vendor loans (notes 15 and 16)	627	1 008	627	1 008
Lease liability, loans and borrowings (notes 14 and 17)	1 986	5 291	1 930	5 179
South African Revenue Service – on other taxes	893	413	858	345
Cash flow items	4 469	7 920	3 721	7 064
South African Revenue Service – on normal tax	133	154	94	–
South African Revenue Service – on other taxes	1 347	1 001	–	482
Unwinding of interest – environmental rehabilitation provision (note 18)	5 815	4 628	3 584	2 832
Unwinding of interest – environmental rehabilitation provision liabilities held-for-sale (note 12)	283	261	283	261
Non-cash flow items	7 578	6 044	3 961	3 575
Total finance costs	12 047	13 964	7 682	10 639

24. TAXATION

ACCOUNTING POLICIES

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

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities, using the tax rates that have been enacted, or substantially enacted, by the end of the reporting period.

Current and deferred taxes are recognised as income or an expense and are included in profit or loss for the period, except to the extent that the tax arises from.

- a transaction or event which is recognised, in the same or a different period, in other comprehensive income or directly in equity; or
- a business combination.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

24. TAXATION continued

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
MAJOR COMPONENTS OF TAXATION				
Current tax expense				
Current year	1 929	726	1 929	726
Deferred taxation				
Origination and reversal of temporary differences	(7 077)	4 506	203	5 995
	(5 148)	5 232	2 132	6 721

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Reconciliation of the tax expense				
<i>Reconciliation between applicable tax rate and average effective tax rate:</i>				
Applicable tax rate	27,0	27,0	27,0	27,0
Non-deductible expenses:	(15,9)	19,0	2,9	7,1
Legal fees	(2,3)	3,9	1,2	1,9
South African Revenue Service interest and penalties	(12,7)	13,1	2,6	4,8
Amortisation of mining rights	(2,2)	1,7	0,1	0,1
Other non-deductible expenses *	(1,9)	0,6	0,9	0,3
Restricted financial assets – fair value loss/(gains)	3,2	(0,3)	(1,9)	–
Section 12H learnership allowances	5,9	(0,9)	(3,0)	(0,5)
Reduction in opening deferred tax resulting from reduction in tax rate	–	7,4	–	4,4
Derecognition of previously recognised temporary differences – rehabilitation trust funds	61,7	–	(10,1)	–
Recognition of prior year calculated tax losses	–	–	–	–
	78,7	52,5	16,8	38,0

* Other non-deductible expenses include donations, gifts and other fines and penalties.

The applicable tax rate is equal to the South African statutory company tax rate at 27% for the year ended 28 February 2025 (2024: 27%).

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

25. EARNINGS AND FULLY DILUTED EARNINGS PER ORDINARY SHARE

ACCOUNTING POLICIES

Earnings per share is calculated based on the net profit or loss after tax for the year, divided by the weighted average number of ordinary shares in issue during the year. Diluted earnings or loss per share is presented when the inclusion of ordinary shares that may be issued in the future has a dilutive effect on earnings or loss per share.

	Group	
	2025 cents	2024 cents
EARNINGS PER SHARE		
Basic earnings per share	(0,3)	1,0
Diluted earnings per share	(0,3)	1,0
Headline earnings per share	0,5	1,3
Diluted headline earnings per share	0,5	1,3

The calculation of the basic profit or loss per share attributable to the ordinary equity holders is based on the following information:

Reconciliation between basic earnings and headline earnings as well as diluted earnings

	Group	
	2025 R'000	2024 R'000
Basic and diluted (loss)/profit	(2 645)	8 244
Loss on disposal of property, plant and equipment *	629	102
Loss on scrapping of property, plant and equipment *	913	489
Impairment reversal of assets classified as held-for-sale *	–	(120)
Profit on sale of property, plant and equipment *	(406)	(859)
Fair value gain on assets and liabilities held-for-sale *	(366)	(77)
Loss on disposal of property, plant and equipment by associate	3 152	3 196
Impairment recognised by associate	3 217	–
Headline and diluted headline profit	4 494	10 975

* These reconciling items have immaterial tax implications and therefore only the gross amounts are taken into account in the reconciliation.

	Group	
	2025 '000	2024 '000
Number of shares		
Weighted average number of shares	822 342	822 342
Diluted weighted average number of shares	822 342	822 342

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

26. BRIKOR SHARE INCENTIVE SCHEME TRUST

Group and Company

A share purchase scheme exists to provide employees of the Group the opportunity to purchase shares in the capital of the Company so as to give such employees the incentive to advance in the interest of the Group for the ultimate benefit of all the stakeholders in the Group.

The maximum ordinary shares so held may not exceed 20% of the ordinary share capital of the Company.

	2025 '000	2024 '000
Shares acquired by the Brikor Share Incentive Scheme during the year	–	–
Unallocated scheme shares as at 1 March	15 509	15 476
Plus: Purchase offers cancelled	391	32
Unallocated scheme shares	15 900	15 509

No shares were purchased by directors under the Brikor Share Incentive Trust during the current financial year (2024: nil).

Allocated scheme shares amounted to Rnil (2024: R0,4 million) as at 28 February 2025. During the current reporting period, all allocated scheme shares were cancelled and, hence, no employees have the option to buy any shares.

As per the SENS announcement on 28 February 2025, shareholders were advised that the Board of Directors of the Company entered into a share buy-back agreement ("Share Buy-Back Agreement") between the Company and the trustees for the time being of the Brikor Share Incentive Scheme ("the Trust") on 27 February 2025, in terms of which Share Buy-Back Agreement, *inter alia*, the Company would buy back 15 900 000 ordinary shares in the issued share capital of the Company ("Repurchase Shares") at a purchase consideration of 14 cents per Repurchase Share, being an aggregate amount of R2 385 000 ("Purchase Price") in respect of all the Repurchase Shares (the "Repurchase"). The price per Repurchase Share was calculated based on the 30-day volume weighted average trading price of a Brikor share on the JSE immediately preceding 19 February 2025. The Purchase Price was to be discharged by the Company deducting and setting off the Purchase Price against the amount owing by the Trust to the Company and would have no cash flow implications for Brikor.

The rationale for the Repurchase is that the Trust has not allocated any of the Repurchase Shares to Brikor employees and will be wound down after the Repurchase has been completed.

The Repurchase needed to be approved by the shareholders of the Company (the "Shareholders"), holding not less than 75% of all votes exercisable by Shareholders in general meeting in accordance with the provisions of section 48(8) of the Companies Act, No 71 of 2008, as amended ("Companies Act"). The requisite notice of written shareholders' resolutions in terms of section 60 of the Companies Act was distributed to Brikor shareholders on 4 April 2025. The deadline for the exercise of voting rights by shareholders was on Monday, 19 May 2025. Refer to note 37 for further disclosures regarding the subsequent event.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
27. CASH GENERATED FROM OPERATIONS				
Profit/(loss) before taxation and earnings from associate	(6 543)	9 961	12 715	17 704
<i>Adjustments for:</i>				
Depreciation and amortisation	17 292	21 483	10 350	10 752
Impairment of receivables and net realisable assets held-for-sale value adjustments (notes 10 and 12)	146	2 965	146	(120)
Profit on disposal of property, plant and equipment	(406)	(859)	–	–
Loss on disposal of property, plant and equipment	629	102	20	1 152
Loss on scrapping of property, plant and equipment	913	489	167	322
(Profit)/loss on cancellation of leases	386	–	(1 669)	–
Expected credit losses	12 768	–	8 558	–
Fair value (gains)/losses on restricted investments and assets held-for-sale	(1 148)	(268)	(1 274)	(77)
Net finance income and finance costs	11 892	13 878	5 518	4 440
Movement in environment rehabilitation provisions	16 096	2 296	11 299	952
– Movement recognised in profit or loss (note 18)	16 013	2 360	11 216	1 016
– Movement – held-for-sale (note 12)	83	(64)	83	(64)
Changes in working capital				
Inventories	(16 711)	(14 762)	(29 006)	(11 636)
Trade and other receivables	1 986	(7 358)	939	3 232
Trade and other payables	(19 227)	2 206	(7 498)	(4 172)
Net cash inflow from operating activities	18 073	30 133	10 265	22 549

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

28. TAX PAID

ACCOUNTING POLICIES

Current tax assets and liabilities

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

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Balance at beginning of year	(5 938)	(5 067)	(726)	–
Current tax for year recognised in statement of comprehensive income	(1 936)	(726)	(1 936)	(726)
Prior year assessment adjustment	7	–	7	–
Penalties	(152)	–	(86)	–
Net interest	(133)	(145)	(94)	–
Balance at end of year	7 659	5 938	2 403	726
– Taxation – refundable	(1 465)	(1 465)	–	–
– Taxation – payable	9 124	7 403	2 403	726
	(493)	–	(432)	–

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

29. SEGMENT REPORTING

ACCOUNTING POLICIES

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses that relate to transactions with any of the Group's other components. The basis is representative of the internal structure for management purposes. All operating segments' operating results are reviewed regularly by the chief executive officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The operating segments are also in line with the Group's reportable segments.

The chief operating decision maker has been identified as the Group's Chief Executive Officer. The CEO relies on inputs from the Financial Director and Executive Committee members for decision making. Based on support and inputs from the Financial Director and Executive Committee members, the potential to create an imbalance of power is mitigated.

The reportable segments are:

- Coal, which includes mining and sale of coal; and
- Bricks, which includes manufacturing and sales of bricks.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than investment in associate, non-current assets held-for-sale, taxation and cash and cash equivalents.
- all liabilities are allocated to reportable segments other than vendor loans, shareholders' loans, deferred taxations, taxation, bank overdraft and liabilities directly associated with the assets held-for-sale.

Segmental results include revenue and expenses directly related to an operating segment but exclude net finance charges and taxation which cannot be allocated to any specific segment. Segmental trading profit is defined as operating profit, before interest and taxation and is the basis on which management's performance is assessed.

Segment operating assets and liabilities include property, plant and equipment, investments, inventories, trade and other receivables, trade and other payables and insurance funds and post-retirement obligations, but exclude cash, general borrowings, current taxation, deferred taxation, non-current assets held-for-sale, non-current liabilities held-for-sale and shareholders' loans.

Intangible assets are allocated to the cash-generating unit in the segment to which they relate.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

29. SEGMENT REPORTING continued

Segment revenues and results

The following is an analysis of the Group's revenue and results from operations by reportable segments.

	Bricks R'000	Coal R'000	Other * R'000	Total R'000
Segment profit reconciliation				
2025				
Total revenue	211 459	208 139	–	419 598
Intersegment revenue #	–	(38 857)	–	(38 857)
Reportable segment revenue	211 459	169 282	–	380 741
– Clay products	181 419	1 587	–	183 006
– Coal minerals	–	161 952	–	161 952
– Transportation of clay products and ancillary products	30 040	5 743	–	35 783
Gross profit/(loss)	61 692	(4 800)	–	56 892
Other income	2 320	1 282	–	3 602
Profit/(loss) before interest and taxation	26 612	(21 263)	–	5 349
Segment assets and liabilities				
Segment assets	111 155	78 069	112 569	301 793
Segment liabilities	78 420	92 036	20 458	190 914
Other segment information				
Depreciation and amortisation included in cost of sales and administrative expenditure	8 247	9 045	–	17 292

* Other segment relates to non-segment-specific assets and liabilities which include the assets and liabilities classified as held-for-sale.

Intersegment revenue relates to coal and clay procured from the Coal segment and used by the Bricks segment. Transactions are at arm's length and accounting treatment is in line with the Group's accounting policies.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

29. SEGMENT REPORTING continued

	Bricks R'000	Coal R'000	Other * R'000	Total R'000
Segment profit reconciliation				
2024				
Total revenue	226 007	145 385	–	371 392
Intersegment revenue #	–	(20 843)	–	(20 843)
Reportable segment revenue	226 007	124 542	–	350 549
– Clay products	191 889	3 501	–	195 390
– Coal minerals	–	120 992	–	120 992
– Transportation of clay products and ancillary products	34 118	49	–	34 167
Gross profit	67 614	2 379	–	69 993
Other income	2 324	4 685	–	7 009
Profit/(loss) before interest and taxation	24 485	(646)	–	23 839
Segment assets and liabilities				
Segment assets	97 314	117 274	103 275	317 863
Segment liabilities	80 586	96 521	26 086	203 193
Other segment information				
Depreciation and amortisation included in cost of sales and administrative expenditure	12 151	9 332	–	21 483

* Other segment relates to non-segment-specific assets and liabilities which include the assets and liabilities classified as held-for-sale.

Intersegment revenue relates to coal and clay procured from the Coal segment and used by the Bricks segment. Transactions are at arm's length and accounting treatment is in line with the Group's accounting policies.

Factors used to identify segments are based on product and service line and divisional structuring, this is also how the Group reports financial results to management on a monthly basis.

Reportable segment revenue relates to external customers only. Revenue is derived solely from South African customers, within the region in which the Group is situated. Therefore, no additional geographical areas have been identified.

The Bricks and Coal segments are the only regulatory environments in which the Group operates, i.e., manufacturing and mining.

No single customer contributes to more than 10% to the Group's revenue in the Bricks segment. 44,3% of the Group's revenue is derived from a related party in terms of the Contract Mining and Coal Purchase Agreement. The revenue from this customer is included in the Coal segment's revenue above.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

30. CAPITAL COMMITMENTS

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Authorised capital expenditure				
Capital equipment	500	–	500	–
– within one year	500	–	500	–
– in second to fifth year inclusive	–	–	–	–
Short-term leases – as lessee				
<i>Minimum lease payments due:</i>				
– within one year	68	40	68	26
– in second to fifth year inclusive	80	19	80	19

Short-term payments represent rentals payable by the Group for certain of its plant and equipment. No contingent rent is payable. See note 14 for details regarding accounting policy relating to leases.

31. CONTINGENCIES

SIGNIFICANT ACCOUNTING JUDGEMENTS

The assessment of whether an obligating event results in a liability or a contingent liability require the exercise of significant judgement of the outcome of future events that are not wholly within the control of the Group and Company.

Legislation and other judicial proceedings inherently entail complex legal issues that are subject to uncertainties and complexities and are subject to interpretation.

The Group and Company perform an assessment relating to litigation matters based on advice and guidance obtained from the Group's attorneys.

ACCOUNTING POLICIES

A contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability may also be a present obligation arising from past events but is not recognised on the basis that an outflow of economic resources to settle the obligation is not viewed as probable, or the amount of the obligation cannot be reliably measured.

When the Group has a present obligation, an outflow of economic resources is assessed as probable and the Group can reliably measure the obligation, a provision is recognised.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

31. CONTINGENCIES continued

Contingent liabilities

Group and Company

Environmental rehabilitation

The Group's operations are located in Nigel and are in close proximity to the Blesbokspruit watercourse (the Blesbokspruit watercourse is classified as a RAMSAR site in terms of the RAMSAR convention on Wetlands of International importance). The precise particulars of the operation's proximity to the watercourse still need to be formally delineated by a wetland specialist.

However, considering the current location of the Group's operation and the potential movement of groundwater and drainage towards the Blesbokspruit watercourse, and allowing for the current rehabilitation approach that was consistently applied for Vlakfontein, Plant 1 and Plant 3, further analysis and monitoring would be required in assessing the potential future impact on water quality that might occur, after the closure.

The proximity assessment and results from the water monitoring is required to assess and confirm a justifiable approach (as required by the National Water Act) that does not pose a long-term water quality-related risk at eventual quarry closure. In addition, the nature and extent for the direction of surface run-off still need to be fully understood. The cost determination of water quality-related effects and water use requirements (in terms of the National Water Act) remain uncertain at this stage and cannot be reasonably quantified.

Additional information that are obtained from further studies and monitoring could result in a future obligation that would require the Group to recognise additional cost provisions for environmental rehabilitation.

Pending court cases

Court case 1 (Group)

Ilangabi Resources (Pty) Ltd is currently a party to a litigation process instituted against the company as a result of events dating back to 2015. The case has been ongoing for the past seven years and management is of the opinion that it is not likely that the case would result in a material outflow of economic benefits. The case has been submitted to the High Court and the outcome as well as potential financial impact cannot be measured reliably at the date of these consolidated and separate financial statements.

The above action has been defended and a plea has been delivered on behalf of Ilangabi and both parties have made discovery. It may still take some time to complete the discovery affidavit exercise and it is difficult to estimate the costs that will be associated therewith.

Pleadings have closed and discovery has been made by both parties. The next steps will be convening a pre-trial conference. It remains difficult to estimate the costs that will be associated with the case due to pre-trial preparation that will be required, should the plaintiffs pursue the matter to trial.

The issues, which remain to be determined and proved at trial, will determine, *inter alia*, the extent of preparation required and duration of the trial. The potential financial impact can, therefore, not be measured reliably.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
32. GUARANTEES				
<i>Guarantees in favour of the following have been provided:</i>				
Department of Minerals – Mining rehabilitation*	34 122	34 122	34 122	34 122
Eskom Holdings SOC Ltd	4 515	–	4 515	–
	38 637	34 122	38 637	34 122

* Refer to note 18 in terms of provisions raised in respect of environmental restoration. The guarantees have been issued by Guardrisk on behalf of the Group (see note 7) to the Department of Minerals and Eskom.

33. RELATED PARTIES

Identification of material related parties

Shareholders of Brikor Limited (Company) holding 20% or more of issued share capital at the reporting date:

Nikkel Trading 392 (Pty) Ltd – 84,25%

Subsidiaries and associates

Ilangabi Resources (Pty) Ltd and Kopanela Mining (Pty) Ltd are the only significant operating subsidiaries of the Group. Ilangabi Resources (Pty) Ltd is wholly owned and is incorporated and operates in South Africa only. Brikor owns 70% of all ordinary shares in Kopanela Mining (Pty) Ltd. Refer to note 5 for the schedule of investments in other companies.

Brikor owns 40% of all ordinary shares in Zingaro Holdings (Pty) Ltd. Refer to note 6 for disclosure relating to the associate.

There are no restrictions applicable to the Group and its subsidiaries.

Directors

Refer to note 34 for details of the Group's directors.

Relationships	Related director/shareholder
Entities controlled by directors/significantly influenced by shareholders	
Zingaro Holdings (Pty) Ltd	E Mac Master, L Mac Master, P Buys
Zingaro Trade 85 (Pty) Ltd	E Mac Master, PZ Mtethwa
Scarletkor (Pty) Ltd	Nikkel Trading 392 (Pty) Ltd
Ilangabi Colliery (Pty) Ltd (previously TCQ Mining (Pty) Ltd)	Nikkel Trading 392 (Pty) Ltd
Tokata Coal (Pty) Ltd	Nikkel Trading 392 (Pty) Ltd
Alidaguard (Pty) Ltd t/a The Hub	Nikkel Trading 392 (Pty) Ltd

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

33. RELATED PARTIES continued

		Group		Company	
	Description of activity	2025 R'000	2024 R'000	2025 R'000	2024 R'000
RELATED PARTY BALANCES					
Loan accounts – owing (to)/by related parties					
E Mac Master		(482)	(2 439)	(482)	(2 439)
L Mac Master		(482)	(2 439)	(482)	(2 439)
P Buys		(482)	(2 439)	(482)	(2 439)
Loan accounts – owing by subsidiaries					
Ilangabi Resources (Pty) Ltd		–	–	3 639	3 639
Amounts included in trade and other receivable/(trade and other payables) regarding related parties					
Ilangabi Resources (Pty) Ltd	Electricity, rentals and recoveries	–	–	1 655	11 085
Ilangabi Resources (Pty) Ltd	Coal and clay	–	–	(6 508)	(4 925)
Scarletkor (Pty) Ltd	Surface rights	(243)	(1 364)	–	–
Ilangabi Colliery (Pty) Ltd	Coal	16 148	7 904	1 283	2 146
Ilangabi Colliery (Pty) Ltd	Coal	(765)	(1 860)	(765)	(1 860)
Ilangabi Colliery (Pty) Ltd	Deposit invoice	5 577	5 577	–	–
Ilangabi Colliery (Pty) Ltd	Deposit invoice	(5 577)	(5 577)	–	–
Zingaro Holdings (Pty) Ltd	Bricks and rental income	72	67	72	67
Zingaro Holdings (Pty) Ltd	Transport	–	(1 786)	–	(1 786)
Zingaro Trade 85 (Pty) Ltd	Coal and diesel	450	2 377	–	–
Zingaro Trade 85 (Pty) Ltd	Machinery rentals and transport	–	(1 927)	–	–
Tokata Coal (Pty) Ltd	Clay	(1 847)	–	(1 847)	–
Alidaguard (Pty) Ltd	Consulting	(667)	–	–	–
Kopanela Mining (Pty) Ltd	Coal	–	–	10 308	–
Kopanela Mining (Pty) Ltd	Coal	–	–	(407)	–
Kopanela Mining (Pty) Ltd	Payment received in advance	–	–	(2 800)	–

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

33. RELATED PARTIES continued

		Group		Company	
	Description of activity	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Related party transactions					
Interest paid					
Estate late GvN Parkin – shareholder's loan	On loan account	–	(36)	–	(36)
E Mac Master	On loan account	(209)	(324)	(209)	(324)
L Mac Master	On loan account	(209)	(324)	(209)	(324)
P Buys	On loan account	(209)	(324)	(209)	(324)
Purchases from related parties					
Ilangabi Resources (Pty) Ltd	Coal and clay	–	–	(25 034)	(47 595)
Scarletkor (Pty) Ltd	Surface rights	(1 099)	(2 354)	–	–
Tokata Coal (Pty) Ltd	Machinery rentals and clay mining	(3 829)	–	(3 829)	–
Zingaro Holdings (Pty) Ltd	Transport	–	(12 700)	–	(12 700)
Ilangabi Colliery (Pty) Ltd	Coal	(180 474)	(48 729)	(57 970)	(15 431)
Alidaguard (Pty) Ltd	Consulting	(2 471)	–	–	–
Sales to related parties					
Ilangabi Resources (Pty) Ltd	Electricity, rental and recoveries	–	–	11 084	34 487
Ilangabi Resources (Pty) Ltd	Management fees	–	–	4 554	10 718
Zingaro Holdings (Pty) Ltd	Rental income	825	825	825	825
Ilangabi Colliery (Pty) Ltd	Coal	168 642	67 757	55 802	15 489
Kopanela Mining (Pty) Ltd	Management fee	–	–	699	–
Kopanela Mining (Pty) Ltd	Coal	–	–	11 285	–

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

34. DIRECTORS' EMOLUMENTS

	Basic ^{*1} R'000	Bonus ^{*1} R'000	Medical aid ^{*1} R'000	Total R'000
2025				
Executive directors				
G Parkin ^{*2}	2 872	251	10	3 133
JM Botha ^{*2}	1 859	205	–	2 064
Non-executive directors				
AD Pellow ^{*2}	427	–	–	427
AM Mokate ^{*2}	284	–	–	284
SP Naude ^{*2}	302	–	–	302
FA Mtsila ^{*2}	240	–	–	240
M Laubscher ^{*2 *4 *8}	202	–	–	202
C Oberholzer ^{*2 *4 *6 *7}	184	–	–	184
	6 370	456	10	6 836
Subsidiary executive directors				
J van Rensburg ^{*3 *5 *9}	1 421	–	–	1 421
TP Nhlapo ^{*3}	830	52	–	882
	2 251	52	–	2 303
	8 621	508	10	9 139

^{*1} Short-term employee benefits.

^{*2} Fees paid for services to Brikor Ltd Company.

^{*3} Fees paid for services to Ilangabi Resources (Pty) Ltd.

^{*4} Appointed as director on 1 February 2024.

^{*5} Appointed as director on 23 May 2024.

^{*6} Changed role to alternate director to S Burger with effect 23 February 2024.

^{*7} Fees paid to Schalk Burger SA.

^{*8} Fees paid to Nikkel Trading 392 (Pty) Ltd and Que Dee Trading 349 (Pty) Ltd.

^{*9} Fees paid to Alidaguard (Pty) Ltd t/a The Hub.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

34. DIRECTORS' EMOLUMENTS continued

	Basic ^{*1} R'000	Bonus ^{*1} R'000	Medical aid ^{*1} R'000	Total R'000
2024				
Executive directors				
G Parkin ^{*2}	2 756	896	10	3 662
JM Botha ^{*2}	1 783	523	–	2 306
Non-executive directors				
AD Pellow ^{*2}	503	–	–	503
AM Mokate ^{*2}	298	–	–	298
SP Naude ^{*2}	304	–	–	304
FA Mtsila ^{*2}	269	–	–	269
M Laubscher ^{*2 *4 *7}	23	–	–	23
C Oberholzer ^{*2 *4 *6 *7}	23	–	–	23
S Burger ^{*5 *7}	–	–	–	–
	5 959	1 419	10	7 388
Subsidiary executive directors				
TP Nhlapo ^{*3}	830	20	–	850
	830	20	–	850
	6 789	1 439	10	8 238

^{*1} Short-term employee benefits.

^{*2} Fees paid for services to Brikor Ltd Company.

^{*3} Fees paid for services to Ilangabi Resources (Pty) Ltd.

^{*4} Appointed as director on 1 February 2024.

^{*5} Appointed as director on 23 February 2024.

^{*6} Changed role to alternate director to S Burger with effect 23 February 2024.

^{*7} Fees paid to Nikkel Trading 392 (Pty) Ltd and Schalk Burger SA, respectively.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

35. RETIREMENT FUND

ACCOUNTING POLICIES

Defined contribution plan

The Group and its employees contribute to a defined contribution plan. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts.

Payments to defined contribution retirement benefit plans are recognised in profit or loss in the periods during which services are rendered by employees.

Defined contribution plan

Employees are part of the Alexander Forbes Gauteng Building Industry Provident Fund.

The fund is governed by the Pension Fund Act of 1956.

The contributions paid by the Group to fund obligations for the payment of retirement benefits are charged to profit or loss as and when incurred. The Group contributed R2,7 million (2024: R2,7 million) for the reporting period; 521 (2024: 533) employees were members of these provident funds during the reporting period. The contributions are included in cost of sales.

The contributions paid by the Company to fund obligations for the payment of retirement benefits are charged to profit or loss as and when incurred. The Company contributed R2,5 million (2024: R2,3 million) for the reporting period; 468 (2024: 476) employees were members of these provident funds during the reporting period. The contributions are included in cost of sales.



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

36. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS

This note presents the Group's objectives, policies and processes for managing its financial risk and capital. Further quantitative disclosures are included throughout these financial statements.

In performing its operating, investing and financing activities, the Group is exposed to the following financial risks from the use of financial instruments:

Credit risk: 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 trade receivables (note 10) and cash and cash equivalents (note 11).

Liquidity risk: the risk that the Group may not have, or may not be able to raise cash funds when needed and therefore encounter difficulty in meeting obligations associated with financial liabilities.

Market risk: the risk that the value of a financial instrument will fluctuate in terms of fair value or future cash flows as a result of a fluctuation in market prices. Basically, the Group is exposed to interest rate risk.

In order to effectively manage those risks, the Board of Directors has approved specific strategies for the management of financial risks, which are in line with corporate objectives. These guidelines set up the short- and long-term objectives and actions to be taken in order to manage the financial risks that the Group faces.

The major guidelines of this policy are the following:

- Minimise interest rate risks for all kinds of transactions;
- All financial risk management activities are carried out and monitored at central level; and
- All financial risk management activities are carried out on a prudent and consistent basis and following the best market practices.

Credit risk has been disclosed through the relevant notes to the consolidated and separate financial statements. No collateral is held on any of the financial assets, except for security held over trade receivables, as disclosed in note 10.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

36. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS continued

Risk management framework

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. These policies and systems are reviewed regularly to reflect changes in market conditions and activities.

The Group Audit and Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The following tables summarises the carrying amount and fair value of financial assets and liabilities recorded at year-end per IFRS 9 category:

	Group		Company	
	Carrying amount/fair value			
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Financial assets				
Measured at fair value through profit or loss				
– Restricted investments (refer note 7)	24 308	20 487	5 500	–
Measured at amortised cost				
– Net investment in finance lease (refer note 14)	–	–	–	21 770
– Loans to subsidiaries (refer note 5)	–	–	3 878	3 878
– Restricted investments (refer note 7)	1 372	1 372	1 372	1 372
– Trade and other receivables (refer note 10)	19 850	33 805	14 545	24 057
– Cash and cash equivalents (refer note 11)	637	95	82	94
Balance at 28 February	46 167	55 759	25 377	51 171
Financial liabilities				
Measured at amortised cost				
– Loans from subsidiaries (refer note 5)	–	–	3 490	3 490
– Vendor loans (refer note 16)	1 446	7 317	1 446	7 317
– Lease liability (refer note 14)	4 509	17 696	4 509	17 696
– Loans and borrowings (refer note 17)	4 997	8 659	4 997	7 494
– Trade and other payables (refer note 19)	31 028	45 473	25 299	25 784
– Bank overdraft (refer note 11)	6 710	6 624	2 213	1 629
Balance at 28 February	48 690	85 769	41 954	63 410

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

In the ordinary course of business, the Group receives cash from its operations and is required to fund working capital and capital expenditure requirements. The cash is managed to ensure that surplus funds are invested in a manner to achieve market-related returns and to provide sufficient liquidity at the minimum risk.

Specific actions have been taken by the Group through the monitoring and planning to ensure that sufficient liquidity is available to meet its liabilities when due. This is done through ongoing review of terms of shareholders' loans, future commitments and cash flow forecasts.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

36. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS continued

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date.

The amounts disclosed in the table below are the contractual undiscounted cash flows.

	Carrying amount R'000	Contractual cash flows R'000	Less than one year R'000	Between one and five years R'000
Group				
As at 28 February 2025				
Vendor loans	1 446	1 479	1 479	–
Lease liability	4 509	4 927	4 029	898
Loans and borrowings	4 997	5 839	2 126	3 713
Trade and other payables	31 028	31 028	31 028	–
Bank overdraft	6 710	7 431	7 431	–
	48 690	50 704	46 095	4 611
As at 29 February 2024				
Vendor loans	7 317	7 725	6 500	1 225
Lease liability	17 696	19 871	13 925	5 946
Loans and borrowings	8 659	10 211	4 399	5 812
Trade and other payables	45 473	45 473	45 473	–
Bank overdraft	6 624	7 336	7 336	–
	85 769	90 616	77 633	12 983
Company				
As at 28 February 2025				
Vendor loan	1 446	1 479	1 479	–
Lease liability	4 509	4 927	4 029	898
Bank overdraft	2 213	2 451	2 451	–
Loans and borrowings	4 997	5 839	2 126	3 713
Trade and other payables	25 299	25 299	25 299	–
Loans from subsidiaries	3 490	3 490	–	3 490
	41 954	43 485	35 384	8 101
As at 29 February 2024				
Vendor loan	7 317	7 725	6 500	1 225
Lease liability	17 696	19 871	13 925	5 946
Bank overdraft	1 629	1 804	1 804	–
Loans and borrowings	7 494	9 030	3 218	5 812
Trade and other payables	25 784	25 784	25 784	–
Loans from subsidiaries	3 490	3 490	–	3 490
	63 410	67 704	51 231	16 473

The details of performance guarantees provided in favour of other parties are detailed in note 32. These guarantees are issued by Guardrisk on behalf of the Group.

At present the Group does expect to pay all liabilities at their contractual maturity. In order to meet such cash commitments, the Group expects the operating activity to generate sufficient cash inflows. In addition, the Group holds financial assets for which there is a liquid market and that are readily available to meet liquidity needs.

At the reporting date, the Company had R2,0 million (2024: R2,5 million) of undrawn facilities and the Group had R2,4 million (2024: R2,5 million) of undrawn facilities.

The Financial Director provides the Board with a schedule showing the maturity of financial liabilities and unused borrowing facilities to assist the Board in monitoring liquidity risk.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

36. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS continued

Market risk

Interest rate risk

Financial assets and liabilities that are sensitive to fluctuations in interest rates are cash and cash equivalents, bank overdrafts and vendor loans. The interest applicable to these financial instruments is on a floating basis in line with those currently available in the market.

Sensitivity analysis

A hypothetical increase in interest rates by 100 basis points, with all other variables remaining constant, would decrease the profit after tax by R0,1 million (2024: R0,1 million) and would have the same effect on equity.

The analysis has been performed for floating interest rate financial liabilities and assets. The impact of a change in interest rates on floating interest rate financial liabilities has been assessed in terms of changing of their cash flows and, therefore, in terms of the impact on net expenses and have been determined to have no material effect on the Group's risk.

The Group does not have any fair value sensitivity in respect of fixed rate instruments as at the reporting date.

Fair values

The fair value of financial instruments has been disclosed in the relevant notes to these separate and consolidated financial statements.

Capital risk management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence to sustain the future development of the business. The Board of Directors monitors the return on capital, which the Group defines as total capital and reserves, and the level of dividends to ordinary shareholders.

The Group manages and makes adjustments to the capital structure, which consists of total capital and reserves and the level of dividends to ordinary shareholders as and when borrowings mature or when funding is required. This may take the form of raising equity, market or bank debt thereof. The Group may also adjust the amount of dividends paid, sell assets to reduce debt or schedule projects to manage the capital structure.

There were no changes to the Group's approach to capital management during the year. Refer to note 13 for a quantitative summary of authorised and issued capital.

The Group monitors capital using a ratio of 'net debt' to 'adjusted equity'. Net debt is classified as total liabilities (as shown in the statement of financial position) less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratios are as follows:

	Group		Company	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Total liabilities	190 914	203 193	135 900	140 759
Less: Cash and cash equivalents	(637)	(95)	(82)	(94)
Adjusted net debt	190 277	203 098	135 818	140 665
Total equity	110 879	114 670	110 480	99 897
Adjusted net debt to equity ratio	1,7	1,8	1,2	1,4



Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

37. SUBSEQUENT EVENTS

Sale of Rayton property

Consent in terms of section 11(1) has been granted by the Minister on 15 January 2024 and the cession of the mining right has been registered on 10 April 2024. Registration of the property at the title deeds office took place on 18 March 2025 and the sale was, accordingly, finalised subsequent to year-end.

Share buy-back

As per the SENS announcement on 28 February 2025, shareholders were advised that the Board of Directors of the Company entered into a share buy-back agreement ("Share Buy-Back Agreement") between the Company and the trustees for the time being of the Brikor Share Incentive Scheme ("the Trust") on 27 February 2025, in terms of which Share Buy-Back Agreement, *inter alia*, the Company would buy back 15 900 000 ordinary shares in the issued share capital of the Company ("Repurchase Shares") at a purchase consideration of 14 cents per Repurchase Share, being an aggregate amount of R2 385 000 ("Purchase Price") in respect of all the Repurchase Shares (the "Repurchase"). The price per Repurchase Share was calculated based on the 30-day volume weighted average trading price of a Brikor share on the JSE immediately preceding 19 February 2025. The Purchase Price would be discharged by the Company deducting and setting off the Purchase Price against the amount owing by the Trust to the Company and would have no cash flow implications for Brikor.

The rationale for the Repurchase is that the Trust has not allocated any of the Repurchase Shares to Brikor employees and will be wound down after the Repurchase has been completed.

The Repurchase needed to be approved by the shareholders of the Company (the "Shareholders"), holding not less than 75% of all votes exercisable by Shareholders in general meeting in accordance with the provisions of section 48(8) of the Companies Act, No 71 of 2008, as amended ("Companies Act"). The requisite notice of written shareholders' resolutions in terms of section 60 of the Companies Act was distributed to Brikor shareholders on 4 April 2025.

As per the SENS announcement on 6 May 2025, shareholders were advised that the written shareholders' resolution distributed on 4 April 2025 has passed.

Other

Management is not aware of any other material events which occurred subsequent to the year ended 28 February 2025 and which need adjustment or disclosure to the consolidated and separate financial statements.

Notes to the consolidated and separate financial statements continued

for the year ended 28 February 2025

38. GOING CONCERN

The Group incurred a loss for the year ended 28 February 2025 of R3,8 million (2024: profit for the year of R8,2 million) and as of that date the Group is solvent as the total assets exceeded the total liabilities by R110,9 million (2024: R114,7 million).

The Group's current assets exceeded the current liabilities by R20,2 million (2024: current liabilities exceeded current assets by R11,4 million). The main reason for the decrease in current liabilities is as a result of the sale of mining equipment, held under finance lease, and the cancellation of the related lease agreement.

The Company incurred a profit for the year ended 28 February 2025 of R10,6 million (2024: R11 million) and as of that date the Company is solvent as the total assets exceeded the total liabilities by R110,5 million (2024: R99,9 million).

The Company's current assets exceeded the current liabilities by R29 million (2024: current assets exceeded current liabilities by R5 million).

A detailed analysis of the solvency and liquidity of the Company and the Group was performed, being cognisant of the current economic environment, high inflation rates and resultant increases in prices. The directors considered the financial performance of the Group and Company to date of this report and have also prepared and interrogated budgets and cash flow forecasts for the twelve months subsequent to the reporting date. The budgets and cash flow forecast allow for best estimates and assumptions, *inter alia*, current sales volumes and prices as well as increased costs as noted above. The high inflation rates and increased costs are not expected to have a significant impact on future cash flows for the Group or Company.

Subsequent to year-end and up to date of the assessment, there has been no significant change in circumstances which suggests that the above reviews are no longer valid. Based on the above, no material uncertainties have been identified in relation to the ability of the Group and Company to remain going concerns for at least the next twelve months. The directors thus believe that the Group and Company are in a sound financial position and that they will continue to operate as going concerns for the foreseeable future.

As such, the consolidated and separate financial statements have been prepared on the basis of accounting policies applicable to a going concern. This presumes that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business.

CORPORATE INFORMATION

BRIKOR LIMITED

Incorporated in the Republic of South Africa
Registration number: 1998/013247/06
JSE code: BIK
ISIN: ZAE000101945

Registered office

1 Marievale Road
Vorsterskroon
Nigel, 1490

(PO Box 884, Nigel, 1490)

Telephone: 011 739 9000
Facsimile: 011 739 9021

Directors as at 17 June 2025

Mr Allan Pellow (Chairperson) *
Ms Mamsy Mokate (Lead Independent Director) *
Mr Garnett Parkin (Chief Executive Officer)
Ms Joaret Botha (Financial Director)
Mr Michiel Laubscher #
Ms Funeka Mtsila *
Mr Steve Naudé *
Mr Corné Oberholzer #
Mr Joe van Rensburg (Executive Director: Mining)

** Independent Non-Executive*

Non-Executive

Company Secretary

Fusion Corporate Secretarial Services (Pty) Ltd
Registration number 2007/008376/07
Suite E014
Midlands Office Park East
Mount Quray Street
Midlands Estate
Midstream, 1692

(PO Box 68528, Highveld, 0169)

Tel: (012) 749 6793
Fax: 086 616 6545

Designated Adviser

Exchange Sponsors (2008) (Pty) Ltd
44a Boundary Road
Inanda
Sandton, 2196

(PO Box 411216, Craighall, 2024)

Auditors

Nexia SAB&T
119 Witch-Hazel Ave
Highveld Techno Park
Centurion, 0157

(PO Box 10512, Centurion, 0046
Docex 15, Centurion)

Commercial banker

Nedbank Limited
Shop 17, Selcourt Towers Centre
Cnr Wit, Ramona and Hewitt Roads
Selcourt
Springs, 1559

Transfer secretaries

JSE Investor Services (Pty) Ltd
One Exchange Square
Gwen Lane
Sandown
Sandton, 2196

(PO Box 4844, Johannesburg, 2000)

Attorneys

Werksmans Attorneys
The Central
96 Rivonia Rd
Dennehof
Sandton, 2196

(Private Bag 10015, Sandton, 2146)



BRIKOR LIMITED

www.brikor.co.za

