SA CORPORATE
REAL ESTATE

INDUSTRIAL | RETAIL | RESIDENTIAL | REST OF AFRICA

2024
ANNUAL FINANCIAL STATEMENTS

SA CORPORATE REAL ESTATE LIMITED
Registration number 2015/015578/06

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DIRECTORS' RESPONSIBILITIES AND APPROVAL

For the annual financial statements for the year ended 31 December 2024

The directors of SA Corporate Real Estate Limited (the Company) are responsible for the preparation and integrity of the Group and Company annual financial statements (annual financial statements) and the related information included in the annual financial statements of the Company and its subsidiaries (the Group). In order for the board of directors (the Board) to discharge its responsibilities, management has developed and continues to maintain a system of internal control. The Board has ultimate responsibility for the system of internal control and reviews its operation, primarily through the Audit and Risk Committee (ARC).

The external auditors are responsible for reporting on the annual financial statements in conformity with International Standards on Auditing, and their opinion is included on pages 14 to 18. The annual financial statements are prepared in accordance with IFRS® Accounting Standards (IFRS), the requirements of the Companies Act (Act 71 of 2008, as amended)(the Companies Act), and the Listings Requirements of the JSE Limited (JSE), and incorporate disclosures in line with the accounting practices of the Group. The annual financial statements are based on appropriate accounting policies consistently applied and are supported by reasonable judgements and estimates.

The directors believe that the Group and Company will be a going concern for a period of 12 months from the date of this report. Accordingly, in preparing the annual financial statements, the going concern basis has been adopted.

The annual financial statements for the year ended 31 December 2024, as set out on pages 19 to 97, were approved by the Board on 13 March 2025 and are signed on its behalf by:

MA Moloto
Chairman: Independent Non-executive Director

TR Mackey
Chief Executive Officer

These annual financial statements have been prepared under the supervision of the Chief Financial Officer, SY Moodley CA(SA).

CEO AND CFO RESPONSIBILITY STATEMENT

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

(a) The annual financial statements set out on pages 19 to 97, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS.

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

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

(d) The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls.

(e) Where we are not satisfied, we have disclosed to the ARC and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have remedied the deficiencies.

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

Signed on 13 March 2025 by:

TR Mackey
Chief Executive Officer

SY Moodley
Chief Financial Officer

DECLARATION BY THE COMPANY SECRETARY

For the year ended 31 December 2024

In my capacity as Company secretary, I hereby confirm, in terms of Section 88(2)(e) of the Companies Act, that for the year ended 31 December 2024, the Company has lodged with the Registrar of Companies, all such returns as are required in terms of the Companies Act (as amended) and that all such returns are true, correct and up to date.

J Grové
13 March 2025

DIRECTORS' REPORT

For the year ended 31 December 2024

The directors are pleased to present their report which forms part of the annual financial statements for the year ended 31 December 2024.

1. Nature of business

The Company (Registration number: 2015/015578/06), is one of the oldest established property companies in the South African market. It is a JSE-listed Real Estate Investment Trust (REIT) which owns, through its subsidiary companies, a diversified property portfolio of 267 (2023: 267) properties in the industrial, retail and residential sectors. The properties are located primarily in the major metropolitan areas of South Africa, with a secondary node in Zambia, in which the Company holds a 50% interest through a joint venture (JV) arrangement. Through its JV arrangement the Company has an indirect interest in Real Estate Investment Zambia PLC (REIZ), a REIT listed on the Lusaka Securities Exchange.

2. Shareholders' equity

	Number of shares	
	2024	2023
Authorised shares	**4 000 000 000**	4 000 000 000
Issued shares	**2 514 732 095**	2 514 732 095

There have been no changes to the authorised or issued share capital during the year under review.

3. Dividends

Dividends of R601.2 million (2023: R567.5 million) were declared and paid during the year, comprising the final dividend for 2023 and the interim dividend for 2024 of R296.6 million and R304.6 million respectively.

The Company is committed to a distribution policy that meets the investment thesis of REIT investors. The Company is, however, mindful of the need to have a balanced and well-considered approach to a dividend payout ratio that ensures that the Company is in a position to consistently make distributions on a sustainable basis. In this regard, it has resolved that when making distributions, it should retain from distributable income, funding for capital expenditure that is defensive and recurring which will neither generate additional income nor enhance the value of property assets. Having made allowance for the aforementioned deduction, the Board approved a total distribution of R612.8 million (2023: R583.0 million) being 90% (2023: 90%) of distributable income for 2024, equating to 24.37 (2023: 23.18) cents per share.

The final dividend of 2024 of 12.26 cents per share or R308.3 million was declared by the Board on 13 March 2025.

4. Board composition

As at the date of this report, the Board comprised eleven directors in total, being four executive directors and seven non-executive directors. The Board considers all the non-executive directors to be independent.

Director	Date appointed
Independent non-executive chairman	
MA Moloto	7 July 2014
Independent non-executive directors	
OR Mosetlhi - Lead Independent director	17 July 2019
N Ford-Hoon (Fok)	17 July 2019
EM Hendricks	2 April 2014
GJ Heron	17 July 2019
SS Mafoyane	11 February 2021
GZN Khumalo (resigned 19 April 2024)	1 February 2023
JA Finn	11 February 2025

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DIRECTORS' REPORT *CONTINUED*

For the year ended 31 December 2024

4. Board composition *continued*

Director Executive directors	Date appointed
TR Mackey (Chief Executive Officer (CEO))	1 August 2012
SY Moodley (Chief Financial Officer (CFO))	1 March 2022
NNN Radebe (Chief Operating Officer (COO))	1 February 2023
SJ Mojalefa (Head of Corporate Finance (HCF))	25 April 2024

Refer to note 37 for details of directors' remuneration.

5. Company Secretary

Advocate J Grové is the Company secretary.

6. Auditor

PricewaterhouseCoopers Inc. (PwC) was reappointed as the auditor at the annual general meeting (AGM) held on 6 June 2024.

7. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments, will occur in the ordinary course of business. The Board has assessed the Group and Company's financial position, including the expectation that certain short-term debt facilities will be successfully refinanced, and the Board is satisfied that the Group and Company is a going concern and will have access to adequate resources to continue trading for the foreseeable future.

Refer to note 42 for further detail regarding the considerations and responses by the business relating to the going concern basis.

8. Corporate restructure

In line with the Group's strategy to form an unlisted residential fund, whereby all properties being primarily residential are to be held in Afhco Holdings Proprietary Limited (Afhco) and its subsidiaries, the Group concluded an initial internal restructure entailing the transfer of properties and entities, including the formation of new entities within the Group, with effect from 1 December 2023 and a subsequent restructure was then concluded during December 2024. This will enable the Group to achieve its strategic objective of creating a South African residential rental portfolio of scale through the creation of an unlisted residential fund.

9. Events after reporting period

Subsequent to year-end, the Group declared a distribution of 12.26 (2023: 11.79) cents per share on 13 March 2025.

10. Registered office and business address

GreenPark Corner, 16th Floor
Corner Lower Road and West Road South
Morningside, Gauteng
2196

REIT RATIOS

For the year ended 31 December 2024

The tables below reflect the SA Corporate REIT ratios which are aligned with the SA REIT Association's Best Practice Recommendations, issued in November 2019.

R 000	Unaudited year ended 31 December 2024	Unaudited year ended 31 December 2023
SA REIT funds from operations (SA REIT FFO)		
Profit after taxation attributable to shareholders	**645 830**	**1 208 961**
Adjusted for:		
Accounting/specific adjustments:	**15 146**	**(658 612)**
Fair value adjustments to:		
Investment property [(1)]	(16 504)	(599 002)
Investment property in JVs	4 495	1 800
Swap derivatives	63 067	14 175
Investment in listed shares	–	910
Depreciation of property, plant and equipment and amortisation of intangible assets	8 027	7 955
Dividend from investment in listed shares not yet declared	–	(2 512)
Non-distributable expenses	9 090	36 778
Non-distributable income on investments in JVs	–	(94 933)
Non-distributable taxation (income)/expense	(7 822)	5 290
Reversal of IFRS 16 lease adjustment	(14 097)	(19 719)
IFRS 16 Depreciation on lease assets	10 212	18 187
IFRS 16 Interest on lease liabilities	3 622	8 373
Pre-effective date acquisition dividend from Indluplace Properties (Pty) Limited (Indluplace)	–	14 500
Insurance income adjustment relating to reinstatement costs [(2)]	–	(8 398)
Straight-lining operating lease adjustment	(44 944)	(42 016)
Adjustments arising from investing activities:	**15 520**	**55 767**
Loss on disposal of investment property and property, plant and equipment	15 520	55 767
Foreign exchange items:	**4 417**	**41 677**
Foreign exchange losses relating to capital items realised and unrealised	4 417	41 677
SA REIT FFO	**680 913**	**647 793**
Number of shares in issue at end of period (net of treasury shares) (000)	2 484 979	2 488 969
SA REIT FFO per share (cents)	**27.40**	**26.03**
Company-specific adjustments to SA REIT FFO cents per share [(3)]	(3.03)	(2.85)
Distribution per share (cents)	**24.37**	**23.18**

(1) The higher fair value in 2023 was attributable to the acquisition of Indluplace, the fair value uplift recognised at 31 December 2023 was against the initial acquisition cost recorded at 1 August 2023. At acquisition a fair value of R2.4 billion was attributed to Indluplace and at year end the properties were revalued to R3.1 billion. The remainder of the balance would be attributable to the remaining investment property.

(2) Included in other (loss)/income in the statement of comprehensive income for 2023 is income of R8.4 million, which is an adjustment to the insurance income recognised in the prior year relating to reinstatement costs for damages incurred during the July 2021 civil unrest.

(3) The adjustment is primarily in relation to the 10% retained distribution with the balance relating to the impact of the treasury shares.

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REIT RATIOS *CONTINUED*

For the year ended 31 December 2024

R 000	Unaudited year ended 31 December 2024	Unaudited year ended 31 December 2023
Reconciliation of SA REIT FFO to cash generated from operations		
SA REIT FFO	**680 913**	**647 793**
Adjustments:		
Interest received	(32 279)	(42 749)
Interest expense	763 805	657 247
Amortisation of letting commissions and tenant installations	18 703	13 738
Non-cash movement in JVs	(59 749)	(58 322)
Dividends received	–	(6 147)
Dividend from listed investments not yet declared	–	2 512
Taxation expense	7 105	2 285
Non-distributable expenses	1 385	(25 432)
Other non-cash items [1]	48 487	71 445
Pre-effective date acquisition dividend from Indluplace	–	(14 500)
Working capital changes:		
(Increase)/decrease in trade and other receivables	(50 727)	80 269
Increase in trade and other payables	65 536	46 525
Increase in inventory	(310)	–
Cash generated from operations	**1 442 869**	**1 374 664**
SA REIT Net Asset Value (SA REIT NAV)		
Reported NAV attributable to the parent	**11 161 400**	**11 034 900**
Adjustments:		
Dividend declared [2]	(308 262)	(296 608)
Intangible assets and goodwill	(81 904)	(82 448)
Deferred taxation	(9 806)	(2 279)
SA REIT NAV	**10 761 428**	**10 653 565**
Shares outstanding	2 514 732	2 514 732
Diluted number of shares in issue (000)	**2 514 732**	**2 514 732**
SA REIT NAV per share (cents):	**427.94**	**423.65**
SA REIT cost-to-income ratio		
Expenses:		
Operating expenses per IFRS income statement (includes municipal expenses) [3]	1 407 993	1 165 331
Administrative expenses per IFRS income statement [4]	127 339	125 267
Exclude:		
Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets	(18 238)	(26 142)
Operating costs	**1 517 094**	**1 264 456**
Rental income:		
Contractual rental income per IFRS income statement (excluding straight-lining)	2 064 417	1 739 645
Utility and operating recoveries per IFRS income statement	831 604	698 797
Gross rental income	**2 896 021**	**2 438 442**
SA REIT cost-to-income ratio	**52.4%**	**51.9%**
Excluding recoveries		
Operating expenses per IFRS income statement net of recoveries	576 389	466 534
Contractual rental income per IFRS income statement (excluding straight-lining)	2 064 417	1 739 645
SA Corporate cost-to-income ratio [5]	**27.9%**	**26.8%**

(1) Includes expected credit loss (ECL), straight-lining, and share based payment expense.
(2) H2 dividend declared in the next year.
(3) Includes ECL.
(4) Excludes audit fees.
(5) SA Corporate measures cost-to-income net of recoveries.

REIT RATIOS *CONTINUED*

For the year ended 31 December 2024

R 000	Unaudited year ended 31 December 2024	Unaudited year ended 31 December 2023
SA REIT administrative cost-to-income ratio		
Expenses		
Administrative expenses as per IFRS income statement [(1)]	127 339	125 267
Rental income:		
Contractual rental income per IFRS income statement (excluding straight-lining)	2 064 417	1 739 645
Utility and operating recoveries per IFRS income statement	831 604	698 797
Gross rental income	**2 896 021**	**2 438 442**
SA REIT administrative cost-to-income ratio	**4.4%**	**5.1%**
SA REIT GLA vacancy rate		
GLA of vacant space (m^2)	10 746	14 794
GLA of total property portfolio (m^2)	736 157	741 010
SA REIT GLA vacancy rate [(2)]	**1.5%**	**2.0%**
Cost of debt		
Variable interest-rate borrowings:		
Floating reference rate plus weighted average margin	9.6%	10.2%
Pre-adjusted weighted average cost of debt	**9.6%**	**10.2%**
Adjustments:		
Impact of interest rate derivatives	**(0.3%)**	(0.9%)
Amortised transaction costs imputed into the effective interest rate	**0.1%**	0.1%
All-in weighted average cost of debt	**9.4%**	**9.4%**
SA REIT loan-to-value (LTV)		
Gross debt [(3)]	8 731 921	8 098 439
Less: Net cash and cash equivalents	(518 929)	(62 031)
Total cash and cash equivalents	(663 001)	(195 027)
Less: Government grant maintenance reserve amount	479	500
Less: Tenant deposit accounts	143 593	132 496
Add/(Less):		
Interest rate swap derivatives	5 690	(58 313)
Net debt	**8 218 682**	**7 978 095**
Total assets per annual statement of financial position	**20 761 894**	**19 933 224**
Less:		
Cash and cash equivalents	(663 001)	(195 027)
Swap derivatives	(9 150)	(63 572)
Intangible assets and goodwill	(81 904)	(82 448)
Deferred taxation	(9 806)	(2 279)
Trade and other receivables [(4)]	(424 571)	(394 168)
Taxation receivable	(2 215)	(1 770)
Inventories	(388)	(78)
Carrying value of property-related assets	**19 570 859**	**19 193 882**
SA REIT LTV	**42.0%**	**41.6%**

(1) Excludes audit fees.
(2) Excludes the Afhco portfolio which is based on units.
(3) Excludes accrued interest.
(4) Adjusted for reinstatement insurance claim receivable and net debt raising costs.

AUDIT AND RISK COMMITTEE REPORT

For the year ended 31 December 2024

The Audit and Risk Committee (the Committee) is pleased to present its report for the financial year ended 31 December 2024, in accordance with the Companies Act, the JSE Listings Requirements, King IV Report and other applicable regulatory requirements.

ROLE AND RESPONSIBILITIES

The Committee is constituted as a statutory committee of the Company and the Group in respect of its statutory duties in terms of section 94(7) of the Companies Act and as a committee of the Board in respect of monitoring and overseeing the Group's risk, information technology and compliance governance, and such other duties assigned to it by the Board.

In this regard, the Committee assists the Board in fulfilling its oversight responsibilities by monitoring, reviewing and making recommendations on financial reporting, internal financial controls (IFC), external and internal audit functions, statutory and regulatory compliance by the Group, ensuring that the Group implements and maintains an effective enterprise-wide risk management framework, complies with laws, regulations and relevant best practice codes, and that information technology is governed in support of the Group's strategy and direction. The Committee further specifically oversees the management of financial and other risks that affect the integrity of external reports and disclosures issued by the Group and to oversee compliance with legal and regulatory requirements to the extent that it might have an impact on the annual financial statements. The Committee further oversees co-operation between the internal and external auditors, serving as a link between the Board and these functions.

Terms of reference

The Board considered and approved the terms of reference for the Committee on 3 December 2024. The Committee follows an annual work plan to ensure all its duties and responsibilities, as set out in its terms of reference, are dealt with at its meetings throughout the year. The Committee is satisfied that it has conducted its affairs, and discharged its legal and other responsibilities, as outlined in its terms of reference, the Companies Act and King IV. The Board concurred with this assessment.

Composition and meeting procedures

At all times during the reporting year, the Committee comprised the appropriate number of independent non-executive directors, all of whom satisfied the requirements of section 94(4) of the Companies Act and King IV. As a collective, and having regard for the size and circumstances of the Group, the Committee was adequately skilled, and all members possessed the appropriate financial and related qualifications, skills, expertise and experience required to discharge their responsibilities. The composition of the Committee and the attendance of meetings by its members during the 2024 financial year are set out below:

Name	Primary qualification	Date of appointment	Meeting attendance (scheduled meetings)	Meeting attendance (special meetings)
N Ford-Hoon (Fok) (Chairman) (1)	CA(SA)	1 June 2020	3/3	2/2
GJ Heron	CA(SA)	1 June 2021	3/3	2/2
SS Mafoyane	MBA	1 June 2021	3/3	2/2
GZN Khumalo (2)	CA(SA)	1 February 2023	1/1	1/1
JA Finn (3)	CA(SA)	11 February 2025	n/a	n/a

(1) Ms N Ford-Hoon (Fok) was appointed as the Chairman of the Committee effective 1 June 2021.

(2) Ms GZN Khumalo resigned from the Committee (and the Board) effective 19 April 2024.

(3) Ms JA Finn was appointed to the Committee (and the Board) effective 11 February 2025.

Ms N Ford-Hoon (Fok), Ms SS Mafoyane and Mr GJ Heron were each re-elected as members of the Committee at the Company's AGM held on 6 June 2024.

During 2024, the Committee met on five occasions. The meetings were scheduled in line with the Group's financial reporting cycle, and at such other times so as to discharge their duties. The Committee's meetings had 100% attendance in all instances.

The Committee also met separately with the Group's internal auditor and external auditor. The Chairman of the Committee has regular contact with the management team to discuss relevant matters directly, and the internal auditor and external auditor have direct access to the Committee, including closed sessions, without management, held during the year, on any matter that they regard as relevant to the fulfilment of the Committee's responsibilities.

AUDIT AND RISK COMMITTEE REPORT *CONTINUED*

For the year ended 31 December 2024

DISCHARGE OF DUTIES IN 2024

Statutory duties

- Recommended the re-appointment of the external auditor and the designated independent auditor for the 2024 financial year, in accordance with section 90 of the Companies Act and the JSE Listings Requirements.
- Reviewed the external auditor's terms of engagement and approved the audit plan and audit fees.
- Determined and approved the nature and extent of allowable non-audit services provided by the external auditor.
- Reviewed the accounting policies, annual financial statements, 2023 Integrated Annual Report, and made recommendations to the Board, and ensured that all reporting was prepared in accordance with IFRS, the JSE Listings Requirements, King IV and the requirements of the Companies Act and other applicable legislation.

Delegated duties

- Reviewed the effectiveness and quality of the internal and external audit processes.
- Monitored compliance with applicable legislation and regulations.
- Reviewed the effectiveness of the Group's system of IFC, including receiving assurances from its property managers, Broll Property Group Proprietary Limited, Afhco Property Management Proprietary Limited and Indluplace Property Services Proprietary Limited, as well as the internal and external auditors.
- Ensured that a Combined Assurance approach is applied to all assurance activities.
- Reviewed the integrity of the interim results, annual financial statements and Integrated Annual Report, including the public announcements of the Group's financial results.
- Oversaw the management of financial and other risks that affect the integrity of external reports issued by the Group.
- Reviewed compliance with the Committee's terms of reference and recommended changes to its terms of reference, in alignment with King IV, to the Board.
- Reported back to the Board on matters delegated to it in terms of its terms of reference.
- Reviewed exposure to banks.
- Met with external and internal auditors without management being present.
- Approved tenant write-downs and write-offs in excess of R1 million.

1. Financial reporting and Integrated Annual Report

KEY FOCUS AREA - Financial reporting

- Ensured that the annual financial statements were prepared in accordance with IFRS, the JSE Listings Requirements, and the requirements of the Companies Act and other applicable legislation.
- Performed a detailed review of the going concern assumption considering all input assumptions and liquidity profiles to determine its appropriateness.
- Reviewed the solvency and liquidity assessment, the proposed dividend payout ratio and tax implications thereof and recommended the 2024 dividend proposal to the Board.
- Considered and noted all JSE correspondence, and specifically the JSE's annual report back on proactive monitoring of the annual financial statements of listed entities, impacting the financial statements as well as the SA REIT Best Practice Recommendations and ensured that these were appropriately incorporated into the annual financial statements.
- Satisfied itself as to the appropriateness of the methodologies used in determining the critical accounting estimates.

CONCLUSION - Significant matters

Valuation of investment property

The fair value of investment property was determined by experienced independent valuers, Quadrant Properties Proprietary Limited and Yield Enhancement Solutions. The valuation methodology and assumptions were subject to robust reviews by management before being recommended to the Board for approval. The Board carefully considered the movement in the valuations and the fair values and believes that they were appropriate and justified.

- ***The Committee ensured that appropriate financial reporting procedures existed and were operating. The Committee recommended the annual financial statements to the Board for approval.***

AUDIT AND RISK COMMITTEE REPORT *CONTINUED*

For the year ended 31 December 2024

1. Financial reporting and Integrated Annual Report *continued*

KEY FOCUS AREA - Integrated Annual Report

- Reviewed the Group's Integrated Annual Report for the year ended 31 December 2023.
- Ensured that the report was prepared in accordance with the appropriate reporting standards, King IV, and the JSE Listings Requirements.

CONCLUSION

The Committee will evaluate the integrity of the 2024 Integrated Annual Report and ensure that it is prepared using the appropriate reporting standards, which meet the requirements of King IV and the JSE Listings Requirements in order to recommend it to the Board for approval.

2. Internal financial controls

KEY FOCUS AREA

- Reviewed exposure to banks.
- Approved tenant write downs and write-offs in excess of R1 million where appropriate.
- Approved the extension of loan and overdraft facilities and recommended new debt facilities to the Board for approval.
- Reviewed and approved swap derivatives, fixes and currency hedging.
- Reviewed compliance with the financial conditions of loan covenants.
- Approved the provision of property as security for debt and the structuring thereof.
- Reviewed taxation matters.
- Oversaw the management of financial and other risks that affect the integrity of external reports issued by the Group.
- Increased focus on improving the internal control environment both within the Group and the outsourced property managers.
- Considered the overall adequacy and effectiveness of the system of IFC for the Group.

CONCLUSION

The Group's internal auditor, BDO, confirmed based upon their testing of the IFC for the 2024 financial year, within the scope of work, that the system of IFC in operation at SA Corporate is adequate and on aggregate, operating as intended.

Regarding the overall effectiveness of SA Corporate's governance, risk management and control processes, BDO further confirmed that based upon the internal audit work performed, for the months May 2024 to February 2025 for the 2024 financial period, as per their approved internal audit plan and the audits undertaken above, they could conclude, based on their scope of work and controls tested, that the system of internal controls in operation at SA Corporate is adequate and on aggregate, operating as intended.

- ***The Committee confirms that nothing has come to its attention to indicate a material breakdown in the functioning of the financial reporting controls, procedures or systems during the year ended 31 December 2024.***

3. Risk management

KEY FOCUS AREA

- Monitored key strategic risks.
- Ensured the adherence to Principle 13 of King IV, Compliance Risk Management processes.
- Monitored the implementation of enhanced cyber security risk awareness and training initiatives.
- Monitered compliance with the Group's enterprise risk management policy.
- Monitored the Group's Disaster Recovery Plan testing and test results.

CONCLUSION

The Committee monitored key risks through regular reports from management and, where applicable, other sub-committees of the Board. The Committee was comfortable with the adequacy and effectiveness of the enterprise-wide risk management framework and processes in place. Management, through the use of appropriate professionals, performed penetration testing, the results of which assist in ensuring that potential cyber security threats are mitigated.

AUDIT AND RISK COMMITTEE REPORT *CONTINUED*

For the year ended 31 December 2024

4. Evaluation

KEY FOCUS AREA - Finance function

- Reviewed the expertise, resources and experience of the finance function.

CONCLUSION

As required by the JSE, the Committee is satisfied that the Chief Financial Officer, Mr SY Moodley CA(SA), possesses the appropriate expertise and experience to meet his responsibilities. The Committee similarly satisfied itself that the finance function is effective and competent.

KEY FOCUS AREA - Internal audit

- Assessed the adequacy of the expertise and resources of the internal audit function.
- Assessed the objectivity and independence of the internal audit function.
- Approved the internal audit charter, plan, approach and fees.

CONCLUSION

The Group has outsourced its internal audit function to BDO under the directorship of Mr R Walker. The internal audit plan has been developed in consultation with management and approved by the Committee.

The following were reviewed during the year:

- IFC on a bi-annual basis;
- Property management;
- Tenant Rental and Letting Commissions;
- Procure to Pay;
- Follow-up on previous findings.

BDO attended the Disaster Recovery Plan Test and were satisfied with the results.

The Committee has reviewed all internal audit reports and is satisfied with the result thereof and the performance of the internal auditors in this regard.

BDO underwent an external quality assurance review in the prior year (valid for five years) and received an assessment of "generally conforms" which is the highest outcome awarded for such an external quality assurance review.

BDO confirmed that all their professional internal audit staff are members of the Institute of internal auditors (IIA) which endorses a Code of Ethics to promote an ethical culture in the profession of internal auditing. Other BDO staff included in the Group's delivery team are registered with their affiliated professional bodies. BDO further confirmed that, as at 13 March 2025, their core Group's internal audit team are all valid members of the IIA.

- ***The Committee is satisfied with the adequacy of the expertise and resources, as well as the objectivity and independence of the internal audit function.***

KEY FOCUS AREA - External audit

- Reviewed the independence of the external auditors.
- Reviewed the external audit plan scope, approach and the quality and effectiveness of the external audit process and approved the audit fees.
- Reviewed and approved the following in respect of the eligibility of the external auditor:
  - The extent and nature of non-audit services provided; and
  - The competence and expertise of the engagement partner and the team.

CONCLUSION

The Committee recommended the appointment, for a fourth term, of PwC as external auditor and the appointment of Ms AKP Majola as the designated independent auditor for the 2024 financial year. PwC were reappointed as the external auditors at the AGM held on 6 June 2024.

The Committee has reviewed the policies and processes in place between the Group and PwC to ensure that independence is maintained. These include assessment and pre-approval processes for engaging on non-audit services.

The Committee has reviewed and approved the provision of non-audit services by the external auditor. The nature of non-audit services included taxation services and agreed upon procedures for verification of regulatory compliance provided during the year and amounted to R2 645 000 (2023: R402 182).

The Committee has considered the external auditor's suitability pack, which contains all inspection results and remedial action, as well as a summary of ongoing communication related to monitoring and remediation, as well as any legal or disciplinary proceedings pending or completed within the last five years by any regulatory or professional body, as required in terms of paragraph 3.84(g)(iii) of the Listings Requirements of the JSE.

- ***The Committee confirms that the external auditors have executed their audit responsibilities as required and that the quality of the audits performed, and reports issued were of an acceptable standard.***

KEY FOCUS AREA - Committee

Undertook a formal evaluation of the Committee which was externally facilitated as part of the broader Board evaluation process.

CONCLUSION

The Committee was satisfied with its overall performance and identified areas of improvement which have been addressed in 2024.

AUDIT AND RISK COMMITTEE REPORT *CONTINUED*

For the year ended 31 December 2024

5. Combined assurance

KEY FOCUS AREA

- The Committee has executed on its overall responsibility to ensure that the Group's combined assurance processes were effective, and that it ensured a coordinated approach to all assurance activities.

CONCLUSION

The combined assurance approach is based on three lines of defense and assurance for all key risks identified. The first line of defense is management- based assurance; the second line of defense is the group enterprise risk management framework and the oversight of the Board and its committees and the third line of defense is independent assurance provided by third parties such as the internal and external auditors, valuers and advisers.

The Committee reviewed and was satisfied with the level of maturity of the Group's combined assurance processes as it related to the third-line of defense and the following improvements were substantively achieved in 2024, with further ongoing development in support of a relevant and proportional approach to assurance activities:

- Augmented the level of assurance with increased reliance on the control environment beyond the review of the design and implementation of controls over the key business processes; and
- Enhanced external audit reliance on the assurance provided by the internal audit function where external and internal audit objectives were aligned.

6. Key focus areas in 2025

While the Committee will continue to operate within its terms of reference and ensure that meetings address all regular matters reserved for its consideration, the following additional key activities are expected to require the Committee's attention during 2025:

- Continued focus on further embedding enterprise risk management and combined assurance considerations.
- Maintaining focus on continuous auditing from an internal audit perspective.
- Overseeing the further automation of financial processes and integration within the finance function.
- Overseeing the financial and tax implications of the Unlisted Residential Fund.

On behalf of the Committee:

Naidene Ford-Hoon

N Ford-Hoon (Fok)
Chairman of the Audit and Risk Committee
Independent Non-executive Director

13 March 2025

INDEPENDENT AUDITOR'S REPORT

For the year ended 31 December 2024

To the Shareholders of SA Corporate Real Estate Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of SA Corporate Real Estate Limited (the Company) and its subsidiaries (together the Group) as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

SA Corporate Real Estate Limited's consolidated and separate financial statements set out on pages 19 to 97 comprise:

- the consolidated and separate statements of financial position as at 31 December 2024;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

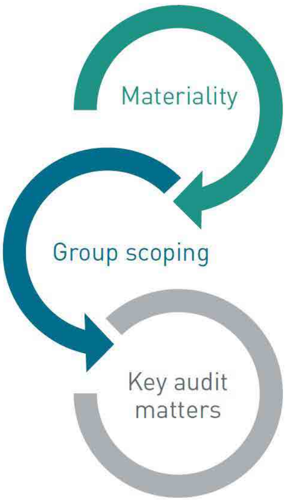
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview



Final materiality

- Overall group materiality: R111 million, which represents 1% of consolidated net asset value

Group audit scope

- The group consists of 29 components of which 1 is the holding company and 3 are Zambian components which are direct subsidiaries of 3 Mauritian holding companies. We performed full scope audits for 4 of the South African components. In addition, and where required, we have performed an audit of balances.

Key audit matters

- Valuation of investment properties for the consolidated financial statements and valuation of investments in subsidiaries and joint ventures for the separate financial statements

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

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

INDEPENDENT AUDITOR'S REPORT *CONTINUED*

For the year ended 31 December 2024

Final materiality

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

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

	Consolidated financial statements	Separate financial statements
Final materiality	R111 million	R111 million
How we determined it	1% of consolidated net asset value	1% of consolidated net asset value
Rationale for the materiality benchmark applied	We chose consolidated net asset value as the benchmark because, in our view, it is the key benchmark against which the performance of the Group is most commonly measured by users of the consolidated financial statements. Although the Group is profit-orientated, its strategic focus is to deliver long-term shareholder returns through the acquisition and development of investment property. As a Real Estate Investment Trust (REIT), the users are likely to be more concerned with the net assets underlying the Group, compared to profitability. In addition, the loan-to-value ratio (value of loans compared to the value of assets) is a key metric for the Group. We chose 1% based on our professional judgement, and after consideration of the range of quantitative materiality thresholds that we would typically apply when using net assets to compute materiality.	We chose consolidated net asset value as the benchmark because, in our view, it is the key benchmark against which the performance of the Company is most commonly measured by users of its financial statements. Although the Company is purely a holding, non-operating company, its strategic focus is that of the Group and it maintains the ethos of a Real Estate Investment Trust (REIT). We chose 1% as aligned with the group and based on our professional judgement, and after consideration of the range of quantitative materiality thresholds that we would typically apply when using net assets to compute materiality.

Group audit scope

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

The Group consists of 29 components, which includes industrial, retail, residential and commercial properties in South Africa and Zambia. The Group also owns 3 holding companies in Mauritius. The consolidated financial statements are a consolidation of all the companies within the Group.

For purposes of Group scoping AFHCO Group and Indluplace Group are noted as separate components. Based on the financial significance and audit risk, we performed full scope audits at 4 of the South African components, namely SA Corporate Real Estate Limited, SA Retail Properties Proprietary Limited, AFHCO Holdings Proprietary Limited (AFHCO Group) and Indluplace Properties Proprietary Limited (Indluplace Group). We performed an audit of balances of one of the Zambian companies, Graduare Property Development Limited. On a sample basis, we performed an audit of investment property related balances at a group level.

This, together with additional procedures performed at the group level, including testing of consolidation journals and intercompany elimination, gave us sufficient appropriate evidence regarding the consolidated financial information of the Group. All of the work performed by the group and component teams.

Key audit matters

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

INDEPENDENT AUDITOR'S REPORT *CONTINUED*

For the year ended 31 December 2024

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

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties *Refer to note 5 and note 16 to the annual financial statements for details on the valuation of investment properties.* *Refer to note 7 and note 6 for the details on investments of subsidiaries and investments in joint ventures respectively.* This key audit matter relates to the consolidated and separate financial statements. The Group's investment property portfolio, including the straight-lining rental adjustment and letting commissions and tenant installations, is valued at R16.5 billion in the consolidated statement of financial position. The fair value gain recorded for the year amounts to R84.8 million. The investment properties are stated at their fair values based on independent external valuations. It is the policy of the Group to obtain external valuations for all investment properties. The fair values of investment properties at year-end were determined using the discounted cash flow valuation method in respect of the traditional portfolio, consisting mostly of commercial, retail and industrial properties, and net income capitalisation in perpetuity valuation method in respect of the AFHCO Holdings Proprietary Limited group portfolio, consisting mostly of residential properties. The valuation of the Group's investment property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location and the forecasted future net cash flows for that particular property. In determining a property's valuation, the valuer takes into account property-specific information such as discount rate, exit capitalisation rate, capitalisation rate, expected rental and expense growth rates, vacancy rate and vacancy and rent free periods as key judgements in the assumptions. The independent valuer applies assumptions for yields, estimated rent growth rates and exit capitalisation rates which are influenced by prevailing market yields and comparable market transactions, to arrive at the final valuation. We considered the year-end valuation of investment properties to be a matter of most significance to our current year audit due to the following: • Inherent subjectivity of the key assumptions that underpin the valuations of investment property and the uncertainty involved in making these assumptions; and • The magnitude of the balance of the investment properties recorded in the consolidated statement of financial position, as well as the changes in fair value relating to the property portfolio recorded in the consolidated statement of comprehensive income.	We obtained an understanding of the approaches followed by management and the independent valuer in respect of the valuation of the Group's investment property portfolio through discussions with management and the external valuer, as well as the inspection of minutes of meetings. We inspected the valuation reports for a representative sample of properties and assessed whether the valuation approach for each of these properties was in accordance with IFRS Accounting Standards, and suitable for use in determining the fair value for the purpose of the consolidated and separate financial statements. We evaluated the external valuer's qualifications and expertise and evaluated whether there were any matters that might have affected the valuer's objectivity or may have imposed scope limitations upon the valuer's work through direct communication with the valuer, and inspection of their credentials. We did not note any aspects in this regard requiring further consideration. We made use of our internal valuation expertise in our assessment of the reasonableness of the valuation methodologies and assumptions applied based on our knowledge of the industry and the markets in which the Group operates. We obtained an understanding of and tested the relevant controls relating to the valuation of investment properties, which included controls in relation to the following: • reviewing of pre-billing reports in support of contractual rental income before they are recorded and invoices are drawn up, • the setting and approval of budgets by the Group; and • the review and approval by the Board of the external valuations performed and methodology used in these valuations. We performed the following procedures on a representative sample of the investment properties (which was determined by applying predetermined risk criteria), to assess the reasonableness of the inputs into the valuation: • Compared data inputs into the valuations against the appropriate market and historic information. The inputs tested include: - discount rates; - exit capitalisation rates; - capitalisation rate; - expected rental and expense growth rates; - rent free periods; - vacancy rates; and - vacancy periods. The inputs fell within an acceptable range. • Assessed the reasonableness of the cash flows of each sampled property used by the valuer in the models. This involved: - Reconciling the actual cash flows for the year ended 31 December 2024 to the cash flows used in the base year forecast and investigating significant differences; and - Assessing the forecasted cash flows against market information and contractual information. The forecasted cash flows fell within an acceptable range. Making use of our internal valuation expertise, we performed an independent valuation of each property in our sample, based on the data inputs and cash flows referred above. We did not identify material differences between the valuer's valuation and our independently recalculated fair values. We reviewed the work performed by component auditors, who followed the same approach as indicated above. We did not identify any material misstatements from the procedures performed.

INDEPENDENT AUDITOR'S REPORT *CONTINUED*

For the year ended 31 December 2024

Key audit matter	How our audit addressed the key audit matter
The Company accounts for all investments in subsidiaries and joint ventures at fair value. The value of the investment in the joint ventures of R1.5 billion and investment in subsidiaries of R7.5 billion is deemed to be that of the underlying properties. Refer to note 6 and note 7 of the annual financial statements for details on the investments.	We further evaluated the appropriateness of the disclosures in the consolidated and separate financial statements concerning the key assumptions to which the valuations are most sensitive, and the inter-relationship between the assumptions and the valuation amounts, based on the results of our work performed and taking into account the applicable requirements of IFRS Accounting Standards. As the fair value of the investment in subsidiaries and joint ventures is linked to the fair value of investment properties, for purposes of the valuation of investment in subsidiaries and joint ventures reliance was placed on the work performed over the investment property fair values.

Other information

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

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

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

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

Responsibilities of the Directors for the consolidated 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 and the requirements of the Companies Act of South Africa, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

INDEPENDENT AUDITOR'S REPORT *CONTINUED*

For the year ended 31 December 2024

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

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

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated 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 Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of SA Corporate Real Estate Limited for 5 years.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: AKP Majola
Registered Auditor
Cape Town, South Africa
13 March 2025

ANNUAL STATEMENTS OF FINANCIAL POSITION

as at 31 December 2024

		GROUP		COMPANY	
	Notes	2024 R 000	2023 R 000	2024 R 000	2023 R 000
Assets					
Non-current assets					
Investment property		**16 858 828**	17 275 069	**–**	–
- Investment property excluding straight-line rental adjustment	5	**16 500 409**	16 935 296	**–**	–
- Rental receivable - straight-line rental adjustment	32	**342 728**	321 255	**–**	–
- Letting commissions and tenant installations	5	**15 691**	18 518	**–**	–
Investments in JVs	6	**1 455 440**	1 294 948	**1 455 440**	1 294 948
Investment in subsidiaries	7	**–**	–	**7 539 480**	7 672 820
Loans to subsidiary companies	7	**–**	–	**5 217 466**	5 249 436
Property, plant and equipment	9	**62 026**	45 099	**–**	–
Intangible assets and goodwill	10	**81 904**	82 448	**–**	–
Right-of-use assets	11	**34 130**	37 383	**–**	–
Other financial assets	12	**21 811**	32 665	**–**	–
Swap derivatives	13	**1 753**	5 100	**–**	–
Deferred taxation	19	**9 806**	2 279	**–**	–
		18 525 698	18 774 991	**14 212 386**	14 217 204
Current assets					
Inventories		**388**	78	**–**	–
Letting commissions and tenant installations	5	**16 449**	15 647	**–**	–
Loans to subsidiary companies	7	**–**	–	**194 820**	180 687
Other financial assets	12	**22 289**	19 475	**–**	–
Swap derivatives	13	**7 397**	58 472	**–**	–
Trade and other receivables	14	**424 571**	402 878	**–**	1 104
Cash and cash equivalents	15	**663 001**	195 027	**500 396**	74 929
Rental receivable - straight-line rental adjustment	32	**55 544**	40 205	**–**	–
Taxation receivable		**2 215**	1 770	**–**	–
		1 191 854	733 552	**695 216**	256 720
Non-current assets held for sale	16	**1 044 342**	424 681	**–**	–
Total Assets		**20 761 894**	19 933 224	**14 907 602**	14 473 924
Equity and liabilities					
Equity					
Share capital and reserves	17	**11 161 400**	11 034 900	**11 152 229**	11 161 418
Liabilities					
Non-current liabilities					
Lease liabilities	11	**36 058**	36 417	**–**	–
Loans from subsidiary companies	7	**–**	–	**2 394 841**	2 191 013
Swap derivatives	13	**7 895**	–	**–**	–
Interest-bearing borrowings	18	**5 364 573**	7 486 859	**–**	–
		5 408 526	7 523 276	**2 394 841**	2 191 013
Current liabilities					
Lease liabilities	11	**9 291**	11 050	**–**	–
Loans from subsidiary companies	7	**–**	–	**1 353 125**	1 110 756
Swap derivatives	13	**6 945**	5 259	**–**	–
Interest-bearing borrowings	18	**3 413 296**	654 078	**–**	–
Taxation payable		**1 549**	3 212	**–**	–
Trade and other payables	20	**760 887**	701 449	**7 407**	10 737
		4 191 968	1 375 048	**1 360 532**	1 121 493
Total Liabilities		**9 600 494**	8 898 324	**3 755 373**	3 312 506
Total Equity and Liabilities		**20 761 894**	19 933 224	**14 907 602**	14 473 924

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ANNUAL STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	GROUP 2024 R 000	GROUP 2023 R 000	COMPANY 2024 R 000	COMPANY 2023 R 000
Revenue	21	**2 940 965**	2 480 458	**626 092**	549 420
Expected credit losses		**(29 078)**	(20 497)	**–**	–
Other operating income		**–**	410	**–**	–
Fair value gain on investment property [(1)]		**16 504**	599 002	**–**	–
Operating expenses	24	**(1 521 244)**	(1 283 281)	**(16 140)**	(14 885)
Operating profit		**1 407 147**	1 776 092	**609 952**	534 535
Other (loss)/income [(2)]		**(2 163)**	103 331	**56**	94 933
Foreign exchange adjustments		**(5 012)**	(40 206)	**93 473**	54 573
Fair value loss on swap derivatives	13	**(63 067)**	(14 175)	**–**	–
Capital loss on disposal of assets [(3)]		**(15 520)**	(55 767)	**–**	(4 000)
Fair value loss on investment in listed shares	12	**–**	(910)	**–**	(910)
Fair value (loss)/gain on investment in subsidiary companies	7	**–**	–	**(133 340)**	576 584
Profit/fair value gain on investments from JVs [(4)]	6	**55 254**	56 522	**13 833**	56 522
Dividends from investments in listed shares		**–**	6 147	**–**	–
Interest income	22	**32 279**	42 749	**8 724**	15 883
Interest expense	23	**(763 805)**	(657 247)	**(40)**	–
Profit before taxation		**645 113**	1 216 536	**592 658**	1 328 120
Taxation income/(expense)	25	**717**	(7 575)	**(674)**	–
Profit after taxation for the year		**645 830**	1 208 961	**591 984**	1 328 120
Other comprehensive income (OCI):					
Items that may be reclassified to profit or loss after taxation:					
Foreign exchange adjustments on investment in JVs	6	**93 473**	53 770	**–**	–
Total comprehensive income for the year		**739 303**	1 262 731	**591 984**	1 328 120
Basic earnings per share (cents)	26	**25.98**	48.54		
Diluted earnings per share (cents)	26	**25.66**	48.34		

(1) Fair value gain of R84.8 million (2023: R592.0 million gain) refer to note 5; fair value loss of R68.3 million (2023: R7.0 million gain) refer to note 16. The higher fair value in 2023 was attributable to the acquisition of Indluplace, the fair value uplift recognised at 31 December 2023 was against the initial acquisition cost recorded at 1 August 2023. At acquisition a fair value of R2.4 billion was attributed to Indluplace and at year end the properties were revalued to R3.1 billion. The remainder of the balance would be attributable to the remaining investment property.

(2) Included in other (loss)/income is the loss on realisation of assets previously recognised at a higher value amounting to R2.2 million. The 2023 financial period includes the adjustment of R8.4 million insurance income for the reinstatement costs of the damages incurred during the July 2021 civil unrest. Refer to note 39. The balance of other income in 2023 of R94.9 million related to the reversal of accrual for phases 5 and 6 development of the East Park Mall in Zambia.

(3) Included in capital loss on disposal of assets is sale of investment property, property plant and equipment and investment in listed shares.

(4) Included in profit from JVs is R4.5 million (2023: R1.8 million) relating to fair value adjustment of properties and R59.7 million (2023: R58.3 million) relating to distributable income.

ANNUAL STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2024

	GROUP			
	Share capital R 000	Non-distributable reserves R 000	Distributable reserves R 000	Total equity R 000
Shareholders' equity at 31 December 2022	**9 137 879**	**714 952**	**467 981**	**10 320 812**
Profit for the year	–	–	1 208 961	1 208 961
Foreign exchange adjustments on investment in JVs	–	–	53 770	53 770
Total comprehensive income for the year	**–**	**–**	**1 262 731**	**1 262 731**
Treasury shares purchased	(19 524)	–	–	(19 524)
Share-based payment reserve	7 745	2 035	–	9 780
Fair value loss on swap derivatives	–	(14 175)	14 175	–
Fair value gain on investment property	–	599 002	(599 002)	–
Fair value loss on investments in listed shares	–	(910)	910	–
Non-distributable adjustments on investments in JVs	–	(93 133)	93 133	–
Capital loss on disposal of investment properties and property, plant and equipment transferred to non-distributable reserves	–	(55 474)	55 474	–
Fair value adjustment [(1)]	–	28 638	–	28 638
Foreign exchange loss on capital loan	–	(41 677)	41 677	–
Loss on reclassification of right-of-use assets and liabilities held for sale	–	(293)	293	–
Straight-line rental adjustment	–	42 016	(42 016)	–
Dividends from listed shares not yet declared	–	2 512	(2 512)	–
Insurance proceeds relating to capital expenditure	–	8 398	(8 398)	–
Depreciation	–	(7 955)	7 955	–
Non-distributable expenses	–	(48 853)	48 853	–
	9 126 100	1 135 083	1 341 254	11 602 437
Distributions attributable to shareholders	**–**	**–**	**(567 537)**	**(567 537)**
Shareholders' equity at 31 December 2023	**9 126 100**	**1 135 083**	**773 717**	**11 034 900**
Note				17
Profit for the year			645 830	645 830
Foreign exchange adjustments on investment in JVs			93 473	93 473
Total comprehensive income for the year			**739 303**	**739 303**
Treasury shares purchased	(29 643)	–	–	(29 643)
Share-based payment reserve	15 193	2 820	–	18 013
Fair value loss on swap derivatives	–	(63 067)	63 067	–
Fair value gain on investment property	–	16 504	(16 504)	–
Foreign exchange loss on capital loan	–	(4 417)	4 417	–
Non-distributable adjustments on investments in JVs	–	(4 495)	4 495	–
Capital loss on disposal of investment properties and property, plant and equipment transferred to non-distributable reserves	–	(15 520)	15 520	–
Straight-line rental adjustment	–	44 944	(44 944)	–
Depreciation	–	(18 238)	18 238	–
Non-distributable expenses	–	(9 614)	9 614	–
	9 111 650	1 084 000	1 566 923	11 762 573
Distributions attributable to shareholders	**–**	**–**	**(601 173)**	**(601 173)**
Shareholders' equity at 31 December 2024	**9 111 650**	**1 084 000**	**965 750**	**11 161 400**
Note				17

[(1)] Realisation of assets initially recognised at zero value as part of the Indluplace acquisition.

ANNUAL STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2024

	COMPANY			
	Share capital R 000	**Non-distributable reserves R 000**	**Distributable reserves R 000**	**Total equity R 000**
Shareholders' equity at 31 December 2022	**9 193 652**	**1 526 828**	**(319 645)**	**10 400 835**
Profit for the year	–	–	1 328 120	1 328 120
Total comprehensive income for the year	**–**	**–**	**1 328 120**	**1 328 120**
Fair value loss on investment in listed shares	–	(910)	910	–
Fair value gain on investments in JVs	–	151 455	(151 455)	–
Fair value gain on investments in subsidiary companies	–	576 584	(576 584)	–
	9 193 652	2 253 957	281 346	11 728 955
Distributions attributable to shareholders	–	–	(567 537)	(567 537)
Shareholders' equity at 31 December 2023	**9 193 652**	**2 253 957**	**(286 191)**	**11 161 418**
Profit for the year	**–**	**–**	**591 984**	**591 984**
Total comprehensive income for the year	**–**	**–**	**591 984**	**591 984**
Fair value gain on investments in JVs	**–**	**13 833**	**(13 833)**	**–**
Fair value loss on investments in subsidiaries	**–**	**(133 340)**	**133 340**	**–**
Distributions attributable to shareholders	**–**	**–**	**(601 173)**	**(601 173)**
Shareholders' equity at 31 December 2024	**9 193 652**	**2 134 450**	**(175 873)**	**11 152 229**
Note				17

ANNUAL STATEMENTS OF CASH FLOWS

For the year ended 31 December 2024

	Notes	GROUP 2024 R 000	GROUP 2023 R 000	COMPANY 2024 R 000	COMPANY 2023 R 000
Cash flows from operating activities					
Cash generated from/(used in) operations	30	**1 442 869**	1 374 664	**(18 310)**	(18 952)
Interest received		**84 410**	14 659	**8 724**	15 883
Distributions received		**–**	–	**626 092**	549 420
Distributions paid	29	**(601 173)**	(567 537)	**(601 173)**	(567 537)
Interest paid		**(831 631)**	(657 656)	**(40)**	–
Taxation paid		**(9 816)**	(1 198)	**(674)**	–
Net cash from/(used in) operating activities		**84 659**	162 932	**14 619**	(21 186)
Cash flows from investing activities					
Acquisition and improvements of investment properties		**(310 217)**	(366 162)	**–**	–
Loans advanced to subsidiary companies [1]		**–**	–	**(2 605 468)**	(1 533 158)
Proceeds on disposal of investment properties		**133 589**	778 016	**–**	–
Increase in letting commissions and tenant installations	5	**(16 764)**	(9 156)	**–**	–
Acquisition of property, plant and equipment	9	**(15 907)**	(5 481)	**–**	–
Proceeds on disposal of property, plant and equipment	9	**–**	56	**–**	–
Advance from JVs	6	**41 421**	39 067	**–**	39 067
Dividends from listed investments		**–**	6 147	**–**	–
Proceeds on disposal of investment in listed shares	12	**–**	164 083	**–**	164 083
Equity release received	6	**–**	104 802	**–**	104 802
Decrease/(increase) in other financial assets		**10 850**	(38 710)	**–**	–
Proceeds from insurance relating to reinstatement costs		**10 018**	121 955	**–**	121 955
Development equity contribution paid	6	**(53 186)**	(127 447)	**(53 186)**	(127 447)
Proceeds from government grant [2]	40	**–**	3 596	**–**	3 596
Acquisition of subsidiary	8	**–**	(1 035 321)	**–**	–
Net cash used in investing activities		**(200 196)**	(364 555)	**(2 658 654)**	(1 227 102)
Cash flows from financing activities					
Loan advanced from subsidiary companies [1]		**–**	–	**3 069 502**	1 205 219
Repurchase of treasury shares		**(29 643)**	(19 524)	**–**	–
Settlement of swap derivatives		**–**	(48 466)	**–**	–
Proceeds from interest-bearing borrowings	18	**1 845 178**	2 062 300	**–**	–
Repayment of interest-bearing borrowings	18	**(1 217 927)**	(1 756 240)	**–**	–
Payment on lease liabilities	11	**(14 097)**	(21 439)	**–**	–
Net cash from financing activities		**583 511**	216 631	**3 069 502**	1 205 219
Total cash and cash equivalents movement for the year		**467 974**	15 008	**425 467**	(43 069)
Cash and cash equivalents at the beginning of the year		**195 027**	180 019	**74 929**	117 998
Total cash and cash equivalents at the end of the year	15	**663 001**	195 027	**500 396**	74 929

(1) Included in these movements is R1.1 billion relating to the acquisition of Indluplace in 2023. Refer to note 8 of the annual financial statements.
(2) Refer to note 40 of the annual financial statements.

ACCOUNTING POLICIES

For the year ended 31 December 2024

ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year the Group and Company have adopted all of the revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the IFRS Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2024. Refer to note 2 for an analysis of the impact of newly adopted IFRS® Accounting Standards.

1. GENERAL INFORMATION

SA Corporate Real Estate Limited, established in the Republic of South Africa, is a REIT. The Company is listed on the JSE and has a secondary listing on the A2X.

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with the requirements of the JSE Listings Requirements, the Companies Act of South Africa, IFRS® Accounting Standards and SA Financial Reporting Requirements. SA Financial Reporting Requirements include:

- Financial Pronouncements as issued by the Financial Reporting Standards Council; and
- SAICA Financial Reporting Guides as issued by the Accounting Practices Committee.

IFRS® Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS® Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations)." The accounting policies used in the preparation of the annual financial statements are consistent with those applied in the prior year, except as noted in note 2. The annual financial statements have been prepared on the going concern and historical cost basis, modified by the revaluation of certain financial instruments and investment property to fair value measurement.

Material accounting policies, which are useful to users, especially where particular accounting policies are based on judgement regarding choices within IFRS Accounting Standards have been disclosed. Material accounting policies for which no choice is permitted in terms of IFRS Accounting Standards have been included only if management concluded that the disclosure would assist users in understanding the annual financial statements as a whole, taking into account the materiality of the item being discussed. Accounting policies which are not applicable from time to time, have been removed, but will be included if the type of transaction occurs in future.

The functional and presentation currency of the Group is South African Rand unless otherwise indicated.

1.2 Basis of consolidation

The Group's annual financial statements incorporate the annual financial statements of the Company and its subsidiaries. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when control is lost. The Company is the major and/or sole owner of all its subsidiaries and consequently has power to direct the subsidiaries' performance, which gives rise to the dividend income the Company receives from the subsidiaries.

Business Combination

The Group may elect to apply the concentration test in IFRS 3: Business Combinations to assess whether an acquisition must be accounted for as a business combination or asset acquisition. If substantially all the fair value of the gross assets acquired is concentrated in a single asset (or a group of similar assets), the transaction is accounted for as an asset acquisition. Where an acquisition does not satisfy the concentration test and the acquired set of activities meets the definition of a business, the Group applies the acquisition method of accounting.

Asset acquisition

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

All intragroup transactions and balances between members of the Group are eliminated in full upon consolidation. Profit or loss and each component of other comprehensive income ("OCI") are attributed to the owners of the Company and to the non-controlling interests, even if it results in the non-controlling interests having a deficit balance.

1.3 Impairment

The carrying amount of the Group's assets is reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognised in profit or loss when the carrying amount of an asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. When an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the extent that the increased carrying amount does not exceed the original carrying amount. A reversal of an impairment loss is recognised immediately in profit or loss.

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ACCOUNTING POLICIES *CONTINUED*

For the year ended 31 December 2024

1.4 Fair value measurement

Where another IFRS requires or the Group has chosen fair value measurement for assets or liabilities, the Group has applied the principles of IFRS 13: Fair Value Measurement to determine the fair value to be used. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of quoted instruments is determined with reference to closing market prices on the date of measurement. Where there is no active market, fair value is determined using applicable valuation techniques. Valuation techniques include discounted cash flow models, pricing models and recent arm's length transactions for similar instruments.

1.5 Foreign currencies

In preparing the annual financial statements of each individual entity, transactions in currencies other than Rand are recognised at the rate of exchange prevailing at the dates of the transactions. Non-monetary items that are measured in terms of the historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting these annual financial statements, the assets and liabilities of the Group's foreign operations are translated into Rand using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period.

Exchange differences arising from foreign JVs are recognised in other comprehensive income and accumulated in equity.

1.6 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience, adjusted for current market conditions and other factors.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates may seldom equal the related actual results. The estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant estimates and judgements include:

Estimates of the fair value of investment properties

The best evidence of fair value is current prices in an active market for similar leases and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement the Group considers information from a variety of sources including:

- Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences. This is reflected in the capitalisation rate assumption.
- Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices. This is reflected in the capitalisation rate assumption.
- Discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing leases and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows; and
- The fair value of the inner-city retail, residential and commercial investment properties was based on the capitalisation of the net income earnings in perpetuity. The discounted cash flow method is not appropriate in these portfolios due to the short-term nature of the portfolio's leases.

If information on current or recent prices is not available, the fair values of investment properties are determined using discounted cash flow valuation techniques. The Group used assumptions that are mainly based on market conditions existing at each reporting date.

The principal assumptions underlying management's estimation of fair value are those related to:

- The receipt of contracted rentals, expected future market rentals, lease renewals, maintenance requirements and appropriate discount and capitalisation rates.
- These valuations are regularly compared to actual market yield data, actual transactions by the Group and those reported by the market.
- The expected future market rentals are determined with reference to current market rentals for similar properties in the same location and condition.

Insurance claim receivable:

Significant judgement is required in assessing the virtual certainty of the recoverability of insurance claims due to the riots and civil unrest. Although the Group is adequately insured for loss of assets and business interruption, the assessment of virtual certainty was supported by the insurer's validation of the progress in the claims assessment process, the payments received to date, market confidence provided regarding their commitment and financial ability to settle outstanding claims. Refer to note 14 for additional disclosure on the amounts and related accounting.

ACCOUNTING POLICIES *CONTINUED*

For the year ended 31 December 2024

1.6 Critical accounting estimates and judgements *continued*

Provision for expected credit loss

The assessment of the correlation between historical observed default rates, forecast economic conditions and estimated credit loss (ECL) is a significant estimate. The Group adopted the simplified approach which recognises a lifetime ECL for trade receivables. The information about the ECLs on the Group's trade receivables is disclosed in note 14. Management exercises judgement in the assessment of the credit risk for the measurement of the ECL.

The following information is taken into account when assessing the credit risk:

- The ECL rates are based on historical default expense and financial position of the counterparty that have similar loss patterns in the industrial, retail, residential and commercial tenant sectors.
- The provision matrix is initially based on the Group's historical observed default rates. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the tenant's actual default in the future. The Group will calibrate the matrix to adjust the historical credit loss experience with forward looking information. The forward looking information includes, but is not limited to, inflation and GDP growth. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.
- The historical recoverability and financial viability of debt receivables are assessed to determine ECL.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime ECL. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be recoverable, the gross carrying value of the asset is written off against the associated provision.

From time to time, the Group elects to renegotiate the terms of trade receivables with which it has previously had a good repayment history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the consolidated statement of comprehensive income.

Intangible asset

The Afhco Brand (the Brand) fair value was determined using the 'Relief from Royalty' method. The Brand was valued using a discount rate equal to the weighted average cost of capital and assumed an indefinite useful life. The indefinite useful life assumption is attributable to the relative strength, market recognition and the time in existence of the Brand. The Brand is assessed for impairment at the end of each reporting period.

Impairment is tested based on a discounted cash flow method over an indefinite period, using the Group's weighted average cost of capital as the discount rate and an assumed increase in net income based on the yield as at acquisition. The period over which projected cash flows is forecasted was three years, projected for a further seven years. Due to the predictability of the net property income, which forms the basis of the cash flows used in determining the fair value of the intangible asset, a ten-year time horizon is considered acceptable. In addition to this, a terminal value was calculated to determine the fair value.

Swap derivatives

The swap derivatives fair value is determined as the present value of the estimated future cash flows. Estimates of the future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources, which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The net interest is determined as the difference between the fixed agreed upon price and the variable rate. The variable rate is subject to market conditions. The credit risk of the instrument is used to determine the discount rate.

The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty. This is calculated based on credit spreads derived from current credit default swap or bond prices.

The fair value is calculated by discounting the future cash flows using the swap curve of the respective currencies at the dates when the cash flows will take place.

Group accounting

Control over an investee

In assessing whether control is exercised over an investee, the Group assesses its power over the investee based on its exposure, or rights, to variable returns (i.e. dividends) from its involvement with the investee and its ability to use its power to affect the amount of its returns. The existence and effect of voting rights, potential voting rights, and other rights derived from contractual arrangements with the investee are considered in determining the Group's power and control over the investee.

ACCOUNTING POLICIES *CONTINUED*

For the year ended 31 December 2024

1.6 Critical accounting estimates and judgements *continued*

Determination of control entails the assessment of the effective acquisition date (i.e. the date on which control is effectively exercised). Further consideration is given to, among others, the specific closing date, undertakings, and any other suspensive conditions required for the transaction to become unconditional.

Subsidiaries

When the Group obtains control of entities that own investment properties or a group of investment properties collectively, an assessment is performed to determine whether the transaction should be accounted for as a business combination or an asset acquisition.

An acquisition is not considered to be a business combination if the underlying assets acquired, and liabilities assumed do not meet the definition of a business. In assessing whether a business was acquired, management assesses the integrated set of activities acquired. The simplified approach, namely the concentration test may be used to assess whether an acquired set of activities and assets is not a business when the fair value of acquired assets are concentrated in a single identifiable asset or a group of similar identifiable assets at the acquisition date. Such classification reflects management's assessment of whether the acquired assets collectively constitute a business or are more appropriately, an aggregation of assets.

Investment in joint venture

The Group equity accounts for investment in JVs at fair value. These investments are not controlled because the Group does not have the power to direct the relevant activities, and there are no other arrangements granting the Group this power. Significant influence is assessed based on voting rights and/or other rights derived from contractual arrangements that allow for significant influence to be exercised over the investee without the ability to direct the relevant activities.

The Company accounts for all investment in subsidiaries and JVs at fair value. The value of the investment in the JVs and subsidiaries is deemed to be that of the underlying properties, as the property company fully distributes all the distributable income.

Effective date

The Group applies judgement in determining the effective date of corporate restructure transactions, including acquisitions and disposal transactions. Consideration in determining the effective date is based on the contractual agreement together with the economic or commercial substance of the transaction. The Group concluded an initial internal restructure entailing the transfer of properties and entities, including the formation of new entities within the Group, with effect from 1 December 2023 and a subsequent restructure was then concluded during December 2024.

Loans to/from subsidiaries

All loans to/from subsidiaries are measured at amortised cost less any impairment. Impairment will only arise should the value of the investment property of the respective subsidiary fall below the value of the loan. The classification of loans to/from subsidiaries is considered an area of judgement. For loans to subsidiaries this is based on expected repayments, while loans from subsidiaries is based on contractual terms and subordination agreements

Functional currency

The Group is exposed to an equity accounted interest in property situated in Zambia, the functional currency of the foreign joint ventures is concluded as Zambian Kwacha (ZWM) as this is the currency of the primary economic environment in which these entities operate.

A change in the US Dollar (USD) functional currency recognised in the 2024 financial year end is due to changes in circumstances pertaining to the re-assessment of the primary economic environment.

Foreign currency exchange rates used in converting USD to ZAR are:
Spot on 31 December 2023: R18.58
Average USD 2023: R18.45

Foreign currency exchange rates used in converting ZWM to ZAR are:
Spot on 31 December 2024 ZWM : R0.68
Average ZWM 2024: R0.70

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 December 2024

2. NEW STANDARDS AND IFRIC INTERPRETATIONS

The aggregate impact of the initial application of the statements and interpretations on the annual financial statements is expected to be as follows:

2.1 Standards and interpretations effective and adopted in the current year.

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

2.1.1 Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1.

Amendments made to IAS 1 Presentation of Financial Statements clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. These relate to the compliance of covenants.

Classification is unaffected by the entity's expectations or events after the reporting date.

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting date.

The disclosures include:
- The carrying amount of the liability.
- Information about the covenants; and
- Facts and circumstances, if any, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarified what IAS 1 means when it refers to the 'settlement' of a liability.

The Group has applied this amendment for the reporting period.

2.1.2 Interest rate benchmark reform (IBOR) — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (effective annual reporting periods beginning on or after 1 January 2021))

ZARONIA transition

The South African Rand Overnight Index Average (ZARONIA), the successor to JIBAR, reflects the interest rate at which Rand-denominated overnight wholesale funds are obtained by commercial banks. It is based on actual transactions and calculated as a trimmed, volume-weighted mean of interest rates paid on eligible unsecured overnight deposits.

The Market Practitioners Group (MPG) is a joint public and private sector body, comprising representatives from the SARB, the Financial Sector Conduct Authority (FSCA), and senior professionals from a variety of institutions from different market interest groups active in the domestic money market. The MPG and its workstreams consulted widely on key issues regarding the JIBAR transition and the adoption of the South African Rand Overnight Index Average (ZARONIA) as the preferred alternative risk-free reference rate.

From 2 November 2022 to 3 November 2023, the SARB commenced publishing ZARONIA. This was done primarily to allow market participants to observe its performance and consider adopting it as a replacement for JIBAR. Market participants may use ZARONIA as a reference rate in financial contracts, and the MPG has designated ZARONIA as the successor rate to JIBAR.

The next steps in transition to ZARONIA are expected as follows :

- First Quarter of 2025 - To first commence for use in derivative pricing.
- June 2025 - To commence for Cash.
- December 2025 - An active transition to commence with a formal announcement on the cessation of JIBAR.

Management continues to engage with the Group's lenders with regards to the implementation. The impact of the transition will be assessed once more information on the transition is available.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

3. NEW STANDARDS AND INTERPRETATIONS IN ISSUE, BUT NOT YET EFFECTIVE:

Certain new accounting standards and IFRIC interpretations have been published that are applicable for future accounting periods. These new standards and interpretations have not been early adopted by the Group.

The amended and new standards and interpretations in issue, but not yet effective, that are relevant to the Group are:

International Financial Reporting Standards, interpretations and amendments issued but not effective		
Number	**Effective date**	**Executive summary**
Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates relating to lack of exchangeability	1 January 2025	The amendments clarify how an entity should assess whether a currency is exchangeable into another currency and how it should determine a spot exchange rate when exchangeability is temporarily lacking. Impact: The Group is not exposed to operations in countries where there is lack of exchangeability in exchange rates.
Amendment to IFRS 9: Financial Instruments and IFRS 7: Financial Instruments: Disclosures	1 January 2026	The amendments clarify the requirements for the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. The amendments also provide further guidance on assessing whether a financial asset meets the solely payments of principal and interest criterion The amendments require additional disclosure for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance targets) as well as equity instruments designated at fair value through other comprehensive income (FVOCI). Impact: The Group will assess the impact of the disclosure required at effective date.
IFRS 18: Presentation and Disclosure in Annual Financial Statements	1 January 2027	The accounting standard replaces IAS 1 and introduces new requirements on the structure of presentation within the statement of profit or loss, including subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary annual financial statements and the notes. Impact: The Group will assess the impact of the disclosure required at effective date.
IFRS 19: Subsidiaries without Public Accountability	1 January 2027	The accounting standard specifies reduced disclosure requirements that a subsidiary may apply in lieu of the disclosure requirements in other IFRS® Accounting Standards provided that the eligibility criteria are met. Impact: The Group will assess the impact of the disclosure required at effective date.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

4.1 Accounting policies objectives

4.1.1 Financial assets

The Group classifies its financial assets into one of the categories detailed below, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

4.1.1.1 Fair value through profit or loss

This category comprises investment in subsidiary and JVs, investment in swap derivatives and investment in listed shares. These assets are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. The Group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Dividends received from investments in listed shares, investment in subsidiaries and JVs are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

4.1.1.2 Amortised cost

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses.

Refer to table on Categories of financial instruments 2024 (refer to note 4): Assets, for those assets measured at amortised cost.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

4.1.2 Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

4.1.2.1 Fair value through profit or loss

This category comprises only swap derivatives.

They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. Other than these swap derivatives, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

At each reporting date the liability is re-measured at fair value, where the fair value adjustments are recognised in the profit or loss for the year.

4.1.2.2 Financial liabilities at amortised cost

Interest-bearing borrowings

Interest-bearing borrowings are initially recognised at fair value net of transaction cost directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method. This means that interest expense is charged at a constant rate on the outstanding capital balance at the financial statement reporting date over the period of repayment.

Financial liabilities at amortised cost

Other financial liabilities; namely other payables, loans from subsidiary companies, and other short-term monetary liabilities are initially recognised at fair value net of transaction cost directly attributable to the issue of the instrument. Such Interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method. This ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes any interest payable while the liability is outstanding.

Trade and other payables

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest-bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease agreement, if that rate can be readily determined. If that rate cannot be readily determined, the incremental borrowing rate is utilised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

4.1.3 Swap derivatives

The Group does not apply hedge accounting in accordance with IFRS 9: Financial Instruments. Derivative financial assets and liabilities are classified as financial assets or liabilities at fair value through profit or loss (FVTPL). Derivative financial assets and liabilities comprise mainly interest rate swaps and cross-currency swaps. Recognition of the derivative financial instruments takes place when the economic hedging contracts are entered into. They are measured initially and subsequently at fair value. Directly attributable transaction costs are recognised immediately in profit or loss. Gains or losses on derivatives are recognised in profit or loss in the changes in fair values in the FVTPL line item.

4.1.4 Equity instruments

Any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities.

4.2 Fair value

4.2.1 Fair value of financial assets and liabilities that are measured at fair value on a recurring basis

The financial instruments are grouped into levels 1 to 3 based on the degree to which the fair value is observable. The different levels have been defined as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities:
- Level 2 fair value measurements are those derived from inputs, other quoted prices included within level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data i.e. unobservable inputs.

4.2.2 Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, trade and other receivables, trade and other payables, loans, borrowings and lease liabilities. Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value. Fair value of interest-bearing borrowings also approximates the carrying value as the borrowings are from external, independent third parties offering interest rates and contractual terms in line with market and industry standards. The fair value of loans to and from subsidiaries approximates the fair value. No specific repayment terms exist.

4.2.3 Details of valuation techniques

The valuation techniques used in measuring fair values at 31 December 2024 for financial instruments and investment property measured at fair value in the statement of financial position, as well as the significant unobservable inputs used are disclosed in note 5. There have been no significant changes in valuation techniques and inputs since 31 December 2023.

4.3 Expected credit losses

4.3.1 Other receivables

For the purpose of impairment assessment for tenant accruals relating to recoveries and turnover rental not yet billed, as well as sundry debtors, the loss allowance is measured at an amount equal to a 12-month ECL. In determining the ECL for these assets, the directors of the Group have taken into account the historical default experience and the financial position of the counterparties. Management has assessed the recoverability of each financial asset, excluding trade receivables, based on historical default experience and forward looking information where there is significant increase in credit risk, as assessed on a case by case basis, regardless of historical defaults or history, an ECL has been raised. Significant increase in credit risk is presumed if a debtor is more than 90 days past due in making a contractual payment. The other receivables and loans are also guaranteed by properties and other assets and hence should the counterparty default, the Group will not incur a loss. A default is when the counterparty fails to make contractual payments within their terms as and when they fall due. Management further considers recoverability based on advice of legal advisors with regards to the probability of collection. Where the probability remains high, no ECL is raised. Refer to note 14 for further details.

4.3.2 Trade receivables

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime ECL. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised separately in the Group statement of comprehensive income. On confirmation that the trade receivable will not be recoverable, the gross carrying value of the asset is written off against the associated provision.

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CONTINUED *For the year ended 31 December 2024*

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

Categories of financial instruments:

GROUP							
2024		Financial instruments					
		Derivative	Non-derivative				
R 000	Fair value measurement	FVTPL	FVTPL	Amortised cost	Equity instrument	Total	ECL assessment note reference
Non-current assets							
Swap derivatives	Level 2	1 753	–	–	–	1 753	
Other financial assets		–	–	21 811	–	21 811	12
		1 753	–	21 811	–	23 564	
Current assets							
Other financial assets		–	–	22 289		22 289	12
Swap derivatives	Level 2	7 397	–	–	–	7 397	
Trade receivables		–	–	69 283	–	69 283	14
Other receivables		–	–	308 120	–	308 120	14
Cash and cash equivalents		–	–	663 001	–	663 001	15
		7 397	–	1 062 693	–	1 070 090	
Total assets		9 150	–	1 084 504	–	1 093 654	
Equity							
Share capital and reserves		–	–	–	11 161 400	11 161 400	
		–	–	–	11 161 400	11 161 400	
Liabilities							
Non-current liabilities							
Lease liabilities		–	–	36 058	–	36 058	
Interest-bearing borrowings		–	–	5 364 573	–	5 364 573	
Swap derivatives	Level 2	7 895	–	–	–	7 895	
		7 895	–	5 400 631	–	5 408 526	
Current liabilities							
Lease liabilities		–	–	9 291	–	9 291	
Swap derivatives	Level 2	6 945	–	–	–	6 945	
Interest-bearing borrowings		–	–	3 413 296	–	3 413 296	
Trade and other payables		–	–	695 374	–	695 374	
		6 945	–	4 117 961	–	4 124 906	
Total liabilities		14 840	–	9 518 592	–	9 533 432	
Total equity and liabilities		14 840	–	9 518 592	11 161 400	20 694 832	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

Categories of financial instruments:

GROUP							
2023		Financial instruments					
		Derivative	Non-derivative				
R 000	Fair value measurement	FVTPL	FVTPL	Amortised cost	Equity instrument	Total	ECL assessment note reference
Non-current assets							
Swap derivatives	Level 2	5 100	–	–	–	5 100	
Other financial assets		–	–	32 665	–	32 665	12
		5 100	–	32 665	–	37 765	
Current assets							
Other financial assets		–	–	19 475	–	19 475	12
Swap derivatives	Level 2	58 472	–	–	–	58 472	
Trade receivables		–	–	94 664	–	94 664	14
Other receivables		–	–	271 505	–	271 505	14
Cash and cash equivalents		–	–	195 027	–	195 027	15
		58 472	–	580 671	–	639 143	
Total assets		63 572	–	613 336	–	676 908	
Equity							
Share capital and reserves		–	–	–	11 034 900	11 034 900	
		–	–	–	11 034 900	11 034 900	
Liabilities							
Non-current liabilities							
Lease liabilities		–	–	36 417	–	36 417	
Interest-bearing borrowings		–	–	7 486 859	–	7 486 859	
		–	–	7 523 276	–	7 523 276	
Current liabilities							
Lease liabilities		–	–	11 050	–	11 050	
Swap derivatives	Level 2	5 259	–	–	–	5 259	
Interest-bearing borrowings		–	–	654 078	–	654 078	
Trade and other payables		–	–	637 561	–	637 561	
		5 259	–	1 302 689	–	1 307 948	
Total liabilities		5 259	–	8 825 965	–	8 831 224	
Total equity and liabilities		5 259	–	8 825 965	11 034 900	19 866 124	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

Categories of financial instruments:

COMPANY						
2024		**Financial instruments**				
		Non-derivative				
R 000	**Fair value measure-ment**	**FVTPL**	**Amortised cost**	**Equity instrument**	**Total**	**ECL assessment note reference**
Non-current assets						
Loans to subsidiary companies		–	5 217 466	–	5 217 466	7
Investment in subsidiaries	Level 3	7 539 480	–	–	7 539 480	
Investments in JVs	Level 3	1 455 440	–	–	1 455 440	
		8 994 920	5 217 466	–	14 212 386	
Current assets						
Loans to subsidiary companies		–	194 820	–	194 820	7
Cash and cash equivalents		–	500 396	–	500 396	15
		–	695 216	–	695 216	
Total assets		8 994 920	5 912 682	–	14 907 602	
Equity						
Share capital and reserves		–	–	11 152 229	11 152 229	
		–	–	11 152 229	11 152 229	
Liabilities						
Non-current liabilities						
Loans from subsidiary companies		–	2 394 841	–	2 394 841	
		–	2 394 841	–	2 394 841	
Current liabilities						
Loans from subsidiary companies		–	1 353 125	–	1 353 125	
Trade and other payables		–	7 407	–	7 407	
		–	1 360 532	–	1 360 532	
Total liabilities		–	3 755 373	–	3 755 373	
Total equity and liabilities		–	3 755 373	11 152 229	14 907 602	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

Categories of financial instruments:

COMPANY						
2023		**Financial instruments**				
		Non-derivative				
R 000	**Fair value measurement**	**FVTPL**	**Amortised cost**	**Equity instrument**	**Total**	**ECL assessment note reference**
Non-current assets						
Loans to subsidiary companies		–	5 249 436	–	5 249 436	7
Investment in subsidiaries	Level 3	7 672 820	–	–	7 672 820	
Investments in JVs	Level 3	1 294 948	–	–	1 294 948	
		8 967 768	5 249 436	–	14 217 204	
Current assets						
Loans to subsidiary companies		–	180 687	–	180 687	7
Other receivables		–	1 104	–	1 104	14
Cash and cash equivalents		–	74 929	–	74 929	15
		–	256 720	–	256 720	
Total assets		8 967 768	5 506 156	–	14 473 924	
Equity						
Share capital and reserves		–	–	11 161 418	11 161 418	
		–	–	11 161 418	11 161 418	
Liabilities						
Non-current liabilities						
Loans from subsidiary companies		–	2 191 013	–	2 191 013	
		–	2 191 013	–	2 191 013	
Current liabilities						
Loans from subsidiary companies		–	1 110 756	–	1 110 756	
Trade and other payables		–	10 737	–	10 737	
		–	1 121 493	–	1 121 493	
Total liabilities		–	3 312 506	–	3 312 506	
Total equity and liabilities		–	3 312 506	11 161 418	14 473 924	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

4.4 Risk management

The Group's financial risk management objective is to manage its capital and financial risk exposure so that it continues as a going concern and minimises adverse effects. In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these annual financial statements. In order to manage these risks, the Group may use derivative instruments. The Group does not speculate in or engage in the trading of derivative instruments.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Group has exposure to the following risks of financial instruments:

- Liquidity risk
- Market risk
  - Foreign currency risk
  - Interest rate risk
  - Capital risk
- Credit risk

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

	GROUP					
Financial instruments: 2024	**Financial instruments R 000**	**Credit risk R 000**	**Liquidity risk R 000**	**Foreign currency risk R 000**	**Interest rate risk R 000**	**Capital risk R 000**
Non-current assets						
Swap derivatives	1 753	1 753	–	1 753	1 753	–
Other financial assets	21 811	21 811	–	–	21 811	–
	23 564	23 564	–	1 753	23 564	–
Current assets						
Other financial assets	22 289	22 289	–	–	22 289	–
Swap derivatives	7 397	7 397	–	7 397	7 397	–
Trade receivables	69 283	69 283	–	–	69 283	–
Other receivables	308 120	308 120	–	–	308 120	–
Cash and cash equivalents	663 001	663 001	–	–	663 001	663 001
	1 070 090	1 070 090	–	7 397	1 070 090	663 001
Total financial assets	1 093 654	1 093 654	–	9 150	1 093 654	663 001
Equity						
Share capital and reserves	11 161 400	–	–	–	–	11 161 400
Liabilities						
Non-current liabilities						
Lease liabilities	36 058	–	36 058	–	36 058	–
Interest-bearing borrowings	5 364 573	–	5 364 573	512 015	5 364 573	5 364 573
Swap derivatives	7 895	–	7 895	7 895	7 895	–
	5 408 526	–	5 408 526	519 910	5 408 526	5 364 573
Current liabilities						
Lease liabilities	9 291	–	9 291	–	9 291	–
Trade and other payables	695 374	–	695 374	–	695 374	–
Interest-bearing borrowings	3 413 296	–	3 413 296	–	3 413 296	3 413 296
Swap derivatives	6 945	–	6 945	6 945	6 945	
	4 124 906	–	4 124 906	6 945	4 124 906	3 413 296
Total financial liabilities	9 533 432	–	9 533 432	526 855	9 533 432	8 777 869
Total equity and liabilities	20 694 832	–	9 533 432	526 855	9 533 432	19 939 269

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

	GROUP					
Financial instruments: 2023 R 000	**Financial instruments**	**Credit risk R 000**	**Liquidity risk R 000**	**Foreign currency risk R 000**	**Interest rate risk R 000**	**Capital risk R 000**
Non-current assets						
Swap derivatives	5 100	5 100	–	5 100	5 100	–
Other financial assets	32 665	32 665	–	–	32 665	–
	37 765	37 765	–	5 100	37 765	–
Current assets						
Other financial assets	19 475	19 475	–		19 475	–
Swap derivatives	58 472	58 472	–	58 472	58 472	–
Trade receivables	94 664	94 664	–	–	94 664	–
Other receivables	271 505	271 505	–	–	271 505	–
Cash and cash equivalents	195 027	195 027	–	–	195 027	195 027
	639 143	639 143	–	58 472	639 143	195 027
Total financial assets	676 908	676 908	–	63 572	676 908	195 027
Equity						
Share capital and reserves	11 034 900	–	–	–	–	11 034 900
Liabilities						
Non-current liabilities						
Lease liabilities	36 417	–	36 417	–	36 417	–
Interest-bearing borrowings	7 486 859	–	7 486 859	508 884	7 486 859	7 486 859
	7 523 276	–	7 523 276	508 884	7 523 276	7 486 859
Current liabilities						
Lease liabilities	11 050	–	11 050	–	11 050	–
Trade and other payables	637 561	–	637 561	–	637 561	–
Interest-bearing borrowings	654 078	–	654 078	–	654 078	654 078
Swap derivatives	5 259	–	5 259	5 259	5 259	–
	1 307 948	–	1 307 948	5 259	1 307 948	654 078
Total financial liabilities	8 831 224	–	8 831 224	514 143	8 831 224	8 140 937
Total equity and liabilities	19 866 124	–	8 831 224	514 143	8 831 224	19 175 837

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CONTINUED ***For the year ended 31 December 2024***

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

The categories of financial instruments and risk classifications are tabulated as follows:

	COMPANY					
Financial instruments: 2024 **R 000**	**Financial instrument**	**Credit risk**	**Liquidity risk**	**Foreign currency risk**	**Interest rate risk**	**Capital risk**
Non-current assets						
Loans to subsidiary companies	**5 217 466**	**5 217 466**	**–**	**–**	**–**	**–**
Investment in subsidiaries	**7 539 480**	**–**	**–**	**–**	**–**	**–**
Investment in JVs	**1 455 440**	**–**	**–**	**1 455 440**	**–**	**–**
	14 212 386	**5 217 466**	**–**	**1 455 440**	**–**	**–**
Current assets						
Loans to subsidiary companies	**194 820**	**194 820**	**–**	**–**	**–**	**–**
Cash and cash equivalents	**500 396**	**500 396**	**–**	**–**	**500 396**	**500 396**
	695 216	**695 216**	**–**	**–**	**500 396**	**500 396**
Total financial assets	**14 907 602**	**5 912 682**	**–**	**1 455 440**	**500 396**	**500 396**
Equity						
Share capital and reserves	**11 152 229**	**–**	**–**	**–**	**–**	**11 152 229**
Liabilities						
Non-current liability						
Loans from subsidiary companies	**2 394 841**	**–**	**2 394 841**	**–**	**–**	**–**
	2 394 841	**–**	**2 394 841**	**–**	**–**	**–**
Current liabilities						
Loans from subsidiary companies	**1 353 125**	**–**	**1 353 125**	**–**	**–**	**–**
Trade and other payables	**7 407**	**–**	**7 407**	**–**	**7 407**	**–**
	1 360 532	**–**	**1 360 532**	**–**	**7 407**	**–**
Total liabilities	**3 755 373**	**–**	**3 755 373**	**–**	**7 407**	**–**
Total equity and liabilities	**14 907 602**	**–**	**3 755 373**	**–**	**7 407**	**11 152 229**

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT ***CONTINUED***

	COMPANY					
Financial instruments: 2023 **R 000**	**Financial instrument**	**Credit risk**	**Liquidity risk**	**Foreign currency risk**	**Interest rate risk**	**Capital risk**
Non-current assets						
Loans to subsidiary companies	5 249 436	5 249 436	–	–	–	–
Investment in subsidiaries	7 672 820	–	–	–	–	–
Investment in JVs	1 294 948	–	–	1 294 948	–	–
	14 217 204	5 249 436	–	1 294 948	–	–
Current assets						
Loans to subsidiary companies	180 687	180 687	–	–	–	–
Other receivables	1 104	1 104	–	–	–	–
Cash and cash equivalents	74 929	74 929	–	–	74 929	74 929
	256 720	256 720	–	–	74 929	74 929
Total financial assets	14 473 924	5 506 156	–	1 294 948	74 929	74 929
Equity						
Share capital and reserves	–	–	–	–	–	11 161 418
Liabilities						
Non-current liability						
Loans from subsidiary companies	2 191 013	–	2 191 013	–	–	–
	2 191 013	–	2 191 013	–	–	–
Current liabilities						
Loans from subsidiary companies	1 110 756	–	1 110 756	–	–	–
Other payables	10 737	–	10 737	–	10 737	–
	1 121 493	–	1 121 493	–	10 737	–
Total liabilities	3 312 506	–	3 312 506	–	10 737	–
Total equity and liabilities	3 312 506	–	3 312 506	–	10 737	11 161 418

4.4.1 Liquidity risk

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

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim it seeks to maintain cash balances and agreed facilities to meet expected requirements for a period of at least three months. The Group also seeks to reduce liquidity risk by fixing interest rates (and hence cash flows) on a portion of its long-term borrowings; this is further discussed in the 'interest rate risk' section.

The liquidity risk of each Group entity is managed centrally by the Group's treasury function. Each operating unit within the Group has operational cash requirements based on the approved budgets. The budgets are set locally and agreed by the Board in advance enabling the Group's cash requirements to be anticipated. Where operational cash requirements of Group entities need to be increased, approval must be sought from the Chief Financial Officer. Refer to note 42 for going concern.

The repayment profile does not take into account refinancing in respect of interest-bearing borrowings and is reflective of the known obligations as at 31 December 2024 .

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

4.4.1 Liquidity risk *continued*

	GROUP		COMPANY	
	2024 R 000	2023 R 000	2024 R 000	2023 R 000
Repayment profile				
Swap derivatives	**531**	15 732	**–**	–
Trade and other payables [(1)]	**695 374**	690 428	**–**	–
Lease liabilities	**5 729**	4 616	**–**	–
Interest-bearing borrowings [(2)]	**512 015**	–	**–**	
Interest on interest-bearing borrowings	**290 933**	252 223	**–**	–
Three months or less	**1 504 582**	962 999	**–**	–
Swap derivatives	**7 879**	42 740	**–**	–
Other payables [(3)]	**–**	–	**7 407**	10 737
Lease liabilities	**10 385**	15 197	**–**	–
Loans from subsidiary companies	**–**	–	**1 353 125**	1 110 756
Interest-bearing borrowings [(2)]	**2 901 281**	654 078	**–**	–
Interest on interest-bearing borrowings	**509 941**	566 058	**–**	–
Between three months and one year	**3 429 486**	1 278 073	**1 360 532**	1 121 493
Swap derivatives	**9 157**	(159)	**–**	–
Lease liabilities	**20 370**	21 348	**–**	–
Loans from subsidiary companies	**–**	–	**2 394 841**	2 191 013
Interest-bearing borrowings [(4)]	**4 050 571**	4 861 011	**–**	–
Interest on interest-bearing borrowings	**712 139**	1 312 551	**–**	–
Between one and three years	**4 792 237**	6 194 751	**2 394 841**	2 191 013
Lease liabilities	**17 820**	16 345	**–**	–
Interest-bearing borrowings [(4)]	**1 314 002**	–	**–**	–
Interest on interest-bearing borrowings	**95 351**	2 625 848	**–**	–
Between three and five years	**1 427 173**	2 642 193	**–**	–
Lease liabilities	**26 368**	29 926	**–**	–
More than five years	**26 368**	**29 926**	**–**	–

(1) Excluding VAT and income received in advance.

(2) The Group is currently engaging with its lenders to negotiate refinancing of both the current and non-current interest-bearing borrowings.

(3) Excluding unclaimed distributions and income received in advance.

(4) During the year, the Group successfully refinanced R225.6 million in long-term borrowings maturing in 2024 and 2025, of which R75.6 million of the new debt matures in November 2025 and the balance of R150 million of the new debt will mature in December 2029.

The Group expects to meet its obligations from operating cash flows and existing facilities as detailed in note 18. The liquidity risk profile in respect of contingent liabilities is disclosed in note 38.

The Group has access to R518.9 million in cash, and loans for the Company have been subordinated in its favour. Additionally, the Company is supported by the Group. The Group remains profitable and generates sufficient cash from operations to fund its operations and service its debt. The Group, through its subsidiaries, also maintains an active disposal pipeline, with R753.7 million already contracted for sale as of 31 December 2024 and an additional R432.5 million expected to be contracted in 2025.

In addition, the Group anticipates the receipt of a portion of the proceeds from these disinvestments during the 2025 year, and post year-end, the Group successfully refinanced R0.5 billion in expiring facilities. Additionally, it has agreed terms for the refinancing of R2.3 billion in debt, with tenors ranging from one to five years, subject to the finalisation of legal agreements. This would result in the majority of the debt maturing in the 2025 financial year having been refinanced, with lenders having also confirmed their appetite to refinance the remaining portion of short-term debt, although terms have yet to be agreed. Based on these discussions, management has assessed the refinancing risk as low. While this funding is not yet fully secured, there is a high probability that it will be obtained.

The Company has issued certain guarantees. Refer to note 38: Contingent Liabilities in the annual financial statements for further information regarding these guarantees and the corresponding liquidity risk disclosure.

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CONTINUED ***For the year ended 31 December 2024***

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

4.4.1 Liquidity risk *continued*

The tables below also indicates the maturity analysis of financial assets of the Group and Company. The information for the 2023 comparative figures were not included in the prior year annual financial statements.

	GROUP				
Maturity Analysis: 2024 R 000	**Carrying Value**	**Total contractual cash flows**	**Due within three months or less**	**Due within three months and one year**	**Due between one and three years**
Swap derivatives	9 150	10 476	6 116	2 341	2 019
Other financial assets	44 100	55 414	8 584	22 200	24 630
Trade receivables	69 283	69 283	69 283	–	–
Other receivables	308 120	308 120	274 870	33 250	–
Cash and cash equivalents	663 001	663 001	663 001	–	–
Total	**1 093 654**	**1 106 294**	**1 021 854**	**57 791**	**26 649**

	GROUP				
Maturity Analysis: 2023 R 000	**Carrying Value**	**Total contractual cash flows**	**Due within three months or less**	**Due within three months and one year**	**Due between one and three years**
Swap derivatives	63 572	64 338	14 863	37 417	12 058
Other financial assets	52 140	55 381	15 586	11 218	28 577
Trade receivables	94 664	94 664	94 664	–	–
Other receivables	271 505	271 505	252 691	18 814	–
Cash and cash equivalents	195 027	195 027	195 027	–	–
Total	**676 908**	**680 915**	**572 831**	**67 449**	**40 635**

	COMPANY				
Maturity Analysis: 2024 R 000	**Carrying Value**	**Total Contractual Cash flows**	**Due within three months or less**	**Due within three months and one year**	**Due between one and three years**
Loans to subsidiary companies [1]	**5 412 286**	**5 412 286**	**–**	**194 820**	**5 217 466**
Cash and cash equivalents	**500 396**	**500 396**	**500 396**	**–**	**–**
Total	**5 912 682**	**5 912 682**	**500 396**	**194 820**	**5 217 466**

	COMPANY				
Maturity Analysis: 2023 R 000	**Carrying Value**	**Total Contractual Cash flows**	**Due within three months or less**	**Due within three months and one year**	**Due between one and three years**
Loans to subsidiary companies [1]	5 430 123	5 430 123	–	180 687	5 249 436
Other receivables	1 104	1 104	1 104	–	–
Cash and cash equivalents	74 929	74 929	74 929	–	–
Total	**5 506 156**	**5 506 156**	**76 033**	**180 687**	**5 249 436**

[1] The intercompany loans are unsecured and interest free. No specific repayment terms exist. The non-current loans are viewed as long-term loans to the subsidiaries and as such are only expected to be redeemed if the underlying property is sold.

The above maturity analysis for the financial assets for the Company excludes the Investments in Subsidiaries and Investment in JVs as these items do not have any contractual cash flows associated with them. Thus, there are no expected payments to be received that require disclosure in the above maturity analysis for financial assets.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

4.4.2 Market Risk

Foreign currency risk management

The Group is exposed to foreign currency fluctuations through its foreign denominated interest-bearing borrowings and the investments in the Zambian JVs.

The foreign currency risk is partially offset by the interest-bearing borrowings and cross-currency interest rate swaps which are denominated in the same exchange rate.

Foreign currency sensitivity analysis

The Group is mainly exposed to the US Dollar currency. The following table details the Group's sensitivity to a 5% (2023: 5%) fluctuation in the Rand against the US Dollar. The sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's reasonable assessment of the possible change in foreign exchange rates.

USD facilitated loan

A positive number below indicates an increase in profit or equity where the Rand strengthens against the US Dollar. For a weakening of the Rand against the US Dollar, there would be a comparable negative impact on the profit or equity, refer to note 18.

	GROUP	
	2024 R 000	**2023 R 000**
Profit or loss on financial liabilities	**25 600**	25 087
Profit	**25 600**	25 087

Investments in JVs

A 5% (2023: 5%) fluctuation in the Rand against the US Dollar would result in a R2.8 million (2023: R2.8 million) movement in the profit from JVs in the Group.

Interest rate risk

The Group is exposed to interest rate risk through its variable rate cash balances, receivables, payables and interest-bearing borrowings. The risk is managed in the Group by maintaining an appropriate mix between fixed and floating rate borrowings, monitoring cash flows and investing surplus cash at negotiated rates. The Group enters into interest rate swap contracts, from time to time, for the purposes of cash flow hedging. The Group does not apply hedge accounting.

Interest rate sensitivity analysis

The sensitivity analysis is based on the exposure to interest rates at the reporting date. For floating rate assets and liabilities, the analysis assumes that the amount of asset or liability outstanding at the reporting date was outstanding for the whole year. A 50 basis point fluctuation is used, it represents management's reasonable assessment of the possible change in interest rates. If interest rates were 50 basis points (bps) (2023: 50 bps) higher or lower and all other variables were constant, the Group's net profit for the year ended 31 December 2024 would fluctuate by R14.2 million (2023: R11.4 million). The Company's net profit for the year ended 31 December 2024 would decrease or increase by R2.5 million (2023: decrease by R0.4 million).

4.4.3 Capital risk management

The Group's capital comprises shareholders' equity and interest-bearing borrowings. Capital is actively managed to ensure that the Group is adequately capitalised and funded at all times, having regard to its regulatory needs, prudent management and the needs of its stakeholders.

The Group has a business planning process that runs on an annual cycle with regular updates to projections. It is through this process, which includes risk and sensitivity analysis of forecasts, that the Group's capital is managed.

Specifically, the Group has adopted the following capital management policies:

- Maintenance, as a minimum, of capital sufficient to meet the statutory requirements and such additional capital as management believes is necessary.
- Maintenance of an appropriate level of liquidity at all times. The Group further ensures that it can meet its expected capital and financing needs at all times, having regard to the business plans, forecasts and any strategic initiatives.

Maintenance of an appropriate level of issued shares based on approval from the shareholders and the Board.

The Group has both qualitative and quantititative risk management procedures to monitor the key risks and sensitivities of the business. This is achieved through scenario analysis and risk assessments. From an understanding of the principal risks, appropriate risk limits and controls are defined.

The Group's capital risk management strategy has remained unchanged from the prior year.

Gearing ratio

The Group's Audit and Risk Committee reviews the capital structure three times a year. As part of this review, the committee considers the cost cost of capital and the risks associated with each class of capital. The Group limits its borrowing capacity inclusive of its guarantees to 50% (2023: 50%) of the total property investment as per the lenders' covenant requirements. The Board has however elected to impose a net debt funding target of less than 40% without guarantees to align itself with the Group's long-term strategic level and risk tolerance level, however the execution of the Group's strategic initiatives may result in gearing exceeding the target. At 31 December 2024, the Group's net debt gearing ratio was 42.0% (2023: 41.9%). The Group is engaged in various activities and initiatives aimed at achieving deleveraging within the target threshold.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

	GROUP	
	2024 R 000	**2023 R 000**
The debt to total investment portfolio ratio at the year-end was as follows:		
Gross debt (nominal value) [(1)]	**8 731 921**	8 098 440
Total investment portfolio [(2)]	**19 398 444**	19 016 385
Gearing ratio	**45.01%**	42.59%

(1) Total borrowings excluding accrued interest

(2) Total property investments includes investment property (at valuation), property under development, properties classified as held for sale and JVs.

4.4.4 Credit risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk with regard to trade and other receivables is minimised by the large and diverse tenant base, spread across diverse industries and geographical areas. The Group does not have any significant credit risk exposure to any single tenant counterparty.

Management has established a credit policy in terms of which each new tenant is individually analysed for creditworthiness before the Group's standard payment terms and conditions are offered which include a provision of a deposit. Management monitors the financial position of its tenants on an ongoing basis.

Further disclosures regarding trade and other receivables are provided in note 14.

Credit risk attached to the Group's cash and cash equivalents on deposit in money market accounts is minimised by cash being placed in money market investments with several financial institutions of high credit standing, in terms of predetermined exposure limits. Exposure limits and underlying money market exposures are assessed bi-annually and reviewed by the Audit and Risk Committee to limit concentration to a single institution and to monitor the risks associated with the underlying money market exposures. The Group implemented an updated cash management policy that is monitored robustly.

Cash in bank and short-term deposits

	GROUP			
2024	**Rating**	**Cash at bank**	**Short term deposits**	**Total**
		R 000	**R 000**	**R 000**
ABSA Bank Limited	**AA**	**6 211**	**80 448**	**86 659**
FirstRand Bank Limited	**AA**	**449 035**	**46 513**	**495 548**
Investec Bank Limited	**AA**	**8 068**	**–**	**8 068**
Nedbank Limited	**AA**	**–**	**72 726**	**72 726**
		463 314	**199 687**	**663 001**
2023	**Rating**	**Cash at bank**	**Short term deposits**	**Total**
		R 000	**R 000**	**R 000**
ABSA Bank Limited	AA	–	1 112	1 112
FirstRand Bank Limited	AA	92 297	35 012	127 309
Investec Bank Limited	AA	7 099	–	7 099
Nedbank Limited	AA	–	59 507	59 507
		99 396	95 631	195 027

As at 31 December 2024 the Group had Rnil (2023: Rnil) on deposit in money market accounts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *CONTINUED*

4.4.4 Credit risk management *continued*

	COMPANY			
	Rating	Cash at bank	Short term deposits	Total
2024		R 000	R 000	R 000
FirstRand Bank Limited	**AA**	**427 670**	**–**	**427 670**
Nedbank Limited	**AA**	**–**	**72 726**	**72 726**
		427 670	**72 726**	**500 396**

	Rating	Cash at bank	Short term deposits	Total
2023		R 000	R 000	R 000
ABSA Bank Limited	AA	–	1 112	1 112
FirstRand Bank Limited	AA	14 310	–	14 310
Nedbank Limited	AA	–	59 507	59 507
		14 310	60 619	74 929

As at 31 December 2024 the Company had Rnil (2023: Rnil) on deposit in money market accounts.

Management monitors the credit ratings of counterparties regularly. As at the reporting date we do not expect any losses from non-performance by the counterparties. For all financial assets to which the impairment requirements have not been applied the carrying amount represents the maximum exposure to credit loss.

5. INVESTMENT PROPERTY

Investment property are properties held to earn rentals, and/or appreciation in capital value. It excludes properties occupied by the Group and includes developments and properties being constructed for future use as investment property. The majority of the buildings are located on land owned by the Group, but there are certain buildings situated on long-term operating leases (refer to note 11).

Properties under development comprise the cost of the land and development and are measured at fair value. Fair value is based on the costs incurred up to the date of the valuation. Undeveloped land is valued in terms of the internationally accepted and preferred method of comparison. This involves the use of recent comparable transactions as a basis for the valuation. Bulk rates are determined for land that has been zoned. If the fair value cannot be reasonably determined, it is stated at cost and is not depreciated.

Investment properties are initially recognised at cost, including transaction costs on acquisition, and are revalued to their fair value at the end of each reporting date. Gains or losses arising from changes in the fair values are reflected in profit or loss and are excluded in determining the distributable income. Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the properties (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the properties are derecognised.

Investment properties leased out under operating leases are reflected as investment properties on the statement of financial position. Where there are fixed increments in rental, the income is recognised on a straight-line basis in accordance with IFRS 16: Leases. The resulting difference arising from the straight-line basis and contractual cash flows is recognised as a rental receivable - straight-line rental adjustment.

Deferred expenses comprise tenant installation costs and letting commissions which are amortised on a straight-line basis over the lease period to which they relate. The tenant installations and letting commissions are separately disclosed in this note. As at date of disposal, the unamortised deferred expense is included in the capital profit or loss of the property.

Borrowing costs
Where the Group undertakes a major development or refurbishment of its investment property, interest is capitalised to the cost of the property concerned during the construction period. Capitalisation is suspended during periods in which active development is interrupted. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

5. INVESTMENT PROPERTY *CONTINUED*

	GROUP			
R 000	At valuation	Straight line rental adjustment	Property under development	Total
Opening balance at 1 January 2024	**15 571 417**	**(361 508)**	**1 725 387**	**16 935 296**
Acquisitions and improvements	**219 478**	**7 286**	**85 999**	**312 763**
Capitalised interest [(1)]	**1 536**	**–**	**6 926**	**8 462**
Disposals	**(68 000)**	**–**	**–**	**(68 000)**
Fair value adjustment	**185 676**	**(44 944)**	**(55 925)**	**84 807**
Transfer from property under development	**621 547**	**–**	**(621 547)**	**–**
Transfer to property, plant and equipment [(2)]	**(9 509)**	**–**	**–**	**(9 509)**
Transfer to property under development [(3)]	**(383 000)**	**–**	**383 000**	**–**
Transfer from properties classified as held for sale	**28 750**	**–**	**–**	**28 750**
Transfer to properties classified as held for sale	**(793 054)**	**894**	**–**	**(792 160)**
Closing balance at 31 December 2024	**15 374 841**	**(398 272)**	**1 523 840**	**16 500 409**
Opening balance at 1 January 2023	13 984 808	(316 305)	404 604	14 073 107
Acquisitions and improvements [(4)]	2 772 751	(4 968)	1 413	2 769 196
Capitalised interest [(1)]	4 556	–	58	4 614
Disposals	(143 374)	1 781	–	(141 593)
Fair value adjustment [(3)]	663 162	(42 016)	(29 164)	591 982
Transfer from property under development	31 351	–	(31 351)	–
Transfer to property, plant and equipment [(2)]	(2 389)	–	–	(2 389)
Transfer to property under development [(3)]	(1 379 827)	–	1 379 827	–
Transfer to properties classified as held for sale	(359 621)	–	–	(359 621)
Closing balance at 31 December 2023	15 571 417	(361 508)	1 725 387	16 935 296

(1) Refer to note 31.
(2) This relates to the fair value transfer of owner-occupied property. Refer to note 9.
(3) Included are properties undergoing significant refurbishments and development.
(4) Included in this amount is the R2.5 billion for the acquisition of Indluplace.

	GROUP	
	2024 R 000	2023 R 000
Letting commissions and tenant installations		
Carrying value at the beginning of the year	**34 165**	38 842
Amortisation during the year	**(18 703)**	(13 738)
Additions during the year	**16 764**	9 156
Transfers to property classified as held for sale [(5)]	**(86)**	(95)
Carrying value at the end of the year	**32 140**	34 165
Non-current assets	**15 691**	18 518
Current assets	**16 449**	15 647
	32 140	34 165

(5) As detailed in note 16.

Market values of investment properties are not available from observable market data. Investment properties are therefore valued as detailed below in terms of level 3 valuation techniques as set out by IFRS 13 (see note 4.2.1).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

5. INVESTMENT PROPERTY *CONTINUED*

Details of valuation techniques

The valuation techniques used in measuring fair values at 31 December 2024 for investment property measured at fair value in the statement of financial position, as well as the significant unobservable inputs used are disclosed below.

Independent external valuators (Quadrant Properties and Yield Enhancement Solutions) were appointed to conduct the Group's December 2024 property valuations. The Group provided the valuers with property and other information required in the valuation of the properties. Among other inputs, the independent valuers applied current market-related assumptions to the risks in rental streams of properties. Once the valuations had been completed by the independent valuers, they were reviewed internally and approved by the Board. The valuers are registered valuers in terms of Section 19 of the Property Valuers Professional Act (Act No 47 of 2000). Quadrant Properties and Yield Enhancement Solutions performed the valuation of investment properties for both the current year as well as the previous year and applied valuation techniques that are consistent with those applied in the previous year. The independent valuers have appropriate qualifications and experience in the valuation of properties in the relevant locations.

The independent valuers' details are as follows:
Quadrant Properties, P. Parfitt, NDip (Prop Val), MRICS, Professional Valuer; and
Yield Enhancement Solutions, R. Collins, Professional Valuer.

Valuation methodology

The valuation of all non-residential revenue producing real estate is calculated by determining future contractual and market related net income excluding corporate costs, as well as a terminal realisation value for the property and discounting this income stream to calculate a net present value. This is performed over a five-year (2023: five-year) period in order to reasonably revert all cash flow to a market-related rate. The terminal value (residual value) is calculated by capitalising the sixth (2023: sixth) year's net revenue and discounting this value to present. The discount rate is determined as a forward yield rate (capitalisation rate), a risk margin is then added to it (as related to the nature and contracts of the property) and then it is adjusted for the forward growth rate associated with the cash flow as related to the market. There are reasonable market observable transactions to support the capitalisation rate, growth rate and risk considerations as applied. South African Property Owners' Association (SAPOA) also publishes data tables on which these assumptions may be benchmarked. Adjustments are made to the present value calculated, to adjust for immediate capital expenditure requirements, as would be reasonably considered between a willing buyer and a willing seller.

As residential property is not subject to long-term leases, discounted cash flows cannot be used to value this sector. Instead, the valuation is determined as a function of current rental streams and the capitalisation rate (cap rate), excluding corporate costs.

The fair value of investment property was approved on 4 February 2025 by the Board.

GROUP				
Unobservable Inputs as considered in the December 2024 valuation report				
	Retail [1]	**Commercial**	**Industrial**	**Residential**
Expected market rental growth rate	5.40%	1.90%	4.70%	3.00%
Occupancy rate	95.00%	94.00%	99.00%	94.50%
Vacancy periods	0 - 1 month	0 - 2 months	0 - 1 month	0 - 1 month
Rent free periods	0 - 3 months	0 - 4 months	0 - 1 month	0 - 1 month
Discount rates	13.00% - 16.50%	14.75% - 16.00%	13.75% - 16.00%	N/A
Capitalisation rates	8.75% - 11.50%	9.75% - 11.00%	8.75% - 10.50%	8.00% - 12.50%
Exit capitalisation rates	8.25% - 12.75%	10.00% - 13.25%	9.00% - 11.25%	N/A
Expected expense growth - municipal	7.80%	6.60%	7.20%	6.40%
Expected expense growth - controllable	5.00%	5.00%	4.00%	4.50%
Valuation method	Discounted cash-flow	Discounted cash-flow	Discounted cash-flow	Capitalisation of net income earnings

[1] Includes storage.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

5. INVESTMENT PROPERTY *CONTINUED*

GROUP				
Unobservable Inputs as considered in the December 2023 valuation report				
	Retail [(1)]	**Commercial**	**Industrial**	**Residential**
Expected market rental growth rate	4.70%	0.00%	3.90%	1.20%
Occupancy rate	94.00%	83.00%	95.00%	93.00%
Vacancy periods	0 - 3 months	0 - 6 months	0 - 1 month	0 - 2 months
Rent free periods	0 - 2 months	0 - 4 months	0 - 1 month	0 - 1 month
Discount rates	13.50%-16.00%	15.25% - 16.25%	13.00% -16.50%	N/A
Capitalisation rates	8.00% - 10.50%	9.75% - 10.75%	8.00% - 11.00%	8.00% - 12.25%
Exit capitalisation rates	8.25% -11.25%	10.00% - 11.25%	8.00% - 11.25%	N/A
Expected expense growth - municipal	8.80%	8.60%	8.20%	6.45%
Expected expense growth - controllable	5.25%	4.00%	4.00%	4.75%
Valuation method	Discounted cash-flow	Discounted cash-flow	Discounted cash-flow	Capitalisation of net income earnings

(1) Includes storage.

Certain properties are subject to mortgage bonds in favour of lenders as detailed in note 18.

The following table analyses the investment properties that are measured at fair value subsequent to initial recognition.

	GROUP	
	2024 R 000	**2023 R 000**
Investment property		
At valuation	**15 374 841**	15 571 417
Property under development	**1 523 840**	1 725 387
Held for disposal [(1)]	**1 044 161**	424 615
	17 942 842	17 721 419

(1) Refer to note 16.

Management has reviewed the methodology and assumptions and are satisfied that the valuations are representative of the current and projected portfolio performance. Valuation of investment property is sensitive to changes of inputs used in determining their fair value. The table below illustrates the sensitivity in fair value to changes of unobservable inputs, whilst holding the other inputs constant. The sensitivity analysis is based on the exposure to the discount rates, growth rates, cap rate and vacancy rates at the reporting date which are the most sensitive variables in determining the valuation.

Sensitivity of fair values to changes in unobservable inputs
A 50 basis points increase or decrease in the discount rate and a 100 basis points increase or decrease in exit cap rates (non-residential) and cap rates (residential), represents management's reasonable assessment of the possible change in market rates which will have the following impact on the investment property value:

	GROUP		
	Capitalisation rate 2024		
	(1.0%) R 000	**Current R 000**	**1.0% R 000**
Discount rate			
(0.50%)	**19 676 129**	**18 131 259**	**16 738 149**
Current	**19 438 534**	**17 942 842**	**16 543 810**
0.50%	**19 214 855**	**17 729 370**	**16 288 959**

	GROUP		
	Capitalisation rate 2023		
	(1.0%) R 000	**Current R 000**	**1.0% R 000**
Discount rate			
(0.50%)	19 417 750	17 900 104	16 536 480
Current	19 206 587	17 721 419	16 356 944
0.50%	19 000 461	17 517 321	16 181 628

5. INVESTMENT PROPERTY *CONTINUED*

Sensitivity of fair values to changes in unobservable inputs ***continued***

A 100 basis points increase or decrease in revenue growth rates represents management's reasonable assessment of the possible change in market rates which will have the following impact on the investment property value:

	GROUP			
	Growth rate 2024			
Sector	**Weighted growth rate**	**(1.0%) R 000**	**Current R 000**	**1.0% R 000**
Industrial	**4.91%**	**3 275 970**	**3 330 850**	**3 394 873**
Retail	**5.33%**	**6 967 734**	**7 084 460**	**7 220 633**
Commercial	**2.25%**	**201 313**	**205 274**	**209 894**
Residential	**N/A**	**–**	**–**	**–**

	GROUP			
	Growth rate 2023			
Sector	**Weighted growth rate**	**(1.0%) R 000**	**Current R 000**	**1.0% R 000**
Industrial	4.40%	3 187 970	3 278 400	3 375 113
Retail	4.90%	6 671 202	6 884 287	7 082 301
Commercial	1.40%	246 106	260 000	264 505
Residential	N/A	–	–	–

A 100 basis points increase or decrease in the vacancy rates represents management's reasonable assessment of the possible change in market rates which will have the following impact on the investment property value:

	GROUP			
	Vacancy rate 2024			
Sector	**Weighted vacancy rate**	**(1.0%) R 000**	**Current R 000**	**1.0% R 000**
Industrial	**1.00%**	**3 348 727**	**3 330 850**	**3 316 849**
Retail	**2.90%**	**7 122 483**	**7 084 460**	**7 054 680**
Commercial	**6.50%**	**208 025**	**205 274**	**202 180**
Residential	**4.39%**	**7 374 796**	**7 322 258**	**7 268 757**

	GROUP			
	Vacancy rate 2023			
Sector	**Weighted vacancy rate**	**(1.0%) R 000**	**Current R 000**	**1.0% R 000**
Industrial	1.00%	3 285 026	3 278 400	3 271 194
Retail	3.10%	6 899 801	6 884 287	6 867 121
Commercial	7.00%	263 501	260 000	255 401
Residential	4.10%	7 459 023	7 298 733	7 184 522

Between December 2023 and December 2024, SA Corporate's valuation metrics reflect a more positive economic and political environment, with risk margins reducing across most property sectors. The industrial portfolio's cap rates has marginally widened, while discount rates have tightened by 44bps, driven by a reduction in the risk margin. Retail cap rates remained flat, but discount rates tightened by 49bps, indicating lower perceived risk. Similarly, commercial cap rates were stable, while discount rates tightened by 52bps, driven by improved sentiment. Residential cap rates have only tightened slightly (4bps) despite strong like-for-like performance, with rental escalation concerns arising out of inflationary pressures on the target market is seen as limiting further compression. In Zambia, both capitalisation and discount rates tightened, reflecting asset quality and growing investor confidence.

Despite improving rental growth prospects across the portfolio, assumptions around vacancy, bad debt, escalations, and reversions have seen marginal changes, suggesting a cautious approach to forecasting. The overall reduction in risk margins, particularly in the retail and commercial sectors, suggests greater economic stability and improving investor sentiment across the property sector.

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CONTINUED ***For the year ended 31 December 2024***

6. INVESTMENT IN JOINT ARRANGEMENTS

The Group has multiple joint arrangements, including investments in JVs and joint operations. In the JV arrangements, the owners provide unanimous consent in the decision making which drives the profitability of the arrangements. In the joint operation, the owners have a direct right to the asset and obligation in respect of the liability, namely the investment property and shareholder's loan. By contrast, in the JV, the owners have a right to the net assets of the business, which is generally indicated when the owners have a joint shareholding in a property holding company.

All joint arrangements are strategic to the Group's activities.

Joint operations

Jointly controlled operations are accounted for by including the Group's share of the jointly controlled assets, liabilities, revenues and expenses on a line-by-line basis in the annual financial statements from the date that joint control commences until the date that joint control ceases. The Group accounts for these assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with IFRS 11: Joint Arrangements.

Details of the Group's material joint operations at the end of the reporting period are as follows:

Name of joint operation	Principal activity	Place of incorporation and principal place of business	Portion of ownership		Distribution share [(1)]	
			2024	2023	2024	2023
			%	%	R 000	R 000
Umlazi Mega City	Property entity earning net rental income	Durban, KwaZulu-Natal, South Africa	**75%**	75%	**47 183**	49 565
50 Griffiths Mxenge Highway	Property entity earning net rental income	Durban, KwaZulu-Natal, South Africa	**75%**	75%	**1 889**	1 598

(1) The prior year distribution share has been represented to reflect distribution share before the deduction of the dividend paid.

These jointly controlled operations are not in separate legal entities, but are governed by co-owner agreements, which stipulate the right to the assets and obligation to the liabilities.

The reconciliation of the summarised financial information set out below is based on the joint arrangement in full and not the Group's ownership thereof.

RETURN TO CASH FLOWS

RETURN TO COMPREHENSIVE INCOME

RETURN TO FINANCIAL POSITION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

6. INVESTMENT IN JOINT ARRANGEMENTS *CONTINUED*

	GROUP	
2024 R 000	**Umlazi Mega City**	**50 Griffiths Mxenge Highway**
Non-current assets	**857 030**	**51 046**
Current assets	**63 539**	**4 360**
Total assets	**920 569**	**55 406**
Non-current liabilities	**(318 423)**	**(43 519)**
Current liabilities	**(285 789)**	**(7 900)**
Total liabilities	**(604 212)**	**(51 419)**
Revenue	**160 752**	**12 092**
Profit from joint operations	**105 847**	**5 216**

	GROUP	
2023 R 000	**Umlazi Mega City**	**50 Griffiths Mxenge Highway**
Non-current assets	815 314	49 681
Current assets	91 207	3 910
Total assets	906 521	53 591
Non-current liabilities	(314 403)	(43 519)
Current liabilities	(342 082)	(10 869)
Total liabilities	(656 485)	(54 388)
Revenue	145 083	7 551
Profit from joint operations	90 015	3 914

Joint ventures

The Group accounts for the investments in JVs using the equity method. The JVs are initially recognised at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the JVs. The Company accounts for investment in JVs at fair value with changes going through profit and loss.

Foreign JVs

The Group has 50% ownership in the Mauritian legal entities, which have 99.9% ownership in the Zambian entities. The principal place of business is Lusaka, Zambia.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

6. INVESTMENT IN JOINT ARRANGEMENTS *CONTINUED*

Details of the Group's material JVs are as follows:

	GROUP AND COMPANY			
	Foreign JVs			
2024 **R 000**	**Ancona Mauritius Limited**	**Graduare Mauritius Limited**	**Premier LM & C Mauritius Limited**	**Total**
Non-current assets	316 209	2 592 847	570 185	3 479 241
Current assets	42 988	498 384	1 994	543 366
Total assets	359 197	3 091 231	572 179	4 022 607
Non-current liabilities	–	852 164	164 471	1 016 635
Current liabilities	2 061	71 097	21 934	95 092
Total liabilities	2 061	923 261	186 405	1 111 727
Net assets	357 136	2 167 970	385 774	2 910 880
Net assets attributable to shareholders	357 136	2 167 970	385 774	2 910 880
Revenue	26 558	272 621	53 798	352 977
Profit/(loss) from JVs	50 300	(2 148)	62 358	110 510
Fair value movement in investment property included in profit/(loss) above	43 261	(79 493)	27 242	(8 990)
Reconciliation of the above summarised information				
Net assets of the JVs	357 136	2 167 970	385 774	2 910 880
Proportion of the Group's ownership interest in the JVs	50%	50%	50%	50%
Carrying amount of the Group's interest in JVs	178 568	1 083 985	192 887	1 455 440

In terms of the five year tax indemnity, Graduare Mauritius tax exemption is still applicable for the 2024 financial year, and the Group is still entitled to be compensated for the tax incurred in Zambia.

	GROUP AND COMPANY			
	Foreign JVs			
2024 **R 000**	**Ancona Mauritius Limited**	**Graduare Mauritius Limited**	**Premier LM & C Mauritius Limited**	**Total**
Non–current assets				
Investment property	–	2 579 380	–	2 579 380
Furniture and equipment	148	216	–	364
Rent receivable – straight–line rent adjustment	–	6 886	1 785	8 671
Capital work in progress	–	1 263	–	1 263
Investments	316 061	5 102	568 400	889 563
Current assets				
Cash and cash equivalents	10 055	32 038	1 102	43 195
Shareholders loan	–	379 560	–	379 560
Trade and other receivables	1 036	83 620	–	84 656
Rent receivable – straight–line rent adjustment	–	3 165	119	3 284
Non–current liabilities				
Shareholders loan	–	–	162 567	162 567
Lease liability	–	10 051	1 904	11 955
Interest–bearing borrowings	–	837 928	–	837 928
Finance charges				
Finance cost	–	(92 324)	(13 054)	(105 378)

The table above indicates material balances.

6. INVESTMENT IN JOINT ARRANGEMENTS *CONTINUED*

Details of the Group's material JVs are as follows:

	GROUP AND COMPANY			
	Foreign JVs			
2023 **R 000**	**Ancona Mauritius Limited**	**Graduare Mauritius Limited**	**Premier LM & C Mauritius Limited**	**Total**
Non-current assets	258 152	2 822 877	1 131 202	4 212 231
Current assets	26 044	199 144	113 037	338 225
Total assets	284 196	3 022 021	1 244 239	4 550 456
Non-current liabilities	7 293	855 656	687 003	1 549 952
Current liabilities	9 102	74 828	66 044	149 974
Total liabilities	16 395	930 484	753 047	1 699 926
Net assets	267 801	2 091 537	491 192	2 850 530
Non-controlling Interest	–	–	(260 634)	(260 634)
Net assets attributable to shareholders	267 801	2 091 537	230 558	2 589 896
Revenue	25 391	260 637	51 433	337 461
Profit from JVs	16 141	70 656	26 247	113 043
Fair value movement in investment property included in profit/(loss) above	21 963	225 859	(250 907)	(3 084)
Reconciliation of the above summarised information				
Net assets of the JVs	267 801	2 091 537	230 558	2 589 896
Proportion of the Group's ownership interest in the JVs	50%	50%	50%	50%
Carrying amount of the Group's interest in JVs	133 900	1 045 769	115 279	1 294 948

	GROUP AND COMPANY			
	Foreign JVs			
2023 **R 000**	**Ancona Mauritius Limited**	**Graduare Mauritius Limited**	**Premier LM & C Mauritius Limited**	**Total**
Non–current assets				
Investment property	256 440	2 517 942	1 096 768	3 871 150
Furniture and equipment	256	541	15 980	16 777
Rent receivable – straight–line rent adjustment	1 460	8 009	10 022	19 491
Capital work in progress	–	100 560	8 432	108 992
Shareholders loan	–	195 827	–	195 827
Current assets				
Cash and cash equivalents	19 830	33 785	89 078	142 693
Shareholders loan	–	68 663	–	68 663
Trade and other receivables	6 087	95 478	22 218	123 783
Rent receivable – straight–line rent adjustment	127	1 218	568	1 913
Non–current liabilities				
Shareholders loan	5 706	–	224 778	230 484
Lease liability	1 587	9 226	9 216	20 029
Interest–bearing borrowings	–	846 431	341 001	1 187 432
ROU liability	–	–	55 216	55 216
Preference shares	–	–	36 792	36 792
Finance charges				
Finance cost	–	(91 688)	(12 964)	(104 652)

The table above indicates material balances.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

6. INVESTMENT IN JOINT ARRANGEMENTS *CONTINUED*

The value of the investment in the JVs is deemed to be that of the underlying investment properties, as the JVs fully distribute all distributable income. The fair value of the entire portfolio of investment property was determined by independent registered valuers and approved on 4 February 2025 by the Board.

	GROUP	
Reconciliation of investments in JVs	**2024 R 000**	**2023 R 000**
Carrying value at beginning of year	**1 294 948**	1 201 078
Net profit from investment in JVs [1]	**55 254**	56 522
Foreign currency translation reserve	**93 473**	53 770
Development equity – cash paid [2]	**53 186**	127 447
Advance from JVs	**(41 421)**	(39 067)
Equity release	**–**	(104 802)
Carrying value at end of year	**1 455 440**	1 294 948

(1) The profit from the JVs is due to the profit in the underlying company.
(2) Development equity contribution to the Calgo 88 development during 2024 year and phases 5, 6, 7 during the 2023 year in Zambia.

	COMPANY	
Reconciliation of Investments in JVs	**2024 R 000**	**2023 R 000**
Carrying value at beginning of year	**1 294 948**	1 201 078
Revaluation of Investment in JVs	**13 833**	56 522
Foreign exchange adjustment	**93 473**	53 770
Development equity – cash paid [1]	**53 186**	127 447
Advance from JVs	**–**	(39 067)
Equity release	**–**	(104 802)
Carrying value at end of year	**1 455 440**	1 294 948

(1) Development equity contribution to the Calgo 88 development during 2024 year and phases 5, 6, 7 during the 2023 year in Zambia.

The value of the investment in the JVs is deemed to be that of the underlying net asset value of the investment property companies, as the JVs fully distribute all distributable income. Refer note 4.2.1 for further information relating to the fair value input assumptions used in determining the fair value of the JVs.

The sensitivity analysis is based on the exposure to the discount rates and growth rates at the reporting date, which is the most sensitive variable in determining the valuation of the underlying investment property, and the most significant input in the valuation of the JVs.

A 50 basis points increase or decrease in the discount rate and a 100 basis points increase or decrease in growth rates represents management's reasonable assessment of the possible change in market rates.

	COMPANY		
	(1.0%) R 000	**Capitalisation rate Current R 000**	**1.0% R 000**
Investment in JVs 2024			
Discount rate			
(0.5%)	**1 543 494**	**1 528 212**	**1 512 930**
Current	**1 469 994**	**1 455 440**	**1 440 885**
0.5%	**1 396 494**	**1 382 668**	**1 368 841**
Investment in JVs 2023			
Discount rate			
(0.5%)	1 314 437	1 301 423	1 288 409
Current	1 307 897	1 294 948	1 281 999
0.5%	1 301 358	1 288 473	1 275 589

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

7. INVESTMENTS AND LOANS TO/(FROM) SUBSIDIARY COMPANIES

	COMPANY					
Subsidiary companies	**2024 R 000**	2023 R 000	**2024 R 000**	2023 R 000	**2024 R 000**	2023 R 000
	Current loans		**Non-current loans**		**Investments**	
Diluculo Properties Proprietary Limited and its subsidiaries [(1)]	**106 177**	54 640	**4 797 512**	4 881 203	**551 251**	743 202
Blue Heron Proprietary Limited	**(5 285)**	(4 208)	**(84 540)**	(33 585)	**18 068**	35 704
Dune Lark Investments Proprietary Limited	**(5 282)**	(4 881)	**(84 270)**	(51 336)	**103 808**	58 888
Erf 84-85-86 Shakas Head Proprietary Limited	**(2 020)**	(3 094)	**(47 425)**	(21 635)	**55 934**	27 547
Grey Heron Investments Proprietary Limited	**(3 472)**	(3 437)	**(51 700)**	(23 133)	**25 308**	–
Jrad Investments Proprietary Limited	**(84)**	(84)	**4 675**	(2)	**11 648**	10 059
Madison Park Properties 24 Proprietary Limited	**(91 020)**	(94 728)	**178 985**	196 276	**–**	–
Rock Kestrel Investments Proprietary Limited	**–**	–	**(4 800)**	(4 868)	**2 595**	4 954
SA Corporate Real Estate Fund Managers Proprietary Limited	**85 746**	82 156	**115**	–	**–**	–
SA Retail Properties Proprietary Limited and its subsidiaries	**(1 173 786)**	(886 384)	**(2 082 732)**	(2 053 685)	**6 610 738**	6 589 680
Stondell Investments Proprietary Limited	**2 897**	2 802	**(2 769)**	(2 769)	**–**	–
Umlazi Mega City Proprietary Limited	**(4 192)**	(3 545)	**223 484**	159 754	**95 109**	84 151
K2023276660 SOUTH AFRICA Proprietary Limited [(2)]	**(3 472)**	(3 437)	**(36 605)**	–	**11 091**	64 564
Wood Ibis Investments Proprietary Limited	**(64 512)**	(65 869)	**12 695**	12 203	**53 930**	54 071
	(1 158 305)	(930 069)	**2 822 625**	3 058 423	**7 539 480**	7 672 820
Disclosed as:						
Non-current intercompany asset	**–**	–	**5 217 466**	5 249 436	**7 539 480**	7 672 820
Non-current intercompany liability	**–**	–	**(2 394 841)**	(2 191 013)	**–**	–
Current intercompany asset	**194 820**	180 687	**–**	–	**–**	–
Current intercompany liability	**(1 353 125)**	(1 110 756)	**–**	–	**–**	–
	(1 158 305)	(930 069)	**2 822 625**	3 058 423	**7 539 480**	7 672 820

(1) In line with the Group's corporate restructure, as detailed in note 41, the Company disposed of its investment in Afhco Holdings Proprietary Limited and recognised the investment in Diluculo Properties Proprietary Limited, which it acquired from Indluplace (post acquisition).

(2) This entity was newly incorporated in line with the Group's corporate restructure, as detailed in note 41.

The intercompany loans are unsecured and interest free. No specific repayment terms exist. The non-current loans are viewed as long-term loans to the subsidiaries and as such are only expected to be redeemed if the underlying property is sold.

Management deemed the ECL to be R44.1 million (2023: R44.1 million) relating to Madison Park Properties 24 Proprietary Limited and is included in the loan balance above. The loans are supported by the underlying investment properties. The ECL on loans receivables is limited to the net asset value of the subsidiaries.

SA Retail 's claims against certain of its subsidiary companies were also subordinated in favour of creditors to the extent of the deficit of the shareholder equity of the companies of R29.8 million (2023: R35.2 million). SA Retail is the borrower on behalf of the Group. Any non working capital advances from SA Retail will only be repaid as the Interest-bearing borrowings are settled from the sale of investment properties, listed shares or equity issuances. Since the properties are held to generate returns and not for resale, unless the sustained returns are not satisfactory to the Group or no longer aligns with the Group's strategy, these loans are not repayable in the next 12 months.

The value of the investment in the property companies is deemed to be that of the underlying companies' net asset value. The fair value of the entire portfolio of investment property was determined by independent registered valuers and approved on 4 February 2025 by the Board. Refer to note 5.

The Company holds 100% of share capital for all subsidiaries. The principal place of operations of all entities is Johannesburg.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

7. INVESTMENTS AND LOANS TO/(FROM) SUBSIDIARY COMPANIES *CONTINUED*

Level 3 (as detailed in note 4)

	COMPANY	
	2024 R 000	**2023 R 000**
Financial assets designated as at FVTPL		
Carrying value at beginning of year	**7 672 820**	7 314 383
Fair value (loss)/gain in investment in subsidiary companies recognised through profit or loss	**(133 340)**	576 584
Disposal of investment in subsidiary [(1)]	**–**	(218 147)
Carrying value at end of year	**7 539 480**	7 672 820

[(1)] Disposal of Afhco Holdings and its subsidiaries to Diluculo Group as part of the corporate restructure, refer to note 41.

The value of the investment in subsidiaries is deemed to be that of the underlying properties, refer to note 5 of the annual financial statements.

8. ACQUISITION OF SUBSIDIARIES

In the prior year, the Group acquired 100% of the issued share capital of Indluplace for a cash consideration of R3.40 per share through a Group subsidiary. Control was obtained on 1 August 2023 with the resignation of the previous Board and the appointment of the new Board. In line with the scheme of arrangement, Indluplace was subsequently delisted from the JSE. The Group elected to apply the optional concentration test in IFRS 3 which concluded that substantially all of the fair value of the gross assets acquired was concentrated in a single identifiable asset (Investment Property). The acquisition has therefore been accounted for as an asset acquisition. The Group has therefore consolidated the results of the Indluplace operations for the five months ended 31 December 2023, as well as its assets and liabilities at year-end in the Group's financial results for the prior year ended 31 December 2023.

The assets and liabilities recognised in the annual statement of financial position on the date of the acquisition were as follows:

	GROUP
Asset acquisition: Indluplace	**2023 R 000**
Assets	**100%**
Investment property	2 444 954
Property plant and equipment	2 497
Cash and cash equivalents	110 606
ROU assets	2 706
Trade and other receivables	96 237
Derivatives	14 748
Deferred tax asset	2 568
Total Assets	2 674 316
Liabilities	
Secured financial liabilities	(1 344 620)
Lease liabilities	(3 828)
Trade and other payables	(179 941)
Total Liabilities	(1 528 389)
Fair value of net assets acquired	1 145 927
Purchase consideration	1 145 927
Net cash flow on acquisition	
Purchase consideration	1 145 927
Less cash and cash equivalents of subsidiary acquired	(110 606)
Net cash outflow on acquisition	1 035 321

RETURN TO CASH FLOWS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

9. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially measured at cost, including any directly attributable transaction costs.

Property, plant and equipment, excluding buildings, are carried at cost less accumulated depreciation and any impairment losses. Buildings are carried at their fair value using the revaluation model. Property, plant, and equipment is depreciated on the straight-line basis over its expected useful life to its estimated residual value and depreciation ceases when the residual value exceeds the carrying value. The residual value, useful life and depreciation method of each asset is reviewed at the end of each reporting period. Management assesses the asset for impairment when there is an indication of impairment.

The gain or loss arising from derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Years
Plant and machinery	6
Furniture and fixtures	6
Motor vehicles	5

Item	Years
Office equipment	3
IT equipment	3
Computer software	3

	GROUP					
	2024 R 000			2023 R 000		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Plant and machinery	**12 475**	**(6 277)**	**6 198**	19 298	(10 974)	8 324
Furniture and fixtures	**19 415**	**(13 523)**	**5 892**	16 693	(11 381)	5 312
Motor vehicles	**1 908**	**(1 862)**	**46**	1 859	(1 794)	65
Office equipment	**2 269**	**(850)**	**1 419**	2 258	(841)	1 417
IT equipment	**34 490**	**(21 786)**	**12 704**	16 556	(12 960)	3 596
Computer software	**6 632**	**(5 991)**	**641**	6 369	(5 601)	768
Buildings [(1)]	**35 126**	**–**	**35 126**	25 617	–	25 617
Total	**112 315**	**(50 289)**	**62 026**	88 650	(43 551)	45 099

Reconciliation of property, plant and equipment – 2024

	GROUP					
R 000	Opening Balance	Additions	Disposals	Transfer from investment property	Depreciation	Closing Balance
Plant and machinery	**8 324**	**3 156**	**(1 004)**	**–**	**(4 278)**	**6 198**
Furniture and fixtures	**5 312**	**2 579**	**(2)**	**–**	**(1 997)**	**5 892**
Motor vehicles	**65**	**23**	**–**	**–**	**(42)**	**46**
Office equipment	**1 417**	**10**	**–**	**–**	**(8)**	**1 419**
IT equipment	**3 596**	**10 102**	**–**	**–**	**(994)**	**12 704**
Computer software	**768**	**37**	**–**	**–**	**(164)**	**641**
Buildings	**25 617**	**–**	**–**	**9 509**	**–**	**35 126**
	45 099	**15 907**	**(1 006)**	**9 509**	**(7 483)**	**62 026**

RETURN TO CASH FLOWS

RETURN TO FINANCIAL POSITION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

9. PROPERTY, PLANT AND EQUIPMENT *CONTINUED*

Reconciliation of property, plant and equipment – 2023

	GROUP					
R 000	**Opening Balance**	**Additions [1]**	**Disposals**	**Transfer from investment property**	**Depreciation**	**Closing Balance**
Plant and machinery	7 839	4 207	–	–	(3 722)	8 324
Furniture and fixtures	6 566	888	(56)	–	(2 086)	5 312
Motor vehicles	12	78	–	–	(25)	65
Office equipment	139	1 289	–	–	(11)	1 417
IT equipment	3 053	1 436	–	–	(893)	3 596
Computer software	868	79	–	–	(179)	768
Buildings	23 228	–	–	2 389	–	25 617
	41 705	7 977	(56)	2 389	(6 916)	45 099

[1] Included in additions is the acquisition of Indluplace property, plant and equipment of R2.5 million. Refer to note 8.

10. INTANGIBLE ASSETS AND GOODWILL

Intangible assets

Intangible assets arising from business combinations are recognised separately from goodwill, and are initially recognised at their fair value at the acquisition date, which represents their cost. The identification and initial measurement processes are performed as part of the purchase price allocation. The Group has no internally generated intangible assets.

Subsequent to initial recognition, of intangible assets, acquired separately or through a business combination, are reported at cost less accumulated amortisation and impairment losses.

Goodwill

Goodwill is initially measured at cost, being the excess of the purchase price over the Group's share of the net identifiable assets acquired measured at fair value at the date of acquisition.

Where the fair value of the net identifiable assets at fair value exceeds the purchase price, the excess is immediately recognised in the statement of comprehensive income as a gain on bargain purchase.

Where the initial accounting for business combinations has provisionally been determined and new information emerges within 12 months of the acquisition date, adjustments are made to these values against goodwill. In addition, goodwill is adjusted for changes in the estimated value of contingent considerations given in the business combination when they arise.

Goodwill is reflected at cost less any accumulated impairment losses. Goodwill is not amortised but is tested for impairment at each reporting date. Impairment is determined by assessing the recoverable amount, which is the higher of fair value less costs to sell and value in use of the cash-generating unit to which the goodwill relates. The impairment loss is applied firstly to the carrying amount of goodwill; thereafter, any remaining impairment is allocated to the other assets of the acquired business. Impairment losses on goodwill are not reversed.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

10. INTANGIBLE ASSETS AND GOODWILL *CONTINUED*

Goodwill *continued*

R 000	GROUP 2024 Cost	GROUP 2024 Accumulated amortisation	GROUP 2024 Carrying value
The Afhco Brand [(1)]	**71 800**	**–**	**71 800**
Goodwill on the acquisition of Afhco Holdings Proprietary Limited	**10 104**	**–**	**10 104**
Automation software [(2)]	**3 118**	**(3 118)**	**–**
Total	**85 022**	**(3 118)**	**81 904**

R 000	GROUP 2023 Cost	GROUP 2023 Accumulated amortisation	GROUP 2023 Carrying value
The Afhco Brand [(1)]	71 800	–	71 800
Goodwill on the acquisition of Afhco Holdings Proprietary Limited	10 104	–	10 104
Automation software [(2)]	3 118	(2 574)	544
Total	85 022	(2 574)	82 448

(1) The carrying value of the Brand is assessed for impairment at the end of each reporting period as it has an indefinite useful life.
(2) Software implementation cost amortised over three years.

The period in which the Brand will generate net cash inflow is not limited, resulting in the useful life being indefinite. The Brand is determined to have an indefinite useful life based on the relative strength and market recognition. The Brand has been in existence for a considerable period of time. The fair value of the Afhco Brand and goodwill in respect of Afhco Holdings was determined using an income based approach to ascertain if the goodwill and brand is impaired. The discounted cashflows of Afhco was determined using a 10 year (2023: 10 year) forecast and a growth rate of 4.5% (2023: 4.5%) thereafter determining a terminal value. A 10-year period was selected to more accurately reflect the financing period. This aggregated value is discounted using a discount rate of 9.25% (2023: 10.28%). A 500 basis points increase or decrease in the discount rate and growth rate will not result in an impairment.

11. LEASEHOLD PROPERTY

Leasehold property as a lessee:
Leasehold property is in respect of commercial space. All leases are accounted for by recognising a right-of-use (ROU) asset and a lease liability except for:

- Leases of low value assets with a value when new equal to or less than R100 000; or
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term with the discount rate determined by reference to the Group's incremental weighted average cost of debt rate (WACD) 9.14% (2023: 9.55%) on commencement of the lease. This rate represents the Group's marginal cost of funding based on the latest debt margin at the last renewal and a weighted average of a three and five year swap at inception of the lease. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee; and
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

ROU assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease; and
- Initial direct costs incurred.

RETURN TO FINANCIAL POSITION

11. LEASEHOLD PROPERTY *CONTINUED*

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. ROU assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments is dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying value of the ROU asset, with the revised carrying amount being depreciated over the remaining revised lease term.

Any gain or loss arising from the partial or full termination of a lease (i.e. derecognition of the ROU asset and the corresponding lease liability) is recognised in profit or loss in the period in which it arises.

	GROUP	
	2024 R 000	**2023 R 000**
Right-of-use assets		
Recognised at the beginning of the year	**37 383**	12 124
Additions [(1)]	**8 357**	44 521
Depreciation	**(10 212)**	(18 187)
Impairment	**(1 398)**	–
Disposals	**–**	(1 075)
Balance as at the end of the year	**34 130**	37 383
Lease liability		
Recognised at the beginning of the year	**47 467**	16 594
Additions [(2)]	**8 357**	44 890
Derecognition	**–**	(951)
Finance cost	**3 622**	8 373
Lease payments	**(14 097)**	(21 439)
Balance as at the end of the year	**45 349**	47 467
Lease liability [(2)]		
Non-current liability	**36 058**	36 417
Current liability	**9 291**	11 050
Balance as at the end of the year	**45 349**	47 467
Lease expense excluded from lease liabilities		
Low value lease expense	**117**	515
Expense relating to variable lease payments not included in the measurement of lease liabilities	**16 197**	14 708
	16 314	15 223
The minimum future lease payments payable under non-cancellable leases are as follows:		
Not later than 1 year	**16 114**	19 813
Later than 1 year and not later than 5 years	**38 190**	37 693
Later than 5 years	**26 368**	29 926
	80 672	87 432
The future minimum sub-lease payments receivable under non-cancellable leases are as follows:		
Not later than 1 year	**68 365**	43 470
Later than 1 year and not later than 5 years	**74 849**	69 724
Later than 5 years	**96 419**	100 380
	239 633	213 574

(1) Included in additions is the Indluplace ROU assets of R2.7 million in 2023. Refer to note 8.
(2) Included in lease liability is the Indluplace acquisition of R3.8 million in 2023. Refer to note 8.

In determining the ROU asset and lease liability, renewal options contained in the lease were excluded where the escalation rates were uncertain.

Lease expense relates to leases of land with leases expiring up to 2041 (2023: 2029), with certain leases containing lease extensions. These lease extensions are renegotiated as per the lease agreements and are considered to be new leases.

Lease income from leasehold properties with non-cancellable operating leases relates to leases expiring up to 2044 (2023: 2044).

12. OTHER FINANCIAL ASSETS

	GROUP		COMPANY	
	2024 R 000	2023 R 000	2024 R 000	2023 R 000
Non-current assets				
Other financial assets				
Iza Nathi Trading Proprietary Limited [1]	**12 216**	24 000	–	–
Firstmile Properties Ikhayalethu Proprietary Limited and Firstmile Properties Onalerona Proprietary Limited [2]	**9 595**	8 665	–	–
	21 811	32 665	–	–
Current assets				
Other financial assets				
Urban Watch Patrol Proprietary Limited [3]	**255**	267	–	–
Benav Properties Proprietary Limited [4]	**463**	3 017	–	–
Iza Nathi Trading Proprietary Limited [1]	**21 571**	16 191	–	–
	22 289	19 475	–	–
Total other financial assets	**44 100**	52 140	–	–
Level 1 as detailed in note 4				
Reconciliation of investment in listed shares				
Carrying value at beginning of the year	–	168 993	–	168 993
Fair value loss	–	(910)	–	(910)
Proceeds on sale of shares	–	(164 083)	–	(164 083)
Loss on sale of shares	–	(4 000)	–	(4 000)
Carrying value at end of year	–	–	–	–

(1) The loan arose due to vendor financing for the sale of Erf 896 Celtisdal Extension 20 township from SA Retail Properties (Pty) Ltd to Iza Nathi Trading Proprietary Limited ("Iza Nathi"). The loan bears interest at the prime overdraft rate plus 3% and is secured by a second bond over the property. In addition, the Group has reserved the right to settle the amount due to the primary bond holder and take transfer of the primary bond and holds personal sureties from the shareholder of Iza Nathi. The repayment terms were restructured in June 2024. In terms of the new repayment agreement an amount of R10.85 million was payable by 31 December 2024, a further R25.20 million (inclusive of interest) is due to be paid by 31 December 2025 and the balance of the loan will be settled by 31 December 2026. The payable amounts have been broken down into monthly instalments and at 31 December 2024, Iza Nathi had repaid the instalments due in terms of the new agreement. Management considers the ECL to be negligible as the amount is adequately secured.

(2) The loan arose due to vendor financing to enable Firstmile Properties Ikhayalethu Proprietary Limited and Firstmile Properties Onealerona Proprietary Limited ("Firstmile")to discharge its obligation to pay the VAT amount due to Afhco. The loan bears interest at the prime overdraft rate plus 1% and is secured by a second bond over the property. In addition, the Group has reserved the right to settle the amount due to the primary bond holder and take transfer of the primary bond. Repayment of the loan is due on 22 August 2026 unless Firstmile receive a refund of the VAT amount from the South African Revenue Service, which will trigger an immediate repayment of the loan. Management considers the ECL to be negligible as the outstanding balance is adequately secured.

(3) During 2022, R324 800 was provided as support to Urban Watch Patrol as part of the Group's supplier development initiative. The loan is secured by the vehicles, at the prime interest rate and payable in full on 1 December 2025. Management considers the ECL to be negligible as the amount is adequately secured by the underlying vehicles.

(4) The loan arose due to vendor financing for the sale of Kempton Park Shoprite Checkers from SA Retail Properties (Pty) Ltd to Benav Properties (Pty) Ltd ("Benav'). The loan bears interest at the prime overdraft rate plus 2% and is secured by a second bond over the property. In addition, the Group has reserved the right to settle the amount due to the primary bond holder and take transfer of the primary bond and holds personal sureties from the shareholder of Benav. The final tranche of R 12.0 million was due on or before 30 June 2023. In the current year an amount of R2.55 million was settled against the loan amount owing to Benav and the remaining balance of R0.46 million is due to be settled by 31 December 2025.

13. SWAP DERIVATIVES

	GROUP	
	2024 R 000	**2023 R 000**
Swap derivatives at fair value through profit or loss:		
Interest rate swap derivatives		
Non-current assets	**1 753**	5 100
Current assets	**7 397**	58 472
Non-current liabilities	**(7 895)**	–
Current liabilities	**(6 945)**	(5 259)
Carrying amount of net (liability)/asset	**(5 690)**	58 313
Reconciliation of interest rate swap derivatives		
Carrying value at beginning of year	**58 313**	60 223
Additions during the year [(1)]	**–**	14 747
Fair value loss	**(63 067)**	(16 657)
Foreign exchange adjustment	**(936)**	–
Carrying value at end of year	**(5 690)**	58 313
Cross currency swap derivatives		
Reconciliation of cross-currency swap derivatives		
Carrying value at beginning of year	**–**	(50 948)
Fair value gain	**–**	2 482
Settlement of swap	**–**	48 466
Carrying value at end of year	**–**	–
Total swap derivatives		
Non-current assets	**1 753**	5 100
Current assets	**7 397**	58 472
Non-current liabilities	**(7 895)**	–
Current liabilities	**(6 945)**	(5 259)
Carrying amount of net asset	**(5 690)**	58 313
Reconciliation of swap derivatives		
Carrying value at beginning of year	**58 313**	9 275
Fair value loss	**(63 067)**	(14 175)
Foreign exchange adjustment	**(936)**	–
Additions during the year	**–**	14 747
Settlement of swap	**–**	48 466
Carrying value at end of year [(2)]	**(5 690)**	58 313

(1) Relates to Indluplace acquisition in prior year.
(2) Level 2 fair value measurement, as detailed in note 4.

The ABSA cross-currency loans were settled on maturity in the prior year.

Interest rate swap agreements for 1-5 years linked to JIBAR or SOFR have been concluded to convert floating rates to fixed rates. The total nominal value of active swaps are R5.3 billion (2023: R5.7 billion) which includes USD27 million. The Group currently has no forward starting swaps which are yet to commence (R0.8 million at 31 December 2023).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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14. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2024 R 000	2023 R 000	**2024 R 000**	2023 R 000
Refer to note 1 for the accounting policy				
Financial instruments at amortised cost:				
Trade receivables (including VAT)	**106 450**	145 081	**–**	–
Provision for ECL (excluding VAT)	**(37 167)**	(50 417)	**–**	–
Trade receivables net of provision for ECL	**69 283**	94 664	**–**	–
Other receivables, accrued income and accrued interest [1]	**308 120**	271 505	**–**	852
Non-financial instruments:				
Prepayments	**36 841**	35 355	**–**	252
VAT	**10 327**	1 354	**–**	–
Total trade and other receivables	**424 571**	402 878	**–**	1 104
Provision for ECL				
The movement in the provision for ECL during the year was as follows:				
Balance at the beginning of the year	**50 417**	48 801	**–**	–
Amounts written off during the year	**(22 313)**	(9 346)	**–**	–
Additional provisions recognised	**9 063**	10 962	**–**	–
Balance at the end of the year	**37 167**	50 417	**–**	–
Trade debtors including VAT	**106 450**	145 081	**–**	–
VAT thereon	**(7 986)**	(10 168)	**–**	–
Trade debtors excluding VAT	**98 464**	134 913	**–**	–

[1] This balance includes deposits with municipal authorities, which will be recouped when a building is sold. Historically, amounts written off are considered to be irrecoverable and the risk, in respect of the remainder, has been assessed to be negligible.

The carrying amount of financial assets recorded in the annual financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk without taking into account the value of any collateral obtained.

The provision for ECL is carried exclusive of VAT whilst the arrear rentals include VAT.

The forward factor in respect of the ECL provision was determined by using the 5 year historical correlation between the change in GDP growth and the change in arrears as a percentage of annual tenant revenue. The average correlation was applied to the change in GDP growth based on the forecasted GDP growth for 2024 to actual GDP growth in 2023. We believe this to be a good proxy for the ability of our tenants to pay. The Group considers the provision for any material credit risk exposure to be adequate.

Tenants were segregated per sector to depict the different sectoral credit risk. Expected loss rates were based on the payment profile of the tenants over the period 1 January 2017 to 31 December 2023 and the corresponding historical credit losses experienced within this period. Historical loss ratios were adjusted for the forward looking information by increasing these ratios by a factor of 1.10% (2023: 1.79%). This factor was determined through consideration of the projected GDP growth rate for 2024 which is expected to increase by 1.49% (2023: decreased 0.98%) in comparison to the prior year. We have also looked at the increase in the debtors as a percentage of rental income which gave rise to a total increase in the ECL. The historical loss ratios and the forward-looking adjustment of these ratios used at the date of the initial application of IFRS 9 have been amended to include further loss experiences for the 2019 and 2024 financial years. The Group has not included the 2020 historical loss ratios, as the 2020 financial year was an anomaly due to the Covid-19 pandemic, and these ratios would not provide accurate estimated credit losses when applying those ratios to the outstanding debtors as at 31 December 2024.

Debtors are written off when there is no reasonable expectation of recovery. This is assessed on the basis of the failure of the debtor to agree and commit to a repayment plan and where contractual payments are greater than a period of 90 days. We have assessed the risk of default of these parties individually to be negligible and immaterial at this stage based on historical transactional activity and our assessment of their future ability to settle the balance. The risk of default of the sundry debtors in the 90 days category is partially mitigated by the balance from the co-owners to be applied against net property income due to them.

RETURN TO FINANCIAL POSITION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

14. TRADE AND OTHER RECEIVABLES *CONTINUED*

The calculation of the ECL percentage is shown in the following table. The table below discloses the trade receivables and provision excluding VAT.

2024

	Industrial [(1)]	Retail [(2)]	Commercial	Afhco	Total
Current					
Trade debtors R 000	**742**	**6 372**	**799**	**18 966**	**26 879**
ECL %	**0%**	**18%**	**2%**	**5%**	**8%**
Provision R 000	**–**	**1 134**	**13**	**938**	**2 085**
30 days					
Trade debtors R 000	**20**	**5 375**	**439**	**3 114**	**8 948**
ECL %	**5%**	**25%**	**5%**	**27%**	**25%**
Provision R 000	**1**	**1 327**	**23**	**845**	**2 196**
60 days					
Trade debtors R 000	**129**	**2 545**	**406**	**1 325**	**4 405**
ECL %	**0%**	**44%**	**3%**	**34%**	**36%**
Provision R 000	**–**	**1 129**	**12**	**450**	**1 591**
90+ days					
Trade debtors R 000	**6 222**	**42 057**	**3 486**	**6 467**	**58 232**
ECL %	**48%**	**48%**	**73%**	**83%**	**54%**
Provision R 000	**3 017**	**20 333**	**2 561**	**5 384**	**31 295**
Total trade debtors R 000	**7 113**	**56 349**	**5 130**	**29 872**	**98 464**
ECL %	**42%**	**42%**	**51%**	**25%**	**38%**
Total ECL provision R 000	**3 018**	**23 923**	**2 609**	**7 617**	**37 167**

(1) In the Industrial portfolio, specific provisions were raised in the prior year for the current, 30, 60, and 90+ day buckets. Subsequently, a large portion of the amount provided was recovered. There was also a specific provision related to one tenant in the 90+ day bucket in the prior year that was written off in the 2024 financial year.

(2) In the Retail portfolio in the current year, a specific provision has been raised in the 90+ day bucket for two tenants with arrears amounting to R 7.8 million.

2023

	Industrial	Retail	Commercial	Afhco	Total
Current					
Trade debtors R 000	660	14 096	745	15 565	31 066
ECL %	30%	16%	2%	10%	13%
Provision R 000	198	2 323	18	1 619	4 158
30 days					
Trade debtors R 000	486	6 640	422	4 466	12 014
ECL %	52%	15%	29%	43%	27%
Provision R 000	251	966	123	1 932	3 272
60 days					
Trade debtors R 000	346	10 490	207	2 950	13 993
ECL %	79%	52%	60%	45%	51%
Provision R 000	274	5 480	125	1 322	7 201
90+ days					
Trade debtors R 000	6 455	51 842	8 030	11 513	77 840
ECL %	84%	30%	90%	65%	46%
Provision R 000	5 436	15 622	7 251	7 477	35 786
Total trade debtors R 000	7 947	83 068	9 404	34 494	134 913
ECL %	78%	29%	80%	36%	37%
Total ECL provision R 000	6 159	24 391	7 517	12 350	50 417

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

14. TRADE AND OTHER RECEIVABLES *CONTINUED*

2024

Other receivables	Current R 000	30 days R 000	60 days R 000	90+ days R 000	Total R 000	ECL Assessment: R 000
Financial assets at amortised cost						
Tenant accruals [(1)]	**105 284**	**395**	**110**	**3 022**	**108 811**	**–**
Amounts due from municipalities [(2)]	**46 862**	**–**	**–**	**873**	**47 735**	**–**
Interest accrual [(3)]	**4 697**	**–**	**–**	**–**	**4 697**	**–**
Sundry debtors [(4)]	**130 023**	**6**	**8**	**22 501**	**152 538**	**(5 661)**
Insurance receivable [(5)]	**–**	**–**	**–**	**6 854**	**6 854**	**(6 854)**
	286 866	**401**	**118**	**33 250**	**320 635**	**(12 515)**

2023 (Reclassified)

Other receivables	Current R 000	30 days R 000	60 days R 000	90+ days R 000	Total R 000	ECL Assessment: R 000
Financial assets at amortised cost						
Tenant accruals [(1)]	114 170	24	14	791	114 999	–
Amounts due from municipalities [(2)]	45 917	–	–	24	45 941	–
Interest accrual [(3)]	9 287	–	–	–	9 287	–
Sundry debtors [(4)]	77 847	822	1 857	17 767	98 293	(5 958)
Insurance receivable [(5)]	15 565	–	–	232	15 797	(6 854)
	262 786	846	1 871	18 814	284 317	(12 812)

In the 2023 table above, the disclosure of Tenant accruals, Amounts due from municipalities and Sundry debtors has been reclassified between the various age categories to appropriately reflect the due date and not the accrual date.

(1) Tenant accruals relate to recoveries and turnover rental that have not been billed to tenants. When accruals are billed to the tenants, the trade debtor ECL is applied to these recoveries. We provide for specific ECL for balances we deem not to be recoverable and may therefore not be charged to tenants based on available information increasing the probability of default, were these accruals to be charged to the tenants.

(2) This balance relates to deposits with municipal authorities, which will be recouped when a building is sold. Amounts are deemed irrecoverable where we have exhausted all avenues to collect the deposit and the probability of default is considered to be high. No amounts were written off in the current year.

(3) We have assessed the risk of default to be negligible and immaterial due to the counterparty being large financial institutions, ABSA Bank and Standard Bank.

(4) The sundry debtors include amounts receivable from various parties, including property managers, sellers, purchasers, co-owners of properties and developers. We provide for specific ECL for balances we deem not to be recoverable. Debtors are written off when there is no reasonable expectation of recovery. This is assessed on the basis of failure of the debtor to agree and commit to a repayment plan, and where contractual payments are greater than a period of 90 days. We have assessed the risk of default of these parties individually to be negligible and immaterial at this stage based on historical transactional activity and our assessment of their future ability to settle the balance. Recoverability is based on advice of our legal advisors with regards to the probability of collection. Where the probability remains high, no ECL is raised.

(5) Included in this balance is a receivable due from Sasria relating to loss of income and reinstatement costs of the properties impacted by the civil unrest. The receivable owed was reduced year on year by R8.7 million (2023: R82.7 million), as a result of insurance proceeds received during the year. Insurance proceeds in respect of the civil unrest loss of R353.9 million (2023: R344.3 million) had been received by 31 December 2024, R104.6 million (2023: R95.6 million) relates to loss of income and R248.7 million (2023: R248.7 million) relates to reinstatement costs. The insurance receivable debtor balance at 31 December 2024 was R6.9 million (2023: R15.8 million), in respect of loss of income, against which a provision of R6.9 million (2023: R6.9 million) for an amount in dispute with insurers was provided for.

Insurance proceeds receivable

Contingent assets are not recognised on the statement of financial position but are disclosed when it is more than likely that an inflow of benefits will occur. However, an asset is recognised in the statement of financial position when the inflow of benefits is virtually certain because that asset is no longer considered to be contingent.

The insurance proceeds will be recognised in the income statement when the receipt thereof is virtually certain. The insurance proceeds received due to loss of income is separately disclosed as other operating income in the annual statement of comprehensive income.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

14. TRADE AND OTHER RECEIVABLES *CONTINUED*

Insurance proceeds receivable *continued*

Information may become available after the end of the reporting period that provides additional evidence about conditions that existed as at the statement of financial position date, including estimates inherent in the process of preparing the annual financial statements. Such estimates include those related to insurance recoveries. If a business interruption policy exists and a valid claim has been made, the agreement by an insurer to a post year-end settlement would confirm the existence and amount of the claim at the reporting date. This would be considered an adjusting event.

If a valid claim has been raised on a policy that was in place at the reporting date, but at the time the annual financial statements are prepared, there remains uncertainty over the quantum of insurance recovery, a contingent asset may need to be disclosed under IAS 37 para 89. This disclosure requirement captures situations where an insurance receipt is probable but not yet virtually certain.

Historical rates adjusted for forward looking assumption

2024

	Industrial	Retail	Commercial	Afhco [1]	Group
Current					
Historical loss ratio	**1%**	**5%**	**3%**	**5%**	**5%**
Forward looking adjustments	**–**	**–**	**–**	**–**	**–**
Adjusted historical loss ratio	**1%**	**5%**	**3%**	**5%**	**5%**
30 days					
Historical loss ratio	**9%**	**25%**	**20%**	**27%**	**25%**
Forward looking adjustments	**–**	**–**	**1%**	**–**	**–**
Adjusted historical loss ratio	**9%**	**25%**	**20%**	**27%**	**25%**
60 days					
Historical loss ratio	**28%**	**44%**	**44%**	**34%**	**40%**
Forward looking adjustments	**1%**	**–**	**–**	**–**	**1%**
Adjusted historical loss ratio	**29%**	**44%**	**44%**	**34%**	**41%**
90 days					
Historical loss ratio	**38%**	**56%**	**63%**	**82%**	**57%**
Forward looking adjustments	**–**	**–**	**1%**	**1%**	**1%**
Adjusted historical loss ratio	**38%**	**56%**	**64%**	**83%**	**58%**

2023

	Industrial	Retail	Commercial	Afhco [1]	Group
Current					
Historical loss ratio	1%	3%	3%	22%	5%
Forward looking adjustments	–	–	–	–	–
Adjusted historical loss ratio	1%	3%	3%	22%	5%
30 days					
Historical loss ratio	9%	18%	21%	17%	15%
Forward looking adjustments	–	–	1%	–	–
Adjusted historical loss ratio	9%	18%	22%	17%	15%
60 days					
Historical loss ratio	28%	35%	47%	10%	31%
Forward looking adjustments	–	–	–	–	–
Adjusted historical loss ratio	28%	36%	47%	10%	31%
90 days					
Historical loss ratio	38%	48%	68%	52%	54%
Forward looking adjustments	–	–	–	–	–
Adjusted historical loss ratio	38%	48%	68%	52%	54%

(1) For the Afhco Group, tenants in arrears are categorised by portfolio being either retail, residential or students. The tenants are further split into vacated, high/medium risk and low risk tenant categories. All vacated tenants, retail high/medium risk tenants with balances in 120+ days and residential high/medium risk tenants with balances in 90+ days are provided for in full as the chances of recovery are slim. For the remaining high/medium risk tenants in occupation, we provide for their arrears based on the last six months collections pattern.

14. TRADE AND OTHER RECEIVABLES *CONTINUED*

The following table details the Group's ECL sensitivity to a 1% increase and decrease in the macroeconomics.

2024

	R 000				
	Industrial	**Retail**	**Commercial**	**Afhco**	**Total**
Current					
Upward stress	–	337	13	947	1 297
ECL based on actual weightings	–	334	13	938	1 285
Downward stress	–	331	13	929	1 273
30 days					
Upward stress	1	1 340	23	853	2 217
ECL based on actual weightings	1	1 327	23	845	2 196
Downward stress	1	1 314	23	837	2 175
60 days					
Upward stress	–	1 140	12	455	1 607
ECL based on actual weightings	–	1 129	12	450	1 591
Downward stress	–	1 118	12	446	1 576
90 days					
Upward stress	3 047	21 344	2 587	5 438	32 416
ECL based on actual weightings	3 017	21 133	2 561	5 384	32 095
Downward stress	2 987	20 922	2 535	5 330	31 774

2023

	R 000				
	Industrial	**Retail**	**Commercial**	**Afhco**	**Total**
Current					
Upward stress	200	2 346	18	1 635	4 199
ECL based on actual weightings	198	2 323	18	1 619	4 158
Downward stress	196	2 300	18	1 603	4 117
30 days					
Upward stress	254	976	124	1 951	3 305
ECL based on actual weightings	251	966	123	1 932	3 272
Downward stress	248	956	122	1 913	3 239
60 days					
Upward stress	277	5 535	126	1 335	7 273
ECL based on actual weightings	274	5 480	125	1 322	7 201
Downward stress	271	5 425	124	1 309	7 129
90 days					
Upward stress	5 490	15 778	7 324	7 552	36 144
ECL based on actual weightings	5 436	15 622	7 251	7 477	35 786
Downward stress	5 382	15 466	7 178	7 402	35 428

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CONTINUED ***For the year ended 31 December 2024***

15. CASH AND CASH EQUIVALENTS

Refer to note 1 for the accounting policies.

Cash and cash equivalents include cash on hand in banks.

	GROUP		COMPANY	
	2024 R 000	2023 R 000	**2024 R 000**	2023 R 000
Cash and bank balances	**453 853**	60 363	**426 755**	13 879
Deposit note and call accounts	**64 161**	1 112	**–**	1 112
Distributions account	**915**	432	**915**	432
Government grant [(1)]	**–**	124	**–**	–
Total unrestricted cash	**518 929**	62 031	**427 670**	15 423
Tenant deposits [(2)]	**143 593**	132 496	**72 726**	59 506
Government grant maintenance reserve amount [(1)]	**479**	500	**–**	–
Total restricted cash	**144 072**	132 996	**72 726**	59 506
Total cash and cash equivalents	**663 001**	195 027	**500 396**	74 929

(1) Refer to note 40.

(2) The tenant deposits are invested in separate 32-day call accounts and as such can only be accessed within 32 days. Additionally, the capital portion can only be accessed at the end of the leasing arrangement (either via the conclusion of the lease term or via early termination) or it can be applied to the arrears balance. The tenant deposits have a corresponding liability in trade and other payables. The difference between the cash balance and that reflected under trade and other payables is due to timing in the recall of the cash paid to tenants from the operational bank account. Refer to note 20.

The ECL is deemed to be nil as the cash and cash equivalents are held by institutions with AA ratings as detailed in note 4.

Included in the tenant deposits balance above is an amount of R39.0 million (2023: R64.1 million) relating to residential units, which are subject to regulatory restrictions and are therefore not available for general use by the entities within the Group.

RETURN TO CASH FLOWS
RETURN TO FINANCIAL POSITION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

16. PROPERTIES CLASSIFIED AS HELD FOR SALE

Investment properties which have been earmarked as 'held for sale' in compliance with the IFRS 5: Non-current Assets Held for Sale and Discontinued Operations (IFRS 5) recognition criteria are measured in accordance with IAS 40: Investment property at fair value. These properties are disclosed as non-current assets held for sale on the statement of financial position in accordance with IFRS 5. Gains and losses arising upon remeasurement are separately recognised in the statement of comprehensive income.

	GROUP			
2024 **R 000**	**Properties classified as held for sale**	**Letting commissions and tenant installations**	**Straight line valuation adjustment**	**Total**
Opening balance	**424 615**	**95**	**(29)**	**424 681**
Transfer to investment property [1]	**(28 750)**	**–**	**–**	**(28 750)**
Transfer from investment property [1]	**793 054**	**–**	**(894)**	**792 160**
Fair value adjustment	**(68 303)**	**–**	**–**	**(68 303)**
Disposals	**(81 195)**	**86**	**–**	**(81 109)**
Improvements	**4 740**	**–**	**–**	**4 740**
Straight lining adjustment	**–**	**–**	**923**	**923**
Closing balance [2]	**1 044 161**	**181**	**–**	**1 044 342**

	GROUP			
2023 **R 000**	**Properties classified as held for sale**	**Letting commissions and tenant installations**	**Straight line valuation adjustment**	**Total**
Opening balance	746 025	421	(2 704)	743 742
Transfer from investment property [1]	359 621	95	–	359 716
Fair value adjustment	7 020	–	–	7 020
Disposals	(688 051)	(340)	2 675	(685 716)
Utilised	–	(81)	–	(81)
Closing balance [2]	**424 615**	**95**	**(29)**	**424 681**

(1) As detailed in note 5.

(2) Investment properties classified as held for sale in the prior year amounting to R343.4 million are still unsold at 31 December 2024. These sales are largely contracted and awaiting completion of the property transfer administration.

During the 2021 year, the agreement for a sale of a property portfolio comprising several of the Group's residential properties, commercial rental businesses and development land in the Johannesburg inner-city by the Afhco Group (Afhco) to Firstmile Properties JHB CBD Crown Mines Proprietary Ltd became unconditional and was therefore transferred to held for sale. The final tranche of the sale of the shares of the property-owning entities of R265.7 million was concluded by September 2023.

RETURN TO FINANCIAL POSITION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

17. SHARE CAPITAL AND RESERVES

Share capital and reserves represent the residual interest in the Group's assets after deducting all of its liabilities and have been accounted for as equity.

Shares issued by the Group are measured at the proceeds received net of direct issue cost. Shares repurchased by the Group are recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own shares.

The non-distributable reserves relate to items that are not distributable to shareholders, such as fair value adjustments on the revaluation of investment property, long-term loans, borrowings and derivatives, the amortisation of intangible assets, share-based payment transactions, the straight-line lease income adjustment, non-cash charges, capital items, deferred taxation, bargain purchases, reserves, fair value gains on listed shares and capital profit and loss on disposal of investment properties.

	GROUP		COMPANY	
	2024 R 000	**2023 R 000**	**2024 R 000**	**2023 R 000**
Authorised				
4 000 000 000 shares at no par value (2023: 4 000 000 000)				
Issued				
2 514 732 095 shares (2023: 2 514 732 095 shares) [1]	**9 111 650**	9 126 100	**9 193 652**	9 193 652
Non-distributable reserves: Share-based payment reserve	**13 673**	10 853	**–**	–
Non-distributable reserves: Operational	**1 070 327**	1 124 230	**2 134 450**	2 253 957
Distributable reserves [2]	**965 750**	773 717	**(175 873)**	(286 191)
	11 161 400	11 034 900	**11 152 229**	11 161 418
Reconciliation of number of shares issued:				
Opening shares	**2 514 732**	2 514 732	**2 514 732**	2 514 732
Closing shares	**2 514 732**	2 514 732	**2 514 732**	2 514 732

(1) Refer to note 26 for the weighted average number of shares and the diluted weighted average number of shares.

(2) Included in distributable reserves is a balance of R291.0 million (2023: R197.5 million) relating to foreign currency translation reserves (FCTR).

The non-distributable reserves include items of a capital nature which are not distributable to the shareholders.

The annual statement of changes in equity reflects a detailed analysis of movements in shareholders' equity.

	GROUP	
	2024 Shares	**2023 Shares**
Reconciliation of number of shares issued (excluding treasury shares):		
Opening shares [1]	**2 488 969 245**	2 492 606 893
Vested shares [2]	**7 410 249**	5 853 734
Share repurchase - employee share scheme [3]	**(11 400 633)**	(9 491 382)
Closing shares	**2 484 978 861**	2 488 969 245

(1) This is net of treasury shares of 30 565 520 (2023: 26 575 136).

(2) As detailed in note 36. Vested shares includes 4 047 609 (2023: 1 651 190) shares purchased from participants and included in treasury shares.

(3) As part of the employee share scheme the Group repurchased 11 400 633 (2023: 9 491 382) of its shares at a weighted average cost of R2.60 (2023: R2.06) and a total value of R29.6 million (2023: R19.5 million).

	GROUP	
	2024 R 000	**2023 R 000**
Reconciliation of FCTR		
Opening balance	**197 546**	143 776
FCTR movement recognised in OCI	**93 473**	53 770
Closing balance	**291 019**	197 546

RETURN TO CHANGES IN EQUITY

RETURN TO FINANCIAL POSITION

18. INTEREST-BEARING BORROWINGS

	GROUP	
	2024 R 000	**2023 R 000**
Refer to note 1 for accounting policy.		
ABSA Bank Limited		
Loan bearing interest at 9.967% (2023: 10.308%) per annum and paid quarterly. This loan is payable on 10 September 2025. (Facility B) (3)	**203 386**	203 502
Loan bearing interest at 10.317% (2023:10.658%) per annum and paid quarterly. This loan is repayable on 9 December 2025. (Facility A1) (3)	**152 629**	152 716
Loan bearing interest at 9.967% (2023: 10.308%) per annum and paid quarterly. This loan is repayable on 7 May 2025. (Facility L1) (3)	**312 706**	312 884
Loan bearing interest at 8.632% (2023: 9.191%) per annum and paid quarterly. This loan is repayable on 15 January 2025. (Facility H) (1) &(3)	**512 015**	508 884
Loan bearing interest at 9.467% (2023: 10.042%) per annum and paid quarterly. This loan is repayable on 9 September 2025. (Facility P1) (3)	**201 601**	161 928
Loan bearing interest at 9.425% (2023: 10.075%) per annum and paid quarterly. This loan is payable on 9 September 2025. (Facility X) (3) & (5)	**200 052**	200 166
Loan bearing interest at 9.592% (2023: 10.167%) per annum and paid quarterly. This loan is payable on 9 September 2026. (Facility Y) (3)	**523 249**	523 374
Loan bearing interest at 9.650% (2023: 10.300%) per annum and paid quarterly. This loan is payable on 9 September 2027. (Facility Z1) (3) & (5)	**320 085**	320 271
Loan bearing interest at 9.692% (2023: 10.267%) per annum and paid quarterly. This loan is payable on 9 September 2027. (Facility Z2) (3)	**300 359**	300 430
Loan bearing interest at 9.892% (2023: 10.192%) per annum and paid quarterly. This loan is payable on 11 July 2025. (Facility A) (7)	**107 120**	107 120
Loan bearing interest at 9.892% (2023: 10.192%) per annum and paid quarterly. This loan is payable on 2 June 2025. (Facility B) (7)	**99 834**	99 834
Loan bearing interest at 9.425% (2023: 10.075%) per annum and paid quarterly. This loan is payable on 30 June 2026. (Facility AA) (3)	**200 052**	200 166
Loan bearing interest at 9.550% (2023: 10.200%) per annum and paid quarterly. This loan is payable on 30 June 2027. (Facility AC) (3)	**140 037**	140 117
Loan bearing interest at 9.500% (2023: 10.150%) per annum and paid quarterly. This loan is payable on 16 May 2025. (Facility D1) (6)	**304 683**	304 683
Loan bearing interest at 10.300% (2023: 10.950%) per annum and paid quarterly. This loan is payable on 16 May 2025. (Facility D2) (6)	**75 576**	75 576
Loan bearing interest at 10.450% (2023: 11.100%) per annum and paid quarterly. This loan is payable on 16 November 2025. (Facility D3) (6)	**66 887**	66 887
Loan bearing interest at 9.650% (2023: 10.300%) per annum and paid quarterly. This loan is payable on 31 October 2025. (Facility F1) (6)	**226 607**	226 607
Loan bearing interest at 9.800% (2023: 10.450%) per annum and paid quarterly. This loan is payable on 31 October 2026. (Facility F2) (6)	**75 536**	75 536
Loan bearing interest at 9.050% per annum and paid quarterly. This loan is payable on 16 November 2025. (Facility G1) (4) & (6)	**75 578**	–
Loan bearing interest at 9.692% (2023: 10.267%) per annum and paid quarterly. This loan is payable on 9 September 2027. (Facility P2) (2) & (3)	**300 077**	–
Loan bearing interest at 9.425% (2023: 10.075%) per annum and paid quarterly. This loan is payable on 30 June 2026. (Facility AB) (2) & (3)	**160 041**	–
Loan bearing interest at 9.867% (2023: 10.208%) per annum and paid quarterly. This loan is payable on 7 August 2028. (Facility AD) (3)	**243 768**	243 907
	4 801 878	4 224 588
Nedbank Limited		
Loan bearing interest at 9.772% (2023: 10.347%) per annum and paid quarterly. This loan is repayable on 7 May 2025. (Facility L2) (3)	**302 650**	302 722
Loan bearing interest at 9.870% (2023:10.650%) per annum and paid quarterly. This loan is payable on 30 April 2025. (Facility E1) (6)	**146 500**	146 500
Loan bearing interest at 10.100% (2023: 10.750%) per annum and paid quarterly. This loan is payable on 31 October 2026. (Facility E2) (6)	**146 500**	146 500
Loan bearing interest at 9.622% (2023: 10.197%) per annum and paid quarterly. This loan is repayable on 7 August 2028. (Facility K3) (3)	**569 159**	569 294
	1 164 809	1 165 016

RETURN TO CASH FLOWS

RETURN TO FINANCIAL POSITION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

18. INTEREST-BEARING BORROWINGS *CONTINUED*

	GROUP	
	2024 R 000	**2023 R 000**
Standard Bank of South Africa Limited		
Loan bearing interest at 9.792% (2023: 10.367%) per annum and paid quarterly. This loan is repayable on 8 September 2026. (Facility B2) [(3)]	**201 770**	201 818
Loan bearing interest at 9.540% (2023: 10.680%) per annum and paid quarterly. This loan is repayable on 11 December 2029. (Facility N2) [(3)]	**150 039**	150 132
Loan bearing interest at 9.420% (2023: 10.070%) per annum and paid quarterly. This loan is repayable on 9 September 2025. (Facility S) [(3) & (5)]	**329 085**	198 964
Loan bearing interest at 9.592% (2023: 10.167%) per annum and paid quarterly. This loan is repayable on 9 September 2026. (Facility T) [(3)]	**920 666**	920 886
Loan bearing interest at 9.650% (2023: 10.300%) per annum and paid quarterly. This loan is repayable on 9 September 2027. (Facility U) [(3) & (5)]	**700 185**	700 593
Loan bearing interest at 9.467% (2023:10.042%) per annum and paid quarterly. This loan is payable on 11 October 2026. (Facility V) [(3)]	**100 856**	100 880
Loan bearing interest at 9.867% (2023: 10.208%) per annum and paid quarterly. This loan is payable on 7 August 2028. (Facility W) [(3)]	**351 036**	351 236
	2 753 637	2 624 509
Investec Limited		
Loan bearing interest at 0.000% (2023: 10.800%) per annum and paid quarterly. This loan was repaid on 16 November 2024. (Facility C2) [(4) & (6)]	**–**	75 577
Loan bearing interest at 10.250% (2023: 10.900%) per annum and paid quarterly. This loan is payable on 16 November 2025. (Facility C3) [(6)]	**66 889**	66 889
	66 889	142 466
Total gross borrowings (including accrued interest)	**8 787 213**	8 156 579
Less: Net debt raising fees	**(9 344)**	(15 642)
	8 777 869	8 140 937
Disclosed as:		
Non-current borrowings	**5 370 537**	7 496 104
Less: Long-term net debt raising fees	**(5 964)**	(9 245)
Non-current borrowings	**5 364 573**	7 486 859
Current borrowings	**3 413 296**	654 078
Accrued interest expense	**55 292**	58 139
Short-term borrowings	**3 361 384**	602 336
Less: Short-term net debt raising fees	**(3 380)**	(6 397)
	8 777 869	8 140 937

(1) This loan is denominated in USD. The loan has been translated at the prevailing USD to Rand exchange rate at year end.
(2) These facilities are revolving credit facilities which were undrawn at 31 December 2023.
(3) The Group's funding strategy is to fund investments from a diverse set of lenders via security pools, ("Mega Pool" and "Bowwood and Main"). All these loans form part of the Mega Pool security pool. This structure creates pricing tension while ensuring lenders investment exposure is of equal quality.
(4) The Investec facility C2 was settled and replaced by the new ABSA facility G1 during November 2024.
(5) Sustainability linked loans, with sustainability performance targets (SPT's) linked to the roll out of solar PV and investment in residential amenities for social upliftment. The social upliftment SPT related to investment in residential amenities has been waived for the final measurement period ending 31 December 2024. As a result, the margin adjustments were rebased to account for the measurement of only one SPT - the renewable energy SPT. This rebasing has led to a revised margin adjustment of +2.5 basis points if the target is met and -2.5 basis points if the target is not met, applicable for the final measurement period ending December 2024.
(6) The Group's funding strategy is to fund investments from a diverse set of lenders via security pools, ("Mega Pool" and "Bowwood & Main"). All these loans form part of the Bowwood & Main security pool. This structure creates pricing tension while ensuring lender investment exposure is of equal quality.
(7) These loans are in respect of The Falls Rental Company Proprietary Limited.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

18. INTEREST-BEARING BORROWINGS *CONTINUED*

All loans are linked to JIBAR, except for the USD loan with ABSA which was linked to LIBOR and transitioned to the new benchmark, SOFR on 5 May 2023. The transition was assessed to have an insignificant impact on the loan because of a fixed USD interest rate swap on the loan. The MPG has designated ZARONIA as the successor rate to replace JIBAR, however, they have not prescribed a transition date as yet.

These loans are secured by first mortgage bonds over a portion of the property portfolio to the value of R17.1 billion (2023: R16.4 billion), and are listed as follows:

Mega Pool

Hayfields Mall - Pietermaritzburg

37 Yaldwyn Road - Jet Park

Springfield Value Centre - Springfield

Cambridge Crossing - Sandton

Coachmans Crossing - Sandton

Town Square - Weltevredenpark

Pine Walk Centre - Pinetown

Willow Way Shopping Centre - Lynwood

Davenport Shopping Centre - Glenwood

41 Yaldwyn Road - Jet Park

57 Sarel Baard Crescent - Centurion

88 Loper Avenue - Aeroport

Northpark Mall - Pretoria North

Corner Rudo Nel And Tudor Streets - Jet Park

Corner Gillitts And Young Roads - Pinetown

Corner Staal And Stephenson Roads - Pretoria

East Point - Boksburg

Midway Mews - Halfway Gardens

Musgrave Centre - Musgrave

Suffert Street - Pinetown

3 Wankel Street - Jet Park

33 - 37 Aloefield Crescent - Springfield Park

1 Irvine Bell Drive - Empangeni

5 Westgate Place - Westmead

18 Covora Street - Jet Park

8 Director Drive - Aeroport

28 Goodwood Road - Mahogany Ridge

32 Yaldwyn Road - Jet Park

112 Yaldwyn Road - Jet Park

141 Hertz Close - Meadowdale

2 Fobian Street - Boksburg

85 Newton Street - Meadowdale

35 Surprise Road - Pinetown

27 Jet Park Road - Jet Park

5 Yaldwyn Road - Jet Park

Beryl Street - Jet Park

Bluff Shopping Centre - Bluff

Tygerberg Business Park - Parow

Montana Crossing - Montana

Corner Koornhof Road And Essex Street - Meadowdale

Forest Road Design And Decor Centre - Fourways

Cullinan Jewel Shopping Centre - Cullinan

33 Ontdekkers Road - Roodepoort

2 Beechfield Crescent - Durban

2 Kubu Avenue - Riverhorse Valley

Comaro Crossing - Oakdene

Umlazi Mega City (75%) - Umlazi

GreenPark Corner - Sandton

50 Griffiths Mxenge Highway (75%) - Umlazi

Erf 1144 Bardene Extension 48 - Boksburg

Morning Glen Mall - Sandton

51 Pritchard Street - Johannesburg

Storage Worx - East Point

Storage Worx - Midway

Storage Montana - Montana

The Oaks Shopping Centre - Ermelo

120 End Street - Doornfontein

Mpumelelo - Doornfontein

Frank & Hirsch & Merchandise Centre - Johannesburg

Impilo - Johannesburg

Moray House - Johannesburg

Newgate - Newtown

Platinum Place - New Doornfontein

Stuttaford House - Johannesburg

Elmol House - Johannesburg

Melbourne Court - Johannesburg

Springbok Hotel - Johannesburg

42-44 De Villiers Street - Johannesburg

Normandie Court - Johannesburg

Living @ Rissik - Johannesburg

Jeppe Post Office - Johannesburg

Tubatse Village - Steelpoort

Etude - Midrand

Minuet - Midrand

Golf Park - Pretoria West

Calderwood - Benoni

20 Kyalami Road - Pinetown

17 Young Road - Pinetown

7 Belgrade Avenue - Aeroport

148 Fleming Street - Meadowdale

137 Kuschke Street - Meadowdale

149 Fleming Street - Meadowdale

150 Fleming Street - Meadowdale

Corner Fleming Street And Koornhof Road - Meadowdale

153 Old Main Road - Pinetown

10 Yarborough Road - Pietermaritzburg

9 Twilight Drive - Umhlanga

145 Kuschke Street - Meadowdale

19 Brunton Circle - Modderfontein

African City - Johannesburg

252 Montrose Avenue - Randburg

Atkinson House - Johannesburg

Johannesburg Shopping Centre - Johannesburg

Jabulani Mews - Soweto

South Hills Lifestyle Estate - Johannesburg

Northgate Heights - Randburg

Georgetown - Germiston

Hoeksbury - Johannesburg

Andrea Close - Johannesburg

Beechwood Estate - Randfontein

Dennehof and Bloekomhof - Vereeniging

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

18. INTEREST-BEARING BORROWINGS *CONTINUED*

ABSA Bank Limited
The Falls Lifestyle Estate

Bowwood and Main

Avril Gardens - Randburg
Dukes Lodge - Randburg
Frangipani - Johannesburg
Franschoek - Johannesburg
Ilanga - Randburg
Karen Place - Randburg
Kevrob Manor - Randburg
Kingston - Randburg
Lana Lee - Randburg
Mount Bradley - Randburg
Prince Allan - Randburg
Protea Glen - Soweto
Rosdin - Randburg
Sefton Court - Johannesburg
Selwyn Hall - Randburg
Villa Borghese - Randburg
Agatha - Randburg
Dalem Mews - Randburg
Earls Den - Randburg
Elizabeth gardens - Randburg
Janin (and Sixty One) - Randburg
Kenwyn - Randburg
Khaya Square - Randburg
Lionsgate - Randburg
Margedale - Randburg
Marwyn - Randburg
Neilsway - Randburg
Sixty One Contesses (Janine) - Randburg
SS En Gedi - Benoni
SS Park Crescent - Pretoria
SS Philwade Manor - Randburg
SS Summer Place - Centurion
Wonderpark Estate - Pretoria
Garden View - Randburg
Golden Views - Boksburg
Greenshank Villas - Roodepoort
Highveld Views - Emalahleni
Longfellow Village - Vanderbijlpark
Molrow House - Germiston
Montere - Randburg
Fairways - Springs
My Place - Johannesburg
Redwood - Roodepoort
Rosewood - Roodepoort
Ironwood - Roodepoort
Airfield Towers (& Rhodesfield) - Kempton Park
Belgrade - Johannesburg
Cedar Valley - Johannesburg
Chronicles - Kempton Park
Cranborough Mews - Randburg
Deutronomy - Kempton Park
Exodus - Kempton Park
Ezra - Kempton Park
Genesis - Kempton Park
Jackson's Cove - Johannesburg
Joshua - Kempton Park
Judges - Kempton Park
Kilimanjaro - Johannesburg
Kings - Kempton Park
Leviticus - Kempton Park
Logan's View - Johannesburg
Nehemiah - Kempton Park
Numbers - Kempton Park
Progress House - Randburg
Rand President - Randburg
Rhodesfield (Rhodes Court) - Rhodesfield
Robwill Mansions - Benoni
Rothchild Manor - Roodepoort
Samuel - Kempton Park
Sparrow Hawk - Germiston
Summer Place - Roodepoort
Sunset View - Johannesburg
Surrey - Randburg
Telmond - Johannesburg
Hollyland - Johannesburg
The Windmill - Johannesburg
Trejon - Roodepoort
Upper East Side - Boksburg
Villa Mia - Benoni
Golden Okes - Johannesburg
Amberfield - Vanderbijlpark
Park Village - Vanderbijlpark
Germiston - Germiston
Arches - Benoni
Noordheuwel Heights - Krugersdorp
Waterfront - Germiston
Maria Mansions - Benoni
Springbok Court - Benoni
Blauwberg - Johannesburg
Kings Ransom - Johannesburg
Matroosberg - Johannesburg
Midhill Gardens - Johannesburg
Fasser House - Pretoria
Frederick House - Johannesburg
Jozi - Johannesburg
Parnon - Bloemfontein
Quagga Estates - Pretoria
Stonearch - Germiston
Syringa - Kempton Park
Willowbrook Mews - Centurion
Balnagask - Johannesburg
Selwood Place - Johannesburg
Monsmeg - Johannesburg
Northways - Johannesburg
SS Arvin Court - Johannesburg
SS Hillandale - Johannesburg
Seswick Court - Johannesburg
Sue Mark Court - Johannesburg
Toronto House - Johannesburg
Bree - 320 Bree Street - Johannesburg
Bree - Cheryl Court - Johannesburg
Bree - Mall, U Save, Film Trust, Globakeries - Johannesburg
Beacon Royal - Johannesburg
Empire Gardens - Johannesburg
Willanda - Johannesburg
One Eloff - Johannesburg
Promogranate Heights - Johannesburg
Villa Kazi - Johannesburg
Curzon Court - Johannesburg
Geraldine Court - Johannesburg
Morgenster - Johannesburg
Park Mews - Johannesburg
The Sentinel - Johannesburg

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

18. INTEREST-BEARING BORROWINGS *CONTINUED*

The Group is subject to, and is in compliance with the following covenants:

	GROUP	
	2024 Ratio	**2023 Ratio**
Covenants		
Mega Pool loans		
Transactional loan to value - including all facilities	**<0.60**	<0.60
Transactional loan to value (including mark to market value) including all facilities	**<0.65**	<0.65
Transactional interest cover ratio (original)	**>1.75**	>1.75
Transactional interest cover ratio - relaxed covenant May - December 2024	**>1.60**	>1.50
Corporate interest cover ratio (original)	**>2.00**	>2.00
Corporate interest cover ratio- relaxed covenant May - December 2024	**>1.80**	>1.75
Corporate loan to value (including guarantees)	**<0.50**	<0.50
The Falls Covenants (Facility A and B)		
Loan to value	**<0.65**	<0.65
Interest cover ratio	**>1.50**	>1.50
Vacancy cover	**<0.10**	<0.10
Loan to cost ratio	**<0.65**	<0.65
Bowwood and Main Covenants		
Transactional loan to value	**<0.45**	<0.45
Corporate loan to value	**<0.45**	<0.45
Transactional interest cover ratio	**>1.80**	>1.80
Corporate interest cover ratio	**>1.80**	>1.80
Current ratios		
Mega Pool loans		
Corporate loan to value (including guarantees)	**0.46**	0.43
Corporate interest cover ratio	**–**	–
Corporate interest cover ratio - relaxed covenant May - December 2024	**1.84**	1.93
Transactional loan to value (including all facilities)	**0.54**	0.50
Transactional loan to value (including mark to market value) including all facilities	**0.54**	0.50
Transactional interest cover ratio	**1.69**	1.75
The Falls		
Facility A (1)		
Loan to value	**0.59**	0.61
Interest cover ratio	**1.20**	1.10
Vacancy cover	**0.02**	0.06
Loan to cost cover	**0.59**	0.61
Facility B (1)		
Loan to value	**0.58**	0.59
Interest cover ratio	**1.22**	0.99
Vacancy cover	**0.04**	0.07
Loan to cost cover	**0.58**	0.59
Bowwood and Main		
Transactional loan to value	**0.36**	0.38
Corporate loan to value (2)	**0.45**	0.44
Transactional interest cover ratio	**2.36**	2.34
Corporate interest cover ratio	**2.00**	2.34

(1) All covenants in respect of The Falls have been waived as at 31 December 2024.

(2) The Corporate loan to value was 44.7% as of 31 December 2024.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

18. INTEREST-BEARING BORROWINGS *CONTINUED*

The following table details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

	GROUP	
	2024 R 000	**2023 [2] R 000**
Reconciliation of interest-bearing borrowings		
Gross interest-bearing borrowings at the beginning of the year	**8 796 579**	7 049 170
Cash available in revolving credit facilities	**(640 000)**	(597 100)
Net interest-bearing borrowings at the beginning of the year	**8 156 579**	6 452 070
Repayment of interest-bearing borrowings	**(1 217 927)**	(1 756 239)
Proceeds from interest-bearing borrowings	**1 845 178**	2 062 300
Acquisition of Indluplace [1]	**–**	1 347 254
Foreign exchange adjustments	**3 480**	41 677
Interest paid	**(764 701)**	(654 712)
Interest charged	**764 604**	664 229
Net interest-bearing borrowings at the end of the year	**8 787 213**	8 156 579
Gross interest-bearing borrowings at the end of the year	**8 787 213**	8 796 579
Cash available in revolving credit facilities	**–**	(640 000)
Net interest-bearing borrowings at the end of the year	**8 787 213**	8 156 579
Less: Net debt raising fees	**(9 344)**	(15 642)
	8 777 869	8 140 937
Less: cash and cash equivalents (includes tenant deposits of R143.6 million) (2023: R132.4 million)	**(663 001)**	(195 027)
Net debt at the end of the year	**8 114 868**	7 945 910

(1) Includes restructuring fee of R2.6 million.
(2) Reclassified to agree to the annual statements of financial position.

19. DEFERRED TAXATION

Deferred taxation is provided for using the liability method based on temporary differences. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their taxation bases. Deferred taxation is charged to profit or loss. A deferred taxation asset is recognised to the extent that it is probable that it will be utilised on future taxable profits. Deferred taxation is raised at tax rates that have been enacted or substantively enacted at the reporting date.

	GROUP	
	2024 R 000	**2023 R 000**
Reconciliation of deferred taxation		
Balance at the beginning of year	**2 279**	4 689
Change in taxation rate	**–**	(158)
Additions [1]	**–**	2 568
Charged to the statement of comprehensive income [2]	**7 527**	(4 820)
Balance at the end of year	**9 806**	2 279
Comprising:		
Prepayments	**1 381**	99
Provisions and accruals	**5 309**	4 724
Derivatives	**(101)**	(2 827)
ROU asset	**(1 052)**	(1 026)
Lease liability	**1 434**	726
Assessed loss [3]	**2 585**	284
Accelerated tax depreciation	**(493)**	(518)
Income received in advance	**913**	857
Straight-line rent adjustment	**(170)**	(40)
	9 806	2 279

(1) Refer to note 8.
(2) As detailed in note 25.
(3) The assessed loss represents timing differences relating to the employee share-based payments, employee provisions and timing of the recovery of legal fees incurred by the management company until the completion of the transaction to which these expenses are allocated. The deferred tax asset is capped at the probable timing difference, with the balance reflected as a permanent difference. This is particularly relevant to the employee share scheme arising from the devaluations of the share price and changes in the FSP vesting conditions.

RETURN TO FINANCIAL POSITION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

20. TRADE AND OTHER PAYABLES

Refer to note 1 for the accounting policy.

The Group has cash management policies in place to ensure that all amounts are paid within the required credit time frame.

	GROUP		COMPANY	
	2024 R 000	2023 R 000	**2024 R 000**	2023 R 000
Trade and other payables	**568 803**	504 301	**2 137**	243
Sundry creditors	**–**	–	**4 625**	8 353
Other payables	**–**	–	**645**	2 141
Tenant deposits [1]	**120 044**	128 751	**–**	–
Income received in advance	**58 835**	55 241	**–**	–
VAT payable	**6 678**	8 647	**–**	–
Accrued interest	**4 146**	2 374	**–**	–
Unclaimed distributions	**2 381**	2 135	**–**	–
	760 887	701 449	**7 407**	10 737

[1] Refer to note 15.

21. REVENUE

Revenue comprises gross rental income, including all recoveries from tenants and dividends received. Rental income and fixed operating cost recoveries are recognised on the straight-line basis in accordance with IFRS 16 Leases. Turnover rental income is recognised on the accrual basis and measured at fair value. Dividends are recognised when declared.

As per IFRS 15, revenue from service and property management charges is recognised in the accounting period in which control of the services are passed to the customer, which is when the services are rendered over time. Some property management contracts may include multiple elements of service which are provided to the tenants. The Group assesses whether individual elements of service in the contract are separate performance obligations. Where the contracts include multiple performance obligations, and/or lease and non-lease components, the transaction price will be allocated to each performance obligation (lease and non-lease component) based on the relative stand-alone selling prices. Where these selling prices are not directly observable, they are estimated based on an expected cost plus margin. In the case of fixed price contracts, the customer pays the fixed amount based on a payment schedule.

The Group recovers certain property expenses from the tenants for services as determined by the lease agreements. The Group negotiates the terms of the services, manages the relationship with the third party and is ultimately liable for payment to the third party (even if the expense is not recovered from the tenant), and therefore maintains primary responsibility for ensuring that the service is provided. The Group therefore acts as a principal on these transactions when recovering operating costs from tenants and consequently records these amounts gross. Interest income is recognised at the effective rates of interest on a time related basis. Dividends are recognised when declared. The directors have assessed the following:

- The rental income in terms of the lease agreements, falls outside the scope of IFRS 15, as this is within the scope IFRS 16 Leases;
- The interest and dividend income falls outside of the scope of IFRS 15, as this is included in the IFRS 9 Financial Instruments; and
- The amounts that are included in other income, which falls within the scope of IFRS 15, are recognised when the performance obligations have been fulfilled.

The performance obligations are distinct and stipulated in the agreements with the various parties. The amount recognised as revenue is stipulated in or calculated based on the agreements.

Group and Company interest income is recognised at the effective rate of interest on a time-related basis.

	GROUP		COMPANY	
	2024 R 000	2023 R 000	**2024 R 000**	2023 R 000
Operating rent	**2 048 105**	1 722 134	**–**	–
Turnover based rent	**16 312**	17 511	**–**	–
Rent [1]	**2 064 417**	1 739 645	**–**	–
Straight-line rent adjustment	**44 944**	42 016	**–**	–
Recovery of property expenses	**831 604**	698 797	**–**	–
Dividends from subsidiary companies and JVs	**–**	–	**626 092**	543 273
Dividends from investment in listed shares	**–**	–	**–**	6 147
Revenue	**2 940 965**	2 480 458	**626 092**	549 420

[1] Refer to note 33 for revenue per operating segments.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

22. INTEREST INCOME

	GROUP		COMPANY	
	2024 R 000	2023 R 000	**2024 R 000**	2023 R 000
Deposit notes, money market investments and call accounts	**13 178**	15 237	**5 352**	7 925
Tenant deposits [(1)]	**4 709**	6 569	**2 672**	4 279
Cash and bank balances	**2 074**	6 560	**700**	3 679
Other interest income	**3 102**	3 074	**–**	–
Late payment penalty interest [(2)]	**9 216**	11 309	**–**	–
Total	**32 279**	42 749	**8 724**	15 883

[(1)] Interest income earned on tenant deposits is attributable to the Group. This was earned on the balance disclosed per note 15.
[(2)] Penalty interest charged for late payments received from tenants.

Group and Company interest income is recognised at the effective rates of interest on a time-related basis.

23. INTEREST EXPENSE

Refer to note 1 for the accounting policy.

	GROUP		COMPANY	
	2024 R 000	2023 R 000	**2024 R 000**	2023 R 000
Borrowings	**758 989**	648 622	**–**	–
Operational	**1 194**	252	**40**	–
Lease liability	**3 622**	8 373	**–**	–
Total	**763 805**	**657 247**	**40**	**–**

24. OPERATING EXPENSES

	GROUP		COMPANY	
	2024 R 000	2023 [(1)] R 000	**2024 R 000**	2023 R 000
Insurance	**24 715**	20 502	**–**	–
Repairs and maintenance	**94 435**	65 866	**–**	–
Municipal expenses	**780 013**	633 296	**–**	–
Salaries, bonuses and other employee related costs	**140 984**	124 292	**–**	–
Property management fees	**274 518**	205 393	**–**	–
Property expenses	**140 049**	148 163	**–**	–
Administrative fees	**–**	–	**4 093**	5 959
Recovery of property expenses and other income	**–**	–	**–**	(180)
Service fees	**–**	–	**11 757**	8 774
Audit fees	**14 990** [(2)]	13 181	**290** [(3)]	332
Depreciation	**18 238**	26 142	**–**	–
Director fees	**3 918**	3 872	**–**	–
Other expenses	**29 384**	42 574	**–**	–
Total operating expenses	**1 521 244**	1 283 281	**16 140**	14 885

[(1)] The prior year has been reclassified to reflect the appropriate nature of the expenses.
[(2)] Audit fees were incurred from PwC, amounting to R12.5 million and BDO amounting to R2.4 million
[(3)] Audit fees were incurred from PwC, amounting to R0.3 million.

RETURN TO COMPREHENSIVE INCOME

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

25. TAXATION

Due to the Group's REIT status, the taxation liability is limited to the extent that the distributable income as defined is not distributed by the Group to its shareholders, as set out in the Income Tax Act of 1962 section 25BB. The Group's capital profit is also exempt from capital gains taxation. To the extent that the subsidiary companies comply with the definition, the above exemption will apply.

The income taxation expense comprises the sum of current taxation payable and deferred taxation. Taxable profit differs from accounting profit as it excludes income or expenses that are taxable or deductible in other years and it excludes items not deductible or taxable.

	GROUP		COMPANY	
	2024 R 000	**2023 R 000**	**2024 R 000**	**2023 R 000**
South African normal taxation				
Current taxation				
- Current year	**(6 810)**	(2 597)	**(674)**	–
Deferred taxation	**–**			
- Current year	**7 527**	(4 978)	**–**	–
- Prior year	**–**	–	**–**	–
Total	**717**	(7 575)	**(674)**	–

Deferred taxation is provided for using the liability method based on temporary differences. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their taxation bases. Deferred taxation is charged to profit or loss. A deferred taxation asset is recognised to the extent that it is probable that it will be utilised on future taxable profits. Deferred taxation is raised at tax rates that have been enacted or substantively enacted at the reporting date.

Deferred taxation is not provided on the revaluation of properties. Refer to note 5.

RETURN TO COMPREHENSIVE INCOME

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

25. TAXATION *CONTINUED*

	GROUP		COMPANY	
	2024	**2023**	**2024**	**2023**
Taxation rate reconciliation				
Standard rate	**27.00%**	27.00%	**27.00%**	27.00%
REIT distribution	**(28.50%)** [4]	(14.40%) [4]	**–**	–
Exempt income [1]	**–**	–	**(27.49%)**	(10.46%)
Foreign exchange adjustment on capital loan	**0.20%**	0.90%	**(4.42%)**	(1.13%)
Fair value adjustment on investment properties (exclusive of straight line adjustments)	**(0.70%)** [4]	(13.50%) [4]	**–**	–
Fair value adjustment on swap derivatives	**2.60%**	0.30%	**–**	–
Fair value adjustments on investment in subsidiaries	**–**	–	**–**	(12.42%)
Fair value adjustment on investment property in JVs	**0.20%**	–	**(2.61%)**	–
Fair value adjustment on JVs	**–**	–	**–**	(3.13%)
Capital loss on disposal of investment property	**0.70%**	1.20%	**–**	–
Non-distributable expense	**0.30%**	0.70%	**–**	–
Straight-line rental adjustment	**(1.90%)**	(0.90%)	**–**	–
Exempt dividends received	**–**	(0.10%)	**–**	–
Other [2]	**(0.01%)**	(0.58%)	**7.52%**	0.14%
Effective rate	**(0.11%)** [5]	0.62% [5]	**0.00%**	0.00%
Estimated taxation losses for which no deferred taxation asset was raised, due to the REIT tax status of the Group, as the probability of utilising the tax benefit is unlikely [3].	**351 606**	408 338	**–**	–

[1] Exempt income comprises non-taxable dividends received.

[2] Other non-taxable income represents permanent differences arising from IFRS 16 adjustments.

[3] This is the total estimated taxation losses for the Group.

[4] REIT distribution percentage decreased due to a lower fair value charge in 2024 as a result of the inclusion of the Indluplace acquisition in 2023 and the accounting treatment thereof. This is offset by an improvement on the fair value adjustment on investment properties percentage in the current year.

[5] The effective tax rate was lower due to a decrease in the percentage attributed to the capital loss on disposal of investment property and the reduced percentage on the foreign exchange adjustment on the capital loan.

The subsidiary companies eligible for the capital gains taxation on capital profit exemption are only eligible to the extent that they are deemed to be property companies in terms of section 25BB. All subsidiary companies not meeting the requirements of this definition will raise a deferred tax asset to the extent that it is likely that taxable income will arise against which to utilise this asset, as detailed in note 19.

No taxation is provided for against operating profit, to the extent that it is declared as tax deductible distributions in terms of section 25BB of the Income Tax Act.

26. EARNINGS AND DILUTED EARNINGS PER SHARE

	GROUP			
	2024 R 000	**2024 cps**	**2023 R 000**	**2023 cps**
Earnings	**645 830**	**25.98**	1 208 961	48.54
Diluted earnings	**645 830**	**25.66**	1 208 961	48.34

Earnings is calculated on the profit after taxation and the weighted average number of shares in issue (net of treasury shares) of 2 486 009 134 (2023: 2 490 546 536). Diluted earnings per share is calculated considering the potential dilution that could occur if all employee incentive shares vested. The number of shares in issue is adjusted to reflect the potential dilution if all share schemes were settled in SA Corporate Real Estate Limited shares. Total shares awarded but not yet vested under the share incentive schemes are 30 565 520 (2023: 26 575 136) shares.

27. HEADLINE AND DILUTED HEADLINE EARNINGS PER SHARE

The calculation of headline earnings per share is based on headline earnings of R649 341 000 (2023: R572 300 000) of the Group and 2 486 009 134 (2023: 2 490 546 536) weighted average number of shares in issue during the year. Diluted headline earnings per share is calculated considering the potential dilution that could occur if all employee incentive shares vested.

	GROUP			
	2024 R 000	**2024 cps**	**2023 R 000**	**2023 cps**
Reconciliation of profit after taxation to headline earnings				
Profit after taxation attributable to shareholders	**645 830**	**25.98**	1 208 961	48.54
Adjustments for:				
Capital loss on disposal of investment property	**15 520**		55 474	
Fair value profit on investment property	**(16 504)**		(599 002)	
Fair value profit on investment properties in JVs	**4 495**		(93 133)	
Headline earnings	**649 341**	**26.12**	572 300	22.98
Diluted headline earnings	**649 341**	**25.80**	572 300	22.88

28. DISTRIBUTABLE INCOME PER SHARE

The Group is required to distribute at least 75% of its distributable income generated during the year in order to retain its REIT status. To ensure sustainable distributions after taking into account defensive capital expenditure needs, the Group will retain 10% (2023: 10%) of its current distributable income and distribute 90% (2023: 90%). The Group will utilise available assessed losses to minimise any resulting taxation leakage.

	GROUP AND COMPANY	
	2024 cps	**2023 cps**
Cents per share		
No. 16 declared on 15 September 2023 and paid 23 October 2023		11.39
No. 17 declared 27 March 2024 and paid on 22 April 2024		11.79
No. 18 declared on 12 September 2024 and paid 21 October 2024	**12.11**	
No. 19 declared on 13 March 2025 and payable on 22 April 2025	**12.26**	
	24.37	23.18

RETURN TO COMPREHENSIVE INCOME

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

29. DISTRIBUTIONS PAID

	COMPANY AND COMPANY	
	2024 R 000	**2023 R 000**
Reconciliation of distributions paid		
Distribution attributable to shareholders	**601 173**	567 537
Distributions paid	**(601 173)**	(567 537)
Balance at the end of year	**–**	–

30. CASH GENERATED FROM OPERATIONS

	GROUP		COMPANY	
	2024 R 000	**2023 R 000**	**2024 R 000**	**2023 R 000**
Profit after taxation	**645 830**	1 208 961	**591 984**	1 328 120
Adjustments for:				
Interest income	**(32 279)**	(42 749)	**(8 724)**	(15 883)
Interest expense	**763 805**	657 247	**40**	–
ECL movement	**29 078**	20 497	**–**	–
Amortisation of letting commissions and tenant installations	**18 703**	13 738	**–**	–
Taxation	**(717)**	7 575	**674**	–
Fair value loss on investment properties (excluding straight-line rent adjustment)	**(61 448)**	(599 002)	**–**	–
Fair value loss/(gain) on investment in subsidiary companies	**–**	–	**133 340**	(576 584)
Fair value gain on investment in JVs	**–**	–	**(13 833)**	(151 455)
Fair value loss on investment in listed shares	**–**	910	**–**	4 000
Profit from JVs	**(55 254)**	(56 522)	**–**	–
Depreciation and amortisation	**18 238**	26 142	**–**	–
Fair value loss on swap derivatives	**63 067**	14 175	**–**	–
Capital loss on disposal of investment properties	**15 520**	51 767	**–**	910
Share-based payment expense	**18 013**	9 780	**–**	–
Foreign exchange adjustments	**3 480**	40 206	**(93 473)**	(54 573)
Foreign exchange adjustment on cross-currency swap	**936**	–	**–**	–
Dividends received	**–**	(6 147)	**(626 092)**	(549 420)
Derecogition of ROU assets	**1 398**	–	**–**	–
Phase 5 & 6 accrual reversal	**–**	(94 933)	**–**	–
Insurance income relating to reinstatement costs	**–**	(8 398)	**–**	–
Impairment of other financial asset	**–**	623	**–**	–
Capital loss on disposal of investment in listed shares	**–**	4 000	**–**	–
Changes in working capital:				
(Increase)/decrease in trade and other receivables	**(50 727)**	80 269	**1 104**	1 541
Increase/(decrease) in trade and other payables	**65 536**	46 525	**(3 330)**	(5 608)
Increase in inventory	**(310)**	–	**–**	–
	1 442 869	1 374 664	**(18 310)**	(18 952)

RETURN TO CASH FLOWS

31. CAPITALISATION OF INTEREST

Capitalised interest is recognised in profit or loss using the effective interest rate method, unless the capitalised interest is directly attributable to the acquisition of development of qualifying assets, in which case the directly attibutable cost of borrowing is applied.

	GROUP	
	2024 R 000	**2023 R 000**
Interest capitalised during the development phases	**8 462**	4 614

Interest was capitalised at annual rates ranging from 8.8% to 10.1% (2023: 8.9% to 9.4%).
The capitalised interest is included in investment property as detailed in note 5.

32. LEASE ARRANGEMENTS

	GROUP	
	2024 R 000	**2023 R 000**
Contractual lease receivables are as follows:		
Within one year	**1 027 350**	1 087 459
Within two years	**708 374**	798 810
Within three years	**481 415**	543 671
Within four years	**269 365**	373 200
Within five years	**153 692**	194 494
Beyond five years	**1 458 689**	1 753 160
	4 098 885	4 750 794
Less: Lease revenue on straight-line basis	**(3 700 613)**	(4 389 333)
Straight-line lease income accrual	**398 272**	361 461
Non-Current	**342 728**	321 255
Current	**55 544**	40 206

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

33. SEGMENTAL RESULTS

Information regularly reported to the Group's chief operating decision makers, being the executive directors, for the purposes of resource allocation and assessment of its performance, is based on the economic sectors in which the investment properties operate. Each sector has an associated risk profile and is managed separately.

On a primary basis, the Group operated in the following reportable segments during the current year:

- Retail;
- Industrial;
- Commercial;
- Afhco (which largely consists of residential properties); and
- Corporate.

RETURN TO FINANCIAL POSITION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

33. SEGMENTAL RESULTS *CONTINUED*

2024 Information on reportable segments	**Industrial R 000**	**Retail R 000**	**Commercial R 000**	**Afhco R 000**	**Corporate R 000**	**Consolidated R 000**
Revenue	427 244	1 110 177	32 152	1 371 392	–	2 940 965
Rent income (excluding straight-line rent adjustment)	329 519	624 575	20 709	1 089 614	–	2 064 417
Net property expenses	(28 139)	(66 053)	(8 911)	(475 170)	–	(578 273)
Operating expenses	(124 283)	(494 803)	(29 610)	(732 103)	–	(1 380 799)
Property expenses	(19 054)	(131 056)	(13 937)	(162 221)	–	(326 268)
Municipal expenses	(101 028)	(332 459)	(14 655)	(331 871)	–	(780 013)
Property management fees	(4 201)	(31 288)	(1 018)	(238 011)	–	(274 518)
Recovery of property expenses	93 954	442 408	20 351	274 891	–	831 604
Expected credit losses	2 190	(13 658)	348	(17 958)	–	(29 078)
Net property income	301 380	558 522	11 798	614 444	–	1 486 144
Straight-line rent adjustment	3 771	43 018	823	(2 668)	–	44 944
Other loss	–	–	–	(2 163)	–	(2 163)
Interest income	–	–	–	–	32 279	32 279
Interest expense	–	–	–	–	(763 805)	(763 805)
Profit from investment in JVs	–	–	–	–	59 749	59 749
Foreign exchange adjustments	–	–	–	–	(5 012)	(5 012)
Group expenses	–	–	–	–	(140 445)	(140 445)
Capital loss on disposal of investment property	–	–	–	–	(15 520)	(15 520)
Fair value gain/(loss) on investment property [1]	57 011	1 008	(29 130)	(12 385)	–	16 504
Investment property	60 782	44 026	(28 308)	(15 052)	–	61 448
Straight-line rent adjustment	(3 771)	(43 018)	(822)	2 667	–	(44 944)
Loss from JVs	–	–	–	–	(4 495)	(4 495)
Fair value loss on swap derivatives	–	–	–	(10 097)	(52 970)	(63 067)
Taxation income	–	–	–	–	717	717
Profit /(loss) after taxation	362 162	602 548	(16 509)	587 131	(889 502)	645 830
Other comprehensive income, net of taxation	–	–	–	–	93 473	93 473
Total comprehensive income/(loss)	362 162	602 548	(16 509)	587 131	(796 029)	739 303

Reconciliation	**Industrial R 000**	**Retail R 000**	**Commercial R 000**	**Afhco R 000**	**Corporate R 000**	**Consolidated R 000**
Operating expenses per segment	(124 283)	(494 803)	(29 610)	(732 103)	–	(1 380 799)
Group expenses per segment	–	–	–	–	(140 445)	(140 445)
Total operating expenses as per Statement of Comprehensive Income	(124 283)	(494 803)	(29 610)	(732 103)	(140 445)	(1 521 244)

33. SEGMENTAL RESULTS *CONTINUED*

2023 Information on reportable segments (Reclassified) [1]	Industrial R 000	Retail R 000	Commercial R 000	Afhco R 000	Corporate R 000	Consolidated R 000
Revenue	458 521	1 029 221	33 055	959 661	–	2 480 458
Rent income (excluding straight-line rent adjustment)	333 282	630 866	16 340	759 157	–	1 739 645
Other operating income (insurance claim - Sasria)	–	410	–	–	–	410
Net property expenses	(33 104)	(65 563)	(7 292)	(356 681)	–	(462 640)
Operating expenses	(123 814)	(447 174)	(25 120)	(544 832)	–	(1 140 940)
Property expenses	(20 896)	(122 768)	(12 674)	(145 913)	–	(302 251)
Municipal expenses	(98 563)	(296 481)	(11 572)	(226 680)	–	(633 296)
Property management fees	(4 355)	(27 925)	(874)	(172 239)	–	(205 393)
Recovery of property expenses	91 063	391 360	16 217	200 157	–	698 797
Expected credit losses	(353)	(9 749)	1 611	(12 006)	–	(20 497)
Net property income	300 178	565 713	9 048	402 476	–	1 277 415
Straight-line rent adjustment	34 176	6 995	498	347	–	42 016
Other income	–	8 398	–	–	94 933	103 331
Interest income					42 749	42 749
Interest expense					(657 247)	(657 247)
Profit from investment in JVs	–	–	–	–	58 322	58 322
Foreign exchange adjustments	–	–	–	–	(40 206)	(40 206)
Dividends from investment in listed shares	–	–	–	–	6 147	6 147
Loss on derecognition of ROU assets and liabilities held for sale	–	–	–	–	(293)	(293)
Group expenses	–	–	–	–	(142 341)	(142 341)
Capital loss on disposal of investment property	–	–	–	–	(55 474)	(55 474)
Fair value gain/(loss) on investment property [2]	21 500	(169 494)	(10 684)	757 680	–	599 002
Investment property	55 676	(162 499)	(10 186)	758 027	–	641 018
Straight-line rent adjustment	(34 176)	(6 995)	(498)	(347)	–	(42 016)
Fair value loss on investment in listed shares	–	–	–	–	(910)	(910)
Loss from JVs	–	–	–	–	(1 800)	(1 800)
Fair value loss on swap derivatives	–	–	–	–	(14 175)	(14 175)
Taxation	–		–	(1 993)	(5 582)	(7 575)
Profit /(loss) after taxation	355 854	411 612	(1 138)	1 158 510	(715 877)	1 208 961
Other comprehensive income, net of taxation	–	–	–	–	53 770	53 770
Total comprehensive income/(loss)	355 854	411 612	(1 138)	1 158 510	(662 107)	1 262 731

[1] Reclassified to reflect a separate line item for ECL and further disaggregation of property expenses.
[2] Included in the current year gain of Afhco is the post-acquisition fair value adjustment relating to Indluplace.

Reconciliation	Industrial R 000	Retail R 000	Commercial R 000	Afhco R 000	Corporate R 000	Consolidated R 000
Operating expenses per segment	(119 106)	(408 650)	(23 086)	(590 098)	–	(1 140 940)
Group expenses per segment	–	–	–	–	(142 341)	(142 341)
Total operating expenses as per Statement of Comprehensive Income	(119 106)	(408 650)	(23 086)	(590 098)	(142 341)	(1 283 281)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

33. SEGMENTAL RESULTS *CONTINUED*

2024	Industrial R 000	Retail R 000	Commercial R 000	Afhco R 000	Corporate R 000	Consolidated R 000
Investment property at fair value [(1)]	**3 330 850**	**7 084 460**	**205 274**	**7 322 258**	**–**	**17 942 842**
Non-current assets	**3 222 117**	**6 778 030**	**165 864**	**6 334 397**	**–**	**16 500 408**
At valuation	**3 300 850**	**5 572 760**	**167 274**	**6 333 957**	**–**	**15 374 841**
Straight-line rental adjustment	**(78 733)**	**(303 730)**	**(1 410)**	**(14 400)**	**–**	**(398 273)**
Under development	**–**	**1 509 000**	**–**	**14 840**	**–**	**1 523 840**
Current assets	**30 000**	**2 700**	**38 181**	**973 461**	**–**	**1 044 342**
Classified as held for sale	**30 000**	**2 700**	**38 000**	**973 461**	**–**	**1 044 161**
Straight-line rental adjustment	**–**	**–**	**181**	**–**	**–**	**181**
Other assets	**159 557**	**550 020**	**25 581**	**411 697**	**2 070 289**	**3 217 144**
Total assets	**3 411 674**	**7 330 750**	**229 626**	**7 719 555**	**2 070 289**	**20 761 894**
Total liabilities	**68 192**	**223 029**	**12 924**	**1 870 784**	**7 425 565**	**9 600 494**
Acquisitions and improvements	**59 447**	**147 949**	**8 308**	**95 359**	**–**	**311 063**

[(1)] Excludes straight-line rental assets.

2023	Industrial R 000	Retail R 000	Commercial R 000	Afhco R 000	Corporate R 000	Consolidated R 000
Investment property at fair value [(1)]	3 278 400	7 316 711	260 400	6 865 909	–	17 721 420
Non-current assets	3 173 439	6 944 335	258 890	6 558 632	–	16 935 296
At valuation	3 248 400	5 492 444	260 400	6 570 174	–	15 571 418
Straight-line rental adjustment	(74 961)	(271 796)	(1 510)	(13 242)	–	(361 509)
Under development	–	1 723 687	–	1 700	–	1 725 387
Current assets	30 000	100 646	–	294 035	–	424 681
Classified as held for sale	30 000	100 580		294 035	–	424 615
Straight-line rental adjustment	–	66	–	–	–	66
Other assets	156 661	600 714	21 988	293 645	1 500 226	2 573 234
Total assets	3 360 100	7 645 695	280 878	7 146 312	1 500 226	19 933 211
Total liabilities	52 745	267 472	11 687	6 473 596	2 092 811	8 898 311
Acquisitions and improvements	45 824	458 776	3 586	2 181 915	–	2 690 101

[(1)] Excludes straight-line rental assets.

34. CAPITAL COMMITMENTS

Commitments for the acquisition and development of investment property.

	GROUP	
	2024 R 000	**2023 R 000**
Total capital commitments	**113 815**	197 236

The Group has the ability to fund the commitments from its available cash and debt facilities, as detailed in note 18, and its disposal pipeline.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

35. RELATED PARTIES

Related party transactions constitute the transfer of resources, services or obligations between the Group and a party related to the Group, regardless of whether a price is charged.

For the purposes of defining related party transactions with key management, key management has been defined as directors and the Group's executive committee.

Related party transactions and balances

	GROUP		COMPANY	
	2024 R 000	**2023 R 000**	**2024 R 000**	**2023 R 000**
Related party balances				
SA Corporate Real Estate Fund Managers Proprietary Limited				
Recoveries [(1)]	**–**	–	**(1 741)** [(1)]	(2 299) [(1)]
Graduare Mauritius Limited				
Credit enhancement fee	**16 687**	14 489	**16 687**	14 489
Related party transactions				
Graduare Mauritius Limited				
Credit enhancement fee income	**2 257**	2 274	**2 257**	2 274
SA Corporate Real Estate Fund Managers Proprietary Limited				
Recoveries [(1)]	**–**	–	**(10 202)**	(7 830)
Subsidiaries, JVs, and Investments in listed shares				
Distributions received	**41 421**	–	**626 092**	549 420

[(1)] Based on the direct recoveries of expenses incurred

Refer to note 7 for intergroup loans and repayment terms. Refer to note 37 of the annual financial statements for the directors' remuneration for compensation paid to key management personnel by the managing company.

The related party transactions and balances are at arm's length.

36. SHARE-BASED PAYMENTS

One of the Group's subsidiary companies issues shares in SA Corporate Real Estate Limited to qualifying employees as part of its forfeitable share plan (FSP). In respect of the FSP the employee is granted a conditional right to receive the shares subject to specific performance conditions as defined by the remuneration committee and a three-year service condition.

At vesting date only, the FSP shares that meet the vesting conditions will be transferred to the employee, while the balance and the proportionate share of distributions held will be forfeited.

This plan is recognised and measured as an equity-settled plan at Group level.

Equity-settled awards to employees are measured at the fair value of the equity instruments, on the grant date. The fair value determined on the grant date is expensed over the vesting period. The number of vested shares is revised at each reporting date. All required adjustments are recognised in profit or loss.

Minimum shareholding

A minimum shareholding condition has been implemented by the Company at levels which are appropriate for each senior executive. The executive directors are required to build up a personal shareholding in the Company over a five-year period from vested FSPs to the extent that this can be achieved from the holding of 50% of post-tax vested FSP awards. The minimum shareholding target for the Chief Executive Officer is 200% of Total Guaranteed Pay (TGP) and the target for other executive directors, including the Chief Financial Officer, Chief Operating Officer and Head of Corporate Finance, is 150% of TGP.

36. SHARE BASED PAYMENTS *CONTINUED*

Malus and Clawback

All employees receiving incentives are subject to the Malus provisions of the remuneration policy.

The following categories of employees are subject to the Clawback provisions of the Policy:
- Executive directors;
- Executive committee members;
- Prescribed officers; and
- Senior managers.

The Clawback Period is the period of three years following the payment or settlement of any variable remuneration award.

The terms of the share plan, as approved by the shareholders at the AGM are:

Forfeitable share plan (FSP)

Executives and senior employees are offered shares in the Group at no cost to the employee. These shares vest based on the following vesting conditions:

			Performance levels		
Key performance measure	**Measure**	**Weight**	**Threshold 30% vesting**	**Target 60% vesting**	**Stretch 100% vesting**
Financial (90% weighting)	Absolute total return (TR) [(1)]	30%	Risk free rate [(4)] plus 3%	Risk free Rate [(4)] plus 4%	Risk free Rate [(4)] plus 5%
	Relative total return FTSE/JSE SA REIT index [(3)] (percentile)	30%	40th percentile (FSPs awarded in 2021 will be at the 50th percentile)	60th percentile	75th percentile
	Relative total shareholder return (TSR) [(2)] FTSE/JSE SA REIT Index [(3)] (percentile)	30%	40th percentile (FSPs awarded in 2021 will be 50th percentile)	60th percentile	75th percentile
Non-financial (10% weighting)	Average personal score over three years vesting period	10%	3	3.5	4
Total		**100%**			

(1) TR = ((closing tangible net asset value per share (TNAVPS) – opening TNAVPS) + DPS for the period)/opening TNAVPS.
(2) TSR = ((Closing 90-day volume-weighted average price (VWAP) – opening 90-day VWAP) + DPS for the period)/Opening 90-day VWAP.
(3) The FTSE/JSE SA REIT Index will be adjusted to excluded property entities with a majority of foreign holdings and investments.
(4) The risk-free rate is = annual average 10-year bond yield.

Valuation of share based payments

The valuation of the FSP is calculated based on the following:
- The probability that the shares are likely to vest based on the above conditions; and
- The market price of the share on grant date.

The fair value of the FSP granted was valued using a binomial pricing model. The expected vesting period used in the model has been adjusted based on management's best estimate for the effects of exercise restrictions and behavioural considerations.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

36. SHARE BASED PAYMENTS *CONTINUED*

The valuation was determined based on the following inputs:

Type	Expected vesting %	Dividend yield %	Vesting period (years)
FSP 9	50%	15.70%	3
FSP 10	50%	13.83%	3
FSP 11	55%	11.09%	3

The following FSP arrangements were in existence during the current year:

Type	Number of shares	Grant date	Expiry date	Exercise price R	Fair value at grant date R
FSP 9	6 681 827	17 June 2022	18 June 2025	–	1.97
FSP10	11 616 635	19 June 2023	18 June 2026	–	2.03
FSP 11	12 267 058	18 June 2024	17 June 2027	–	2.61
	30 565 520				

Movements in shares during the year	2024 FSP shares	2023 FSP shares
Balance at beginning of year	**26 575 136**	20 150 938
Granted during the year	**12 267 058**	13 094 192
Forfeited during the year	**(866 425)**	(816 260)
Vested during the year	**(7 410 249)**	(5 853 734)
Balance at end of year	**30 565 520**	26 575 136

Revaluation of shares	Shares	Valuation price per share R	Fair value R 000	Year-end valuation based on time elapsed R 000
2024				
FSP	**30 565 520**	**2.05**	**31 351**	**13 672**
2023				
FSP	26 575 136	1.87	25 416	10 853

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

37. DIRECTORS' REMUNERATION

Short-term benefits paid to directors:

2024	Director fees R 000	Basic salary R 000	Performance Bonus R 000	Pension contribution R 000	Other benefits [1] R 000	Benefit arising from vested shares R 000	Total R 000
Non-executive directors:							
N Ford-Hoon (Fok)	750	–	–	–	–	–	750
EM Hendricks	418	–	–	–	–	–	418
GJ Heron	619	–	–	–	–	–	619
SS Mafoyane	532	–	–	–	–	–	532
MA Moloto	988	–	–	–	–	–	988
OR Mosetlhi	771	–	–	–	–	–	771
GZN Khumalo [2]	152	–	–	–	–	–	152
Executive directors:							
TR Mackey (CEO)	–	3 781	4 344	–	82	12 790	20 997
SY Moodley (CFO)	–	2 899	2 284	266	–	–	5 449
NNN Radebe (COO)	–	3 102	2 378	284	–	–	5 764
SJ Mojalefa (HCF) [3]	–	2 519	1 264	231	11	1 228	5 253
	4 230	12 301	10 270	781	93	14 018	41 693

2023	Director fees R 000	Basic salary R 000	Performance Bonus R 000	Pension contribution R 000	Other benefits [1] R 000	Benefit arising from vested shares R 000	Total R 000
Non-executive directors:							
N Ford-Hoon (Fok)	681	–	–	–	–	–	681
EM Hendricks	392	–	–	–	–	–	392
GJ Heron	558	–	–	–	–	–	558
SS Mafoyane	462	–	–	–	–	–	462
MA Moloto	943	–	–	–	–	–	943
OR Mosetlhi	700	–	–	–	–	–	700
GZN Khumalo	441	–	–	–	–	–	441
Executive directors:							
TR Mackey (CEO)	–	3 554	3 620	–	78	3 084	10 336
SY Moodley (CFO)	–	2 725	1 478	250	–	–	4 453
NNN Radebe (COO)	–	2 729	–	250	–	–	2 979
	4 177	9 008	5 098	500	78	3 084	21 945

(1) Other benefits include leave sold, health benefits and reimbursements.
(2) Resigned on 19 April 2024.
(3) Appointed on 25 April 2024.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED *For the year ended 31 December 2024*

37. DIRECTORS' REMUNERATION *CONTINUED*

Share-based payments to directors:

	GROUP	
Award share options:	**2024 Number of shares**	**2023 Number of shares**
SY Moodley forfeitable shares		
Opening number of shares	**3 597 228**	1 628 673
New number of share awards [1&2]	**1 512 267**	1 968 555
Closing number of shares	**5 109 495**	3 597 228
NNN Radebe forfeitable shares		
Opening number of shares	**2 191 301**	–
New number of share awards [1&2]	**1 618 211**	2 191 301
Closing number of shares	**3 809 512**	2 191 301
TR Mackey forfeitable shares		
Opening number of shares	**9 179 038**	7 177 725
New number of share awards [1&2]	**3 010 686**	3 919 084
Vested shares [2]	**(5 030 573)**	(1 689 428)
Forfeited shares [2]	**(454 931)**	(228 343)
Closing number of shares	**6 704 220**	9 179 038
SJ Mojalefa Forfeitable Shares		
Opening number of shares	**1 778 624**	2 166 761
New number of share awards	**1 314 042**	684 208
Vested shares	**(483 114)**	(947 667)
Forfeited shares	**(45 226)**	(124 678)
Closing number of shares	**2 564 326**	1 778 624
	R 000	**R 000**
Total share expense		
TR Mackey forfeitable shares	**5 412**	1 582

[1] Strike price is Rnil.

[2] Forfeitable shares:

- The 2020 share issuance was granted on 18 June 2020 and vested on 18 June 2023.
- The 2021 share issuance was granted on 18 June 2021 and will vest on 18 June 2024.
- The 2022 share issuance was granted on 17 June 2022 and will vest on 17 June 2025.
- The 2023 share issuance was granted on 19 June 2023 and will vest on the 18 June 2026.
- The 2024 share issuance was granted on 18 June 2024 and will vest on 17 June 2027.
- These shares are subject to vesting conditions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

38. CONTINGENT LIABILITIES

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Where guarantees in relation to loans to related parties are provided for no compensation, the fair values are accounted for as capital contributions and recognised as part of the cost of the investment.

The Group will make payments to reimburse the lenders upon failure of the guaranteed entity to make payments when due.

Below is a list of guarantees issued by the Group:

	GROUP AND COMPANY	
	2024 R 000	2023 R 000
Guaranteed entity		
Graduare Property Development Limited [(1)]	**227 345**	225 779

(1) The guarantee relates to the co-owner's allocation of the underlying debt and is secured by the 50% shareholding in the JVs held by the co-owner. Risk guarantee is "denominated" in USD and has been converted at the closing rate of USD: R18.71 (2023: R18.58). The guarantee will reduce when the sovereign risk of Zambia reduces and is secured by the underlying property.

Liquidity risk

Refer to note 1 for the accounting policy.

The Group is exposed to liquidity risk resulting from a security guarantee extended to Stanbic in respect of the JVs partner's share of the interest-bearing borrowings of JVs.

	GROUP AND COMPANY	
	2024 USD 000	2023 USD 000
Repayment profile		
Due within 1 year (2023: 2 years)	**12 150**	12 150

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED For the year ended 31 December 2024

39. IMPACT OF THE CIVIL UNREST

During the civil unrest in July 2021, four of the Group's shopping centres in KwaZulu-Natal sustained significant damage whilst limited damage was caused to several industrial and inner-city properties. The Group's Sasria insurance covers both the damage to the properties and the loss of income incurred as a consequence. In 2023, a further loss of income of R7.3 million was recognised against which a provision of R 6.9 million was raised for amounts still in dispute. This resulted in a net amount of R0.4 million recognised in the income statement. No further amounts have been recognised in the income statement in the year ended December 2024.

Insurance proceeds in respect of the civil unrest losses of R353.9 million had been received by 31 December 2024, R104.3 million relates to loss of income and R248.7 million relates to reinstatement costs. An insurance receivable debtor of R6.9 million remains in respect of loss of income, against which a provision of R6.9 million for an amount in dispute with insurers was provided for. At year-end the net insurance receivable accounted for was Rnil (2023: R8.7 million).

PROPERTY LOSSES 2023	Total estimated loss			Actual loss incurred to 31 December 2023			
	Reinstatement cost	Loss of income	Total insured loss	Reinstatement cost	Loss of income	Total insured loss	Impairment of investment property
Springfield Value Centre	202 844	73 622	276 466	21 941	6 589	28 530	–
Other properties [1]	48 263	30 330	78 593	1 318	675	1 993	–
	251 107	103 952	355 059	23 259	7 264	30 523	–

[1] Umlazi Mega City/50 Griffiths, Davenport Square Shopping Centre and Pinewalk Centre.

40. GOVERNMENT GRANTS

The Group has an agreement with Social Housing Regulatory Authorities (SHRA) and Gauteng provincial department of human settlement in relation to a grant receipt amounting to R36.1 million to be utilised for capital expenditure. The funding relates to a capital grant per unit on development of property to subsidise affordable rentals to low- and middle-income households. In return the Group is required to rent the units in accordance with prescribed requirements to approved household income bands/brackets. All conditions were met in December 2024.

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants are deferred and released to the statement of comprehensive income in the same period as it recognises the related subsidised rental income. Government grants relating to the development of investment property are included in liabilities as deferred income and are credited to the statement of comprehensive income to compensate for rental discounts granted to low-income households.

Realisation of the deferred income to the statement of comprehensive income is determined as the difference between the market rental and the subsidised rental being charged to the tenants multiplied by the number of months the tenant has been in occupation. At 31 December 2024, the Group had received, in total, R36.1 million with an unutilised government grant of R28.3 million (2023: R32.6 million).

Reconciliation of movement

	GROUP	
	2024 R 000	2023 R 000
Balance as at 1 January	**32 617**	32 245
Received during the year	–	3 596
Released to rental income	**(4 333)**	(3 224)
Balance as at 31 December	**28 284**	32 617

	GROUP	
	2024 R 000	2023 R 000
To be released within the next 12 months	**4 433**	4 254
To be released within 1 to 5 years	**19 526**	18 786
To be released beyond 5 years	**4 325**	9 577
	28 284	32 617

RETURN TO CASH FLOWS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED ***For the year ended 31 December 2024***

41. CORPORATE RESTRUCTURE

In line with the Group's strategy to form an unlisted residential fund, whereby all properties being primarily residential are to be held in Afhco Holdings Proprietary Limited (Afhco) and its subsidiaries, the Group concluded an initial internal restructure entailing the transfer of properties and entities, including the formation of new entities within the Group, with effect from 1 December 2023 and a subsequent restructure was then concluded during December 2024. This will enable the Group to achieve its strategic objective of creating a South African residential rental portfolio of scale through the creation of an unlisted residential fund.

42. GOING CONCERN

The directors have assessed the Group and Company's ability to continue as a going concern at 31 December 2024, based on the solvency and liquidity criteria as set out in the Companies Act.

The Group had a positive net asset value with total assets exceeding total liabilities by R11.2 billion as at 31 December 2024 (2023: R11 billion). The Group's current liabilities exceeded its current assets due to the short-term portion of long-term borrowings falling due in the next 12 months. The Group has available cash of R518.9 million (2023: R702.0 million in cash and unutilised facilities) and is actively engaged in refinancing its short-term debt with lenders. Post year-end, the Group successfully refinanced R0.5 billion in expiring facilities. Additionally, it has agreed terms for the refinancing of R2.3 billion in debt, with tenors ranging from one to five years, subject to the finalisation of legal agreements. This would result in the majority of the debt maturing in the 2025 financial year having been refinanced, with lenders having also confirmed their appetite to refinance the remaining portion of short-term debt, although terms have yet to be agreed.

The Company generated a net profit for the year ended 31 December 2024 of R0.6 billion (2023: R1.3 billion) and as at that date, the Company's total assets exceeded its total liabilities by R11.2 billion (2023: R11.2 billion), and current liabilities exceeded the current assets by R665 million (2023: R864 million). The Company has access to R518.9 million in cash and the loans from its subsidiaries have been subordinated in its favour. In addition, it is supported by the Group. The Group has an active disposal pipeline, with R753.7 million contracted for sale at the year ended 31 December 2024, and a further R432.5 million expected to be contracted during 2025.

In assessing the going concern assumption of the Group and Company, the directors considered the expected cash flows, including the anticipated proceeds from disinvestments and cash flows relating to funding and development activities for the next 12 months, as well as the progress of engagements with lenders in relation to the refinancing of the Group's short term debt.

Based on the assessment performed, the Board has a reasonable expectation that the Group and Company will have access to adequate resources to continue operating for the foreseeable future. The assessment considers the Group's current financial position and the expectation of securing future funding sources. While this funding is not yet fully secured, the Board believes it is probable that it will be obtained. On this basis, it is appropriate to adopt the going concern assumption in preparing the annual financial statements.

With consideration to the above, a decision was taken to declare 90% of the Group's distributable income as a dividend. The directors have also assessed the forecasted loan covenants such as the loan to value and interest cover ratios.

43. EVENTS AFTER THE REPORTING PERIOD

Subsequent to year-end, the Group declared a distribution of 12.26 (2023: 11.79) cents per share on 13 March 2025.

APPENDIX A: PROPERTY PORTFOLIO REVIEW

Sectoral and geographical profile:
The regional and sectoral composition of the property portfolio is depicted in the following tables:

	Geographical profile				
	Gauteng	KwaZulu-Natal	Western Cape	Other	Total
Rental Area (m²)	1 366 893	220 910	17 408	55 702	1 660 913
Revenue (R 000)	2 193 534	658 445	20 747	68 239	2 940 965

	Industrial	Retail	Commercial	AFHCO	Specialised: Auto dealerships	Total
Rental Area (m²)	365 208	369 295	21 749	894 044	10 617	1 660 913
Revenue (R 000)	412 673	1 110 177	32 152	1 371 392	14 571	2 940 965

The rental area excludes 30 884m² development bulk.

Tenant profile:
The tenants are classified in terms of the following grading:
"A": Large national tenants: large listed tenants, major franchisees, blue chip companies and government;
"Large listed & Major franchisees" are listed tenants and franchisees occupying premises that are greater than 500m² of GLA.
"B": National tenants: listed tenants, franchisees, medium to large professional firms;
"Listed tenants & franchisees" are listed tenants and franchisees occupying premises that are below 500m².
"Medium professional firms" are professional firms occupying premises that are between 500m² and 2 000m² of GLA.
"Large professional firms" are professional firms occupying premises that are greater than 2 000m² of GLA.
"C": Other

	% of occupied space	
Tenant profile	**2024**	**2023**
A	**57.9%**	56.5
B	**30.1%**	32.6
C [(1)]	**12.0%**	10.9
	100.0%	100.0

[(1)] This category consists of 935 (2023: 735) tenants.

Vacancies, expiries and average rental income

The lease expiry profile and vacancies (as a % of GLA) are set out below:

Traditional Portfolio:	Vacancy (%)		Expiries (%)					
Property type	2023	2024	Monthly	2025	2026	2027	2028	Thereafter
Industrial	0.2	–	2.0	37.4	21.7	22.1	6.8	10.0
Retail	2.7	**2.4**	5.3	19.8	19.5	20.9	8.6	23.5
Commercial	15.1	**8.7**	9.4	22.5	23.4	21.1	3.3	11.6
Total	2.0	**1.5**	3.8	28.9	20.8	21.5	7.4	16.1

Afhco Portfolio:	Vacancy (%)		Expiries (%)					
Property type	2023	2024	Monthly	2025	2026	2027	2028	Thereafter
Retail/Commercial	4.4	**5.0**	12.7	13.7	32.1	4.7	18.0	13.8
Residential (by units)	4.2	**3.0**	65.3	30.5	–	–	–	1.2

APPENDIX A: PROPERTY PORTFOLIO REVIEW *CONTINUED*

Indluplace Portfolio:	Vacancy (%)		Expiries (%)					
Property type	2023	2024	Monthly	2025	2026	2027	2028	Thereafter
Retail/Commercial	10.3	**10.8**	4.2	35.5	6.7	10.0	4.5	28.3
Residential (by units)	4.5	**5.1**	94.4	0.5	–	–	–	–

Rest of Africa Portfolio:	Vacancy (%)		Expiries (%)					
Property type	2023	2024	Monthly	2025	2026	2027	2028	Thereafter
East Park Mall	0.7	**2.4**	–	19.4	28.9	14.8	6.6	27.9

The lease expiry profile and vacancies (as a % of rental income) are set out below:

Traditional Portfolio:	Vacancy (%)		Expiries (%)					
Property type	2023	2024	Monthly	2025	2026	2027	2028	Thereafter
Industrial	0.1	**–**	2.4	31.1	16.3	30.7	6.6	12.9
Retail	1.9	**1.9**	7.5	23.5	19.1	22.0	8.7	17.3
Commercial	9.4	**6.0**	6.6	25.4	25.0	20.8	3.7	12.5
Total	1.7	**1.5**	5.9	25.9	18.5	24.6	7.8	15.8

Afhco Portfolio:	Vacancy (%)		Expiries (%)					
Property type	2023	2024	Monthly	2025	2026	2027	2028	Thereafter
Retail/Commercial	4.3	**5.1**	7.1	19.3	29.7	7.5	21.0	10.3
Residential	4.3	**3.2**	61.5	34.2	–	–	–	1.1

Indluplace Portfolio:	Vacancy (%)		Expiries (%)					
Property type	2023	2024	Monthly	2025	2026	2027	2028	Thereafter
Retail/Commercial	20.7	**18.8**	3.6	30.1	7.2	6.4	6.4	27.5
Residential	4.7	**3.9**	95.6	0.5	–	–	–	–

Rest of Africa Portfolio:	Vacancy (%)		Expiries (%)					
Property type	2023	2024	Monthly	2025	2026	2027	2028	Thereafter
East Park Mall	0.7	**2.8**	–	20.2	19.1	16.2	6.7	35.0
Total	0.7	**2.8**	–	20.2	19.1	16.2	6.7	35.0

APPENDIX A: PROPERTY PORTFOLIO REVIEW *CONTINUED*

Weighted average rental per square metre by GLA calculated on the total of rent, operating cost and rates:

Property type	2024 R/m²	2023 R/m²
Industrial	**77.68**	75.20
Retail	**186.82**	179.04
Office	**144.31**	135.54
Storage	**62.77**	57.76
Afhco Retail/Commercial	**139.39**	142.79
Afhco Residential	**103.16**	99.04
Indluplace Retail/Commercial	**125.92**	119.73
Indluplace Residential	**80.10**	75.46
Weighted Average	**128.00**	104.27

Weighted average rental escalation profile:

Property type	2024 % p.a.	2023 % p.a.
Industrial	**6.23**	6.35
Retail	**6.09**	6.36
Commercial	**6.35**	6.49
Afhco Retail/Commercial	**6.38**	6.49
Afhco Residential	**3.69**	3.92
Indluplace Retail/Commercial	**6.27**	4.39
Indluplace Residential	**2.10**	3.9
Total	**6.11**	5.13

Due to the short-term nature of the storage leases, there is no weighted average rental escalation.
The annualised property yield is 8.3% (2023: 8.2%).

APPENDIX B: PROPERTY PORTFOLIO

Property company/name	Key	Property address	Location	Site area (m^2)	Rentable area (m^2)	Weighted average rental per m^2 (R) [g]
Retail - Gauteng						
51 Pritchard Street	(b)	51 Pritchard Street	Johannesburg	4 974	11 497	186
African City	(a) (b)	Eloff Street	Johannesburg	10 605	3 984	139
Cambridge Crossing	(b)	Corner of Witkoppen Road & Stone Haven Street	Sandton	5 103	5 227	233
Coachman's Crossing	(b)	Corner of Peter Place & Karen Street	Sandton	6 542	5 763	207
Comaro Crossing	(b)	Corner of Comaro Street & Boundary Lane	Oakdene	14 665	14 699	184
Cullinan Jewel Shopping Centre	(b) (c)	Corner of Main Road & Oak Avenue	Cullinan	4 276	4 181	162
East Point	(b)	Corner of Northrand & Rietfontein Roads	Boksburg	44 605	43 830	182
Forest Road Design & Décor Centre	(b)	Corner of Forest Drive & Sunset Avenue	Fourways	11 460	11 454	120
Midway Mews	(b)	Corner of Harry Galaun Drive & Seventh Street	Halfway Gardens	8 727	8 690	181
Montana Crossing	(b)	Corner of Dr Swanepoel Road &, Sefako Makgatho Drive	Montana	23 225	22 704	151
Morning Glen Mall	(b)	Kelvin Drive & Bowling Avenue	Sandton	21 918	19 693	102
Northpark Mall	(b)	526 Rachel De Beer Street	Pretoria North	27 951	11 421	107
Town Square Shopping Centre	(b)	Corner of Hendrik Potgieter Road & Albert Street	Weltevredenpark	5 655	5 655	233
Willow Way Shopping Centre	(b)	Corner of Lynwood Road & Power Avenue	Lynwood	7957	7 933	169
Retail - KwaZulu-Natal						
50 Griffiths Mxenge Highway	(b) (d)	50 Griffiths Mxenge Highway	Umlazi	4 317	3 236	135
Bluff Shopping Centre	(b)	Corner of Grays Inn & Tara Roads	Bluff	24 008	23 979	206
Davenport Square Shopping Centre	(b)	Corner of Clark & Brand Roads	Glenwood	9 924	9 904	222
Hayfields Mall	(b)	Corner of Blackburrow Road & Cleland Roads	Pietermaritzburg	13 585	12 384	254
Musgrave Centre	(b)	115 Musgrave Road	Musgrave	39 968	38 089	211
Pine Walk Centre	(b)	22 Kings Road	Pinetown	8 512	8 512	221
Springfield Value Centre	(b)	Corner of Umgeni & Electron Roads	Springfield	20 519	20 283	273
Umlazi Mega City	(b) (d)	50 Griffiths Mxenge Highway	Umlazi	48 987	36 855	195
Retail - Other						
The Oaks Shopping Centre	(b)	50 De Jager Street	Ermelo	21 270	8 611	136
Industrial - Gauteng						
11 Wankel Street	(c)	11 Wankel Street	Jet Park	16 905	6 573	62
112 Yaldwyn Road	(b)	112 Yaldwyn Road	Jet Park	59 275	30 299	73
137 Kuschke Street	(b)	137 Kuschke Street	Meadowdale	2 820	1 541	65
141 Hertz Close	(b)	141 Hertz Close	Meadowdale	6 694	3 616	58
145 Kuschke Street	(b)	145 Kuschke Street	Meadowdale	2 262	1 518	59
148 Fleming Street	(b)	148 Fleming Street	Meadowdale	2 652	1 417	56
149 Fleming Street	(b)	149 Fleming Street	Meadowdale	3 382	2 090	59
150 Fleming Street	(b)	150 Fleming Street	Meadowdale	3 180	1 835	62
18 Covora Street	(b)	18 Covora Street	Jet Park	10 498	4 638	62
19 Brunton Circle	(b)	19 Brunton Circle	Modderfontein	4 151	2 720	66
2 Fobian Street	(b)	2 Fobian Street	Boksburg	12 047	5 258	58
27 Jet Park Road	(b)	27 Jet Park Road	Jet Park	55 256	12 582	62
3 Wankel Street	(b)	3 Wankel Street	Jet Park	7 391	3 952	70
32/34 Yaldwyn Road	(b)	32/34 Yaldwyn Road	Jet Park	7 792	4 000	66
33 Ontdekkers Road	(b)	33 Ontdekkers Road	Roodepoort	14 805	6 386	85
37 Yaldwyn Road	(b)	37 Yaldwyn Road	Jet Park	78 610	39 738	59
41 Yaldwyn Road	(b)	41 Yaldwyn Road	Jet Park	10 000	6 249	96
5 Yaldwyn Road	(b)	5 Yaldwyn Road	Jet Park	41 194	17 552	75
57 Sarel Baard Crescent	(b)	57 Sarel Baard Crescent	Centurion	80 999	42 144	136
7 Belgrade Avenue	(b)	7 Belgrade Avenue	Aeroport Industrial Estate	10 828	1 535	59
8 Director Drive	(b)	8 Director Drive	Aeroport Industrial Estate	6 947	3 750	75
85 Newton Street	(b)	85 Newton Street	Meadowdale	5 600	3 178	76
88 Loper Avenue	(b)	88 Loper Avenue	Aeroport Industrial Estate	10 953	7 432	61
Beryl Street	(b)	Beryl Street	Jet Park	38 656	27 681	110
Corner of Fleming St & Koornhof Road	(b)	Corner of Fleming St & Koornhof Road	Meadowdale	5 471	2 914	65
Corner of Koornhof Road & Essex Street	(b)	Corner of Koornhof Road & Essex Street	Meadowdale	15 531	9 783	59
Corner of Rudo Nel & Tudor Streets	(b)	Corner of Rudo Nel & Tudor Streets	Jet Park	59 759	10 786	55
Corner of Staal & Stephenson Road	(b)	Corner of Staal & Stephenson Road	Pretoria	43 957	28 538	34
Erf 1144 Bardene Extension 48, Bardene	(b)	39 Viewpoint Road, Bartlett	Boksburg	10 204	1 045	128

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APPENDIX B: PROPERTY PORTFOLIO *CONTINUED*

Property company/name	Key	Property address	Location	Site area (m²)	Rentable area (m²)	Weighted average rental per m² (R) (g)
Industrial – KwaZulu–Natal						
1 Irvine Bell Drive	(b)	1 Irvine Bell Drive	Empangeni	12 788	2 736	58
10 Yarborough Road	(b)	10 Yarborough Road	Pietermaritzburg	3 400	3 400	124
153 Old Main Road	(b)	153 Old Main Road	Pinetown	9 044	3 408	122
17 Young Road	(b)	17 Young Road	Pinetown	8 942	3 970	58
2 Beechfield Crescent	(b)	2 Beechfield Crescent, Springfield Park	Durban	4 636	3 815	71
20 Kyalami Road	(b)	20 Kyalami Road	Pinetown	6 838	3 052	112
28 Goodwood Road	(b)	28 Goodwood Road	Mahogany Ridge	21 409	7 848	77
2A, B & C Kuba Avenue	(b)	2A, B & C Kuba Avenue	Riverhorse Valley	9 979	4 463	60
33/37 Aloefield Crescent	(b)	33/37 Aloefield Crescent	Springfield Park	6 804	5 672	56
35 Surprise Road	(b)	33 Surprise Road	Pinetown	10 298	5 931	63
5 Westgate Place	(b)	5 Westgate Place	Westmead	27 828	3 876	158
9 Twilight Road	(b)	9 Twilight Road	Umhlanga	2 106	823	184
Corner of Gillitts & Young Roads	(b)	Corner of Gillitts & Young Roads	Pinetown	9 579	4 616	64
Suffert Street	(b)	Suffert Street	Pinetown	33 653	14 056	66
Industrial – Western Cape						
Tygerberg Business Park	(b)	Trans Karoo Street, Parow Industria	Parow	49 030	17 408	73
Offices and Other – Gauteng						
GreenPark Corner	(b)	Corner of West Road South & Lower Road, Morningside	Sandton	12 726	15 036	153
Offices and Other – Other						
Nobel Street Office Park	(c)	Noble Street, Brandwag	Bloemfontein	7 808	6 713	125
Storage – Gauteng						
Blue Valley	(a)	55 Rooihuiskraai Road, Blue Valley Mall	Centurion	33 002	1 574	
Bryanston	(a)	Homestead Avenue	Bryanston	8 574	2 052	
East Point	(b)	Corner of Rietfontein Road & North Rand Road, Jansen Park	Boksburg	1 357	1 357	
Erand Land	-	Erand Agricultural Holdings Extension 1, 391 9th Street	Midrand	25 697	25 697	
Fourways	(a)	Cedar Road	Fourways	34 725	2 978	
Hillfox	(a)	Rhinoceros Road, Hillfox	Roodepoort	62 141	975	
Kempton Park	(a)	Corner Langenhoven & Central Street	Kempton Park	1 600	1 660	
Midway Mews	(b)	Corner of Harry Galan & 7th Road	Halfway Gardens	1 500	2 025	
Montana Crossing	(b)	Corner of Dr Swanepoel Road & Sefako Makgatho Drive	Montana	2 343	2 343	
Parkview	(a)	24 Garsfontein Road, Moreleta Park	Pretoria East	64 497	2 572	
Princess Crossing	(a)	54 Ontdekkers Road, Princess	Roodepoort	28 346	2 339	
Rivonia	(a)	17 Wessels Road	Rivonia	17 839	3 450	
Rosebank	(a)	The Zone, 177 Oxford Road	Rosebank	690	1 364	
Steeldale	(a)	Steeldale Mall, 9 Linroy Street	Steeldale	4 060	1 217	
Stoneridge	(a)	1 Hereford Road & Modderfontein Road	Greenstone Park	105 078	4 291	
Wanderers	(a)	52 Corlet Drive, Illovo	Sandton	5 172	515	
Afhco Retail - Gauteng						
42-44 De Villiers Street	(b)	42-44 De Villiers Street	Johannesburg	992	1 821	106
Afhco Corner		64 Siemert Road	New Doornfontein	4 136	4 690	24
Chapel Court	(c)	Corner of Wanderers & 39 Plein Street	Johannesburg	995	2 340	85
Danina	(c)	19 Wanderers Street	Johannesburg	249	176	669
Elmol House	(b)	Corner of Lilian Ngoyi & Delvers Street	Johannesburg	248	937	218
Georgetown	(b)	36 Railway Street	Germiston	1 129	878	151
Hartmann and Keppler		43 Sherwell Street	Doornfontein	468	4 800	
Hoeksbury	(b)	3 Hoek Street	Johannesburg	248	613	150
Johannesburg Shopping Centre	(b)	229 Jeppe Street	Johannesburg	1 984	2 399	239
Multi Glass	(c)	4-8 Mooi Street	Johannesburg	3 968	1 655	23
Pink Houses and Rockey Retail		Corner of Davies and Rocky Streets	Doornfontein	935	387	
Small Street Mall	(a)	Small Street	Johannesburg	1 984	540	810

APPENDIX B: PROPERTY PORTFOLIO *CONTINUED*

Property company/name	Key	Property address	Location	Site area (m^2)	Rentable area (m^2)	Weighted average rental per m² (R) [(g)]
Residential - Gauteng						
1 Eloff	(c) (f)	3 Eloff Street	Johannesburg	8 810	10 233	
120 End Street	(b)	120 End Street and 55 Davies Street	Doornfontein	8 302	34 286	
252 Montrose Avenue	(b)	252 Montrose Avenue	Randburg	11 606	6 603	
50 Stiemens Street	(c)	50 Stiemens Street	Braamfontein	1 427	65	
Agatha	(f)	71 Countesses Avenue, Windsor	Windsor	884	912	
Airfield Towers	(f)	2 Mosquito Street, Rhodesfield	Kempton Park	2 196	2 189	
Amberfield	(f)	5 Jenner Street, Vanderbijlpark	Vanderbijlpark	7 956	7 956	
Anchor Towers		2 Plein Street, Corner of Harrison Street	Johannesburg	4 436	4 346	
Andrea Close	(b)	Corner of Club and General Hertzog Roads Peacehaven	Johannesburg	4 660	2 672	
Annlin Lifestyle Place	(c)	Matlabas Avenue, Sinoville	Pretoria	1 828	1 828	
Arches	(f)	64 Howard Avenue, Benoni	Benoni	2 076	2 076	
Arvin Court	(c) (f)	Catherine Street, Berea	Johannesburg	2 449	2 592	
Atkinson House	(b)	28 Albert Street	Johannesburg	1 984	9 251	
Avril Gardens	(f)	36 Dukes Avenue, Windsor East	Windsor	1 342	1 160	
Balnagask	(c) (f)	144 Banket Street, Hillbrow	Hillbrow	11 403	10 809	
Beacon Royal	(c) (f)	Corner of Louis Botha & Grafton, Yeoville	Johannesburg	2 400	3 600	
Beechwood	(b)	Corner of Raven and Nightingale Roads	Randfontein	22 755	2 610	
Belgrade	(f)	43 Fifth Street, Florida	Roodepoort	3 598	3 699	
Blauwberg	(f)	24 Kapteijn Street, Hillbrow	Hillbrow	8 768	8 703	
Bree - 320 Bree Street	(c) (f)	Bree, Mooi, Jeppe, Polly Streets, Johannesburg CBD	Johannesburg	495	1 971	
Bree - Cheryl Court	(c) (f)	318 Bree Street, Johannesburg CBD	Johannesburg	2 120	2 120	
Bree - Mall, U Save, Film Trust, Globakeries	(c) (f)	Bree, Mooi, Jeppe, Polly Streets, Johannesburg CBD	Johannesburg	2 480	3 779	
Bridgeport	(c)	98 De Korte Street	Braamfontein	3 884	2 642	
Calderwood Lifestyle Estate	(b)	Portion 488 of Farm Kleinfontein, Beryl Street	Benoni	46 154	20 042	
Cambalala	-	30 Eloff Street	Centurion	1 982	5 572	
Cedar Valley	(f)	426 Rifle Range Road, Rosettenville	Rosettenville	4 168	4 168	
Charlotte, Harolean and Irmguard	(f)	11 and 13 Selkirk Street and 12 Argyle Street, South Germiston	Germiston	801	2 125	
Chronicles	(f)	41 North Rand Road, Kempton Park	Kempton Park	824	816	
Cranborough Mews	(f)	63 Countesses Avenue, Windsor	Windsor	2 960	2 897	
Curzon Court	(c) (f)	52 Klein Street, Hillbrow	Hillbrow	1 877	1 809	
Dalem Mews	(f)	56 Princes Avenue, Windsor East	Windsor	1 282	1 008	
Dennehof and Bloekomhof	(b)	Corner of Club and General Hertzog Roads Peacehaven	Vereeniging	26 244	11 733	
Deuteronomy	(f)	23 Noordrand Road	Kempton Park	1 102	1 080	
Dukes Lodge	(f)	4 Dukes Avenue, Windsor West	Windsor	1 058	942	
Earlsden	(f)	10 Earls Avenue, Windsor	Windsor	2 310	2 021	
Elizabeth Gardens	(f)	Princes & Duchesses Street, Windsor East	Windsor	513	536	
Empire Gardens	(c) (f)	Empire Road, Parktown	Johannesburg	3 794	4 620	
En Gedi	(c) (f)	143 President Brand Road, Rynfield Extension 117, Benoni	Benoni	3 847	3 847	
Etude	(b)	51 Mozart Avenue	Midrand	900	17 181	
Exodus	(f)	67 Maxwell Street, Kempton Park	Kempton Park	824	816	
Ezra	(f)	64 North Rand Road, Kempton Park	Kempton Park	824	816	
Fairways	(c) (f)	2 St Andrews Street, Pollak Park Extension 2	Springs	4 866	4 759	
Fasser House	(f)	520 Paul Kruger Street, Pretoria	Pretoria	4 950	4 959	
Frangipani	(f)	96 Oxford Street, Ferndale	Ferndale	3 885	3 895	
Frank & Hirsch	(b)	352 Lilian Ngoyi Street	Johannesburg	2 680	10 255	
Franschoek	(f)	33 Hill Street, Ferndale	Ferndale	2 881	2 591	
Frederick House	(f)	Corner of Sauer & Frederick Street	Johannesburg	4 494	4 792	
Garden View	(f)	Corner of Sirdar Street & Abington Road, Kensington B	Kensington	5 248	4 833	
Genesis	(f)	69 Maxwell Street, Kempton Park	Kempton Park	824	816	
Geraldine Court	(c) (f)	54 Wolmarans Street, Joubert Park	Hillbrow	4 800	4 572	
Golden Oaks	(f)	55 Pretoria Road, Comet, Boksburg	Boksburg	19 935	19 935	
Golden Views	(f)	205 Victoria Street, Georgetown, Germiston	Germiston	6 880	6 905	
Golf Park	(b)	631 Lievaart Street, Phillip Nel Park	Pretoria West	16 076	9 986	
Greenshank Villas	(f)	1 Van De Linden and Greenshank Road, Grobler Park	Roodepoort	6 889	8 047	
Hayani	-	112 End Street	Doornfontein	2 344	6 898	
Hillandale	(f)	Corner of Lily & Alexandra, Berea	Johannesburg	1 431	2 459	
Hollyland	(f)	23 Andries Close, Bramley Park	Bramley Park	2 926	6 810	
Ilanga	(f)	49 Duchess Avenue, Windsor East	Windsor	555	740	
Impilo Place	(b)	141 Rahima Moosa Street	Johannesburg	990	3 718	
Indlovu Complex	(c)	2670/2/3 Doberman Street, Commercia Extension 9	Midrand	10 549	118	
Ironwood	(f)	55 Flynn Close, Wilgespruit	Roodepoort	6 362	6 421	
Jabulani Lifestyle Estate	-	3223 Matshabeng Street	Soweto	14 854	11 520	
Jabulani Mews	(b)	2345 Dikgathehong Street	Soweto	7 380	7 360	
Jackson's Cove	(c) (f)	14A Reedbuck Street, Elandspark	Elandspark	4 664	4 664	
Janin	(f)	69 Countesses Avenue, Windsor	Windsor	924	1 032	
Jeppe Post Office	(b)	Corner of Von Brandis and Rahima Moosa Street	Johannesburg	924	34 435	
Joshua	(f)	31 Maxwell Street, Kempton Park	Kempton Park	1 285	1 080	
Jozi House	(f)	62 Harrison Street, Johannesburg, Gauteng	Johannesburg	7 277	8 372	
Judges	(f)	71 Maxwell Street, Kempton Park	Kempton Park	1 285	1 281	

APPENDIX B: PROPERTY PORTFOLIO *CONTINUED*

Property company/name	Key	Property address	Location	Site area (m^2)	Rentable area (m^2)	Weighted average rental per m^2 (R) [(g)]
Residential - Gauteng						
Karen Place	(f)	33 Duchess Avenue, Windsor East	Windsor	1 342	1 174	
Kenwyn	(c) (f)	51 Duchess Avenue, Windsor East	Windsor	1 080	1 013	
Kevrob Manor	(f)	61 Viscounts Avenue, Windsor	Windsor	744	529	
Khan Corner	-	104 & 106 End Street	Doornfontein	744	3 522	
Khaya Square	(f)	Beatrice Street, Windsor East	Windsor	2 382	2 640	
Kilimanjaro	(c) (f)	14 Reedbuck Street, Elandspark	Elandspark	4 416	4 416	
Kings	(f)	39 North Rand Road, Kempton Park	Kempton Park	1 285	1 281	
Kings Ransom	(c) (f)	36 Wolmarans Street, Joubert Park	Hillbrow	20 033	13 505	
Kingston	(f)	44 Kings Avenue, Windsor East	Windsor	947	1 086	
Komati Complex	(c)	2670/2/3 Doberman Street, Commercia Extension 9	Midrand	7 380	45	
Lana Lee	(f)	58 Princesses Avenue, Windsor East	Windsor	1 072	950	
La Vie Nouvelle	(c)	1761 Riverview Road, Broadacres Extension 36	Johannesburg	4 164	5 577	
Lethabong Complex	(c)	2670/2/3 Doberman Street, Commercia Extension 9	Midrand	8 256	129	
Leviticus	(f)	55 Maxwell Street, Kempton Park	Kempton Park	824	816	
Lionsgate	(f)	57 Countesses Road, Windsor	Windsor	1 380	1 176	
Living @ Rissik	(b)	81 Rissk Street	Johannesburg	994	4 036	
Logan's View	(c) (f)	8 Grasvoel Crescent, Liefde en Vrede	Liefde en Vrede	3 870	3 855	
Longfellow Village	(f)	Corner of Longfellow & Emerson Street, Vanderbijlpark	Vanderbijlpark	2 702	2 702	
Margedale	(f)	55 Princesses Road, Windsor East	Windsor	1 812	1 570	
Maria Mansions	(f)	3 Neetling Street, Benoni	Benoni	2 193	2 148	
Marwyn	(f)	56 Dukes Avenue, Windsor East	Windsor	1 029	1 029	
Matroosberg	(f)	20 Ockerse Street, Hillbrow	Hillbrow	10 599	14 804	
Melbourne Court	(b)	237 Lilian Ngoyi Street	Johannesburg	249	572	
Midhill Gardens	(c) (f)	5 Ockerse Street, Hillbrow	Hillbrow	4 149	3 624	
Minuet	(b)	44 Mozart Lane, Sagewood	Midrand	5 829	4 726	
Molrow House	(f)	Corner of Victoria and Plantation Street, Georgetown	Germiston	1 175	1 429	
Monsmeg	(c) (f)	156 Quartz Street, Hillbrow	Johannesburg	3 472	1 986	
Montere	(f)	113 Agulhas Road, Hoogland	Bloubosrand	2 344	2 346	
Moray House	(b)	197 Rahima Moosa Street	Johannesburg	991	4 381	
Morgenster	(c) (f)	4 Kapteijn Street, Hillbrow	Hillbrow	1 782	2 287	
Mount Bradley	(f)	51 Dukes Avenue, Windsor East	Windsor	715	576	
Mpumelelo	(b)	62 Davies Street	Doornfontein	2 344	13 412	
My Place	(f)	40 Sixth Avenue, Florida	Florida	709	702	
Nehemiah	(f)	13 Blockhouse Street, Kempton Park	Kempton Park	1 690	1 686	
Neilsway	(f)	60 Earls Road, Windsor	Windsor	1 380	1 116	
Newgate	(b)	180 Lilian Ngoyi Street	Newtown	7 148	12 484	
Noordheuwel Heights	(f)	7 Matroosberg Street, Noordheuwel	Noordheuwel	3 161	3 161	
Normandie Court	(b)	96 Kerk Street	Johannesburg	5 440	4 424	
Northgate Heights	(b)	43 Montrose Avenue	Randburg	19 818	17 463	
Northpark Mall, Residential	(c)	526 Rachel De Beer Street, Akasia	Pretoria North	-	6 324	
Northways	(c) (f)	Corner of Claim & Jager Street, Hillborw	Johannesburg	4 340	2 308	
Nukerk	-	73 Nugget Street	Johannesburg	1 983	8 267	
Numbers	(f)	37 Maxwell Street, Kempton Park	Kempton Park	1 102	1 065	
Park Crescent	(c) (f)	Orange Blossom Boulevard, The Orchards	Pretoria	7 369	7 339	
Park Mews	(c) (f)	19 Catherine Street, Hillbrow	Hillbrow	3 768	3 004	
Park Village	(f)	Hans Strijdom Street, Vanderbijlpark	Vanderbijlpark	6 460	12 150	
Philwade Manor	(f)	73 Earls Road, Windsor East	Windsor	666	540	
Platinum Place	(b)	40 Van Beek Street	New Doornfontein	7 084	9 081	
Pomegranate	(c) (f)	3 Grenoble Road, Marshalls Town	Johannesburg	2 664	2 664	
Prince Allan	(f)	54 Princesses Avenue, Windsor East	Windsor	715	528	
Progress house	(f)	1 Ryder Road, Bordeaux	Randburg	3 308	3 364	
Protea Glen (Goldfields)	(f)	Corner of Protea Boulevard & Lagwaia Street, Protea Glen	Soweto	7 301	7 301	
Quagga Estates	(f)	295 Research Road	Pretoria	15 473	15 570	
Rand President	(f)	340 Pretoria Avenue, Randburg	Randburg	2 343	2 029	
Redwood	(f)	2 Setter Street, Honey Park	Roodepoort	9 257	9 248	
Reef Acres	(c)	8 Myrtle Road, Krugersrus	Springs	4 698	1 126	
Rhodes Court	(f)	3 Mosquito Street, Rhodesfield	Rhodesfield	1 999	2 012	
Robwill Mansions	(f)	91 Howard Avenue, Benoni	Benoni	3 589	3 570	
Rosdin Lodge	(f)	Corner of Princes & Alexander Street, Windsor West	Windsor	1 348	1 125	
Rosewood	(c)	2 Nightingale Road	Randfontein	15 693	44	
Rosewood	(f)	Setter Street, Honey Park	Roodepoort	6 838	6 800	
Rothchild Manor	(c) (f)	80 Rothchild Road, Roodepoort	Roodepoort	5 889	6 105	
Samuel	(f)	69 Noordrand Road, Kempton Park	Kempton Park	1 285	1 281	
Sefton Court	(c) (f)	76 Joubert Street, Joubert Park, Johannesburg	Johannesburg	2 480	2 248	
Selwood Place	(f)	6 O'Reilly Avenue, Berea	Hillbrow	3 545	4 081	
Selwyn Hall	(f)	55 Dukes Avenue, Windsor East	Windsor	2 028	1 940	

APPENDIX B: PROPERTY PORTFOLIO *CONTINUED*

Property company/name	Key	Property address	Location	Site area (m²)	Rentable area (m²)	Weighted average rental per m² (R) (g)
Residential - Gauteng						
Seswick Court	(c) (f)	7 Soper Road, Berea	Johannesburg	3 540	1 936	
Sixty One Countesses	(f)	67 Countesses Avenue Windsor	Windsor	1 338	1 338	
South Hills Lifestyle Estate	(b)	Corner of Nephine and Steelpoort Road	Johannesburg	64 830	31 820	
Sparrow Hawk	(c) (f)	1 Black Reef Road, Germiston	Germiston	6 155	6 111	
Springbok Court	(f)	5 Industry Road, Benoni	Benoni	2 480	2 542	
Springbok Hotel	(b)	Corner of Lilian Ngoyi & Joubert Street	Johannesburg	1 495	1 399	
SS Summer Place	(f)	Kosmosdal Extension 81, Centurion	Pretoria	5 762	3 024	
Station View	-	62 Davies Street	Doornfontein	886	2 655	
Stonearch	(f)	Corner Sunstone & 1 Brookhill Road, Castleview, Germiston	Germiston	11 988	11 988	
Stuttaford House	(b)	60 Pritchard Street	Johannesburg	1 485	7 547	
Sue Mark Court	(c) (f)	65 Lilly & High Street, Berea	Johannesburg	2 493	2 455	
Summer Place	(f)	28 Topaz Avenue, Kloofendal	Roodepoort	6 088	6 088	
Sunset View	(c) (f)	16 Swempie Crescent, Liefde en Vrede	Liefde en Vrede	1 860	1 860	
Surrey	(f)	267 Surrey Avenue, Randburg	Randburg	2 274	2 911	
Syringa	(f)	Colin Paul Street, Edleen	Kempton Park	5 898	5 938	
Telmond	(f)	21 Andries Close, Bramley Park	Bramley Park	2 409	5 799	
The Falls Lifestyle Estate	(e)	Van Staden Road	Wilgeheuwel	66 200	15 329	
The Falls 2 Lifestyle Estate	(e)	45 Shearwater Road	Wilgeheuwel	40 147	15 390	
The Sentinel	(c) (f)	28 Van der Merwe Street, Hillbrow	Hillbrow	15 638	16 651	
Toronto House	(f)	110 Helen Joseph Street, Johannesburg	Johannesburg	2 976	1 891	
Trejon	(f)	2 Ivan Street, Florida	Florida	3 394	3 494	
Upper East Side	(f)	16 Edgar Road, Boksburg	Boksburg	4 804	4 940	
Villa Borghese	(f)	81 Viscount Avenue, Windsor	Windsor	582	724	
VillaKazi	(c) (f)	4 Harries Street, Marshalls Town	Johannesburg	1 109	1 269	
VillaMia	(c) (f)	5 Viool Street, Benoni	Benoni	5 103	5 103	
Waterfront	(f)	1 Marguerite Avenue, Germiston	Germiston	2 811	2 820	
Willanda	(f)	88 Louis Botha Avenue, Yeoville	Johannesburg	2 452	1 528	
Willowbrook Mews	(f)	Fleabane Crescent, Summerfield Estate, Centurion	Pretoria	4 360	4 400	
Windmill	(f)	179 Main Street, Johannesburg	Johannesburg	4 018	4 234	
Wonderpark Estate	(c) (f)	First Avenue, Karenpark, Akasia, Pretoria North	Pretoria	5 940	7 560	
Residential - Other						
Highveld Views	(f)	Nita Avenue, Emalahleni	Emalahleni	25 199	24 300	
Parnon	(c) (f)	92 Henry Street, Bloemfontein	Bloemfontein	3 446	3 408	
Tubatse Village	(b)	Steelport Extension 9 Township	Steelpoort	26 105	12 670	
Total				**2 635 012**	**1 691 797**	

Keys:
(a) Indicates leasehold properties
(b) Indicates properties bonded to Mega Pool SPV
(c) Indicates properties held for disposal
(d) Indicates a 75% share in property
(e) Indicates properties bonded with ABSA in respect of The Falls Rental Company debt
(f) Indicates properties bonded to Bowwood and Main SPV
(g) Due to the sensitivity of the weighted average rental per m² in the storage and residential portfolios, the weighted average has not been disclosed in Appendix B.

APPENDIX C: STATUTORY INFORMATION

DIRECTORATE:

The table below sets out the directors' holdings in shares:

Director	Share holding 000	2024 Type of Holding	Share holding 000	2023 Type of Holding
SY Moodley (Chief Financial Officer)	**5 110**	**Indirect beneficiary (FSP [1])**	3 597	Indirect beneficial (FSP[1])
TR Mackey (Chief Executive Officer)	**6 704**	**Indirect beneficiary (FSP [1])**	9 179	Indirect beneficial (FSP[1])
TR Mackey (Chief Executive Officer)	**9 580**	**Direct beneficiary**	6 813	Direct beneficial
TR Mackey (Chief Executive Officer)	**9 650**	**Indirect beneficiary**	10 198	Indirect beneficial
NNN Radebe (Chief Operating Officer)	**3 810**	**Indirect beneficiary (FSP [1])**	2 191	Indirect beneficial (FSP[1])
SJ Mojalefa (Head of Corporate Finance)	**2 564**	**Indirect beneficiary (FSP [1])**	1 779	Indirect beneficial (FSP[1])
MA Moloto	**24**	**Direct beneficiary**	24	Direct beneficial
	37 442		33 781	

(1) FSP = Forfeitable Share Plan.

There have been no changes in the direct or indirect beneficial interest of the directors between the end of the financial year under review and the date of signature of these financial statements. The shares held by directors are unencumbered and are not subject to any guarantees, nor pledged as security.

SHAREHOLDER INFORMATION:

Shareholder Type	Number of shareholdings	% of total shareholdings	Shares held (000)	% Holding
Non-Public Shareholders	4	0.07%	49 819 021	1.98%
Directors and Associates of the Company				
Direct holding	2	0.03%	9 603 951	0.38%
Indirect holding	1	0.02%	9 649 550	0.38%
Share Schemes				
SA Corporate Real Estate Fund Managers	1	0.02%	30 565 520	1.22%
Public Shareholders	5 960	99.93%	2 464 913 074	98.02%
Total	**5 964**	**100.00%**	**2 514 732 095**	**100.00%**

Investment Manager Shareholders (>3%)	Shares Held	% Holding
Public Investment Corporation	466 875 311	18.57%
M & G Investments	202 081 603	8.04%
Catalyst Fund Managers	191 579 794	7.62%
Old Mutual Investment Group	175 666 258	6.99%
Ninety One	157 995 920	6.28%
Meago Asset Management	137 631 093	5.47%
Granate Asset Managers	77 302 485	3.07%
Total	**1 409 132 464**	**56.04%**

Beneficial Shareholders (>3%)	Shares Held	% Holding
Government Employees Pension Fund	541 941 674	21.55%
Absa Group	316 798 966	12.60%
Old Mutual Group	177 112 318	7.04%
Eskom Pension & Provident Fund	144 508 177	5.75%
M & G Investments	114 593 698	4.56%
Ninety One	112 093 596	4.46%
Sanlam Group	84 540 626	3.36%
Total	**1 491 589 055**	**59.32%**

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