

Putprop

Annual Financial Statements

For the year ended 30 June

2025





Dragonflies

Status (regional):

Several species at risk; often Endangered/Vulnerable regionally

Habitat:

Montane wetlands and streams in Western Cape highlands and forest patches

Threats:

Wetland drainage, water pollution, habitat fragmentation

Description:

Aquatic insect indicators—sensitive to freshwater quality—important to ecosystem health.





FACTS ABOUT THE DRAGONFLY.

Dragonfly conservation in South Africa has gained much momentum over the last few decades due to research attention and focused management activities. In addition, dragonflies are also charismatic and iconic among insects, which have led to them grabbing attention from the public. It is now one of few insect groups that are assessed on the IUCN Red List of Threatened Species and part of the South African national Red List.

There are more than 6,300 known dragonfly species worldwide.

South Africa has 164 confirmed dragonfly species—a small number compared to the global total, but many are highly unique and endemic.

Dragonflies are among the oldest insect groups, with ancestors dating back 400 million years.

Despite their age, dragonflies have changed very little in body shape over millions of years.

Dragonflies are excellent bioindicators—their presence (or absence) at rivers and wetlands reveals the health of freshwater ecosystems.

The spesbona damselfly (*Spesbona angusta*) is the only insect known to undergo rapid, reversible colour change—brown in cool/cloudy weather, steel-blue in sunshine. This colour shift can happen in seconds, even as a cloud passes overhead.

Genetic studies suggest *Syncordulia* species diverged before 120 million years ago, around the time of Gondwana's breakup.

Several South African dragonflies are listed as Vulnerable or Endangered on the IUCN Red List due to habitat loss, invasive alien trees, and climate change.





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DIRECTORS' RESPONSIBILITY STATEMENT AND CEO AND CFO DECLARATION STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

Overview

The audited annual consolidated financial statements set out on pages 16 to 76 are the responsibility of the Board. The directors are responsible for selecting and adopting sound accounting practices, for maintaining an adequate and effective system of accounting records for the safeguarding of assets and for the developing and maintaining of a system of internal control. The audited annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, the Companies Act, Financial Reporting Pronouncements, as issued by the Financial Reporting Standards Council, the Listing Requirements of the JSE and include amounts based on judgements and estimates made by management.

The Directors are satisfied that the Group and Company is in compliance with and operating in conformity with the provisions of the Companies Act relating to its incorporation and the company's MOI.

Going Concern

The directors have assessed the Group and Company's ability to continue as a going concern and are satisfied that the Group and Company have adequate resources to continue in operational existence for the foreseeable future, which is at least 12 months from the reporting date. This assessment considered the following key factors:

Strong asset base:

The Group owns a diversified portfolio of investment properties with stable long-term lease contracts and occupancy levels that support reliable rental income.

Liquidity position:

- Current liabilities exceeded current assets in the current and prior year. The Group actively manages its liquidity risk by aligning debt maturity profiles with expected cash flows from operations and asset disposals. Management performs regular cash flow forecasting to ensure sufficient liquidity is maintained to meet obligations as they fall due. Where appropriate, the Group negotiates the renewal of loan facilities in advance of maturity and maintains relationships with multiple financial institutions to diversify funding sources. As at 30 June 2025, Putprop Limited had access to an unsecured overdraft facility of R25 million, which remains unutilised at year-end.

Loan covenant compliance:

- The financial covenant levels within the Putprop Group were not within the approved limits at the reporting date. The Group continues to implement measures to improve covenant compliance, including refinancing certain facilities, reducing gearing levels through planned asset disposals, and maintaining higher cash reserves.

Refinancing of debt:

- All significant debt obligations have been reviewed, and no material maturities are due within the next 12 months that are not covered by expected operational cash flows or existing facilities. The Standard Bank loan relating to the Corridor Hill property, with a settlement amount of R4.4 million, matures on 30 March 2026. This loan is expected to be repaid in full profit to monthly debt.

No material adverse events:

The directors confirm that there have been no material events after the reporting period that would impact the assessment of going concern. Refer to Note 38 for events after reporting period.

Accordingly, the directors believe that the preparation of these financial statements on the going concern basis is appropriate and are satisfied that the Group has access to adequate resources to continue operational existence for the foreseeable future.

The directors, supported by the Audit Committee, are satisfied that the Group's annual financial statements, fairly present the current state of affairs of the Group and that there was no material breakdown in the system of internal control during the year.



For further comment and additional disclosures on the Group's going concern status refer to the Directors' Report on page 175 of the Annual Financial Statements.

Operating Statement

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

- (a) The audited annual consolidated financial statements set out on pages 16 to 76, fairly present in all material respects of the financial position, financial performance and cash flows of Putprop Limited, 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 Putprop Limited, and its Consolidated Subsidiaries has been provided to effectively prepare the financial statements of the Group;
- (d) The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- (e) Where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- (f) We are not aware of any fraud involving directors.

External Auditors

The Group's annual financial statements have been audited by its independent external auditors HLB CMA SA Incorporated (HLB), who were given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the Board and Committees of the Board. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. It is the responsibility of the auditors to report on the Group's financial statements in conformity with International Standards on Auditing. HLB audit report is presented on pages 5 to 8 .

Approval

The financial statements were approved by the Board on 5 September 2025 and signed on their behalf by:



J E Smith
Chief Financial Officer

Johannesburg

5 September 2025



BC Carleo
Chief Executive Officer

Johannesburg

5 September 2025





CERTIFICATION BY THE COMPANY SECRETARY

FOR THE YEAR ENDED 30 JUNE 2025

The Company Secretary hereby certifies in accordance with section 88(2)(e) of the South African Companies Act, 2008 (Act 71 of 2008), as amended that, to the best of our knowledge, the Group has lodged with the Commissioner of the Companies and Intellectual Property Commission all such returns as are required for a listed Group and that all such returns are true, correct and up to date in respect of the financial year reported.

Acorim

**Acorim Proprietary Limited represented by
N. Davies**

Johannesburg
5 September 2025

HLB is a global network of independent advisory and accounting firms—46,755 professionals across 157 countries—delivering local insight and global expertise.

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2025

To the Shareholders of Putprop Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Putprop Limited (the group and company) set out on pages 16 to 76, which comprise the consolidated and separate statements of financial position as at 30 June 2025; and the consolidated and separate statements of profit or loss and other comprehensive income; the consolidated and separate statements of changes in equity; and the consolidated and separate statements of cash flows for the year then ended; and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Putprop Limited as at 30 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

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

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

Final Materiality

In determining materiality, we applied professional judgement and considered a combination of quantitative and qualitative benchmarks relevant to the nature and structure of the group and the company.



Offices in: Midrand (HQ) , Tshwane, Vaal Triangle, West Rand , East Rand and the Western Cape



Proudly recognized as the Audit & Assurance Services Firm of the Year over multiple years, including 2024.

HLB CMA SA Inc, is an independent member of HLB International, the global advisory , auditing and accounting network
Directors: Our list of directors is available on request from secdirector@mbasa.org





INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

Group final materiality

In determining final materiality for the consolidated financial statements of the group, we considered the nature of the group as being involved in the real estate industry. Given the group's asset-heavy profile, we determined that benchmarks based on the statement of financial position are more appropriate than income statement measures.

We benchmarked our final materiality primarily to 2% of total assets, consistent with industry practice for real estate entities. This resulted in a higher materiality figure compared to other benchmarks. However, for prudence, we settled on a final materiality of R19,690,000.

The benchmarks considered and the percentage ranges applied were:

- 1% to 3% for total assets
- 1% to 5% for total liabilities

Company final materiality

We determined final materiality for the standalone company to be R11,000,000. In determining materiality, we considered the company's financial position benchmark, being total assets. We applied percentage ranges typically used for listed investment holding companies, namely:

- 1% to 3% for total assets

This resulted in a materiality range of approximately R6.7 million to R20 million. After applying professional judgement and considering user sensitivity and audit risk, we determined R11,000,000 to be an appropriate and prudent final materiality level for the company.

Group Audit Scope

We tailored the scope of our audit to obtain sufficient appropriate audit evidence to enable us to express an opinion on the consolidated financial statements as a whole, taking into account the group's structure, the accounting processes and controls, and the specific risks associated with the real estate industry.

Our risk assessment procedures involved evaluating the significance of each component within the group and identifying those with risks of material misstatement to the consolidated financial statements. The group consists of a holding company and five subsidiaries. We performed risk assessments and full-scope audits on all six components.

In addition to component-level work, we performed procedures at the group level, including testing the consolidation process and reviewing significant consolidation adjustments to ensure the accuracy and completeness of the consolidated financial statements.

Based on the audit procedures performed across the group and the results of our risk assessments, we are satisfied that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

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

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

Key audit matter	How our audit addressed the key audit matter
<p>Key audit matter 1</p> <p>The investment property of Putprop Limited and the group is significant. The fair values of the investment property, which contain assumptions and significant inputs, are judgemental. Valuations are performed on an annual basis using either the discounted cash flow or capitalisation of net income methodology by an external valuer which is regarded as management's expert.</p> <p>As a result of the value of the investment property held at group and company level and due to the subjectivity and judgment associated with fair value determination, this matter is regarded as a significant one that we had to address from an audit perspective.</p>	<p>Our audit procedures, included the following, amongst others:</p> <ul style="list-style-type: none"> ○ Assessment of the control environment surrounding investment property by considering its design and implementation. ○ The qualifications and independence of the external valuers were inspected and verified to assess their capabilities and competence. ○ The formal valuation reports were obtained from the valuers and the following procedures performed thereon:



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

	<ol style="list-style-type: none">1. The forecasted financial information was evaluated for reasonableness which included comparing forecast figures for 2026 with actuals for 2025.2. The capitalisation and discount rates used were evaluated for reasonableness.3. The valuations were recalculated to test the mathematical accuracy thereof.4. Obtained audit evidence for any significant discrepancies in the calculations or inputs used and concluded that the audit evidence is sufficient. These included a comparison of yields, discount rates and square meter prices for similar properties for reasonability. <ul style="list-style-type: none">• Evaluated the adequacy of disclosures in the consolidated and separate financial statements relating to the valuation of investment properties, including sensitivity analyses, to assess compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board.
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Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Putprop Limited Annual Financial Statements for the year ended 30 June 2025", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

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

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

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





INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

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

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

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

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

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that HLB CMA South Africa Incorporated has been the auditor of Putprop Limited for 3 years.

HLB CMA South Africa Incorporated
Registered Auditors



Jeandre Du Toit
Director
Registered Auditor

05 September 2025

CMA Office & Conference Park
No. 1 2nd Road
Halfway House Estate
Midrand, 1685

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

NATURE OF THE BUSINESS

The directors have pleasure in submitting the 37th directors' report which forms part of the annual financial statements for the year ended 30 June 2025.

Putprop Limited (The Group), incorporated and domiciled in the Republic of South Africa, was listed on the JSE Limited on 4 July 1988. The Group is listed on the JSE under the Real Estate sector, and invests in industrial, commercial, retail and residential properties deriving its income primarily from tenant rentals. The Group has both directly owned property holdings as well as indirectly held property investments.

SUMMARY OF FINANCIAL PERFORMANCE AND DISTRIBUTIONS

The information presented for the year ended 30 June 2025 has been prepared in accordance with International Financial Reporting Standards ("IFRS®"), Companies Act, 2008 (Act 71 of 2008), as amended ("Companies Act"), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and the Listings Requirements of the JSE Limited. The financial statements have been audited by HLB, the Group's External Auditors.

In summary, rental income, including recoveries, was flat at R148.1 million (2024: R147.8 million).

Operating profit before finance costs was down 15.8% to R75.3 million (2024: R89.4 million).

Finance costs during this period reduced to R47.2 million R44.2 million from R50.1 million.

Profit after fair value adjustments of R68.7 million (2024: R59.8 million) was reported, an increase of 14.8%.

Headline earnings per share were 60.86 cents per share (2024: 46.54 cents)

The Group's financial results are set out in detail on pages 16 to 76 of this report.

The Board has approved a final dividend distribution of 8.50 cents per share for the period ended 30 June 2025 (2024: 8.50 cents). The total dividend distributed for the year ended 30 June 2025 was 15.5 cents per share (2024: 14.5 cents).

DIRECTORATE

Details of the current directors providing full names, ages, qualifications and abridged curriculum vitae are set out on page 131 of the annual report.

James Smith the CFO and Bruno Carleo the CEO having reached retirement age, have indicated they will be leaving the Group. Their last working day will be 31 December 2025. Both positions have been filled.

In terms of the MOI of the Company, one third of all non-executive directors have to retire annually by rotation. Mr Hayden Hartley and Danielle Torricelli, retire in terms of this requirement. Both Mr Hartley and MR Torricelli has offered himself up for re-election at the Group's Annual General Meeting. All retiring directors are eligible for re-election. No other changes occurred in the reporting period.

It is the policy of the Board that all directors, on reaching the age of 70 years, may continue to serve on the Board, provided that such appointment will be on a yearly basis, and subject to the approval of a majority of the Board.

CAPITAL STRUCTURE

The authorised capital comprises 500 000 000 ordinary shares of no-par value. At 30 June 2025 the issued shares of no-par value amounted to 42 405 133 shares (2024: 42 405 133).

Unissued shares of 457 594 867 (2024: 457 594 867) are held under the control of the directors, subject to the JSE Listings Requirements until the next Annual General Meeting.

GOING CONCERN

The directors have assessed the Group and Company's ability to continue as a going concern and are satisfied that the Group and Company have adequate resources to continue in operational existence for the foreseeable future, which is at least 12 months from the reporting date. This assessment considered the following key factors:

Strong asset base:

The Group owns a diversified portfolio of investment properties with stable long-term lease contracts and occupancy levels that support reliable rental income.

Liquidity position:

Current liabilities exceeded current assets in both the current and prior financial years. The primary reason for this position is the classification of shareholder loans amounting to R30.8 million as current liabilities. Although these loans have been subordinated in favour of ABSA Bank and the Group retains the right to defer repayment until 30 June 2029, they are required to be presented as current liabilities in accordance with IFRS.

Despite this classification, the Group maintains a strong liquidity management framework. Liquidity risk is actively managed by aligning debt maturity profiles with expected operational cash flows and proceeds from asset disposals. Management performs regular cash flow forecasting to ensure that sufficient liquidity is available to meet obligations as they fall due.

Where appropriate, the Group negotiates the renewal of loan facilities well in advance of maturity and maintains a strategic banking relationship with one major financial institution, which holds over 90% of the Group's debt exposure. This concentration is a deliberate executive decision, based on favourable lending terms, strong covenant alignment, and long-standing relationship history.

As at 30 June 2025, Putprop Limited had access to an unsecured overdraft facility of R25 million, which remained unutilised at year-end.

Refinancing of debt:

All significant debt obligations have been reviewed, and no material maturities are due within the next 12 months that are not covered by expected operational cash flows or existing facilities. The Standard Bank loan relating to the Corridor Hill property, with a settlement amount of R4.4 million, matures on 30 March 2026. This loan will be repaid prior to maturity debt.

No material adverse events:

The directors confirm that there have been no material events after the reporting period that would impact the assessment of going concern. Refer to Note 38 for events after reporting period.

Accordingly, the directors believe that the preparation of these financial statements on the going concern basis is appropriate.

ULTIMATE HOLDING AND HOLDING COMPANY

Putprop's holding company is Carleo Enterprises Proprietary Limited and its ultimate holding company is Carleo Investments Proprietary Limited.





DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

DEBT COVENANTS

The Group has evaluated and assessed its ability to meet all its debt covenants as required by providers of finance for the year ended June 2026. We conclude that the Group will fulfill all its covenants in the next 12 months.

SPECIAL RESOLUTIONS

The following special resolutions were passed at the Annual General Meeting held on 7 November 2024:

- Approval of the non-executive directors' remuneration for the financial year ending 30 June 2025;
- General approval for Putprop's and/or its subsidiaries to acquire shares in the Company;
- Approval for the Company to provide financial assistance for the subscription of securities in terms of Section 44 of the Companies Act; and
- Approval for the Company to provide financial assistance in terms of Section 45 of the Companies Act.

MANAGEMENT AND ADMINISTRATION

The management of Putprop is responsible for the property asset managed function of the Group.

Putprop has contracted with the following property managers to assist in the day to day property management of the Group's property portfolio:

Broll Property Group (Pty) Ltd, Emira Property Management, McCormick Property Development (Pty) Ltd, Trafalgar Property Management (Pty) Ltd and Bidvest Property Management (Pty) Ltd.

DIRECTORS' SHAREHOLDINGS

On 30 June 2025, the directors held a total of 4 134 143 (2024: 4 094 143) shares in the Group. There has been no change in these interests between 30 June 2025 and the date of this report.

The paragraph above discloses the quantity of shares and the table below the percentage of shares.

	Direct beneficial		Indirect beneficial	
	2025 %	2024 %	2025 %	2024 %
Non-executive directors				
No shares are held by any of the Group's Non-executive directors	-	-	-	-
Executive directors				
B C Carleo*	0.27	0.13	5.07	5.07

* Retiring 31 December 2025

DEALINGS IN SECURITIES

Directors, Executives and Senior Employees are prohibited from dealing in Putprop's securities during certain prescribed restricted periods. A formal securities dealings policy has been developed to ensure directors' and employees' compliance with the JSE Listings Requirements and the insider trading legislation in terms of the Financial Markets Act.

DIRECTORS INTERESTS IN CONTRACTS AND CONFLICTS OF INTERESTS

The directors have no interest in material contracts or transactions, other than those directors involved in the operation of the Group as set out in this report. There have been no bankruptcies or voluntary arrangements of these persons.

Directors' declarations are tabled and circulated at every Board meeting. All directors are encouraged to declare any potential conflict of interest and to bring such circumstances to the attention of the Chair.

The Executive Directors of Putprop have not acted as directors with an executive function of any company at the time or within the 12 months preceding any of the following events taking place: receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangements with its creditors generally or any class of its creditors.

The directors of Putprop have not been the subject of public criticisms by statutory or regulatory authorities (including professional bodies) and have not been disqualified by a court from acting as directors of a company or from acting in the management or conduct of the affairs of any company. There have been no offences involving dishonesty by the directors of Putprop.

BOARD AND COMMITTEE COMPLIANCE

The attendance registers of directors for each Board and Committee meeting for the year ended 30 June 2025 is detailed on page 135 of the governance report.

DIRECTORS' REMUNERATION CONTRACTS

The executive directors do not have fixed-term contracts with the Company. A three-month notice period is required for any executive director, the CEO and CFO respectively for the termination of services. Details of remuneration and incentive bonuses paid to executive and non executive directors are set out in note 35 of the annual financial statements.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

LITIGATION STATEMENT

The directors are not aware of any legal or arbitration procedures that are pending or threatening, that may have had, in the previous 12 months, a material effect on the Group's financial position.

CONTINGENT LIABILITY

At the date of this report, no events have been identified that may result in a contingent liability.

COMPANY AUDITORS

HLB CMA South Africa Incorporated have acted as the Company and Group auditors for the year ended 30 June 2025 and will continue in terms of section 90 of the Companies Act.

COMPANY SECRETARY

The Company Secretary for the period under review is Acorim Proprietary Limited represented by N. Hunter whose physical and postal address is: 13th Floor, Illovo Point, 68 Melville Road, Illovo, 2196 and PO Box 41480 Craighall, 2025, respectively.

The Company Secretary is responsible for the duties set out in section 88 of the Companies Act and the Board for ensuring compliance with the JSE Listings Requirements. Director induction and training are part of the Company Secretary's responsibilities. The Company Secretary is responsible to the Board for ensuring the proper administration of Board proceedings, including the preparation and circulation of Board papers, drafting annual work plans, ensuring that feedback is provided to the Board and Board Committees and preparing and circulating minutes of Board and Committee meetings. They provide practical support and guidance to the Board and directors on governance and regulatory compliance matters.

Company Boards must consider and satisfy themselves annually regarding the competence, qualifications and experience of the Company Secretary. The performance of the Company Secretary, as well as their relationship with the Board, is assessed on an annual basis. The Company Secretary has unfettered access to the Board and maintains an arm's length relationship with the Board and is also not a member of the Board.

The Board has evaluated the Company Secretary and it is satisfied that they are suitably qualified for the role.

EVENTS AFTER THE REPORTING PERIOD

Refinancing of long-term liabilities

The Standard Bank loan relating to the Corridor Hill Property, with a settlement amount of R4.4 million maturing on 30 March 2026, is expected to be settled through an intercompany loan from Putprop Limited to its subsidiary.

Sale of investment property – G2

On 20 July 2025, the Board of Directors approved an offer to sell the bulk land of Summit Place – G2, classified as investment property held for sale, for a consideration of R30 million. The property's fair value at year-end was R26 million.

Development of investment property – Dobsonville

On 20 August 2025, the Board of Directors approved the development of the Dobsonville property into a retail centre. The development is expected to commence in April 2026, with an estimated capital expenditure of R26 million.

The fair value of the Dobsonville property has been included under Investment Property (refer to Note 3.1). The planned development aligns with the Group's strategic objective to enhance its retail portfolio and generate long-term rental income.

Dividend declaration

Dividend 72 has been approved by the Board of Directors at 8.50 cents per share on 7 September 2025.

Resignation of Director

On 28 July 2025, the Group's Chief Executive Officer, Mr Bruno Carleo indicated his intention to resign as at 31 December 2025.. On 25 August 2025, James E Smith notified the board he will be retiring will be retiring as Chief Financial Officer of Putprop with effect from 31 December 2025.

There are no other significant events that have occurred in the period from 30 June 2025 and to date of the publication of this report.

Johannesburg

5 September 2025



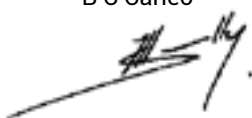
B C Carleo



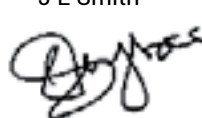
J E Smith



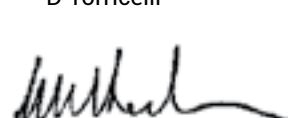
D Torricelli



H Hartley



R Styber



G van Heerden





AUDIT AND RISK COMMITTEE REPORT

FOR THE YEAR ENDED 30 JUNE 2025

The AR Committee presents its report in terms of section 94(7)(f) of the Companies Act, as amended and as recommended by King IV for the financial year ended 30 June 2025.

TERMS OF REFERENCE AND ROLE OF COMMITTEE

The information below constitutes the report as required by section 94 of the Companies Act. The AR Committee's operation is guided by a detailed Charter that is informed by the Companies Act and is approved by the Board as and when it is amended.

The main objectives of the AR Committee are:

- To assist the Board in discharging its duties relating to safeguarding of assets, the operations of adequate systems, controls and reporting processes and the preparation of accurate reporting and financial statements in compliance with the applicable legal requirements and accounting standards;
- To provide a forum for discussing business risk and control issues for developing recommendations for consideration by the Board;
- To oversee the activities of the external audit; and
- To perform duties that are attributed to it by the Companies Act and the JSE Listing Requirements.

RESPONSIBILITIES

The responsibilities of the committee are to:

- Nominate for appointment as auditor a registered auditor, who is independent of Putprop.
- Determine the fees to be paid to the auditor and the auditor's terms of engagement.
- Ensure that the appointment of the auditor complies with the provisions of the Companies Act and any other legislation relating to the appointment of auditors.
- Determine the nature and extent of any non-audit services that the auditor may provide or that the auditor must not provide to Putprop.
- Pre-approve any proposed contract with the auditor for the provision of non-audit services to Putprop.
- Review and approve the interim and final financial results and their press releases and the reviewed statements of financial position and statements of comprehensive income of Putprop with the relevant press releases for recommendation to the Board.
- Evaluate the quality of the financial information produced to ensure the integrity of reporting and to ensure that measures necessary, in the committee's opinion, are introduced to enhance the integrity of such reporting.
- Evaluate and approve the effectiveness and expertise of the Financial Director
- Review Putprop's solvency and liquidity position.
- Review the insurance cover effected by Putprop annually to ascertain its sufficiency, scope and costs.
- Receive and evaluate reports from management on significant breakdowns and/or potential areas in the risk management and assessment process, including the disaster recovery plan.
- Consider the audit plans for the external auditors to ensure completeness of coverage, reduction of duplicate effort and the effective use of audit resources.
- Ensured that a comprehensive combined assurance model was applied to the Group's key risks to ensure a coordinated approach to all assurance activities.
- Consider any significant findings and recommendations of the external auditors as well as the adequacy of corrective actions taken in response to these findings.
- Review the effectiveness of the systems of internal control.



AUDIT AND RISK COMMITTEE REPORT

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

COMMITTEE COMPOSITION AND MEETING ATTENDANCE

During the year under review the AR Committee comprised of three independent non- executive directors all of whom satisfy the requirements to serve as members on an audit committee as referred to by the Companies Act.

The Chair, the CEO, the Group Financial Director, other members of senior management and representatives from the external auditors attend the AR meetings by invitation only. The external auditors have unrestricted access to the Chair and other members of the AR Committee.

Meeting attendance is set out on page 135 of the corporate governance review. The AR Committee meets at least four times a year with the group executive management and the external auditors. The Company Secretary attends all meetings as secretary to this Committee.

APPROPRIATENESS AND EXPERIENCE OF THE CHIEF FINANCIAL OFFICER AND FINANCE FUNCTION REVIEW

The AR Committee reviewed the performance of the CFO, Mr James E Smith and was satisfied that the expertise and experience of the CFO was considered appropriate to meet his responsibilities in that position as required by the JSE. The AR Committee also considered and was satisfied with:

- The expertise and adequacy of resources within the financial function;
- The financial reporting procedures in place and that such are operating efficiently; and
- The expertise of the senior financial management staff.

The AR Committee has confirmed that the company has, with consideration to all entities included in the consolidated Group IFRS financial statements, established appropriate financial reporting procedures and that these procedures are operating to ensure that it has access to all the financial information on Putprop Limited to effectively prepare and report on the financial statements.

In making these assessments the AR Committee obtained feedback from the external auditors. Based on the processes and assurances obtained we believe the Group's accounting policies to be effective.

EXTERNAL AUDIT

- The external auditors provide an independent assessment of systems of internal financial control and express an independent opinion on the annual financial statements. The external audit function offers reasonable, but not absolute assurance on the accuracy of financial disclosures.
- The AR Committee, in consultation with executive management, agreed to an audit fee for the 2025 financial year. The fee is considered appropriate for the work that could reasonably have been foreseen at the time.
- There are formal procedures that govern the process, whereby if the auditor is considered for non-audit services, a specific letter of engagement for such work must be created and subsequently reviewed by the AR Committee. No non-audit services were carried out for the year ending 30 June 2025.
- Meetings were held with the auditor where management were not present, and no matters of concern were raised. Based on our processes followed nothing has come to the AR Committee's attention which would lead the AR Committee to question the external auditor's independence. Based on our satisfaction with the results of the activities outlined above, the AR Committee has recommended to the Board that HLB be appointed as the external auditors for the 2026 financial year, and Jeandre Du Toit as the designated auditor, subject to shareholder approval, at the AGM on the 6th of November 2025.





AUDIT AND RISK COMMITTEE REPORT

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

INDEPENDENCE OF EXTERNAL AUDITORS

- The Committee is required to review the independence of the external auditors HLB, in accordance with the following criteria:
- Representations made by HLB to the Committee
- The criteria specified for independence by the Independent Regulatory Board of Auditors and international regulatory bodies
- The auditor does not receive any remuneration or other benefit from Putprop except for Putprop's appointed external auditor and approved non-audit services
- The auditor's independence was not prejudiced as result of any previous appointment as auditor
- The Committee is satisfied that the external auditor is independent

FINANCIAL STATEMENTS AND ACCOUNTING PRACTICES

The annual financial statements of the Group and Company have been reviewed for the year ended 30 June 2025. Based on information provided by management the AR Committee is of the view that in all material aspects both the accounting policies and the annual financial statements are appropriate and comply with the provisions of the Companies Act, Act 71 of 2008, as amended, International Financial Reporting Standards (IFRS), interpretations as issued by the International Financial Reporting Interpretations Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Committee, and the JSE Listings Requirements.

Where it was considered appropriate, the AR Committee, made submissions to the Board on matters concerning the Group's and Company's accounting policies, financial control records and reporting.

The AR Committee considered, reviewed and approved for submission to the Board the following:

- The Group's and Company's property valuations both internal, by the directors of the Group in December 2024 and June 2025;
- The valuation performed by an independent external valuer, as at 30 June 2025;
- The full year integrated report to 30 June 2025; and
- The interim results to December 2024.

All of the reports as listed above were recommended for approval to the Board.

The AR Committee has further considered the JSE's most recent report back on proactive monitoring of financial statements, and where necessary to respond to the findings highlighted in the JSE report when preparing the annual financial statements for the year ended 30 June 2025.

ASSURANCE

As disclosed and reported on in the 2024 report, the Company, Putprop appointed an additional external review consultant to ensure compliance and correct interpretation of all IFRS and JSE requirements of future published Integrated financial statements to further strengthen controls. This additional independent party's review continued for the year 2025. Certain disclosure elements advised on the Group's interpretation of IFRS®, were implemented in the current year.

The AR Committee confirms that it received no complaints relating to the accounting policies, reporting practices, internal financial controls or the content and auditing of its financial statements during the year under review but noted no additional assurance methods adopted.

INTEGRATED ANNUAL REPORT AND ANNUAL FINANCIAL STATEMENTS

At its meeting held on 27 August 2025, the AR Committee considered and recommended the June 2025 integrated annual report and annual financial statements for approval to the Board. The Board has subsequently approved the integrated annual report and the annual financial statements, which will be open for discussion at the forthcoming Annual General Meeting.

AUDIT AND RISK COMMITTEE REPORT

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

INTERNAL FINANCIAL CONTROLS

The AR Committee has reviewed the reports of the external auditors detailing their findings arising from the audit and the appropriate response from management. The AR Committee confirms that no material findings in regard to internal financial controls have been brought to its attention during the year under review. In addition, the AR Committee reviewed and ensured adherence to the annual audit plan.

SOLVENCY AND LIQUIDITY

The AR Committee is satisfied that the Board has performed a solvency and liquidity test on the Group and Company in terms of sections 4 and 46 of the Companies Act as amended and concluded that the Group and Company will satisfy this test after payment of the final dividend distribution as approved by the Board on 7 September 2024. In addition, the AR Committee noted and confirmed that this test was performed and satisfied for the payment of the interim dividend distribution approved in December 2024.

GOING CONCERN STATUS

The AR Committee has considered the going concern status of the Group and Company on the basis of reviews of the unaudited interim financial statements and the audited annual financial statements and information provided to the AR Committee by management and have recommended such going concern status to the Board. The Board statement on the going concern status of the Group and Company is noted on page 175 of the directors' report.

REGULATORY COMPLIANCE

The AR Committee has, to the best of its knowledge, complied with all applicable legal and regulatory responsibilities.

IT MANAGEMENT

As at 30 June 2025 the Group does not have its own dedicated IT infrastructure. However, the Audit Committee ensures that security policies, daily off-site backups and suitable firewalls are in place. Putprop is not considered IT critical, but IT remains of high importance. Eris, Sage Pastel as well as the Bidvest IT Group maintain electronic records on behalf of the Group which include financial, rent rolls and other documents.

All accounting records and critical documents are now backed up daily a cloud-based security system

During this period all accounting records operating systems have been migrated to a cloud-based system thus eliminating hardware failure and redundancies.

On behalf of the AR Committee



H Hartley
Committee Chair

Johannesburg
27 August 2025





STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2025

	Note(s)	GROUP		COMPANY	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
ASSETS					
Non-Current Assets					
Investment property (excluding straight-lining)	3	1 056 950	970 900	344 950	296 800
Straight-lining lease income accrual	4	(33 625)	(42 023)	(4 525)	(5 175)
Investment property (including straight-lining)	3	1 023 325	928 877	340 425	291 625
Other Non-current Assets					
Operating lease asset	4	33 625	42 023	4 525	5 175
Property, plant, and equipment	6	2 157	1 204	777	1 204
Investment in subsidiaries	7	-	-	28 431	28 431
Investment in associates	10	27 820	27 140	47	47
Cumulative redeemable preference shares in associate	11	55 500	55 487	55 500	55 487
Deferred tax	12	123	-	-	-
Total Non-current Assets		1 142 550	1 054 731	429 705	381 969
CURRENT ASSETS					
Loans to subsidiaries	8	-	-	199 134	195 706
Trade and other receivables	13	13 250	15 054	4 219	7 076
Current tax receivable		2 457	1 636	2 414	1 590
Cash and cash equivalents	14	27 728	17 640	19 666	6 890
Total Current Assets		43 435	34 330	225 433	211 262
Investment property held for sale	3	46 700	138 100	16 700	84 000
Total Assets		1 232 685	1 227 161	671 838	677 231



STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2025

	Note(s)	GROUP		COMPANY	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
EQUITY AND LIABILITIES					
EQUITY					
Equity Attributable to Equity Holders of Parent					
Stated capital	15	93 477	93 477	93 477	93 477
Retained income		637 408	593 389	477 733	452 565
		730 885	686 866	571 210	546 042
Non-controlling interest	17	22 572	20 587	-	-
Total Equity		753 457	707 453	571 210	546 042
LIABILITIES					
Non-Current Liabilities					
Loan liabilities	18	366 760	104 641	77 293	81 271
Deferred tax	12	51 692	44 933	11 405	9 204
Total Non-current Liabilities		418 452	149 574	88 698	90 475
CURRENT LIABILITIES					
Trade and other payables	19	16 088	16 265	8 100	6 921
Loan liabilities	18	44 621	353 845	3 830	33 793
Current tax payable		67	24	-	-
Total Current Liabilities		60 776	370 134	11 930	40 714
Total Liabilities		479 228	519 708	100 628	131 189
Total Equity and Liabilities		1 232 685	1 227 161	671 838	677 231





STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note(s)	GROUP		COMPANY	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
Rental income and recoveries	20	140 363	140 334	65 069	67 988
Property operating costs	21	(50 075)	(49 060)	(24 485)	(23 448)
Gross profit from property operations		90 288	91 274	40 584	44 540
Corporate administration costs	22	(23 120)	(21 785)	(17 949)	(15 324)
Investment income	23	5 493	4 400	8 116	6 549
Other income	24	3 803	1 548	1 901	971
Expected credit losses	25	(1 832)	1 629	29	73
Share of associates' profits	10	679	12 425	-	-
Operating profit before finance costs		75 311	89 491	32 681	36 809
Finance costs	26	(47 424)	(50 115)	(12 839)	(13 255)
Profit before fair value adjustments		27 887	39 376	19 842	23 554
Fair value adjustments	5	40 812	20 476	21 712	(16 068)
Profit/ (loss) before taxation		68 699	59 852	41 554	7 486
Taxation	27	(16 122)	(14 527)	(9 813)	(1 404)
Profit/ (loss) for the year		52 577	45 325	31 741	6 082
Total comprehensive income/ (loss) for the year		52 577	45 325	31 741	6 082
Profit and total comprehensive income/ (loss) attributable to:					
Owners of the parent		50 592	38 938	31 741	6 082
Non-controlling interest		1 985	6 387	-	-
		52 577	45 325	31 741	6 082
Earnings per share					
Per share information					
Basic and diluted earnings per share (c)	39	119.31	91.82	74.85	14.34



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Stated capital R'000	Retained income R'000	Total attributable to equity holders of the Group/ company R'000	Non- controlling interest R'000	Total equity R'000
GROUP					
Balance at 01 July 2023	93 490	559 964	653 454	14 200	667 654
Profit and total comprehensive income for the year		38 938	38 938	5 749	44 687
Change in control				638	638
Share buy-back	(13)	-	(13)	-	(13)
Dividends (note 16)		(5 513)	(5 513)	-	(5 513)
Balance at 01 July 2024	93 477	593 389	686 866	20 587	707 453
Profit and total comprehensive income for the year	-	50 592	50 592	1 985	52 577
Dividends (note 16)	-	(6 573)	(6 573)	-	(6 573)
Balance at 30 June 2025	93 477	637 408	730 885	22 572	753 457
Note(s)	15				
COMPANY					
Balance at 01 July 2023	93 490	451 996	545 486	-	545 486
Profit and total comprehensive income for the year	-	6 082	6 082	-	6 082
Dividends (note 16)	-	(5 513)	(5 513)	-	(5 513)
Share buy-back	(13)	-	(13)	-	(13)
Balance at 01 July 2024	93 477	452 565	546 042	-	546 042
Profit and total comprehensive income for the year		31 741	31 741	-	31 741
Dividends (note 16)		(6 573)	(6 573)	-	(6 573)
Balance at 30 June 2025	93 477	477 733	571 210	-	571 210
Note(s)	15				





STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note(s)	GROUP		COMPANY	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from/ (used in) operations	28	77 886	98 509	28 107	43 300
Investment income	23	4 405	4 609	4 241	4 907
Finance costs	26	(44 525)	(49 437)	(12 246)	(13 217)
Tax paid	29	(10 196)	(7 987)	(8 373)	(5 656)
Net cash from operating activities		27 570	45 694	11 729	29 334
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property plant and equipment	6	(1 380)	-	-	-
Purchases of investment property	3	(365)	(627)	(365)	-
Proceeds from sale of non-current asset held for sale	3	42 000	-	42 000	-
Advances on loans to group companies	8	-	-	-	(9 794)
Loan repayment received from group companies	8	-	-	737	-
Net cash from investing activities		40 255	(627)	42 372	(9 794)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of loan liabilities	30	(51 164)	(39 379)	(34 751)	(15 461)
Advances received on loan liabilities	18	-	-	-	-
Dividends paid	16	(6 573)	(5 513)	(6 573)	(5 513)
Net cash from financing activities		(57 737)	(44 892)	(41 324)	(20 974)
Total cash movement for the year		10 088	175	12 776	(1 434)
Cash and cash equivalents at the beginning of the year		17 640	17 465	6 890	8 324
Cash and cash equivalents at the end of the year	14	27 728	17 640	19 666	6 890



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below.

1.1. Basis of preparation

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with and in compliance with International Financial Reporting Standards (IFRS®) interpretations issued and effective at the time of preparing these consolidated and separate annual financial statements the JSE Listings Requirements and the Companies Act of South Africa of 2008.

These consolidated and separate annual financial statements comply with the requirements of the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The consolidated and separate annual financial statements have been prepared on the historic cost convention unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. The consolidated financial statements are presented in Rand, and all values are rounded to the nearest million (Rm) except when otherwise indicated.

These accounting policies are consistent with the previous period.

1.2. Significant judgements and sources of estimation uncertainty

The preparation of consolidated and separate annual financial statements in conformity with IFRS requires management from time to time to make judgements estimates and assumptions that affect the application of policies and reported amounts of assets liabilities income and expenses. These estimates and associated assumptions are based on historical experience and reasonable expectations relating to future events. Actual results may differ from these estimates.

Information on the key estimates and uncertainties that have the most significant effect on amounts recognised are set out in the following notes to the financial statement:

- Investment in associate – refer to policy note 1.5 and note 10.
- Fair value measurement of investment property - refer to policy note 1.6 note 3 and note 5.
- Impairment of financial assets - refer to policy note 1.10 note 8 note 11 note 13 and note 37.

1.3. Consolidation

Basis of consolidation

Control is achieved when the company:

- Has power over the investee
- Is exposed or has a right to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The company reassesses whether it controls an investee if the facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The group's annual financial statements include the financial statements of the company and its subsidiaries including any entities over which the group has control. The operating results of the subsidiaries are included from the effective dates of acquisition up to the effective dates of disposal.

Intracompany balances and transactions are eliminated in the consolidated financial statements.

Profit or loss and Other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition or up to the effective date of disposal as applicable.

The group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity. The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions attributed in equity attributable to the owners of the company.





Notes to the Financial statements

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.3. Consolidation (continued)

Non-controlling interest

The non-controlling interest relates to the portion of equity ownership in a subsidiary not attributable to the parent company. Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. When the proportion of the equity held by non-controlling interest's changes the Group adjusts the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiary. The Group recognises directly in equity any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received and attribute it to the owners of the parent company.

Investments in subsidiaries in the separate financial statements

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

1.4. Joint operations

The Group has various undivided shares in investment properties which have been classified as joint operations hence only the Group's percentage share in the property is included in the consolidated results.

The Group recognises the following in relation to its interests in a joint operation:

- Its assets including its share of any assets held jointly.
- Its liabilities including its share of any liabilities incurred jointly.
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses including its share of any expenses incurred jointly.

The Group accounts for assets liabilities revenue and expenses relating to its interest in a Joint Operation in accordance with the IFRSs applicable to the particular assets liabilities revenues and expenses.

1.5. Investment in associate

An associate is an entity over which the Group has significant influence, and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. It generally accompanies a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method. Investments in associates are carried in the Statement of Financial Position at cost, adjusted for the Group's share of post-acquisition changes in the associate's net assets, less any impairment losses, if applicable.

The Group holds preference shares in the associate, which are not equity accounted but are measured and presented in accordance with IFRS 9.

Investments in associates in the separate financial statements

In the company's separate financial statements investments in associates are carried at cost less any accumulated impairment losses.

1.6. Investment property

Investment property which is stated at fair value less straight-line lease adjustments constitutes land and buildings held by the Group and Company for rental producing purposes and to appreciate in capital value. If a property is no longer considered a core property or does not meet the Group's strategic requirements then a sale of the property will be approved and the property transferred to investment property held for sale (note 3.2).

Investment property is measured initially at cost including transaction costs directly attributable to the acquisition. The carrying amount includes the cost of subsequent expenditure relating to an existing investment property incurred subsequently to add to or to replace a part of a property if at the time that cost is incurred it is probable that future economic benefits that are associated with the investment property will flow to the enterprise. Tenant installations are capitalised to the cost of a building. All other subsequent expenditure including the costs of day-to-day servicing of an investment property is expensed in the period in which it is incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.6. Investment property (continued)

Capital expenditure is cost incurred to upgrade or extend the life of the investment property. Tenant installations are costs incurred by the Landlord in order to fit out and modify leased space to make it more suitable to the tenants needs.

Investment property is maintained upgraded and refurbished as determined by management from time to time in order to preserve or improve the capital value of the asset. Maintenance and repair costs which do not add value to the asset or prolong the useful life of the asset are charged against profit and loss in the period in which it is incurred.

Effective date of property transactions

In the event of an investment property being disposed of or acquired the effective date of the transaction is generally when all suspensive conditions have been met and complied with and the buyer becomes contractually entitled to the income and expenses associated with the property.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment properties reflects market conditions. Fair value is determined on the basis of an annual independent external valuation conducted by a registered professional valuer. The directors also consider the value the entire property portfolio bi-annually on the fair market value basis. Fair market value is the open market value which in the opinion of the directors is the fair market price at which the property could have been sold unconditionally for a cash consideration in an orderly transaction at the date of valuation.

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

Derecognition

Investment property is derecognised when the assets has been disposed of, or no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property (the difference between the sale proceeds and the carrying amount) are recognised in profit or loss in profit/(loss) of sale of investment property for the period in which it arises.

1.7. Investment property held for sale

Investment property is classified as a non-current asset held for sale when the carrying amount will be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable within 12 months.

The criteria in IFRS 5 are applied, and the Group will only classify investment property as held for sale when all of the following conditions are met:

- Management is committed to a plan to sell the asset.
- The asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets.
- An active programme to locate a buyer and complete the plan has been initiated.
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value.
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification; and
- Actions required to complete the sale indicate it is unlikely that the plan will be significantly changed or withdrawn.

Investment property classified as held for sale is measured at fair value and is presented separately as a current asset in the statement of financial position.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.8. Plant and equipment

Plant and equipment is initially carried at cost less accumulated depreciation and impairment losses.

Expenditure incurred subsequently for major services additions to, or replacements of parts of property plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day to day servicing costs is included in profit or loss in the year in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value using the straight-line method.

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

Item	Depreciation method	Average useful life
Furniture and fittings	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	3 years
Solar equipment	Straight line	10 years

An item of plant and equipment is derecognised when no future economic benefits are expected from its use. The gain or loss on disposal is recognised in profit and loss under corporate administration costs (note 22).

1.9. Impairment of non-financial assets

The Group assesses at each reporting date, whether there is any indication that a non-financial asset may be impaired. This policy applies to plant and equipment, investments in subsidiaries (in the separate financial statements), and intangible assets, if any.

Investment property is measured at fair value and is therefore excluded from this policy, as fair value changes are recognised through profit or loss in accordance with IAS 40.

If such an indication of impairment exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. The assessment is performed for individual assets unless they do not generate cash inflows that are largely independent of those from other assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in profit or loss.

Impairments on investments in subsidiaries are assessed with reference to the subsidiaries' net asset values, profitability, and fair value of underlying investment properties and property, plant and equipment.

1.10. Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument.

Note 36 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications.

The specific accounting policies for the classification recognition and measurement of each type of financial instrument held by the Group are presented below:

Financial assets at amortised cost

Classification

Trade and other receivables (note 13) loans to subsidiaries (note 8) cumulative redeemable preference shares (note 11) and cash and cash equivalents (note 14) are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and the Group's business model is to collect the contractual cash flows on these financial assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.10 Financial instruments (continued)

Recognition and measurement

Financial assets are measured at initial recognition at fair value plus transaction costs if any. A trade receivable without a significant financing component is initially measured at the transaction price.

Subsequently these assets are measured at amortised cost using the effective interest rate method.

The amortised cost is the amount initially recognised minus principal repayments plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount adjusted for any loss allowance.

Impairment of financial assets

In terms of IFRS 9 an entity is required to recognise expected credit losses (ECL) on financial assets measured at amortised cost using unbiased forward-looking information.

Exposures are divided into the following three stages:

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

An impairment loss for a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the probability-weighted estimated future cash flows discounted at the pre-tax discount rate that reflects current market assessments of the time value of money forward-looking information including estimates of economic growth expected asset values forecasted returns and the risks specific to the asset.

Individually significant financial assets are assessed for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit characteristics. All impairment losses are recognised as expected credit losses in profit or loss.

An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined had no impairment loss been recognised initially.

For rent receivables, the Group and Company has elected to apply the simplified approach in calculating the loss allowance. Therefore, the ECLs on trade receivables are estimated using a provision matrix with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forward-looking information of conditions based on lifetime ECLs at each reporting date. For further detail, refer to note 13.

To determine the loss allowance for other receivables (note 13), loans to subsidiaries (note 8), cumulative redeemable preference shares (note 11) and cash and cash equivalents (note 14), the Group and Company applies the general approach, which requires the 12-month ECL basis to be recognised from initial recognition of each respective financial asset.

General approach - Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring as at the date of initial recognition. A credit rating is generated by:

- Calculating historical loss ratios for each other financial assets ageing bucket and
- Adjusting these historical loss ratios by applying a forward-looking factor.

The resulting credit rating provides an adjusted loss ratio for each internal credit grade. This is assessed with reference to the credit rating framework outlined below:





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.10 Financial instruments (continued)

General approach - Credit rating framework

For purposes of determining credit loss allowances management assigns credit rating grades to each financial asset at the reporting date. These ratings are determined internally by assessing evidence such as historical performance existing market conditions and forward-looking estimates of economic growth and forecast of loans and other receivables to determine whether there is no realistic prospect of recovery. The table below sets out the internal credit rating framework which is applied by management when external ratings are not available.

Internal credit grade	Description	Basis for recognising expected credit loss	Key Inputs and Assumptions	Forward-Looking Information Considered
Performing	Low risk of default and no amounts are past due	12-month ECL	Probability of Default (PD) based on historical performance and tenant creditworthiness	Macroeconomic outlook, GDP growth, inflation and interest rate forecasts used to adjust PD
Doubtful	Either 30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL (Stage 2)	Indicators include deterioration in liquidity/ solvency ratios, weakening cash flows, or negative changes in credit rating	Forward-looking assessments of tenant industry sector, market rental growth, and economic conditions
In default	Either 90 days past due or there is evidence that the asset is credit impaired	Lifetime ECL (Stage 3)	Evidence includes persistent arrears, financial distress, or adverse legal/judicial events	Stress scenarios applied to reflect likelihood of recovery given current and forecast conditions
Write-off	There is evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery	Write-off	Loss Given Default (LGD) assumed to be 100%	Forward-looking data not applicable as recovery is no longer expected

Gross carrying amounts have been disclosed in the applicable note: other receivables (note 13), loans to subsidiaries (note 8), cumulative redeemable preference shares (note 11) and cash and cash equivalents (note 14)

Measurement of Expected Credit Loss

The assessment is performed qualitatively by reference to the borrower's cash flow and liquid asset position. The risk that the borrower will default on debt when due in accordance with the agreed terms depends on whether the counterparty has sufficient cash or other liquid assets to repay its debt within the agreed period (indicating that the risk of default is very low possibly close to 0%) or does not (indicating a very high risk of default possibly close to 100%). Refer to note 8 for further detail.

For financial assets with no specified repayment terms, such as loans to subsidiaries or related parties, the Group assesses default and expected credit loss based on:

- The borrower's financial position, including net asset value, liquidity ratios, and debt service capacity;
- The value and cash-generating ability of underlying assets held by the borrower (e.g. investment property portfolio values, rental yields and carrying value of property, plant and equipment);
- Forward-looking information, including forecast cash flows, forecast ted yields, budgets, planned developments and macroeconomic factors that may impact the borrower's solvency and ability to generate sufficient returns;
- Past behaviour and history of financial support provided by the Group or other stakeholders; and
- Other qualitative indicators of financial stress, such as covenant breaches, delays in interest or capital distributions, or adverse changes in the borrower's operations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria can identify significant increases in credit risk before the amount becomes past due.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.10 Financial instruments (continued)

Write off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group recovery procedures considering legal advice where appropriate. Bad debts are written off to other corporate administration costs (note 22). Any recoveries made are recognised in other income in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on information as previously described. The exposure at default is the gross carrying amount of the financial asset at the reporting date.

If the Group measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date and vice versa.

An impairment gains or loss is recognised for all financial assets in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is provided for under expected credit losses (note 25) in profit or loss as a movement in credit loss allowance.

Definition of Default

A financial instrument is considered to be in default when the issuer or borrower is unlikely to pay its credit obligations in full, without recourse to actions such as the realisation of collateral, or where contractual payments of principal or interest are past due.

Indicators that an exposure may be in default include (but are not limited to):

- Breach of contractual terms (such as payment arrears or covenant violations);
- Evidence of financial difficulty of the obligor, such as adverse changes in liquidity, solvency, or profitability;
- Deterioration in credit risk factors that cast significant doubt on the ability to meet obligations as they fall due;
- Reliance on the refinancing of debt or the disposal of core assets to remain current;
- Historical patterns of late or missed payments;
- Events such as bankruptcy, administration, or other financial restructuring.

The assessment of default considers both quantitative factors (such as overdue balances) and qualitative factors (such as forward-looking information, business viability, and the availability of alternative funding). Refer to note 8 and 13 for the quantitative and qualitative factors assessed.

Credit risk

Details of credit risk related to financial assets are included in the specific notes and the financial instruments and risk management note (note 36).

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is based on their amortised cost.

Financial liabilities at amortised cost

Classification

Trade and other payables (note 19) loan liabilities (note 18) and bank overdrafts (note 14) are classified as financial liabilities and subsequently measured at amortised cost except for VAT and amounts received in advance included in trade and other payables which are not financial liabilities and are measured at cost.

Recognition and measurement

Financial liabilities are measured at initial recognition at fair value plus transaction costs if any. They are subsequently measured at amortised cost using the effective interest method.

If trade and other payables contain a significant financing component and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 26).





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.10 Financial instruments (continued)

Financial Guarantee Contracts

The Group issues financial guarantees to banks and financial institutions in respect of loans granted to subsidiaries. Financial guarantee contracts are recognised as financial liabilities at the time the guarantee is issued. The fair value of a financial guarantee contract is the present value of the difference between the net contractual cash flows required under a debt instrument and the net contractual cash flows that would have been required without the guarantee. The present value is calculated using a risk-free rate of interest.

At each reporting date financial guarantees are measured at the higher of:

- The amount of the loss allowance; and
- The amount initially recognised less cumulative amortisation, where appropriate

The amount of the loss allowance at each reporting date is initially equal to 12-month expected credit losses. However, where there has been a significant increase in the risk that the specified subsidiary will default on the contract, the loss allowance is determined using lifetime expected credit losses.

Expected credit losses for financial guarantees are the cash shortfalls adjusted by the risks that are specific to the cash flows.

Cash shortfalls are the difference between:

- The expected payments to reimburse the holder for the credit loss that it incurs; and
- Any amount that the Company expects to pay to the bank and/or financial institution

Bank overdrafts

Bank overdrafts are repayable immediately and form an integral part of the daily cash management and have therefore been included in cash and cash equivalents. Bank overdrafts are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Derecognition

Financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

Financial liabilities

The Group derecognises financial liabilities when and only when the Group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable including any non-cash assets transferred or liabilities assumed is recognised in profit or loss.

1.11. Tax

Current tax assets and liabilities

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

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

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction effects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction effects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.11 Tax (continued)

Tax expenses

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

- a transaction or event which is recognised in the same or a different period to other comprehensive income or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged in the same or a different period to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged in the same or a different period directly in equity.

1.12. Leases

The Group assesses whether a contract is or contains a lease at the inception of the contract.

There were no significant judgments and sources of estimation uncertainty in determining whether a contract is or contains a lease.

Group as lessor

Contractual rental income is recognised as lease rental income as per lease agreement in profit and loss on a straight-line basis over the term of the lease.

The Group enters into lease agreements as a lessor with tenants for its investment property portfolio.

These leases are classified as operating leases because they do not transfer substantially all the risks and rewards incidental to ownership of the underlying investment property. The classification assessment considers:

The lease term relative to the asset's economic life.

Whether the present value of lease payments represents substantially all of the fair value of the asset; and

Whether the lessee obtains ownership of the asset by the end of the lease term.

As none of these conditions are typically met in the Group's standard lease agreements, the leases are accounted for as operating leases.

Income for leases is disclosed under rental income and recoveries (note 20) in profit or loss.

1.13. Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as 'share capital' in equity. Dividends are recognised as a liability in the period in which they are declared.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.14. Employee benefits Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered) are recognised in the period in which the service is rendered and are not discounted.

Accrual for leave pay represents the present obligation that the Group has as a result of employees' services rendered up to the reporting date and is calculated using salary rates and accrued days leave as at reporting date.

1.15. Rental income and recoveries

Rental income and recoveries comprise of the following streams:

Types of revenue	Recognition
Operating lease income	Recognised as income on a straight-line basis over the lease term in accordance with the Group's lease accounting policy (see note 1.12 – Leases). This includes fixed annual escalations.
Revenue from contracts with customers: Operating cost recoveries	Municipal and other operating cost recoveries are recognised over the period for which the services are rendered. The Group acts as a principal on its own account when recovering operating costs such as utilities from tenants. Operating cost recoveries are based on actual consumption and actual expenses incurred.

Recoveries

Operating cost recoveries represent the transaction price i.e. the amount of the consideration which the entity expects to receive for services provided net of value added tax.

In terms of IFRS 15, these recoveries are considered a non-lease component of the rental agreements. The Group has evaluated the principal versus agent guidance in IFRS 15.B34–B38 and concluded that it acts as principal in these arrangements, because:

- The Group controls the services before they are transferred to tenants, as contracts with municipalities and service providers are held in the Group's name.
- The Group bears the primary responsibility for ensuring that services are provided to tenants.
- The Group has discretion in determining how operating costs are allocated and recovered.
- The Group is exposed to credit risk on the recovery of these charges from tenants.

Accordingly, recoveries are recognised on a gross basis as revenue in the statement of profit or loss, with the corresponding operating costs recognised separately.

Recoveries are recognised on an accrual basis in line with the service being provided. Accordingly, the Group maintains its recording of service charge income on a gross basis.

Outstanding amounts from rental income and recoveries are recognised as trade and other receivables (note 13).

Rental income and recoveries received in advance is recognized as other payables in trade and other payables (note 19).

1.16. Investment income

Income is recognised as interest accrues using the effective interest rate method (that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments to the net carrying amount of the financial asset).

This applies to financial assets measured at amortised cost as outlined in the Group's financial instruments policy (see note 1.10 – Financial instruments).

Dividend income is recognised when the Group's right to receive payment has been established.

1.17. Property operating costs

Operating expenses as well as service costs for service contracts identified with a specific property are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.18. Finance costs

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

All other borrowing costs are recognised as an expense in the period in which they are incurred, in accordance with the recognition and measurement principles of financial liabilities (see note 1.10 – Financial instruments).

1.19. Segment reporting

The core business of the Group is property rental and related services, which is reported into segments based on the nature and business functions of the tenants for JSE reporting purposes. A segment is a distinguishable component of the Group that is engaged either in providing services (business segment) or in providing services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments.

Segments are identified as follows:

- Property rental operations categorised by sector - Commercial, Industrial, Retail, and Residential;
- Energy – generation and sale of solar electricity, including the recovery of related service costs.
- Corporate segment expenses relate to head office expenditure and income.

The Group's secondary segmentation is based on geographical location, determined by the location of the properties, and presented by province. The solar energy operations are considered to operate on a national basis and are therefore disclosed as a separate segment without further geographical subdivision.

The Group currently operates in the greater Gauteng area, the North West, and Mpumalanga provinces, with solar energy operations expanding nationally as projects are rolled out.

Operating segments are based on information that is provided to the Group's Chief Operating Decision Maker (CODM), being the Chief Financial Officer, who evaluates the Group's performance and allocates resources in accordance with the internal reporting structure as determined by the executive committee.

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

Segment profit or loss represents revenue less directly attributable expenses and the relevant portion of Group revenue and expenses that can be allocated on a reasonable basis. The measure of segment profit or loss, assets and liabilities reported to the CODM is prepared on the same basis as the Group's consolidated financial statements.

The Group's measure of segment profit or loss is consistent with the profit or loss reported in the consolidated financial statements, and includes:

- Rental income and recoveries,
- Property operating costs,
- Segment-specific operating expenses,
- Fair value adjustments on investment property,
- Finance costs directly attributable to the segment.

Segment assets comprise those assets that are directly attributable to the segment or that can be allocated to the segment on a reasonable basis, including investment property, trade and other receivables, and property, plant and equipment. Segment liabilities include borrowings and trade and other payables that are directly attributable to the segment or that can be allocated on a reasonable basis.

Operating segments have been aggregated per sector where similar characteristics are noted for the nature of the products and services, including rental and recovery of property income, and for the energy segment where returns are linked to electricity generation and distribution.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

1.20. Basic earnings per share and headline earnings per share

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders by the weighted average number of ordinary shares in issue during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares in issue for any dilutive effects. The presentation of headline earnings is not an IFRS requirement but is required by the JSE Limited. The calculation of headline earnings is done in accordance with SAICA Circular 1/2023.

2. NEW STANDARDS AND INTERPRETATIONS

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

At the date of approval of these annual financial statements certain new accounting standards amendments and interpretations to existing standards have been published but are not yet effective. The Group did not adopt any of these new standards and interpretations in the current year that had a material impact.

2.2. Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations which have been published and are mandatory for the company's accounting periods beginning on or after 01 July 2024 or later periods. These standards will be implemented in the applicable year for which they are mandatory.

There is unlikely to be a material impact on the future implementation of any of these standards.

Standard/ Interpretation:	Details of amendments	Effective date:	
		Years beginning on or after	Impact on the financial statements
IFRS 18 – Presentation and Disclosure in Financial Statements	IFRS 18 was issued by the IASB on 9 April 2025 and sets out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's <ul style="list-style-type: none"> • assets, • liabilities, • equity, • income, and • expenses. 	01 January 2027	Impact on group subsidiaries presentation and disclosure to be assessed.
IFRS 19 – <i>Subsidiaries without Public Accountability:</i> Disclosures	In May 2025 the IASB published IFRS 19 which permits a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.	01 January 2027	Impact on group subsidiaries presentation and disclosure to be assessed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

3. INVESTMENT PROPERTY

3.1. Investment property

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Property acquisitions capital expenditure and tenant installations	844 552	757 406	306 439	229 594
Changes in fair value (Note 5)	212 398	213 494	38 511	67 206
Investment property at fair value (excluding straight-lining)	1 056 950	970 900	344 950	296 800
Operating lease assets (Note 4)	(33 625)	(42 023)	(4 525)	(5 175)
Investment property at fair value (including straight-lining)	1 023 325	928 877	340 425	291 625
Reconciliation of investment property at fair value				
Investment property at 1 July	970 900	1 095 585	296 800	395 685
Transfer (to)/from investment property held for sale (note 3.2)	27 600	(146 200)	19 100	(87 000)
Additions to subsequent expenditure	700	626	700	-
Disposals	-	(134)	-	(134)
Change in fair value (Note 5)	57 750	21 023	28 350	(11 751)
Investment property at fair value (excluding straight-lining) at 30 June	1 056 950	970 900	344 950	296 800

Investment property held as security

The following properties have been pledged as security against loan liabilities disclosed in Note 18

- Erf 27 and 28 Corridor Hill Mpumalanga – R37 600 000 (2024: R46 200 000).
- Erf 8839 Secunda Ext 60 Mpumalanga – R139 400 000 (2024: R133 200 000)
- Section 1 of 55 Oakhurst Portion 1 & 2 of Erf 915 Parktown – R78 000 000 (2024: R77 000 000)
- Various Sectional Title Units in Summit Place (Schemes 159 640 Units 159 83 816) – R533 100 000 (2024: R538 500 000)
- 50% undivided share in Portion 111 of Farm Mamelodi 608 (Mamelodi Square) Gauteng – R139 250 000 (2024: R115 300 000)

3.2. Investment property - held for sale

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Stated at fair value	27 704	64 350		
Property acquisitions capital expenditure and tenant installations			3 350	31 496
Changes in fair value	18 996	73 750	13 350	52 504
Net investment property at 30 June	46 700	138 100	16 700	84 000
Movement for the year				
Investment property held for sale at 1 July	138 100	-	84 000	-
Transfer (to)/from investment property (note 3.1)	(27 600)	146 200	(19 100)	87 000
Change in fair value (note 5)	(21 800)	(8 100)	(6 200)	(3 000)
Disposals	(42 000)	-	(42 000)	-
Investment property held for sale at 30 June	46 700	138 100	16 700	84 000





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

3.2. Investment property - held for sale (continued)

Movement for the year

- Properties that remained unsold at year-end, namely Bank City and Menlyn Villas, with a combined fair value of R27.6 million, were reclassified from non-current assets held for sale, back to investment property due to updated valuations, rental forecasts, or development potential that have shown that retaining the asset provides better long-term return compared to its immediate sale.
- Putcoton was sold on 31 March 2025 at fair value of R42 million.
- Summit Place – G2, with a fair value of R30 million remains actively marketed and classified as held for sale as of 30 June 2025 with an expected sale within 12 months of the reporting date. The property is currently in the process of being sold.
- Lea Glen, with a fair value of R16.7 million, also remains classified as held for sale. Although the property has not been sold within the initial one-year period, circumstances arose during that period which were previously considered unlikely. In response, management took the necessary actions to address these changes and continued to actively market the property
 - The Group has assessed the criteria in IFRS 5.7–8 and concluded that Lea Glen continues to meet the requirements for classification as held for sale:
 - The property is available for immediate sale in its present condition.
 - The property is being actively marketed at a price that is reasonable given the change in circumstances.
 - The appropriate level of management remains committed to a plan to sell the asset, and an active programme to locate a buyer and complete the sale is ongoing.

Based on these considerations, management remains satisfied that the classification of Lea Glen as held for sale is appropriate at 30 June 2025.

Fair value measurement

The fair value of investment property held for sale is based on valuations performed by external independent valuers using the net income capitalisation method and comparable market transactions. Refer to Note 5 for details on valuation techniques and fair value hierarchy.

Link to Rental Income and operating cost recoveries and property operating costs

Investment properties held by the Group generate rental income and operating cost recoveries, which are disclosed in note 20. These properties also incur direct property operating expenses, such as municipal rates, utilities, repairs, maintenance and security, which are disclosed in note 21.

4. OPERATING LEASE ASSET

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Movement for the year				
Balance at 1 July	42 023	36 743	5 175	3 859
Operating lease rental straight-line adjustment (note 20)	(8 398)	5 280	(650)	1 316
Balance at 30 June	33 625	42 023	4 525	5 175
Reflected on the statement of financial position under:				
Non-current assets	33 625	42 023	4 525	5 175
	33 625	42 023	4 525	5 175

Nature of the Operating Lease Asset

The Group and Company enters into commercial property lease agreements as a lessor. These leases typically range from 3 to 10 years and include provisions for escalating rental clauses, with most fixed annual increases ranging between 6% and 8%. Leases are non-cancellable for the contractual term, with renewal options subject to negotiation.

Lease agreements generally do not impose significant obligations on the Group as a lessor, aside from maintaining the properties in a tenantable condition. No significant residual value guarantees or variable lease payment clauses (e.g. based on tenant turnover) are present in the lease contracts.

Lease Commitments

Future minimum lease payments receivable under non-cancellable operating leases are disclosed in Note 31. These amounts provide additional insight into the Group's expected cash inflows from lease arrangements and the timing thereof.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

5. FAIR VALUE INFORMATION

Investment properties

All investment properties are valued externally once a year by Spectrum Valuations and Asset Solutions (Pty) Ltd a sworn independent appraiser registered with the South African Council for the Property Valuers Profession. Spectrum Valuations and Asset Solutions (Pty) Ltd is a member of SAPOA and SACSC with over 12 years of experience within the valuation of South African property market.

Valuation Governance and Process

Valuations are reviewed by the Group's finance team and presented to the Board of Directors for approval. Significant assumptions and movements in fair values are analysed against industry benchmarks and historical trends. Where significant judgement is applied, management performs additional analysis to support inputs. The Audit and Risk Committee reviews the valuation reports as part of the financial reporting process. The valuations stated are in line with the Board of Directors' valuations of the same properties.

Movement in unrealised gains and losses of fair value have been recognised in fair value adjustment in profit or loss.

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Fair value adjustment increase/(decrease)	40 812	20 476	21 712	(16 068)

The reconciliation of these properties is presented in investment property (note 3.1) and in investment property – held for sale (note 3.2).

The fair values of land for development were determined using the comparable sales method – a level 3 fair value measurement in terms of the fair value hierarchy which involves the use of recent comparable transactions as a basis for the valuation. The comparable sales method includes unobservable bulk rates for undeveloped land. The land has been identified as a Special Development Zone.

Bulk rates for land for development comparables varied from 0.88 to 2.50 (2024: 0.99 to 2.42). Based on the comparables considering the property's size and historic data the valuers applied a market (or bulk) selling rate of R2 500 (2024: R7 889) per m² to the developable land.

The fair value of commercial, industrial, residential, and retail properties is estimated using a combination of the net income capitalisation method and the discounted cash flow (DCF) method of valuation – both classified as level 3 fair value measurements in terms of the fair value hierarchy. This method determines the net normalised annual rental income of the property assuming the property is fully let at market related rentals and market escalations with an allowance made for vacancies (where applicable). Market-related property operating expenses are deducted resulting in a net annual income which is then capitalised at a market-related rate. The capitalisation rate is determined from the market (i.e. the rate at which similar assets have traded recently).

The DCF method projects expected future net cash flows from each property, including contractual lease income, lease renewals, market-related rental growth, operating costs, vacancies, and capital expenditure requirements. These projected cash flows are discounted to present value using discount rates derived from market

benchmarks and reflecting property-specific risk factors. The exit capitalisation rate is applied to the terminal value at the end of the cash flow horizon.

The current occupation of the Group's portfolio is regarded as the "highest and best use" for the property and therefore valued as is.

Refer to pages 80–81 for detailed disclosures on the average gross rental per m². The valuation of investment properties is based on the net income capitalisation method, comparable sales and the DCF method, supported by observable market data and unobservable inputs including management assumptions.

The following factors were considered in estimating the rental stream:

- Actual intended use of the property.
- Location accessibility and market exposure.
- Demand for industrial commercial retail and residential space.
- Contracted rental growth and expected rental growth
- Occupancy and vacancy rates.
- Expected lease-up periods.
- Property operating expenses, including municipal rates and taxes, utilities, insurance, maintenance, and management fees, which are deducted from rental income to derive net income.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

5. FAIR VALUE INFORMATION (CONTINUED)

Key factors influencing the capitalisation rates include:

- Returns on comparable properties;
- Perceived risk and obsolescence;
- Inflation and anticipated market rental growth;
- Location characteristics and exposure;
- Alternative investment yields and prevailing mortgage rates.

Key factors influencing the vacancy rates include:

- Location accessibility and market exposure;
- Property Characteristics such as age, condition, design, and layout
- Economic conditions, interest rates, and inflation
- Rental levels relative to market
- Zoning and regulatory constraints

Valuation Assumptions by Segment

Market Net Rental Rates (Rand/m²):

Segment	2025		2024	
	From	To	From	To
Industrial	34	77	21	51
Retail	110	155	83	152
Commercial	87	267	89	185
Residential	115	169	100	123

The wide range in market net rental rates within each segment reflects differences in property location, grade, size, tenant covenant strength, and current market dynamics. High-end properties in prime locations with quality finishes command significantly higher rentals, while older or secondary properties may achieve below-market rates.

Capitalisation Rates:

Segment	2025		2024	
	From	To	From	To
Industrial	10.50%	12.00%	9.50%	12.00%
Retail	9.00%	10.75%	9.00%	9.50%
Commercial	8.50%	11.25%	8.50%	10.75%
Residential	8.50%	8.50%	8.00%	8.00%

Vacancy Rates:

Segment	2025		2024	
	From	To	From	To
Industrial	3.00%	5.00%	3.00%	5.00%
Retail	2.00%	5.00%	2.00%	5.00%
Commercial	0.00%	17.29%	5.00%	7.00%
Residential	4.50%	4.50%	3.00%	3.00%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

5. FAIR VALUE INFORMATION (CONTINUED)

Discount Rates:

Segment	2025		2024	
	From	To	From	To
Commercial	12.50%	13.00%	12.50%	12.50%

Reversionary (Exit Capitalisation) rate:

Segment	2025		2024	
	From	To	From	To
Commercial	8.75%	9.00%	9.00%	9.00%

Rental growth rate:

Segment	2025		2024	
	From	To	From	To
Commercial	4.00%	6.50%	3.53%	6.56%

Expense growth rate:

Segment	2025		2024	
	From	To	From	To
Commercial	6.00%	6.50%	6.00%	6.00%

Sensitivity Analysis

The valuation of investment properties is inherently sensitive to changes in key assumptions. The fair value increases with higher rental rates lower vacancy rates or lower capitalisation rates. Conversely a decline in rental income an increase in vacancy rates or a rise in capitalisation rates would reduce the fair value.

The most significant unobservable inputs include:

- Capitalisation rates (based on equivalent yields);
- Market rental growth assumptions;
- Vacancy rates; and
- Bulk rates applied to undeveloped land.

The valuation of investment properties is most sensitive to changes in capitalisation rates and market rentals. These inputs are assessed as the key drivers of fair value movements. There is a high degree of interdependency between certain assumptions – such as vacancy rates and market rentals – particularly in commercial and retail assets where market dynamics can shift rapidly.

The Group considers a 25-basis point (0.25%) movement to be a reasonably possible shift in capitalisation rates or rental growth based on historical trends and current market conditions. A 2% movement in vacancy rates is also deemed a reasonable sensitivity in assessing fair value volatility. For undeveloped land a 2% movement in bulk rates is considered appropriate.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

5 FAIR VALUE INFORMATION (CONTINUED)

Quantitative Sensitivity Summary

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Change in Market Net Rental ($\pm 0.25\%$)				
Effect on fair value amount of a 0.25% increase in market net rental per m²	25 518	21 677	14 415	12 093
<i>Effect on fair value as a percentage of a 0.25% increase in market net rental per m²</i>	2.50%	1.95%	3.26%	3.18%
Effect on fair value amount of a 0.25% decrease in market net rental per m²	(20 987)	(18 052)	(11 108)	(9 660)
<i>Effect on fair value as a percentage of a 0.25% decrease in market net rental per m²</i>	(2.06%)	(1.63%)	(3.28%)	(2.54%)
Change in Capitalisation Rates ($\pm 0.25\%$)				
Effect on fair value amount of a 0.25% increase in capitalisation rates	(34 048)	(50 320)	(7 423)	(9 812)
<i>Effect on fair value as a percentage of a 0.25% increase in capitalisation rates</i>	(2.95%)	(4.72%)	(2.54%)	(2.58%)
Effect on fair value amount of a 0.25% decrease in capitalisation rates	20 135	30 068	7 824	10 349
<i>Effect on fair value as a percentage of a 0.25% decrease in capitalisation rates</i>	1.74%	2.82%	2.68%	2.72%
Change in Vacancy Rates ($\pm 2.00\%$)				
Effect on fair value amount of a 2.00% increase in vacancy rates	(36 142)	(14 315)	(11 088)	(10 409)
<i>Effect on fair value as a percentage of a 2.00% increase in vacancy rates</i>	(3.27)%	(6.76%)	-6.91%	(7.04%)
Effect on fair value amount of a 2.00% decrease in vacancy rates	36 142	14 315	11 088	10 409
<i>Effect on fair value as a percentage of a 2.00% decrease in vacancy rates</i>	3.27%	6.76%	2.91%	7.04%
Change in Bulk Rates on Undeveloped Land ($\pm 2.00\%$)				
Effect on fair value amount of a 2.00% increase in bulk rates	7 500	10 950		-
<i>Effect on fair value as a percentage of a 2.00% increase in bulk rates</i>	25.00%	25%		-
Effect on fair value amount of a 2.00% decrease in bulk rates	(7 500)	(10 950)		-
<i>Effect on fair value as a percentage of a 2.00% decrease in bulk rates</i>	-25.00%	(25.00%)		-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

6. PROPERTY PLANT AND EQUIPMENT

GROUP	2025 R'000			2024 R'000		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated Depreciation	Carrying value
Furniture and fittings	876	(654)	222	876	(556)	320
Motor vehicles	147	(147)	-	147	(147)	-
Office equipment	594	(562)	32	594	(485)	109
Computer equipment	492	(487)	5	492	(300)	192
Solar equipment	2 036	(138)	1 898	652	(69)	583
Total	4 145	(1 988)	2 157	2 761	(1 557)	1 204

COMPANY	2025 R'000			2024 R'000		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated Depreciation	Carrying value
Furniture and fittings	876	(654)	222	876	(556)	320
Motor vehicles	147	(147)	-	147	(147)	-
Office equipment	594	(562)	32	594	(485)	109
Computer equipment	492	(487)	5	492	(300)	192
Solar equipment	652	(134)	518	652	(69)	583
Total	2 761	(1 984)	777	2 761	(1 557)	1 204

Reconciliation of property plant and equipment - Group - 2025

	Opening balance R'000	Additions R'000	Depreciation R'000	Total R'000
Furniture and fittings	320	-	(98)	222
Office equipment	109	-	(77)	32
Computer equipment	192	-	(187)	5
Solar equipment	583	1 380	(65)	1 898
	1 204	1 380	(427)	2 157

Reconciliation of property plant and equipment - Group - 2024

	Opening balance R'000	Additions R'000	Depreciation R'000	Total R'000
Furniture and fittings	596	9	(285)	320
Office equipment	195	-	(86)	109
Computer equipment	28	178	(14)	192
Solar equipment	649	-	(66)	583
	1 468	187	(451)	1 204

Reconciliation of property plant and equipment - Company - 2025

	Opening balance R'000	Additions R'000	Depreciation R'000	Total R'000
Furniture and fittings	320	-	(285)	222
Office equipment	109	-	(86)	32
Computer equipment	192	-	(14)	5
Solar equipment	583	-	(66)	518
	1 204	-	(451)	777

Reconciliation of property plant and equipment - Company - 2024

	Opening balance R'000	Additions R'000	Depreciation R'000	Total R'000
Furniture and fittings	322	10	(12)	320
Office equipment	195	-	(86)	109
Computer equipment	28	178	(14)	192
Solar equipment	649	-	(66)	583
	1 194	188	(178)	1 204

The carrying amounts of plant and equipment approximate their fair values, and no material differences are expected between the carrying values and fair values at reporting date.

No items of plant and equipment were pledged as security during the year under review.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

7. INVESTMENTS IN SUBSIDIARIES

The following table lists the entities which are controlled by the Group either directly or indirectly through subsidiaries.

Name of company	Nature of business	Issued share capital	% Holding and % Voting		Carrying amount in the company		Carrying amount of loan owing by subsidiary (Note 8)	
			2025	2024	2025	2024	2025	2024
HELD BY PUTPROP LTD								
Secunda Value Mart (Pty) Ltd	Retail centre	1 000	100.00	100.00	5 942	5 942	20 950	22 181
Pilot Peridot Investments 1 (Pty) Ltd	Commercial	100 000	85.27	85.27	18 172	18 172	162 154	158 875
Corridor Hill Properties (Pty) Ltd	Retail centre	500	100.00	100.00	4 317	4 317	14 650	14 650
Baraville (Pty) Ltd	Solar Provider	1 000	100.00	-	-	-	1 380	-
Edenvale Bus Service (Pty) Ltd	Dormant	1 000	100.00	100.00	-	-	^	^
Namasota (Pty) Ltd	Dormant	1 000	100.00	100.00	-	-	^	^
Putfield (Pty) Ltd	Dormant	1 000	100.00	100.00	-	-	^	^
					28 431	28 431	199 134	195 706

HELD BY PILOT PERIDOT INVESTMENTS 1 (PTY) LTD

Menlyn Villas Properties (Pty) Ltd	Residential	100	100.00	100.00				
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^ Less than R1 000

All subsidiaries are incorporated and operate in South Africa.

All goodwill related to subsidiaries has been fully impaired.

No shares in subsidiaries have been pledged as security for any Group liabilities.

There are no restrictions on the Group's ability to access or utilise the assets and liabilities of its subsidiaries.

Investments in subsidiaries are assessed annually for indicators of impairment. The recoverable amount is assessed based on the fair value of investment property net asset value forecasted cash flows and overall profitability. The Group assessed the recoverable amounts of its investments in subsidiaries and concluded that the carrying values did not exceed the recoverable amounts and therefore no impairment was recognised. The net asset value approximates the fair value of the subsidiaries and supports the conclusion that no impairment is required.

Refer to Note 8 for details on the impairment in loans owing by subsidiaries.

Refer to Note 17 for information on the non-controlling interest.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

8. LOANS TO SUBSIDIARIES

Company - 2025	Secunda Value Mart (Pty) Ltd	Pilot Peridot Investments 1 (Pty) Ltd	Corridor Hill Properties (Pty) Ltd	Baraville (Pty) Ltd	Total
Loan 1	21 301	133 055	18 845	1 380	174 581
Loan 2	757	3 000	-	-	3 757
Loan 3	-	27 222	-	-	27 222
Gross loan amount	22 058	163 277	18 845	1 380	205 560
Expected credit loss	(1 108)	(1 123)	(4 195)	-	(6 426)
Carrying value	20 950	162 154	14 650	1 380	199 134

Company – 2024	Secunda Value Mart (Pty) Ltd	Pilot Peridot Investments 1 (Pty) Ltd	Corridor Hill Properties (Pty) Ltd	Total
Loan 1	21 301	133 056	18 845	173 202
Loan 2	1 988	3 000	-	4 988
Loan 3	-	23 942	-	23 942
Gross loan amount	23 289	159 998	18 845	202 132
Expected credit loss	(1 108)	(1 123)	(4 195)	(6 426)
Carrying value	22 181	158 875	14 650	195 706

Split between non-current and current portions	2025	2024
Non-current assets	-	-
Current assets	199 134	195 706
	199 134	195 706

Nature of loans

Loan 3 to Pilot Peridot Investments 1 (Pty) Ltd is unsecured, bears interest at prime (2024: prime + 2%) and has no fixed repayment terms.

All other loans are unsecured interest-free and repayable on demand.

In the current year, Putprop provided funding of R1 380 000 to Baraville (Pty) Ltd for the installation of solar equipment. The generated solar energy will be supplied to tenants and recovered through lease-related charges.

Impairment assessment:

Loans granted consist of loans made to related party entities. The credit risks around these related parties have been assessed by management based on the related party's ability to discharge its obligation of the settlement of the loan.

Loans are recognised as financial assets measured at amortised cost in accordance with IFRS 9. Expected credit losses (ECLs) are assessed annually using the general model, with Stage 1 (12-month ECL) applied to exposures that have not experienced a significant increase in credit risk. The assessment incorporates forward-looking information, including:

- Subsidiaries' net asset value.
- Fair value of investment properties;
- Forecasted rental yields liquidity solvency and profitability.
- Feasibility studies on current and planned property developments, including projected cash flows, tenant demand, and financing structures
- For other project developments, feasibility assessments, including expected electricity generation, tariff structures, regulatory approvals, long-term customer contracts, and sustainability of cash flows.

The loans were assessed to have a low risk of default considering that the subsidiaries property value and rental yield are expected to remain at or above current levels. No further ECLs were recognised during the current year.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

8. LOANS TO SUBSIDIARIES (CONTINUED)

Credit Risk Management Practices

The Company monitors credit risk on loans to subsidiaries through ongoing internal assessment processes. Although these loans are to related entities within the Group and are unsecured, management applies consistent credit risk policies and oversight to ensure recoverability and identify any deterioration in credit quality.

- **Monitoring Process:**

Management performs regular reviews of each subsidiary's financial position, including liquidity, solvency, profitability, and operational cash flow projections. Quarterly reviews are conducted at both a Group and entity level.

- **Definition of Default:**

A loan is considered to be in default when there is evidence that the subsidiary is unlikely to repay the loan in full or where contractual obligations are not met.

Evidence that a subsidiary will be able to repay its obligations in full includes an assessment of:

The subsidiary's net asset value compared to the outstanding loan balance;

The fair value of underlying investment properties or solar assets held, and whether such values exceed the loan exposure;

Current and forecasted rental yields, electricity on-charging income, and cash flow generation;

Liquidity ratios and solvency assessments, including the ability to refinance or raise additional equity;

Post year-end repayment activity and historical payment performance; and

Approved budgets and feasibility studies that demonstrate the subsidiary's capacity to generate sufficient future income.

Conversely, evidence of default includes breaches of contractual terms, sustained arrears, deterioration in financial ratios (such as liquidity or interest cover), or other adverse conditions that cast significant doubt on the subsidiary's ability to meet its obligations without relying on the disposal of core assets.

- **Risk Assessment Approach:**

Loans are assessed for impairment using a 12-month expected credit loss model in accordance with IFRS 9, Stage 1.

The assessment incorporates:

- The net asset value of the subsidiary,
- The fair value of the underlying investment property,
- The quality and duration of lease income,
- Current and forecast macroeconomic conditions such as GDP growth rates, inflation rates, the prime lending rate and property market dynamics, and
- The Group's strategic intentions regarding financial support.

- **Risk Mitigation and Control:**

While no formal collateral exists, the Company retains control over key strategic and financial decisions of its subsidiaries, including budgeting and capital structure. As such, risks are managed through active oversight rather than external guarantees.

- **Internal Credit Ratings or Indicators:**

The Group does not use formal internal credit rating systems for subsidiaries. However, risk indicators such as declining net asset values, persistent operational losses, or negative cash flows would trigger a reassessment of ECL staging or measurement.

- **Low Credit Risk Designation:**

Loans to subsidiaries are considered to have low credit risk at the reporting date, as the underlying property values exceed the loan balances and are expected to generate future rental income sufficient to support recoverability.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

8. LOANS TO SUBSIDIARIES (CONTINUED)

• Measurement of Expected Credit Losses

Expected credit losses are measured using a probability-weighted approach based on a 12-month ECL model (Stage 1), as the loans are not considered to be credit-impaired. The following key assumptions and techniques were used in estimating ECLs.

In assessing the expected credit loss on these balances, the following was considered:

- Whether the borrower has sufficient available highly liquid current assets (which can be accessed immediately after taking into consideration any more senior external or internal loans which would need to be repaid) to repay the outstanding related party if the loan was demanded at reporting date. If sufficient highly liquid current assets could be accessed in the probability of default would approximate 0%.
- If it was determined that a borrower does not have sufficient highly liquid current assets, the Group and/or Company would allow the borrower to continue trading or to sell assets over a period of time. A review of a cash flow forecast is performed to give an indication of the expected trading cash flows and/or liquid assets expected to be generated during the recovery period. The expected credit losses are limited to the effect of discounting the amount due on the loan receivable over the period, until cash is realised and repaid to the Group and/or Company. IFRS 9 requires the discount rate to be the loan receivables' effective interest rate. The loan receivables are interest free and repayable on demand, and such have an effective interest rate of 0%. Accordingly, for such loans, discounting over the recovery period has no effect. Upon assessment the expected credit loss was determined as immaterial.

• Forward-looking information:

Management incorporates macroeconomic forecasts and expected property market conditions, including rental yield trends and occupancy levels, as well as subsidiary-specific cash flow projections and feasibility assessments. That may impact the borrower's solvency and ability to generate sufficient returns.

• Key assumptions:

- Stable or improving investment property values;
- No significant deterioration in tenants' ability to meet lease obligations;
- Continued Group financial support where applicable.

• Probability of default (PD) and loss given default (LGD):

PDs are based on qualitative risk indicators such as negative cash flow trends, asset encumbrances, or liquidity shortfalls. LGD is based on estimated recoverable value from the subsidiary's net assets.

• Use of management judgment:

As loans are to subsidiaries within the Group, ECL calculations rely on internal assessments rather than external credit ratings. Management judgment is applied in determining risk of default, considering both quantitative financial metrics and qualitative governance factors.

These qualitative considerations include the strength of governance and financial management, the level of strategic support available from the parent company, the resilience of the subsidiary's business model, tenant concentration risk, historical compliance with legal and regulatory requirements, operational performance indicators such as vacancy levels and arrears, and progress on key property or solar projects.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

8. LOANS TO SUBSIDIARIES (CONTINUED)

No significant changes:

There were no changes to the estimation techniques or assumptions compared to the prior reporting period.

Recoverability:

The Company considers these loans to be recoverable, as the net asset value of each subsidiary exceeds the outstanding loan balances. Accordingly, no additional expected credit losses were recognised in the current year.

Fair value disclosure:

The fair value of loans to subsidiaries approximates their carrying amounts. The effect of discounting is not material.

Investments in subsidiaries have been disclosed in note 7.

Reconciliation of expected credit loss

The following table shows the movement in the 12-month expected credit losses:

	COMPANY	
	2025 R'000	2024 R'000
Opening balance	(6 426)	(2 231)
Increase in credit rate risk	-	(4 195)
Closing balance	(6 426)	(6 426)

9. JOINT OPERATIONS

Company	Nature of business	% Ownership interest 2025	% Ownership interest 2024
Corridor Hill	Retail centre	50	50
Mamelodi Square	Retail centre	50	50
Summit Place	Retail centre	50	50

All joint operations operate in South Africa.

The Corridor Hill property is classified as a joint operation. As per the co-ownership agreement between Corridor Hill Properties (Pty) Ltd a subsidiary of Putprop Ltd and Bidvest Properties (Pty) Ltd each party has a 50% contractual share in the underlying asset and liabilities, and it is therefore classified as a joint operation with effective date from May 2015.

Mamelodi Square is classified as a joint operation. As per the co-ownership agreement between Putprop Limited and McCormick Property Development (Pty) Ltd each party has a 50% contractual share in the underlying asset and liabilities, and it is therefore classified as a joint operation with effective date from April 2019.

Summit Place is classified as a joint operation in Pilot Peridot Investments 1 (Pty) Ltd a subsidiary of Putprop Ltd. As per the co-ownership agreement between Pilot Peridot and Emira Property Fund Limited each party has a 50% contractual share in the underlying asset and liabilities and it is therefore classified as a joint operation effective from 20 July 2015.

In terms of the co-ownership agreements, each party has a 50% contractual share in the underlying co-ownership. Accordingly, in line with IFRS 11 Joint Arrangements, Putprop accounts for its share of the joint operation by recognising:

- 50% of the underlying assets (including the investment property, receivables, and cash balances);
- 50% of the underlying liabilities (including borrowings, trade payables, and other obligations); and
- 50% of the income (rental income and recoveries) and expenses (property operating costs, finance costs, and administrative expenses) arising from the joint operation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

10. INVESTMENT IN ASSOCIATE

Name of company	Nature of business	% Ownership interest		Group carrying amount		Company carrying amount	
		2025	2024	2025	2024	2025	2024
Belle Isle Investments (Pty) Ltd	Mixed use retail/commercial	18.175	18.175	27 820	27 140	47	47

The associate is incorporated in South Africa, and all operations are in South Africa.

The IAS 28 requirements for significant influence were assessed and it was concluded that:

- Voting rights are attached to the ordinary shares in issue. Putprop has 18.175% voting rights.
- Putprop has board representation on the board. The CFO of Putprop is also the Chairman of Belle Isle's Board.
- Putprop participates in the financial and operating policy decisions however does not control them.

After taking the above into consideration it was concluded that Putprop does exercise significant influence over Belle Isle Investments (Pty) Ltd.

The investment is equity accounted. Belle Isle Investments has a February year-end. The financial information included in this consolidation is based on annual audited figures for the latest February year-end adjusted for the period which falls outside the Group's financial period as well as the unaudited management accounts for the four months ended 30 June. The February year-end is not aligned with that of the Group as Putprop is unable to control the shareholder or Board decisions to change the year end.

The investment in Belle Isle Investments (Pty) Ltd was assessed for impairments at reporting date. The net asset value of the investment is assessed to determine whether there is any indication that it may have suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss. No indicators of impairment were present, and the value of the investment can be recovered through distributable profits of the associate.

SUMMARISED FINANCIAL INFORMATION

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2025 R'000	2024 R'000
Revenue	49 424	47 622
Profit after tax from continuing operations	19 424	85 980
Total comprehensive income	19 424	85 980
Preference dividend declared	(15 686)	(17 618)
Total comprehensive distributable to shareholders	3 738	68 362
Total dividends received by Putprop Ltd	3 981	3 564





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

10. INVESTMENT IN ASSOCIATE (CONTINUED)

SUMMARISED STATEMENT OF FINANCIAL POSITION

	2025 R'000	2024 R'000
ASSETS		
Non-current	514 378	511 370
Current	14 973	25 610
Total assets	529 351	536 980
LIABILITIES		
Non-current	138 950	140 379
Current	8 033	18 011
Total liabilities	146 983	158 390
Net asset value	382 368	378 590
Less: Cumulative redeemable preference shares	(229 265)	(229 265)
Total net assets	153 103	149 325
Putprop's share in Net assets	27 820	27 140
Reconciliation of net assets to equity accounted investments in associates		
	2025 R'000	2024 R'000
Interest in associate at percentage ownership	27 820	27 140
Investment in associate at carrying amount	27 820	27 140
Investment at beginning of period	27 140	14 715
Share of profits for the year	680	12 425
Balance at the end of the year	27 820	27 140



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

11. CUMULATIVE REDEEMABLE PREFERENCE SHARES

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Preference shares - Belle Isle Investments (Pty) Ltd	55 500	55 487	55 500	55 487

The Group holds cumulative redeemable preference shares in Belle Isle Investments (Pty) Ltd, bearing a fixed coupon rate of 7.2% per annum. These shares are redeemable at the discretion of Belle Isle Investments and have no fixed maturity date. Preference shareholders do not hold voting rights, and the instrument does not qualify as equity under IFRS.

During the current financial year, the Group received a cash dividend of R3.981 million (2024: R3.564 million). Refer to Note 23 for investment income.

Credit Risk Management Practices

The Group monitors credit risk on financial assets, including the preference shares, through ongoing internal assessments. Although these instruments are not rated externally, management applies consistent credit risk policies and oversight to ensure recoverability and identify any deterioration in credit quality.

Credit risk is assessed based on Belle Isle's net asset value, profitability, liquidity, solvency, and macroeconomic forecasts. The Group also considers the associate's ability to generate distributable profits and meet dividend obligations.

Quantitative Credit Risk Exposure

The carrying amount of the cumulative redeemable preference shares at 30 June 2025 was R55.5 million, which represents the Group's maximum exposure to credit risk on this instrument. No collateral is held against this exposure.

Significant Changes in Gross Carrying Amount

There were no significant changes in the gross carrying amount of the preference shares during the year. The instrument remained in Stage 1 under the general model, and no loss allowance was recognised. The continued receipt of dividends supports the assessment that the asset is performing.

Credit Risk Rating Grade Disclosure

The Group does not apply external credit ratings to the preference shares. However, based on internal assessment, the instrument is considered low credit risk.

It is classified as Performing under the Group's internal credit rating framework, and a 12-month expected credit loss (ECL) is applied. No indicators of default or impairment were identified, and the associate's net asset value exceeds the carrying value of the preference shares.

Refer to note 1.10 for the accounting policy.

Expected Credit Loss Assessment

Although no ECL was recognised, the Group and Company performed a detailed assessment in accordance with IFRS 9. The following factors were considered:

- **Probability of Default (PD):** Belle Isle has a consistent history of dividend payments and positive net cash flows. No indicators of financial distress, covenant breaches, or liquidity shortfalls were identified.
- **Loss Given Default (LGD):** The associate holds a diversified investment property portfolio with sufficient market value to support recoverability. While NAV includes non-liquid assets, the Group assessed the underlying property values and cash-generating ability of the associate.
- **Forward-Looking Information:** Macroeconomic forecasts, including inflation, interest rates, and rental market trends, were considered. No adverse conditions were identified that would materially impact the associate's ability to meet its obligations.
- **Liquidity and Solvency:** Belle Isle maintains adequate liquidity and solvency ratios, and no material refinancing risks were identified.

Based on this assessment, the Group concluded that there was no impact on the loss allowance by significant changes in the gross carrying amount of financial instruments during the period. Therefore, no ECL was recognised in the current or prior year.

Fair Value

The fair value of the preference shares approximates their carrying amount, as the coupon rate remains within a market-related range and no observable indicators suggest a material deviation.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

12. DEFERRED TAX

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
DEFERRED TAX LIABILITY				
Section 13quin allowances	(64 082)	(50 864)	(1 903)	4 317
Fair value adjustments	(34 866)	(33 613)	(10 224)	(13 437)
Operating lease rental income adjustment	(9 079)	(11 346)	(1 223)	(1 397)
Prepaid expenses	(91)		(91)	-
Total deferred tax liability	(108 118)	(95 823)	(13 441)	(10 517)
DEFERRED TAX ASSET				
Investment property		-		-
Credit loss allowances	1 017	720	603	608
Provisions	954	311	699	230
Tenant deposits	1 125	1 050	597	560
Other temporary differences	137	(85)	137	(85)
Deferred tax balance from temporary differences other than unused tax losses	3 233	1 996	2 036	1 313
Tax losses available for set off against future taxable income	53 315	48 894	-	-
Total deferred tax asset	56 548	50 890	2 036	1 313

The deferred tax asset and deferred tax liability relate to income tax in the same jurisdiction and allows for net settlement. Therefore, at company level they have been offset in the statement of financial position.

	GROUP		COMPANY	
	2025 R'000	2024* R'000	2025 R'000	2024 R'000
Deferred tax liability	(108 118)	(95 823)	(13 441)	(10 517)
Deferred tax asset	56 549	50 890	2 036	1 313
Total net deferred tax (liability)/ asset	(51 569)	(44 933)	(11 405)	(9 204)
Reconciliation of deferred tax asset / (liability)				
At beginning of year	(44 933)	(35 221)	(9 204)	(10 713)
Increases in tax loss available for set off against future taxable income	4 422	5 720		-
Movement in originating and reversing temporary differences on:				
Section 13quin allowance	(8 709)	(8 683)	(1 712)	(1 712)
Fair value adjustments	(4 899)	(5 168)	(433)	3 432
Operating lease rental income adjustment	2 267	(1 377)	175	(307)
Investment property	-	-		-
Other temporary differences	1 146	(11)	632	288
Prior year (under)/over provision	(863)	(193)	(863)	(192)
	(51 569)	(44 933)	(11 405)	(9 204)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

13. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
FINANCIAL INSTRUMENTS:				
Rent receivables	7 763	5 183	504	628
Rent receivables - related party	839	3 778	839	3 778
Accrued income	3 229	1 703	313	18
Loss allowance	(2 561)	(731)	(2)	(34)
Rent receivables at amortised cost	9 270	9 933	1 654	4 390
Deposits	3 143	1 896	2 219	637
Other receivables	82	2 230	-	1 733
NON-FINANCIAL INSTRUMENTS:				
VAT		-		-
Prepayments	755	995	346	316
Total trade and other receivables	13 250	15 054	4 219	7 076

Financial instrument and non-financial instrument components of trade and other receivables

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
At amortised cost	12 495	14 059	3 873	6 760
Non-financial instruments	755	995	346	316
	13 250	15 054	4 219	7 076

Exposure to credit risk

Management has established a credit policy in which each new tenant is analysed individually for credit worthiness before the Group's standard payment terms and conditions are offered, which include in most cases the provision of a deposit of at least one month's rental. The Group monitors the financial position of its tenants on an ongoing basis. Details of the Groups credit risk management practices are included in accounting policy note 1.10.

Exposure to credit risk – rent receivables

Rent receivables comprise of a relatively small tenant base, the majority of whom are national tenants. One of the Group's tenants accounted for 12.08% (2024: 12.08%) of total rental receivable at year end, resulting in a concentration of credit risk. Of the amounts owing by this tenant, an acknowledgement of debt has been signed for R3 8 million (2024: R3 8 million). Aside from this tenant there are no other significant concentration of credit risk within the Group's tenant base.

Exposure to credit risk – related parties

The rent receivable from a related party relates to Larimar Properties (Pty) Ltd. An acknowledgement of debt has been signed. The Group considered this, as well as the regular receipt of payment after year-end forecasted performance and new contracts entered into by the related party, as part of the credit risk assessment. Based on these considerations the credit risk reduced, and management considered that no increase in the credit loss allowance was required.

Exposure to credit risk – other receivables

The credit risk on other receivables is not considered material based on the nature of the receivable and the value. Details of the Groups credit risk management practices are included in accounting policy note 1.10.

Other Receivables and Deposits

- Accrued income. Accrued income is operating cost recoveries that has not yet been invoiced. The credit risk on accrued income is not considered material based on the nature of the receivable and the value.
- Deposits. Deposits paid to suppliers are mainly deposits with municipalities. These have also been assessed for credit risk based on past events and forward-looking information such as forecasted returns. No impact has been identified and the potential that there would be credit losses in the foreseeable future is considered low.
- Other receivables are immaterial and not credit impaired.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Measurement for credit loss allowance – rent receivables and rent receivables, related parties

The Group measures the loss allowance for rent receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. The Group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade receivables. To measure expected credit losses, rent receivables are grouped based on a provision matrix per ageing. The expected loss rates are based on the Group's historical credit losses experienced in past 2 years and are reassessed at each reporting date. In considering past default events consideration is made to the effect of inflation rates, the probability of future rental payment history and collateral held in the form of deposits and historical legal proceedings. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers, the sectors in which they operate post year-end collections, as well as potential changes in the trade receivable risk profiles. This will result in an adjusted provision matrix for each internal credit grade and then accumulated to calculate the impairment allowance. The Group has identified the gross domestic product (GDP) unemployment rate and inflation rate as the key macroeconomic factors.

Forward-Looking Information Incorporated

- Macroeconomic indicators: GDP growth, inflation trends, and unemployment rates were reviewed. The Group noted stable economic conditions with no material deterioration expected in tenant sectors.
- Tenant-specific forecasts: For key tenants, management considered rental payment history, lease renewals, and post-year-end collections.
- Tenant resilience: The majority of tenants operate in essential services or national retail chains, which are less sensitive to economic downturns.
- Deposit coverage: Most tenants have deposits equivalent to one month's rental, which serve as credit enhancements.

Probability of Default (PD): PD was assessed based on tenant behaviour, arrears trends, and external market conditions. No significant increase in PD was identified for performing tenants.

Loss Given Default (LGD): LGD was assessed considering the recoverability of deposits, legal recourse, and historical recovery rates. LGD was deemed low for performing receivables.

Post-Year-End Collections: Receivables from certain tenants were settled after year-end, supporting the conclusion that no further ECL was required.

Based on this assessment, any increase in credit risk identified during the year was adequately captured through adjustments to the provision matrix, which incorporates both historical loss rates and forward-looking information.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Rent receivables are written off to profit and loss when internal and initial legal collection processes have been exhausted and a judgment is made that the amount is likely not recoverable.

The loss allowance provision on rent receivables is determined as follows:

GROUP	2025		2024	
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Current: 25.18% (2024: 1.00%)	2 462	(620)	2 200	(14)
More than 30 days past due: 1.98% (2024: 5.00%)	2 822	(56)	1 258	(32)
More than 60 days past due: 76.42% (2024: 10.00%)	933	(713)	703	(9)
More than 90 days past due: 84.11% (2024: 45.00%)	321	(270)	369	(24)
More than 120 days past due: 73.63% (2024: 100.00%)	1 225	(902)	653	(652)
Total	7 763	(2 561)	5 183	(731)
COMPANY				
Expected credit loss rate:				
Current: 0.00% (2024: 1.00%)	502	-	566	(2)
More than 30 days past due: 5.00% (2024: 5.00%)	-	-	8	-
More than 60 days past due: 10.00% (2024: 10.00%)	-	-	24	(2)
More than 90 days past due: 45.00% (2024: 45.00%)	-	-	-	-
More than 120 days past due: 100.00% (2024: 100.00%)	2	(2)	30	(30)
Total	504	(2)	628	(34)

In the Company, the estimated carrying amount in the current bucket was fully recovered after year-end.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Reconciliation of loss allowances

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

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Opening balance	(731)	(2 361)	(34)	(3 504)
Provisions reversed on settled trade receivables	34	104	34	3 470
Written off as bad debt	-	1 526	-	-
Provisions raised on new rent receivables	(1 864)	-	(2)	-
Closing balance	(2 561)	(731)	(2)	(34)

Changes in loss allowance and reasons:

The Group monitors changes in the gross carrying amount of rent receivables to assess whether changes in credit risk have occurred that require an adjustment to the loss allowance. During the current year, the following changes were observed:

- Increased provisions were raised on new rent receivables due to a decline in economic conditions and an increase in ageing balances, particularly in the "more than 60 days past due" and "more than 120 days past due" categories.
- No significant write-offs occurred during the year, as most impaired balances from prior years were already written off.
- Reversals of prior provisions occurred where receivables were settled or where collection patterns improved post year-end, particularly in the current and 30-day period.

These movements reflect a continued application of the Group's provision matrix, which incorporates forward-looking information. Increases in expected credit loss rates for longer ageing buckets reflect increased risk of default under ongoing economic pressures. Conversely, improved collections post year-end from certain tenants, including national and related-party tenants, supported provision reversals in some instances.

Collateral held against rent receivables primarily comprises tenant deposits, generally equivalent to one month's rental. These deposits are held in accordance with lease agreements and are considered credit enhancements that mitigate the Group's exposure to credit risk.

ECLs and receivables written off as bad debt have been included in corporate and other expenses (note 22) in profit and loss to the annual financial statements.

Bad debts written off

At 30 June 2025 the total rent receivables written off as bad debts were R642 000 (2024: R1 87 million). Refer to note 22.

Fair value of trade and other receivables

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

14. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Cash and cash equivalents consist of:				
Cash on hand	27 728	17 640	19 666	6 890
Current assets	27 728	17 640	19 666	6 890

Cash held at banks earns interest at prevailing market rates.

Putprop Limited has an overdraft facility of R25 million. This facility is available to Putprop Limited on an unsecured basis. As at 30 June 2025, the facility was unutilised.

A significant portion of bank balances are with Absa Group Limited which has a Moody's credit rating of Ba2 (2024: Ba2).

Credit risk was considered, and no credit loss allowance was considered to be required due to the amounts being held at reputable banking institutions with high credit risk quality.

Fair value of cash and cash equivalents

The carrying value of cash and cash equivalents approximate their fair value due to the short-term nature thereof.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

15. SHARE CAPITAL

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
AUTHORISED				
500 000 000 shares of no-par value				
Reconciliation of number of shares issued:				
Reported as of 01 July and 30 June	42 405 133	42 405 133	42 405 133	42 405 133
ISSUED				
42 405 133 (2024: 42 405 133) shares of no-par value	93 477	93 477	93 477	93 477

The ordinary shares have 1 vote in respect of each share at any meeting of the shareholders of the holding company, the right to receive a dividend if declared, and the right to participate in the capital surplus on the winding up of the holding company.

16. DIVIDENDS DECLARED

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
ORDINARY				
Final Dividend 2024: 8,5 cents (2023: 7 cents)	3 604	2 968	3 604	2 968
Interim dividend 2025: 7 cents (2024: 6 cents)	2 969	2 545	2 969	2 545
	6 573	5 513	6 573	5 513
Total cents per share distributed	15,5	13	15,5	13

A Final dividend of 8.5 cents per ordinary share were declared by the Board on 20 August 2025

17. NON-CONTROLLING INTEREST

The information is before intercompany eliminations with other companies in the Group.

	2025 R'000	2024 R'000
	Pilot Peridot One	Pilot Peridot One
Total non-controlling interest	22 572	20 587
The non-controlling interest of the group represents 14.73% (2024: 14.73%) of the net asset value of Pilot Peridot Investments 1 who has a 50% co-ownership agreement with Emira Property Fund in the property Summit Place situated in Menlyn at 30 June 2025.		
During the 2024 financial period Putprop acquired an additional 12.03% in Pilot Peridot One which increased Putprop's shareholding to 85.27%.		
Effect on equity attributable to Putprop due to the additional shareholding:		
Amount paid for the additional shareholding	-	6 144
Amount adjusted in non-controlling interest	-	638
Non-controlling interest after the additional shareholding (-12.03%)	-	20 587
The Putprop Group has elected to measure the non-controlling interest at their proportionate share as stated in the accounting policies in note 1.4		
Effective interest	85.27%	85.27%





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

17. NON-CONTROLLING INTEREST (CONTINUED)

Pilot Peridot Investments 1 (Pty) Ltd is incorporated in South Africa. It operates within South Africa and derives income from letting of commercial property.

The following table shows the summarised statement of financial position as at 30 June 2025 and the summarised statement of profit and loss and other comprehensive income for the period ending 30 June 2025:

SUMMARISED STATEMENT OF FINANCIAL POSITION	2025 R'000	2024 R'000
Non-current assets	526 711	494 912
Net investment property	500 939	468 793
Gross investment property	526 500	494 700
Operating lease asset	(25 561)	(25 907)
Other non-current assets	25 772	26 119
Current assets	41 383	59 463
Trade and other receivables	8 143	5 815
Cash and cash equivalents	3 240	9 848
Investment property held for sale	30 000	43 800
Non-current liabilities	288 070	14 340
Deferred taxation	18 609	14 340
Loan liabilities	269 461	-
Current liabilities	202 346	480 383
Trade and Other payables	5 086	7 787
Taxation payable	-	-
Loan liabilities	197 260	472 596
Net assets	77 678	59 652
Net assets attributable to non-controlling interest	22 581	20 425

SUMMARISED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME	2025 R'000	2024 R'000
Property rental revenue	58 644	50 398
Property expenses	(19 168)	(19 238)
Corporate expenses	(4 495)	(5 659)
Expected credit losses	(1 007)	1 328
Investment and other income	3 564	1 198
Finance costs	(34 300)	(35 208)
Fair value adjustments	15 898	34 401
Taxation	(4 269)	(6 283)
Profit and total comprehensive income	14 867	20 937
Net profit attributable to non-controlling interest	2 189	6 258
Net profit and total comprehensive income attributable to non-controlling interest	2 189	6 258

Menlyn Villas Properties (Pty) Ltd is a wholly owned subsidiary of Pilot Peridot and is incorporated in South Africa. Menlyn Villas operates in South Africa and derives income through letting of residential property.

The following table shows the Summarised Statement of Financial Position as at 30 June 2025 and the Summarised Statement of Profit and Loss and Other Comprehensive Income for the period ending 30 June 2025:

The information is before intercompany eliminations with other companies in the Group.

No dividends were paid by subsidiaries the year under review.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

17. NON-CONTROLLING INTEREST (CONTINUED)

	2025 R'000 Menlyn Villas	2024 R'000 Menlyn Villas
Effective interest	85.27%	85.27%
Non-current assets	8 623	800
Net investment property	8 500	-
Gross investment property	8 500	-
Investment in subsidiary	-	-
Other non-current assets	123	800
Current assets	531	10 774
Trade and other receivables	6	259
Taxation receivable	37	-
Cash and cash equivalents	488	215
Investment property held for sale	-	10 300
Non-current liabilities	-	10 120
Deferred taxation	-	272
Loan liabilities	-	9 848
Current liabilities	9 984	186
Trade and other payables	136	186
Current tax payable	-	-
Loan liabilities	9 848	-
Net assets	(830)	1 268
Net assets attributable to non-controlling interest	(9)	199

	2025 R'000 Menlyn Villas	2024 R'000 Menlyn Villas
SUMMARISED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME		
Property rental revenue	941	758
Operating cost recoveries	(474)	(84)
Corporate expenses	(385)	(104)
Expected credit losses	-	(123)
Investment and other income	15	7
Finance costs	-	(11)
Fair value adjustments	(1 800)	300
Taxation	321	(221)
Profit and total comprehensive income	(1 382)	522
Net profit attributable to non-controlling interest	(204)	129
Net profit and total comprehensive income attributable to non-controlling interest	(204)	129





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

18. LOAN LIABILITIES

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
INTEREST-BEARING BORROWINGS AT AMORTISED COST				
Nedbank Limited - 1001738252				
The loan is repayable in quarterly instalments of R3 431 000 (2024: R3 431 000 monthly). Interest rate charged is JIBAR plus 2.97% per annum. A balloon payment was due on 30 August 2024 and was refinanced by ABSA. The bond is secured by investment property as per note 3.	-	32 518	-	32 518
Nedbank Limited - 30150755				
The loan is repayable in monthly instalments of R522 518 (2024: R522 518). The interest rate was fixed at a rate of 10.93% per annum. A balloon payment of R13 million is due on 11 August 2024 and was refinanced by ABSA. The bond is secured by investment property as per note 3.	-	18 632	-	-
Nedbank Limited - 30151232				
The loan is repayable in monthly instalments of R57 426 (2024: R57 426). The interest rate is fixed at a rate of prime less 1% per annum. There is no balloon payment on this loan and expires on 30 October 2025. The bond was refinanced by ABSA. This loan is secured over investment property as per note 3.	-	852	-	-
Nedbank Limited - 30151238				
The loan is repayable in monthly instalments of R390 595 (2024: R390 595). The interest rate is fixed at a rate of prime less 1% per annum. There is no balloon payment on this loan and expires on 10 April 2026 and was refinanced by ABSA. This loan is secured by investment property as per note 3.	-	7 766	-	-
ABSA Bank Limited – 7010215577				
The loan is repayable in monthly instalments of R285 190. The loan bears interest at 3-month JIBAR plus 2.5% per annum. A balloon payment is due on 30 November 2029. The loan is secured by investment property as per note 3.	21 206	-	-	-
ABSA Bank Limited – 7010216010				
The loan is repayable in monthly instalments of R 412 468. The loan bears interest at 3-month JIBAR plus 2.5% per annum. A balloon payment is due on 30 November 2029. The loan is secured by investment property as per note 3.	29 993	-	29 993	-
Standard Bank Limited				
The loan bears interest at prime rate less 1% and the monthly instalments consists of the interest accrued for the month and a capital settlement of R 149 554 (2024: R 153 528). A final balloon settlement is due on 30 April 2026. The loan is secured by investment property as per note 3.	5 409	6 722	-	-
Absa Bank Limited - 7010182196				
The loan is repayable in monthly instalments of R 2 700 000 (2024: R 1 100 000) The interest rate is charged at a rate of prime less 0.85% per annum. A balloon payment is due on 31 March 2030. During the year the Group received indicative letters from ABSA Limited to refinance the facility over 5 years. The refinancing agreement was signed on the 31st of July 2024. The bond is secured by investment property as per note 3.	272 813	279 303	-	-
ABSA Bank Limited - 7010199858				
The loan is repayable in monthly instalments of R 573 113. The loan bears interest at prime less 0.75% per annum. A balloon payment is due on 28 February 2028. The loan is secured by investment property as per note 3	51 130	82 546	51 130	82 546
Total interest-bearing borrowings at amortised cost	380 551	428 339	81 123	115 064

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

18. LOAN LIABILITIES (CONTINUED)

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
LOANS FROM SHAREHOLDERS AT AMORTISED COST				
Bremer Investments (Pty) Ltd – Loan 1				
The loan is unsecured, interest free with no fixed terms of repayment. The loans have been subordinated in favour of the loan granted by Absa Bank Limited - 7010182196	25 153	25 153		-
Bremer Investments (Pty) Ltd - Loan 2				
The loan bears interest at prime (2024: prime plus 2%). The loan is unsecured with no fixed terms of repayment. The loans have been subordinated in favour of the loan granted by Absa Bank Limited - 7010182196	1 860	1 635		
Bremer Investments (Pty) Ltd – Loan 3				
The loan bears interest at prime (2024: prime plus 2%). The loan is unsecured with no fixed terms of repayment. The loans have been subordinated in favour of the loan granted by Absa Bank Limited - 7010182196	3 819	3 359		
Total loans from shareholders at amortised cost	30 832	30 147		
Total loan liabilities	411 382	458 486	81 123	115 064

Reconciliation of interest-bearing borrowings:

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS				
Non-current liabilities	366 760	104 641	77 293	81 271
Current liabilities	44 622	353 845	3 830	33 793
	411 382	458 486	81 123	115 064

Total finance charges have been disclosed in note 26.

Loan covenants have been disclosed in note 36.

Fair value of loan liabilities

The carrying amounts of interest-bearing loans approximate their fair values as interest is charged at market-related interest rates. The carrying amount of the interest-free loans approximate the fair value as the effect of discounting is not significant.

Transition from JIBAR to ZARONIA

During the reporting period, the Group progressed with the transition from the Johannesburg Interbank Average Rate (JIBAR) to the South African Rand Overnight Index Average (ZARONIA) as the primary reference interest rate for financial instruments in response to local and global interest rate benchmark reforms.

This follows the announcement by the South African Reserve Bank (SARB) to cease the publication of JIBAR after 2025 and to adopt ZARONIA as the preferred alternative reference rate. As at 30 June 2025, the Group had exposure to financial instruments (including loans and borrowings where applicable) that referenced JIBAR.

The Group has undertaken the following actions to manage the transition:

- Contract modifications: Where possible, contracts referencing JIBAR will be amended to include fallback language or to reference ZARONIA directly.
- Systems and processes: The Group has updated its internal systems and processes to accommodate ZARONIA-based interest calculations and risk management.
- Risk assessment: The Group assessed risks associated with the transition, including legal, operational, and financial reporting impacts, and has concluded that the transition does not give rise to material uncertainty over the cash flows of affected financial instruments.

The replacement of JIBAR with ZARONIA has been accounted for in accordance with the practical expedients provided by IFRS 9 and the disclosures required by IFRS 7. The modification of financial instruments to reflect the new benchmark rate did not result in derecognition, and no significant gain or loss was recognised.

At reporting date, the Group and Company has not been materially affected by the transition. The Group and Company continues to monitor developments and engage with counterparties to ensure a smooth transition by the time of JIBAR cessation by 2026.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

19. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Financial instruments:				
Accrued expenses and trade payables	4 937	7 455	1 146	1 403
Other payables	1 872	1 904	1 872	1 906
Tenant deposits	4 997	4 086	2 211	2 076
Non-financial instruments:				
Amounts received in advance	1 622	1 482	671	905
VAT	888	1 338	428	631
Provisions	1 772	-	1 772	-
	16 088	16 265	8 100	6 921

Financial instrument and non-financial instrument components of trade and other payables

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
At amortised cost	11 806	13 445	5 229	5 384
Non-financial instruments	4 282	2 820	2 871	1 537
	16 088	16 265	8 100	6 921

Other payables include leave pay accrual dividends payable and other sundry payables.

Fair value of trade and other payables

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

20. RENTAL INCOME AND OPERATING COST RECOVERIES

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Lease rental income as per lease agreement	103 050	105 248	42 890	45 633
Operating lease rental straight-line adjustment	(7 707)	(7 554)	(650)	1 316
	95 343	97 694	42 240	46 949
Revenue from contracts with customers				
Operating cost Recoveries	45 020	42 640	22 829	21 039
	140 363	140 334	65 069	67 988

Performance obligations related to operating cost recoveries

a. When the entity typically satisfies its performance obligations	Services are rendered during the month, and revenue is recognised over time based on the actual service provided at the end of every month as a proportion of total service to be provided because the customer receives and uses the benefits simultaneously.
b. The significant payment terms	Payment from tenants is due on the 1st of each month.
c. Variability of the consideration payable	Recoveries are typically fixed for cleaning, security, and marketing contributions based on contracted expenses for a period. Utility recoveries are charged as received from municipalities.
d. The nature of the goods or services that the entity has undertaken/ agreed to transfer	Services rendered include the provision of utilities cleaning and security.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

20. RENTAL INCOME AND OPERATING COST RECOVERIES (CONTINUED)

Linkage to Investment Property

All rental income and recoveries were generated from investment properties held by the Group and recognised in accordance with IAS 40. These properties are held to earn rental income and for capital appreciation, and the income is reflective of the economic benefits derived from the use of these properties in the ordinary course of business.

Investment properties have been disclosed in note 3.

Nature of Lease Income

Lease income consists of variable and fixed rental components derived from operating leases. Most leases are structured with fixed monthly rentals and annual escalations, with certain leases including turnover-based variable components. Operating cost recoveries represent amounts contractually chargeable to tenants in respect of property-related expenditure, including municipal rates, utilities, cleaning, and security.

Disaggregation and timing of revenue from contracts with customers

All revenue from contracts with customers is earned over time. The disaggregation is as per the segment report provided in Annexure A.

Link to Impairment of Trade Receivables

The Group applies the IFRS 9 expected credit loss model to trade receivables arising from lease contracts and operating cost recoveries. Impairment losses recognised on rental income and recoveries for the year amounted to R 2 561 (2024: R 731) and are disclosed in Note 13. These relate to specific tenants experiencing financial distress or arrears. The impairment is presented separately from gross rental income and has been accounted for in determining the net income recognised in profit or loss.

21. PROPERTY OPERATING COSTS

The following represents the costs incurred in relation to the maintenance and management of investment properties, and includes recoverable and non-recoverable expenses:

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Fuel and oils	184	2 044	-	-
Insurance	1 348	1 104	441	504
Property management and consultant fees	291	692	36	59
Rates and utilities	42 448	39 163	21 247	19 827
Repairs and maintenance	2 607	2 204	1 227	950
Security	2 623	2 241	1 534	1 264
Service contracts	574	1 612	-	844
	50 075	49 060	24 485	23 448

Linkage to Investment Property

The property operating costs disclosed above form part of the assumptions used by independent valuers in determining the fair value of the Group's investment properties as disclosed in note 5. In accordance with IAS 40.75(f)(ii), the valuation techniques applied include the capitalisation of net operating income, where these costs are deducted from contractual rental income to derive the net income base.

These valuations rely on unobservable inputs such as forecasted vacancy rates, which are reviewed and assessed by the Group annually. Changes in these assumptions would have a direct impact on the derived fair values of the investment properties.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

22. CORPORATE ADMINISTRATION COSTS

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Administration and management fees	2 208	2 226	903	826
Advertising and marketing	365	375	365	375
Audit and secretarial fees	1 818	1 831	1 687	1 648
Bad debts written off	642	1 870	2	
Commission and installations	1 122	1 475	7	411
Depreciation	427	451	427	451
Employee costs	10 910	9 837	10 910	9 687
Financial reports and IT	408	545	408	545
JSE Limited costs	747	738	747	738
Legal and professional fees	794	1 191	599	1 061
Other operating expenses	3 448	884	1 662	(780)
Social Responsibility projects	231	362	232	362
	23 120	21 785	17 949	15 324

23. INVESTMENT INCOME

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
INVESTMENT INCOME AT AMORTISED COST				
Investments in financial assets:				
Interest received from bank and other cash (note 14)	892	1 046	687	622
Interest received from bank trade and other receivables (note 13)	606	(612)	154	(1 106)
Interest received from loans to subsidiaries (note 8)	-	-	3 280	3 067
Dividend received from associate (note 11)	3 995	3 966	3 995	3 966
Total investment income	5 493	4 400	8 116	6 549

Interest received from trade and other receivables includes interest charged to trade receivable accounts in arrears.

24. OTHER INCOME

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Management fees received	427	450	1 087	7
Other income	816	990	814	964
Joint operation distribution adjustment	2 504	-	-	-
Bad debts recovered	56	-	-	-
Insurance claim received	-	108	-	-
	3 803	1 548	1 901	971

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

25. EXPECTED CREDIT LOSSES

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Trade and other receivables (note 13)	1 832	(1 629)	(29)	(73)

26. FINANCE COSTS

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
INTEREST EXPENSE AT AMORTISED COST				
Bank overdraft (note 14)	34	24	31	24
Interest bearing borrowings (note 18)	46 705	49 437	12 808	13 217
Shareholder loans (note 18)	684	-	-	-
Other interest paid	1	654	-	14
	47 424	50 115	12 839	13 255

27. TAXATION

	GROUP		COMPANY	
	2025 R'000	2024* R'000	2025 R'000	2024 R'000
MAJOR COMPONENTS OF THE TAX INCOME				
Current				
Local income tax - current period	9 485	4 828	7 612	2 954
Local income tax - prior period (over)/ under provision		(13)		(40)
	9 485	4 815	7 612	2 914
Deferred				
Originating and reversing temporary differences	5 774	9 520	1 338	(1 701)
Arising from under/over provision of prior year	863	192	863	191
	6 637	9 712	2 201	(1 510)
	16 122	14 527	9 813	1 404
RECONCILIATION OF THE TAX EXPENSE				
Tax at 27%	27 00%	27 00%	27 00%	27 00%
Dividends	(1.57%)	(1.79%)	(2.60%)	(14.30%)
Non-taxable portion of FV adjustment	(1.26%)	(0.71%)	0.04%	11.46%
Non-deductible expenses	0.02%	(0.83%)	0.03%	(3.47%)
Non-taxable portion of disposal of investment property	(1.74%)		(2.94%)	-
Under provision for current tax in the prior year		(0.07%)		(0.54%)
Under provision in deferred tax in respect of prior year	1.26%	0.32%	2.08%	2.57%
Impact of difference in interest income and interest expense on consol pro forma				-
Effective tax rate	23.71%	23.92%	23.61%	22.72%





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

28. CASH GENERATED FROM (USED IN) OPERATIONS

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
(Loss)/ profit before taxation	68 699	59 852	41 554	7 487
Adjustments for non-cash items:				
Depreciation (note 22)	427	451	427	451
Fair value adjustment of investment properties (note 3)	(40 812)	(20 477)	(21 712)	16 067
Straightlining adjustment of investment properties (note 20)	7 707	7 554	650	(1 316)
Share of profit of equity accounted investments (note 23)	(679)	(12 425)	-	-
Expected credit losses (note 25)	1 832	(1 629)	(29)	(73)
Non-cash items in other operating costs (note 22)	-	(1 990)	-	(1 990)
Other income (note 24)	(2 560)	-	-	-
Adjust for items which are presented separately:				
Interest received	(1 498)	(434)	(4 121)	(2 583)
Dividends received	(3 995)	(3 966)	(3 995)	(3 966)
Finance costs	47 424	50 115	12 839	13 255
Changes in working capital:				
(Increase)/ decrease in trade and other receivables	1 517	24 659	2 693	19 840
Increase /(decrease) in trade and other payables	(176)	(3 201)	(199)	(3 872)
	77 886	98 509	28 107	43 300

29. TAX PAID

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Balance at beginning of the year	1 613	(1 471)	1 590	(1 094)
Current tax recognised in profit or loss	(9 771)	(4 815)	(7 692)	(2 914)
Accrual for interest received/(paid) on overpayment of tax	67	(89)	64	(58)
Balance at end of the year	(2 105)	(1 612)	(2 335)	(1 590)
	(10 196)	(7 987)	(8 373)	(5 656)



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

30. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Reconciliation of liabilities arising from financing activities –

Group - 2025	Opening balance	Interest accrued not paid	Restructuring fee	Cash flows - repayments	Closing balance
Loan liabilities	458 486	2 499	1 561	(51 164)	411 382
Total liabilities from financing activities	458 486	2 499	1 561	(51 164)	411 382

2024	Opening balance	Non-cash settlement	Cash advanced	Cash flows - repayments	Closing balance
Loan liabilities	504 942	(7 077)	-	(39 379)	458 486
Total liabilities from financing activities	504 942	(7 077)	-	(39 379)	458 486

Reconciliation of liabilities arising from financing activities –

Company - 2025	Opening balance	Interest accrued not paid	Restructuring fee	Cash flows - repayments	Closing balance
Loan liabilities	115 064	195	615	(34 751)	81 123
Total liabilities from financing activities	115 064	195	615	(34 751)	81 123

2024	Opening balance	Non-cash movements	Cash advanced	Cash flows - repayments	Closing balance
Loan liabilities	130 525	-	-	(15 461)	115 064
Total liabilities from financing activities	130 525	-	-	(15 461)	115 064

31. FUTURE MINIMUM LEASE INCOME RECEIVABLE

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
MINIMUM LEASE PAYMENTS RECEIVABLE				
- First year	94 740	93 321	33 969	33 267
- Second year	79 922	86 005	31 449	35 503
- Third year	56 903	71 035	19 257	24 910
- Fourth year	53 259	53 950	16 083	18 952
- Fifth year	40 009	48 859	2 833	14 823
- Sixth year and onwards	60 786	69 944	6 735	9 335
Total balance contractual lease rental	385 619	423 114	110 326	136 790

32. COMMITMENTS

During the current financial year, Baraville entered into agreements for the installation of solar panels at the Secunda and Montana properties.

There were no commitments for capital expenditure on property, plant, and equipment or investment property on 30 June 2025.

There were no commitments for service and maintenance contracts on 30 June 2025, as these are contracted by the various property managers.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

33. CONTINGENCIES

The Putprop Group has provided the following guarantees of indebtedness:

- In favour of The Standard Bank of South Africa Limited in connection with Corridor Hill Properties (Pty) Ltd to the maximum liability of R9 million.
- In favour of ABSA Limited in connection with Secunda Value Mart (Pty) Ltd to the maximum liability of R12 million.
- In favour of ABSA Bank Limited in connection with Pilot Peridot One (Pty) Ltd to the maximum liability of R35.7 million.

These guarantees would only become active if the relevant entity defaults on the underlying loan payment and if the investment property cannot be recalled by the finance house. None of these guarantees (or any other debt funding received by the Group) contain restrictive funding provisions. There is no indication at the date of this report that any of these guarantees are likely to be called upon.

34. RELATED PARTIES

Transactions with related parties have been conducted on an arm's length basis.

Relationships

Carleo Investments (Pty) Ltd	Ultimate holding company
Carleo Enterprises (Pty) Ltd	Holding company
Larimar Ltd	Fellow subsidiary of Carleo Enterprises (Pty) Ltd
Carleo Insurance Brokers (Pty) Ltd	Company owned by member of key management
GVM Inc.	Company owned by member of key management

Subsidiaries	Refer to note 7
Joint operations	Refer to note 9
Associates	Refer to note 10

Members of key management

BC Carleo
 JE Smith
 D Torricelli
 R Styber
 HT Hartley
 GH Van Heerden

Related party balances

Loan amounts with related parties

Refer to note 8 for loan amounts owing by subsidiaries and impairment of these loans. Refer to note 18 for loan amounts owing to related parties and shareholders.

Guarantees

Refer to note 33 for guarantees undertaken on behalf of related parties.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

34. RELATED PARTIES (CONTINUED)

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
AMOUNTS INCLUDED IN TRADE RECEIVABLES OWING BY RELATED PARTIES				
Fellow subsidiary of holding company trade and other receivables	839	3 778	839	3 778
Subsidiary trade and other receivables	-	-	19	11
There was no credit loss allowance raised on the related party amounts included in trade receivables (refer note 13).				
RELATED PARTY TRANSACTIONS OF HOLDING COMPANY				
Lease rentals received	8 625	12 673	8 625	12 673
Operating lease recoveries	3 642	4 279	3 642	4 279
Interest received	140	721	140	721
RELATED PARTY TRANSACTIONS OF SUBSIDIARIES				
Interest received	-	--	3 280	3 067
Dividends received	3 995	3 966	3 995	3 966
Insurance expense	683	569	683	569
Insurance recoveries	-	-	195	110
Professional fees	-	16	-	16
Professional fees recovered	-	-	1 196	-

35. DIRECTORS' EMOLUMENTS

EXECUTIVE

DIRECTORS' EMOLUMENTS

Services as director or prescribed officer	2025 Total Remuneration	2024 Total Remuneration
BC Carleo	2 390	2 192
JE Smith	2 671	2 432
AL Carleo-Novello	-	950
	5 061	5 574

The total remuneration for executive directors comprises of basic salary, bonus, travel allowance, and medical aid fringe benefits where applicable. No post-employment benefits, other long-term benefits, termination benefits, or share based payments were earned for the period under review.

AL Carleo-Novello retired on 30 November 2023

NON-EXECUTIVE

DIRECTORS' EMOLUMENTS

Services as director or prescribed officer	Total Directors fees 2025	Total Directors fees 2024
DG Torricelli	274	211
HT Hartley	267	255
R Styber	215	205
GH Van Heerden	215	205
	971	876

Total non-executive directors' fees comprise of board and committee fees.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial instruments

The carrying amounts of financial assets and liabilities in each category are determined as below. The carrying amounts approximate the fair value as stated per the individual notes.

	Note(s)	GROUP		COMPANY	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
FINANCIAL ASSETS AT AMORTISED COST					
ASSETS PER STATEMENT OF FINANCIAL POSITION					
Loans to subsidiaries	8	-	-	199 134	195 706
Cumulative redeemable preference shares in associate	11	55 500	55 487	55 500	55 487
Trade and other receivables	13	12 495	14 059	3 873	6 760
Cash and cash equivalents	14	27 728	17 640	19 666	6 890
		95 723	87 186	278 173	264 843
FINANCIAL LIABILITIES AT AMORTISED COST					
Liabilities per statement of financial position					
Loan liabilities	18	411 382	458 486	81 123	115 064
Trade and other payables	19	11 805	13 445	5 228	5 384
		423 187	471 931	86 351	120 448

Capital risk management

The Group and Company's objective when managing capital, are to safeguard the Group and Company's ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The mandated level of gearing as determined by the Board is 43% (2024: 43%) and the actual level of gearing during the year amounted to 29.6% (2024: 36.9%). Company levels were 11.46% (2024: 30.2%). Gearing on both Group and Company levels have decreased due to capital repayments. Based on the gearing ratio achieved at year end, management believes that this objective has been met as they are within mandated levels.

The capital structure of the Group and Company consists of debt which includes loan liabilities disclosed in note 18 and equity as disclosed in the Statement of Financial Position.

Financial covenants

Putprop Group's financial covenant requirements with its various debt providers are the following:

Putprop Ltd has the following financial covenants with ABSA Limited:

For the loan secured over Parktown:

- The Loan-To-Value (LTV) ratio not exceeding 45%;
- The Interest Cover Ratio (ICR) obligation must exceed 1.75 times;
- The Debt Service Ratio (DSR) must exceed 1.3 times.
- For the loan secured over Secunda Value Centre:
- The Loan-To-Value (LTV) ratio not exceeding 25%;
- The Interest Cover Ratio (ICR) obligation must exceed 3 times;
- The Debt Service Ratio (DSR) must exceed 2.5 times.



Putprop Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

For the loan secured over Mamelodi Square:

- The Net Asset Value (NAV) of the Borrower shall be no less than R450 000 000.
- The Loan-To-Value (LTV) ratio for each measurement period/at any time shall not at any time exceed:
 - 80% from the amendment date until the 1st anniversary of the amendment date;
 - 75% until the 2nd anniversary of the amendment date;
 - 70% until the 3rd anniversary of the amendment.

The ratio of Interest Cover Ratio (ICR) obligation must exceed:

- 1.2 times from year 1;
- 1.25 times from year 2;
- 1.3 times from year 3
- 1.4 times from year 4.
- Corridor Hill Properties (Pty) Ltd has the following financial covenants with Standard Bank of South Africa:
 - The Loan-To-Value (LTV) ratio not exceeding 50%;
 - The Interest Cover Ratio (ICR) obligation must exceed 1.2 times;
 - The Debt Service Ratio (DSR) must exceed 1.15 times.

Pilot Peridot Investments 1 (Pty) Ltd has the following financial covenants with ABSA Limited:

- The Loan-To-Value (LTV) ratio not exceeding 75%;
- The Interest Cover Ratio (ICR) obligation must exceed 1.2 times;
- The Debt Service Ratio (DSR) must exceed 1.1 times.

2025

Ratios for the current year	Putprop Limited (Parktown)	Putprop Limited (Mameldi)	Secunda Value Mart (Pty) Ltd	Corridor Hill Properties (Pty) Ltd	Pilot Peridot Investments Ltd
LTV	38.5%	36.7%	15.2%	14.4%	38.5%
ICR	2.11 times	1.50 times	4.00 times	5.20 times	1.23 times
DSR	4.50	N/A	5.28	0.12 times	1.36 times
NAV	N/A	R571 210 000	N/A	N/A	N/A

2024

Ratios for the prior year	Putprop Limited Group level	Putprop Limited Transaction level	Corridor Hill Properties (Pty) Ltd	Pilot Peridot Investments 1 (Pty) Ltd
LTV	36.9%	28%	14.6 %	56.5 %
ICR	1.94 times	2.83 times	3.62 times	1.09 times
DSR	-	-	3.24 times	0.04 times

While Putprop Limited, Secunda Value Mart (Pty) Ltd and Pilot Peridot Investments 1 (Pty) Ltd remained fully compliant with all covenant requirements at year-end, a breach was noted at subsidiary level. Corridor Hill Properties (Pty) Ltd recorded a DSR of 0.12 times against a required 1.15 times. This is due to the balloon payment of R4.4 million expiring the 30th of April 2026. This loan is expected to be settled in full before the maturity date.

The Group continues to actively manage covenant compliance by maintaining ongoing communication with lenders and monitoring covenant ratios on a quarterly basis at Group and subsidiary level.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial risk management Overview

The group and company's financial instruments consist mainly of interest-bearing borrowing, trade & other receivables, and trade & other payables which arise directly from its operations, as well as other investments. The group and company's policy throughout the year is that no trading in financial instruments shall be undertaken. The main risks arising from the group and company's financial instruments are interest rate risk, liquidity risk, and credit risk.

The Board has overall responsibility for the establishment and control of the group and company's risk management. The Audit and Risk Committee develops and monitors the group and company's risk management policies and reports regularly to the Board on its activities and any proposals for which action is needed.

The group and company's risk management policies in relation to financial instruments are established to identify and analyse all risks faced by the Group. Appropriate risk limits are determined, controls to monitor the adherence to such limits developed, and adherence to limits monitored. Risk management policies, systems, and procedures are reviewed regularly.

Credit risk

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

The Group is exposed to credit risk on trade and other receivables (note 13), loans to subsidiaries (note 8), cumulative redeemable preference shares (note 11), and cash and cash equivalents (note 14) and other financial instruments. Exposure to credit risk is outlined in the individual notes.

The maximum exposure to credit risk is presented in the table below:

GROUP		2025			2024		
		Notes	Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance
	Cumulative redeemable preference shares in associate	11	55 500		55 487	-	55 487
	Trade and other receivables	13	15 811	(2 561)	15 785	(731)	15 054
	Cash and cash equivalents	14	27 728		17 640	-	17 640
			99 039	(2 561)	88 912	(731)	88 181

COMPANY		2025			2024		
		Notes	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance
	Loans to subsidiaries	8	199 134		202 131	(6 425)	195 706
	Cumulative redeemable preference shares in associate	11	55 500		55 487		55 487
	Trade and other receivables	13	4 221	(2)	7 110	(34)	7 076
	Cash and cash equivalents	14	19 666		6 890		6 890
			278 521	(2)	271 618	(6 459)	265 159

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

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 monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets and projected cash flows from operations.

At Group level current liabilities exceed current assets. The Group minimised its liquidity risk by ensuring that it has adequate banking facilities and reserve borrowing capacity. Putprop Limited has an overdraft facility of R25 million. This facility is available to Putprop Limited on an unsecured basis. As at year end the facility was not used (2024: nil).

The Group actively manages its liquidity risk by aligning debt maturity profiles with expected cash flows from operations and asset disposals. Management performs regular cash flow forecasting to ensure sufficient liquidity is maintained to meet obligations as they fall due. Where appropriate, the Group negotiates the renewal of loan facilities in advance of maturity and maintains relationships with multiple financial institutions to diversify funding sources.

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

Group - 2025

	Notes	Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Loan liabilities	18	-	45 164	426 195	471 359	366 760
Current liabilities						
Trade and other payables	19	13 572	-	-	13 572	13 572
Loan liabilities	18	79 406	-	-	79 406	44 622
		92 978	45 164	426 195	564 337	424 954

Group - 2024

	Notes	Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Loan liabilities	18	-	35 546	120 425	155 971	104 641
Current liabilities						
Trade and other payables	19	13 445	-	-	13 445	13 445
Loan liabilities	18	357 552	-	-	357 552	353 845
Bank overdraft	14	-	-	-	-	-
		370 997	35 546	120 425	526 968	471 931

Company - 2025

	Notes	Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Loan liabilities	18	-	12 399	81 270	93 669	77 293
Current liabilities						
Trade and other payables	19	7 001	-	-	7 001	7 001
Loan liabilities	18	11 828	-	-	11 828	3 830
		18 829	12 399	81 270	112 498	88 124

Company - 2024

	Notes	Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Loan liabilities	18	-	11 458	90 278	101 736	81 271
Current liabilities						
Trade and other payables	19	5 384	-	-	5 384	5 384
Loan liabilities	18	44 316	-	-	44 316	33 793
Bank overdraft	14	-	-	-	-	-
		49 700	11 458	90 278	151 436	120 448





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Interest rate risk

Cash and cash equivalents used for normal trading purposes are held in current accounts at prevailing interest rates depending on the financial institution. Excess cash and cash equivalents are kept in short-term deposit funds or call accounts at the prevailing market rates available.

The Group has loan liabilities of R411 million in the current financial year (2024: R458 million). The company has borrowings of R81 million (2024: R115 million).

Putprop Limited has an overdraft facility of R25 million. This facility is available to Putprop Limited on an unsecured basis.

The exposure to the risk of changes in interest rates relates primarily to cash and cash equivalents and the loan liabilities with banking institutions.

Interest Rate Risk Management

The Group is exposed to interest rate risk primarily through its variable-rate borrowings linked to the South African prime lending rate. Fluctuations in interest rates may impact the cost of borrowings and consequently affect the Group's profitability and cash flows.

Risk Management Strategy

The Group's objective in managing interest rate risk is to minimise the impact of interest rate volatility on its financial performance while maintaining an optimal capital structure. Interest rate risk is managed through the following measures:

- **Monitoring and Forecasting:** Management continuously monitors movements in interest rates, market forecasts, and economic conditions that may impact borrowing costs.
- **Diversification of Funding:** Borrowings are structured with different maturities and drawn from multiple financial institutions to reduce concentration risk.
- **Sensitivity Analysis:** The Group performs regular sensitivity analyses to quantify the potential impact of reasonably possible changes in interest rates on profit before tax and equity. This forms part of the Group's financial risk assessment and is disclosed below.
- **Covenant Monitoring:** The Group ensures compliance with loan covenant requirements and monitors debt service obligations to mitigate the risk of adverse impacts from increased finance costs.

Management believes that the Group's interest rate risk is adequately mitigated through its active monitoring, diversified borrowing structure, and available headroom in banking facilities.

Interest rate profile

The interest rate profile of interest-bearing financial instruments at the end of the reporting period was as follows:

Group	Note	Average effective interest rate		Carrying amount	
		2025	2024	2025	2024
VARIABLE RATE INSTRUMENTS:					
ASSETS					
Cash and cash equivalents	14	3.22%	5.93 %	27 728	17 640
LIABILITIES					
Loan liabilities	18	10.04%	11.03%	(380 549)	(409 707)
Net variable rate financial instruments				(352 821)	(392 067)
FIXED RATE INSTRUMENTS:					
ASSETS					
Cumulative redeemable preference shares in associate	11	7.20%	7.20%	55 500	55 487
LIABILITIES					
Loan liabilities	18	-	10.81%	-	(18 632)
Net fixed rate financial instruments				55 500	36 855

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Company	Note	Average effective interest rate		Carrying amount	
		2025	2024	2025	2024
VARIABLE RATE INSTRUMENTS:					
ASSETS					
Loans to subsidiaries	8	12.05%	12.81%	27 222	23 942
Cash and cash equivalents	14	3.45%	9.03%	19 666	6 890
				46 888	30 832
LIABILITIES					
Loan liabilities	18	10.02%	11.20%	(81 123)	(115 064)
Net variable rate financial instruments				(34 235)	(84 232)
Fixed rate instruments:					
ASSETS					
Cumulative redeemable preference shares in associate	11	7.20%	7.20%	55 500	55 487

Interest rate sensitivity analysis

The table below demonstrates the sensitivity to a reasonable possible change in interest rates with all other variables held constant on the Group's profit before tax and equity. Due to the incremental changes in the prime lending rate a sensitivity of 125 basis points level has been used to determine the effect on profits.

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
IMPACT ON PROFIT BEFORE TAX				
Increase of 125 basis points (125 basis points)	(2 342)	(3 075)	(383)	(843)
Decrease of 125 basis points (2024: 125 basis points)	2 342	3 075	383	843
IMPACT ON PROFIT BEFORE TAX AND EQUITY:				
Increase of 125 basis points (125 basis points)	(1 709)	(2 467)	(279)	(615)
Decrease of 125 basis points (2024: 125 basis points)	1 709	2 467	279	615

The sensitivity analysis presented above reflects the effect of a reasonable possible change in interest rates on the Group's profit before tax and equity. A parallel shift of 125 basis points (1.25%) has been applied to the prime lending rate, which is considered a realistic movement based on recent market volatility and historical interest rate fluctuations.

The analysis assumes that all other variables remain constant and only the interest rate changes. The impact was calculated on financial instruments exposed to variable interest rates, including floating-rate loans and borrowings, as well as interest-bearing intercompany loans (in the separate company analysis).

The profit impact reflects the change in finance costs or income for the year, while the equity impact includes the after-tax effect, assuming a tax rate of 27% (2024: 27%).

There have been no changes in the methods or assumptions used from the prior year, and the Group continues to monitor interest rate risk as part of its ongoing treasury and risk management practices.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

37. GOING CONCERN

The consolidated and separate financial statements have been prepared on the going concern basis.

The directors have assessed the Group and Company's ability to continue as a going concern and are satisfied that the Group and Company have adequate resources to continue in operational existence for the foreseeable future, which is at least 12 months from the reporting date. This assessment considered the following key factors:

Strong asset base:

The Group owns a diversified portfolio of investment properties with stable long-term lease contracts and occupancy levels that support reliable rental income.

Liquidity position:

Current liabilities exceeded current assets in both the current and prior financial years. The primary reason for this position is the classification of shareholder loans amounting to R30.8 million as current liabilities. Although these loans have been subordinated in favour of ABSA Bank and the Group retains the right to defer repayment until 30 June 2029, they are required to be presented as current liabilities in accordance with IFRS.

Despite this classification, the Group maintains a strong liquidity management framework. Liquidity risk is actively managed by aligning debt maturity profiles with expected operational cash flows and proceeds from asset disposals. Management performs regular cash flow forecasting to ensure that sufficient liquidity is available to meet obligations as they fall due.

Where appropriate, the Group negotiates the renewal of loan facilities well in advance of maturity and maintains a strategic banking relationship with one major financial institution, which holds over 90% of the Group's debt exposure. This concentration is a deliberate executive decision, based on favourable lending terms, strong covenant alignment, and long-standing relationship history.

As at 30 June 2025, Putprop Limited had access to an unsecured overdraft facility of R25 million, which remained unutilised at year-end.

Refinancing of debt:

All significant debt obligations have been reviewed, and no material maturities are due within the next 12 months that are not covered by expected operational cash flows or existing facilities. The Standard Bank loan relating to the Corridor Hill property, with a settlement amount of R4.4 million, matures on 30 March 2026. This loan will be repaid prior to maturity debt.

No material adverse events:

The directors confirm that there have been no material events after the reporting period that would impact the assessment of going concern. Refer to Note 38 for events after reporting period.

Accordingly, the directors believe that the preparation of these financial statements on the going concern basis is appropriate.

38. EVENTS AFTER THE REPORTING PERIOD

Refinancing of long-term liabilities

The Standard Bank loan relating to the Corridor Hill Property, with a settlement amount of R4.4 million maturing on 30 March 2026, is expected to be settled through an intercompany loan from Putprop Limited to its subsidiary.

Sale of investment property – G2

On 20 July 2025, the Board of Directors approved an offer to sell the bulk land of Summit Place – G2, classified as investment property held for sale, for a consideration of R30 million. The property's fair value at year-end was R26 million.

Development of investment property – Dobsonville

On 20 August 2025, the Board of Directors approved the development of the Dobsonville property into a retail centre. The development is expected to commence in April 2026, with an estimated capital expenditure of R26 million.

The fair value of the Dobsonville property has been included under Investment Property (refer to Note 3.1). The planned development aligns with the Group's strategic objective to enhance its retail portfolio and generate long-term rental income.

Dividend declaration

Dividend 72 has been approved by the Board of Directors at 8.50 cents per share on 7 September 2025.

Resignation of Director

On 28 July 2025, the Group's Chief Executive Officer, Mr Bruno Carleo, tendered his resignation. On 25 August 2025, James E Smith will be retiring as Chief Financial Officer of Putprop with effect from 31 December 2025.

There are no other significant events that have occurred in the period from 30 June 2025 and to date of the publication of this report.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

39. EARNINGS PER SHARE

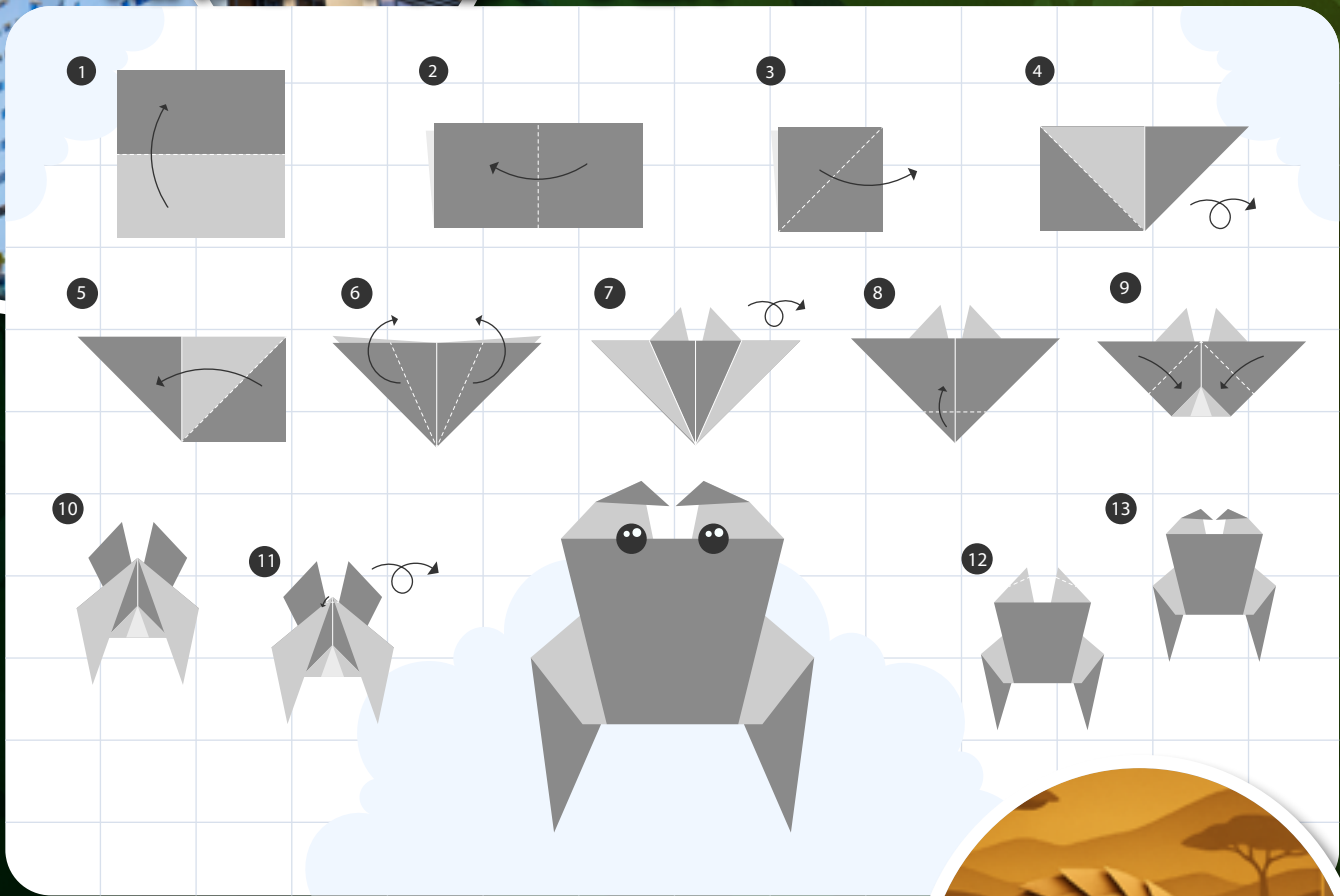
Headline earnings and diluted headline earnings per share

GROUP	Gross 2025	Net 2025	Gross 2024	Net 2024
Reconciliation between profit attributable to equity holders of the parent and headline earnings				
Profit for the year attributable to equity holders of the parent		50 592		38 938
Adjusted for:				
Change in fair value of investment property	(30 979)	(24 287)	(12 923)	(10 131)
Fair value adjustment on investment property of associate			(12 556)	(9 166)
Equity accounted earnings of associates and joint ventures	(679)	(496)	132	96
Headline earnings		25 809		19 737
Basic and diluted earnings per share (c)		119.31		91.82
Headline earnings and diluted headline earnings per share (c)		60.86		46.54
Weighted average number of ordinary shares		42 405 133		42 405 133
	Gross 2025	Net 2025	Gross 2024	Net 2024
COMPANY				
Reconciliation between profit attributable to equity holders of the parent and headline earnings				
Profit for the year attributable to equity holders of the parent		31 741		6 082
Adjusted for:				
Change in fair value of investment property	(21 062)	(16 513)	14 751	11 565
Fair value adjustment on investment property of associate				
Headline earnings		15 228		17 647
Basic and diluted earnings per share (c)		74.85		14.34
Headline earnings and diluted headline earnings per share (c)		35.91		41.61
Weighted average number of ordinary shares		42 405 133		42 405 133



ANNEXURE

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ANNEXURE A – SEGMENT ANALYSIS – BY SECTOR

SEGMENT ANALYSIS

Operating segments are based on information that is provided to the Group's Chief Operating Decision Maker (CODM), being the Chief Financial Officer, who evaluates the Group's performance and allocates resources in accordance with the internal reporting structure as determined by the executive committee.

The group's management reviews the performance of its investment properties on an individual basis based on the results of each sector and geographical location. Reportable segments for the year ended 30 June 2025 are consistent with those reported as at 30 June 2024.

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

	GLA*	Rental income and recoveries	Property operating costs	Corporate administration costs	Investment and other income	Finance costs	Fair value adjustments (excl straight-lining)	Profit for the year
2025	m ²	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Industrial	13 868	20 517	(6 187)	-	140	-	(5 300)	9 170
Retail	34 627	44 772	(16 919)	-	1 064	(14 589)	20 998	38 856
Commercial	38 675	74 133	(26 495)	-	1 678	(36 084)	26 914	24 423
Residential	872	941	(474)	-	15	-	(1 800)	(1 703)
Corporate	-	-	-	(23 120)	6 399	(3 249)	-	(18 169)
	88 042	140 363	(50 075)	(23 120)	9 296	(47 424)	40 812	52 577

No solar energy was generated for the year under review

	GLA*	Rental income and recoveries	Property operating costs	Corporate administration costs	Investment and other income	Finance costs	Fair value adjustments (excl straight-lining)	Profit for the year
2024	m ²	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Industrial	23 427	22,970	(5,812)	-	721	-	(5,261)	12,617
Retail	34 627	49,218	(15,882)	-	1,210	(14,334)	(10,359)	5,633
Commercial	38 675	67,304	(27,085)	-	(630)	(35,732)	28,243	25,068
Residential	872	842	(281)	-	7	(10)	300	410
Corporate	-	-	-	(21,785)	4,640	(39)	-	1,597
	97 601	140,334	(49,060)	(21,785)	5,948	(50,115)	12,923	45,325

*Gross lettable area

There were no transactions between Segments.

Other assets comprises of all other financial instruments including: property, plant and equipment, Investment in associates, deferred tax assets, trade and other receivables, current tax receivable and cash and cash equivalents.





ANNEXURE A – SEGMENT ANALYSIS – BY SECTOR (CONTINUED)

	Investment property (excluding straight- lining)	Investment property held for sale	Other assets	Total assets	Total liabilities
	R'000	R'000	R'000	R'000	R'000
2025					
Commercial	640 700	30 000	8 329	679 029	(349 057)
Corporate	-	-	86 530	86 530	(19 507)
Industrial	40 500	16 700	1	57 201	-
Residential	8 500	-	654	9 154	(136)
Retail	367 250	-	33 521	400 771	(110 529)
	1 056 950	46 700	128 955	1 232 685	(479 229)

	Investment property (excluding straight- lining)	Investment property held for sale	Other assets	Total assets	Total liabilities
	R'000	R'000	R'000	R'000	R'000
2024					
Commercial	588 800	60 800	-	649 600	(316 813)
Corporate	-	-	104 303	104 303	(14 240)
Industrial	37 500	67 000	-	104 500	-
Residential	-	10 300	1 108	11 408	(9 950)
Retail	344 600	-	12 750	357 350	(178 705)
	970 900	138 100	118 161	1 227 161	(519 708)

ANNEXURE A – SEGMENT ANALYSIS – BY REGION

	GLA	Investment property (excluding straight-lining)	Investment property held for sale	Rental income and recoveries	Property operating expenses	Fair value adjustments (excl straight- lining)	Profit for the year
	m ²	R	R	R	R	R	R
2025							
Gauteng	70 299	860 850	46 700	123 226	(42 695)	41 112	43 018
North-West	2 494	19 100	-	1 428	(1 432)	2 100	2 750
Mpumalanga	15 249	177 000	-	15 709	(5 948)	(2 400)	6 809
	88 042	1 056 950	46 700	140 363	(50 075)	40 812	52 577

	GLA	Investment property (excluding straight-lining)	Investment property held for sale	Rental income and recoveries	Property operating expenses	Fair value adjustments (excl straight- lining)	Profit for the year
	m ²	R	R	R	R	R	R
2024							
Gauteng	79 858	791 500	119 200	117 082	(41 196)	12 980	39 797
North-West	2 494	-	18 900	2 147	(1 761)	(1 900)	(3 433)
Mpumalanga	15 249	179 400	-	21 105	(6 103)	1 843	8 961
	97 601	970 900	138 100	140 334	(49 060)	12 923	45 325



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