Join the *Upside*

AFS

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 August 2024

REDEFINE PROPERTIES

We're not landlords. We're people.

Welcome to our group annual financial statements

for the year ended 31 August 2024

Our **AFS** provide a comprehensive overview of Redefine's financial position and enable our stakeholders to understand our financial performance as we create the **Redefine of tomorrow**.

ABOUT REDEFINE

Redefine Properties Limited (Redefine, the group or the company) is a South African Real Estate Investment Trust (REIT). Our primary goal is to grow and improve cash flow in order to create sustained value for all stakeholders.

We are **listed on the JSE**

We strategically manage a **diversified property asset platform** valued at **R99.6 billion**, encompassing South African and Polish assets

Our commitment to **people and ESG is at the heart of what we do**, distinguishing not just what we do, but how we do it.

FEEDBACK Your feedback is important to us. We welcome your input to enhance the quality of our reporting. Please visit www.redefine.co.za or email investorenquiries@redefine.co.za

OUR THEME

We operate in a constantly evolving and unpredictable environment. While this can be challenging, we choose to be optimistic. This means pursuing a strategy built on innovation, focusing on what we can control, and letting go of what we cannot. We call this opting for the upside.

This perspective provides us with the tools to navigate uncertainty with clarity, change obstacles into opportunities, and remain focused on our purpose of creating and managing spaces in a way that transforms lives. Optimism can unite people, acting as a catalyst for diverse and authentic collaboration focused on solutions instead of problems. This is why we choose to opt for the upside, and this year, we invite our people, partners and stakeholders to **join the upside**. By accepting this call to action, we believe we can create an inclusive future of possibilities and advance opportunities for all.

OUR REPORTING SUITE

IR

Integrated report (IR)

Our **IR** is our primary report to stakeholders, illustrating how the elements of our value-creation story are connected and depend on each other.

AFS

Group annual financial statements (AFS)

Our **AFS** provide a comprehensive overview of our financial position, enabling stakeholders to understand our financial performance.

ESG

Environmental, social and governance (ESG)

Our **ESG** report provides a detailed account of our environmental and social goals and impacts. It also unpacks our enterprise-wide governance approach, which steers our sustainability efforts. It includes our remuneration report as well as our social, ethics and transformation committee report.

ISO 37000

King IV™ application register

CRR

Climate risk report (CRR)

Our **CRR** outlines our long-term approach to climate-related risk and opportunity management, in line with the principles of the International Sustainability Standards Board (ISSB) IFRS S2: *Climate Disclosures Recommendations.*

AGM

Notice of annual general meeting (AGM)

The notice of **AGM** provides supporting information for shareholders to participate in the AGM.

Form of proxy

Redefine is committed to reporting transparently to our broad range of stakeholders. Our reporting suite is available on our website www.redefine.co.za

Our reporting suite applies and complies with the following frameworks

- International Integrated Reporting Framework (Integrated Reporting Framework)
- The Companies Act, No 71 of 2008, as amended (Companies Act)
- JSE Limited (JSE) Listings Requirements
- King IV Report on Corporate Governance™ for South Africa 2016 (**King IV™**)*
- International Financial Reporting Standards (IFRS® Accounting Standards)

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Introduction

Blue Route Mall, Western Cape, South Africa

Our integrated approach to *business and value creation*

To achieve our purpose, we believe we must have a robust business model supported by a forward-looking strategy. This requires more than a business-as-usual approach – it necessitates an integrated approach to value creation.

INTEGRATED THINKING is central to how we make strategic choices. It drives our value creation and informs our integrated reporting

OUR APPROACH IS DRIVEN FROM A PLACE OF PURPOSE

Our purpose
is to create and manage spaces in a way that transforms lives

Our mission
in this decade to deliver the smartest and most sustainable spaces

Our vision
is to be the BEST South African REIT

Our **primary goal** is to grow and improve cash flow in order to create sustained value for all our stakeholders

ESG IS AT THE HEART OF OUR VALUE CREATION

ESG is integral to our long-term business resilience and promotes sustainable stakeholder ecosystems. Our ESG approach is embedded in our strategic decisions and operations, aligning with our values and strategic priorities. This enables long-term value creation while ensuring transparency and accountability for our actions.

Our **BEST VALUES** are what connect us and guide our behaviour

WHAT WE DO

PROPERTY IS OUR COMMODITY AND PEOPLE ARE OUR BUSINESS

Building a quality, diversified property portfolio in South Africa and Poland

We actively manage a diversified portfolio in South Africa and Poland. Our South African portfolio comprises mainly retail, office and industrial properties, complemented by retail and logistics property investments in Poland. We allocate capital where we believe the best risk-adjusted returns lie and reduce risk by diversifying our portfolio both sectorally and geographically.

HOW WE DO IT

WE'RE NOT LANDLORDS. WE'RE PEOPLE.

Our people-centric approach enables us to create and sustain meaningful value for our stakeholders.

CREATING VALUE

TO US, CREATING VALUE MEANS MEETING OUR STAKEHOLDER GOALS

WE ASSESS OUR CONTEXT

Operating context
Geopolitical events, socioeconomic challenges across our footprint, and emerging and existing trends shape the environment in which we create value.

Stakeholder relationships
Our engagement strategies enable us to prioritise what our key stakeholders value most and identify the value we receive from each relationship in return.

Risks and opportunities
We regularly analyse the impact of our operating environment, stakeholder relationships and resource availability on our business model. This analysis helps us identify our top strategic risks and opportunities.

WE CONSIDER OUR MATERIAL MATTERS

We apply a double materiality lens to determine the matters we impact as well as the matters that could influence our ability to create or preserve value in the short, medium and long term. These matters inform our strategy, mitigating risks and maximising opportunities. We group these matters into five themes.

GSF | ERB | BMA | HGR | MBG

WE INTEGRATE OUR STRATEGY INTO OUR BUSINESS MODEL

Business strategy
Investing in a long-term asset class, we make strategic choices with lasting outcomes. Driven by our mission pathways, we embed integrated thinking into our business strategy, channelled by our strategic priorities to enable sustained value creation. These are the critical levers that affect our ability to create value in the short, medium and long term.

MISSION PATHWAYS

- Embedding diversity, equity and inclusion
- Mobilising digital transformation
- Nurturing and optimising our ecosystems
- Being a catalyst for good
- Being curious innovators

STRATEGIC PRIORITIES

- **IS** Invest strategically
- **OC** Optimise capital
- **OE** Operate efficiently
- **ET** Engage talent
- **GR** Grow reputation

Business model
We actively manage our business activities and measure their impacts to ensure we maximise the value we create and preserve and minimise the value we erode for all our stakeholders.

STAKEHOLDER GOALS

Providers of financial capital	Investors	A source of sustained growth in total returns
	Funders	A reliable source of returns on debt funding
Customers	Tenants	Provide differentiated and relevant space
	Shoppers	Provide a safe and enjoyable shopping experience
	Employees	Grow and inspire people who create and manage spaces for positive impact
	Property brokers	Be our property brokers' preferred business partner
	Suppliers	Be a responsible and compliant business partner
	Communities	Be a responsible community participant

We aim to deliver broader societal and environmental value through our commitment to the United Nations Sustainable Development Goals (UN SDGs)

Our primary UN SDGs
3, 5, 7, 8, 9, 11, 12, 13, 16

Our secondary UN SDGs
4, 6, 10, 17

Throughout this report, we highlight the relevant UN SDGs to which the content contributes by using an icon alongside. For more detail, please refer to our **ESG** report.

These areas are underpinned by the six capitals that we use or affect

FC Financial capital | **MC** Manufactured capital | **HC** Human capital | **SRC** Social and relationship capital | **IC** Intellectual capital | **NC** Natural capital

Group and company *annual financial statements*

Alice Lane, Gauteng, South Africa

Directors' responsibilities *and approval*

The directors are responsible for the preparation and fair presentation of the group and company annual financial statements of Redefine Properties Limited and its subsidiaries. These annual financial statements comprise the statements of financial position as at 31 August 2024, the statements of profit or loss and other comprehensive income, the statements of changes in equity, the statements of cash flows for the year ended 31 August 2024, and the notes to the financial statements (including a summary of material accounting policies and other explanatory notes) in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB®), the South African Institute of Chartered Accountants (SAICA), Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act, and the JSE Listings Requirements. In addition, the directors are responsible for the preparation of the directors' report.

The directors are responsible for internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; for maintaining adequate accounting records and an effective system of risk management; and for the preparation of the supplementary information included in these annual financial statements. The directors are also responsible for the controls over, and the security of, the website and, where applicable, for establishing and controlling the process to electronically distribute annual reports and other financial information to shareholders and to the Companies and Intellectual Property Commission.

The directors have assessed the ability of the group and company to continue as a going concern and have no reason to believe that the group and company will not be a going concern in the year ahead.

The independent external auditor is responsible for reporting on whether the group and company annual financial statements are fairly presented, in all material respects, in accordance with the applicable financial reporting framework, and their report is presented on pages 11 to 13.

APPROVAL OF GROUP AND COMPANY ANNUAL FINANCIAL STATEMENTS

The group and company annual financial statements of Redefine Properties Limited, as identified in the first paragraph, were published on 4 November 2024 and were approved by the board of directors on 31 October 2024 and are signed on its behalf by:

AJ König
Authorised director

31 October 2024

NG Nyawo
Authorised director

31 October 2024

CEO and CFO *responsibility statement*

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

(a) the group and company annual financial statements, set out on pages 14 to 88, fairly present in all material respects the financial position, financial performance, and cash flows of the issuer in terms of IFRS® Accounting Standards;

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

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

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the group and company 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 the design and operational effectiveness of the internal financial controls and have remediated the deficiencies; and

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

AJ König
Chief executive officer

31 October 2024

NG Nyawo
Chief financial officer

31 October 2024

Certificate by *company secretary*

In terms of section 88(2)(e) of the Companies Act, I declare that to the best of my knowledge, for the year ended 31 August 2024, Redefine Properties Limited has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that such returns are true, correct and up to date.

A Matwa
Company secretary

31 October 2024

Audit committee *report*

The audit committee (AC) plays a vital role in ensuring the integrity of the company's financial controls and integrated reporting and in identifying and managing financial risk. This is critical to helping Redefine navigate uncertainty while ensuring we remain focused on identifying and executing strategic opportunities. The AC also plays a critical role in ensuring that we provide all stakeholders with timeous and relevant information to enable accurate assessments of the company's performance and prospects.

COMPOSITION AND MEETING PROCEDURES

The AC comprised independent non-executive directors. All appointed directors satisfied the requirements of section 94(4) of the Companies Act and King IV™ recommendations. As a collective, and considering the size and circumstances of the group, the AC was adequately skilled, and all members possessed the appropriate financial and related qualifications, skills, financial expertise and experience required to discharge their responsibilities.

The AC met on four occasions, with meetings scheduled in line with the group's financial reporting cycle.

The AC held one *ad hoc* meeting to review and recommend the IR to the board. The AC also met with the internal and external auditors, and no areas of concern were noted.

The AC fulfilled its responsibilities as per its terms of reference and annual work plan.

PRIMARY FOCUS

FC Financial capital **IC** Intellectual capital **OC** Optimise capital **OE** Operate efficiently

COMPOSITION OF THE AC DURING FY24

Diane Radley (Chairperson)
Simon Fifield
Cora Fernandez
Lesego Sennelo

INVITEES

Standing invitees

- Chief financial officer (CFO)
- Head of corporate finance
- Head of operational finance
- Representatives from PricewaterhouseCoopers Inc (PwC)
- Representatives from BDO South Africa (BDO) (internal audit)

Regular invitees

- Chief executive officer (CEO)
- Chief operating officer (COO)

COMPANY SECRETARY

- Anda Matwa

ATTENDANCE

100%

MATTERS CONSIDERED

- Reviewed the quarterly financial report, including financial performance, FY25 forecasts, tax governance, and the FY24 asset valuation assessment report
- Reviewed the external audit report for the year ended 31 August 2024 (including the control environment, independence of the external auditors, and appropriateness of accounting policies)
- Reviewed the impact of IFRS® Accounting Standards and guidelines (and other financial reporting procedures) on the group's financial statements
- Monitored the status of Redefine's subsidiaries' annual financial statements (**AFS**)
- Considered the JSE proactive monitoring of financial statements report
- Reviewed the quarterly internal audit progress report
- Reviewed the suitability report prepared by PwC in accordance with the JSE Listings Requirements
- Considered feedback from external auditors, internal audit, and the risk and compliance function (without management)
- Considered the risk management report from the risk, compliance and technology committee RCT and feedback from the social, ethics and transformation committee SET on ESG
- Reviewed the effectiveness of the combined assurance approach and monitored progress against the plan
- Monitored reportable irregularities quarterly
- Reviewed the CEO and CFO responsibility statement
- Considered key judgements and estimates
- Monitored non-audit service spend against the non-audit services policy
- Reviewed the risk management movement dashboard with specific focus on the risks allocated to the AC
- Monitored the progress of actions arising from the AC evaluation process

MATTERS APPROVED

- Reviewed and approved the quarterly CFO report to monitor financial performance, including the outlook for the DIPS* credit metric, value drivers and the delivery of strategic priorities
- Reviewed and approved the quarterly capital management report, including compliance with loan covenants and credit metrics such as LTV** and associated correction strategies
- Reviewed the assumptions for the FY25 budget to be considered by the board
- Reviewed and recommended the interim and final results to the board
- Approved FY24 external audit fees
- Reviewed and approved the external auditors' scope of work for FY24
- Reviewed and recommended the FY24 **AFS** to the board for approval (Redefine standalone and group)
- Reviewed and approved the inclusion of the AC report in the FY24 **AFS**
- Reviewed and approved the internal audit plan, charter and the adequacy of the group's internal control structure
- Reviewed and recommended the solvency and liquidity statement and going concern assessment to the board
- Reviewed and proposed the interim and final dividend to the board
- Approved the quarterly combined assurance plan and implementation report
- Reviewed and approved the effectiveness and expertise of the finance function and the CFO in accordance with the JSE Listings Requirements, as well as the effectiveness of the internal audit function
- Reviewed and recommended the REIT compliance disclosure
- Reviewed and recommended AC terms of reference to the board

* *Distributable income per share*
** *Loan to value*

Audit committee *report* continued

EVALUATED FINANCIAL REPORTING AND ACCOUNTING

The AC reviewed the integrity of the interim results and annual financial statements for the year ended 31 August 2024, including public announcements of the group's financial results, and recommended it to the board for approval. The AC took reasonable steps to ensure that the financial statements were prepared in accordance with IFRS® Accounting Standards and in compliance with the provisions of the Companies Act and JSE Listings Requirements.

The detailed material matters considered or approved by the AC are outlined in the table on page 7.

VALUE PRESERVATION AND KEY FOCUS AREAS FOR FY25

The AC will continue to operate within its terms of reference and ensure that meetings address all regular matters reserved for its consideration. Additionally, the following key activities are expected to receive the committee's attention during FY25:

- Ensure a smooth transition for the new external auditors for our international operations to ensure minimal disruptions to the year-end audit process
- Continued focus on the responsive measures on the impact of profitability due to rising operating and administered costs
- Review and monitor dividend declaration in accordance with REIT legislation
- Responsive governance measures (i.e hedging policy in medium to long term) on interest rate movements
- Adoption of the IFRS® Sustainability Standards and related assurance in line with proposed International Sustainability Standards Board guidelines

EXTERNAL AUDIT INDEPENDENCE, OBJECTIVITY AND EFFECTIVENESS DURING FY24

Evaluation focus

The AC formally assessed the effectiveness of the 2024 external audit process and quality of the audit. The assessment covered all aspects of the audit service provided by PwC and was treated as an ongoing review throughout the audit cycle. The evaluation focused on:

- Robustness of the audit process
- Audit quality, including quality controls and indicators
- Appropriateness of the audit partner and the dedicated team, including their skills, knowledge and character
- Independence and objectivity
- Formal reporting

Inputs

THE AC

- Monitored audit performance, independence, and objectivity throughout the year
- Approved, in consultation with management, the below audit fee and engagement terms for FY24:

	Audit and other assurance services (R'000)	Non-audit services (R'000)	Total (R'000)	Non-audit fee as a percentage of audit and other assurance services (%)
2024	26 700	242	26 942	0.9
2023	23 795	4 178	29 973	17.6

- Reviewed and approved the above non-audit service fees in line with the non-audit service policy and ensured that same were within the limit and in line with the maximum threshold of up 25% of audit fees of the group auditors being PwC (SA) and PwC (Poland) effective from date
- Determined the nature and extent of allowable non-audit services and approved the contract terms for the provision thereof
- Reviewed the external audit plan and related scope of work
- Reviewed the quality of reporting to the AC, the level of challenge, and professional scepticism and understanding demonstrated by PwC of the business of the group
- Reviewed the quality of the audit team, technical skills and experience, and the allocation of resources during the audit
- Held regular meetings with the audit engagement partner and audit managers
- Considered the effectiveness of the company's policies and procedures in maintaining auditor independence
- Confirmed that no reportable irregularities were identified and reported by PwC in terms of the Auditing Profession Act, No 26 of 2005

PWC

- Provided the AC with confirmation that they operate in accordance with the ethical standards required of audit firms (section 290 of the International Ethics Standards Board for Accountants, Code of Ethics for Professional Accountants and the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors)
- Ensured that the appointment of PwC and Mr Jorge Goncalves was considered in accordance with the JSE Listings Requirements
- Confirmed the policies and procedures they have in place to maintain their independence
- Confirmed that there were no relationships with the company arising from:
  - Personal financial interests
  - Family and personal relationships
  - Employment relationships
  - Business relationships
- Provided confirmation that the non-audit services performed and billed during the period ended 31 August 2024 did not impair their independence or objectivity

REGULATORS

The Independent Regulatory Board for Auditors (IRBA) issued reviews of audits carried out by PwC. PwC shared these findings with the AC and confirmed how they were addressing the areas highlighted for improvement

Key outputs

The quality of the audit partner and the team was confirmed, with no material issues raised in the feedback received

- PwC demonstrated a good understanding of the group and had identified and focused on the areas of greatest risk
- PwC's reporting to the AC was clear, transparent and thorough and included explanations of the rationale behind conclusions as appropriate
- The audit had been well planned and delivered, and management was comfortable that key audit findings had been raised and addressed appropriately
- There had been appropriate judgement on materiality
- It was confirmed that there had been an appropriate level of challenge and that PwC had functioned in accordance with its mandate for the 2024 financial year

The AC, having considered all relevant matters, concluded that it is satisfied that auditor independence, objectivity and effectiveness were maintained during the financial year

Audit committee *report* continued

EXTERNAL AUDIT-RELATED MATTERS

In October 2024, and in accordance with paragraphs 3.84(g) and 3.86 of the JSE Listings Requirements, the AC assessed the suitability of PwC for appointment as the company's independent external auditors for the 2025 financial year, with Mr Jorge Goncalves as the designated individual auditor.

INTERNAL FINANCIAL CONTROLS

The AC reviewed the internal and external auditor reports in respect of audits conducted on the internal control environment, took note of matters arising from these audits, considered the appropriateness of management's responses, and monitored the progress of the recommended remedial actions.

Notably, the AC

- Reviewed quarterly funding reports prepared by management and monitored compliance with financial covenants and hedging policies (in relation to interest rates and foreign exchange rates)
- Fulfilled an oversight function of tax governance. In this regard, the AC received regular feedback on the group's tax compliance and tax risk matters and is satisfied that no material non-compliance has occurred
- Considered and, where appropriate, made recommendations on internal financial controls (IFC)

During the year, there was no breakdown in the functioning of internal control systems that had a material impact on the **AFS**. The AC is satisfied that the **AFS** fairly present the financial position, financial performance, and cash flows in accordance with IFRS® Accounting Standards and that these statements are supported by reasonable and prudent judgements that were applied consistently.

The RCT oversaw that the compliance risk management processes adhere to relevant legislation, regulations and applicable policies and standards. The AC is satisfied that the refreshed funding and liquidity policy adequately manages the medium- to long-term hedging risk.

INTERNAL AUDIT

The AC reviewed and approved the internal audit charter and internal audit plan for the financial year ended 31 August 2024, ensuring that material risk areas were included and that coverage of significant business processes was acceptable.

It oversaw and monitored the internal audit function:

- Objectively assured the effectiveness of risk management, governance, and internal control frameworks
- Analysed and assessed business processes and associated controls
- Reported significant audit findings and recommendations to management and the AC

The AC satisfied itself that the internal audit function was independent and had the necessary resources, standing and authority to discharge its duties.

Feedback from BDO on internal audit findings

The internal audit plan for the year ended 2024 and scope of work were determined in conjunction with management and approved by the AC.

The internal control statement relates the review of the following as per the internal audit plan:

- Internal financial controls
- Tenant and rental income
- Utilities management
- Investment management
- IT governance
- Payroll
- Asset management (adequacy of key system)
- Data migration follow-up

Internal audit can report

- All control weaknesses that have come to our attention during the execution of our internal audit plan have been reported
- Based on the work performed and the results obtained, controls assessed were adequately designed to mitigate the significant identified risk. Controls considered adequate (99%) were operating effectively with 94% control passing testing procedures
- No control weaknesses were rated as significant in nature

Based on the internal audit work performed for the months September 2023 to date, as per our approved internal audit plan and the audits undertaken, we can conclude, based on our scope work and controls tested, that the system of internal controls in operation at Redefine is, on aggregate, adequate and operating as intended.

Looking ahead, we are investigating opportunities to expand the scope of internal and external audit to include EPP N.V. (EPP).

90 Rivonia Road, Gauteng, South Africa

Directors' *report*

TO THE SHAREHOLDERS OF REDEFINE PROPERTIES LIMITED

We have the pleasure of presenting the group and company annual financial statements of Redefine Properties Limited and its subsidiaries for the year ended 31 August 2024.

CORPORATE OVERVIEW

Redefine is a REIT listed in South Africa. It derives rental income from investments in retail, office, industrial and specialised properties and distributions from other property-related investments. Redefine is registered in South Africa, refer to page 98 for the registered address.

NATURE OF THE BUSINESS

The group is engaged in property investment and operates in South Africa and Poland.

FINANCIAL RESULTS

The profit for the current financial year is R4.0 billion (2023: R1.5 billion) and R3.5 billion (2023: R1.0 billion) for the group and company, respectively.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements are prepared in terms of IFRS® Accounting Standards and the requirements of the Companies Act.

STATED CAPITAL

The company's authorised and issued stated capital consists of 10 000 000 000 (2023: 10 000 000 000) and 7 052 419 865 (2023: 7 052 419 865) ordinary shares of no par value.

At 31 August 2024, there were 7 052 419 865 (2023: 7 052 419 865) shares in issue, all of which are fully paid and qualify for the dividend approved on 31 October 2024.

DIVIDEND DISTRIBUTIONS

On 3 November 2023, the board of directors declared a final dividend of 23.48 cents for the six months ended 31 August 2023, which was paid on 27 November 2023.

On 6 May 2024, the board of directors declared an interim dividend of 20.27 cents for the six months ended 29 February 2024, which was paid on 27 May 2024.

Subsequent to year end, on 4 November 2024, the board of directors declared a final dividend of 22.25 cents per share for the year ended 31 August 2024.

DIRECTORATE

The directors of the group at the date of this report were:

Independent non-executive directors

- SM Pityana (Chairperson)
- ASP Dambuza
- D Radley
- LJ Sennelo
- NB Langa-Royds
- SP Fifield
- CH Fernandez

Executive directors

- AJ König (CEO)
- LC Kok (COO)
- NG Nyawo (CFO)

DIRECTORS' EMOLUMENTS AND INTERESTS

Refer to notes 55, 56 and 57 to the financial statements for disclosure regarding directors' emoluments and interests.

SERVICE CONTRACTS

Executive directors retire from their positions and from the board (as executive directors) at the age of 65. Although the normal retirement age is 65 years for executive directors, the group's retirement policy makes provision to extend the working relationship beyond the normal retirement age. Executive directors are subject to three calendar months' written notice under their existing employment contracts.

SHAREHOLDERS' ANALYSIS

Refer to page 97 in the supplementary information to the group and company annual financial statements for disclosure regarding shareholders' analysis.

EVENTS AFTER REPORTING PERIOD

Refer to note 58 to the financial statements for disclosure regarding events after the reporting period.

GOING CONCERN

Refer to note 59 to the financial statements for disclosure regarding going concern.

SOLVENCY AND LIQUIDITY TEST

The directors have performed the required solvency and liquidity tests required by the Companies Act and concluded that Redefine meets the solvency and liquidity requirements.

Independent auditor's *report*

To the Shareholders of Redefine Properties Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our opinion

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

WHAT WE HAVE AUDITED

Redefine Properties Limited's consolidated and separate financial statements set out on pages 14 to 88 comprise:

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

Basis for opinion

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

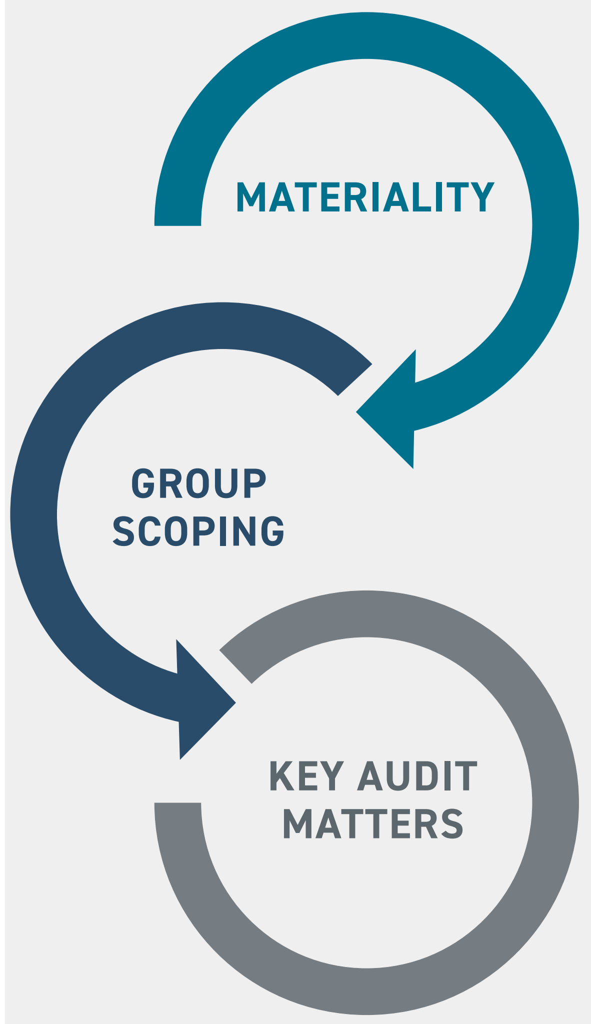
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

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

Our audit approach

OVERVIEW



OVERALL GROUP MATERIALITY

Overall group materiality: R532 million, which represents 1% of the consolidated net asset value.

GROUP AUDIT SCOPE

The Group consists of 43 components of which full scope audits were performed at the Company and 5 components, an audit of certain account balances was performed in respect of 3 components and review procedures were performed over an additional 4 components. Analytical procedures were performed over the remaining components as they were deemed to be financially insignificant.

KEY AUDIT MATTERS

Valuation of investment properties.

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

MATERIALITY

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

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

Overall group materiality	R532 million
How we determined it	1% of the consolidated net asset value
Rationale for the materiality benchmark applied	We chose consolidated net asset value as the benchmark because, in our view, it is the key benchmark against which the performance of the Group is most commonly measured by users of the financial statements. We chose 1% based on our professional judgement and after consideration of the range of quantitative materiality thresholds that we would typically apply when using net assets to compute materiality.

HOW WE TAILORED OUR GROUP AUDIT SCOPE

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

The Group consists of 35 companies and trusts, which have or have previously invested in office, retail, industrial and specialised properties in South Africa and Poland, as well as the Redefine Empowerment Trust. The Group also holds 8 investments in joint ventures which are equity accounted into the consolidated financial statements, each is considered to be a 'component' for purposes of our group audit scoping.

Independent auditor's *report* continued

Full scope audits were performed on the Company and 5 subsidiaries, namely, Redefine Retail Proprietary Limited, The Pivotal Fund Proprietary Limited, Ptn 113 Weltevreden Proprietary Limited, Redefine Commercial Proprietary Limited and the EPP N.V. Group based on their contribution to total consolidated net assets of the Group, and/or specific risk characteristics of these entities.

For an additional 3 components, we performed audits of certain account balances due to the financial significance of these accounts to the consolidated financial statements as a whole.

We performed an independent review over a further 4 of the components within the Group and group level analytical review procedures over the remaining components.

In establishing the overall approach to the group audit, we determined the extent of the work that needed to be performed by us, as the group engagement team and by component auditors operating under our instruction, in order to issue our audit opinion on the consolidated financial statements of the Group. Where the work was performed by component auditors, we determined the level of our involvement necessary in the audit work at those components in order to be able to conclude whether sufficient appropriate audit evidence has been obtained to support our opinion on the consolidated financial statements.

Further audit procedures were performed by us as the group engagement team on the consolidation process. The work performed by component auditors, together with these additional procedures performed at the group level, provided us with sufficient evidence to express an opinion on the Group's consolidated financial statements as a whole.

Key audit matters

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

KEY AUDIT MATTER

Valuation of investment property assets

This key audit matter is applicable to both the consolidated and separate financial statements.

Refer to the following material accounting policies and notes to the consolidated and separate financial statements:

- Material Accounting Policy 4: Investment properties,
- Material Accounting Policy 15: Fair value measurement,
- Material Accounting Policy 26: Key estimates and assumptions,
- Note 3: Investment properties,
- Note 33.1: Changes in fair value – investment properties, and
- Note 52: Fair value disclosures.

The Group and Company's investment property assets comprise of properties in the office, retail, industrial and specialised sectors in South Africa and Poland with a total carrying amount, (excluding the properties under development), of R82.8 billion and R33.8 billion and a related fair value gain of R1.6 billion and R638 million for the Group and Company respectively for the year ended 31 August 2024.

The investment property assets are stated at their respective fair values based on external valuations performed by accredited valuers.

It is the policy of the Group and Company to obtain external valuations for all investment property assets at the end of each financial reporting period. At year end the fair values of the investment property assets were determined by accredited valuers using the discounted cash flow method of valuation. Judgement is applied in determining the unobservable inputs applied. Note 52 sets out these unobservable inputs.

Undeveloped (vacant) land is valued in terms of the internationally accepted and preferred method of comparison. This involves the use of recent comparable transactions as the basis for the valuation. Bulk rates are determined for land that has been zoned.

We considered the valuation of investment property assets to be a matter of most significance to our current year audit due to the following:

- Inherent subjectivity of the key assumptions that underpin the valuations of investment property assets; and
- The magnitude of the balance of the investment property assets in the context of the consolidated and separate statements of financial position, as well as the magnitude of the changes in fair value relating to the investment property assets in the context of the consolidated and separate statements of profit or loss and other comprehensive income.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

Our audit addressed this key audit matter as follows:

We obtained an understanding of the approaches followed by management and the independent valuers for the valuation of the Group and Company's local and offshore investment properties through discussions with both management and the independent valuers. This included familiarising ourselves with the process around preparing the budgets that drive the cash flows used in the valuations and the manner in which these were shared with the independent valuers. With regards to the local property portfolio, we tested controls in relation to the setting and approval of budgets used in the valuations and obtained confirmation of board approval of the valuations obtained.

We evaluated the competence, capabilities and objectivity of the independent valuers with reference to their qualifications as well as through discussion with management and noted no aspects requiring further consideration.

In respect of the local investment property assets, we obtained an understanding of, and tested the relevant controls, relating to the valuation of the investment property assets. This included controls in relation to the entering and amending of leases in support of contractual rental income which forms the basis for the cash flows used in the valuation models.

In respect of the offshore investment property assets, we agreed a sample of new and existing contracts included in the rent roll (which forms the basis for the cash flows used in the valuation models) to the underlying signed rental agreements.

We performed the following procedures on a risk based sample of the investment property assets, in order to determine the acceptability of the valuation approach as well as the reasonableness of the inputs into the valuation:

- Compared the valuation approach for each of the properties against the requirements of IFRS Accounting Standards.
- Tested the reasonableness of the cash flows of each of these properties used by the independent valuers in the discounted cash flow models by performing the following:
  - Assessing the cash flows used in the model against the actual results for the year ended 31 August 2024; and
  - Compared the assumptions used in the preparation of the forecasted cash flows against market information and other supporting information.
- Making use of our internal valuation expertise, we evaluated the significant assumptions, including discount rates and exit capitalisation rates, against appropriate market information.
- Using the market related assumptions and audited cash flows, we calculated the fair values for the sample of investment properties and compared these to management's fair values.

We found management's valuation to be reasonable.

In respect of vacant land within the local property portfolio, we recalculated, on a sample basis, the value of the land based on comparable market data and comparable listed sales prices. We did not identify any material differences.

Independent auditor's *report* continued

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Redefine Properties Limited Annual Financial Statements for the year ended 31 August 2024", which includes the Directors' report, the Audit committee report and the Certificate by company secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document titled "Redefine Properties Limited Integrated Report 2024", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Redefine Properties Limited for 6 years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: J Goncalves
Registered Auditor
Johannesburg, South Africa

2 November 2024

Statements of *financial position*

as at 31 August 2024

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
ASSETS					
Investment property assets		82 884 395	79 263 367	33 828 732	32 469 344
Investment properties	3.1	80 384 743	76 837 897	32 599 361	31 286 968
Right-of-use assets	3.2	567 341	613 593	75 452	87 166
Properties under development	3.3	66 344	28 386	–	24 098
Straight-line rental income accrual	3.4	1 865 967	1 783 491	1 153 919	1 071 112
Listed securities	5	42 131	19 446	42 131	19 446
Investment in joint ventures	7	14 748 932	15 288 598	9 608	9 608
Derivative assets	21	133 219	412 868	83 756	222 903
Loans receivable	8	1 030 578	1 051 349	190 112	–
Other financial assets	9	147 835	644 727	–	–
Property, plant and equipment	10	204 834	190 680	89 999	86 293
Other monetary assets	12	67 831	72 371	–	–
Deferred taxation	24	46 189	25 196	–	–
Investment in subsidiaries	11.1	–	–	26 083 655	25 900 307
Loans to subsidiaries	11.2	–	–	24 906 646	22 916 357
Non-current assets		**99 305 944**	**96 968 602**	**85 234 639**	**81 624 258**
Trade and other receivables	13	966 002	1 007 353	508 782	614 147
Loans receivable	8	5 311	205 852	–	–
Derivative assets	21	267 001	215 431	267 001	213 670
Taxation receivable	26.2	17 452	24 421	–	–
Other monetary assets	12	299 800	219 616	25 484	–
Cash and cash equivalents	14	530 502	760 882	137 557	248 247
Current assets		**2 086 068**	**2 433 555**	**938 824**	**1 076 064**
Non-current assets held-for-sale	15	**522 142**	**46 038**	**164 760**	**–**
Total assets		**101 914 154**	**99 448 195**	**86 338 223**	**82 700 322**
EQUITY AND LIABILITIES					
Shareholders' interest		52 961 744	51 938 922	50 085 250	49 535 104
Stated capital	16	50 117 109	50 117 109	50 107 262	50 107 262
Accumulated losses		(2 266 074)	(3 407 830)	(302 652)	(1 314 769)
Other reserves		5 110 709	5 229 643	280 640	742 611
Non-controlling interests	18	273 437	943 506	–	–
Total equity		**53 235 181**	**52 882 428**	**50 085 250**	**49 535 104**
Interest-bearing borrowings	20	40 988 912	34 269 168	32 292 154	24 811 441
Derivative liabilities	21	103 580	281 731	47 527	274 142
Other financial liabilities	22	63 099	345 410	14 604	12 776
Deferred taxation	24	2 047 412	2 022 064	381 269	337 763
Lease liability	4	518 405	585 609	62 589	75 453
Non-current liabilities		**43 721 408**	**37 503 982**	**32 798 143**	**25 511 575**
Trade and other payables	25	2 467 226	2 093 298	1 500 139	1 087 189
Interest-bearing borrowings	20	1 740 219	5 691 977	1 507 212	5 444 380
Loans from subsidiaries	11.3	–	–	27 371	2 170
Interest accrual on interest-bearing borrowings		259 332	267 542	179 236	182 819
Derivative liabilities	21	204 416	864 316	204 416	864 318
Other financial liabilities	22	208 869	22 537	23 592	22 537
Insurance contract liability	23	–	38 517	–	38 517
Lease liability	4	68 508	73 365	12 864	11 713
Taxation payable	26.1	8 995	10 233	–	–
Current liabilities		**4 957 565**	**9 061 785**	**3 454 830**	**7 653 643**
Total liabilities		**48 678 973**	**46 565 767**	**36 252 973**	**33 165 218**
Total equity and liabilities		**101 914 154**	**99 448 195**	**86 338 223**	**82 700 322**

Statements of *profit or loss and other comprehensive income*

for the year ended 31 August 2024

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Contractual rental income	27	10 617 522	9 935 249	4 457 775	4 363 868
Straight-line rental income/(expense) accrual	3.4	38 249	(27 030)	82 807	762
Property portfolio revenue		10 655 771	9 908 219	4 540 582	4 364 630
Investment income	28	–	713	2 301 625	2 186 471
Total revenue		**10 655 771**	**9 908 932**	**6 842 207**	**6 551 101**
Operating costs	29	(4 301 247)	(4 003 301)	(1 913 514)	(1 827 763)
Expected credit losses – trade receivables	53.3.2	52 672	42 310	39 916	15 520
Administration costs	30	(717 563)	(554 673)	(339 621)	(299 283)
Net operating profit		**5 689 633**	**5 393 268**	**4 628 988**	**4 439 575**
Other income	32	10 643	39 468	2 429	28 653
Gain on disposal of assets		272 556	18 686	–	19
Gain on bargain purchase		249	–	–	–
Fair value adjustment – investment properties	33.1	1 575 762	33 110	638 330	89 816
Fair value adjustment – financial and other instruments	33.2	678 123	(1 010 566)	904 895	(1 017 835)
Net change in insurance contract liability	23	38 517	80 959	38 517	80 959
Expected credit losses – loans receivable	43	152 610	(135 925)	–	(5 958)
Expected credit losses – loans to subsidiaries	11.2	–	–	492 685	380 249
Redefine Empowerment Trust share-based payment expense		–	–	(240 229)	–
Impairments	34	–	(16 105)	–	(438 655)
Net loss on settlement of loan receivable		(159 093)	–	–	–
Equity-accounted (loss)/profit (net of taxation)	7	(133 350)	523 404	–	–
Profit before finance costs and taxation		**8 125 650**	**4 926 299**	**6 465 615**	**3 556 823**
Interest income	35	894 502	753 094	842 803	702 959
Interest expense	36	(3 897 573)	(3 154 797)	(3 359 675)	(2 744 394)
Foreign exchange losses	37	(1 051 503)	(934 132)	(649 066)	(522 995)
Profit before taxation		**4 071 076**	**1 590 464**	**3 299 677**	**992 393**
Taxation	38	(69 078)	(129 707)	(43 555)	(6 496)
Profit for the year		**4 001 998**	**1 460 757**	**3 256 122**	**985 897**
Other comprehensive income					
Items that may subsequently be reclassified to profit or loss:					
Exchange differences on translation of foreign operations – subsidiaries		(126 745)	1 677 474	–	–
Exchange differences on translation of foreign operations – joint ventures		(169 614)	2 905 952	–	–
Reclassification of currency differences on disposal of foreign operations		21 513	100 308	–	–
Items that may not subsequently be reclassified to profit or loss:					
Revaluation of property, plant and equipment		9 052	10 865	5 482	6 584
Other comprehensive (loss)/income for the year		**(265 794)**	**4 694 599**	**5 482**	**6 584**
Total comprehensive income					
Profit for the year		4 001 998	1 460 757	3 256 122	985 897
Other comprehensive (loss)/income for the year		(265 794)	4 694 599	5 482	6 584
Total comprehensive income for the year		**3 736 204**	6 155 356	**3 261 604**	992 481
Profit for the year attributable to:		**4 001 998**	**1 460 757**	**3 256 122**	**985 897**
Redefine Properties Limited shareholders		3 969 413	1 446 628	3 256 122	985 897
Non-controlling interest		32 585	14 129	–	–
Total comprehensive income for the year attributable to:		**3 736 204**	**6 155 356**	**3 261 604**	**992 481**
Redefine Properties Limited shareholders		3 682 159	5 959 780	3 261 604	992 481
Non-controlling interest		54 045	195 576	–	–
Earnings per share (cents)					
Basic	39.1	58.79	21.42	–	–
Diluted	39.2	58.54	21.37	–	–

Statements of *changes in equity*

for the year ended 31 August 2024

Figures in R'000	GROUP						
	Stated capital	Accumulated losses	Foreign currency translation reserve	Share-based payment reserve	Shareholders' interest	Non-controlling interests (NCI)	Total equity
Balance as at 31 August 2022	50 117 109	(2 176 101)	693 745	18 509	48 653 262	647 967	49 301 229
Total comprehensive income for the year	–	1 457 493	4 502 287	–	5 959 780	195 576	6 155 356
Profit for the year	–	1 446 628	–	–	1 446 628	14 129	1 460 757
Other comprehensive income for the year	–	10 865	4 502 287	–	4 513 152	181 447	4 694 599
Transactions with owners (contributions and distributions)	–	(2 673 763)	–	15 102	(2 658 661)	(5 038)	(2 663 699)
Share-based payment movement for the year	–	(133)	–	15 102	14 969	–	14 969
Dividends	–	(2 673 630)	–	–	(2 673 630)	(5 038)	(2 678 668)
Transactions with owners (changes in ownership interests)	–	(15 459)	–	–	(15 459)	105 001	89 542
Acquisition of subsidiary with NCI	–	–	–	–	–	104 304	104 304
Change in ownership with subsidiary with NCI	–	(15 459)	–	–	(15 459)	697	(14 762)
Balance as at 31 August 2023	**50 117 109**	**(3 407 830)**	**5 196 032**	**33 611**	**51 938 922**	**943 506**	**52 882 428**
Total comprehensive income/(loss) for the year	**–**	**3 978 465**	**(296 306)**	**–**	**3 682 159**	**54 045**	**3 736 204**
Profit for the year	–	3 969 413	–	–	3 969 413	32 585	4 001 998
Other comprehensive income/(loss) for the year	–	9 052	(296 306)	–	(287 254)	21 460	(265 794)
Transactions with owners (contributions and distributions)	**–**	**(2 958 483)**	**–**	**6 800**	**(2 951 683)**	**(5 342)**	**(2 957 025)**
Share-based payment movement for the year	–	(4 299)	–	6 800	2 501	–	2 501
Dividends	–	(2 954 184)	–	–	(2 954 184)	(5 342)	(2 959 526)
Transactions with owners (changes in ownership interests)	**–**	**121 774**	**170 572**	**–**	**292 346**	**(718 772)**	**(426 426)**
Acquisition of subsidiary with NCI	–	–	–	–	–	86 938	86 938
Disposal of interest in subsidiary	–	–	–	–	–	(4)	(4)
Change in ownership of subsidiary with NCI	–	121 774	170 572	–	292 346	(805 706)	(513 360)
Balance as at 31 August 2024	**50 117 109**	**(2 266 074)**	**5 070 298**	**40 411**	**52 961 744**	**273 437**	**53 235 181**
Notes	16			17		18	

	2024	2023
Dividend per share (cents)		
Interim	20.27	20.32
Final*	22.25	23.48
Total for the year	**42.52**	**43.80**

* *The final dividend is declared after the financial year end and is therefore a non-adjusting subsequent event (refer to* ***note 58:*** *Events after the reporting period)*

Statements of *changes in equity*

for the year ended 31 August 2024

	COMPANY			
Figures in R'000	Stated capital	Accumulated losses	Share-based payment reserve	Total equity
Balance as at 31 August 2022	50 107 262	366 513	727 509	51 201 284
Total comprehensive loss for the year	–	992 481	–	992 481
Profit for the year	–	985 897	–	985 897
Other comprehensive income for the year	–	6 584	–	6 584
Transactions with owners (contributions and distributions)		(2 673 763)	15 102	(2 658 661)
Dividends	–	(2 673 630)	–	(2 673 630)
Share-based payment movement for the year	–	(133)	15 102	14 969
Balance as at 31 August 2023	**50 107 262**	**(1 314 769)**	**742 611**	**49 535 104**
Total comprehensive income for the year	**–**	**3 236 394**	**–**	**3 236 394**
Profit for the year	–	3 256 122	–	3 256 122
Other comprehensive income for the year	–	5 482	–	5 482
Transactions with owners (contributions and distributions)	**–**	**(2 224 277)**	**(461 971)**	**(2 686 248)**
Dividends	–	(2 954 184)	–	(2 954 184)
Share-based payment movement for the year	–	704 698	(461 971)	242 727
Balance as at 31 August 2024	**50 107 262**	**(302 652)**	**280 640**	**50 085 250**
Notes	16		17	

	2024	2023
Dividend per share (cents)		
Interim	20.27	20.32
Final*	22.25	23.48
Total for the year	**42.52**	43.80

* *The final dividend is declared after the financial year end and is therefore a non-adjusting subsequent event (refer to* ***note 58:*** *Events after the reporting period)*

Statements of *cash flows*

for the year ended 31 August 2024

		GROUP		COMPANY	
Figures in R'000	Notes	2024	2023	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations	40	5 641 876	4 909 992	2 194 922	2 213 864
Interest received		774 488	718 266	750 735	616 445
Interest paid		(3 847 664)	(3 107 192)	(3 346 425)	(2 715 071)
Taxation paid	42	(84 279)	(71 656)	(29)	33 508
Dividends received from joint ventures	7	444 998	136 859	–	–
Net cash inflow from operating activities		**2 929 419**	2 586 269	**(400 798)**	148 746
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition and development of investment properties	45	(3 591 325)	(1 688 211)	(891 813)	(1 336 518)
Acquisition of property, plant and equipment		(24 523)	(6 106)	(7 697)	(5 993)
Acquisition of subsidiary (net cash acquired)	48.3	(185 378)	(13 046)	(298 722)	(650 562)
Acquisition of Pan African Development		(71 649)		–	–
Acquisition of Mall of the South		7 339	–	–	–
Investment in joint venture	47	(133 372)	(841 620)	(63 629)	(9 608)
Repayment of other financial liabilities		(15 905)	(310 279)	(15 905)	(7 003)
Proceeds on disposal of investment properties and properties classified as held-for-sale	46	388 398	1 409 996	179 178	507 370
Proceeds on disposal of property, plant and equipment		–	1 907	–	1 907
Proceeds from other financial assets		776 722	70 118	–	–
Return of equity from joint venture	7	98 931	328 245	–	–
Loans receivable repaid	43	512 094	212 443	16 358	115 337
Loans receivable advanced	43	(428 446)	(553 871)	(412 000)	–
Loans to subsidiaries – advanced by company		–	–	(6 032 469)	(5 296 763)
Loans to subsidiaries – repaid by subsidiaries		–	–	6 153 643	7 584 464
Net cash (outflow)/inflow from investing activities		**(2 667 114)**	(1 390 424)	**(1 373 055)**	902 631
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		(2 954 184)	(2 673 630)	(2 954 184)	(2 673 630)
Dividends paid to non-controlling interests		(5 342)	(5 038)	–	–
Lease payments	4	(82 088)	(64 939)	(19 279)	(18 114)
Interest-bearing borrowings raised	44	21 234 454	4 154 000	21 234 454	4 154 000
Interest-bearing borrowings repaid	44	(18 032 110)	(3 581 792)	(17 564 974)	(3 303 216)
Loans from subsidiaries – repaid by company		–	–	(319 740)	(1 080 434)
Loans from subsidiaries – advanced by subsidiaries		–	–	1 030 041	690 836
Equity contributed to Self Storage Investment by its NCI		22 151	–	–	–
EPP share buyback from Redefine		–	–	272 072	–
Acquisition of subsidiary shares from NCI		(424 455)	–	(6 539)	–
Net cash (outflow)/inflow from financing activities		**(241 574)**	(2 171 399)	**1 671 851**	(2 230 558)
Net increase/(decrease) in cash and cash equivalents		20 731	(975 554)	(102 002)	(1 179 182)
Cash and cash equivalents at the beginning of the year		760 882	1 765 349	248 247	1 430 501
Effect of foreign currency exchange fluctuations		(251 111)	(28 913)	(8 688)	(3 073)
Cash and cash equivalents at end of year		**530 502**	760 882	**137 557**	248 247

Notes to the *financial statements*
for the year ended 31 August 2024

Material accounting policies

This section details the basis of preparation and the material accounting policies applicable to the group and company annual financial statements. The accounting policies include only those policies that are material to the group and company and those areas in IFRS® Accounting Standards where elections have been made or policy choices exercised, including the election made, as well as measurement criteria applied.

The accounting policies of the group apply to the company unless otherwise stated.

1. BASIS OF PREPARATION

The group and company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB®) and the IFRS® Interpretations Committee, SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act, and the JSE Listings Requirements.

The group annual financial statements include the financial statements of Redefine Properties Limited (Redefine or the company) and its subsidiary companies (together referred to as the group) and the share of profit or loss and other comprehensive income and share of net assets of the equity-accounted investees. The company financial statements refer to Redefine Properties Limited.

The group and company annual financial statements have been prepared on a historical cost basis unless otherwise indicated.

The presentation currency in the annual financial statements is South African rand (R).

All amounts have been rounded to the nearest thousand unless otherwise indicated.

2. BASIS OF CONSOLIDATION

Consolidated financial statements are prepared by the parent company, Redefine Properties Limited, using uniform accounting policies for like transactions and other events in similar circumstances. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities in the group are eliminated on consolidation.

2.1 Subsidiaries

Subsidiaries are entities over which the group exercises control. The consolidated financial statements incorporate the assets, liabilities, income, expenses and cash flows of the subsidiaries. Consolidation of subsidiaries commences from the date the investor obtains control and ceases on the date on which the investor loses control.

An investor controls an investee when it is exposed, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

When the group obtains control of a business, the business combination is accounted for using either the acquisition method or asset acquisition method with the application of the optional concentration test at the acquisition date (the date on which control is transferred to the group).

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, the other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity instruments that the group incurs in a business combination, are expensed as incurred. Costs associated with the issue of debt or equity securities are recorded directly in equity.

Changes in the group's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

2.2 Non-controlling interests

The non-controlling interest (NCI) relates to the portion of equity ownership in a subsidiary not attributable to the parent company. NCIs 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 NCIs 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 NCIs are adjusted and the fair value of the consideration paid or received and attributes it to the owners of the parent company.

2.3 Joint ventures

A joint venture is an arrangement in which the group has joint control, whereby the group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for liabilities. Joint control is a contractually agreed sharing of control of an arrangement that requires unanimous consent by the contractual parties on decisions about the relevant activities.

Joint ventures are accounted for using the equity method. In applying the equity method, the investment in the joint venture is measured at cost, which includes transaction costs, with the group's share of post-acquisition earnings recognised in profit or loss and other comprehensive income in accordance with the group's accounting policies, and is separately presented in the statement of profit or loss and other comprehensive income. The group's share of the investee's reserves is recognised in the statement of changes in equity per the relevant reserve category.

At initial recognition, the principles for business combinations are applied and any resulting notional goodwill arising on the acquisition is included in the carrying amount of the investment. Any gain on bargain purchase is included as income in the group's share of the joint venture's profit or loss in the period in which the investment is acquired.

Unrealised profits on transactions with equity-accounted investees are eliminated to the extent of the investor's interest in the investee. Balances such as receivables or payables and deposits or loans to or from equity-accounted investees are not eliminated.

Dividend income from joint ventures reduces the carrying value of the investment.

If the joint ventures are loss-making, the carrying value is reduced until it is carried at Rnil.

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

2. BASIS OF CONSOLIDATION continued

2.3 Joint ventures continued

When additional investments are made while maintaining significant influence or joint control, the cost of the additional investment is added to the carrying value of the investee. Notional goodwill that arises from this additional acquisition is added to the carrying value of the investee.

When the ownership interest in an investee is reduced without affecting the classification as a joint venture, the group reclassifies to profit or loss the proportionate gain or loss previously recognised in other comprehensive income relating to the reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets and liabilities.

2.3.1 INVESTMENTS IN JOINT VENTURE (COMPANY)

Investments in joint venture on the company financial statements is measured at cost less any accumulated impairment losses. The cost is determined as the consideration transferred to obtain the equity interest or, if the investment was previously accounted for as an investment in terms of IFRS 9: *Financial Instruments*, at the fair value of the investment on the date of transfer to an equity-accounted investment. Directly attributable transaction costs are included in the carrying amount.

2.4 Joint operations

A joint operation is a joint arrangement whereby the parties have joint control of the arrangement and have rights to their assets and obligations for their liabilities relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement that exists when decisions about the relevant activities require unanimous consent of the parties sharing control. When a group entity transacts with its joint operation, profits and losses resulting from the transactions with the joint operation are recognised in the group's financial statements only to the extent of interests in the joint operation entity that are not related to the group.

When a group entity undertakes its activities under joint operations, the group, as a joint operator, recognises in relation to its interest 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
- Its expenses, including its share of any expenses incurred jointly

The group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRS® Accounting Standards applicable to the particular assets, liabilities, revenues and expenses.

3. FOREIGN CURRENCY TRANSLATION

3.1 Reporting foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the group companies at the exchange rates at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated into the functional currency at the exchange rate prevailing at the date that fair value was determined. Non-monetary items that are measured based on historical cost are translated to the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit or loss.

3.2 Translation to the presentation currency

The assets and liabilities of foreign operations (including investments in foreign joint ventures), including goodwill and fair value adjustments arising on acquisition, are translated to the group's presentation currency, South African rand, using the respective foreign exchange rates prevailing at the reporting date.

Income and expenses of foreign operations are translated at the average exchange rates for the period.

Exchange differences that arise are recognised directly in other comprehensive income and accumulated in equity in the foreign currency translation reserve.

On disposal or a decrease in the group's effective interest in the foreign investment, all or a proportionate share of the exchange differences accumulated in equity are reclassified to profit or loss. If the group disposes of part of its interest in a subsidiary but retains control, the relevant proportion of the cumulative amounts is reattributed to NCIs.

4. INVESTMENT PROPERTIES

Investment properties, both freehold and leasehold, are held to earn rental income and/or for capital appreciation. The group applies the fair value model for investment properties.

Freehold properties comprise land and buildings, which the group has ownership of the land and the building. The buildings are leased to tenants under an operating lease.

Leasehold properties comprise buildings developed on leased land for which rental payments are made to the lessor. Leasehold properties that are leased to tenants under operating leases are accounted for as investment properties.

At initial recognition, investment properties are measured at cost, including transaction costs. Properties held under an operating lease are initially measured at cost.

Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value are included in profit or loss in the period in which they arise. Changes in fair value are excluded from the calculation of distributable income.

Subsequent additions that will result in future economic benefits and the cost of which can be measured reliably are capitalised.

A gain or loss arising on the disposal of investment property is recognised in profit or loss upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. A gain or loss is measure as the difference between the net disposal proceeds and the carrying amount.

5. TENANT INSTALLATIONS AND LEASE COMMISSIONS

Tenant installations and lease commissions are initially capitalised at cost and recognised as investment property. After initial recognition, the cost is amortised on a straight-line basis over the term of the lease.

Notes to the financial statements continued
for the year ended 31 August 2024

Material accounting policies continued

6. PROPERTIES UNDER DEVELOPMENT

Properties under development comprise the cost of the land and development and are measured at fair value. If the fair value cannot be reasonably determined, it is stated at cost and is not depreciated. Investment property that requires development is transferred from investment properties to properties under development when development commences. On completion of the development, these properties become part of investment property.

Borrowing costs that are directly attributable to the development or acquisition of qualifying assets are capitalised to the cost of that asset. The capitalisation commences when expenditures are incurred for the asset, borrowing costs are incurred, and the group undertakes activities that are necessary to prepare the asset for its intended use or sale.

6.1 Borrowing costs

Borrowing cost is capitalised until such time as the qualifying assets are substantially ready for their intended use. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes less any investment income on the temporary investment of those borrowings or, with regard to that part of the development cost financed out of general funds, to the weighted average borrowing cost.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Refer to accounting policy 22: Interest expense and interest income.

7. LEASES

7.1 Group/company as a lessee

7.1.1 RIGHT-OF-USE ASSETS

Right-of-use (ROU) assets are initially recognised and measured over the lease term at their cost, which include:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date (less any lease incentives received)
- Any initial direct costs incurred by the group

Subsequent to initial recognition, the group measures the ROU assets that meet the definition of investment property using the fair value model applied to its investment property accounting policy (refer to note 3: Investment property). ROU assets linked to owner-occupied buildings are measured by applying the revaluation model relevant to that specific class of property, plant and equipment as described in accounting policy 8 and tested for impairment as described in accounting policy 14.

7.1.2 LEASE LIABILITY

Lease liability is measured at the present value of future lease payments at the commencement date, which are expected to be paid over the lease term. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments) less any lease incentives
- Variable lease payments that depend on an index or rate, initially measured at the applicable index or rate at the lease commencement date
- The exercise price of a purchase option if the group is reasonably certain to exercise that option or the penalty payable on the exercise of a termination option, unless the group is reasonably certain not to exercise the option
- Any amounts expected to be payable under residual value guarantees

The group's variable lease payments are not dependent on an index or rate. As such, these lease payments are not included in the measurement of the lease liability.

The group recognises the lease payments associated with short-term leases and leases for which the underlying asset is of low value as an expense on the accrual basis of accounting.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in a number of property leases across the group. These are used to maximise operational flexibility in terms of managing the investment properties used in the group's leasing activities.

The majority of extension and termination options held are exercisable only by the group and not by the respective lessors.

The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the group uses the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to ROU asset in a similar economic environment with similar terms, security and conditions.

Subsequent to initial recognition, the group measures the lease liability as follows:

- Increasing the carrying amount to reflect interest on the lease liability
- Reducing the carrying amount to reflect the lease payments made
- Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments

Where the group is exposed to potential future increases in variable lease payments based on an index or rate, these are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the ROU asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

7.2 Group/company as a lessor

Properties leased to third parties under operating leases are included in investment property in the statement of financial position.

The group provides certain incentives for the lessee to enter into lease agreements. Initial periods of the lease term may be agreed to be rent free or at a reduced rent. All incentives are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the nature or form of the incentive or the timing of the payments, and amortised on a straight-line basis over the lease term.

Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Straight-lining adjustments do not affect distributable income.

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

8. PROPERTY, PLANT AND EQUIPMENT

8.1 Owner-occupied properties and hotel

Owner-occupied properties and hotel are initially recognised at cost. After initial recognition, these properties are measured at fair value less accumulated depreciation using the revaluation model under IAS 16: *Property, Plant and Equipment.*

The assets are depreciated on a straight-line basis to the residual value. Gains arising from changes in the fair values are recognised in other comprehensive income as a revaluation surplus in the period in which they arise. Any increase is, however, recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset in the period in which it arises. Any loss is recognised in other comprehensive income against the revaluation surplus of the same asset to the extent that a balance exists in the revaluation reserve in respect of the asset.

Owner-occupied ROU assets are computed in terms of accounting policy 7: Leases and are included in note 10: Property, plant and equipment

8.2 Ancillary assets

Other ancillary non-current tangible assets are included in property, plant and equipment. These assets are measured using the cost model.

Initially, ancillary assets are recognised at the purchase consideration including directly attributable costs. These assets are subsequently measured at cost less accumulated depreciation and accumulated impairment losses. The assets are depreciated on a straight-line basis to the residual value.

These items are listed below together with their useful lives:

- Leasehold improvements: 10 years
- Computer equipment: five years
- Furniture and fittings: three years
- Office equipment: three years
- Motor vehicles: five years
- ROU assets: Shorter of lease term and five years

The depreciation method, useful lives, and residual values are reviewed at each reporting date.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

9. NON-CURRENT ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS

9.1 Non-current assets and liabilities classified as held-for-sale

A non-current asset or a disposal group comprising assets and liabilities is classified as held-for-sale if it is expected that its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale, and the sale is highly probable to occur within one year. For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset or disposal group.

Where the group is committed to a sale plan involving the loss of control of an asset or a subsidiary, it classifies all the assets and liabilities of that subsidiary as held-for-sale when the criteria set out above and detailed in IFRS 5: *Non-current Assets Held-for-Sale and Discontinued Operations* are met, regardless of whether the group will retain an NCI in its former subsidiary after the sale.

Non-current assets and disposal groups held-for-sale are measured at the lower of their carrying amount and fair value less costs of disposal, with any impairment losses recognised in profit or loss. Any impairment loss on a disposal group is allocated first to goodwill and then to the remaining assets on a *pro rata* basis. However, certain items – such as financial assets within the scope of IFRS 9: *Financial Instruments*, deferred tax assets, and investment property, which is measured in accordance with the fair value model – continue to be measured in accordance with the group's accounting policies.

Assets classified as held-for-sale are not depreciated or amortised, and any equity-accounted investee or a portion thereof is no longer equity-accounted.

Non-current assets held-for-sale are presented separately from other assets and liabilities on the statement of financial position. Prior periods are not reclassified.

9.2 Discontinued operations

A discontinued operation is a component of the group's business of which the operations and cash flows can be clearly distinguished from the rest of the group and which:

- Represents a separate major line of business or geographic area of operations
- Is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations
- Is a subsidiary acquired exclusively with a view to resell

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is represented as if the operation had been discontinued from the start of the comparative year.

10. INVESTMENT IN SUBSIDIARIES (COMPANY)

Investment in subsidiaries is measured at cost less any accumulated impairment losses. The cost of the equity instruments acquired by the company in the underlying statutory entities is included in the carrying amount of the investment in subsidiaries. Directly attributable costs related to the acquisition are expensed as incurred.

11. LOANS TO AND FROM SUBSIDIARIES (COMPANY)

Loans to subsidiaries are measured at cost less any accumulated impairment. Loans from subsidiaries are measured at cost. Loans to and from subsidiaries are recognised at the fair value of the consideration receivable or payable and are subsequently measured at amortised cost using the effective interest method. Loans to subsidiaries are tested for impairment using the expected credit loss (ECL) model per IFRS 9: *Financial Instruments.*

Loans to subsidiaries are classified as non-current as they do not have redemption dates relating to the maturity of the loans and management's intention is not to have these settled within the next 12 months. Loans from subsidiaries are classified as current due to the inability to defer payments, and they are payable on demand.

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

12. FINANCIAL INSTRUMENTS – FINANCIAL ASSETS

12.1 Investment in debt instruments

12.1.1 CLASSIFICATION

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are recorded in profit or loss. The group reclassifies debt investments when, and only when, its business model for managing those assets changes. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The group classifies its financial assets in the following measurement categories:

- Those to be measured at amortised cost
- Those to be measured subsequently at fair value through profit or loss (FVTPL)

12.1.2 RECOGNITION AND DERECOGNITION

Regular way purchases and sales of financial assets are recognised on the trade date – the date on which the group commits to purchase the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

12.1.3 MEASUREMENT

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components when they are recognised at fair value.

The subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal, and interest is measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss together with foreign exchange gains/(losses)
- FVTPL: Assets that do not meet the criteria for amortised cost are measured at FVTPL. Movement in fair value of a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and is presented in the statement of profit or loss in the period in which it arises

12.1.4 IMPAIRMENT

The group assesses on a forward-looking basis the ECLs associated with its debt instruments carried at amortised cost.

The methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, Redefine compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- Internal credit rating
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increases in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower

The group's financial assets are subject to the ECL model. For trade receivables, the group applies the simplified approach permitted by IFRS 9: *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The expected loss rates are based on the payment profiles of trade receivables and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the tenants to settle the receivable. Such forward-looking information would include:

- Changes in economic, regulatory, technological and environmental factors (such as industry outlook, gross domestic product, employment and politics)
- External market indicators

Debt investment and other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. Impairment losses are presented as a separate line item in the consolidated statement of profit or loss.

12.2 Long-term loans granted to joint ventures

Long-term loans granted to joint ventures (presented under investments in joint ventures) are classified as financial assets at amortised cost as a result of business model assessment and the fact that the solely payments of principal and interest test is met. The loans are initially recognised at transaction price (the consideration given plus transaction costs directly attributable to granting the loan).

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

12. FINANCIAL INSTRUMENTS – FINANCIAL ASSETS continued

12.3 Loans receivable and trade and other receivables

The group holds loans receivable and trade and other receivables with the objective to collect the contractual cash flows. Loans receivable and trade and other receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method less ECL.

The ECL associated with loans and other receivables carried at amortised cost is assessed on a forward-looking basis using the general model per IFRS 9: *Financial Instruments*. The group has leveraged existing parameters used to determine capital demands under the Basel guidance and internal risk management practices to calculate ECL. The group uses three categories (performing, underperforming and non-performing), which reflect the credit risk and how the loss provision is determined for each of those categories. An internal credit risk rating system is also used.

12.4 Trade receivables

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor. Impaired debts are derecognised when they are assessed as uncollectable.

12.5 Investment in equity instruments

At initial recognition, the group recognises equity instruments at fair value. After initial recognition, changes in fair value are recognised in profit and loss. Dividends from such investments continue to be recognised in profit or loss as investment income when the group's right to receive payments is established.

12.6 Other financial assets

Other financial assets comprise unlisted shares and deferred payment. The unlisted shares are initially recognised at fair value and subsequently measured and carried at FVTPL. The deferred payment receivable is initially recognised at fair value and subsequently measured at amortised cost.

12.7 Other monetary assets

This category includes items such as:

- **Tenant deposits:** Money in restricted bank accounts that secures the refund of security deposits paid in by tenants. Restriction is imposed by the lender financing the property. The length of restriction depends on the length of the contract with tenants
- **Money in bank debt service accounts:** Money in restricted bank accounts that secures the payments under some of the bank loan agreements. Restriction is imposed by the lender financing the property. The cash cannot be used for other purposes than settlement of the next payment of interest/capital
- **Money in bank accounts designated for capital expenditures:** Money in bank accounts that secures the payments of capital expenditure commitments. Restriction is imposed by the lender financing the property. The cash cannot be used for other purposes than settlement of capital expenditure or determined in terms of the bank agreements
- **Value-added tax (VAT) and other monies in restricted bank accounts:** VAT payment accounts (VAT tax reimbursement accounts) and other immaterial items. In terms of VAT reimbursement accounts, restrictions are imposed by the tax authorities of the group's foreign subsidiaries. This relates to cash paid by suppliers related to the VAT element of the invoice settlement. Money in these bank accounts is restricted to VAT payments

12.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand; deposits held on call with financial institutions; and other short-term, highly liquid investments with original maturities of three months or shorter that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in values.

13. FINANCIAL INSTRUMENTS – FINANCIAL LIABILITIES

The group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract.

All financial liabilities are initially recognised at fair value less (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost unless the group opted to, or is required to, measure a liability at FVTPL. If a hybrid contract contains a host that is not a financial asset, the embedded derivative shall be separated from the host and accounted for as a derivative under IFRS 9: *Financial Instruments*. If, however, the group is unable to measure the embedded derivative separately, either at acquisition or at the end of a subsequent financial reporting period, it shall designate the entire hybrid contract as at FVTPL.

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

13.1 Loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. However, interest-bearing borrowings comprising exchangeable bonds remain measured at fair value with subsequent changes in fair value recognised in profit or loss.

13.2 Trade and other payables

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

13.3 Derivatives

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

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

14. IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying value of non-financial assets (other than goodwill; intangible assets with an indefinite useful life; property, plant and equipment; and deferred tax assets) is reviewed for impairment at each reporting date to determine whether there is any indication of an impairment loss. If such indication exists, the asset's recoverable amount is estimated. Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount is determined as the higher of fair value less costs of disposal or value in use. An impairment loss is recognised if the carrying amount of the asset or CGU exceeds its estimated recoverable amount.

In assessing the value in use, the estimated cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses and the reversal of impairment losses are recognised in profit or loss.

In the case of a CGU, an impairment is first allocated to goodwill and then to the other assets in the CGU on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is only reversed if there is an indication that the impairment loss no longer exists and the recoverable amount increases as a result of a change in estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognised in prior years.

15. FAIR VALUE MEASUREMENT

Assets and liabilities that are recognised and subsequently measured at fair value are categorised into a hierarchy based on the inputs to the valuation techniques used to measure fair value.

This reflects the significance of the inputs used in measuring fair value. The categorisation is based on the lowest level input that is significant in the fair value measurement in its entirety.

The three levels of the hierarchy are as follows:

- **Level 1:** Assets and liabilities measured at fair value are categorised as level 1 if the inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities, which the entity can access at the measurement date
- **Level 2:** Assets and liabilities measured at fair value are categorised as level 2 if inputs are used that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), other than quoted prices used referred to under the level above
- **Level 3:** Assets and liabilities measured at fair value are categorised as level 3 if inputs for the asset or liability are not based on observable market data (unobservable inputs). For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by reassessing the categorisation (based on the lowest level input that is significant to the fair value measurement in its entirety) at the end of each reporting period

16. TAXATION AND DEFERRED TAXATION

Income tax expense comprises current and deferred taxation. Income tax expense is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on taxable income after deducting the qualifying distribution for the year of assessment, using tax rates that have been enacted or substantially enacted by the reporting date, and includes adjustments for tax payable in respect of previous years.

In entities that have REIT status, dividends declared are treated as a qualifying distribution in terms of section 25BB of the Income Tax Act, No 58 of 1962 (Income Tax Act).

Withholding tax relating to foreign distributions received is recognised as part of the current tax expense. The distribution received is presented gross of withholding tax in the financial statements.

Deferred income tax is provided for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises:

- From the initial recognition of goodwill in a business combination
- From the initial recognition of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit nor taxable income
- From differences related to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future and the group is able to control the reversal

Deferred tax is not recognised on the fair value of investment properties and listed securities. These items will be realised through sale and, in accordance with the income tax requirements relating to REIT status, capital gains tax is not applicable. Deferred tax is not recognised for temporary differences that will form part of future qualifying distributions. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability settled.

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

17. STATED CAPITAL

17.1 Ordinary shares

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction from equity.

17.2 Treasury shares

Where a subsidiary company holds shares in the holding company, the consideration paid to acquire these shares is deducted from stated capital as treasury shares. When these shares are sold or reissued, any consideration received is included in stated capital.

Notes to the financial statements continued

for the year ended 31 August 2024

Material accounting policies continued

18. DIVIDENDS PAID

Dividends and other distributions to the holders of equity instruments, in their capacity as owners, are recognised directly in equity on the date of declaration.

19. REVENUE RECOGNITION

Revenue includes contractual rental income, non-gross lettable area (non-GLA) income, tenant installations, parking income, operating cost recovery, and other income.

19.1 Contractual rental income

Contractual rental income (including leases from non-GLA income) from operating leases is recognised on a straight-line basis over the lease term in accordance with IFRS 16: *Leases*.

19.2 Operating cost recoveries

Operating cost recoveries from lessees are accounted for as non-lease components in terms of IFRS 15: *Revenue from Contracts with Customers*. Recoveries are levied monthly in arrears as a result of the group recovering the costs of providing the tenant with services as determined by the lease agreement.

19.3 Tenant installation and incentives

When the group provides incentives to its tenants, the cost of the incentives is recognised over the lease term on a straight-line basis as a reduction of rental income, in accordance with IFRS 16: *Leases*.

19.4 Lease commissions

The group pays lease commissions to secure certain contracts. These lease commissions are assessed to be an incremental cost of obtaining a contract. For lease commissions paid in relation to revenue contracts, which are for a period greater than one year, the lease commission is capitalised as other non-current asset and amortised over the period of the revenue contract to which it relates.

19.5 Non-contractual revenue

As per IFRS 15: *Revenue from Contracts with Customers*, non-contractual revenue, which includes parking income and other income, is recognised in the accounting period in which control of the services is passed to the customer, which is when the service is rendered over time. For certain service contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

19.6 Investment income

Investment income is recognised when the group and company's right to the income is established.

19.7 Agent versus principal

When the group acts as an agent, the commission rather than gross income is recorded as revenue.

20. OPERATING EXPENSES

Property operating expenses comprise utility charges, assessment rates, net credit losses, cleaning, insurance, security, repairs, lease commission amortisation, and maintenance related to the relevant properties.

21. NET OPERATING PROFIT

Net operating profit is before losses or gains on disposal of assets, losses or gains on disposal of interest in joint ventures, changes in fair values, amortisation of intangible asset, ECL on loan receivables, ECL on loans to subsidiaries, impairments, reversal of impairments, and equity-accounted profit/(loss) (net of taxation).

22. INTEREST EXPENSE AND INCOME

Interest expense is recognised using the effective interest method and expensed in the statement of profit or loss and other comprehensive income. Interest income is recognised using the effective interest rate method on the statement of profit or loss and other comprehensive income during the period it is earned.

23. EMPLOYEE BENEFITS

23.1 Short-term benefits

Short-term employee benefits are benefits that will be settled within 12 months. The cost of the short-term employee benefits is recognised during the period in which the employees render the related service. Short-term employee benefits are measured on an undiscounted basis. The accrual for employee entitlements to salaries, bonuses and annual leave represents the amount that the group has a present legal or constructive obligation to pay as a result of the employees' services provided up to the reporting date.

23.2 Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the group pays fixed contributions to a separate entity. The group will have no legal or constructive obligation to pay further amounts if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

23.3 Other long-term employee benefits

In terms of the long-term staff incentive scheme, a conditional right to a cash award is awarded to employees subject to performance and vesting conditions. The scheme is accounted for in terms of IAS 19: *Employee Benefits*, as the group's net obligation in respect of other long-term employee benefits is the amount of future benefits that employees have earned in return for their services to date. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise. No actuarial valuations have been performed.

23.4 Share-based payments

23.4.1 SHORT-TERM AND LONG-TERM RESTRICTED INCENTIVE SCHEME

In terms of the restricted share scheme, a conditional right to shares is awarded to employees subject to performance and service conditions. The scheme is accounted for as an equity-settled share-based payment. The fair value of services received in return for the restricted shares has been determined as follows: the number of shares expected to vest multiplied by the share price at the date of award less discounted future anticipated distributions.

The grant-date fair value of the scheme is recognised as an expense, with a corresponding increase in equity, over the vesting period. The amount recognised as an expense is adjusted for changes in management's estimate of the number of shares expected to vest, such that the amount ultimately recognised is based on the number of awards that vest.

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

23. EMPLOYEE BENEFITS continued

23.4 Share-based payments continued

23.4.2 MATCHING SHARE SCHEME

In terms of the matching share scheme, participants are invited annually to utilise a predetermined percentage of their after-tax bonus to acquire Redefine Properties Limited shares. Participants holding shares at the third anniversary of the date of award will be awarded Redefine Properties Limited shares free of consideration based on a multiple of the original shares and linked to the group and individual's performance. The scheme is accounted for as an equity-settled share-based payment. The fair value of services received in return for the matching shares has been determined as follows: the number of shares expected to vest multiplied by the share price at the date of award less discounted future anticipated distributions.

The grant-date fair value of the scheme is recognised as an expense, with a corresponding increase in equity, over the vesting period. The amount recognised as an expense is adjusted for changes in management's estimate of the number of shares expected to vest, such that the amount ultimately recognised is based on the number of awards that vest.

23.4.3 NIL-COST OPTIONS

In terms of the staff incentive scheme, a conditional right to shares or a cash equivalent, at the employee's option, is awarded to employees subject to performance conditions. The scheme is accounted for as a compound financial instrument.

- **Liability portion**: The fair value of the amount payable in terms of the cash alternative of the nil-cost options is recognised as an expense with a corresponding increase in liabilities over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the value of the cash alternative of the nil-cost options. Any changes in the liability are recognised in profit or loss
- **Equity portion:** The equity portion is calculated as the services received in return for the number of nil-cost options expected to vest multiplied by the share price at the date of award less discounted future anticipated distributions less the above liability portion. The grant-date fair value of the equity portion of the nil-cost option is recognised as an expense, with a corresponding increase in equity, over the vesting period. The amount recognised as an expense is adjusted for changes in management's estimate of the number of shares expected to vest, such that the amount ultimately recognised is based on the number of awards that vest

23.4.4 CONDITIONAL AWARDS

In terms of the staff incentive scheme, a conditional right to a cash equivalent is awarded to employees subject to performance conditions. The fair value of the amount payable in respect of conditional awards is recognised as an expense, with a corresponding increase in liabilities over the period during which the employees become unconditionally entitled to payment. The liability is based on the fair value of the underlying Redefine shares at each reporting date and is measured until the settlement date. Any changes in the liability are recognised in profit or loss.

23.4.5 REDEFINE EMPOWERMENT TRUST (COMPANY)

The loan granted by the company to the Redefine Empowerment Trust has recourse to the shares of Redefine Properties Limited and no other assets. The issue of the shares on the loan account has been treated as an option grant that vested on the date when the loan was granted.

The grant-date fair value of the options is recognised as an expense, with a corresponding increase in equity. The expense is recognised in full on the grant date, which is also the vesting date.

24. OPERATING SEGMENTS

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components. The group identifies and presents operating segments based on information provided internally to the executive committee, the group's chief operating decision-making (CODM) forum. An operating segment's operating results are reviewed regularly by the group's executive committee to make decisions about resources to be allocated to the segment and assess its performance for which distinct financial information is available.

The group comprises the following segments in the local portfolio: retail, office, industrial, specialised and head office. The international portfolio comprises EPP, which is primarily retail, Redefine Europe B.V. (Redefine Europe), which is primarily industrial, Self Storage Investments sp. z o.o., and Stokado sp. z o.o. (owns 100% of TopBox Landbank sp. z o.o.), collectively referred to as Stokado which is primarily self-storage, and head office (Lango Real Estate and head office funding related to international investments).

Operating profit or loss is the key measure on which the CODM focuses. Refer to note 2: Segmental report for the group's segmental disclosure.

Consistent with the CODM's objective of unlocking value through active asset management and development opportunities in Poland, Redefine acquired a controlling stake in Stokado in FY23. Refer to note 48: Acquisition of a controlling interest in subsidiaries. Furthermore, Stokado acquired a controlling stake in Top Box during the 2024 reporting period, resulting in a significant investment in the self storage sector, as well as an increase in the requirements to manage the financial and operating activities of Stokado. Following the increase in value during the current period post the acquisition of Top Box, the other segment, previously presented and disclosed as an aggregate amount, has therefore been disaggregated into Stokado and head office. This disaggregation did not result in a change in the overall international segment profit or loss or net asset position.

25. EARNINGS AND HEADLINE EARNINGS

Earnings per share is calculated on the weighted average number of shares in issue, net of treasury shares, in respect of the year and is based on profit attributable to shareholders. Headline earnings per share is calculated in terms of the requirements set out in Circular 1/2023 issued by SAICA.

DIPS is calculated for each six-month period of the distribution, using the number of shares in issue at the interim reporting date and at the financial year end reporting date.

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

26. KEY ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Judgement also needs to be exercised in applying the group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

26.1 Investment properties and properties under development

The portfolio is valued at each reporting date. By obtaining external valuations of the portfolio from accredited valuators, management is of the opinion that the risk relating to estimation uncertainty has been mitigated as far as possible. Refer to accounting policy 4 and note 3 Investment properties, accounting policy 6 and note 3: Properties under development, and note 52: Fair value disclosures for further information.

26.2 Business combination versus asset acquisition

The directors have assessed the properties acquired and concluded that those acquisitions are property acquisitions in terms of IAS 40: *Investment Property* and are therefore accounted for in terms of that standard. In the opinion of the directors, these properties do not constitute a business as defined in terms of IFRS 3: *Business Combinations*, as there were no adequate processes identified within these properties to warrant classification as businesses.

Per IFRS 3, a business is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities.

Per IFRS 3, a business comprises inputs, and substantive processes applied to those inputs, that have the ability to create outputs. Property acquisitions are assessed to determine whether a process was acquired with the property, which would indicate that the acquisition is a business combination. The optional concentration test was not applied.

IFRS 3 defines input as "an economic resource that creates, or has the ability to create, outputs when one or more processes are applied to it."

The property acquisition may include the building and/or land and tenants. These are considered to be the inputs. Tenants are considered to be an input as processes, such as billing and rental income collection, must be applied to create output.

IFRS 3 defines a process as "any system, standard, protocol, convention, or rule that, when applied to an input, creates or has the ability to create outputs."

Redefine's employees apply processes to the inputs to generate rental income. The processes include (but are not limited to) the letting of space, maintenance of buildings, billing of rent, and collection of rent. These property management and asset management processes are typically provided by Redefine's employees. The property acquired would be included in one of Redefine's operating segments, and strategic management processes and resource allocation would be managed at a portfolio level.

Properties are rarely acquired together with the inputs in a single property acquisition. As a result, these property acquisitions would not constitute a business as defined.

The acquisition of a portfolio of properties on a large scale may include the associated business processes. In practice, the statutory entity that owns the property portfolio would typically be acquired together with the business. This would then be accounted for in terms of IFRS 3 and not as a property acquisition in terms of IAS 40.

26.3 Business combination versus concentration test

IFRS 3: *Business Combinations* sets out an optional test (the concentration test) to permit a simplified assessment of whether an acquired set of activities and assets is not a business. An entity may elect to apply, or not apply, the test. An entity may make such an election separately for each transaction or other event. The concentration test has the following consequences:

(a) If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed

(b) If the concentration test is not met, or if the entity elects not to apply the test, the entity shall then perform the assessment to determine if the set of activities meet the definition of a business combination.

The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. For the concentration test:

(a) Gross assets acquired shall exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities;

(b) The fair value of the gross assets acquired shall include any consideration transferred (plus the fair value of any non-controlling interest and the fair value of any previously held interest) in excess of the fair value of net identifiable assets acquired. The fair value of the gross assets acquired may normally be determined as the total obtained by adding the fair value of the consideration transferred (plus the fair value of any non-controlling interest and the fair value of any previously held interest) to the fair value of the liabilities assumed (other than deferred tax liabilities), and then excluding the items identified in subparagraph (a). However, if the fair value of the gross assets acquired is more than that total, a more precise calculation may sometimes be needed; and

(c) A single identifiable asset shall include any asset or group of assets that would be recognised and measured as a single identifiable asset in a business combination.

For the 2024 financial year, management applied and met the concentration test for the below acquisitions:

- Acquisition of Pan Africa Development Proprietary Limited (PAD), refer to note 48.1: Acquisition of a controlling interest in subsidiaries for further details
- Mall of the South Proprietary Limited (MOTS), refer to note 48.2: Acquisition of a controlling interest in subsidiaries for further details

26.4 Impairment of joint ventures

Investments in joint ventures are tested for impairment if impairment indicators are present. Indicators of impairment include:

- Diminishing dividend yields
- Net asset value (NAV) of the company is higher than the market capitalisation
- The carrying amount of the joint venture is higher than the carrying amount of the investees' assets
- A dividend received exceeds the total comprehensive income of the investee

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

26. KEY ESTIMATES AND ASSUMPTIONS

continued

26.4 Impairment of joint ventures continued

Management performs an impairment calculation by comparing the carrying amount of the investment to its recoverable amount. The recoverable amount is the higher of the fair value less cost of disposal, represented by the closing share price, if applicable, and the value in use determined by discounting future cash flows.

Refer to note 7: Investment in joint ventures for the indicators considered and the impairment tests performed, where applicable.

26.5 Impairment of interests in subsidiaries (company)

26.5.1 SHARES AT COST

The shares held in interests in subsidiaries are tested for impairment if indicators are present. Indicators of impairment include:

- Diminishing dividend yields
- Net asset value of the subsidiary is lower than its carrying value
- A dividend received exceeds the total comprehensive income of the subsidiary
- Economic performance of the subsidiary will be worse than expected

Management performs an impairment calculation by comparing the carrying amount of the investment to its recoverable amount. The recoverable amount is deemed to be the fair value less cost of disposal, which approximates the value in use. The fair value is determined using the adjusted NAV method.

26.5.2 LOANS ADVANCED TO SUBSIDIARIES

Intercompany loans receivable are tested for impairment using the general model per IFRS 9: *Financial Instruments*, as discussed above in accounting policy 12: Financial instruments – financial assets.

26.6 Deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the unused tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

27. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The standards and amendments below became effective during the current financial year and were adopted by the group.

IFRS® ACCOUNTING STANDARDS AMENDMENTS AND INTERPRETATIONS	EXECUTIVE SUMMARY	IMPACT ON FINANCIAL STATEMENTS
Amendments to IAS 1: *Presentation of Financial Statements* and *IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors*	The amendments aim to improve accounting policy disclosures and to help users of the financial statements distinguish changes in accounting policies from changes in accounting estimates	The amendments had no material impact on the group
Amendments to IAS 12: *Income Taxes*	The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences	The amendments had no material impact on the group
Amendments to IAS 12: *Income Taxes*	IAS 12 was amended with the publication of the Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules. The amendments provide companies with temporary relief from accounting for deferred taxes arising from the Organisation for Economic Cooperation and Development's international tax reform	The amendments had no material impact on the group
IFRS 17: *Insurance Contracts*	Whereas the current standard, IFRS 4, allows insurers to use their local generally accepted accounting principles, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements	The amendments had no material impact on the group

Notes to the *financial statements* continued

for the year ended 31 August 2024

Material accounting policies continued

28. STANDARDS THAT ARE ISSUED BUT NOT YET EFFECTIVE FOR THE REDEFINE GROUP FOR THE 2024 FINANCIAL YEAR

The table below summarises the standards, amendments, and interpretations that have been issued, but are not yet effective in the current financial year.

IFRS® ACCOUNTING STANDARDS AMENDMENTS AND INTERPRETATIONS	EFFECTIVE DATE	EXECUTIVE SUMMARY	IMPACT ON FINANCIAL STATEMENTS
Amendment to IAS 1: ***Presentation of Financial Statements***	Annual periods beginning on or after 1 January 2024/FY25	The amendments change the classification of certain liabilities as current or non-current depending on the rights that exist at the end of the reporting period. The amendment also requires a company to assess whether it has a right to defer settlement for at least 12 months when the liability is subject to covenants. Furthermore, the following additional disclosures are required for liabilities subject to covenants: ▶ Carrying value of the liability ▶ Information about the covenants ▶ Facts and circumstances, if any, that indicate the entity may have difficulty complying with the covenants	The amendment is not expected to materially impact the group
Amendments to IAS 7: ***Statement of Cash Flows*** **and IFRS 7:** ***Financial Instruments: Disclosures***	Annual periods beginning on or after 1 January 2024/FY25	The amendments introduce two new disclosure objectives – one in IAS 7 and another in IFRS 7 – for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows as well as the company's exposure to liquidity risk	The amendment is not expected to materially impact the group
Amendment to IFRS 16: ***Leases***	Annual periods beginning on or after 1 January 2024/FY25	The IASB issued 'Lease liability in a sale and leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale	The amendment is not expected to materially impact the group
Amendments to IAS 21: ***The Effects of Changes in Foreign Exchange Rates*** **relating to lack of exchangeability**	Annual periods beginning on or after 1 January 2025/FY26	The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable	The amendment is not expected to materially impact the group
Amendment to IFRS 9: ***Financial Instruments*** **and IFRS 7:** ***Financial Instruments: Disclosures***	Annual periods beginning on or after 1 January 2025/FY26	These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. The amendments provide further guidance on assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion The amendments introduce additional disclosure requirements for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance targets) as well as equity instruments designated at fair value through other comprehensive income	The amendment is not expected to materially impact the group
IFRS 18: ***Presentation and Disclosure in Financial Statements***	Annual periods beginning on or after 1 January 2027/FY28	The accounting standard introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes	The group is yet to assess the impact of IFRS 18
IFRS 19: ***Subsidiaries without Public Accountability***	Annual periods beginning on or after 1 January 2027/FY28	The accounting standard specifies reduced disclosure requirements that a subsidiary may apply in lieu of the disclosure requirements in other IFRS® Accounting Standards provided that the eligibility criteria are met	The group is yet to assess the impact of IFRS 19

Notes to the *financial statements*

for the year ended 31 August 2024

2. SEGMENTAL REPORT

	GROUP											
	2024											
	South African portfolio						International portfolio					
Figures in R'000	Retail	Office	Industrial	Specialised	Head office	Total local	Redefine Europe	EPP	Stokado	Head office	Total international	Group total
STATEMENT OF FINANCIAL POSITION												
Investment properties (including straight-line rental income accrual)	28 028 716	22 601 226	12 651 424	553 600	–	63 834 966	–	17 997 434	418 310	–	18 415 744	82 250 710
Right-of-use assets	109 807	11 625	–	–	–	121 432	–	333 925	111 984	–	445 909	567 341
Properties under development	–	–	64 476	–	–	64 476	–	–	1 868	–	1 868	66 344
Listed securities	–	–	–	–	42 131	42 131	–	–	–	–	–	42 131
Investment in joint ventures	–	–	–	–	43	43	5 484 424	9 264 465	–	–	14 748 889	14 748 932
Loans receivable	–	–	–	–	31 494	31 494	777 451	36 832	–	190 112	1 004 395	1 035 889
Property, plant and equipment	–	66 119	–	49 200	23 987	139 306	33	56 223	9 272	–	65 528	204 834
Non-current assets held-for-sale	312 015	69 021	140 230	–	–	521 266	–	–	876	–	876	522 142
Cash and cash equivalents	–	–	–	–	183 339	183 339	2 442	313 572	17 262	13 887	347 163	530 502
Other assets	–	–	–	–	937 781	937 781	2 503	525 320	53 772	425 953	1 007 548	1 945 329
Total assets	**28 450 538**	**22 747 991**	**12 856 130**	**602 800**	**1 218 775**	**65 876 234**	**6 266 853**	**28 527 771**	**613 344**	**629 952**	**36 037 920**	**101 914 154**
Interest-bearing borrowings	–	–	–	–	31 498 675	31 498 675	–	8 914 941	14 824	2 300 691	11 230 456	42 729 131
Deferred taxation	–	–	–	–	842 831	842 831	–	1 194 050	10 531	–	1 204 581	2 047 412
Trade and other payables	–	–	–	–	1 909 866	1 909 866	7 769	255 066	12 288	282 237	557 360	2 467 226
Derivative liabilities	–	–	–	–	55 416	55 416	–	56 053	–	196 527	252 580	307 996
Other liabilities	109 807	11 625	–	–	207 195	328 627	185 277	517 026	86 044	10 233	798 580	1 127 207
Total liabilities	**109 807**	**11 625**	**–**	**–**	**34 513 983**	**34 635 415**	**193 046**	**10 937 136**	**123 687**	**2 789 689**	**14 043 557**	**48 678 973**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME												
Contractual rental income	2 590 164	2 229 423	1 044 062	72 469	–	5 936 118	–	1 540 490	48 442	–	1 588 932	7 525 050
Operating costs recovery	1 245 285	797 142	375 724	6 626	–	2 424 777	–	667 695	–	–	667 695	3 092 472
Straight-line rental income/(expense) accrual	41 295	(74 065)	72 041	(1 022)	–	38 249	–	–	–	–	–	38 249
Total revenue	**3 876 744**	**2 952 500**	**1 491 827**	**78 073**	**–**	**8 399 144**	**–**	**2 208 185**	**48 442**	**–**	**2 256 627**	**10 655 771**
Operating costs	(1 787 845)	(1 097 295)	(496 883)	(30 335)	–	(3 412 358)	(10)	(872 067)	(16 812)	–	(888 889)	(4 301 247)
Changes in expected credit losses on trade receivables	31 993	362	13 534	–	–	45 889	–	6 676	107	–	6 783	52 672
Administration costs	–	–	–	–	(336 849)	(336 849)	(22 798)	(319 489)	(38 408)	(19)	(380 714)	(717 563)
Net operating profit/(loss)	**2 120 892**	**1 855 567**	**1 008 478**	**47 738**	**(336 849)**	**4 695 826**	**(22 808)**	**1 023 305**	**(6 671)**	**(19)**	**993 807**	**5 689 633**
Other income	–	–	493	–	1 936	2 429	8 079	–	135	–	8 214	10 643
Gain on disposal of assets	–	–	–	–	–	–	(130)	272 686	–	–	272 556	272 556
Gain on bargain purchase	–	–	–	–	–	–	–	–	249	–	249	249
Changes in fair values of investment properties	1 050 813	(129 168)	517 776	83 045	–	1 522 466	–	(14 081)	67 377	–	53 296	1 575 762
Changes in fair values of financial and other instruments	–	–	–	–	(170 936)	(170 936)	85 526	(284 962)	–	1 048 495	849 059	678 123
Changes in fair value of the insurance contract liability	–	–	–	–	38 517	38 517	–	–	–	–	–	38 517
Changes in expected credit losses – loans receivable	–	–	–	–	153 627	153 627	(1 017)	–	–	–	(1 017)	152 610
Net loss on settlement of loan receivable	–	–	–	–	(159 093)	(159 093)	–	–	–	–	–	(159 093)
Equity-accounted loss (net of taxation)	–	–	–	–	(9 564)	(9 564)	(13 386)	(110 400)	–	–	(123 786)	(133 350)
Profit/(loss) before finance costs and taxation	**3 171 705**	**1 726 399**	**1 526 747**	**130 783**	**(482 362)**	**6 073 272**	**56 264**	**886 548**	**61 090**	**1 048 476**	**2 052 378**	**8 125 650**
Interest income	–	–	–	–	765 905	765 905	75 214	40 098	4	13 281	128 597	894 502
Interest expense	(909)	(1 238)	–	–	(2 860 866)	(2 863 013)	–	(521 449)	(13 278)	(499 833)	(1 034 560)	(3 897 573)
Foreign exchange losses	–	–	–	–	–	–	(6)	(401 836)	(596)	(649 065)	(1 051 503)	(1 051 503)
Profit/(loss) before taxation	**3 170 796**	**1 725 161**	**1 526 747**	**130 783**	**(2 577 323)**	**3 976 164**	**131 472**	**3 361**	**47 220**	**(87 141)**	**94 912**	**4 071 076**
Taxation	–	–	–	–	(89 209)	(89 209)	72	30 758	(10 699)	–	20 131	(69 078)
Profit/(loss) for the year	**3 170 796**	**1 725 161**	**1 526 747**	**130 783**	**(2 666 532)**	**3 886 955**	**131 544**	**34 119**	**36 521**	**(87 141)**	**115 043**	**4 001 998**
Non-controlling interests	(27 916)	–	–	–	–	(27 916)	(16)	10 628	(15 281)	–	(4 669)	(32 585)
Profit/(loss) for the period attributable to Redefine Properties Limited shareholders	**3 142 880**	**1 725 161**	**1 526 747**	**130 783**	**(2 666 532)**	**3 859 039**	**131 528**	**44 747**	**21 240**	**(87 141)**	**110 374**	**3 969 413**

Notes to the financial statements continued

for the year ended 31 August 2024

2. SEGMENTAL REPORT continued

	GROUP												
	2023												
	South African portfolio						International portfolio						
Figures in R'000	Retail	Office	Industrial	Specialised	Head office	Total local	Redefine Europe	EPP	Stokado*	Head office*	Total	Group total
STATEMENT OF FINANCIAL POSITION												
Investment properties (including straight-line rental income accrual)	24 641 924	22 125 496	12 020 057	516 400	–	59 303 877	–	19 208 559	108 952	–	19 317 511	78 621 388
Right-of-use assets	83 612	15 345	–	–	–	98 957	–	439 666	74 970	–	514 636	613 593
Properties under development	–	–	24 098	–	–	24 098	–	–	4 288	–	4 288	28 386
Listed securities	–	–	–	–	19 446	19 446	–	–	–	–	–	19 446
Investment in joint ventures	–	–	–	–	9 609	9 609	5 720 773	9 558 216	–	–	15 278 989	15 288 598
Loans receivable	–	–	–	–	217 527	217 527	1 002 062	37 612	–	–	1 039 674	1 257 201
Property, plant and equipment	–	61 687	–	46 600	24 665	132 952	–	46 451	11 277	–	57 728	190 680
Non-current assets held-for-sale	–	–	45 164	–	–	45 164	–	–	874	–	874	46 038
Cash and cash equivalents	–	–	–	–	298 314	298 314	69 470	385 718	7 356	24	462 568	760 882
Other assets	–	–	–	–	1 096 265	1 096 265	–	1 148 472	15 497	361 749	1 525 718	2 621 983
Total assets	**24 725 536**	**22 202 528**	**12 089 319**	**563 000**	**1 665 826**	**61 246 209**	**6 792 305**	**30 824 694**	**223 214**	**361 773**	**38 201 986**	**99 448 195**
Interest-bearing borrowings**	–	–	–	–	27 366 974	27 366 974	–	9 687 081	18 243	2 888 847	12 594 171	39 961 145
Deferred taxation***	–	–	–	–	728 848	728 848	(140)	1 293 355	–	–	1 293 216	2 022 063
Trade and other payables***	–	–	–	–	1 659 594	1 659 594	2 505	427 855	3 343	–	433 704	2 093 297
Derivative liabilities***	–	–	–	–	(51 956)	(51 956)	–	7 589	–	1 190 414	1 198 003	1 146 047
Other liabilities***	83 612	15 345	–	–	240 221	339 178	279 190	631 342	77 076	16 429	1 004 035	1 343 215
Total liabilities	**83 612**	**15 345**	**–**	**–**	**29 943 681**	**30 042 638**	**281 555**	**12 047 221**	**98 662**	**4 095 690**	**16 523 128**	**46 565 767**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME												
Contractual rental income****	2 332 840	2 262 361	1 028 493	69 762	–	5 693 456	–	2 015 362	2 855	923	2 019 140	7 712 596
Operating costs recovery****	1 092 367	787 911	338 355	4 020	–	2 222 653	–	–	–	–	–	2 222 653
Straight-line rental income/(expense) accrual	13 744	(77 666)	38 121	1 398	–	(24 403)	–	(2 627)	–	–	(2 627)	(27 030)
Investment income	–	–	–	–	–	–	–	–	–	713	713	713
Total revenue	**3 438 951**	**2 972 606**	**1 404 969**	**75 180**	**–**	**7 891 706**	**–**	**2 012 735**	**2 855**	**1 636**	**2 017 226**	**9 908 932**
Operating costs	(1 591 029)	(1 147 163)	(446 866)	(26 689)	–	(3 211 747)	(31)	(790 338)	(358)	(827)	(791 554)	(4 003 301)
Changes in expected credit losses on trade receivables	18 423	36 559	(10 632)	373	–	44 723	–	(2 413)	–	–	(2 413)	42 310
Administration costs	–	–	–	–	(299 053)	(299 053)	(29 168)	(209 337)	(15 818)	(1 297)	(255 620)	(554 673)
Net operating profit/(loss)	**1 866 345**	**1 862 002**	**947 471**	**48 864**	**(299 053)**	**4 425 629**	**(29 199)**	**1 010 647**	**(13 321)**	**(488)**	**967 639**	**5 393 268**
Other income	–	(32)	28 225	–	433	28 626	10 819	–	23	–	10 842	39 468
Gain/ (loss) on disposal of assets	–	–	–	–	16	16	(1 636)	20 306	–	–	18 670	18 686
Changes in fair values of investment properties	303 552	(619 684)	366 900	5 536	–	56 304	–	(22 997)	(198)	–	(23 195)	33 109
Changes in fair values of financial and other instruments	–	–	–	–	(63 622)	(63 622)	(85 932)	93 154	–	(954 166)	(946 944)	(1 010 566)
Changes in fair value of the insurance contract liability	–	–	–	–	80 959	80 959	–	–	–	–	–	80 959
Changes in expected credit losses – loans receivable	–	–	–	–	(129 725)	(129 725)	(6 200)	–	–	–	(6 200)	(135 925)
Impairments	–	–	–	–	–	–	–	–	(16 105)	–	(16 105)	(16 105)
Equity-accounted profit (net of taxation)	–	–	–	–	–	–	343 678	179 725	–	–	523 404	523 404
Profit/(loss) before finance costs and taxation	**2 169 897**	**1 242 286**	**1 342 596**	**54 400**	**(410 992)**	**4 398 187**	**231 531**	**1 280 835**	**(29 600)**	**(954 653)**	**528 112**	**4 926 299**
Interest income	–	–	–	–	645 929	645 929	68 916	37 262	(6)	993	107 165	753 094
Interest expense	(7 993)	(2 235)	(297)	–	(2 459 684)	(2 470 209)	–	(408 177)	(147)	(276 264)	(684 588)	(3 154 797)
Foreign exchange gains/(losses)	–	–	–	–	–	–	333	(502 087)	(254)	(432 125)	(934 133)	(934 133)
Profit/(loss) before taxation	**2 161 904**	**1 240 051**	**1 342 299**	**54 400**	**(2 224 747)**	**2 573 907**	**300 780**	**407 833**	**(30 007)**	**(1 662 049)**	**(983 443)**	**1 590 464**
Taxation	–	–	–	–	(81 563)	(81 563)	348	(79 572)	–	31 080	(48 144)	(129 707)
Profit/(loss) for the year	2 161 904	1 240 051	1 342 299	54 400	(2 306 310)	2 492 344	301 128	328 261	(30 007)	(1 630 969)	(1 031 587)	1 460 757
Non-controlling interests	–	–	–	–	–	–	74	(13 935)	517	(785)	(14 129)	(14 129)
Profit/(loss) for the year attributable to Redefine Properties Limited shareholders	**2 161 904**	**1 240 051**	**1 342 299**	**54 400**	**(2 306 310)**	**2 492 344**	**301 202**	**314 326**	**(29 490)**	**(1 631 754)**	**(1 045 716)**	**1 446 628**

* *The acquisition of Stokado during the 2023 financial year has resulted in a new operating segment within the international sector. In the year ended 31 August 2023, the "Other" segment included Stokado. The "Other" segment has been disaggregated into Stokado and Head office. The disaggregation has no impact on the primary financial statements*

** *Loans of R 367.3 million reflected in Redefine Europe and R2.3 billion EPP in 2023 are reflected in Head office as the CODM considers the financing of the business from a centralised group funds*

*** *In the 2023 year, total other liabilities for the group amounted to R6.6 billion. To enhance the presentation of the segment report, other liabilities have been disaggregated into deferred taxation, trade and other payable and derivative liabilities, with the balance remaining within other liabilities*

**** *In the 2023 year, total contractual revenue for the group amounted to R9.9 billion. To enhance the presentation of the segment report, total contractual revenue has been disaggregated into contractual revenue and operating cost recovery*

Notes to the *financial statements* continued

for the year ended 31 August 2024

3. INVESTMENT PROPERTY ASSETS

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Investment properties	3.1	80 384 743	76 837 897	32 599 361	31 286 968
Right-of-use assets	3.2	567 341	613 593	75 452	87 166
Properties under development	3.3	66 344	28 386	–	24 098
Investment properties at fair value		81 018 428	77 479 876	32 674 813	31 398 232
Straight-line rental income accrual	3.4	1 865 967	1 783 491	1 153 919	1 071 112
Balance at end of year		**82 884 395**	**79 263 367**	**33 828 732**	**32 469 344**

Figures in R'000	GROUP 2024 Investment properties	ROU assets	Properties under development	Straight-line rental income accrual	Total
Reconciliation of movements					
Balance at beginning of year	76 837 897	613 593	28 386	1 783 491	79 263 367
Additions at cost:	3 871 009	7 800	39 907	–	3 918 716
Arising from acquisitions*	2 630 540	–	–	–	2 630 540
Arising from new leases	–	7 800	–	–	7 800
Arising from subsequent expenditure	1 218 687	–	–	–	1 218 687
Development costs	–	–	39 487	–	39 487
Capitalised borrowing costs	21 782	–	420	–	22 202
Acquired through an acquisition of subsidiary	146 851	36 737	6 863	44 227	234 678
Disposals at fair value	(967 039)	(110 405)	–	–	(1 077 444)
Change in fair value	1 615 599	9 006	(7 750)	–	1 616 855
Transfer from properties under development	1 522	–	(1 522)	–	–
Transfer to non-current assets held-for-sale	(521 265)	–	–	–	(521 265)
Transfer from property, plant and equipment	8 648	–	–	–	8 648
Tenant installations and lease commissions:	132 405	–	–	–	132 405
Costs capitalised	301 696	–	–	–	301 696
Amortisation	(164 738)	–	–	–	(164 738)
Scrapped	(4 553)	–	–	–	(4 553)
Changes to lease agreements	–	6 531	–	–	6 531
Straight-line rental income adjustment	(38 249)	–	–	38 249	–
Foreign exchange (loss)/gain	(702 635)	4 079	460	–	(698 096)
Balance at end of year	**80 384 743**	**567 341**	**66 344**	**1 865 967**	**82 884 395**
Notes	3.1	3.2	3.3	3.4	

* *Includes R1.8 billion relating to the acquisition of Mall of the South Proprietary Limited and R431.3 million relating to the acquisition of Pan Africa Development Proprietary Limited*

Figures in R'000	GROUP 2023* Investment properties	ROU assets	Investment properties and ROU assets	Properties under development	Straight-line rental income accrual	Total
Reconciliation of movements						
Balance at beginning of year	70 905 610	457 411	71 363 021	711 628	1 810 217	73 884 866
Additions at cost:	1 713 593	–	1 713 593	172 275	–	1 885 868
Arising from acquisitions	769 061	–	769 061	3 999	–	773 060
Arising from subsequent expenditure	931 366	–	931 366	–	–	931 366
Development costs	–	–	–	151 514	–	151 514
Capitalised borrowing costs	13 166	–	13 166	16 762	–	29 928
Acquired through an acquisition of subsidiary	105 015	72 631**	177 646		–	177 646
Disposals at fair value	(259 611)	(162)**	(259 773)	(17 363)	–	(277 136)
Change in fair value	(4 634)	(13 698)**	(18 332)	47 588	–	29 256
Transfer from properties under development	885 887	–	885 887	(885 887)	–	–
Transfer to non-current assets held-for-sale	(36 664)	–	(36 664)	–	–	(36 664)
Transfer to property, plant and equipment	(19)	–	(19)	–	–	(19)
Transfer from held for trading	131 400	–	131 400	–	–	131 400
Tenant installations and lease commissions:	111 524	–	111 524	–	–	111 524
Costs capitalised	249 718	–	249 718	–	–	249 718
Amortisation	(134 295)	–	(134 295)	–	–	(134 295)
Scrapped	(3 899)	–	(3 899)	–	–	(3 899)
Straight-line rental income adjustment	27 030	–	27 030	145	(27 030)	145
Foreign exchange gain/(loss)	3 258 766	97 411	3 356 177		304	3 356 481
Balance at end of year	**76 837 897**	**613 593**	**77 451 490**	**28 386**	**1 783 491**	**79 263 367**
Notes	3.1	3.2		3.3	3.4	

* *The prior year disclosure of the investment property note was enhanced to improve understandability, comparability and clarity of the different asset classes within investment property. The enhancement has no impact on the primary financial statements*

** *In the 2023 year, disposals at fair value, acquired through an acquisition of subsidiary, and change in fair value amounting to R58.8 million was aggregated and disclosed as an ROU asset. These balances have been disaggregated to enhance presentation of the investment property disclosure*

Borrowing costs were capitalised using the weighted average cost of debt of 9.2% (2023: 9.4%). Borrowing costs capitalised to investment property relate to those costs incurred in respect of properties that are either undergoing development or partial redevelopment.

The group's first mortgage bonds have been registered over South African investment property (which includes investment property reclassified as held-for-sale) with a fair value of R48.0 billion (2023: R44.7 billion) as security for secured interest-bearing borrowings of R23.4 billion (2023: R21.4 billion) as well as international investment property with a fair value of R18.4 billion (2023: R19.3 billion) as security for secured interest-bearing borrowings of R9.0 billion (2023: R9.8 billion).

Refer to note 52: Fair value disclosures for the valuation techniques applied and unobservable inputs used in determining the fair value of investment property and note 2: Segmental report for a breakdown by segment of investment property, contractual rental income, and property expenses.

As at 31 August 2024, Redefine owns the title to all investment properties, except those owned by Talis Property Investments Proprietary Limited (Talis) and Pan Africa Development Proprietary Limited and the risk relating to their right is managed through the lease agreements with tenants on a lease-by-lease basis.

Notes to the *financial statements* continued

for the year ended 31 August 2024

3. INVESTMENT PROPERTY ASSETS continued

COMPANY 2024 Figures in R'000	Investment properties	ROU assets	Properties under development	Straight-line rental income accrual	Total
Reconciliation of movements					
Balance at beginning of year	31 286 968	87 166	24 098	1 071 112	32 469 344
Additions at cost:	890 228	–	21 952	–	912 180
Arising from acquisitions	350 796	–	–	–	350 796
Arising from subsequent expenditure	529 482	–	–	–	529 482
Development costs	–	–	21 532	–	21 532
Capitalised borrowing costs	9 950	–	420	–	10 370
Disposals at fair value	(179 178)	–	–	–	(179 178)
Change in fair value	740 601	(11 714)	(7 750)	–	721 137
Transfer from properties under development	38 300	–	(38 300)	–	–
Transfer to non-current assets held-for-sale	(164 760)	–	–	–	(164 760)
Transfer from property, plant and equipment	115	–	–	–	115
Tenant installations and lease commissions:	69 894	–	–	–	69 894
Costs capitalised	157 799	–	–	–	157 799
Amortisation	(82 406)	–	–	–	(82 406)
Scrapped	(5 499)	–	–	–	(5 499)
Straight-line rental income adjustment	(82 807)	–	–	82 807	–
Balance at end of year	**32 599 361**	**75 452**	**–**	**1 153 919**	**33 828 732**
Notes	3.1	3.2	3.3	3.4	

COMPANY 2023* Figures in R'000	Investment properties	ROU assets	Investment properties and ROU assets	Properties under development	Straight-line rental income accrual	Total
Reconciliation of movements						
Balance at beginning of year	29 686 143	96 877	29 783 020	355 814	1 070 350	31 209 184
Additions at cost:	1 131 269	–	1 131 269	84 343	–	1 215 612
Arising from acquisitions	680 896	–	680 896	–	–	680 896
Arising from subsequent expenditure	445 474	–	445 474	–	–	445 474
Development costs	–	–	–	76 104	–	76 104
Capitalised borrowing costs	4 899	–	4 899	8 239	–	13 138
Acquired through an acquisition of subsidiary	–	–	–		–	–
Disposals at fair value	(246 342)	(162)**	(246 504)	(8 681)	–	(255 185)
Change in fair value	76 388	(9 549)**	66 839	28 014	–	94 853
Transfer from properties under development	435 392	–	435 392	(435 392)	–	–
Transfer from non-current assets held-for-sale	8 500	–	8 500	–	–	8 500
Transfer to property, plant and equipment	(19)	–	(19)	–	–	(19)
Transfer from held for trading	131 400	–	131 400	–	–	131 400
Tenant installations and lease commissions:	64 999	–	64 999	–	–	64 999
Costs capitalised	134 044	–	134 044	–	–	134 044
Amortisation	(66 248)	–	(66 248)	–	–	(66 248)
Scrapped	(2 797)	–	(2 797)	–	–	(2 797)
Straight-line rental income adjustment	(762)	–	(762)	–	762	–
Balance at end of year	**31 286 968**	**87 166**	**31 374 134**	**24 098**	**1 071 112**	**32 469 344**
Notes	3.1	3.2		3.3	3.4	

* *The prior year disclosure of the investment property note was enhanced to improve understandability, comparability and clarity of the different asset classes within investment property. The enhancement has no impact on the primary financial statements*

** *In the 2023 year, disposals at fair value, acquired through an acquisition of subsidiary, and change in fair value amounting to R9.7 million was aggregated and disclosed as an ROU asset. These balances have been disaggregated to enhance presentation of the investment property disclosure*

Borrowing costs were capitalised using the weighted average cost of debt of 9.2% (2023: 9.4%). Borrowing costs capitalised to investment property relate to those costs incurred in respect of properties that are either undergoing development or partial redevelopment.

The company's first mortgage bonds have been registered over South African investment property (which includes investment property reclassified as held-for-sale) with a fair value of R22.1 billion (2023: R22.3 billion) as security for secured interest-bearing borrowings of R23.4 billion (2023: R21.4 billion).

Refer to note 52: Fair value disclosures for the valuation techniques applied and unobservable inputs used in determining the fair value of investment property and note 2: Segmental report for a breakdown by segment of investment property, contractual rental income, and property expenses.

As at 31 August 2024, Redefine owns the title to all investment properties, except those owned by Talis Property Investments Proprietary Limited (Talis), and the risk relating to their right is managed through the lease agreements with tenants on a lease-by-lease basis.

Notes to the *financial statements* continued

for the year ended 31 August 2024

4. RIGHT-OF-USE ASSET AND LEASE LIABILITY

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Right-of-use assets classified as investment property					
Balance at beginning of year		613 593	457 411	87 166	96 877
Recognition of new leases		7 800	–	–	–
Acquired through acquisition of a subsidiary	48.1	36 737	72 631	–	–
Change in fair value		9 006	(13 698)	(11 714)	(9 549)
Derecognition on expiry of a lease or sale of property		(110 405)	–	–	–
Changes to lease agreements*		6 531	(162)	–	(162)
Foreign exchange gain		4 079	97 411	–	–
Balance at end of year	3.2	**567 341**	613 593	**75 452**	87 166
Right-of-use assets classified as property, plant and equipment					
Balance at beginning of year		47 837	30 742	–	–
Recognition of new leases		17 188	19 270	–	–
Acquired through acquisition of a subsidiary		–	1 386	–	–
Changes to existing agreements		(1 526)	–	–	–
Depreciation		(15 253)	(12 381)	–	–
Foreign exchange gain		229	8 820	–	–
Balance at end of year	10	**48 475**	47 837	**–**	–
Total right-of-use asset		**615 816**	661 430	**75 452**	87 166
Lease liability					
Balance at beginning of year		658 974	486 766	87 166	96 877
Recognition of a new lease		24 989	19 270	–	–
Acquired through acquisition of a subsidiary	48.1	36 737	75 542	–	–
Changes to lease agreements*		5 005	–	–	–
Interest expense		49 287	37 321	7 566	8 565
Lease payments		(82 088)	(64 939)	(19 279)	(18 114)
Derecognition on expiry of a lease		(110 405)	(162)	–	(162)
Foreign exchange gain		4 414	105 176	–	–
Balance at end of year		**586 913**	658 974	**75 453**	87 166
Current		68 508	73 365	12 864	11 713
Non-current		518 405	585 609	62 589	75 453
Balance at end of year		**586 913**	658 974	**75 453**	87 166

* *Variable lease payments with annual increments dependent on the consumer price index were adjusted accordingly*

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
The statement of profit or loss and other comprehensive income includes the following amounts relating to leases:				
Fair value loss on right-of-use assets	(9 005)	13 698	11 713	9 549
Interest expense	49 287	37 321	7 566	8 565
Expense relating to low-value leases	1 371	1 488	1 371	1 488
Cash outflows				
Cash outflows incurred for leases	(82 088)	(64 939)	(19 279)	(18 114)
Variable lease payments				
Some of the property leases in which the group and company are the lessee contain variable lease payment terms that are linked to rent collected from the leased properties. The lease payments are based on rental income collected for these properties and are as follows:				
Variable payments	5 494	8 229	5 494	8 229
The maturity analysis of the lease liability (contractual undiscounted cash flows) is as follows:				
Gross lease liabilities – minimum lease payments:				
Less than 12 months	79 504	73 365	19 218	11 713
Between one and two years	71 470	87 113	14 970	19 218
Between two and three years	67 965	70 773	15 637	14 970
Between three and four years	60 043	64 746	10 381	15 637
Between four and five years	52 803	58 539	5 195	10 381
Over five years	2 040 130	2 185 157	166 299	179 060
Total undiscounted cash flows	2 371 915	2 539 693	231 700	250 979
Less the impact of discounting	(1 785 002)	(1 880 719)	(156 247)	(163 813)
Total lease liability	**586 913**	658 974	**75 453**	87 166

The group leases various offices, parking lots and land. Rental contracts are typically made for fixed periods but may have extension options as described below. During the current year, the group had the following leases, held as a lessee:

- Land and buildings held under operating leases classified as investment property

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that an individual would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar terms, security and conditions.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the ROU asset.

Some property leases contain variable payment terms that are linked to sales generated by the tenant occupying the space. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Extension options are included in a number of leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension options held are exercisable by the group.

Notes to the *financial statements* continued

for the year ended 31 August 2024

4. RIGHT-OF-USE ASSET AND LEASE LIABILITY continued

ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. The group revalues its land and buildings that are presented within property, plant and equipment.

Some property leases contain variable payment terms that are linked to sales generated by the tenant occupying the space. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Extension options are included in a number of leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension options held are exercisable by the group.

The potential future undiscounted cash outflows for extension and termination options amount to R86.5 million as at 31 August 2024 (2023: R78.8 million).

5. LISTED SECURITIES

		GROUP		COMPANY	
Figures in R'000	Note	2024	2023	2024	2023
Delta Property Fund Limited		42 131	19 446	42 131	19 446
Balance at end of year		**42 131**	**19 446**	**42 131**	**19 446**
Movement for the year					
Balance at beginning of year		19 446	69 679	19 446	69 679
Change in fair value	33.2	22 685	(50 233)	22 685	(50 233)
Balance at end of year*		**42 131**	**19 446**	**42 131**	**19 446**

			GROUP		COMPANY	
Details of listed securities	Stock exchange	% held	Number of shares held	Number of shares held	Number of shares held	Number of shares held
Delta Property Fund Limited	JSE (REIT)	22.7	162 043 079	162 043 079	162 043 079	162 043 079

* Share price as at 31 August 2024: 26 cents (2023: 12 cents)

Delta Property Fund Limited (Delta)

During the 2018 year, Redefine sold its 22.7% interest in Delta to a BEE consortium. The BEE consortium funded this transaction with a vendor loan from Redefine, at an interest rate of prime plus 2.0% for an initial period of five years, with an extension option of three years. Subsequent to 31 August 2023, the capital repayment date was extended to 31 December 2024. The shares are ceded to Redefine as security for the loan provided.

Redefine has assessed that it retained substantially all risks and rewards of the ownership of the shares. Redefine does not have significant influence nor continued involvement in the Delta shares held as security for its vendor loan. As a result, this investment is classified as listed securities and measured at FVTPL.

6. GOODWILL

		GROUP		COMPANY	
Figures in R'000	Notes	2024	2023	2024	2023
Arising from the acquisition of subsidiary	48.4	–	15 509	–	–
Impairment raised during the year	34	–	(16 105)	–	–
Disposed during the year		–	–	–	–
Foreign exchange gain		–	596	–	–
Balance at end of year		**–**	**–**	**–**	**–**

The goodwill arose on the acquisition of Stokado sp. z o.o. in July 2023, refer to note 48: Acquisition of a controlling interest in subsidiaries.

7. INVESTMENT IN JOINT VENTURES

Group equity-accounted joint ventures

	GROUP			
Figures in R'000	Principal place of business	Effective interest (%)	2024	2023
European Logistics Investment B.V. (ELI)	Poland	48.5 (2023: 48.5)	4 501 095	4 672 501
Rosehill Investments sp. z o.o. (Galeria Młociny)	Poland	70.0 (2023: 70.0)	2 728 002	2 868 556
Henderson Park Private Equity Fund (Henderson)	Poland	30.0 (2023: 30.0)	462 573	520 359
Horse Group S.à.r.l. (previously M1 Group S.à.r.l.) (Horse Group)*	Poland	50.0 (2023: 50.0)	4 090 808	4 269 427
EPP Community Properties JV (EPP Community)	Poland	49.4 (2023: 50.6)	2 796 096	2 948 147
Retail Power Park Olsztyn sp. z o.o. (Power Park Olsztyn)**	Poland	50.0 (2023: 00.0)	170 315	–
Talis Property Investments Proprietary Limited (Talis)	South Africa	49.0 (2023: 49.0)	43	9 608
C4T Proprietary Limited (C4T)	South Africa	49.0 (2023: 49.0)	–	–
Mall of the South Proprietary Limited (MOTS)***	South Africa	100.0 (2023: 20.0)	–	–
Balance at end of year			**14 748 932**	**15 288 598**

* The name of M1 Group S.à.r.l. was changed to the Horse Group S.à.r.l.

** In April 2024, EPP repurchased its own shares from the Ellerine Group. The repurchase was partially funded through EPP giving up 50% of its shareholding in Power Park Olsztyn to the Ellerine Group, resulting in Power Park Olsztyn becoming a joint venture of EPP

***Redefine increased its shareholding in MOTS from 20% to 100% with effect from 1 December 2023, resulting in the derecognition of the investment in joint venture, with MOTS now consolidated into the group. Refer to note 48.2: Acquisition of a controlling interest in subsidiaries

If the joint venture is loss-making, the carrying value is reduced until it is carried at Rnil. The investment in C4T is in a net loss-making position, therefore the equity-accounted carrying value was limited to Rnil.

Notes to the *financial statements* continued

for the year ended 31 August 2024

7. INVESTMENT IN JOINT VENTURES continued

Movement for the year

	GROUP							
	2024							
Figures in R'000	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Power Park Olsztyn	Talis	Total
Functional currency	EUR	PLN	PLN	PLN	PLN	PLN	ZAR	
Effective interest	48.5%	70.0%	30.0%	50.0%	49.4%	50.0%	49.0%	
Balance at beginning of year	4 672 501	2 868 556	520 359	4 269 427	2 948 147	–	9 608	15 288 598
Additional investment in joint venture	133 372	–	–	–	–	145 798	–	279 170
Loan granted	–	–	–	–	–	15 420	–	15 420
Equity-accounted (loss)/profit (net of taxation)	(63 789)	(136 245)	(56 127)	161 528	(41 951)	12 799	(9 565)	(133 350)
Share of distributable (loss)/profit	(63 789)	(132 076)	(56 127)	102 916	(53 283)	9 367	(9 565)	(202 557)
Interest income from loans granted to joint ventures	–	13 038	–	83 880	–	3 432	–	100 350
Earnings dilution due to change in shareholding	–	–	–	–	11 332	–	–	11 332
Distribution waterfall adjustment	–	–	–	(25 268)	–	–	–	(25 268)
Galeria Młociny reorganisation costs	–	(17 207)	–	–	–	–	–	(17 207)
Other comprehensive income of joint ventures	–	90 091	16 941	134 215	165 623	607	–	407 477
Cash received from joint ventures	(62 834)	–	–	(315 187)	(165 908)	–	–	(543 929)
Dividend income	(62 834)	–	–	(315 187)	(66 977)	–	–	(444 998)
Return of equity	–	–	–	–	(98 931)	–	–	(98 931)
Foreign exchange on loans	–	12 639	–	(2)	–	–	–	12 637
Currency translation adjustment of foreign investments	(178 155)	(107 039)	(18 600)	(159 173)	(109 815)	(4 309)	–	(577 091)
Balance at end of year	**4 501 095**	**2 728 002**	**462 573**	**4 090 808**	**2 796 096**	**170 315**	**43**	**14 748 932**

	GROUP						
	2023						
Figures in R'000	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Talis	Total
Functional currency	EUR	PLN	PLN	PLN	PLN	ZAR	
Effective interest	48.5%	70.0%	30.0%	50.0%	50.6%	49.0%	
Balance at beginning of year	3 266 459	2 217 891	442 457	3 075 700	2 456 392	–	11 458 899
Additional investment in joint venture	499 548	–	–	127 876	–	9 608	637 032
Loan granted	–	–	–	204 588	–	–	204 588
Return of equity	(46 163)	–	–	–	(282 082)	–	(328 245)
Equity-accounted profit or loss of associate and joint ventures (net of taxation)	295 717	67 787	(15 334)	103 821	71 413	–	523 404
Share of distributable profit	295 717	51 349	(15 334)	73 262	71 413	–	476 407
Interest income from loans granted to joint ventures	–	16 438	–	30 559	–	–	46 997
Other comprehensive income of associate and joint ventures	–	93 094	23 492	139 522	200 335	–	456 443
Dividends and interest from associate and joint ventures	(68 699)	–	(20 043)	(48 117)	–	–	(136 859)
Foreign exchange on loans	–	23 828	–	–	–	–	23 828
Currency translation adjustment of foreign investments	725 639	465 956	89 787	666 037	502 089	–	2 449 508
Balance at end of year	**4 672 501**	**2 868 556**	**520 359**	**4 269 427**	**2 948 147**	**9 608**	**15 288 598**

Notes to the financial statements continued

for the year ended 31 August 2024

7. INVESTMENT IN JOINT VENTURES continued

Company joint ventures held at cost

Figures in R'000	Principal place of business	Effective interest (%)	COMPANY 2024	COMPANY 2023
Investment in joint ventures				
Talis	South Africa	49.0 (2023: 49.0)	9 608	9 608
C4T	South Africa	49.0 (2023: 49.0)	–	–
MOTS*	South Africa	100.0 (2023: 20.0)	–	–
Balance at end of year			**9 608**	**9 608**
Movement for the year				
Balance at beginning of year			9 608	–
Additional investment in joint venture			–	9 608
Balance at end of year			**9 608**	**9 608**

* *Redefine increased its shareholding in MOTS from 20% to 100% with effect from 1 December 2023, resulting in the derecognition of the investment in joint venture, with MOTS now consolidated into the group*

Refer to note 48: Acquisition of a controlling interest in subsidiaries for the step-up acquisition of MOTS.

Galeria Sudecka, Jelenia Góra, Poland

Notes to the *financial statements* continued

for the year ended 31 August 2024

7. INVESTMENT IN JOINT VENTURES continued

Summarised financial information for each joint venture is presented below. This reflects financial information prepared by the respective entities in accordance with IFRS® Accounting Standards. The results of associates and joint ventures that are foreign operations are translated from the respective functional currency to South African rand.

	GROUP									
	2024									
Figures in R'000	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Power Park Olsztyn	Talis	C4T	MOTS*	Total
Functional currency	EUR	PLN	PLN	PLN	PLN	PLN	ZAR	ZAR	ZAR	
Effective interest	48.5%	70.0%	30.0%	50.0%	49.4%	50.0%	49.0%	49.0%	20.0%	
SUMMARISED STATEMENTS OF FINANCIAL POSITION										
Investment properties (including straight-line rental income accrual)	17 857 511	7 582 323	4 338 471	14 421 189	12 988 660	625 306	363 396	–	1 790 463	59 967 319
Right-of-use assets	106 300	846	177 953	38 133	223 317	108 113	–	–	–	654 662
Property, plant and equipment	49	–	–	–	–	–	–	1 036	–	1 085
Deferred taxation	3 323	–	9 554	3 715	14 620	–	–	–	–	31 212
Other non-current assets	2 059 330	–	12 885	95 824	102 842	–	–	–	–	2 270 881
Non-current assets	20 026 513	7 583 169	4 538 863	14 558 861	13 329 439	733 419	363 396	1 036	1 790 463	62 925 159
Cash and cash equivalents	626 185	75 481	160 935	113 104	99 837	14 853	44 360	29	7 339	1 142 123
Other monetary assets	261 219	85 853	121 431	145 111	165 687	2 138	–	–	–	781 439
Other current assets	–	40 128	32 495	334 199	105 242	1 265	33 016	–	27 548	573 893
Current assets	887 404	201 462	314 861	592 414	370 766	18 256	77 376	29	34 887	2 497 455
Total assets	**20 913 917**	**7 784 631**	**4 853 724**	**15 151 275**	**13 700 205**	**751 675**	**440 772**	**1 065**	**1 825 350**	**65 422 614**
Interest-bearing borrowings	7 904 801	2 824 078	–	7 063 536	6 207 568	292 225	–	9 000	29 800	24 331 008
Loans from shareholders	1 680 823	188 880	–	1 526 281	–	98 895	–	–	–	3 494 879
Deferred taxation	1 046 376	743 711	29 678	648 044	703 595	4 495	–	–	22 251	3 198 150
Other non-current financial liabilities	68 346	239	171 003	34 922	194 242	100 254	–	–	–	569 006
Other non-current liabilities	306 143	69 021	28 299	90 221	131 612	2 040	270 800	–	–	898 136
Non-current liabilities	**11 006 489**	**3 825 929**	**228 980**	**9 363 004**	**7 237 017**	**497 909**	**270 800**	**9 000**	**52 051**	**32 491 179**
Interest-bearing borrowings	11 441	26 522	2 938 041	91 724	702 923	3 320	78 295	–	1 810 208	5 662 474
Trade and other payables	762 055	34 426	115 029	88 700	162 986	2 817	91 588	25	22 701	1 280 327
Other current liabilities	27 588	607	29 764	2 409	21 866	5 895	–	–	3 586	91 715
Current liabilities	801 084	61 555	3 082 834	182 833	887 775	12 032	169 883	25	1 836 495	7 034 516
Total liabilities	**11 807 573**	**3 887 484**	**3 311 814**	**9 545 837**	**8 124 792**	**509 941**	**440 683**	**9 025**	**1 888 546**	**39 525 695**
Net assets	**9 106 344**	**3 897 147**	**1 541 910**	**5 605 438**	**5 575 413**	**241 734**	**89**	**(7 960)**	**(63 196)**	**25 896 919**

* *The summarised statement of financial position and statement of comprehensive income represent the balances as at 1 December 2023, prior to the acquisition of the 100% equity shareholding*

Notes to the *financial statements* continued

for the year ended 31 August 2024

7. INVESTMENT IN JOINT VENTURES continued

	GROUP									
	2024									
Figures in R'000	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Power Park Olsztyn	Talis	C4T	MOTS*	Total
SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME										
Revenue	1 276 878	670 936	438 581	1 386 748	1 795 889	28 084	223 702	–	108 157	5 928 975
Operating costs	(625 326)	(277 786)	(176 615)	(327 161)	(724 314)	(5 958)	(102 577)	–	(52 940)	(2 292 677)
Administration costs	(92 363)	(15 598)	(15 801)	(70 599)	(87 136)	(2 223)	–	(1 714)	–	(285 434)
Changes in fair values of investment properties	238	(20 914)	(342 055)	130 540	(95 532)	17 906	(98 543)	–	–	(408 360)
Changes in fair values of financial and other instruments	(268 418)	(115 624)	–	(140 783)	(138 677)	1 165	–	–	–	(662 337)
Other income	1 153	–	–	–	–	–	–	–	–	1 153
Equity-accounted income	21 536	–	–	–	–	–	–	–	–	21 536
Loss on disposal of interest in subsidiary	(1 673)	–	–	–	–	–	–	–	–	(1 673)
Interest income	142 522	19 012	2 068	10 252	1 013	178	4 500	–	455	180 000
Interest expense	(573 501)	(237 272)	(77 490)	(435 309)	(444 900)	(18 801)	(46 601)	–	(54 926)	(1 888 800)
Foreign exchange movements	(131 477)	(168 622)	(56 259)	(291 992)	(372 896)	(1 106)	–	–	–	(1 022 352)
Taxation	118 907	(42 813)	40 481	(55 864)	(41 285)	(512)	–	–	–	18 914
(Loss)/profit for the year	(131 524)	(188 681)	(187 090)	205 832	(107 838)	18 733	(19 519)	(1 714)	746	(411 055)
Other comprehensive income	–	128 702	56 471	268 429	335 202	1 215	–	–	–	790 019
Total comprehensive (loss)/income	**(131 524)**	**(59 979)**	**(130 619)**	**474 261**	**227 364**	**19 948**	**(19 519)**	**(1 714)**	**746**	**378 964**

* *The summarised statement of financial position and statement of comprehensive income represent the balances as at 1 December 2023, prior to the acquisition of the 100% equity shareholding*

The Towers, Western Cape, South Africa

Notes to the *financial statements* continued

for the year ended 31 August 2024

7. INVESTMENT IN JOINT VENTURES continued

Summarised financial information for each joint venture is presented below. This reflects financial information prepared by the respective entities in accordance with IFRS® Accounting Standards. The results of associates and joint ventures that are foreign operations are translated from the respective functional currency to South African rand.

	GROUP								
	2023								
Figures in R'000	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Talis	C4T	MOTS	Total
Functional currency	EUR	PLN	PLN	PLN	PLN	ZAR	ZAR	ZAR	
Effective interest	48.5%	70.0%	30.0%	50.0%	50.6%	49.0%	49.0%	20.0%	
SUMMARISED STATEMENTS OF FINANCIAL POSITION*									
Investment properties (including straight-line rental income accrual)	18 138 447	7 882 666	4 728 941	14 835 675	13 434 857	505 676	–	1 783 100	61 309 362
Right-of-use assets	105 000	–	107 390	37 255	218 805	–	–	–	468 450
Property, plant, and equipment	37	–	–	–	–	–	1 529	–	1 566
Deferred taxation	436	–	–	15 552	4 019	–	–	–	20 007
Other non-current assets	2 142 601	166 460	42 944	168 232	149 080	–	–	–	2 669 317
Non-current assets	20 386 521	8 049 126	4 879 275	15 056 714	13 806 761	505 676	1 529	1 783 100	64 468 702
Cash and cash equivalents	908 165	12 654	158 669	67 251	193 060	19 688	13	9 899	1 369 399
Other monetary assets	187 971	202 221	127 409	191 157	120 936	–	5	14 153	843 852
Other current assets	–	50 612	44 510	100 076	147 025	–	–	–	342 223
Current assets	1 096 136	265 487	330 588	358 484	461 021	19 688	18	24 052	2 555 474
Total assets	**21 482 657**	**8 314 613**	**5 209 863**	**15 415 198**	**14 267 782**	**525 364**	**1 547**	**1 807 152**	**67 024 176**
Interest-bearing borrowings	7 398 971	3 262 949	–	7 380 678	6 370 876	–	7 777	–	24 421 251
Loans from shareholders	2 139 683	1 264 151	–	1 524 732	–	–	–	–	4 928 566
Deferred taxation	1 180 208	701 536	65 085	641 217	724 868	–	–	–	3 312 914
Other non-current financial liabilities	104 517	–	96 430	34 780	191 477	505 676	–	22 251	955 131
Other non-current liabilities	365 945	38 125	55 370	–	74 187	–	–	–	533 627
Non-current liabilities	11 189 324	5 266 761	216 885	9 581 407	7 361 408	505 676	7 777	22 251	34 151 489
Interest-bearing borrowings	83 675	149 913	3 114 793	95 420	926 584	–	–	1 810 208	6 180 593
Trade and other payables	720 690	36 145	67 969	44 345	214 767	71	16	19 677	1 103 680
Other current liabilities	35 620	13 580	75 686	2 396	21 152	–	–	18 958	167 392
Current liabilities	839 985	199 638	3 258 448	142 161	1 162 503	71	16	1 848 843	7 451 665
Total liabilities	**12 029 309**	**5 466 399**	**3 475 333**	**9 723 568**	**8 523 911**	**505 746**	**7 793**	**1 871 094**	**41 603 153**
Net assets	**9 453 348**	**2 848 214**	**1 734 530**	**5 691 630**	**5 743 871**	**19 618**	**(6 246)**	**(63 942)**	**25 421 023**

* *In the 2023 financial year, the summarised statements of financial position and the summarised statements of profit or loss and other comprehensive income was aggregated. The presentation of these statements has been disaggregated to enhance presentation*

Notes to the *financial statements* continued

for the year ended 31 August 2024

7. INVESTMENT IN JOINT VENTURES continued

	GROUP								
	2023								
Figures in R'000	ELI	Galeria Młociny	Henderson	Horse Group	EPP Community	Talis	C4T	MOTS	Total
SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME*									
Revenue	998 860	494 974	460 510	1 049 058	1 621 729	10	–	266 496	4 891 637
Operating costs	(458 831)	(199 706)	(158 009)	(122 069)	(662 154)	–	–	(103 023)	(1 703 792)
Administration costs	(72 133)	(10 201)	(15 478)	(69 744)	(70 467)	–	(1 282)	–	(239 305)
Changes in fair values of investment properties	392 224	(1 844)	(205 058)	(14 253)	28 681	–	–	27 954	227 704
Changes in fair values of financial and other instruments	39 144	150 270	–	60 105	21 235	–	–	–	270 754
Other expenses	(39 703)	–	–	–	–	–	–	–	(39 703)
Equity-accounted income/(loss)	21 075	–	–	–	–	–	–	–	21 075
Impairments	(26)	–	–	–	–	–	–	–	(26)
Interest income	78 362	24	4	609	33 846	–	–	747	113 592
Interest expense	(359 795)	(175 298)	(63 023)	(370 026)	(376 563)	–	–	(128 390)	(1 473 095)
Foreign exchange movements	57 263	(193 638)	(81 818)	(318 966)	(419 064)	–	–	–	(956 223)
Taxation	(46 714)	8 775	11 758	(117 831)	(53 931)	–	–	(9 444)	(207 387)
Profit (loss) for the year	609 726	73 356	(51 114)	96 883	123 312	10	(1 282)	54 341	905 231
Other comprehensive income/(loss)	–	132 992	78 307	279 043	396 077	–	–	–	886 419
Total comprehensive income/(loss)	**609 726**	**206 348**	**27 193**	**375 926**	**519 389**	**10**	**(1 282)**	**54 341**	**1 791 651**

* *In the 2023 financial year, the summarised statements of financial position and the summarised statements of profit or loss and other comprehensive income was aggregated. The presentation of these statements has been disaggregated to enhance presentation*

ELI

ELI is an unlisted entity with a portfolio of logistics assets located in Poland. In February 2020, Redefine Europe B.V. (Redefine Europe), Madison International Holdings VII LLC (Madison) and Griffin Capital Partners sp. z o.o. (Griffin) entered into a joint venture partnership in ELI. Redefine Europe B.V. (Redefine Europe) and Madison have contractually agreed to share the control of ELI on decisions about the relevant activities through voting rights and unanimous consent. Furthermore, Redefine Europe and Madison have equal and opposite rights and obligations in respect of capital calls, and should either party breach, the breaching party will be required to transfer their ownership interest at 95% of the fair value. Redefine assessed the probability of the occurrence of a breach and concluded that it is remote. As at 31 August 2024, Redefine Europe held 48.5% and Madison held 46.5%, with the remaining 5.0% held by Griffin. Griffin has the option to put its 1.5% shareholding to Redefine Europe within six months after 28 February 2025.

Management considered the macroeconomic outlook and key financial information of the investment in joint ventures to determine whether there were indicators of impairment. In FY24, the joint venture made a loss, and the carrying amount of the investment in the joint venture was less than Redefine's share of the NAV. As such, an assessment was performed to determine the recoverable amount of the investment in ELI. The recoverable amount was based on the value in use of the investment and was calculated using a five-year discounted cash flow (DCF) model discounted at 7.5%. The outcome of the DCF confirmed that no impairment was necessary. The discount rate would need to increase by more than 100% for an impairment loss to be recognised.

ELI has a 31 August financial year end. The financial results up to 31 August 2024 have been accounted for using the equity method.

Galeria Młociny

On 31 May 2017, EPP concluded an acquisition agreement to effectively acquire 70% of Galeria Młociny Shopping Centre. The investment was effected via EPP's acquisition of 70% of the equity in Rosehill Investments sp. z o.o. (Galeria Młociny). Galeria Młociny indirectly owns the land on which Galeria Młociny shopping centre was developed. Echo Investment S.A. was appointed as the developer and leasing manager of Galeria Młociny and acquired the remaining 30% of the equity in Galeria Młociny. Each of the joint venture partners have two board members (50% voting rights) in the special purpose vehicle that owns the property, and the shareholders have contractually agreed to share control of the joint venture that requires unanimous consent by EPP and the other joint venture partner on decisions about its relevant activities. This meets the definition of a joint venture as defined by IFRS 11: *Joint Arrangements*.

Management considered the macroeconomic outlook and key financial information of the investment in Galeria Młociny to determine whether there were indicators of impairment. Although Galeria Młociny made a loss during the year, the loss is not substantial enough to indicate that the investment may not be recovered as Redefine's share of the NAV is more than the carrying amount of the investment in the joint venture.

Galeria Młociny has a 31 August financial year end. The financial results up to 31 August 2024 have been accounted for using the equity method.

Henderson

On 24 June 2019, EPP concluded a sale agreement to dispose of a 70% share in Henderson, a pan-European private equity real estate platform. EPP retains the asset management and property management responsibilities of the assets in the entity. As a result of the 70% sale agreement, EPP lost control over the subsidiaries and recognised the retained 30% in the former subsidiaries as an investment in joint venture date when the control was lost. Although all day-to-day activities are performed by EPP, all key strategic, financial and operational decisions require the unanimous consent of both parties.

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7. INVESTMENT IN JOINT VENTURES continued

Management considered the macroeconomic outlook and key financial information of the investment in Henderson to determine whether there were indicators of impairment. Although Henderson made a loss during the year, the loss is not substantial enough to indicate that the investment may not be recovered as Redefine's share of the NAV is more than the carrying amount of the investment in the joint venture.

Henderson has a 31 December financial year end. The financial results up to 31 August 2024 have been accounted for using the equity method.

Horse Group

In 2022, EPP incorporated Horse Group to house a portfolio of assets. Pacific Investment Management Company LLC (PIMCO) acquired 50% of the total shares in the Horse Group, with EPP holding the remaining 50% of the shares. The shareholders contractually agreed to the sharing of control of the joint venture that requires unanimous consent by EPP and PIMCO on decisions about its relevant activities.

As a general distribution policy, Horse Group shall distribute all net free cash flow to its shareholders in the following order of priority: first to PIMCO until PIMCO achieves a return of 8% per annum on its funds; second to Redefine Europe until Redefine Europe achieves a return of 5% per annum on its funds; third to EPP until EPP achieves a return of 8% per annum on its funds invested; and thereafter EPP and PIMCO share in distributions *pro rata* to their shareholdings.

The R332.5 million additional investment in joint venture paid in FY23 relates to capital investment with no change in the shareholding.

An impairment test was performed on Horse Group, as one impairment indicator was present, being that the NAV of the relevant underlying investment was below the carrying value of the investment. The carrying value of the investment is expected to be recovered through distributable profits of the investment. The current expectations of the group's share of the distributable profits have been calculated using the variable returns under the waterfall as per the general distribution policy as detailed in the paragraphs above. The recoverable amount was based on the value in use of the investment, and was calculated using a five-year DCF model discounted at 6.2% (2023: 9.1%). The outcome of the DCF confirmed that no impairment was necessary. The discount rate would need to increase by 4.9% to 11.1% (2023: increase by 1.4% to 10.5%) for an impairment loss to be recognised. A 50bps increase in the discount rate would decrease the outcome of the DCF valuation by R79.0 million (2023: R66.2 million).

Horse Group has a 31 August financial year end. The financial results up to 31 August 2024 have been accounted for using the equity method.

EPP Community

Effective 14 March 2022, EPP disposed of 15 properties to the newly established EPP Community joint venture. IGroup was introduced as a third-party equity investment partner in EPP Community. IGroup acquired its 46.1% shareholding in EPP Community for a cash consideration of R864.6 million (€50.5 million) and by swapping its 74 993 917 (8.26%) EPP N.V shares into EPP Community shares. In July 2022, additional shares in EPP Community were issued to IGroup whereby EPP retained 53.1% shareholding in EPP Community. During FY23, there were two share redemptions, which diluted EPP's share to 50.6%. In FY24, another share redemption was concluded, which diluted EPP's share to 49.4%.

An impairment test was performed on EPP Community, as one impairment indicator was present, being that the NAV of the relevant underlying investment was below the carrying value of the investment. The carrying value of the investment is expected to be recovered through distributable profits of the investment. The recoverable amount was based on the value in use of the investment and was calculated using a five-year DCF model discounted at 6.2% (2023: 9.5%). The outcome of the DCF confirmed that no impairment was necessary. The discount rate would need to increase by 6.3% to 12.5% (2023: increase by 1.6% to 11.1%) for an impairment loss to be recognised. A 50bps increase in the discount rate would decrease the outcome of the DCF valuation by R72.2 million (2023: R60.5 million).

EPP Community has a 31 August financial year end. The financial results up to 31 August 2024 have been accounted for using the equity method.

Power Park Olsztyn

With effect from 31 March 2024, EPP disposed of 50% of its share in Power Park Olsztyn as part consideration for the repurchase by EPP of its own shares from Ellerine Group. EPP and the Ellerine Group entered into a joint agreement over Power Park Olsztyn, resulting in EPP losing control over Power Park Olsztyn, with EPP now owning 50% (previously 100%) and the Ellerine Group holding the remaining 50% equity.

Management considered the macroeconomic outlook and key financial information of the investment in Power Park Olsztyn to determine whether there were indicators of impairment. The carrying amount of the investment in Power Park Olsztyn was less than Redefine's share of the NAV due to a shareholder loan. Excluding the shareholder loan, Redefine's share of the NAV is more than the carrying amount of the investment in the joint venture. As such, the impairment indicator noted is not substantial enough to indicate that the investment may not be recovered

Power Park Olsztyn has a 31 August financial year end. The financial results up to 31 August 2024 have been accounted for using the equity method.

Talis

In August 2023, Redefine entered into a joint agreement with Talis Fund over the rights to the net assets of Talis, a South African private property company incorporated by Talis Fund. In terms of the arrangement, Talis Fund subscribed for 51% of the shares for R10.0 million, and Redefine subscribed for 49% of the shares for R9.6 million.

Talis has a 31 August financial year end. The financial results up to 31 August 2024 have been accounted for using the equity method.

C4T

C4T is a private company registered in South Africa. The company is involved in an income-generating recycling initiative powered by vending machines and operates in South Africa. In March 2023, Redefine sold 1% of its shareholding for R1.00 to Mary-Ann Busisiwe Ndai Mandishona (Founder and Director of C4T).

At 31 August 2024, C4T is loss-making and the carrying value of Redefine's investment in C4T is carried at Rnil.

C4T has a 31 August financial year end. The financial results up to 31 August 2024 have been accounted for using the equity method.

MOTS

In October 2020, Redefine and RMB Investments and Advisory Proprietary Limited (RMBIA) entered into an agreement to have joint control of and rights to the net assets of MOTS, with Redefine owning 20% and RMBIA owning 80% of the shares in MOTS.

MOTS acquired Mall of the South shopping centre which was funded through a loan facility amounting to R1.8 billion advanced by RMB. As security for the facility advanced to MOTS, RMBIA registered a first covering mortgage bond over Mall of the South shopping centre.

Notes to the *financial statements* continued

for the year ended 31 August 2024

7. INVESTMENT IN JOINT VENTURES continued

In addition, Redefine and RMBIA entered into a put option agreement, in terms of which Redefine issued a put option to RMBIA whereby RMBIA could put the shares owned by it in MOTS to Redefine and Redefine would be obliged to purchase the shares. In terms of the agreement, RMBIA has the right to sell its shares in MOTS to Redefine for an amount that equals the put option (shares) exercise price.

RMBIA exercised their option effective 1 December 2023, thereby requiring Redefine to buy RMBIA's 80% shareholding. Redefine acquired RMBIA's 80% shareholding in MOTS, such that Redefine now holds 100% of the shares in MOTS. The value of the shares was determined to be R1.00 in terms of the initial put option agreement. Furthermore, prior to exercising the put option, Redefine was required to settle MOTS's loan of R1.8 billion payable to RMB as part of the conditions precedent for Redefine to obtain the 80% shareholding in MOTS.

The effective date of the acquisition of the 80% shareholding from RMBIA was determined to be 1 December 2023, resulting in the derecognition of the investment in joint venture, with MOTS now consolidated into the group as a subsidiary.

Loans granted to joint ventures

As of 31 August 2024, the group has loans receivable granted to joint venture projects in the following amounts:

- Horse Group: R798.7 million (€40.6 million); (2023: R796.0 million (€39.0 million))
- Galeria Młociny: Rnil (€nil); (2023: R874.8 million (€42.8 million))
- Power Park Olsztyn : R49.4 (€2.5); (2023: Rnil (€nil))

The loans were granted to Horse Group, Galeria Młociny and Power Park Olsztyn on arm's length conditions (average interest of 4.5%) with maturities of 2026 and 2029, respectively. The loans form part of the group's net investment in the joint ventures as settlement is unlikely to occur in the foreseeable future.

The loans are measured as financial assets at amortised cost. Taking into consideration the current NAV and liquidity situation of the borrower, the group does not see any premise for loan impairment. The borrower is considered to have the capacity to meet their obligation resulting from loans, therefore the credit risk of the loans is assessed very as low and the ECL amount is immaterial.

8. LOANS RECEIVABLE

		GROUP		COMPANY	
Figures in R'000	Note	2024	2023	2024	2023
Gross vendor loans		1 054 571	1 428 492	190 112	–
Expected credit loss	53.3.4	(18 682)	(171 291)	–	–
Balance at end of year		**1 035 889**	**1 257 201**	**190 112**	**–**
Non-current		1 030 578	1 051 349	190 112	–
Current		5 311	205 852	–	–
Balance at end of year		**1 035 889**	**1 257 201**	**190 112**	**–**

			GROUP		COMPANY	
Figures in R'000	Capital repayment date	Interest rate (%)	2024	2023	2024	2023
Setso Holdco Proprietary Limited* The loan was secured by a pledge of the shareholder equity of the wholly owned subsidiary, Setso Property Fund Proprietary Limited (Setso). The loan was settled in August 2024	27 August 2024	13.00	–	336 888	–	–
Turnover Trading 191 Proprietary Limited The loan is secured by a second covering sectional title mortgage bond, suretyship from the surety and a cession of the borrower's co-ownership voting rights. The facility repayment date was extended from 1 May 2024 to 1 May 2026	1 May 2026	10.00	37 484	40 255	–	–
Berea sp. z o.o. The loan is unsecured	1 March 2029	7.00	190 112	–	190 112	–
Galeria Libero The loan is unsecured	1 June 2026	2.00	36 832	–	–	–
ELI The loan is unsecure	31 December 2027	8.00	790 143	1 051 349	–	–
Gross loan receivable			**1 054 571**	**1 428 492**	**190 112**	**–**

* *Redefine and Setso entered into an agreement where the loan was partially settled by way of the acquisition of Setso's undivided share in immovable properties to the value of R350.8 million and a cash payment of R10.0 million. Redefine discharged Setso' senior debt obligation of R183 million, realising a net amount of R177.8 million. The shortfall of which R153.6 million had been previously provided for in the 2023 ECL balance was subsequently written off in the 2024 financial year*

9. OTHER FINANCIAL ASSETS

	GROUP		COMPANY	
Figures in R'000	2024	2023	2024	2023
At amortised cost	–	469 556	–	–
AFI Europe N.V.	–	469 556	–	–
Fair value through profit or loss	147 835	175 171	–	–
Lango Real Estate Limited	147 835	175 171	–	–
Balance at end of year	**147 835**	**644 727**	**–**	**–**
Non-current	147 835	644 727	–	–
Current	–	–	–	–
Balance at end of year	**147 835**	**644 727**	**–**	**–**

Notes to the *financial statements* continued
for the year ended 31 August 2024

9. OTHER FINANCIAL ASSETS continued

AFI Europe N.V.

On the disposal of Towarowa 22, the group recognised a long-term receivable with AFI Europe N.V. that relates to deferred payment of part of the transaction price. The receivable was fully settled in August 2024.

Lango Real Estate Limited

Redefine disposed of its investment in SB Wings Development Proprietary Limited, a Mauritian-based subsidiary, during FY20. The purchase consideration received was an exchange of 2 187 578 shares in an unlisted company, Lango Real Estate Limited.

10. PROPERTY, PLANT AND EQUIPMENT

		GROUP								
		2024								
Figures in R'000	Notes	Leasehold improvements	Computer equipment	Furniture and fittings	Owner occupied	Hotel	ROU assets–owner occupied	Office equipment	Motor vehicles	Total
Cost		39 492	27 911	3 278	52 999	42 108	80 753	495	516	247 552
Accumulated depreciation		(18 762)	(10 293)	(1 077)	(2 297)	(3 769)	(32 278)	(297)	(223)	(68 996)
Accumulated revaluation adjustment		–	–	–	15 417	10 861	–	–	–	26 278
Balance at end of year		**20 730**	**17 618**	**2 201**	**66 119**	**49 200**	**48 475**	**198**	**293**	**204 834**
Reconciliation of movements										
Balance at beginning of year		25 209	8 212	585	61 687	46 599	47 837	186	364	190 680
Additions at cost		9 646	12 619	2 072	101	–	17 188	85	–	41 711
Changes to existing agreements		–	–	–	–	–	(1 526)	–	–	(1 526)
Disposals at carrying amount		–	(21)	–	–	–	–	–	–	(21)
Transfer to investment property	3	(8 533)	–	–	(115)	–	–	–	–	(8 648)
Revaluation adjustment		–	–	–	5 482	3 570	–	–	–	9 052
Depreciation		(5 651)	(2 918)	(498)	(1 036)	(969)	(15 253)	(73)	(73)	(26 471)
Foreign exchange gain/(loss)		59	(274)	42	–	–	229	–	2	58
Balance at end of year		**20 730**	**17 618**	**2 201**	**66 119**	**49 200**	**48 475**	**198**	**293**	**204 834**
		2023								
Cost		39 883	15 711	1 427	53 197	42 108	64 787	425	599	218 138
Accumulated depreciation		(14 674)	(7 499)	(842)	(1 261)	(2 799)	(16 950)	(239)	(235)	(44 499)
Accumulated revaluation adjustment		–	–	–	9 751	7 290	–	–	–	17 041
Balance at end of year		**25 209**	**8 212**	**585**	**61 687**	**46 599**	**47 837**	**186**	**364**	**190 680**
Reconciliation of movements										
Balance at beginning of year		21 569	6 679	1 608	55 531	42 750	30 742	180	–	159 059
Additions at cost		355	5 672	28	–	–	19 270	52	–	25 377
Arising from acquisition of subsidiary		8 313	772	121	–	–	1 386	–	390	10 982
Transfer from investment property	3	–	–	–	19	–	–	–	–	19
Disposals at carrying amount		–	(1 907)	–	–	–	–	–	–	(1 907)
Revaluation adjustment		–	–	–	6 582	4 283	–	–	–	10 865
Depreciation		(5 369)	(3 035)	(1 178)	(445)	(433)	(12 381)	(46)	(91)	(22 978)
Foreign exchange gain/(loss)		341	31	5	–	–	8 820	–	65	9 263
Balance at end of year		**25 209**	**8 212**	**585**	**61 687**	**46 599**	**47 837**	**186**	**364**	**190 680**

Notes to the financial statements continued

for the year ended 31 August 2024

10. PROPERTY, PLANT AND EQUIPMENT continued

		COMPANY					
		2024					
Figures in R'000	Notes	Leasehold improvements	Computer equipment	Furniture and fittings	ROU assets – owner occupied	Office equipment	Total
Cost		33 727	14 829	2 813	52 999	410	104 778
Accumulated depreciation		(17 932)	(8 812)	(880)	(2 297)	(275)	(30 196)
Accumulated revaluation adjustment		–	–	–	15 417	–	15 417
Balance at end of year		**15 795**	**6 017**	**1 933**	**66 119**	**135**	**89 999**
Reconciliation of movements							
Balance at beginning of year		16 590	7 368	461	61 687	187	86 293
Additions at cost		4 462	1 239	1 895	101	–	7 697
Transfer to investment property	3	–	–	–	(115)	–	(115)
Disposals at carrying amount		–	(21)	–	–	–	(21)
Revaluation adjustment		–	–	–	5 482	–	5 482
Depreciation		(5 257)	(2 569)	(423)	(1 036)	(52)	(9 337)
Balance at end of year		**15 795**	**6 017**	**1 933**	**66 119**	**135**	**89 999**
		2023					
Cost		29 800	13 895	1 139	53 197	426	98 457
Accumulated depreciation		(13 210)	(6 527)	(678)	(1 261)	(239)	(21 915)
Accumulated revaluation adjustment		–	–	–	9 751	–	9 751
Balance at end of year		16 590	7 368	461	61 687	187	86 293
Reconciliation of movements							–
Balance at beginning of year		21 569	6 666	1 596	55 531	180	85 542
Additions at cost		351	5 614	28	–	–	5 993
Transfer from investment property	3	–	–	–	19	–	19
Disposals at carrying amount		–	(1 907)	–	–	–	(1 907)
Revaluation adjustment		–	–	–	6 582	–	6 582
Depreciation		(5 331)	(3 005)	(1 164)	(445)	7	(9 938)
Balance at end of year		16 590	7 368	461	61 687	187	86 293

Notes to the *financial statements* continued

for the year ended 31 August 2024

11 INVESTMENT IN SUBSIDIARIES

Figures in R'000	Notes	COMPANY 2024	COMPANY 2023
11.1 Investment in subsidiaries			
Reconciliation of movements			
Balance at beginning of year		25 900 307	25 688 399
Acquisitions of shares		357 921	650 562
Self Storage Investments sp. z o.o.		294 292	46 108
Redefine Europe B.V.		63 629	604 454
MOTS*		–	–
Disposal of shares		(174 573)	–
EPP N.V.		(174 573)	–
Impairment of subsidiaries	34	–	(438 655)
Redefine Commercial Proprietary Limited (Redefine Commercial)		–	(159 802)
Micawber 891 RF Proprietary Limited (Micawber)		–	(32)
Annuity Properties Proprietary Limited (Annuity Properties)		–	(278 821)
Balance at end of year		**26 083 655**	25 900 307
Shares at cost less impairment			
Gross carrying amount		34 076 891	33 937 043
Accumulated impairment opening balance		(7 993 236)	(7 598 081)
Impairment of shares	34	–	(438 655)
Net shares at cost		**26 083 655**	25 900 307

* *Redefine increased its shareholding in MOTS from 20% to 100% with effect from 1 December 2023 for a consideration of R201*

The shares held in subsidiaries are tested annually for impairment. At 31 August 2024, impairment indicators were not present based on the adjusted net asset value of the subsidiaries.

In the prior year, Redefine Commercial, Micawber and Annuity Properties were impaired as the carrying amount exceeded the recoverable amount of the investment. The impairment recognised was limited to the subsidiary's NAV, representing the fair value of the investment in these subsidiaries, of R1 565 million for Redefine Commercial, R942 million for Annuity Properties, and Micawber was fully impaired.

Figures in R'000	Notes	COMPANY 2024	COMPANY 2023
11.2 Loans to subsidiaries			
Gross intercompany loans receivable	53.3	25 146 381	23 648 777
Expected credit loss	53.3	(239 735)	(732 420)
Net intercompany loan receivable		**24 906 646**	22 916 357
Reconciliation of gross intercompany loans receivable			
Balance at beginning of year		23 648 777	24 330 882
Movement during the year		1 497 604	(682 105)
Balance at end of year		**25 146 381**	23 648 777
Reconciliation of expected credit loss			
Balance at beginning of year		(732 420)	(1 698 878)
Expected credit loss reversal during the year		492 685	380 249
Written off during the year		–	586 209
Balance at end of year		**(239 735)**	(732 420)

Figures in R'000	COMPANY 2024	COMPANY 2023
11.3 Loans from subsidiaries		
Balance at beginning of year	(2 170)	(1 973 167)
Movement during the year	(25 201)	1 970 997
Balance at end of year	**(27 371)**	(2 170)

12. OTHER MONETARY ASSETS

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Tenant deposits	135 917	89 737	25 484	–
Held by bank to meet debt requirements	231 714	202 251	–	–
Debt service	153 153	136 059	–	–
Capital expenditure	31 899	23 041	–	–
Retained rent	43 180	40 210	–	–
VAT accounts	1 621	1 957	–	–
Other	1 861	983	–	–
Balance at end of year	**367 631**	291 987	**25 484**	–

A significant portion of the monetary assets is held with Santander Bank (Fitch credit rating BBB+ (2023: A-)) and PKO Bank Polski (Moody's credit rating A- (2023: A2)).

13. TRADE AND OTHER RECEIVABLES

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Trade receivables (incl. municipal recoveries)	53.3.2	712 667	686 141	437 664	397 256
Less: Expected credit loss	53.3.2	(162 921)	(209 554)	(113 249)	(153 164)
Net trade receivables	53.3.2	549 746	476 587	324 415	244 092
Deposits		84 202	108 320	48 999	61 788
Prepayments		118 869	199 546	24 411	136 415
Rates clearances		23 072	27 039	15 161	28 143
VAT receivable		17 112	8 363	–	–
Other receivables		173 001	187 498	95 796	143 709
Balance at end of year		**966 002**	1 007 353	**508 782**	614 147

Refer to note 53.3: Financial risk management for credit risk management.

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14. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
Figures in R'000	2024	2023	2024	2023
Unrestricted cash balances	530 502	760 882	137 557	248 247

A significant portion of bank balances is with The Standard Bank of South Africa Limited (Moody's credit ratingBa2 (2023: Ba1)), Santander Bank (Fitch credit rating BBB+ (2023: A-)) and HSBC (Fitch credit rating A+ (2023: A+)).

15. NON-CURRENT ASSETS HELD-FOR-SALE

		GROUP		COMPANY	
Figures in R'000	Notes	2024	2023	2024	2023
Non-current assets held-for-sale					
South African investment property		521 265	45 164	164 760	–
International investment property		844	844	–	–
Foreign gain		33	30	–	–
Balance at end of year		**522 142**	46 038	**164 760**	–
Reconciliation of movements					
Balance at beginning of year		46 038	1 014 367	–	259 848
Assets acquired through acquisition of subsidiaries		–	844	–	–
Disposal of South African investment properties		(42 322)	(378 927)	–	(252 347)
Disposal of international non-current assets held-for-sale		–	(690 457)	–	–
Transfer from/(to) investment property	3.1	521 265	36 664	164 760	(8 500)
Tenant installations amortised		–	(246)	–	(22)
Change in fair values		(2 842)	(17 878)	–	1 021
Foreign gain		3	81 671	–	–
Balance at end of year		**522 142**	46 038	**164 760**	–

In line with the group's strategic objective to dispose of non-core assets, properties in the following sectors were reclassified as non-current assets held-for-sale: retail (R312.0 million), industrial (R140.2 million), office (R69.0 million), and international (R1.0 million). The investment properties classified as held-for-sale are properties that the board of directors decided will be recovered through sale rather than through continuing use, and the requirements of IFRS 5: *Non-current Assets Held-for-Sale and Discontinued Operations* have been met.

16. STATED CAPITAL

		GROUP		COMPANY	
Figures in R'000	Notes	2024	2023	2024	2023
Authorised number of shares					
10 000 000 000 (2023: 10 000 000 000) ordinary shares of no par value					
Issued shares					
7 052 419 865 (2023: 7 052 419 865) ordinary shares		50 117 115	50 117 115	50 107 262	50 107 262
Less: 300 000 000 (2023: 300 000 000) treasury shares		(6)	(6)	–	–
Balance at end of year		**50 117 109**	50 117 109	**50 107 262**	50 107 262
Reconciliation of issued stated capital					
In issue at beginning of year		50 117 109	50 117 109	50 107 262	50 107 262
Balance at end of year		**50 117 109**	50 117 109	**50 107 262**	50 107 262
Reconciliation of number of ordinary shares ('000)					
Number of shares at end of year		6 752 419	6 752 419	6 758 296	6 758 296
Total treasury shares held by The Redefine Empowerment Trust		300 000	300 000	300 000	300 000
Number of shares at end of year per the share register		**7 052 419**	7 052 419	**7 058 296**	7 058 296
Reconciliation of issued number of used in calculating distribution per share ('000)					
In issue at beginning of year		6 752 419	6 752 419	6 758 296	6 758 296
Balance at end of year		**6 752 419**	6 752 419	**6 758 296**	6 758 296

The issued shares are fully paid.

17. SHARE-BASED PAYMENT RESERVE

		GROUP		COMPANY	
Figures in R'000	Notes	2024	2023	2024	2023
Restricted share scheme	19.1	–	833	–	833
Long-term incentive plan	19.2	40 411	32 679	40 411	32 679
Matching share scheme	19.4	–	99	–	99
The Redefine Empowerment Trust	19.8	–	–	240 229	709 000
Balance at end of year		**40 411**	33 611	**280 640**	742 611

Notes to the *financial statements* continued

for the year ended 31 August 2024

18. NON-CONTROLLING INTERESTS

Figures in R'000	Principal place of business	NCI's effective interest/voting rights (%)	GROUP 2024	GROUP 2023
Stokado sp. z o.o (Stokado)	Poland	28.7 (2023: 49.0)	132 934	105 834
Pan African Development Proprietary Limited (PAD)	South Africa	49.1 (2023: 00.0)	109 697	–
Self Storage Investments sp. z o.o (SSI)	Poland	7.0 (2023: 7.0)	26 804	2 379
EPP N.V. (EPP)	Poland	0.0 (2023: 4.6)	4 002	835 118
Mfuko sp. z o.o. 0000796191 (Mfuko)	Poland	0.0 (2023: 5.0)	–	175
Balance at end of year			**273 437**	**943 506**

18.1. The non-controlling interest balance is reconciled as follows:

Figures in R'000	GROUP 2024 Stokado	PAD	SSI	EPP	Mfuko	Total
NCI's effective interest/voting rights	28.7%	49.1%	7.0%	0.0%	0.0%	
Opening balance	105 834	–	2 379	835 118	175	943 506
Acquisition of subsidiary	–	86 938	–	–	–	86 938
Share of profit/(loss) for the year	13 597	27 916	1 684	(10 628)	16	32 585
Share of other comprehensive income/(loss) for the year	1 444	–	–	20 018	(2)	21 460
Share of dividends for the year	–	(5 157)	–	–	(185)	(5 342)
Disposal of interest in subsidiary	–	–	–	–	(4)	(4)
Change in ownership of subsidiary with NCI	12 059	–	17 721	(840 506)	–	(810 726)
Other movement	–	–	5 020	–	–	5 020
Balance at end of year	**132 934**	**109 697**	**26 804**	**4 002**	**–**	**273 437**

Figures in R'000	GROUP 2023 Stokado	SSI	EPP	Mfuko	Total
NCI's effective interest/voting rights	49.0%	7.0%	4.6%	5.0%	
Opening balance	–	–	643 915	2 025	647 967
Acquisition of subsidiary	101 531	2 773	–	–	104 304
Share of profit/(loss) for the year	583	(1 100)	13 935	(74)	14 129
Share of other comprehensive income/(loss) for the year	3 721	10	177 266	276	181 447
Share of dividends for the year	–	–	–	(2 053)	(5 038)
Other movement	(1)	694	–	1	696
Balance at end of year	**105 834**	**2 379**	**835 118**	**175**	**943 506**

Stokado

With effect from 27 July 2023, Redefine holds a 71.3% (2023: 51.0%) equity interest in Stokado. Redefine controls Stokado due to the number of voting rights held.

Refer to note 48.4: Acquisition of a controlling interest in subsidiaries for further information regarding the Stokado acquisition.

PAD

In May 2024, Redefine Retail acquired 50.87% shareholding in PAD, which owns Pan African Mall. Redefine Retail controls PAD due to the voting rights held. Refer to note 48.1: Acquisition of a controlling interest in subsidiaries for further information regarding the PAD acquisition.

SSI

With effect from 9 November 2022, Redefine and Griffin established a new Polish company called Self Storage Investments sp. z o.o. (Self Storage Investments) to invest in self-storage facilities in Poland. Redefine and Griffin hold 93% and 7% of the shares, respectively. Redefine controls Self Storage Investments due to the number of voting rights held.

EPP

On 8 March 2022, as part of the EPP reorganisation, Redefine acquired an additional interest in EPP in exchange for Redefine shares at a fair swap ratio of 2.7 Redefine shares per EPP share. This increased Redefine's interest from 44.5% to 87.5%. During March 2022, EPP was reorganised, and on 20 April 2022, Redefine acquired a further 832 418 EPP shares at a swap ratio of 2.7 Redefine shares per EPP share, increasing the Redefine shareholding in EPP to 95.4%.

During the 2024 financial year, EPP acquired its own shares from its non-controlling shareholders resulting in the NCI reducing from 4.6% in 2023 to 0.02% in 2024.

Mfuko

On 31 January 2020, ELI entered into a sale purchase agreement to sell 100% of its investment in Central Logistics Investment sp. z o.o. (CLI), to Tritax Eurobox PLC (Tritax). As part of this sale purchase agreement, it was agreed that the shareholders of ELI would retain the development rights for a possible extension of the Strykow building owned by CLI. Therefore a Polish company, Mfuko was incorporated to hold these development rights. These development rights were exercised during January 2022, and the development was completed in August 2022. Following the completion of the project, Mfuko was liquidated and deregistered in the 2024 financial year.

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for the year ended 31 August 2024

18. NON-CONTROLLING INTERESTS continued

18.2. Summarised financial information for each subsidiary that has NCI is presented below, which reflects the financial information prepared by the respective entities in accordance with IFRS® Accounting Standards

Refer to note 55: Related-party transactions.

	GROUP					
	2024					
Figures in R'000	Stokado	PAD	SSI	EPP	Mfuko	Total
NCI's effective interest/voting rights	28.7%	49.1%	7.0%	0.0%	0.0%	
SUMMARISED STATEMENTS OF FINANCIAL POSITION						
Investment property	532 163	484 059	429 713	18 331 360	–	19 777 295
Investment in joint ventures	–	–	–	9 264 465	–	9 264 465
Property, plant and equipment	9 271	–	6 612	56 223	–	72 106
Other non-current assets	–	–	–	200 315	–	200 315
Non-current assets	541 434	484 059	436 325	27 852 363	–	29 314 181
Current assets	59 943	21 336	54 943	954 247	–	1 090 469
Total assets	**601 377**	**505 395**	**491 268**	**28 806 610**	**–**	**30 404 650**
Interest-bearing borrowings	11 354	227 914	8 098	8 685 292	–	8 932 658
Other non-current liabilities	81 260	40 774	56 458	1 637 821	–	1 816 313
Non-current liabilities	92 614	268 688	64 556	10 323 113	–	10 748 971
Current liabilities	45 251	13 352	43 798	894 636	–	997 037
Total liabilities	**137 865**	**282 040**	**108 354**	**11 217 749**	**–**	**11 746 008**
Net assets	**463 512**	**223 355**	**382 914**	**17 588 861**	**–**	**18 658 642**
NCI's share of net assets						
Net assets attributable to NCI	**132 934**	**109 697**	**26 804**	**3 518**	**–**	**272 953**
SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
Revenue	48 442	26 483	34 549	2 208 185	–	2 317 659
Operating costs	(16 705)	(10 361)	(11 914)	(865 390)	(10)	(904 380)
Administration costs	(23 630)	(1 281)	(27 302)	(319 489)	263	(371 439)
Fair value adjustments	67 377	50 042	48 054	(208 083)	–	(42 610)
Interest income	4	1 125	3	40 098	8	41 238
Interest expense	(13 264)	(10 247)	(9 474)	(533 834)	–	(566 819)
Other	(14 814)	1 079	(9 856)	(218 204)	66	(241 729)
Profit/(loss) for the year	47 410	56 840	24 060	103 283	327	231 920
Other comprehensive profit	5 035	–	–	789 766	(40)	794 761
Total comprehensive gain/(loss)	**52 445**	**56 840**	**24 060**	**893 049**	**287**	**1 026 681**
NCI's share of profits						
Profit/(loss) for the year attributable to NCI	13 597	27 916	1 684	(10 628)	16	32 585
Other comprehensive profit attributable to NCI	1 444	–	–	20 018	(2)	21 460
Total comprehensive gain/(loss) attributable to NCI	**15 041**	**27 916**	**1 684**	**9 390**	**14**	**54 045**
Dividends	**–**	**(5 157)**	**–**	**–**	**(185)**	**(5 342)**

	GROUP					
	2023					
Figures in R'000	Journal student accommodation	Stokado	SSI	EPP	Mfuko	TOTAL
NCI effective interest/voting rights	10.0%	49.0%	7.0%	4.6%	5.0%	
SUMMARISED STATEMENTS OF FINANCIAL POSITION						
Investment property	–	188 209	–	19 648 225	–	19 836 434
Investment in joint ventures	–	874	–	9 558 216	–	9 559 090
Property, plant and equipment	–	11 278	–	46 451	–	57 729
Other non-current assets	–	–	–	794 700	140	794 840
Non-current assets	–	200 361	–	30 047 592	140	30 248 093
Current assets	–	114 729	29 357	777 102	4 940	926 128
Total assets	**–**	**315 090**	**29 357**	**30 824 694**	**5 080**	**31 174 221**
Interest-bearing borrowings	–	15 360	–	9 442 368	–	9 457 728
Loans from shareholders	–	–	–	424 004	–	424 004
Other non-current liabilities	–	63 345	–	1 792 679	–	1 856 024
Non-current liabilities	–	78 705	–	11 659 051	–	11 737 756
Current liabilities	–	19 077	5 305	812 174	621	837 176
Total liabilities	**–**	**97 782**	**5 305**	**12 471 225**	**621**	**12 574 932**
Net assets	**–**	**217 308**	**24 052**	**18 353 469**	**4 459**	**18 599 287**
NCI's share of net assets						
Net assets attributable to NCI	**–**	**106 481**	**1 684**	**835 083**	**223**	**943 470**
SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
Revenue	924	2 747	–	2 012 735	–	2 016 406
Operating costs	(828)	(341)	–	(792 751)	(24)	(793 944)
Administration costs	(585)	(36)	(15 432)	(209 337)	(499)	(225 889)
Fair value adjustments	7 374	(190)	–	70 157	–	77 341
Interest income	957	–	–	37 262	–	38 219
Interest expense	–	(1 016)	(13)	(430 178)	(2)	(431 208)
Other	8	25	(265)	(381 627)	(955)	(382 814)
Profit/(loss) for the year	7 850	1 189	(15 710)	306 261	(1 480)	298 110
Other comprehensive profit	1 733	7 593	145	3 895 823	5 526	3 910 820
Total comprehensive profit/(loss)	**9 583**	**8 782**	**(15 565)**	**4 202 084**	**4 046**	**4 208 930**
NCI's share of profits						
Total comprehensive gain/(loss) attributable to NCI	**958**	**4 303**	**(1 090)**	**191 202**	**202**	**195 576**
Dividends attributable to NCI	**(29 857)**	**–**	**–**		**(41 055)**	**(70 912)**

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for the year ended 31 August 2024

19. SHARE-BASED PAYMENTS

The board has resolved that the company settle LTI awards made by buying shares in the market; thus no shares were issued to settle any LTI obligation.

19.1 Restricted share scheme – long-term incentive

The restricted share scheme (RSS), which awards employees a conditional right to receive shares in Redefine against the achievement of specific performance conditions, free of any cost, is operated by the group. As the participants will receive shares in settlement of their awards, a share-based payment expense has been recognised.

In terms of the RSS, a conditional right to a share is awarded to employees subject to the satisfaction of performance conditions over the performance period as well as the service condition over the vesting period.

In terms of the Redefine retirement policy, a director or prescribed officer is no longer eligible to participate in the share schemes three years prior to the retirement age of 65.

The executive directors, prescribed officers (below) and other employees participate in the RSS. These participants will not be entitled to any voting rights or distributions of Redefine prior to the vesting of the restricted shares.

The fair value of services received in return for the conditional share awards has been determined as follows:

- The number of shares expected to vest multiplied by the share price at the date of the award less discounted anticipated future distributions

	2024	2023
Shares expected to vest*	–	392 688
Vesting period	3 years	3 years
Average discounted price per share**	2.33	3.75
IFRS 2: *Share-based Payment* expense recognised in administration expenses (R'000)	81	(2 150)
Weighted average share price at date of vesting	3.40	3.98

* *This was determined by taking into account the performance of the group to date and forecasts to the end of the performance period, against the performance targets set at the time of the award*

** *The future anticipated distributions were adjusted for annual growth of 7% and discounted by a distribution yield of 7.7%*

The number of shares allotted in terms of the RSS award scheme are:

	2024						
	2023	Granted	Forfeited	Vested	2024	IFRS 2 charge R'000	Value of shares granted R'000
NG Nyawo	392 688	–	–	(392 688)	–	81	–
Total for the year	**392 688**	**–**	**–**	**(392 688)**	**–**	**81**	**–**

	2023						
	2022	Granted	Forfeited	Vested	2023	IFRS 2 charge R'000	Fair value of shares granted R'000
AJ König	333 975	–	(216 460)	(117 515)	–	(1 110)	–
LC Kok	288 750	–	(186 109)	(102 641)	–	(954)	–
NG Nyawo	785 376	–	–	(392 688)	392 688	447	–
MJ Ruttell***	162 211	–	(104 110)	(58 101)	–	(533)	–
Total for the year	**1 570 312**	**–**	**(506 679)**	**(670 945)**	**392 688**	**(2 150)**	**–**

*** *MJ Ruttell formed part of the executive committee and met the definition of a "prescribed officer" in terms of the Companies Act until his retirement on 31 January 2023*

19.2 Long-term incentive plan

The long-term incentive plan (LTIP), which awards employees with a conditional right to receive shares in Redefine against the achievement of specific performance conditions, free of any cost, is operated by the group. As the participants will receive shares in settlement of their awards, a share-based payment expense has been recognised. In terms of the LTIP, a conditional right to a share is awarded to employees subject to the satisfaction of performance conditions over the performance period and the service condition over the vesting period. Participants will not be entitled to any voting rights or distributions of Redefine prior to the vesting of the shares. Full-time employees at Paterson grading level F-upper to D-upper (executive and senior management) are eligible to participate. The fair value of services received in return for the conditional share awards has been determined as follows:

- The number of shares expected to vest multiplied by the share price at the date of the award less discounted anticipated future distributions

The executive directors and prescribed officer below participate in the LTIP. These participants will not be entitled to any voting rights or distributions of Redefine prior to the vesting of shares.

	2024	2023
Shares expected to vest*	9 268 858	6 184 824
Vesting period	3 years	3 years
Average discounted price per share**	3.12	2.95
IFRS 2: *Share-based Payment* expense recognised in administration expenses (R'000)	11 747	6 656
Weighted average share price at date of vesting	3.40	–

* *This was determined by taking into account the performance of the group to date and forecasts to the end of the performance period, against the performance targets set at the time of the award*

** *The future anticipated distributions were discounted by a distribution yield of between 11.10% and 11.84%*

The number of shares allotted in terms of the LTIP award scheme are:

	2024						
	2023	Granted	Forfeited	Vested	2024	IFRS 2 charge R'000	Value of shares granted R'000
AJ König	2 714 133	1 665 426	–	(820 464)	3 559 095	4 511	3 980
LC Kok	1 866 328	1 573 092	–	(564 178)	2 875 242	3 644	3 760
NG Nyawo	1 604 363	1 715 146	–	(484 988)	2 834 521	3 592	4 099
Total for the year	**6 184 824**	**4 953 664**	**–**	**(1 869 630)**	**9 268 858**	**11 747**	**11 839**

	2023						
	2022	Granted	Forfeited	Vested	2023	IFRS 2 charge R'000	Fair value of shares granted R'000
AJ König	1 690 240	1 023 893	–	–	2 714 133	2 668	2 840
LC Kok	1 162 265	704 063	–	–	1 866 328	1 834	1 953
NG Nyawo	999 125	605 238	–	–	1 604 363	1 577	1 679
MJ Ruttell***	352 766	–	(352 766)	–	–	577	–
Total for the year	**4 204 396**	**2 333 194**	**(352 766)**	**–**	**6 184 824**	**6 656**	**6 472**

*** *MJ Ruttell formed part of the executive committee and met the definition of a "prescribed officer" in terms of the Companies Act until his retirement on 31 January 2023*

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19. SHARE-BASED PAYMENTS continued

19.3 LTIP (deferred bonus award)

The deferred bonus award under the LTIP, which awards employees with a conditional right to receive shares in Redefine against the achievement of specific performance conditions, free of any cost, is operated by the group. As the participants will receive shares in settlement of their awards, a share-based payment expense has been recognised. In terms of the deferred bonus award, the quantum is determined as a percentage of the STI based on performance in the previous financial year. The conditional right to shares vests over three years at the end of each year following the award. As performance is measured on the way in, the deferral is only subject to employment conditions during the vesting period. Participants will not be entitled to any voting rights or distributions of Redefine prior to the vesting of the shares. The fair value of services received in return for the conditional share awards has been determined as follows:

- The number of shares expected to vest multiplied by the share price at the date of the award less discounted anticipated future distributions

The executive directors and prescribed officer below participate in the LTIP. These participants will not be entitled to any voting rights or distributions of Redefine prior to the vesting of shares.

	2024	2023
Shares expected to vest*	3 442 572	2 472 483
Vesting period	1-3 years	1-3 years
Average discounted price per share**	2.99	3.30
IFRS 2: *Share-based Payment* expense recognised in administration expenses (R'000)	4 996	4 702
Weighted average share price at date of vesting	3.53	3.98

* *This was determined by taking into account the performance of the group to date and forecasts to the end of the performance period, against the performance targets set at the time of the award*

** *The future anticipated distributions was discounted by a distribution yield between 10.88% and 11.84%*

The number of shares allotted in terms of the deferred bonus award scheme are:

	2024						
	2023	Granted	Forfeited	Vested	2024	IFRS 2 charge R'000	Value of shares granted R'000
AJ König	994 943	587 801	–	(388 126)	1 194 618	1 753	1 587
LC Kok	692 409	435 664	–	(272 318)	855 755	1 249	1 176
NG Nyawo	502 902	391 261	–	(187 936)	706 227	1 029	1 056
Other employees	282 229	497 819	–	(94 076)	685 972	965	1 344
Total for the year	**2 472 483**	**1 912 545**	**–**	**(942 456)**	**3 442 572**	**4 996**	**5 163**

	2023						
	2022	Granted	Forfeited	Vested	2023	IFRS 2 charge R'000	Fair value of shares granted R'000
AJ König	457 478	706 901	–	(169 436)	994 943	1 752	2 093
LC Kok	317 593	499 362	–	(124 546)	692 409	1 213	1 414
NG Nyawo	155 309	408 498	–	(60 905)	502 902	815	1 216
MJ Ruttell***	183 553	–	(107 073)	(76 480)	–	493	–
Other employees	–	282 229	–	–	282 229	429	900
Total for the year	**1 113 933**	**1 896 990**	**(107 073)**	**(431 367)**	**2 472 483**	**4 702**	**5 623**

*** *MJ Ruttell formed part of the executive committee and met the definition of a "prescribed officer" in terms of the Companies Act until his retirement on 31 January 2023*

19.4 Matching scheme

In terms of the matching share scheme, participants are invited annually to utilise a predetermined percentage of their after-tax bonus to acquire Redefine shares.

Participants holding these shares at the third anniversary of the date of the grant date will be awarded additional Redefine shares, free of consideration, based on a multiple of the original shares linked to the group and individual's performance. Performance conditions are based on growth in recurring distribution per share in relation to peer companies, meeting the approved budgeted distribution per share, and individual performance.

In terms of the Redefine retirement policy, a director or prescribed officer is no longer eligible to participate in the share schemes three years prior to the retirement age of 65.

As the participants will receive shares in settlement of their awards, a share-based payment reserve has been recognised. Vesting of the matching shares will occur in three years from the date of award. The participant will not be entitled to any voting rights or distributions of Redefine prior to the vesting of the matching shares.

Matching share scheme awards are subject to the performance condition.

The fair value of services received in return for the matching share awards has been determined as follows:

- The number of shares expected to vest multiplied by the share price at the date of the award less discounted anticipated future distributions

	2024	2023
Shares expected to vest	–	59 028
Vesting period	3 years	3 years
Average discounted price per share*	2.93	2.93
IFRS 2: *Share-based Payment* expense recognised in administration expenses (R'000)	–	(146)
Weighted average share price at date of vesting	3.53	3.98

* *The future anticipated distributions were adjusted for annual growth of 4.0% and discounted by a distribution yield of 13.7%*

The number of matching shares awarded in terms of the matching share award scheme are:

	2024						
	2023	Granted	Forfeited	Vested	2024	IFRS 2 charge R'000	Value of shares granted R'000
LC Kok	59 028	–	–	(59 028)	–	–	–
Total for the year	**59 028**	**–**	**–**	**(59 028)**	**–**	**–**	**–**

	2023						
	2022	Granted	Forfeited	Vested	2023	IFRS 2 charge R'000	Fair value of shares granted R'000
LC Kok	110 202	–	(32 983)	(18 191)	59 028	(146)	–
Total for the year	**110 202**	**–**	**(32 983)**	**(18 191)**	**59 028**	**(146)**	**–**

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19. SHARE-BASED PAYMENTS continued

19.5 Nil-cost options

Under the staff incentive scheme operated by the group, certain employees are awarded nil-cost options. These awards grant employees a conditional right to receive a number of shares or the cash equivalent at the employee's option against the achievement of specific performance conditions over the performance period, free of any cost. Performance conditions are based on growth in recurring distribution per share in relation to peer companies, meeting the approved budgeted distribution per share, and individual performance. As the participants will receive shares or a cash alternative in settlement of their awards, a share-based payment expense has been recognised.

The participant will not be entitled to any voting rights or distributions of Redefine prior to the vesting of the nil-cost option.

The fair value of services received in return for the nil-cost option award has been determined as follows:

- The number of shares expected to vest multiplied by the share price at the date of the award less discounted anticipated future distributions

	2024	2023
Total nil-cost options	–	–
Vesting period	–	3-8 years
Shares expected to vest*	–	–
Average discounted price per share**	–	–
IFRS 2: *Share-based Payment* expense (R'000) recognised in:	–	(287)
Operating costs (R'000)	–	(354)
Administration expenses (R'000)	–	67

* This was determined by taking into account the performance of the group to date and forecasts to the end of the performance period, against the targets set at the time of the award

** The future anticipated distributions were adjusted for annual growth of 0% and discounted by a distribution yield of 19.49%

The number of share allotted in terms of the award scheme are:

	2024	2023
Opening balance	–	2 571 746
Granted	–	–
Forfeited	–	(1 737 592)
Vested	–	(834 154)
Outstanding nil-cost options granted to employees	**–**	–

At 31 August 2024, the scheme was valued at Rnil.

19.6 LTIP (performance awards)

The performance awards under the LTIP, which awards employees with a conditional right to receive shares in Redefine against the achievement of specific performance conditions, free of any cost, is operated by the group. As the participants will receive shares in settlement of their awards, a share-based payment expense has been recognised. In terms of the LTIP, a conditional right to a share is awarded to employees subject to the satisfaction of performance conditions over the performance period and the service condition over the vesting period. Participants will not be entitled to any voting rights or distributions of Redefine prior to the vesting of the shares. Full-time employees at Paterson grading level F-upper to D-upper (executive and senior management) are eligible to participate. The fair value of services received in return for the conditional share awards has been determined as follows:

- The number of shares expected to vest multiplied by the share price at the date of the award less discounted anticipated future distributions

These participants will not be entitled to any voting rights or distributions of Redefine prior to the vesting of shares. The number of performance awards allotted in terms of the LTIP are:

	2024	2023
Total LTIP (performance option)	15 513 835	9 710 754
Vesting period	3 years	3 years
Shares expected to vest*	15 513 835	9 710 754
Average discounted price per share**	2.90	3.34
IFRS 2: *Share-based Payment* expense (R'000) recognised in:	16 331	10 345
Operating costs (R'000)	6 750	4 943
Administration expenses (R'000)	9 581	5 402
Fair value of shares granted (R'000)	19 946	14 960

* This was determined by taking into account the performance of the group to date and forecasts to the end of the performance period, against the targets set at the time of the award

** The future anticipated distributions were adjusted for annual growth of 0% and discounted by a distribution yield of between 9.14% and 11.84%

The number of shares allotted in terms of the award scheme are:

	2024	2023
Opening balance	9 710 754	5 524 343
Granted	8 345 573	4 186 411
Forfeited	–	–
Vested	(2 542 492)	–
Outstanding LTIP performance granted to employees	**15 513 835**	**9 710 754**

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19. SHARE-BASED PAYMENTS continued

19.7 Conditional awards

These awards afford recipient employees a conditional right to receive cash settlement of the market value of the number of shares awarded against the achievement of specific performance conditions. Performance conditions are based on growth in recurring distribution per share in relation to peer companies, meeting the approved budgeted distribution per share, and individual performance. As it is anticipated that the participants will receive a cash settlement of their awards, a share-based payment expense has been recognised.

In terms of the staff incentive share scheme, a conditional right to the cash settlement is awarded to employees subject to the satisfaction of performance conditions over the vesting period.

The participant will not be entitled to any voting rights or distributions.

The fair value of services received in return for the conditional awards has been determined as follows:

- The number of shares expected to vest multiplied by the share price at the date of the award less discounted anticipated future distributions

The number of shares allotted in terms of the award scheme are:

	2024	2023
Total conditional shares	–	–
Vesting period	–	3 years
Shares expected to vest*	–	–
Average discounted price per share**	–	–
IFRS 2: *Share-based Payment* expense (R'000) recognised in:	–	(2 663)
Operating costs (R'000)	–	(2 222)
Administration expenses (R'000)	–	(441)

* Taking into account the performance of the group to date and forecasts to the end of the performance period, against the targets set at the time of the award

** The future anticipated distributions were adjusted for annual growth of 0% and discounted by a distribution yield of 19.49%

	2024	2023
Opening balance	–	1 768 557
Granted	–	–
Forfeited	–	(1 265 381)
Vested	–	(503 176)
Outstanding conditional awards granted to employees	**–**	–

At 31 August 2024, the scheme was valued at Rnil.

19.8 The Redefine Empowerment Trust

The shareholders of Redefine approved the restructure of the Redefine Empowerment Trust, effective October 2023. The salient terms of the restructure are as follows:

Redefine will make a capital contribution to the Empowerment Trust, the quantum of which will be such that the original loan will be reduced to an amount equal to 95% of the value of the Redefine shares immediately preceding the first business day following the date that all the suspensive conditions are fulfilled:

- The capital contribution will be set off against the obligation of the Empowerment Trust to make an equal payment to Redefine in respect of the original loan
- Interest will accrue on the rebased loan at the lower of:
  - The South African prime rate plus 25 basis points
  - 90% of the after-tax dividend received on the shares
- The rebased loan will be repaid over nine years, ending in 2031

At 31 August 2024, the Redefine Empowerment Trust met the first and second capital repayment hurdle requirements. As such, the Redefine Empowerment Trust was required to sell as many shares as necessary to settle 22.5% of its loan with Redefine, which amounted to R227.0 million. The Redefine Empowerment Trust granted Redefine the irrevocable right to sell the shares on its behalf so as to settle the capital repayment amount. In October 2024, 45 469 991 shares were sold at a price of R5.0 per share. As a result, the treasury shares in Redefine will decrease by 45 469 991 shares to 254 530 009 in the 2025 financial year.

	COMPANY	
	2024	2023
Number of encumbered shares held by the Empowerment Trust	300 000 000	300 000 000

Refer to note 17: Share-based payment reserve for the share option relating the encumbered shares held by the Empowerment Trust.

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20. INTEREST-BEARING BORROWINGS

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Loans – held at amortised cost	20.1	20 892 305	20 538 554	11 927 186	10 781 966
Secured		19 898 817	19 531 255	10 933 698	9 774 667
Unsecured		993 488	1 007 299	993 488	1 007 299
Bonds – held at amortised cost	20.2	21 934 000	19 509 000	21 934 000	19 509 000
Secured		12 436 000	11 646 000	12 436 000	11 646 000
Unsecured		9 498 000	7 863 000	9 498 000	7 863 000
Capitalised fees		(97 174)	(86 409)	(61 820)	(35 145)
Balance at end of year		**42 729 131**	39 961 145	**33 799 366**	30 255 821
Non-current					
Loans – held at amortised cost		19 488 195	17 927 397	10 756 194	8 418 405
Bonds – held at amortised cost		21 580 000	16 416 000	21 580 000	16 416 000
Capitalised fees		(79 283)	(74 229)	(44 040)	(22 964)
Balance at end of year		**40 988 912**	34 269 168	**32 292 154**	24 811 441
Current					
Loans – held at amortised cost		1 404 110	2 611 157	1 170 992	2 363 561
Bonds – held at amortised cost		354 000	3 093 000	354 000	3 093 000
Capitalised fees		(17 891)	(12 180)	(17 780)	(12 181)
Balance at end of year		**1 740 219**	5 691 977	**1 507 212**	5 444 380

Average cost of debt and hedging

The average cost of rand-denominated funding is 9.2% (2023: 9.4%). 85.9% (2023: 86.7%) of local borrowings are hedged against interest rates movements for an average period of 1.0 years (2023: 1.3 years). Including foreign currency debt and derivatives, the average cost of total group borrowing is 7.5% (2023: 7.1%), which is hedged at 78.9% (2023: 77.1%) for an average period of 1.3 years (2023: 1.8 years).

Secured borrowings

Group interest-bearing borrowings have been secured by mortgage loans over investment property to the value of R66.4 billion (2023: R64.0 billion). Company interest-bearing borrowings have been secured by mortgage loans over investment property to the value of R22.1 billion (2023: R22.8 billion).

Undrawn facilities

Total group and company undrawn facilities at year end amounted to R4.3 billion (2023: R4.7 billion).

Debt covenants

Financial covenant reporting is required by lenders within 90 days of each reporting period. Debt covenant projections are proactively monitored to manage and remedy any potential breaches. The corporate interest cover ratio (ICR) covenant was temporarily relaxed from 2.0x to 1.75x effective from 31 August 2024 to 31 August 2026 (inclusive of both dates) to prudently create additional headroom to covenant to absorb the potential impact of higher base rate funding costs over the short term. The revised covenants are legally enforceable and are effective at year end. As of 31 August 2024, there was no breach of covenant levels.

Johannesburg Interbank Average Rate (JIBAR)

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates with alternative risk-free rates to improve market efficiency and mitigate systemic risk across financial markets. In early November 2023, the SARB designated ZARONIA as the successor rate to replace JIBAR. The South African Reserve Bank has indicated that the transition from JIBAR to ZARONIA is a multi-year initiative and has not yet communicated a cessation date for JIBAR, but implementation is anticipated to be complete by 2026. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the group, and JIBAR remains the acceptable reference rate until the SARB communicates the date on which JIBAR will cease. The SARB has not yet communicated how the transition to ZARONIA and discontinuation of JIBAR will impact notes in issue. For purposes of funding agreements that are administratively challenging to amend, legislation may be passed to effect the change from JIBAR to ZARONIA. The SARB is still to provide guidance in this regard.

20.1. Loans

Facility end date	Interest rate (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Variable rate loans – South African rand					
Secured ZAR loans					
30 April 2024	3m JIBAR +1.58	–	500 000	–	500 000
1 July 2024	3m JIBAR +1.80	–	500 000	–	500 000
30 September 2024*	3m JIBAR +1.60	–	500 000	–	500 000
1 July 2025	3m JIBAR +1.95	–	500 000	–	500 000
26 February 2026	Prime -1.80	810 092	–	810 092	–
11 August 2026	3m JIBAR +2.25	392 000	392 000	392 000	392 000
31 August 2026	3m JIBAR +1.79	1 119 452	1 119 452	1 119 452	1 119 452
22 May 2027	3m JIBAR +1.35	500 000	–	500 000	–
30 August 2027	3m JIBAR +2.10	335 249	335 249	335 249	335 249
31 August 2027	3m JIBAR +1.95	1 119 452	1 119 452	1 119 452	1 119 452
14 December 2027	3m JIBAR +1.40	1 000 000	–	1 000 000	–
30 August 2028	3m JIBAR +2.20	335 249	335 249	335 249	335 249
31 August 2028	3m JIBAR +2.14	700 000	700 000	700 000	700 000
14 December 2028	3m JIBAR +1.50	700 000	–	700 000	–
22 May 2029	3m JIBAR +1.55	500 000	–	500 000	–
24 June 2029	3m JIBAR +2.30	550 000	550 000	550 000	550 000
31 August 2029	3m JIBAR +2.23	700 000	700 000	700 000	700 000
2 May 2031	3m JIBAR +1.65	223 000	–	223 000	–
Unsecured ZAR loans					
31 August 2025	3m JIBAR +2.14	640 000	640 000	640 000	640 000
Total variable rate loans – South Africa		**9 624 495**	7 891 402	**9 624 495**	7 891 402

* *Early settled during FY24*

Notes to the *financial statements* continued

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20. INTEREST-BEARING BORROWINGS continued

20.1. Loans continued

Facility end date	Interest rate (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Variable rate loans – foreign currency					
Secured EUR loans		**10 721 994**	12 074 469	**1 771 699**	2 336 124
18 September 2024	3m EURIBOR +2.30	–	1 363 561	–	1 363 561
31 August 2026	3m EURIBOR +2.63	935 992	972 563	935 992	972 563
7 March 2027	3m EURIBOR +2.75	747 221	792 762	–	–
22 May 2027	3m EURIBOR +1.95	835 707	–	835 707	–
30 September 2027	3m EURIBOR +2.90	–	199 723	–	–
9 September 2027	3m EURIBOR +2.51	5 127 789	5 439 146	–	–
30 June 2028	3m EURIBOR +2.66	866 579	923 526	–	–
31 July 2028	3m EURIBOR +2.46	2 208 706	2 383 188	–	–
Unsecured EUR loans		**353 488**	367 299	**353 488**	367 299
31 August 2025	3m EURIBOR +2.78	353 488	367 299	353 488	367 299
Secured PLN loans		**14 824**	18 243	**–**	–
31 March 2028	1m WIBOR +2.10	3 007	3 835	–	–
25 April 2028	1m WIBOR +2.00	2 072	3 539	–	–
25 April 2028	1m WIBOR +2.10	2 787	2 629	–	–
28 December 2029	1m WIBOR +1.80	6 958	8 240	–	–
Secured USD loans		**177 504**	187 141	**177 504**	187 141
31 August 2025	SOFR +2.70	177 504	187 141	177 504	187 141
Total variable rate loans – foreign currency		**11 267 809**	12 647 152	**2 302 691**	2 890 564
Total variable rate loans		**20 892 304**	20 538 554	**11 927 186**	10 781 966

20.2. Variable rate bonds – South Africa

Bond code	Original bond tenture	Capital repayment date	Interest rate (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Unsecured listed bonds				**9 498 000**	7 863 000	**9 498 000**	7 863 000
RDFB15*	Five-year	5 December 2023	3m JIBAR +1.60	–	646 000	–	646 000
RDFB17*	Five-year	11 February 2024	3m JIBAR +1.55	–	374 000	–	374 000
RDFB20*	Five-year	22 March 2024	3m JIBAR +1.55	–	208 000	–	208 000
RDFB27*	Three-year	24 July 2024	3m JIBAR +2.00	–	1 000 000	–	1 000 000
RDFB24*	Five-year	22 August 2024	3m JIBAR +1.65	–	630 000	–	630 000
RDFB26	Five-year	28 November 2024	3m JIBAR +1.65	299 000	299 000	299 000	299 000
RDFG01	Three-year	21 September 2025	3m JIBAR +1.55	144 000	144 000	144 000	144 000
RDFG05*	Three-year	9 December 2025	3m JIBAR +1.64	–	850 000	–	850 000
RDFB18	Seven-year	11 February 2026	3m JIBAR +1.75	382 000	382 000	382 000	382 000
RDFB21	Seven-year	22 March 2026	3m JIBAR +1.80	170 000	170 000	170 000	170 000
RDFG07	Three-year	24 August 2026	3m JIBAR +1.44	247 000	247 000	247 000	247 000
RDFG10	Three-year	29 November 2026	3m JIBAR +1.40	850 000	–	850 000	–
RDFG06*	Four-year	9 December 2026	3m JIBAR +1.72	–	800 000	–	800 000
RDFB30	Three-year	4 April 2027	3m JIBAR +1.35	533 000	–	533 000	–
RDFB31	Three-year	23 May 2027	3m JIBAR +1.30	260 000	–	260 000	–
RDFB34	Three-year	22 August 2027	3m JIBAR +1.27	415 000	–	415 000	–
RDFG02	Five-year	21 September 2027	3m JIBAR +1.68	514 000	514 000	514 000	514 000
RDFG11	Four-year	29 November 2027	3m JIBAR +1.45	800 000	–	800 000	–
RDFG08	Five-year	24 August 2028	3m JIBAR +1.60	332 000	332 000	332 000	332 000
RDFG12	Five-year	30 November 2028	3m JIBAR +1.49	800 000	–	800 000	–
RDFB28	Five-year	14 March 2029	3m JIBAR +1.49	377 000	–	377 000	–
RDFG13	Five-year	16 May 2029	3m JIBAR +1.49	500 000	–	500 000	–
RDFB32	Five-year	23 May 2029	3m JIBAR +1.49	200 000	–	200 000	–
RDFB35	Five-year	22 August 2029	3m JIBAR +1.45	135 000	–	135 000	–
RDFG03	Seven-year	21 September 2029	3m JIBAR +2.00	342 000	342 000	342 000	342 000
RDFG09	Seven-year	24 August 2030	3m JIBAR +1.70	425 000	425 000	425 000	425 000
RDFB29	Seven-year	14 March 2031	3m JIBAR +1.65	404 000	–	404 000	–
RDFB33	Seven-year	23 May 2031	3m JIBAR +1.65	519 000	–	519 000	–
RDFB36	Seven-year	22 August 2031	3m JIBAR +1.65	350 000	–	350 000	–
RDFG04	10-year	21 September 2032	3m JIBAR +2.30	500 000	500 000	500 000	500 000
Secured unlisted bonds				**12 436 000**	11 646 000	**12 436 000**	11 646 000
RDF31U*	Three-year	31 August 2024	3m JIBAR +1.95	–	235 000	–	235 000
RDF34U	Three-year	24 August 2025	3m JIBAR +1.63	55 000	255 000	55 000	255 000
RDF38U*	Three-year	30 August 2025	3m JIBAR +1.75	–	250 000	–	250 000
RDF19U*	Six-year	30 August 2025	3m JIBAR +1.85	–	380 000	–	380 000
RDF32U*	Four-year	31 August 2025	3m JIBAR +2.10	–	937 000	–	937 000
RDF18U*	Seven-year	13 April 2026	3m JIBAR +1.70	–	–	–	–
RDF39U*	Four-year	30 August 2025	3m JIBAR +1.85	–	300 000	–	300 000
RDF16U*	Eight-year	30 August 2026	3m JIBAR +2.05	–	500 000	–	500 000
RDF33U*	Five-year	31 August 2026	3m JIBAR +2.25	–	1 500 000	–	1 500 000
RDF45U	Three-year	29 November 2026	3m JIBAR +1.40	250 000	–	250 000	–
RDF50U	Three-year	17 May 2027	3m JIBAR +1.50	2 035 123	–	2 035 123	–
RDF35U	Five-year	24 August 2027	3m JIBAR +1.93	60 340	2 557 000	60 340	2 557 000
RDF40U*	Five-year	30 August 2027	3m JIBAR +1.95	–	810 000	–	810 000
RDF43U*	Four-year	29 November 2027	3m JIBAR +1.35	600 000	–	600 000	–
RDF46U	Four-year	29 November 2027	3m JIBAR +1.45	300 000	–	300 000	–
RDF41U*	Six-year	30 August 2028	3m JIBAR +2.10	–	700 000	–	700 000
RDF51U	Five-year	17 May 2029	3m JIBAR +1.65	4 445 662	–	4 445 662	–
RDF36U*	Seven-year	24 August 2029	3m JIBAR +2.23	–	1 597 000	–	1 597 000
RDF42U*	Seven-year	30 August 2029	3m JIBAR +2.20	–	1 000 000	–	1 000 000
RDF44U	Six-year	29 November 2029	3m JIBAR +1.45	600 000	–	600 000	–
RDF47U	Six-year	29 November 2029	3m JIBAR +1.55	400 000	–	400 000	–
RDF48U	Six-year	29 November 2029	3m JIBAR +1.55	700 000	–	700 000	–
RDF52U	Six-year	17 May 2030	3m JIBAR +1.72	1 989 875	–	1989875	–
RDF37U*	Eight-year	24 August 2030	3m JIBAR +2.38	–	625 000	–	625 000
RDF49U	Seven-year	29 November 2030	3m JIBAR +1.60	1 000 000	–	1 000 000	–
Total variable rate bonds – South Africa				**21 934 000**	19 509 000	**21 934 000**	19 509 000

* *Early settled during FY24*

Notes to the *financial statements* continued

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21. DERIVATIVE ASSETS/(LIABILITIES)

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Cross-currency interest rate swaps	21.1	(39 239)	(1 054 480)	(39 239)	(1 054 480)
Interest rate swaps	21.2	10 648	429 670	17 238	245 531
Forward exchange contracts		120 815	133 145	120 815	133 145
Put option (shares)		–	(26 083)	–	(26 083)
Balance at end of year		**92 224**	**(517 748)**	**98 814**	**(701 887)**
Non-current assets		133 219	412 868	83 756	222 903
Current assets		267 001	215 431	267 001	213 670
Non-current liabilities		(103 580)	(281 731)	(47 527)	(274 142)
Current liabilities		(204 416)	(864 316)	(204 416)	(864 318)
Balance at end of year		**92 224**	**(517 748)**	**98 814**	**(701 887)**

A significant portion of the foreign currency exposure on income has been economically hedged. Refer to note 53: Financial risk management for further detail.

Redefine has entered into a number of cross-currency interest rate swaps, which are used to transform rand borrowings into synthetic foreign currency borrowings. This is achieved by swapping interest during the derivative contract and exchanging the currency principal amounts at maturity on a net basis settled in rand. This is used to fund Redefine's foreign investments with an interest rate relative to the investment's local funding environment.

Redefine issued a put option (shares) to RMBIA, whereby RMBIA has the right to sell its shares in MOTS to Redefine for an amount that equals the put option (shares) exercise price. The option was exercised in December 2023. Refer to note 23: Insurance contract liability.

21.1 Cross-currency interest rate swaps

Maturity	EUR nominal value (EUR'000)	EUR rate (%)	ZAR nominal value (ZAR'000)	ZA rate (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Secured cross-currency swaps								
10 October 2023	45 000	1.89	765 113	3m JIBAR +1.70	–	(151 884)	–	(151 884)
22 January 2024	64 922	1.89	1 014 735	3m JIBAR +1.65	–	(286 019)	–	(286 019)
2 April 2024	35 000	1.89	577 500	3m JIBAR +1.60	–	(119 579)	–	(119 579)
31 May 2024	65 000	1.89	1 035 450	3m JIBAR +1.60	–	(262 009)	–	(262 009)
13 September 2024	32 000	1.4	518 080	3m JIBAR +1.60	(101 252)	(106 065)	(101 252)	(106 065)
13 September 2024	800	1.4	12 952	3m JIBAR +1.60	(2 531)	(2 652)	(2 531)	(2 652)
9 December 2024	58 000	6m EURIBOR +1.63	1 053 860	3m JIBAR +1.80	(73 412)	(127 135)	(73 412)	(127 135)
5 February 2025	65 000	4.83	1 313 000	3m JIBAR +1.75	42 705	–	42 705	–
17 June 2025	32 500	5.19	647 400	3m JIBAR +1.70	12 922	–	12 922	–
14 July 2025	50 300	3m EURIBOR +1.75	1 022 599	3m JIBAR +1.31	44 307	863	44 307	863
17 October 2025	45 000	5.07	892 823	3m JIBAR +1.75	7 772	–	7 772	–
7 April 2026	35 000	4.57	707 735	3m JIBAR +1.70	22 330	–	22 330	–
15 June 2026	32 500	4.97	648 375	3m JIBAR +1.70	7 919	–	7 919	–
Total cross-currency interest rate swaps					**(39 239)**	**(1 054 480)**	**(39 239)**	**(1 054 480)**

Notes to the *financial statements* continued

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21. DERIVATIVE ASSETS/(LIABILITIES) continued

21.2 Interest rate swaps

Maturity	ZAR nominal value (ZAR'000)	Rate (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
ZAR interest rate swaps						
Secured ZAR interest rate swaps						
8 September 2023	300 000	5.85	–	1 988	–	1 988
30 January 2024	250 000	7.65	–	945	–	945
8 February 2024	500 000	7.53	–	2 061	–	2 061
13 February 2024	250 000	7.60	–	925	–	925
13 February 2024	250 000	7.60	–	924	–	924
22 February 2024	500 000	7.60	–	1 828	–	1 828
15 March 2024	400 000	6.21	–	6 356	–	6 356
15 March 2024	350 000	7.42	–	2 457	–	2 457
15 March 2024	350 000	6.66	–	4 407	–	4 407
4 April 2024	700 000	7.48	–	4 725	–	4 725
30 May 2024	250 000	7.29	–	1 824	–	1 824
14 June 2024	650 000	7.30	–	6 591	–	6 591
2 August 2024	250 000	7.15	–	2 684	–	2 684
2 August 2024	250 000	7.15	–	2 734	–	2 734
21 August 2024	250 000	6.98	–	2 999	–	2 999
27 August 2024	250 000	6.93	–	3 078	–	3 078
29 August 2024	500 000	8.53	–	(183)	–	(183)
30 August 2024	250 000	6.89	–	3 155	–	3 155
9 September 2024	250 000	5.90	1 519	7 165	1 519	7 165
9 September 2024	250 000	5.90	1 519	7 165	1 519	7 165
23 September 2024	350 000	5.92	2 110	9 881	2 110	9 881
23 September 2024	350 000	5.92	2 110	9 881	2 110	9 881
26 September 2024	700 000	6.29	3 614	16 571	3 614	16 571
16 January 2025	500 000	6.95	3 029	8 087	3 029	8 087
30 January 2025	250 000	6.85	1 534	4 539	1 534	4 539
8 February 2025	500 000	6.90	2 822	8 494	2 822	8 494
28 February 2025	500 000	8.28	(837)	–	(837)	–
8 March 2025	500 000	8.19	(498)	–	(498)	–
19 July 2025	250 000	8.34	(1 421)	(1 510)	(1 421)	(1 510)
29 July 2025	500 000	6.77	4 590	11 272	4 590	11 272
29 July 2025	500 000	6.82	4 374	10 856	4 374	10 856
22 August 2025	500 000	7.57	142	–	142	–
25 August 2025	500 000	7.57	149	–	149	–
29 August 2025	250 000	7.96	(1 804)	(74)	(1 804)	(74)
29 August 2025	500 000	8.02	(2 066)	(575)	(2 066)	(575)
29 August 2025	250 000	8.03	(1 078)	(361)	(1 078)	(361)
1 September 2025	500 000	6.88	5 083	11 937	5 083	11 937
1 September 2025	500 000	6.87	5 183	12 405	5 183	12 403
5 September 2025	700 000	6.57	9 740	21 104	9 740	21 104
3 November 2025	300 000	8.08	(1 900)	–	(1 900)	–
15 November 2025	250 000	7.89	(1 138)	–	(1 138)	–
1 December 2025	500 000	7.85	(1 237)	2 399	(1 237)	2 399
1 December 2025	500 000	7.80	(1 344)	2 226	(1 344)	2 226
28 February 2026	500 000	8.09	(4 969)	–	(4 969)	–
6 March 2026	500 000	8.01	(4 016)	–	(4 016)	–
7 March 2026	500 000	8.01	(4 139)	–	(4 139)	–
20 June 2026	500 000	7.86	(3 931)	–	(3 931)	–
17 July 2026	500 000	7.66	(2 485)	–	(2 485)	–
17 July 2026	500 000	7.91	(780)	–	(780)	–
18 July 2026	500 000	7.63	(2 267)	–	(2 267)	–
20 July 2026	500 000	7.63	(2 359)	(2 003)	(2 359)	(2 003)
20 July 2026	250 000	8.20	(3 982)	–	(3 982)	–
26 July 2026	500 000	7.56	(1 759)	–	(1 759)	–
27 July 2026	500 000	7.62	(2 396)	–	(2 396)	–
30 July 2026	500 000	7.53	(1 591)	–	(1 591)	–
29 August 2026	500 000	7.25	478	–	478	–
15 March 2027	400 000	7.49	(983)	6 698	(983)	6 698
Unsecured ZAR interest rate swaps						
20 December 2024	500 000	7.00	2 892	8 366	2 892	8 366
16 January 2025	500 000	6.80	3 210	9 246	3 210	9 246
28 January 2025	500 000	7.00	2 811	8 595	2 811	8 595
1 September 2025	500 000	6.82	5 477	11 829	5 477	11 829
19 February 2026	500 000	6.86	3 892	11 842	3 892	11 842
21 August 2026	500 000	7.35	(60)	–	(60)	–
Total interest rate swaps – South Africa			**17 238**	245 533	**17 238**	245 531

Maturity	EUR nominal value (EUR'000)	Rate (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Secured EUR interest rate swaps						
5 March 2027	19 400	0.83	14 919	29 708	–	–
5 March 2027	19 400	0.93	14 038	28 574	–	–
9 September 2027	50 608	2.27	4 872	31 343	–	–
9 September 2027	42 983	2.27	4 143	26 621	–	–
9 September 2027	28 790	2.27	2 786	17 753	–	–
9 September 2027	24 452	2.27	2 369	15 078	–	–
9 September 2027	35 761	2.27	3 412	22 089	–	–
9 September 2027	30 372	2.27	2 923	18 772	–	–
9 September 2027	4 888	3.08	–	29	–	–
30 June 2028	16 950	3.28	(10 033)	(3 810)	–	–
30 June 2028	16 950	3.28	(9 927)	(3 781)	–	–
31 July 2028	26 244	3.00	(10 828)	528	–	–
31 July 2028	20 120	3.00	(8 301)	405	–	–
31 July 2028	20 120	3.00	(8 301)	405	–	–
31 July 2028	20 995	3.00	(8 662)	423	–	–
Total interest rate swaps – EUR			**(6 590)**	184 137	**–**	–
Total interest rate swaps			**10 648**	429 670	**17 238**	245 531

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21. DERIVATIVE ASSETS/(LIABILITIES) continued

21.3 Foreign exchange contracts

Maturity	ZAR Nominal value (ZAR'000)	ZAR/ EUR rate	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Secured foreign exchange contracts						
13 September 2023	2 500	23.90	–	8 265	–	8 265
15 September 2023	2 500	23.31	–	6 798	–	6 798
29 September 2023	2 500	22.68	–	3 958	–	3 958
5 October 2023	2 000	25.09	–	9 148	–	9 148
13 March 2024	2 500	24.97	–	9 257	–	9 257
13 March 2024	2 500	23.76	–	6 351	–	6 351
13 March 2024	2 500	23.62	–	6 022	–	6 022
13 March 2024	2 500	23.56	–	5 873	–	5 873
13 March 2024	2 500	23.47	–	5 666	–	5 666
13 March 2024	2 500	23.21	–	5 049	–	5 049
13 March 2024	7 500	22.62	–	10 883	–	10 883
15 March 2024	2 500	24.33	–	7 730	–	7 730
28 March 2024	2 500	23.58	–	6 187	–	6 187
28 August 2024	5 000	22.55	–	4 545	–	4 545
28 August 2024	2 500	19.90	–	(3 831)	–	(3 831)
28 August 2024	5 000	21.98	–	2 697	–	2 697
28 August 2024	1 500	20.65	–	(1 041)	–	(1 041)
28 August 2024	1 500	20.47	–	(858)	–	-858
13 September 2024	32 800	19.69	(1 910)	–	(1 910)	–
30 September 2024	2 500	22.68	12 123	–	12 123	–
30 September 2024	2 500	24.56	–	8 637	–	8 637
27 August 2025	5 000	23.27	12 591	3 384	12 591	3 384
27 August 2025	1 000	21.46	835	(869)	835	(869)
27 August 2025	1 500	21.67	1 537	(1 043)	1 537	(1 043)
27 August 2026	5 000	24.77	13 867	4 065	13 867	4 065
27 August 2026	5 000	23.61	8 843	(505)	8 843	(505)
27 August 2026	2 500	23.37	3 894	(732)	3 894	(732)
Unsecured foreign exchange contracts						
12 September 2024	2 500	26.33	16 562	10 835	16 562	10 835
12 March 2025	2 500	27.68	18 113	12 299	18 113	12 299
27 August 2025	5 000	21.05	2 235	(6 864)	2 235	(6 864)
28 August 2025	5 000	23.85	15 250	5 124	15 250	5 124
28 August 2026	5 000	25.47	16 876	6 116	16 876	6 116
Foreign exchange contracts			**120 816**	**133 145**	**120 816**	**133 145**

22. OTHER FINANCIAL LIABILITIES

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Staff incentive schemes – cash awards	22.1	67 091	69 157	31 564	28 681
Rental and earnings guarantee		6 632	6 632	6 632	6 632
Loan from Henderson		12 968	12 969	–	–
ELI carry payment	22.2	185 277	279 189	–	–
Balance at end of year		**271 968**	**367 947**	**38 196**	**35 313**
Non-current					
Staff incentive schemes – cash awards		50 131	53 252	14 604	12 776
Loan from Henderson		12 968	12 969	–	–
ELI carry payment		–	279 189	–	–
Balance at end of year		**63 099**	**345 410**	**14 604**	**12 776**
Current					
Staff incentive schemes – cash awards		16 960	15 905	16 960	15 905
Rental and earnings guarantee		6 632	6 632	6 632	6 632
ELI carry payment		185 277	–	–	–
Balance at end of year		**208 869**	**22 537**	**23 592**	**22 537**

22.1 Cash awards

In terms of the staff incentive scheme, a conditional right to a cash award is awarded to certain employees subject to performance and vesting conditions. These cash awards give employees a right to receive a cash bonus against the achievement of specific performance conditions. As it is anticipated that the participants will receive a cash settlement of their awards, an IAS 19: *Employee Benefits* expense has been recognised.

	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Opening balance	69 157	47 988	28 681	16 323
Current service movement	(2 066)	21 169	2 883	12 358
Balance at end of year	**67 091**	**69 157**	**31 564**	**28 681**

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for the year ended 31 August 2024

22. OTHER FINANCIAL LIABILITIES continued

22.2 ELI carry payment

Redefine Europe and Griffin Capital Partners sp. z o.o. (Griffin) entered into a co-investment agreement on 13 July 2018 to invest in ELI and explore a logistics platform opportunity in Poland. The original investors also entered into a carry agreement, which dictates that a carry payment is payable as consideration for the intermediation services provided by Griffin to enable Redefine Europe to acquire the shares in ELI.

During the 2020 financial year, Redefine Europe agreed to sell 48.5% of its shares in ELI to Madison and Griffin and entered into a new shareholders agreement. Simultaneously, Redefine Europe and Griffin also entered into a new carry agreement, with the terms of the agreement remaining unchanged.

The carry payment is equal to a percentage of the net cash returns received from ELI by Redefine Europe. The amount payable is dependent on the calculated internal rate of return exceeding certain hurdle rates, based on the actual cash invested and received from ELI by Redefine Europe. The carry payment was payable on the earlier of i) 13 July 2022 or 13 July 2023 (at the election of Griffin) or ii) Redefine Europe's exit from its investment in ELI.

Griffin elected to receive payment in accordance with the carry agreement and on 12 July 2022, Redefine Europe and Griffin entered into an amendment to the carry agreement. The annex stipulated that 57% of the carry payment, calculated as at 30 June 2022 in accordance with the original carry agreement, would be payable by 30 November 2022.

The remaining carry payment will be payable in February 2025. The carry payment will be recalculated in accordance with the agreement and the payment made on 30 November 2022 will be deducted to determine the remaining payment.

At 31 August 2024, a financial liability was recognised for the remaining carry payment.

23. INSURANCE CONTRACT LIABILITY

	GROUP		COMPANY	
Figures in R'000	2024	2023	2024	2023
Opening balance	38 517	119 476	38 517	119 476
Changes in the insurance contract liability	(38 517)	(80 959)	(38 517)	(80 959)
Balance at end of year	**–**	**38 517**	**–**	**38 517**

Redefine, RMB Investments and Advisory Proprietary Limited (RMBIA), FirstRand Bank Limited and MOTS entered into a placement and underwrite agreement:

During the tenor of the facilities, RMBIA (through RMB as advisor to RMBIA) and Redefine (the agents), acting jointly, marketed the shares and claims in MOTS to potential third-party acquirers.

To the extent that the shares and claims in MOTS are disposed of to a third party for an amount that is less than the aggregate of the put option (claims) exercise price, put option (shares) exercise price, and the Redefine sale price (aggregate sale price) described below, Redefine would be liable to pay the sellers the shortfall. The shortfall is defined as an amount equal to the aggregate sale price less the net disposal proceeds less any applicable taxes and costs incurred or to be incurred (net disposal proceeds), received in disposing of such shares and claims MOTS.

Redefine (the insurer) accepted insurance risk from RMBIA (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (namely the sale of MOTS at less than the aggregate sales price) adversely affects the policyholder. RMBIA would have suffered a loss if MOTS was sold at less than either the outstanding facility or at less than the NAV of MOTS. The underwrite agreement was considered an insurance contract within the scope of IFRS 4: *Insurance Contracts*.

The insurance liability contract was estimated as the difference between the aggregate sales price and the net disposal proceeds (shortfall). The net disposal proceeds were determined with reference to the fair value of MOTS.

In addition, Redefine and RMBIA entered into a put option agreement, in terms of which Redefine issued a put option to RMBIA whereby RMBIA could put the shares owned by it in the MOTS to Redefine and Redefine would be obliged to purchase the shares. In terms of the agreement, RMBIA has the right to sell its shares in MOTS to Redefine for an amount that equals the put option (shares) exercise price.

RMBIA exercised their option effective 1 December 2023, thereby requiring Redefine to buy RMBIA's 80% shareholding. Redefine acquired RMBIA's 80% shareholding in MOTS, such that Redefine now holds 100% of the shares in MOTS. Refer to note 7: Investment in joint ventures and note 48.2: Acquisition of a controlling interest in subsidiaries.

The effective date of the acquisition of the 80% shareholding from RMBIA was determined to be 1 December 2023, resulting in the derecognition of the insurance contract liability, with MOTS now consolidated into the group.

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for the year ended 31 August 2024

24. DEFERRED TAXATION

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Deferred taxation asset	(46 189)	(25 196)	–	–
Deferred taxation liability	2 047 412	2 022 064	381 269	337 763
Net deferred tax liability at end of year	**2 001 223**	**1 996 868**	**381 269**	**337 763**
Capital allowances	842 833	728 944	381 269	337 763
Tax amortisation of investment properties	776 579	833 329	–	–
Fair value gain/(loss) on investment properties	(1 198)	18 123	–	–
Foreign exchange translation reserve	345 944	290 706	–	–
Foreign exchange gain	(35 878)	9 971	–	
Assessed loss recognised	11 100	11 100	–	–
Bank loans valuations	119 616	97 315	–	–
Other	(57 772)	7 380	–	–
Balance at end of year	**2 001 223**	**1 996 868**	**381 269**	**337 763**
Movement for the year				
Balance at beginning of year	1 996 868	1 656 502	337 763	300 187
Arising from acquisition of subsidiary	23 222	–	–	–
Adjustment of prior year deferred taxation	(5 910)	–	(5 910)	–
Capital allowances	96 576	82 064	49 416	37 576
Tax amortisation of IP	(56 750)	(135 287)	–	–
Fair value gain on IP	(19 321)	2 086	–	–
Assessed loss recognised	–	11 100	–	–
Bank loans valuations	22 301	97 315	–	–
Foreign exchange gain	(45 849)	–	–	–
Foreign exchange translation reserve (FCTR)	55 238	275 707	–	–
Other	(65 150)	7 380	–	–
Balance at end of year	**2 001 223**	**1 996 868**	**381 269**	**337 763**

A deferred taxation asset is recognised for assessed losses to the extent that it is probable that taxable profit will be available against which the assessed losses can be utilised.

Local

In South Africa, capital gains taxation is not applicable on the sale of investment property and shares in a REIT or property company, in terms of Section 25BB of the Income Tax Act applicable to REITs. Consequently, no deferred tax was raised on the fair value adjustments recognised in respect of investment property.

Allowances relating to immovable property can no longer be claimed, and if a REIT sells immovable property, the allowances claimed in previous years will be recouped. A deferred taxation liability was raised in this respect.

Section 25BB of the Income Tax Act allows for the deduction of the qualifying distributions paid to the shareholders, but the deduction is limited to the taxable income. To the extent that no taxation will be payable in future as a result of the qualifying distribution, no deferred taxation was raised on items such as the straight-line lease income accrual.

International

Deferred tax liability relates to the difference between the book value, which is fair value, and tax value of investment properties held by EPP and Self Storage investments. This is on a basis that should the fair value of the investment properties be higher than the tax value on the date of sale, this will result in a tax payable raised at 19% corporate income tax applicable in Poland.

25. TRADE AND OTHER PAYABLES

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Trade payables	99 925	105 493	14 256	24 501
Accrued expenses	730 085	552 783	284 052	277 316
Tenant deposits	450 627	413 939	205 282	183 159
Rental received in advance from tenants	282 577	229 269	120 608	123 459
Municipal expenses	486 228	498 609	308 460	314 858
VAT payable	101 605	101 909	47 088	53 332
Sundry creditors	316 179	191 296	520 393	110 564
Balance at end of year	**2 467 226**	**2 093 298**	**1 500 139**	**1 087 189**

26. TAXATION PAYABLE/RECEIVABLE

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
26.1 Taxation payable				
International income tax payable	8 995	10 233	–	–
Balance at end of year	**8 995**	**10 233**	**–**	**–**
26.2 Taxation receivable				
South African Revenue Service income tax receivable	104	104	–	–
International income tax receivable	17 348	24 317	–	–
Balance at end of year	**17 452**	**24 421**	**–**	**–**

27. CONTRACTUAL RENTAL INCOME

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Revenue from contracts with tenants	10 090 731	9 563 852	4 337 618	4 302 419
Contractual rental income	6 573 019	6 257 123	2 886 772	2 903 436
Non-GLA income	116 997	98 130	37 309	34 457
COVID-19 pandemic rental relief	8 803	4 024	3 325	953
Tenant installations	(116 015)	(98 035)	(64 631)	(49 254)
Tenant parking income	415 455	432 461	243 037	260 433
Operating costs recovery	3 092 472	2 870 149	1 231 806	1 152 394
Other revenue	526 791	371 397	120 157	61 449
Customer parking income	107 679	87 533	13 352	13 314
Property and asset management income*	287 695	170 027	18 214	–
Other income	131 417	113 837	88 589	48 135
Total for the year	**10 617 522**	**9 935 249**	**4 457 775**	**4 363 868**

* *In the 2023 year, other income for the Group amounted to R283.9 million, this has been disaggregated into property and asset management fee income (R170.0 million) and other income (R113.8 million) to enhance the presentation*

Notes to the financial statements continued

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28. INVESTMENT INCOME

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Investment income from subsidiaries*	–	–	2 301 625	2 186 471
Investment income from other financial assets	–	713	–	–
Total for the year	**–**	713	**2 301 625**	2 186 471

* *Refer to note 55: Related-party transactions for dividends received from each Redefine subsidiary and equity-accounted investment*

29. OPERATING COSTS

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Utility charges	(1 679 762)	(1 636 986)	(738 228)	(747 520)
Assessment rates	(951 357)	(871 715)	(432 199)	(406 665)
Net bad debts written off	(113 003)	(108 396)	(88 923)	(66 958)
Cleaning	(176 679)	(95 622)	(44 563)	(40 621)
Insurance	(68 492)	(60 272)	(30 937)	(32 987)
Security	(241 346)	(191 893)	(107 115)	(106 156)
Repairs and maintenance	(166 053)	(160 757)	(72 826)	(64 321)
Letting commissions	(55 008)	(44 666)	(24 385)	(20 218)
Property management expenses	(271 539)	(237 220)	(271 539)	(237 220)
Other expenses	(578 008)	(595 774)	(102 799)	(105 097)
Total for the year	**(4 301 247)**	(4 003 301)	**(1 913 514)**	(1 827 763)

30. ADMINISTRATION COSTS

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Payroll costs	(295 711)	(265 171)	(153 940)	(127 891)
IT costs*	(63 304)	(58 691)	(55 970)	(58 474)
Marketing*	(41 284)	(39 658)	(41 091)	(39 372)
Other admintrative costs*	(317 264)	(191 153)	(88 620)	(73 546)
Total for the year	**(717 563)**	(554 673)	**(339 621)**	(299 283)

* *Other administrative costs has been disaggregated to disclose material line items separately*

31. NET OPERATING PROFIT

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Net operating income includes the following charges:					
Amortisation and depreciation		(26 471)	(22 977)	(9 337)	(4 363)
External auditor's remuneration		(26 943)	(29 955)	(16 438)	(17 267)
Statutory and regulatory fees		(24 356)	(23 795)	(15 807)	(14 780)
Non-audit fees: assurance		(2 345)	(1 982)	(389)	(1 170)
Non-audit fees: non assurance		(242)	(4 178)	(242)	(1 317)
Internal audit fees		(1 824)	(2 405)	(1 824)	(2 405)
Staff costs		(487 684)	(467 553)	(271 915)	(248 653)
Directors' emoluments	56	(43 355)	(48 536)	(43 355)	(48 536)
Defined contribution fund contributions		(25 430)	(23 783)	(25 430)	(23 783)
Share-based payment expenses		(105 664)	(32 384)	(52 954)	(14 117)
Gross property management fees		(29 090)	(24 190)	(8 942)	(7 835)
Valuation fees paid to third parties		(8 372)	(8 717)	(6 989)	(8 304)

32. OTHER INCOME

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Trading loss	–	(4)	–	(4)
Fee income	3 352	2 216	1 336	9
Sundry income	6 990	9 028	792	420
Insurance (net proceeds)	301	28 228	301	28 228
Total for the year	**10 643**	39 468	**2 429**	28 653

Notes to the *financial statements* continued

for the year ended 31 August 2024

33. CHANGES IN FAIR VALUE

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
33.1. Changes in fair values of investment properties				
Realised	49 313	13 759	19 725	21 432
Unrealised	1 526 449	19 351	618 605	68 384
Total for the year	**1 575 762**	33 110	**638 330**	89 816
33.2. Changes in fair values of financial and other instruments				
Listed securities	22 685	(50 233)	22 685	(50 233)
Derivatives	597 249	(874 453)	791 251	(967 607)
Unlisted securities	(27 336)	(7 322)	90 959	5
Other financial instruments	85 525	(78 558)	–	–
Total for the year	**678 123**	(1 010 566)	**904 895**	(1 017 835)

34. IMPAIRMENTS

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Investment in subsidiaries	11.1	–	–	–	(438 655)
Goodwill	6	–	(16 105)	–	–
Total for the year		**–**	(16 105)	**–**	(438 655)

35. INTEREST INCOME

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Bank interest income	32 797	92 358	29 130	90 743
Cross - currency interest rate swaps	713 187	507 090	713 187	507 090
Vendor loans	92 178	105 583	7 104	10 673
Loans to subsidiaries	–	–	82 229	85 824
Other	56 340	48 063	11 153	8 629
Total for the year	**894 502**	753 094	**842 803**	702 959

36. INTEREST EXPENSE

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Interest-bearing borrowings	(3 800 234)	(3 007 477)	(3 200 890)	(2 604 125)
Fees	(85 550)	(79 701)	(54 778)	(32 655)
Cross-currency interest rate swaps	(305 842)	(141 262)	(305 842)	(141 262)
Interest rate swaps	321 680	89 228	208 628	43 645
Other	(27 627)	(15 585)	(6 793)	(9 997)
Total for the year	**(3 897 573)**	(3 154 797)	**(3 359 675)**	(2 744 394)

37. FOREIGN EXCHANGE (LOSSES)/GAINS

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Unrealised losses	(185 393)	(738 717)	248 027	(277 320)
Unrealised gains	21 513	100 307	–	–
Realised losses	(1 098 499)	(475 788)	(1 112 761)	(429 968)
Realised gains	210 876	180 066	215 668	184 293
Total for the year	**(1 051 503)**	(934 132)	**(649 066)**	(522 995)

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38. TAXATION

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Normal – current income tax	(84 145)	(73 780)	(48)	–
Withholding tax	(4 894)	16 083	–	31 080
Deferred tax – current	19 961	(72 010)	(43 507)	(37 576)
Total income tax expense	**(69 078)**	(129 707)	**(43 555)**	(6 496)
Reconciliation between applicable taxation rate and effective taxation rate				
SA normal taxation rate applied to loss/(profit) before taxation (27% corporate tax rate)	(1 099 190)	(429 425)	(890 913)	(267 946)
Taxation effect of:				
Effect of income that is exempt from taxation:				
Fair value adjustment on investment properties	509 373	6 687	194 707	24 461
Fair value adjustment of financial instruments – listed securities	6 125	(13 563)	6 125	(13 563)
Fair value adjustment on financial instruments – unlisted securities and put option	(338)	(9 021)	7 042	(7 042)
Accounting profit on sale (EPP)		–	24 559	–
Dividend income	(17 678)	55	4 361	16 173
Effect of items not included in profit before taxation but which are subject to taxation:		–		–
Capitalised interest	5 995	8 081	5 995	8 081
Equity-accounted earnings	(36 005)	141 319	–	–
Impairments	(1 750)	(41 048)	133 025	(17 378)
Changes in insurance liability	10 400	21 859	10 400	21 859
Temporary differences that will be included in future distributions	195 434	(239 812)	217 223	(250 766)
Prior year (under)/over provision	5 910	–	5 910	–
Qualifying distribution	424 899	396 489	355 461	389 193
Current year assessed loss not recognised	(27 465)	(5 198)	–	–
Foreign withholding taxes	(4 894)	16 083	–	31 080
Foreign tax (including effect of tax rates in foreign jurisdiction)	25 097	(21 847)	–	–
Unrealised exchange gain	(38 937)	53 927	(38 863)	53 927
Other	(26 054)	(14 293)	(78 587)	5 426
Taxation per the statement of profit or loss and other comprehensive income	**(69 078)**	(129 707)	**(43 555)**	(6 496)

Certain companies in the group have unutilised tax losses which cumulatively amount to R113.7 million (2023: R98.3 million) for which deferred tax assets have not been recognised as recovery of these losses is remote.

39. EARNINGS AND HEADLINE EARNINGS

Figures in R'000	GROUP 2024	GROUP 2023
Reconciliation of basic earnings to headline earnings		
Profit for the year attributable to Redefine shareholders (basic earnings)	3 969 413	1 446 628
Adjustment to basic earnings		
Gain on disposal of assets	(272 501)	(18 686)
Disposal of assets	(272 556)	(18 686)
Non-controlling interest	55	–
Gain on bargain purchase	(249)	–
Gain on bargain purchase	(249)	–
Non-controlling interest	–	–
Change in fair value of properties	(1 551 189)	(34 172)
Change in fair value of properties	(1 575 762)	(33 110)
Non-controlling interest	24 573	(1 062)
Insurance proceeds received	(301)	(20 042)
IAS 36: *Impairments*	–	16 105
Adjustment of measurements included in equity-accounted earnings of joint ventures (net of tax)	108 903	(80 650)
Adjustment of measurements included in equity-accounted earnings of associates and joint ventures	139 218	(99 568)
Tax adjustment	(30 314)	18 918
Foreign currency translation reserve	(21 511)	109 801
Foreign currency translation reserve	(21 513)	100 308
Non-controlling interest	2	9 493
Headline earnings attributable to Redefine shareholders	**2 232 566**	**1 418 984**
Diluted earnings		
Profit for the period attributable to Redefine shareholders	3 969 413	1 446 628
Potential dilutive effect of share incentive schemes	–	303
Diluted earnings attributable to Redefine shareholders	**3 969 413**	**1 446 931**
Diluted headline earnings		
Headline earnings attributable to Redefine shareholders	2 232 566	1 418 984
Potential dilutive effect of share incentive schemes	–	303
Diluted headline earnings attributable to Redefine shareholders	**2 232 566**	**1 419 287**
Number of shares		
Actual number of shares in issue ('000)*	6 752 419	6 752 419
Weighted average number of shares in issue ('000)*	6 752 419	6 752 419
Diluted weighted average number of shares in issue ('000)	6 780 205	6 772 093
Weighted average number of shares in issue ('000)*	6 752 419	6 752 419
Potential dilutive effect of share incentive schemes ('000)	27 786	19 674

* *Group net of 300 000 000 (2023: 300 000 000) treasury share*

Notes to the financial statements continued

for the year ended 31 August 2024

39. EARNINGS AND HEADLINE EARNINGS continued

	Figures in R'000	GROUP 2024	GROUP 2023
39.1	**Basic earnings per share**		
	Profit for the year attributable to Redefine shareholders (basic earnings)	3 969 413	1 446 628
	Weighted average number of shares in issue ('000)*	6 752 419	6 752 419
	Basic earnings per share (cents)	**58.79**	**21.42**
39.2	**Diluted earnings per share**		
	Diluted earnings attributable to Redefine shareholders	3 969 413	1 446 931
	Diluted weighted average number of shares in issue ('000)	6 780 205	6 772 093
	Diluted earnings per share (cents)**	**58.54**	**21.37**
39.3	**Headline earnings per share**		
	Headline earnings attributable to Redefine shareholders	2 232 566	1 418 984
	Weighted average number of shares in issue ('000)*	6 752 419	6 752 419
	Headline earnings per share (cents)	**33.06**	**21.01**
39.4	**Diluted headline earnings**		
	Diluted headline earnings attributable to Redefine shareholders	2 232 566	1 419 287
	Diluted weighted average number of shares in issue ('000)	6 780 205	6 772 093
	Diluted headline earnings per share (cents)**	**32.93**	**20.96**

* *Group net of 300 000 000 (2023: 300 000 000) treasury shares*

** *Diluted earnings per share and diluted headline earnings per share are calculated considering the potential dilution that could occur if all staff incentive shares vested. The number of shares outstanding is adjusted to show the potential dilution if all share schemes are settled in Redefine Properties Limited shares*

40. CASH GENERATED FROM OPERATIONS

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Cash generated from operations					
Profit before taxation		4 071 076	1 590 464	3 299 677	992 393
Adjusted for:					
Non-cash flow items	41	(1 201 616)	1 681 650	(3 369 408)	(516 387)
Interest income		(894 502)	(753 094)	(842 803)	(702 959)
Interest expense		3 897 573	3 154 797	3 359 675	2 744 394
Operating income before working capital changes		5 872 531	5 673 817	2 447 141	2 517 441
Working capital changes		461 314	(328 217)	439 750	132 031
Decrease/(increase) in trade and other receivables		158 260	(166 598)	26 800	225 474
Increase/(decrease) in trade and other payables		303 054	(161 619)	412 950	(93 443)
Settlement of derivative instrument		(691 969)	(435 608)	(691 969)	(435 608)
Cash generated from operations		**5 641 876**	**4 909 992**	**2 194 922**	**2 213 864**

41. NON-CASH FLOW ITEMS

Figures in R'000	Notes	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Depreciation	10	26 471	22 978	9 337	9 938
Changes in expected credit losses – loans receivable		(152 610)	135 925	–	5 958
Changes in expected credit losses – loans to subsidiaries		–	–	(492 685)	(380 249)
Impairments	34	–	16 105	–	438 655
Net loss on settlement of loan receivable		159 093	–	–	–
Fair value adjustments and net change in insurance contract liability	33	(2 292 402)	896 497	(1 581 742)	847 060
Investment income from subsidiaries		–	–	(2 220 000)	(2 044 000)
Straight-line lease accrual	3	(38 249)	27 030	(82 807)	(762)
Gain on disposal of Towarowa		(276 088)	–	–	–
Gain on bargain purchase		(249)	–	–	–
Profit on disposal of held-for-trading assets		–	4	–	4
Foreign exchange losses		1 051 503	934 132	649 066	522 995
Equity-accounted results of associates	7	133 350	(523 404)	–	–
Equity-settled share-based payments		18 274	34 189	21 289	14 969
Lease commissions and amortised tenant installations	3	169 291	138 194	87 905	69 045
Movement in the share based reserve for the Empowerment Trust		–	–	240 229	–
Total non-cash flow items		**(1 201 616)**	**1 681 650**	**(3 369 408)**	**(516 387)**

Notes to the *financial statements* continued

for the year ended 31 August 2024

42. TAXATION (PAID)/RECEIVED

	GROUP		COMPANY	
Figures in R'000	2024	2023	2024	2023
Taxation receivable/(payable) at beginning of year	14 188	(2 807)	–	–
Arising on acquisition of subsidiary	(4)	–	–	–
Charged to profit or loss	(89 039)	(57 697)	(29)	31 080
Extinguish on disposal of subsidiary	(577)	–	–	–
Foreign exchange differences	(390)	3 036	–	2 428
Total taxation paid	84 279	71 656	29	33 508
Taxation payable/receivable at end of year	**(8 457)**	(14 188)	**–**	–

43. RECONCILIATION OF LOANS RECEIVABLE

	GROUP		COMPANY	
Figures in R'000	2024	2023	2024	2023
Balance at beginning of year	1 257 201	1 201 343	–	110 621
Loans receivable repaid cash	(512 094)	(212 443)	(16 358)	(115 336)
Non-cash property exchange settlement	(167 796)	(414 102)	–	–
Loans receivable advanced	428 446	553 871	412 000	–
Loans receivable repaid non – cash	–	–	(200 850)	–
Accrued interest	82 689	106 200	7 104	10 673
Expected credit losses	152 610	(135 925)	–	(5 958)
Net loss on settlement of loan receivable	(159 093)	–	–	–
Foreign currency translation differences	(46 074)	158 257	(11 784)	–
Balance at end of year	**1 035 889**	1 257 201	**190 112**	–

44. RECONCILIATION OF INTEREST-BEARING BORROWINGS

		GROUP		COMPANY	
Figures in R'000	Note	2024	2023	2024	2023
Balance at beginning of year		39 961 145	37 291 377	30 255 821	28 952 441
Arising from the acquisition of subsidiary		223 630	17 881	–	–
Extinguished on disposal of subsidiaries		(184 375)	–	–	–
Proceeds from interest-bearing borrowings raised		21 234 454	4 154 000	21 234 454	4 154 000
Prepayments		(56 861)	(49 381)	(56 861)	(10 304)
Interest accrual adjustment		30 188	12 068	30 187	12 068
Repayment of interest-bearing borrowings		(18 032 110)	(3 581 792)	(17 564 974)	(3 292 913)
Capitalised fees		–	–	–	–
Foreign exchange (loss)/gain		(93 089)	468 452	(99 261)	440 529
Foreign currency translation differences		(353 851)	1 648 540	–	–
Balance at end of year	20	**42 729 131**	39 961 145	**33 799 366**	30 255 821

45. ACQUISITION AND DEVELOPMENT OF INVESTMENT PROPERTIES

		GROUP		COMPANY	
Figures in R'000	Notes	2024	2023	2024	2023
Investment property additions	3	(3 849 227)	(1 700 427)	(880 278)	(1 126 370)
Tenants installations	3	(301 696)	(249 718)	(157 799)	(134 044)
Properties under development acquisitions	3	(39 487)	(151 514)	(21 532)	(76 104)
Properties held-for-trading		–	(654)	–	–
Non-cash property exchange settlement	43	167 796	414 102	167 796	–
Non-cash acquisition of Pan Africa Development	48.1	431 289	–	–	–
Cash outflows from acquisition and development of investment properties		**(3 591 325)**	(1 688 211)	**(891 813)**	(1 336 518)

46. PROCEEDS ON DISPOSAL OF INVESTMENT PROPERTIES AND NON-CURRENT ASSETS AND LIABILITIES HELD-FOR-SALE

		GROUP		COMPANY	
Figures in R'000	Note	2024	2023	2024	2023
Investment properties at fair value		967 039	259 611	179 178	246 342
Properties under development	3	–	17 363	–	8 681
Non-current assets and liabilities held-for-sale (excluding International)		42 322	342 212	–	252 347
Disposal of international non-current assets held-for-sale		–	790 810	–	–
Disposal of Power Park Olsztyn		(620 963)	–	–	–
Cash inflows from disposal of investment properties and non-current assets and liabilities held-for-sale		**388 398**	1 409 996	**179 178**	507 370

47. ACQUISITION OF INVESTMENT JOINT VENTURES AND SUBSIDIARIES

		GROUP		COMPANY	
Figures in R'000	Note	2024	2023	2024	2023
Cash outflows arising from acquisition of investment in joint ventures:					
Additional investment in joint venture		(133 372)	(832 012)	–	–
Investment in Talis		–	(9 608)	–	(9 608)
Additional investment in subsidiary	11	–	–	(63 629)	–
Cash outflows arising from the investment in joint ventures		**(133 372)**	(841 620)	**(63 629)**	(9 608)

Notes to the *financial statements* continued

for the year ended 31 August 2024

48. ACQUISITION OF A CONTROLLING INTEREST IN SUBSIDIARIES

48.1 Pan Africa Development

In May 2024, Redefine acquired 50.87% of Pan Africa Development Proprietary Limited (PAD), from Atterbury Property Fund Proprietary Limited (Atterbury). PAD owns Pan African Mall, a well-located shopping centre in the centre of Alexandra's busy transport and retail hub. It opened in 2009 to become South Africa's first fully integrated shopping mall and taxi facility. The mall is anchored with a high national retailer tenant component. The effective date of the transaction has been determined to be 2 May 2024 when all the conditions precedent were met.

48.1.1 ASSETS ACQUIRED AND LIABILITIES ASSUMED AT THE DATE OF ACQUISITION

The table below summarises the amounts of assets acquired and liabilities assumed at the date of acquisition:

	GROUP
	2024
Figures in R'000	2 May 2024
Assets	
Fair value of investment property	394 552
Right-of-use assets	36 737
Trade and other receivables	4 040
Cash and cash equivalents	12 292
Liabilities	
Long-term borrowings	(223 630)
Finance lease liability	(36 737)
Trade and other payables	(9 267)
Tax liability	(970)
Fair value of net assets acquired	**177 017**
Purchase consideration	
Cash consideration transferred	83 941
Outstanding cash payment*	6 138
Total purchase consideration	**90 079**
Net cash on acquisition	
Cash consideration in purchase consideration	83 941
Less: Cash and cash equivalents acquired	(12 292)
Net cash on acquisition	**71 649**

* *The outstanding payment is expected to be made in the 2025 financial year*

48.1.2 ACQUISITION METHOD APPLIED

IFRS 3.B7B sets out an optional test (the concentration test) to permit a simplified assessment of whether an acquired set of activities and assets is not a business. On the basis that PAD only has one significant asset (the shopping centre), Redefine elected to apply the concentration test for the acquisition of the 50.9% equity shareholding in PAD from Atterbury. Based on the assessment performed, the concentration test was met as the fair value of gross assets in PAD is substantially concentrated on a single identifiable asset, being the investment property. Consequently, the acquisition of PAD was determined to be an asset acquisition with no related goodwill or gain on bargain purchase recognised in terms of IFRS3.2(b).

48.1.3 NON-CONTROLLING INTEREST

The group recognises NCIs in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the NCI in PAD, the group elected to recognise the NCI at its proportionate share of the acquired net identifiable assets amounting to R86.9 million.

48.1.4 KEY ESTIMATES AND ASSUMPTIONS

The purchase consideration for the acquisition of PAD was allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

48.1.5 ACQUISITION-RELATED COSTS

The group incurred acquisition-related costs of R0.7 million to 31 August 2024. These costs are disclosed as part of administration costs in the statement of profit or loss and other comprehensive income.

Notes to the *financial statements* continued
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48. ACQUISITION OF A CONTROLLING INTEREST IN SUBSIDIARIES continued

48.2 Mall of the South

Redefine increased its shareholding in MOTS from 20% to 100% with effect from 1 December 2023, resulting in the derecognition of the investment in joint venture, with MOTS now consolidated into the group as a subsidiary.

48.2.1 ASSETS ACQUIRED AND LIABILITIES ASSUMED AT THE DATE OF ACQUISITION

The table below summarises the amounts of assets acquired and liabilities assumed at the date of acquisition:

	GROUP
	2024
Figures in R'000	1 December 2023
Assets	
Fair value of investment property	1 790 463
Trade and other receivables	27 548
Cash and cash equivalents	7 339
Liabilities	
Interest-bearing borrowings	(1 840 008)
Deferred taxation	(22 251)
Interest accrual on interest-bearing borrowings	(3 586)
Trade and other payables	(22 701)
Fair value of net assets acquired	**(63 196)**
Purchase consideration	
Cash consideration transferred to settle loan	1 840 008
Cash consideration of R1.00 for the put option exercised	–
Total purchase consideration	**1 840 008**
Net cash on acquisition	
Cash consideration in purchase consideration	1 840 008
Less: Cash and cash equivalents acquired	(7 339)
Net cash on acquisition	**1 832 669**

48.2.2 ACQUISITION METHOD APPLIED

IFRS 3.B7B sets out an optional test (the concentration test) to permit a simplified assessment of whether an acquired set of activities and assets is not a business. On the basis that MOTS only has one significant asset (the shopping centre), Redefine elected to apply the concentration test for the acquisition of the 80% equity shareholding in MOTS. Based on the assessment performed, the concentration test was met as the fair value of gross assets in MOTS is substantially concentrated on a single identifiable asset, being the investment property. Consequently, the acquisition of MOTS was determined to be an asset acquisition with no related goodwill or gain on bargain purchase recognised in terms of IFRS3.2(b).

48.2.3 KEY ESTIMATES AND ASSUMPTIONS

The purchase consideration for the acquisition of MOTS was allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

48.2.4 ACQUISITION-RELATED COSTS

The group incurred acquisition-related costs of R0.9 million to 31 August 2024. These costs are disclosed as part of administration costs in the statement of profit or loss and other comprehensive income.

Notes to the *financial statements* continued

for the year ended 31 August 2024

48. ACQUISITION OF A CONTROLLING INTEREST IN SUBSIDIARIES continued

48.3 TopBox

On 19 September 2023, Stokado, a subsidiary of Self Storage Investments, acquired 100% of the equity in TopBox for an aggregate purchase price of R185.5 million (PLN42.2 million).

TopBox is a self-storage company in Warsaw that owns one existing, high-quality self-storage building with 4 451m² net lettable area, together with the operating company and rights to develop another site in Warsaw. The overall strategic objective of the acquisition is to expand Redefine's footprint in the self-storage market in Poland.

The acquisition date used for accounting for the business combination in terms of IFRS 3: *Business Combination* was 19 September 2023.

48.3.1 ASSETS ACQUIRED AND LIABILITIES RECOGNISED AT THE DATE OF ACQUISITION

The table below summarises the value of assets acquired and liabilities assumed at the date of acquisition translated at the closing spot price on 19 September 2023.

	GROUP
	2024
Figures in R'000	19 September 2023
Assets	
Fair value of investment properties	183 588
Properties under development	6 863
Trade and other receivables	1 843
Cash and cash equivalents	81
Liabilities	
Trade and other payables	(6 663)
Tax payable	(4)
Fair value of net assets acquired	**185 708**
Purchase consideration	
Cash consideration	185 459
Total purchase consideration	**185 459**
Goodwill or gain on bargain purchase	
Fair value of net assets acquired	185 708
Less: Purchase consideration	(185 459)
Gain on bargain purchase	**249**
Net cash on acquisition	
Cash consideration in purchase consideration	(185 459)
Less: Cash and cash equivalents acquired	81
Net cash on acquisition	**(185 378)**

48.3.2 KEY ESTIMATES AND ASSUMPTIONS

The investment properties were valued using a five-year DCF method.

Trade and other receivables are carried at amortised cost. Due to their short-term nature, amortised cost approximates the fair value. Trade and other receivables comprise gross contractual amounts due of R3.3 million and net doubtful debts of R1.2 million, which is the best estimate at the acquisition date of the contractual cash flows not expected to be collected.

Trade and other liabilities are classified as other financial liabilities, which is carried at amortised cost that approximates fair value.

If the business had been acquired on 1 September 2023, management estimates that the consolidated revenue and net profit after taxation for the group would have been R10.7 billion and R4.0 billion, respectively, for the current financial year. TopBox's revenue following the acquisition on 19 September 2023 to 31 August 2024 was R8.9 million with a net loss of R1.1 million.

48.3.3 ACQUISITION-RELATED COSTS

The group incurred acquisition-related costs of R7.4 million to 31 August 2024. These costs are disclosed as part of administration costs in the statement of profit or loss and other comprehensive income.

Notes to the financial statements continued

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48. ACQUISITION OF A CONTROLLING INTEREST IN SUBSIDIARIES continue

48.4 Polish self-storage investment

With effect from 9 November 2022, Redefine and Griffin established a new Polish company called Self Storage Investments sp. z o.o. to invest in self-storage facilities in Poland. Redefine and Griffin hold 93% and 7% of the shares, respectively, and have agreed to collectively invest R1.0 billion (€50.0 million) of equity over the next five years, primarily in new self-storage developments. Redefine controls Self Storage Investments due to the number of voting rights held.

On 27 July 2023, Self Storage Investments acquired 51% of the equity in Stokado, for an aggregate purchase price equal to R121.2 million (zł27.6 million). Stokado is the second largest operator of self-storage facilities in Poland. Stokado currently operates 16 locations in 13 cities in the southwestern region of the country, with a total net lettable area of 20 600m^2.

48.4.1 ASSETS ACQUIRED AND LIABILITIES RECOGNISED AT THE DATE OF ACQUISITION

The table below summarises the amounts of assets acquired and liabilities assumed at the date of acquisition translated at the closing spot price on 27 July 2023.

Figures in R'000	GROUP 2023 27 July 2023*
Assets	
Fair value of investment properties	105 015
Properties under development	3 999
Right-of-use asset	72 631
Property, plant and equipment	10 982
Trade and other receivables	104 042
Cash and cash equivalents	7 369
Non current asset held-for-sale	844
Liabilities	
Interest-bearing borrowings	(17 881)
Lease liability	(75 542)
Trade and other payables	(4 252)
Fair value of net assets acquired	**207 207**
Purchase consideration	
Cash consideration	20 415
Financial liability	100 770
Total purchase consideration	**121 185**
Goodwill or gain on bargain purchase	
Fair value of net assets acquired	(207 207)
Less: Purchase consideration	121 185
Less: 49% of shares held by non-controlling interest	101 531
Goodwill	**15 509**
Net cash on acquisition	
Cash consideration in purchase consideration	(20 415)
Less: Cash and cash equivalents acquired	7 369
Net cash on acquisition	**(13 046)**

* *The acquisition date used for accounting for the business combination in terms of IFRS 3 was 27 July 2023*

The group recognises NCIs in an acquired entity either at fair value or at the NCI's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the NCI in Stokado, the group elected to recognise the NCI at its proportionate share of the acquired net identifiable assets.

48.4.2 KEY ESTIMATES AND ASSUMPTIONS

The investment properties were valued using a five-year DCF method.

Trade and other receivables are carried at amortised cost. Due to their short-term nature, amortised cost approximates the fair value. Trade and other receivables comprise gross contractual amounts due of R104.0 million and net doubtful debts of R0.9 million, which is the best estimate at the acquisition date of the contractual cash flows not expected to be collected.

Interest-bearing borrowings and other liabilities are classified as other financial liabilities carried at amortised cost, which approximates fair value.

If the business had been acquired on 1 September 2022, management estimates that the consolidated revenue and net profit after taxation for the group would have been R9.9 billion and R1.51 billion, respectively, for the 2023 financial year. In determining these amounts, management assumed that the fair value adjustments, determined at Stokado's July year end and applied for IFRS 3 at acquisition amounts, would have been the same if the acquisition had occurred on 1 September 2022. Stokado's revenue following the acquisition on 27 July 2023 to 31 August 2023 was R2.9 million and net profit was R1.3 million.

The group incurred acquisition-related costs of R5.1 million to August 2023. These costs are disclosed as part of administration costs in the statement of profit or loss and other comprehensive income.

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49. COMMITMENTS

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Capital commitments				
Property acquisitions	276 210	–	–	–
Properties under development	615 542	1 102 153	228 653	179 617
Capital improvements on investment properties*	355 882	529 657	199 887	263 910
Total capital commitments	**1 247 634**	1 631 810	**428 540**	443 527
Lease liability commitments				
Commitments due in respect of leases entered into by the group and company on leasehold property.				
Due within one year	79 504	73 365	19 218	11 713
Due within two to five years	252 281	281 171	46 183	60 206
Due beyond five years	2 040 130	2 185 157	166 299	179 060
Total lease lability commitments	**2 371 915**	2 539 693	**231 700**	250 979
Operating expense commitments				
Contractual commitments are in respect of general maintenance of lifts, escalators and air conditioning installations.				
Due within one year	**390 360**	393 741	**189 551**	205 451
Due within two to five years	**1 677 718**	1 585 351	**812 059**	823 592
Due beyond five years	**6 949**	1 817	**2 842**	979
Total operating liability commitments	**2 075 027**	1 980 909	**1 004 452**	1 030 022

* *Approved and committed*

Other commitments

At the date of the report, Redefine provides commitment to various utility suppliers amounting to R74.3 million (2023: R78.1 million)

Commitments were granted by the group for the payment of obligations of EPP Property Management Group relating to the purchase of IT equipment. The committed amount is R38 337 (€1 950) (2023: R39 839 (€1 950)), which matures on 31 March 2025.

50. MINIMUM LEASE PAYMENTS RECEIVABLE

The group and company lease retail, office, industrial and specialised properties under operating leases. On average, the leases run for a period of three to five years. Contractual amounts (comprising contractual rental income, excluding the straight-line lease adjustments, and operating expense recoveries) due in terms of signed operating lease agreements:

Figures in R'000	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Less than 12 months	6 542 019	6 756 150	2 969 443	3 107 051
Between one and two years	5 532 790	5 382 154	2 581 989	2 584 482
Between two and three years	4 391 704	4 348 616	2 114 602	2 148 161
Between three and four years	3 273 318	3 308 180	1 686 604	1 731 553
Between four and five years	2 783 943	2 546 621	1 588 999	1 497 532
Over five years	7 333 553	8 197 289	2 857 575	3 958 991
Total minimum lease payments receivable	**29 857 327**	30 539 010	**13 799 212**	15 027 770

Notes to the *financial statements* continued

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51. FINANCIAL INSTRUMENT CATEGORIES

	GROUP					
	2024			2023		
Figures in R'000	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
Financial assets						
Listed securities	–	42 131	42 131	–	19 446	19 446
Derivative assets	–	400 220	400 220	–	628 299	628 299
Loans receivable	1 035 889	–	1 035 889	1 257 201	–	1 257 201
Other financial assets	–	147 835	147 835	469 556	175 171	644 727
Trade and other receivables*	830 021	–	830 021	799 444	–	799 444
Other monetary assets	367 631	–	367 631	291 987	–	291 987
Cash and cash equivalents	530 502	–	530 502	760 882	–	760 882
Balance at end of year	**2 764 043**	**590 186**	**3 354 229**	**3 579 070**	**822 916**	**4 401 986**
Financial liabilities						
Interest-bearing borrowings	42 729 131	–	42 729 131	39 961 145	–	39 961 145
Interest accrual on interest-bearing borrowings	259 332	–	259 332	267 542	–	267 542
Derivative liabilities	–	307 996	307 996	–	1 146 047	1 146 047
Other financial liabilities**	80 059	191 909	271 968	82 126	285 821	367 947
Trade and other payables***	2 083 044	–	2 083 044	1 762 120	–	1 762 120
Balance at end of year	**45 151 566**	**499 905**	**45 651 471**	**42 072 933**	**1 431 868**	**43 504 801**

* *Prepayments and VAT receivable are not financial assets and therefore have been excluded from trade and other receivables*
** *Included in other financial liabilities are rental and earning guarantees and the ELI carry fee, all of which are carried at FVTPL. The staff incentives and the loan from Henderson are carried at amortised cost*
*** *Rental received in advance and VAT payable are not financial liabilities and therefore have been excluded from trade and other payables*

For all financial instruments carried at amortised cost, interest is market related and, therefore, the amortised cost reasonably approximates the fair value.

	COMPANY					
	2024			2023		
Figures in R'000	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
Financial assets						
Listed securities	–	42 131	42 131	–	19 446	19 446
Derivative assets	–	350 757	350 757	–	436 573	436 573
Loans receivable	190 112	–	190 112	–	–	–
Other monetary assets	25 484	–	25 484	–	–	–
Loans to subsidiaries	24 906 646	–	24 906 646	22 916 357	–	22 916 357
Trade and other receivables*	484 371	–	484 371	477 732	–	477 732
Cash and cash equivalents	137 557	–	137 557	248 247	–	248 247
Balance at end of year	**25 744 170**	**392 888**	**26 111 574**	**23 642 336**	**456 019**	**24 098 355**
Financial liabilities						
Interest-bearing borrowings	33 799 366	–	33 799 366	30 255 821	–	30 255 821
Interest accrual on interest-bearing borrowings	179 232	–	179 232	182 819	–	182 819
Derivative liabilities	–	251 943	251 943	–	1 138 460	1 138 460
Other financial liabilities**	31 564	6 632	38 196	28 681	6 632	35 313
Trade and other payables***	1 332 443	–	1 332 443	2 170	–	2 170
Loans from subsidiaries	27 371	–	27 371	910 398	–	910 398
Balance at end of year	**35 369 976**	**258 575**	**35 628 551**	**31 379 889**	**1 145 092**	**32 524 981**

* *Prepayments and VAT receivable are not financial assets and therefore have been excluded from trade and other receivables*
** *Included in other financial liabilities is rental and earning guarantee*
*** *Rental received in advance and VAT payable are not financial liabilities and therefore have been excluded from trade and other payables*

For all financial instruments carried at amortised cost, interest is market related and, therefore, the amortised cost reasonably approximates the fair value.

52. FAIR VALUE DISCLOSURES

IFRS 13: *Fair Value Measurement* requires an entity to disclose, for each class of financial instruments and investment property measured at fair value, the level in the fair value hierarchy into which the fair value measurements are categorised in their entirety. The fair value hierarchy reflects the significance of the inputs used in making fair value measurements. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level of input that is significant to the fair value measurement in its entirety.

Notes to the *financial statements* continued

for the year ended 31 August 2024

52. FAIR VALUE DISCLOSURES continued

52.1 Fair value hierarchy

The fair value hierarchy has the following levels:

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

There have been no significant changes in valuation techniques during the year. There have been no transfers between level 1, level 2 and level 3 during the year under review.

The following table analyses the group's assets and liabilities that are recognised and subsequently measured at fair value:

		GROUP			
		2024			
Figures in R'000	Notes	Level 1	Level 2	Level 3	Fair value
Assets					
Investment property assets	3	–	–	82 884 395	82 884 395
Investment property held-for-sale	15	–	–	522 142	522 142
Listed securities	5	42 131	–	–	42 131
Derivative assets	21	–	400 220	–	400 220
Other financial assets	9	–	–	147 835	147 835
Balance at end of year		**42 131**	**400 220**	**83 554 372**	**83 996 723**
Liabilities					
Derivative liabilities	21	–	307 996	–	307 996
Other financial liabilities	22	–	–	191 909	191 909
Balance at end of year		**–**	**307 996**	**191 909**	**499 905**

		GROUP			
		2023			
Figures in R'000	Notes	Level 1	Level 2	Level 3	Fair value
Assets					
Investment property assets	3	–	–	79 263 367	79 263 367
Investment property held-for-sale		–	–	46 038	46 038
Listed securities	5	19 446	–	–	19 446
Derivative assets	21	–	628 299	–	628 299
Other financial assets	9	–	–	175 171	175 171
Balance at end of year		**19 446**	**628 299**	**79 484 576**	**80 132 321**
Liabilities					
Derivative liabilities	21	–	1 146 047	–	1 146 047
Other financial liabilities	22	–	–	285 821	285 821
Balance at end of year		**–**	**1 146 047**	**285 821**	**1 431 868**

52.1.1 LEVEL 3 RECONCILIATION

		GROUP				
		2024				
Figures in R'000	Notes	Balance at beginning of year	Additions	Disposals	Gains/(losses) in profit or loss for the period	Balance at end of year
Investment properties*	3	78 621 388	4 373 953	(1 492 857)	748 226	82 250 710
Properties under development	3	28 386	46 770	(1 522)	(7 290)	66 344
Right-of-use asset	3	613 593	51 068	(110 405)	13 085	567 341
Investment property held-for-sale		46 038	521 265	(42 322)	(2 839)	522 142
Other financial assets	9	175 171	–	–	(27 336)	147 835
Other financial liabilities	22	(285 821)	8 387	–	85 525	(191 909)
Balance at end of year		**79 198 755**	**5 001 443**	**(1 647 106)**	**809 371**	**83 362 463**

* *Includes straight-line rental income accrual*

		GROUP				
		2023				
Figures in R'000	Notes	Balance at beginning of year	Additions	Disposals	Gains/(losses) in profit or loss for the year	Balance at end of year
Investment properties*	3	72 715 827	6 344 683	(296 294)	(142 828)	78 621 388
Properties under development	3	711 628	172 275	(903 250)	47 733	28 386
Right-of-use asset	3	457 411	170 042	(162)	(13 698)	613 593
Investment property held-for-sale		1 397 447	37 508	(1 370 793)	(18 124)	46 038
Other financial assets	9	208 860	–	(26 367)	(7 322)	175 171
Loans receivable	8	79 278	–	(79 278)	–	–
Other financial liabilities	22	(349 202)	–	141 939	(78 558)	(285 821)
Balance at end of year		**75 221 249**	**6 724 508**	**(2 534 205)**	**(212 797)**	**79 198 755**

* *Includes straight-line rental income accrual*

Notes to the *financial statements* continued

for the year ended 31 August 2024

52. FAIR VALUE DISCLOSURES continued

52.1 Fair value hierarchy continued

52.1.1 LEVEL 3 RECONCILIATION continued

		COMPANY			
		2024			
Figures in R'000	Notes	Level 1	Level 2	Level 3	Fair value
Assets					
Investment property assets	3	–	–	33 828 732	33 828 732
Investment property held-for-sale		–	–	164 760	164 760
Listed securities	5	42 131	–	–	42 131
Derivative assets	21	–	350 757	–	350 757
Balance at end of year		**42 131**	**350 757**	**33 993 492**	**34 386 380**
Liabilities					
Derivative liabilities	21	–	251 943	–	251 943
Other financial liabilities	22	–	–	6 632	6 632
Balance at end of year		**–**	**251 943**	**6 632**	**258 575**

		COMPANY			
		2023			
Figures in R'000	Notes	Level 1	Level 2	Level 3	Fair value
Assets					
Investment property assets	3	–	–	32 469 344	32 469 344
Listed securities	5	19 446	–	–	19 446
Derivative assets	21	–	436 573	–	436 573
Balance at end of year		**19 446**	**436 573**	**32 469 344**	**32 925 363**
Liabilities					
Derivative liabilities	21	–	1 138 460	–	1 138 460
Other financial liabilities	22	–	–	6 632	6 632
Balance at end of year		**–**	**1 138 460**	**6 632**	**1 145 092**

		COMPANY				
		2024				
Figures in R'000	Notes	Balance at beginning of year	Additions	Disposals	Recognised in profit or loss for the year	Balance at end of period
Investment properties*	3	32 358 080	1 086 442	(349 437)	658 195	33 753 280
Properties under development	3	24 098	21 952	(38 300)	(7 750)	–
Right-of-use asset	3	87 166	–	–	(11 714)	75 452
Investment property held-for-sale		–	164 760	–	–	164 760
Other financial liabilities	22	(6 632)	–	–	–	(6 632)
Balance at end of year		**32 462 712**	**1 273 154**	**(387 737)**	**638 731**	**33 986 860**

* Includes straight-line rental income accrual

		COMPANY				
		2023				
Figures in R'000	Notes	Balance at beginning of year	Additions	Disposals	Recognised in profit or loss for the year	Balance at end of year
Investment properties*	3	30 756 492	1 850 298	(256 053)	7 343	32 358 080
Properties under development	3	355 814	84 343	(444 073)	28 014	24 098
Right-of-use asset	3	96 877	–	(162)	(9 549)	87 166
Investment property held-for-sale		259 848	–	(260 847)	999	–
Other financial liabilities	22	(6 632)	–	–	–	(6 632)
Balance at end of year		**31 462 399**	**1 934 641**	**(961 135)**	**26 807**	**32 462 712**

* Includes straight-line rental income accrual

Notes to the *financial statements* continued
for the year ended 31 August 2024

52. FAIR VALUE DISCLOSURES continued

52.2 Details of valuation techniques

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

52.2.1 INVESTMENT PROPERTY

A panel of independent external valuers, with experience in the sector and location of the properties being valued, was appointed to conduct the group's year-end market valuations. The group provided the valuers with property and other information required in the valuation of the properties. Among other inputs, the independent valuers applied current market-related assumptions to the risks in rental streams of properties. Once the valuations had been completed by the independent valuers, they were reviewed internally and presented at different forums within the group. The investment committee, a subcommittee of the board of directors, provides final approval of the valuations. Properties located in South Africa are all valued by valuers who are registered in terms of section 19 of the Property Valuers Professional Act, No 47 of 2000. The independent valuers are as follows:

Valuers for investment properties located in South Africa		
Real Insight	T Behrens	NDip (Prop Val), professional valuer
Broll	J Karg	Bcom, MRICS, RICS, professional valuer
Eris Property Group	C Everatt	BSc (Hons) Estate management, MRICS, MIV (SA), professional valuer
Sterling Valuation Specialists	A Smith	BSc, MIV (SA), professional valuer
Knight Frank	A Arbee	NDip (Prop Val), professional valuer
Intengo Valuers and Property Consultants	S Khumalo	Advanced NDip (Prop Val), SACPVP, professional valuer
Premium Valuation Services	Y Vahed	MPRE, SACPVP, SAIV, professional valuer
Spectrum Valuation and Asset Solutions	P O'Connell	NDip (Prop Val), MRICS, professional valuer

Valuers for investment properties located in Poland		
Savills	Wojciech Kołodziej, Karina Szafrańska, Maria Samiczak-Wiśniewska	MRICS, RICS

Brackengate, Western Cape, South Africa

Notes to the financial statements continued

for the year ended 31 August 2024

52. FAIR VALUE DISCLOSURES continued

52.2 Details of valuation techniques continued

Unobservable inputs across sectors (% unless otherwise stated)	GROUP 2024	GROUP 2023
Office sector		
Discount rate	11.25-16.00	11.25-16.25
Exit capitalisation rate	8.00-12.00	8.00-12.50
Bulk rate	R3 500 p/m	R1 500-R3 500 p/m²
Expected market rental growth	1.00-7.50	1.00-5.25
Expected expense growth	6.00-7.00	6.00-7.00
Occupancy rate	80.79	87.21
Vacancy periods	0-8 months	0-10 months
Rent-free periods	0-6 months	0-6 months
Retail sector		
Discount rate	11.50-15.50	11.50-16.00
Exit capitalisation rate	7.00-12.00	7.00-13.00
Bulk rate	R900-R4 000 p/m²	R900-R4 000 p/m²
Expected market rental growth	1.00-5.50	1.00-5.50
Expected expense growth	6.00-7.00	6.50-7.00
Occupancy rate	94.71	93.44
Vacancy periods	0-6 months	0-12 months
Rent-free periods	0-3 months	0-3 months
Industrial sector		
Discount rate	12.00-15.50	12.00-16.00
Exit capitalisation rate	7.75-11.50	7.75-12.25
Bulk rate	R249-R900 p/m²	R249-R900 p/m²
Expected market rental growth	1.00-5.50	1.00-5.50
Expected expense growth	6.00-8.00	6.00-8.00
Occupancy rate	95.31	95.96
Vacancy periods	0-6 months	0-8 months
Rent-free periods	0-4 months	0-4 months
Specialised sector		
Discount rate	13.25-13.50	13.25-13.50
Exit capitalisation rate	9.00-9.75	9.00-9.75
Expected market rental growth	1.00-5.00	1.00-5.00
Expected expense growth	6.00-6.50	6.00-6.50
Occupancy rate	100.00	100.00
Vacancy periods	0-6 months	0-12 months
Rent-free periods	–	–
International sector*		
Discount rate	8.00-10.80	8.10-9.40
Exit capitalisation rate	6.10-8.70	6.05-7.40
Expected market rental growth	2.7-5.2	2.01-5.56
Expected expense growth	1.94-2.44	3.60-11.9
Occupancy rate	95.92	97.17
Vacancy periods	1-12 months	1-12 months

* *Relates to directly held retail properties in EPP*

Unobservable inputs across sectors (% unless otherwise stated)	COMPANY 2024	COMPANY 2023
Office sector		
Discount rate	12.00-15.00	12.00-16.25
Exit capitalisation rate	8.00-12.00	8.00-12.50
Bulk rate	R3 500 p/m	R1 500-R3 500 p/m²
Expected market rental growth	1.00-7.50	1.00-5.00
Expected expense growth	6.00-7.00	6.00-7.00
Occupancy rate	84.79	84.56
Vacancy periods	0-8 months	0-10 months
Rent-free periods	0-6 months	0-6 months
Retail sector		
Discount rate	12.25-15.50	12.00-16.00
Exit capitalisation rate	7.50-12.50	7.50-13.00
Bulk rate	R900-R4 000 p/m²	R0-R3 000 p/m²
Expected market rental growth	1.00-5.50	1.00-5.50
Expected expense growth	6.00-7.00	6.50-7.00
Occupancy rate	93.60	90.47
Vacancy periods	0-6 months	0-12 months
Rent-free periods	0-3 months	0-3 months
Industrial sector		
Discount rate	12.00-15.50	12.00-16.00
Exit capitalisation rate	7.75-11.50	7.75-12.25
Bulk rate	R249-R900 p/m²	R249-R900 p/m²
Expected market rental growth	1.00-5.50	1.00-5.50
Expected expense growth	6.00-8.00	6.00-8.00
Occupancy rate	95.02	95.84
Vacancy periods	0-6 months	0-8 months
Rent-free periods	0-4 months	0-4 months
Specialised sector		
Discount rate	13.25-13.50	13.50
Exit capitalisation rate	9.00-9.75	9.00
Expected market rental growth	1.00-5.00	1.00-5.00
Expected expense growth	6.00-6.50	6.00-6.50
Occupancy rate	100.00	100.00
Vacancy periods	0-6 months	0-12 months
Rent-free periods	0	0

Notes to the *financial statements* continued

for the year ended 31 August 2024

52. FAIR VALUE DISCLOSURES continued

52.2 Details of valuation techniques continued

52.2.1 INVESTMENT PROPERTY continued

Valuation techniques

Valuations were completed using the following methods of valuation:

Investment property – discounted cash flow method

This valuation model generates a net present value for each property by discounting five-year forecasted future cash flows and a residual value at the end of the cash flow projection period by the discount rate of each property. The residual value is calculated by capitalising the net income forecasted for the 12-month period immediately following the final year of the cash flow at the exit capitalisation rate. The discount rate applied by each valuator is determined by adding a growth rate per property, based on forecasted market-related rental increases, to the determined capitalisation rate per property. The discount rate is then tested for reasonableness by benchmarking the rate against recent comparable sales and surveys prepared by the MSCI/South African Property Owners Association (SAPOA). The capitalisation rate is dependent on a number of factors, such as location, the condition of the property, current market conditions, the lease covenants, and the risk inherent in the property, and is also tested for reasonableness by benchmarking against comparable recent sales and surveys prepared by MSCI/SAPOA.

Sensitivity of fair values to changes in unobservable inputs

Valuation of investment properties is sensitive to changes in inputs used in determining fair value. The table below illustrates the sensitivity in fair value to changes in the unobservable inputs shown below.

	GROUP										
	31 August 2024										
	Valuation			Change in exit capitalisation rate				Change in discount rate			
				Decrease 50bps		Increase 50bps		Decrease 50bps		Increase 50bps	
Sector	Valuation R'000	Weighted average exit rate %	Weighted average discount rate %	R'000	%	R'000	%	R'000	%	R'000	%
Retail	28 000 356	8.06	12.37	1 227 488	4.38	(1 534 169)	(5.48)	506 144	1.81	(543 000)	(1.94)
Office	22 443 756	8.74	12.58	811 020	3.61	(814 390)	(3.63)	357 603	1.59	(438 819)	(1.96)
Industrial	11 879 829	8.94	13.16	400 072	3.37	(417 800)	(3.52)	183 611	1.55	(238 362)	(2.01)
Specialised	602 800	9.06	13.48	16 753	2.78	(15 044)	(2.50)	7 931	1.32	(7 781)	(1.29)
International*	17 996 218	6.72	8.52	1 103 825	6.13	(944 927)	(5.25)	361 551	2.01	(352 105)	(1.96)
Total**	**80 922 959**			**3 559 158**		**(3 726 330)**		**1 416 840**		**(1 580 067)**	

	31 August 2023										
	Valuation			Change in exit capitalisation rate				Change in discount rate			
				Decrease 50bps		Increase 50bps		Decrease 50bps		Increase 50bps	
Sector	Valuation R'000	Weighted average exit rate %	Weighted average discount rate %	R'000	%	R'000	%	R'000	%	R'000	%
Retail	24 613 449	8.09	12.38	1 070 308	4.35	(975 781)	(3.96)	442 923	1.80	(465 192)	(1.89)
Office	21 986 738	8.83	12.76	838 141	3.81	(752 946)	(3.42)	399 959	1.82	(390 703)	(1.78)
Industrial	11 147 096	9.01	13.33	380 665	3.41	(368 682)	(3.31)	185 794	1.67	(206 632)	(1.85)
Specialised	563 000	9.06	13.48	19 980	3.55	(17 950)	(3.19)	14 875	2.64	(4 766)	(0.85)
International*	19 208 123	6.72	8.79	1 225 316	5.98	(1 017 041)	(5.01)	402 377	2.07	(360 908)	(1.87)
Total**	77 518 406			3 534 410		(3 132 400)		1 445 928		(1 428 201)	

* Relates to directly held retail properties in EPP and Stokado

** Excludes ROU assets, held-for-sale assets and land and inclusive of buildings classified as property, plant and equipment

Notes to the *financial statements* continued

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52. FAIR VALUE DISCLOSURES continued

52.2 Details of valuation techniques continued

52.2.1 INVESTMENT PROPERTY continued

	COMPANY										
	31 August 2024										
	Valuation			Change in exit capitalisation rate				Change in discount rate			
				Decrease 50bps		Increase 50bps		Decrease 50bps		Increase 50bps	
Sector	Valuation R'000	Weighted average exit rate %	Weighted average discount rate %	R'000	%	R'000	%	R'000	%	R'000	%
Retail	8 730 450	8.54	12.84	336 025	3.85	(328 570)	(3.76)	144 707	1.66	(173 264)	(1.98)
Office	12 590 356	8.76	12.63	467 665	3.71	(417 719)	(3.32)	223 789	1.78	(213 387)	(1.69)
Industrial	11 325 503	9.01	13.23	381 387	3.37	(401 295)	(3.54)	174 701	1.54	(229 772)	(2.03)
Specialised	553 600	9.00	13.50	15 070	2.72	(13 478)	(2.43)	7 068	1.28	(6 889)	(1.24)
Total*	**33 199 909**			**1 200 147**		**(1 161 062)**		**550 265**		**(623 312)**	

	31 August 2023										
	Valuation			Change in exit capitalisation rate				Change in discount rate			
				Decrease 50bps		Increase 50bps		Decrease 50bps		Increase 50bps	
Sector	Valuation R'000	Weighted average exit rate %	Weighted average discount rate %	R'000	%	R'000	%	R'000	%	R'000	%
Retail	8 367 649	8.54	12.78	319 680	3.82	(316 127)	(3.78)	137 833	1.65	(167 717)	(2.00)
Office	12 239 159	8.98	13.02	450 878	3.68	(407 890)	(3.33)	221 609	1.81	(217 014)	(1.77)
Industrial	10 704 651	9.03	13.34	363 669	3.40	(353 667)	(3.30)	177 676	1.66	(198 814)	(1.86)
Specialised	516 400	9.00	13.50	18 413	3.57	(16 448)	(3.19)	14 085	2.73	(3 905)	(0.76)
Total*	**31 827 859**			**1 152 640**		**(1 094 132)**		**551 203**		**(587 450)**	

* *Excludes ROU assets, held-for-sale assets and land and inclusive of buildings classified as property, plant and equipment*

** *Relates to directly held retail properties in EPP and Stokado*

Notes to the *financial statements* continued

for the year ended 31 August 2024

52. FAIR VALUE DISCLOSURES continued

52.2 Details of valuation techniques continued

52.2.2 PROPERTIES UNDER DEVELOPMENT – COMPARABLE SALES METHOD

Properties under development comprise the cost of land and costs incurred in the development thereof and are measured at fair value. Fair value is based on the costs incurred up to the date of the valuation. Undeveloped land is valued in terms of the internationally accepted and preferred method of comparison. This involves the use of recent comparable transactions as a basis for the valuation. Bulk rates are determined for the land that has been zoned.

52.2.3 PROPERTIES CLASSIFIED AS HELD-FOR-SALE – CONTRACT SALES PRICE

The investment properties classified as held-for-sale are properties that the board of directors decided will be recovered through sale rather than through continuing use and the requirements of IFRS 5: *Non-Current Assets Held-For-Sale and Discontinued Operations* have been met. The fair value of these properties is determined based on the contract selling price with the willing buyer.

52.2.4 LISTED SECURITIES

The fair value is determined based on the closing market price on the relevant exchange.

52.2.5 FOREIGN EXCHANGE OPTIONS

The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

52.2.6 INTEREST RATE SWAPS

The fair value is calculated as the present value of the estimated future cash flows. Estimates of the future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources, which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the group and of the counterparty. This is calculated based on credit spreads derived from current credit default swap or bond prices.

52.2.7 CROSS-CURRENCY INTEREST RATE SWAPS

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

52.2.8 UNLISTED SECURITIES

The adjusted net asset value method is used to determine the fair value, i.e. the fair value is measured based on the fair value of the investee's assets and liabilities.

52.2.9 RENTAL GUARANTEE

The rental guarantee entered into with the buyer guarantees a certain level of rental income in which the rental guarantee is determined. The fair value of the rental guarantee is calculated based on unobservable inputs, i.e. occupancy levels.

53. FINANCIAL RISK MANAGEMENT

The group's financial risk management objective is to manage capital and financial risk exposure so that the group continues as a going concern, minimises adverse effects of financial risks on returns, and remains flexible to explore emerging opportunities in the market.

The group has exposure to the following risks from its use of financial instruments:

- Liquidity risk
- Market risk
- Credit risk

While risk management is the ultimate responsibility of the board of directors, the board has delegated this responsibility to the risk committee, which is responsible for developing and monitoring the group's risk management policies.

The group's risk management policies are established to ensure:

- Improved risk management and control
- The efficient allocation of capital to maximise returns
- The maintenance of acceptable levels of risk within the group as a whole
- Efficient liquidity management and control of funding

The audit and risk committees reviews management's compliance with the group's risk policies and procedures and assesses the adequacy of the risk management framework. The committee reports regularly to the board of directors.

53.1 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due in the normal course of business. The group ensures that it has adequate funds available and seeks to borrow for longer terms at commercially viable cost of debt levels.

Redefine employs robust forward-looking liquidity management principles through the use of cash flow forecasting and scenario planning. The sale of assets where all suspensive conditions have been met is factored in when reviewing cash flow requirements. Refer to note 15: Non-current assets held-for-sale. The maturity profile of financial liabilities is closely reviewed and the decision to settle or refinance is made well in advance. Cash reserves are also monitored on a daily basis, with excess cash being utilised to reduce outstanding revolving credit balances, thereby increasing available undrawn facilities. Total group and company undrawn facilities at year end amounted to R4.3 billion (2023: R4.7 billion) and R4.3 billion (2023: R4.7 billion), respectively.

Notes to the *financial statements* continued

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53. FINANCIAL RISK MANAGEMENT continued

53.1 Liquidity risk continued

A maturity analysis of financial liabilities is set out in the table below:

	GROUP			
Figures in R'000	Less than one year	One to five years	More than five years	Total
2024				
Interest-bearing borrowings	5 342 397	43 873 479	8 185 221	57 401 097
Interest accrual on interest-bearing borrowings	259 332	–	–	259 332
Derivative liabilities	186 809	103 580	–	290 389
Other financial liabilities	208 869	63 099	–	271 968
Trade and other payables	2 083 044	–	–	2 083 044
Total financial liabilities	**8 080 451**	**44 040 158**	**8 185 221**	**60 305 830**
2023				
Interest-bearing borrowings	8 813 741	34 471 389	8 884 094	52 169 224
Interest accrual on interest-bearing borrowings	267 542	–	–	267 542
Derivative liabilities	864 466	281 581	–	1 146 047
Other financial liabilities	22 537	345 410	–	367 947
Trade and other payables	1 762 120	–	–	1 762 120
Total financial liabilities	**11 730 406**	**35 098 380**	**8 884 094**	**55 712 880**

	COMPANY			
Figures in R'000	Less than one year	One to five years	More than five years	Total
2024				
Interest-bearing borrowings	4 800 676	33 680 063	8 178 090	46 658 829
Interest accrual on interest-bearing borrowings	179 232	–	–	179 232
Derivative liabilities	186 809	47 527	–	234 336
Other financial liabilities	23 592	14 604	–	38 196
Trade and other payables	1 332 443	–	–	1 332 443
Loans from subsidiaries	27 371	–	–	27 371
Total financial liabilities	**6 550 123**	**33 742 194**	**8 178 090**	**48 470 407**
2023				
Interest-bearing borrowings	8 349 186	25 716 254	6 511 817	40 577 257
Interest accrual on interest-bearing borrowings	182 819	–	–	182 819
Derivative liabilities	864 466	273 992	–	1 138 458
Other financial liabilities	22 537	12 776	–	35 313
Trade and other payables	910 398	–	–	910 398
Loans from subsidiaries	2 170	–	–	2 170
Total financial liabilities	**10 331 576**	**26 003 022**	**6 511 817**	**42 846 415**

53.2 Market risk

	GROUP		COMPANY	
Figures in R'000	2024	2023	2024	2023
53.2.1 INTEREST RATE RISK				
The group and company are exposed to interest rate risk through its variable rate cash balances, receivables, payables and interest-bearing borrowings. The group and company reduces its exposure to changes in interest rates by fixing interest rates in respect of its local borrowings. This is achieved by entering into swap agreements to receive variable and pay fixed interest rates. The following percentage of local and international borrowings has been fixed:	78.9%	77.1%	78.9%	77.1%
Refer to note 21: Derivative assets/(liabilities) for disclosure regarding the interest rate swaps				
An increase of 1% in interest rates on the effective floating interest rate liabilities for the year would have increased the interest expense, and therefore the profit and equity would decrease by:	**(104 628)**	(113 973)	**67 248**	(60 470)
Three-month JIBAR	(44 417)	(42 048)	(44 417)	(42 048)
Three-month EURIBOR	(58 436)	(69 408)	(21 056)	(15 905)
SOFR	(1 775)	(2 517)	(1 775)	(2 517)
53.2.2 EQUITY PRICE RISK				
The group and company are exposed to equity securities price risk in respect of listed and unlisted securities held. Fluctuations in equity prices do not affect distributions paid to shareholders. Equity price risk is managed through monthly reviews of security prices. If equity security prices increased by 5%, the increase in profit and equity would have been:				
Listed and unlisted securities	**9 498**	9 731	**2 107**	972
53.2.3 CURRENCY RISK				
The group and company are exposed to currency risk through foreign interest-bearing borrowings, cross-currency interest rate swaps and foreign property assets. These interest-bearing borrowings are used to invest in foreign property assets, while the cross-currency swaps are used to hedge the associated foreign currency risk and interest rate risk. The group and company manage their currency risk through natural hedges by investing offshore through foreign denominated loans and entering into derivatives that include cross-currency interest rate swaps and forward exchange contracts.				
Below are the closing and average exchanges rates applied during the financial year:				
Closing rates				
EUR	19.66	20.43	19.66	20.43
PLN	4.57	4.58	4.57	4.58
USD	17.75	18.71	17.75	18.71
Average rates				
EUR	20.16	23.86	20.16	23.86
PLN	4.62	4.12	4.62	4.12
USD	18.66	18.75	18.66	18.75
It is estimated that a R1.00 increase in the relevant spot exchange rate would decrease the group and company expected profit before taxation by:				
Interest expense				
EUR	(33 024)	(32 240)	(6 211)	(13 598)
PLN	(249)	30	–	–
USD	(763)	(737)	(763)	(737)
Interest-bearing borrowings				
It is estimated that a R1.00 increase in the relevant spot exchange rate would increase interest-bearing borrowings, with a corresponding increase in the statement of profit or loss and other comprehensive income:				
EUR	(545 268)	(254 210)	(90 100)	(55 236)
PLN	(3 246)	83 607	–	–
USD	(10 000)	(3 502)	(10 000)	(3 502)

Notes to the *financial statements* continued

for the year ended 31 August 2024

53. FINANCIAL RISK MANAGEMENT continued

53.3 Credit risk management

Credit risk is the probability of a financial loss to the group due to a counterparty's inability to adhere to the contractual obligations resulting in a default. The group has no significant concentration of credit risk as exposure is spread over various counterparties. Potential areas of credit risk comprise mainly cash and cash equivalents, trade and other receivables, and loans receivable.

The group and company's maximum exposure to credit risk by class of financial asset is as follows:

	GROUP		COMPANY	
Figures in R'000	2024	RESTATED* 2023	2024	RESTATED* 2023
Cash and cash equivalents	530 502	760 882	137 557	248 247
Other monetary assets	367 631	291 987	25 484	–
Gross trade receivables	712 667	686 141	437 664	397 256
Other receivables	280 275	322 857	159 956	233 640
Gross loans receivable	1 054 571	1 428 492	190 112	–
Gross loans to subsidiaries	–	–	25 146 381	23 648 777
Derivative assets	400 220	628 299	350 757	436 573
Other financial assets	–	469 556	–	–
Total	**3 345 866**	**4 588 214**	**26 447 911**	**24 964 493**

* *In the 2023 financial year, the maximum credit risk exposure incorrectly excluded the credit exposure relating to derivative assets and other financial assets and included the straight-line rental income accrual which is not a financial instrument. The balances have been restated to correctly include group and company assets that have exposure to credit risk. The impact of the restatement is detailed as note 53.4: Credit risk management restatement*

53.4 Credit risk management restatement

	GROUP		
Figures in R'000	Previously reported 31 August 2023	Restatement	Currently reported 31 August 2023
Cash and cash equivalents	760 882	–	760 882
Other monetary assets	291 987	–	291 987
Gross trade receivables	686 141	–	686 141
Other receivables	322 857	–	322 857
Gross loans receivable	1 428 492	–	1 428 492
Gross loans to subsidiaries	–	–	–
Straight-line rental income accrual	1 783 491	(1 783 491)	–
Derivative assets	–	628 299	628 299
Other financial assets	–	469 556	469 556
Total	**5 273 850**	**(685 636)**	**4 588 214**

	COMPANY		
Figures in R'000	Previously reported 31 August 202	Restatement	Currently reported 31 August 2023
Cash and cash equivalents	248 247	–	248 247
Other monetary assets	–	–	–
Gross trade receivables	397 256	–	397 256
Other receivables	233 640	–	233 640
Gross loans receivable	–	–	–
Gross loans to subsidiaries	23 648 777	–	23 648 777
Straight-line rental income accrual	1 071 112	(1 071 112)	–
Derivative assets	–	436 573	436 573
Total	**25 599 032**	**(634 539)**	**24 964 493**

Notes to the *financial statements* continued

for the year ended 31 August 2024

53. FINANCIAL RISK MANAGEMENT continued

53.3 Credit risk management continued

53.3.1 CASH AND CASH EQUIVALENTS AND OTHER MONETARY ASSETS

Redefine's credit risk exposure and concentration are closely monitored.

A significant portion of bank balances is with The Standard Bank of South Africa Limited (Moody's credit rating Ba2 (2023: Ba1)), Santander Bank (Fitch credit rating BBB+ (2023: A-)), and HSBC (Fitch credit rating A+ (2023: A+)). The fair value of cash and cash equivalents and other monetary assets as at 31 August 2024 and 31 August 2023 approximates the carrying value.

While cash and cash equivalents and other monetary assets are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial taking into account the good rating of banks holding these deposits.

53.3.2 TRADE RECEIVABLES

	GROUP		COMPANY	
Figures in R'000	2024	2023	2024	2023
Gross trade receivables	712 667	686 141	437 664	397 256
Less: Expected credit losses	(162 921)	(209 554)	(113 249)	(153 164)
Net trade receivables	**549 746**	**476 587**	**324 415**	**244 092**

The fair value of trade receivables as at 31 August 2024 and 31 August 2023 approximates the carrying value.

Trade receivables – ECLs applying the simplified model

Trade receivables are short term in nature, and as a result, the collection period is limited to 30 days. The lease payments are due in advance at the beginning of each month. A tenant's account is therefore considered to be in arrears when payment has not been received within 30 days. An ECL provision is recognised for all trade receivables that are 30 days in arrears as this is deemed an increase in credit risk and thus one of the indicators of possible impairment together with declining financial performance and other economic factors. The financial performance and position are continuously monitored for all tenants in arrears. The appropriate measures, such as communication through various channels, are attempted to ensure debt collection. Should all debt collection methods be exhausted and outstanding payment retrieval attempts be unsuccessful within 90 days from when payment was first due, the tenant is considered to be in default. The tenant is given an opportunity to make an appropriate payment arrangement, and should that yield unsuccessful results, litigious processes commence. As part of the litigious process, the defaulting tenant is handed over to the legal department, where a formal letter of demand is drafted and sent to the client. Should this debt collection endeavor also prove to be unsuccessful, a formal court process is pursued and the corresponding outstanding amount is written off concurrently as recoverability is questionable and the financial asset is effectively impaired. It is also important to note that every case is assessed on an individual basis.

During the current year, non-performing trade receivables amounting to R122 million (2023: R108 million) were written off. For performing trade receivables, management segregated the performing trade receivables into retail, office, industrial, specialised and international to account for the difference in the credit risk of the sectors. The expected loss rates were based on the payment profiles of tenants over a period of 36 months before year end, and the corresponding historical credit losses experienced within this period are reflective of the current circumstances and forward-looking macroeconomic factors, such as the weaker economic conditions, lack of economic growth in South Africa, and geopolitical conflicts in Eastern Europe, for the current financial year. Management has provided for a 100% loss rate across the local sectors' tenants over 91 days and 76.4% across the international sectors.

Notes to the *financial statements* continued

for the year ended 31 August 2024

53. FINANCIAL RISK MANAGEMENT continued

53.3 Credit risk management continued

53.3.2 TRADE RECEIVABLES continued

The impairment provision was determined as follows for trade receivables:

	GROUP				
	2024				
Figures in R'000	Current	30-60 days	61-90 days	Over 91 days	Total (R'000)
Group – local					
Gross carrying amount	485 549	26 428	15 803	111 588	639 368
Weighted average loss rate	5.7%	9.5%	11.8%	100.0%	–
Expected credit loss	27 794	2 509	1 866	111 588	143 757
Net carrying amount	**457 755**	**23 919**	**13 937**	**–**	**495 611**
Group – international					
Gross carrying amount	6 689	22 444	1 658	42 509	73 300
Weighted average loss rate	2.6%	6.2%	19.3%	40.6%	–
Expected credit loss	174	1 390	321	17 279	19 164
Net carrying amount	**6 515**	**21 054**	**1 337**	**25 229**	**54 136**

	GROUP				
	2023				
Figures in R'000	Current	30-60 days	61-90 days	Over 91 days	Total (R'000)
Group – local					
Gross carrying amount	361 445	35 980	18 782	165 101	581 308
Weighted average loss rate	4.3%	5.6%	6.9%	100.0%	–
Expected credit loss	15 668	2 032	1 300	165 101	184 101
Net carrying amount	**345 777**	**33 948**	**17 481**	**–**	**397 207**
Group – international					
Gross carrying amount	19 386	51 539	15 795	18 112	104 833
Weighted average loss rate	3.0%	15.6%	18.9%	76.4%	–
Expected credit loss	582	8 055	2 978	13 837	25 452
Net carrying amount	**18 804**	**43 484**	**12 817**	**4 275**	**79 380**

	COMPANY				
	2024				
Figures in R'000	Current	30-60 days	61-90 days	Over 91 days	Total (R'000)
Gross carrying amount	322 236	19 411	11 807	84 210	437 664
Weighted average loss rate	7.5%	13.8%	17.3%	100.0%	–
Expected credit loss	24 307	2 684	2 048	84 210	113 249
Net carrying amount	**297 929**	**16 727**	**9 759**	**–**	**324 414**

	COMPANY				
	2023				
Figures in R'000	Current	30-60 days	61-90 days	Over 91 days	Total (R'000)
Gross carrying amount	219 657	28 734	15 311	133 555	397 256
Weighted average loss rate	7.0%	9.0%	10.9%	100.0%	–
Expected credit loss	15 356	2 582	1 671	133 555	153 164
Net carrying amount	**204 301**	**26 152**	**13 640**	**–**	**244 093**

52.3.3 OTHER RECEIVABLES

ECLs applying the general model

Other receivables comprise primarily deposits held with Nedbank (Moody's credit rating Ba2). While other receivables are also subject to the impairment requirements of IFRS 9: *Financial Instruments*, the identified impairment loss was immaterial.

52.3.4 LOANS RECEIVABLE

ECLs applying the general model

Loans receivable comprise funding for vendor loans to purchase or develop property issued to third parties.

Prior to the granting of loans to customers, management performs creditworthy checks to establish eligibility.

Generally, for vendor loans, the property is pledged as collateral against the loan.

The group assesses on a forward-looking basis the ECL associated with its loans receivable carried at amortised cost. The group uses three main parameters to measure ECL on loans receivable carried at amortised cost. These are the probability of default (PD), loss given default (LGD), and exposure at default (EAD) (i.e. PD x LDG x EAD = ECL).

The group uses three categories for loans, which reflect their credit risk and how the ECL is determined for each category.

Notes to the *financial statements* continued

for the year ended 31 August 2024

53. FINANCIAL RISK MANAGEMENT continued

53.3 Credit risk management continued

53.3.4 LOANS RECEIVABLE continued

A summary of the assumptions underpinning the group's ECL model is as follows:

CATEGORY	DEFINITION OF CATEGORY	BASIS FOR RECOGNITION OF ECL PROVISION
Performing	Loans for which the credit risk is in line with original expectations	12-month ECL; where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1)
Underperforming	Loans for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal payments are 30 days past due	Lifetime expected losses (stage 2)
Non-performing (credit impaired)	Interest and/or principal repayments are 60 days past due, and it becomes probable the borrower will enter bankruptcy	Lifetime expected losses (stage 3)
Write-off	Interest and/or principal repayments are 120 days past due and there is no reasonable expectation of recovery	Asset is written off

Over the term of the loans, the group accounts for its credit risk by appropriately providing for ECL on a timely basis. In calculating the ECL, the group considers available historic and forward-looking information:

		GROUP			
		Gross carrying amount R'000	Weighted probability of default %	Weighted loss given default %	Expected credit loss R'000
2024					
Stage 1	Performing	1 017 087	3.0	39.9	13 753
Stage 2	Underperforming	37 484	50.0	26.3	4 929
Stage 3	Non-performing	–	–	–	–
Total		**1 054 571**			**18 682**
2023					
Stage 1	Performing	1 051 349	2.9	38.4	11 675
Stage 2	Underperforming	40 255	50.0	29.8	5 990
Stage 3*	Non-performing	336 888	100.0	46.6	153 626
Total		**1 428 492**			**171 291**

* *The underperforming loan receivable related to the Setso loan, which was settled in FY24*

		COMPANY			
		Gross carrying amount R'000	Weighted probability of default %	Weighted loss given default %	Expected credit loss R'000
2024					
Stage 1	Performing	190 112	0.0	0.0	–
Stage 2	Underperforming	–	–	–	–
Stage 3	Non-performing	–	–	–	–
Total		190 112			–
2023					
Stage 1	Performing	–	–	–	–
Stage 2	Underperforming	–	–	–	–
Stage 3	Non-performing	–	–	–	–
Total		–			–

Notes to the *financial statements* continued

for the year ended 31 August 2024

53. FINANCIAL RISK MANAGEMENT continued

53.3 Credit risk management continued

53.3.5 LOAN TO SUBSIDIARIES

ECLs applying the general model:

The company provides funding to its subsidiaries via intercompany loans. In calculating the ECL, the company considers historical loss rates for each category of borrower and adjusts forward looking macroeconomic data. The company provides for credit losses as follows:

			COMPANY	
			2024	2023
Category	Counterparty type	Location	Gross carrying amount R'000	Gross carrying amount R'000
Performing *	Investment holding subsidiary	South Africa	9 673 769	9 932 603
Performing *	Investment holding subsidiary	Europe	970 449	1 427 289
Underperforming **	Investment holding subsidiary	South Africa	14 502 163	12 288 884
Total			**25 146 381**	**23 648 777**

* *As these subsidiaries have sufficient liquid assets to settle the amount owing to the company, the ECL is deemed to be nil as loss given default is nil. Subsidiaries' liquid assets are cash and cash equivalents and trade and other receivables*

** *Subsidiaries with insufficient liquid assets to settle amounts owing to the company*

For intercompany loans receivable that were underperforming, the table below sets out how the ECLs were calculated:

		COMPANY			
		2024			
Counterparty name	Location	Gross carrying amount R'000	Probability of default %	Loss given default %	Expected credit loss R'000
Redefine Retail Proprietary Limited	South Africa	12 643 372	100.0	1.5	190 204
Mall of the South Proprietary Limited	South Africa	1 858 791	100.0	2.7	49 531
Total		**14 502 163**			**239 735**

		COMPANY			
		2023			
Counterparty name	Location	Gross carrying amount R'000	Probability of default %	Loss liven default %	Expected credit loss R'000
Redefine Retail Proprietary Limited	South Africa	12 288 884	100.0	6.0	732 420
Total		**12 288 884**			**732 420**

54. CAPITAL MANAGEMENT

In terms of the Memorandum of Incorporation, Redefine has limited borrowings to 100% of property assets. However, to protect Redefine's exposure, the board aims to limit borrowings to 40% of property assets over the long term.

The group and company property assets comprise investment properties (excluding ROU assets), owner occupied properties, non-current assets held-for-sale, listed securities, loans receivable, other financial assets, and investments in associate and joint ventures.

	GROUP		COMPANY	
Figures in R'000	2024	2023	2024	2023
Property assets	98 929 304	96 014 070	85 456 045	81 289 583
Interest-bearing borrowings (net of cash on hand)	42 198 629	39 200 263	33 928 915	30 007 574
Fair value of cash settled hedges	39 239	1 054 480	39 239	1 054 480
Insurance contract liability	–	38 517	–	38 517
Loan to value (%)	**42.7%**	**42.0%**	**39.7%**	**38.3%**

The board's policy is to maintain a strong capital base, comprising its shareholders' interest, so as to maintain investor, creditor and market confidence and sustain the future development of the business. It is the group's stated purpose to deliver long-term sustainable growth in dividends per share. The board of directors monitors the level of dividends to shareholders and ensures compliance with the Income Tax Act and JSE Listings Requirements. There were no changes in the group's approach to capital management during the year. Neither the company nor any of its subsidiaries is subject to externally imposed capital requirements.

Notes to the financial statements continued

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55. RELATED-PARTY TRANSACTIONS

Related parties are defined as those entities with which the group transacted during the year and in which the following relationship(s) exist:

Subsidiaries and trusts	Principal place of business	EFFECTIVE INTEREST/ VOTING RIGHTS (%)* 2024	2023
Alice Lane Trust	South Africa	100.0	100.0
Annuity Properties Proprietary Limited	South Africa	100.0	100.0
Any Name 621 Proprietary Limited	South Africa	100.0	100.0
Apexhi Properties Limited	South Africa	100.0	100.0
Apexhi Manco Trust	South Africa	100.0	100.0
Avanti Trust**	South Africa	–	100.0
Ballywoods Trust	South Africa	100.0	100.0
Black River Park Investments Proprietary Limited	South Africa	100.0	100.0
Cape Gannet Properties 261 Proprietary Limited**	South Africa	–	100.0
Centurion Lifestyle Trust	South Africa	100.0	100.0
Erf 2/49 Bryanston Proprietary Limited**	South Africa	–	100.0
Farramere Retail Trust	South Africa	100.0	100.0
Fountainhead Property Trust	South Africa	100.0	100.0
Fountainhead Properties Propriety Limited	South Africa	100.0	100.0
EPP Facility Management sp. z o.o.	Poland	100.0	100.0
EPP Finance B.V	Netherlands	100.0	100.0
EPP Finance Poland sp. z o.o.	Poland	100.0	100.0
EPP GP B.V.	Netherlands	100.0	100.0
EPP Retail – Galeria Echo sp. z o.o.	Poland	100.0	100.0
EPP Retail – Galaxy sp. z o.o.	Poland	100.0	100.0
EPP Retail – Pasaż Grunwaldzki sp. z o.o.	Poland	100.0	100.0
EPP Retail – Outlet Park sp. z o.o.	Poland	100.0	100.0
EPP Retail – Marcelin sp. z o.o.	Poland	100.0	100.0
EPP Retail Powerpark Opole sp. z o.o.	Poland	100.0	100.0
EPP Property Management sp. z o.o.	Poland	100.0	100.0
EPP N.V.	Netherlands	99.98	95.5
EPP sp. z o.o.	Poland	100.0	100.0
EPP Development 11 sp. z o.o.	Poland	100.0	100.0
Galeria Sudecka sp. z o.o. w likwidacji	Poland	100.0	100.0
Gateway Retail Trust	South Africa	100.0	100.0
Greenstone Motor City Trust	South Africa	100.0	100.0
Grupa EPP sp. z o.o. w likwidacji	Poland	100.0	100.0
Hazeldean Retail Trust	South Africa	100.0	100.0
Hillcrest Precinct Trust	South Africa	100.0	100.0
Journal Student Accommodation Fund**	Australia	–	90.0
Madison Property Fund Managers Holdings Proprietary Limited	South Africa	100.0	100.0
Madison Property Fund Managers Proprietary Limited	South Africa	100.0	100.0
Mall of the South Proprietary Limited	South Africa	100.0	–
Micawber 185 Proprietary Limited**	South Africa	–	100.0
Observatory Business Park Proprietary Limited	South Africa	100.0	100.0
Pan African Development Proprietary Limited	South Africa	50.9	–
Pivotal CCF Proprietary Limited	South Africa	100.0	100.0
Pivotal Global Proprietary Limited	South Africa	100.0	100.0
Pivotman Proprietary Limited	South Africa	100.0	100.0
Ptn 113 Weltevreden Proprietary Limited	South Africa	100.0	100.0

Related parties are defined as those entities with which the group transacted during the year and in which the following relationship(s) exist:

Subsidiaries and trusts	Principal place of business	EFFECTIVE INTEREST/ VOTING RIGHTS (%)* 2024	2023
Redefine Commercial Proprietary Limited	South Africa	100.0	100.0
Redefine Europe B.V.	Netherlands	100.0	100.0
Redefine Global Proprietary Limited	South Africa	100.0	100.0
Redefine Retail Proprietary Limited	South Africa	100.0	100.0
Riverside Office Park Trust	South Africa	100.0	100.0
Self Storage Investments sp. z o.o.	Poland	93.0	93.0
Sunninghill Retail Trust	South Africa	100.0	100.0
Stokado sp. z o.o	Poland	71.3	51.0
Topbox Development sp. z o.o.	Poland	100.0	–
Topbox LandBank Poland sp. z o.o.	Poland	100.0	–
Topbox 2 sp. z o.o.	Poland	100.0	–
The Pivotal Fund Proprietary Limited	South Africa	100.0	100.0
The Redefine Empowerment Trust	South Africa	100.0	100.0
Valley View Office Trust	South Africa	100.0	100.0
Wonderboom Junction Retail Trust	South Africa	100.0	100.0
Joint ventures			
European Logistics Investment B.V.	Poland	48.5	48.5
Rosehill Investments sp.z.o.o	Poland	70.0	70.0
Henderson Park Private Equity Fund	Poland	30.0	30.0
Horse Group S.à.r.l. (previously M1 Group S.à.r.l.)	Poland	50.0	50.0
EPP Community Properties JV	Poland	49.4	50.6
EPP Retail Powerpark Olsztyn sp. z o.o.	Poland	50.0	–
Talis Property Investments Proprietary Limited	South Africa	49.0	49.0
C4T Proprietary Limited	South Africa	49.0	49.0
Directors* **			
AJ König			
ASP Dambuza			
CH Fernandez			
D Radley			
LC Kok			
LJ Sennelo			
NB Langa-Royds			
NG Nyawo			
SM Pityana			
SP Fifield			

* *Effective interest/voting rights shown at a Redefine Properties Limited level*
** *De-registered during the 2024 financial year*
*** *Directors represent key management personnel*

Notes to the *financial statements* continued

for the year ended 31 August 2024

55. RELATED-PARTY TRANSACTIONS continued

	GROUP							
	2024				2023			
Figures in R'000	Equity-accounted investments	Gross receivable/ (payable)	Sales and services to/ (purchases and services from)	Income/ (expense)	Equity-accounted investments	Gross receivable/ (payable)	Sales and services to/ (purchases and services from)	Income/ (expense)
ELI	4 501 095	790 143	–	–	4 672 501	1 051 349	–	–
Galeria Libero	–	36 832	2 016	–	–	–	–	–
EPP Community	2 796 096	–	–	–	2 948 147	–	–	–
Berea sp. z o.o.	2 728 002	190 112	–	–	2 868 556	–	–	–
Henderson	462 573	–	–	–	520 359	–	–	–
MOTS	–	–	6 153	–	–	–	10 844	–
Horse Group	4 090 808	–	(2 016)	–	4 269 427	–	–	–
Redefine Europe B.V.	–	–	–	–	–	–	2 207	–
Power Park Olsztyn	170 315		–	–	–	–	–	–
Talis	43	–	–	–	9 608	–	–	–
AJ König	–	–	(13 764)	–	–	–	(14 490)	1 582
ASP Dambuza	–	–	(992)	–	–	–	(945)	–
B Mathews[1]	–	–	–	–	–	–	(37)	–
CH Fernandez	–	–	(907)	–	–	–	(563)	–
D Radley	–	–	(1 233)	–	–	–	(1 171)	–
LC Kok	–	–	(10 675)	–	–	–	(10 738)	397
LJ Sennelo	–	–	(1 083)	–	–	–	(1 047)	–
M Barkhuysen[2]	–	–	–	–	–	–	(425)	–
MJ Ruttell[3]	–	–	–	–	–	–	(5 249)	–
NB Langa-Royds	–	–	(996)	–	–	–	(955)	–
NG Nyawo	–	–	(10 746)	–	–	–	(10 220)	–
SM Pityana	–	–	(1 854)	–	–	–	(1 762)	–
SP Fifield	–	–	(1 105)	–	–	–	(971)	–
Total	**14 748 931**	**1 017 087**	**(37 202)**	**–**	**15 288 598**	**1 051 349**	**(35 522)**	**1 979**
Refer to note	7	8			7	8		

[1] *B Mathews earned R37 100 as a trustee for the Redefine Empowerment Trust, in addition to her fees earned as a non-executive director. She retired from the board on 20 June 2022 and as a trustee on 22 September 2022*
[2] *M Barkhuysen retired on 23 February 2023*
[3] *MJ Ruttell formed part of the executive committee and met the definition of a "prescribed officer" in terms of the Companies Act, he retired on 31 January 2023*

Notes to the *financial statements* continued

for the year ended 31 August 2024

55. RELATED-PARTY TRANSACTIONS continued

COMPANY – 2024

Figures in R'000	Investment at carrying value	Accumulated impairment on investments	Share purchase/ issue/ (disposed)	Gross receivable/ (payable)	Expected credit loss raised on loans receivable	Sales an services to/ (purchases and services from)	Income/ (expenses)	Interest income/ (expense)	Dividend income
Annuity Properties Proprietary Limited	1 307 514	(278 822)	–	(18 772)	–	–	–	–	71 000
Any Name 621 Proprietary Limited	–	–	–	(287)	–	–	–	–	–
Black River Park Investments Proprietary Limited	–	–	–	(698)	–	–	–	–	–
Cape Gannet Proprietary Limited*	–	–	–	–	–	–	–	–	–
Central Logistics Investment sp. z o.o 506862	–	–	–	–	–	–	–	–	–
Centurion Lifestyle Trust	–	–	–	–	–	–	–	–	–
Erf 2/49 Bryanston Proprietary Limited*	–	–	–	–	–	–	–	–	–
EPP N.V.	11 450 680	–	(174 573)	–	–	–	–	3 917	–
EPP GP B.V.	–	–	–	–	–	–	–	8 468	–
Fountainhead Properties Proprietary Limited	1 676	(135)	–	(1 567)	–	–	–	–	–
Journal Student Accommodation Fund	–	–	–	–	–	–	–	–	–
Madison Property Fund Managers Holdings Proprietary Limited	–	–	–	(42)	–	–	–	–	–
Madison Property Fund Managers Proprietary Limited	80 399	(80 399)	–	(8)	–	–	–	–	–
Mall of the South Proprietary Limited	–	–	–	1 858 791	(49 531)	–	(49 531)	–	89 000
Micawber 185 Proprietary Limited*	–	–	–	–	–	–	–	–	–
Observatory Business Park Proprietary Limited	–	–	–	–	–	–	–	–	–
Pivotal CCF Proprietary Limited	–	–	–	–	–	–	–	–	–
Pivotal Global Proprietary Limited	–	–	–	–	–	–	–	–	–
Ptn 113 Weltevreden Proprietary Limited	–	–	–	(5 997)	–	–	–	–	–
Redefine Commercial Proprietary Limited	2 529 873	(159 800)	–	2 658 736	–	–	–	–	328 000
Redefine Europe B.V.	4 419 310	(163 249)	63 629	779 540	–	–	–	69 844	81 625
Redefine Global Proprietary Limited	7 310 841	(7 310 831)	–	–	–	–	–	–	–
Redefine Retail Proprietary Limited	1 429 001	–	–	12 643 372	(190 204)	–	542 216	–	871 000
Self Storage Investments sp. z o.o.	340 399	–	294 292	–	–	–	–	–	–
The Pivotal Fund Proprietary Limited	5 207 198	–	–	7 205 941	–	–	–	–	861 000
AJ König	–	–	–	–	–	(13 764)	–	–	–
ASP Dambuza	–	–	–	–	–	(992)	–	–	–
B Mathews[1]	–	–	–	–	–	–	–	–	–
CH Fernandez	–	–	–	–	–	(907)	–	–	–
D Radley	–	–	–	–	–	(1 233)	–	–	–
LC Kok	–	–	–	–	–	(10 675)	–	–	–
LJ Sennelo	–	–	–	–	–	(1 083)	–	–	–
M Barkhuysen[2]	–	–	–	–	–	–	–	–	–
MJ Ruttell[3]	–	–	–	–	–	–	–	–	–
NB Langa-Royds	–	–	–	–	–	(996)	–	–	–
NG Nyawo	–	–	–	–	–	(10 746)	–	–	–
SM Pityana	–	–	–	–	–	(1 854)	–	–	–
SP Fifield	–	–	–	–	–	(1 105)	–	–	–
	34 076 891	**(7 993 236)**	**183 348**	**25 119 009**	**(239 735)**	**(43 355)**	**492 685**	**82 229**	**2 301 625**
Refer to note	11	11	11.1	8 and 11	11.2		11.2		

COMPANY – 2023

Figures in R'000	Investment at carrying value	Accumulated Impairment on investments	Share purchase/ issue/ (disposed)	Gross receivable/ (payable)	Expected credit loss raised on loan receivable	Sales an services to/ (purchases and services from)	Income/ (expenses)	Interest income/ (expense)	Dividend income
Annuity Properties Proprietary Limited	1 307 514	(278 822)	–	87 138	–	–	(278 822)	–	90 000
Any Name 621 Proprietary Limited	–	–	–	(287)	–	–	–	–	–
Black River Park Investments Proprietary Limited	–	–	–	(64)	–	–	11 604	–	–
Cape Gannet Proprietary Limited*	–	–	–	–	–	–	–	–	–
Central Logistics Investment sp. z o.o 506862	–	–	–	–	–	–	–	–	–
Centurion Lifestyle Trust	–	–	–	–	–	–	–	–	–
Erf 2/49 Bryanston Proprietary Limited*	–	–	–	–	–	–	–	–	–
EPP N.V.	11 625 252	–	–	424 004	–	–	–	22 001	–
EPP GP B.V.									
Fountainhead Properties Proprietary Limited	–	–	–	(1 567)	–	–	–	–	–
Journal Student Accommodation Fund	–	–	–	–	–	–	–	–	26 871
Madison Property Fund Managers Holdings Proprietary Limited	–	–	–	(44)	–	–	322 536	–	–
Madison Property Fund Managers Proprietary Limited	80 399	(80 399)	–	(8)	–	–	190 224	–	–
Mall of the South Proprietary Limited	–	–	–	–	–	–	–	–	–
Micawber 185 Proprietary Limited*	43 500	(43 500)	–	–	–	–	–	–	–
Observatory Business Park Proprietary Limited	–	–	–	–	–	–	–	–	–
Pivotal CCF Proprietary Limited	–	–	–	–	–	–	–	–	–
Pivotal Global Proprietary Limited	–	–	–	–	–	–	72 448	–	–
Ptn 113 Weltevreden Proprietary Limited	–	–	–	(200)	–	–	–	–	–
Redefine Commercial Proprietary Limited	2 529 873	(159 800)	–	2 470 444	–	–	(159 800)	–	314 000
Redefine Europe B.V.	4 355 681	(163 249)	(604 454)	1 003 285	–	–	–	63 823	115 600
Redefine Global Proprietary Limited	7 310 841	(7 310 831)	–	–	–	–	–	–	–
Redefine Retail Proprietary Limited	1 429 001	–	–	12 288 884	(732 420)	–	369 645	–	790 000
Self Storage Investments sp. z o.o.	46 108	–	(46 108)	–	–	–	–	–	–
The Pivotal Fund Proprietary Limited	5 207 198	–	–	7 375 021	–	–	–	–	850 000
AJ König	–	–	–	–	–	(14 490)	–	1 582	–
ASP Dambuza	–	–	–	–	–	(945)	–	–	–
B Mathews[1]	–	–	–	–	–	(37)	–	–	–
CH Fernandez	–	–	–	–	–	(563)	–	–	–
D Radley	–	–	–	–	–	(1 171)	–	–	–
LC Kok	–	–	–	–	–	(10 738)	–	397	–
LJ Sennelo	–	–	–	–	–	(1 047)	–	–	–
M Barkhuysen[2]	–	–	–	–	–	(425)	–	–	–
MJ Ruttell[3]	–	–	–	–	–	(5 249)	–	–	–
NB Langa-Royds	–	–	–	–	–	(955)	–	–	–
NG Nyawo	–	–	–	–	–	(10 220)	–	–	–
SM Pityana	–	–	–	–	–	(1 762)	–	–	–
SP Fifield	–	–	–	–	–	(971)	–	–	–
	33 935 367	**(8 036 602)**	**(650 562)**	**23 646 607**	**(732 420)**	**(48 573)**	**527 834**	**87 803**	**2 186 471**
Refer to note	11	11	11	8 and 11	53.3.5		11.1 and 11.2		

* *De-registered during the 2024 financial year*

[1] *B Mathews earned R37 100 as a trustee for the Redefine Empowerment Trust, in addition to her fees earned as a non-executive director. She retired from the board on 20 June 2022 and as a trustee on 22 September 2022*

[2] *M Barkhuysen retired on 23 February 2023*

[3] *MJ Ruttell formed part of the executive committee and met the definition of a "prescribed officer" in terms of the Companies Act, he retired on 31 January 2023*

Notes to the *financial statements* continued

for the year ended 31 August 2024

56. DIRECTORS' AND PRESCRIBED OFFICERS' EMOLUMENTS

56.1 Executive directors and prescribed officers

	2024					
	Short-term			Long-term	Post-employment	
Figures in R'000	Salary and allowances	Bonuses and performance related payments	Other benefits and payments	Share schemes	Retirement benefits	Total
AJ König	5 840	5 451	276	1 320	877	13 764
LC Kok	4 251	4 197	426	1 127	674	10 675
NG Nyawo	4 267	3 769	350	1 974	386	10 746
Total	**14 358**	**13 417**	**1 052**	**4 421**	**1 937**	**35 185**
	2023					
AJ König	5 236	7 068	236	1 168	782	14 490
LC Kok	3 806	4 961	370	999	601	10 737
NG Nyawo	3 491	4 265	296	1 846	322	10 220
MJ Ruttell*	1 413	3 289	–	548	–	5 250
Total	**13 946**	**19 583**	**902**	**4 561**	**1 705**	**40 696**

* *MJ Ruttell (retired 31 January 2023) formed part of the executive committee and met the definition of a "prescribed officer" in terms of the Companies Act*

56.2 Service contracts

Executive directors retire from their positions and from the board (as executive directors) at the age of 65. Though normal retirement age is 65 years for executive directors, the group's retirement policy makes provision to extend the working relationship beyond the normal retirement age. The executive directors are subject to three calendar months' written notice under their existing employment contracts.

56.3 Non-executive directors

The fees paid to non-executive directors for the year ended 31 August 2024 were tabled for approval at the group's AGM held on 19 February 2024.

Figures in R'000	2024	2023
Basic annual fee for non-executive directors		
Independent non-executive chairperson	1 396	1 396
Non-executive director	510	510
Audit committee chairman	370	313
Audit committee member	185	172
Risk, compliance and technology committee chairperson	264	257
Risk, compliance and technology committee member	132	123
Remuneration and/or nomination committee chairman	264	257
Remuneration and/or nomination committee member	132	123
Nomination committee chairperson	200	145
Nomination committee member	100	81
Social, ethics and transformation committee chairman	264	237
Social, ethics and transformation committee member	132	119
Investment committee chairman	300	237
Investment committee member	150	120
Non-executive directors' fees		
ASP Dambuza	992	945
CH Fernandez	907	563
D Radley	1 233	1 171
L Sennelo	1 083	1 047
M Barkhuysen *	–	425
NB Langa-Royds	996	955
SP Fifield	1 105	971
SM Pityana	1 854	1 762
Total	**8 170**	**7 839**

* *M Barkhuysen retired on 23 February 2023*

Notes to the financial statements continued

for the year ended 31 August 2024

57. DIRECTORS' AND PRESCRIBED OFFICERS' INTEREST

The interests of the directors and prescribed officers in the shares of Redefine Properties Limited were as follows:

	2024		
	Beneficial	Non-beneficial	
Number of shares	Direct/indirect	Associate	Total
AJ König	16 006 482	–	16 006 482
D Radley	480 700	–	480 700
LC Kok	6 402 848	–	6 402 848
NG Nyawo	1 109 579	–	1 109 579
SP Fifield	80 569	–	80 569
Total	**24 080 178**	**–**	**24 080 178**
	2023		
AJ König	14 400 678	–	14 400 678
D Radley	480 700	–	480 700
LC Kok	5 160 322	–	5 160 322
M Barkhuysen*	370 000	–	370 000
NG Nyawo	242 674	–	242 674
S Fifield	80 569	–	80 569
MJ Ruttell**	4 455 521	–	4 455 521
Total	**25 190 464**	**–**	**25 190 464**

* *M Barkhuysen retired on 23 February 2023*

** *MJ Ruttell formed part of the executive committee and met the definition of a "prescribed officer" in terms of the Companies Act, he retired on 31 January 2023*

There has been no change in the directors' and prescribed officers' interest occurring between the financial year end and the date of the approval of these financial statements.

58. EVENTS AFTER THE REPORTING PERIOD

58.1 Dividend declaration after the reporting date

In line with IAS 10: *Events after the Reporting Period*, on 31 October 2024, the board of directors declared a final dividend of 22.25 cents per share for the year ended 31 August 2024. Shareholders have been provided with the election to reinvest the cash dividend in return for Redefine shares (share reinvestment alternative). By electing the share reinvestment alternative, shareholders will be able to increase their shareholding in Redefine without incurring dealing costs. The dividend declaration is a non-adjusting post balance sheet event that is not recognised in these financial statements.

58.2 Common funding and security platform

During the year, Redefine invited local debt providers to participate in the consolidation of its secured South African debt and derivative facilities and the establishment of a common funding and security platform, which will be governed by a set of common terms (the "Restructure"). The restructure was signed and concluded in October 2024. As part of the restructure, all the South African secured debt providers were requested to release their existing security, which security was re-registered in favour of one common security special purpose vehicle (SPV), being Friedshelf1189 (RF) with all South African debt providers benefiting from the same security package and all participating lenders ranking *pari passu*.

58.3 Extension of Pan Africa Mall

Adjoining PAN Africa Mall was undeveloped land owned by Atterbury, which was developed by Atterbury into 3 818m² of retail GLA and subsequently sold to Redefine upon completion of the development. This represented phase 2 of the transaction with Atterbury following the 50.9% acquisition of PAD.

Simultaneously with the development of phase 2, the GLA of the existing PAN Africa Mall was extended by approximately 5 553m² of retail GLA, which was phase 3 of the transaction. The development of phases 2 and 3 was completed in October 2024. The total consideration for phases 2 and 3 was R276.2 million at an initial yield of 9.3%.

59. GOING CONCERN

The directors have assessed the group's ability to continue as a going concern. The assessment includes solvency and liquidity tests which included, *inter alia*, a forecast of debt covenants such as the LTV and ICR. As at 31 August 2024, the group had a positive net asset value.

Despite current liabilities exceeding current assets, the group and company have a stable liquidity position with unutilised committed access facilities and cash on hand of R4.8 billion (2023: R5.5 billion) for the group and R4.4 billion (2023: R5.2 billion) for the company. The liquidity test considers expected cash flows in the next 12 months, including the operational cash flows, anticipated proceeds from unconditional disposals, and funding and development activities for the next 12 months.

59.1 Access to liquidity

Property counters have recently rerated, and although they continue to trade at discounts to NAV, raising equity is not as costly and dilutive. Recent capital raises in the REIT sector coupled with an improvement in the share price, bode well for Redefine's future capital raising prospects. Redefine continuously reviews its funding profile to maintain a stable debt maturity profile. We proactively monitor the debt capital markets to ensure we are well positioned for any refinancing opportunities or appetite for liquidity at attractive pricing points.

59.2 Financial covenants

Financial covenant (LTV and ICR) reporting is required by lenders within 90 days of each reporting period. During the current reporting period, the ICR covenant was relaxed from 2x to 1.75x until 31 August 2026. For the reporting period ending August 2024, there have been no debt covenant breaches, with the LTV and ICR covenants indicating a headroom of 7.2% and 0.4x, respectively. It is anticipated that the corporate LTV covenant will be below 50% and the ICR above 1.75x, the strictest covenant levels. All debt covenant projections are proactively monitored.

59.3 Geopolitical tensions

The Polish economy remained resilient despite the ongoing conflict between Russia and Ukraine with the gross domestic product (GDP) expected to grow to 3.3% in 2024 and a forecasted GDP growth of 3.6% in 2025. The forecasted growth is driven by falling inflation and a rebound in wage growth, which will support consumption, as detailed in the latest Oxford Economics report. Similarly, the escalating conflict in the Middle East has the potential to increase the cost of oil, which may add inflationary pressures in South Africa and Poland. Encouragingly, South Africa's inflation has begun to ease with the Monetary Policy Committee of the South African Reserve Bank cutting the interest rate by 25 basis points in September 2024 and further cuts are anticipated in the coming months.

Redefine continues to proactively monitor geopolitical events and other global factors that impact South Africa and Poland given Redefine's exposure in these markets.

59.4 Going concern conclusion

The directors have therefore concluded that the group has adequate resources to continue operating for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the consolidated and separate financial statements.

Supplementary information

Bielsko-Biała Phase I, Szklana, Poland

SA REIT ratios

for the year ended 31 August 2024

Figures in R'000	2024	2023
SA REIT FUNDS FROM OPERATIONS (SA REIT FFO) PER SHARE		
Profit or loss per IFRS® Accounting Standards statement of comprehensive income attributable to the parent	3 969 413	1 446 628
Adjusted for:		
Accounting/specific adjustments:	**(1 688 452)**	**383 244**
Fair value adjustments to:		
– Investment property	(1 575 762)	(33 110)
– Debt and equity instruments held at FVTPL	(80 875)	136 113
Depreciation and amortisation of intangible assets	11 219	22 978
Impairment of goodwill or the recognition of a bargain purchase gain	(249)	16 105
Asset impairments (excluding goodwill) and reversals of impairment	6 483	135 925
Gains or losses on the modification of financial instruments	22	1 092
Deferred tax movement recognised in profit or loss	(19 980)	72 010
Straight-lining operating lease adjustment	(38 249)	27 030
Transaction costs expensed in accounting for a business combination	8 939	5 101
Adjustments arising from investing activities:	**(272 556)**	**(18 682)**
Gains or losses on disposal of:		
– Investment property and property, plant and equipment	(272 556)	(18 682)
Foreign exchange and hedging items:	**665 405**	**1 987 568**
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	(597 248)	874 453
Reclassified foreign currency translation reserve upon disposal of a foreign operation	(21 513)	(100 308)
Adjustments to amounts recognised in profit or loss relating to derivative financial instruments	–	–
Foreign exchange gains or losses relating to capital items – realised and unrealised	1 284 166	1 213 423
Other adjustments:	**790 950**	**(169 712)**
Tax impact of the above adjustments	–	(31 080)
Adjustments made for equity-accounted entities	771 037	(130 137)
Non-controlling interests in respect of the above adjustments	19 913	(8 495)
SA REIT FFO	**3 464 760**	**3 629 046**
Number of shares outstanding at end of period (net of treasury shares)	**6 752 419**	**6 752 419**
SA REIT FFO per share (cents)	**51.31**	**53.74**
DISTRIBUTABLE INCOME		
SA REIT FFO	**3 464 760**	**3 629 046**
Company-specific adjustments	**(86 875)**	**(149 293)**
Changes in insurance contract liability	(38 517)	(80 959)
Capital transaction cost expenses	14 537	20 242
Property held-for-trading	–	(4)
Interest income adjustment – Towarowa	(37 326)	(34 828)
Depreciation (excluding owner-occupied properties)	(9 213)	(22 100)
Capital tax expense	(72)	(848)
Capital insurance income	(301)	(20 042)
Leasehold interest and expense	(15 983)	(10 754)
Distributable income	**3 377 885**	**3 479 753**
Number of shares outstanding at end of period (net of treasury shares)	**6 752 419**	**6 752 419**
Distributable income per share cents	**50.02**	**51.53**
DIVIDEND DECLARED		
Distributable income	3 377 885	3 479 753
Distribution payout ratio	85%	85%
Dividend declared	2 871 202	2 957 790
Number of shares outstanding at end of period (net of treasury shares)	6 752 419	6 752 419
Dividend per share cents	42.52	43.80
Interim	20.27	20.32
Final	22.25	23.48

Figures in R'000	2024	2023
SA REIT NET ASSET VALUE (NAV)		
Reported NAV attributable to the parent	52 961 744	51 938 922
Adjustments:		
Dividend to be declared	(1 502 166)	(1 585 570)
Fair value of certain derivative financial instruments	(10 649)	(421 292)
Fair value of certain derivative financial instruments – gross	(10 648)	(429 670)
Fair value of certain derivative financial instruments – NCI	(1)	8 378
Deferred tax	1 997 836	1 939 174
SA REIT NAV:	**53 446 765**	**51 871 233**
Dilutive number of shares in issue	**6 780 205**	**6 772 093**
Number of shares in issue at period end (net of treasury shares)	6 752 419	6 752 419
Effect of dilutive instruments (options, convertibles and equity interests)	27 786	19 674
SA REIT NAV per share	**7.88**	**7.66**
SA REIT COST-TO-INCOME RATIO		
Expenses		
Operating expenses per IFRS® Accounting Standards income statement (includes municipal expenses)	4 248 575	3 960 991
Administrative expenses per IFRS® Accounting Standards income statement	717 563	554 673
Exclude:		
Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets	(26 472)	(22 978)
Operating costs	**4 939 666**	**4 492 686**
Rental income		
Contractual rental income per IFRS® Accounting Standards income statement (excluding straight-lining)	7 525 050	7 065 100
Utility and operating recoveries per IFRS® Accounting Standards income statement	3 092 472	2 870 149
Gross rental income	**10 617 522**	**9 935 249**
SA REIT cost-to-income ratio	**46.5%**	**45.2%**
SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO		
Expenses		
Administrative expenses as per IFRS® Accounting Standards income statement	717 563	554 673
Administrative costs	**717 563**	**554 673**
Rental income		
Contractual rental income per IFRS® Accounting Standards income statement (excluding straight-lining)	7 525 050	7 065 100
Utility and operating recoveries per IFRS® Accounting Standards income statement	3 092 472	2 870 149
Gross rental income	**10 617 522**	**9 935 249**
SA REIT administrative cost-to-income ratio	**6.8%**	**5.6%**
SA REIT GLA VACANCY RATE		
Gross lettable area of vacant space	263 086	262 369
Gross lettable area of total property portfolio	3 986 220	3 957 500
SA REIT GLA vacancy rate	**6.6%**	**6.6%**

SA REIT *ratios* continued

for the year ended 31 August 2024

Cost of debt	2024 ZAR	2024 EUR	2024 PLN
Variable interest-rate borrowings			
Floating reference rate plus weighted average margin	10.0%	6.0%	7.8%
Fixed interest-rate borrowings			
Weighted average fixed rate	0.0%	0.0%	0.0%
Pre-adjusted weighted average cost of deb	**10.0%**	**6.0%**	**7.8%**
Adjustments:			
Impact of interest rate derivatives	-0.6%	-0.7%	0.0%
Impact of cross-currency interest rate swaps	-0.2%	-0.3%	0.0%
Amortised transaction costs imputed into the effective interest rate	0.0%	0.0%	0.0%
All-in weighted average cost of debt	**9.2%**	**5.0%**	**7.8%**

Cost of debt	2023 ZAR	2023 EUR	2023 PLN
Variable interest-rate borrowings			
Floating reference rate plus weighted average margin	10.3%	6.3%	8.0%
Fixed interest-rate borrowings			
Weighted average fixed rate	0.0%	0.0%	0.0%
Pre-adjusted weighted average cost of debt	**10.3%**	**6.3%**	**8.0%**
Adjustments:			
Impact of interest rate derivatives	-0.8%	-0.9%	0.0%
Impact of cross-currency interest rate swaps	-0.1%	-0.9%	0.0%
Amortised transaction costs imputed into the effective interest rate	0.0%	0.0%	0.0%
All-in weighted average cost of debt	**9.4%**	**4.5%**	**8.0%**

Figures in R'000	2024	2023
SA REIT LOAN-TO-VALUE (SA REIT LTV)		
Gross debt (including non-current liabilities held-for-sale)	42 729 131	39 961 145
Less: Cash and cash equivalents	(530 502)	(760 882)
Add: Derivative financial instruments (including insurance contract liability)	(92 224)	556 265
Net debt	**42 106 405**	**39 756 528**
Total assets – per statement of financial position	101 914 154	99 448 195
Less: Cash and cash equivalents	(530 502)	(760 882)
Less: Derivative financial assets	(400 220)	(628 299)
Less: Goodwill and intangible assets	–	–
Less: Trade and other receivables (including other monetary assets)	(1 333 633)	(1 299 340)
Carrying amount of property-related assets	**99 649 799**	**96 759 674**
SA REIT LTV	**42.3%**	**41.1%**

Property *information*

for the year ended 31 August 2024

SECTORAL SUMMARY

as at 31 August 2024

Figures in R'000	South Africa				International		
	Office	Retail	Industrial	Specialised	EPP *	Stokado	Total
Investment properties	21 644 926	28 028 716	12 503 924	553 600	17 997 434	418 311	81 146 911
Properties under development	–	–	64 476	–	–	1 869	66 344
Non-current assets held-for-sale	63 950	312 015	140 230	–	–	–	516 195
Talis property portfolio	956 300	–	147 500	–	–	–	1 103 800
Property, plant and equipment	66 119	–	–	49 200	–	–	115 319
Right of use of assets	11 625	109 807	–	–	333 925	111 983	567 340
Total	**22 742 920**	**28 450 538**	**12 856 130**	**602 800**	**18 331 359**	**532 162**	**83 515 909**

* *Relates to directly held properties of EPP Core*

OFFICE – INVESTMENT PROPERTIES

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	Alice Lane	Gauteng	3 353 700	70 308	22 671 767	328.3	1 253
Multi	115 West Street	Gauteng	1 215 500	36 546	16 072 721	439.8	–
Multi	90 Rivonia Road	Gauteng	1 194 100	37 133	8 807 512	243.0	893
Multi	Black River Office Park	Western Cape	1 103 200	51 892	5 636 109	119.7	4 809
Multi	The Towers	Western Cape	1 083 700	57 846	9 580 676	165.7	19
Multi	Rosebank Link	Gauteng	836 500	20 187	6 400 223	330.2	805
Multi	155 West Street	Gauteng	442 881	25 575	4 304 225	168.3	–
Multi	Hertford Office Park (33.33% share)	Gauteng	482 185	17 587	3 559 550	206.5	347
Multi	90 Grayston Drive	Gauteng	460 900	18 381	4 000 389	229.1	916
Multi	Ballyoaks Office Park	Gauteng	443 800	23 800	3 736 751	167.6	1 509
Multi	Riverside Office Park	Gauteng	421 900	23 804	4 245 102	190.9	1 568
Multi	Hillcrest Office Park	Gauteng	411 300	21 175	2 989 728	173.8	3 976
Single	Wembley 2	Western Cape	406 600	17 269	–	–	–
Multi	Boulevard Office Park F&G	Western Cape	401 300	16 292	2 800 445	174.0	196
Multi	Observatory Business Park	Western Cape	395 400	16 632	2 958 024	177.9	–
Multi	Rosebank Towers (42.5% share)	Gauteng	386 700	11 384	2 560 248	267.5	1 813
Multi	Commerce Square	Gauteng	371 300	15 500	3 036 090	208.0	901
Multi	Convention Tower	Western Cape	348 700	16 949	2 690 250	161.3	273
Multi	2 Pybus Road	Gauteng	344 900	11 729	3 100 749	264.4	–
Multi	Hill on Empire (50% share)	Gauteng	331 700	15 417	3 059 019	210.1	854
Multi	Loftus (50% share)	Gauteng	323 800	13 839	2 825 553	210.2	398
Multi	Thornhill Office Park	Gauteng	280 300	19 906	3 002 490	150.8	–
Multi	Silver Stream Business Park	Gauteng	265 800	15 237	2 371 327	159.4	360
Multi	Wembley 1	Western Cape	265 000	10 728	2 204 502	205.5	–
No tenants	Nedbank Lakeview (66.6% share)	Gauteng	262 100	14 168	–	–	14 168
Multi	Clearwater Office Park	Gauteng	257 500	17 018	2 261 075	140.8	957
Multi	Stoneridge Office Park	Gauteng	255 900	16 367	2 175 056	139.7	795
Multi	Hampton Office Park	Gauteng	252 900	18 798	2 501 984	144.7	1 508
Multi	Bree Street	Western Cape	242 500	8 841	2 630 338	297.5	–
Multi	Wanderers Office Park	Gauteng	202 700	11 838	–	–	–
Multi	The Interchange	Gauteng	188 500	17 894	1 924 495	123.3	2 283
Single	De Beers House	Gauteng	188 400	11 396	–	–	–
Single	Knowledge Park II	Western Cape	186 800	6 971	–	–	–
Multi	Boulevard Office Park B&C	Western Cape	163 000	6 241	1 184 357	189.8	–

Property *information* continued
for the year ended 31 August 2024

OFFICE – INVESTMENT PROPERTIES continued

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	Boulevard Office Park A	Western Cape	161 400	6 877	1 130 208	164.3	–
Multi	AMR Office Park	Gauteng	159 700	9 965	1 365 580	137.0	–
Multi	The Old Match Factory	Western Cape	157 100	11 320	1 271 395	112.3	–
Multi	Thabakgolo	Limpopo	155 000	13 176	1 952 993	152.5	371
No tenants	Magnolia Close	Gauteng	151 600	10 452	–	–	10 452
Multi	Constantia Kloof 3	Gauteng	150 500	15 905	390 372	39.2	5 944
No Tenants	Galleria (90% share)	Gauteng	141 129		–	–	–
Single	Centurion Gate	Gauteng	139 300	9 208	–	–	–
Multi	82 Maude	Gauteng	138 700	8 787	1 207 111	146.7	559
Multi	CIB Insurance	Gauteng	133 300	7 667	695 483	132.5	2 417
Multi	Bryanston Place	Gauteng	127 600	8 766	912 655	140.1	2 250
Multi	Monte Circle Office Park (17.5% share)	Gauteng	124 921	27 567	–	–	–
Multi	ParkONE	Western Cape	120 600	6 512	640 745	98.4	–
Multi	Grayston Ridge Office Park	Gauteng	120 100	9 843	600 584	111.9	4 478
Multi	Essex Gardens	KwaZulu-Natal	114 800	8 225	1 233 643	155.5	292
Single	16 Fredman Drive (50% share)	Gauteng	108 950	11 100	–	–	4 679
Multi	Sandhurst Office Park	Gauteng	97 400	7 784	139 104	164.0	6 936
Multi	29 Scott Street	Gauteng	91 100	7 866	108 425	32.2	4 501
Multi	Rosebank Corner	Gauteng	89 100	8 921	726 083	122.1	2 974
Single	Sagewood House	Gauteng	85 200	6 284	–	–	5 064
Multi	Wembley 3	Western Cape	84 600	4 617	765 028	165.7	–
Single	Stonewedge	Gauteng	77 600	6 158	–	–	–
Multi	Eagle Park	Western Cape	77 000	6 656	732 811	110.1	–
Multi	Wingwood Place	Gauteng	73 900	5 875	720 992	155.6	1 242
Multi	Cedarwood House	Gauteng	69 900	5 968	718 348	136.1	690
Multi	2 Fricker Road	Gauteng	63 400	4 133	667 264	161.4	–
Multi	Silver Point Office Park	Gauteng	57 600	3 979	697 242	175.2	–
Single	Hyde Park Manor	Gauteng	53 600	4 042	–	–	2 009
Multi	Heron Place	Western Cape	52 300	4 341	421 921	98.3	50
Multi	1006 On The Lake	Gauteng	50 900	6 716	667 174	117.6	1 041
Multi	Wedgefield	Gauteng	50 900	3 274	558 601	170.6	–
Multi	Knowledge Park III	Western Cape	46 300	3 128	456 238	145.9	–
Multi	The Avenues	Gauteng	45 300	5 633	235 617	92.8	3 093
Multi	Accord House	KwaZulu-Natal	42 200	3 245	511 414	166.6	176
Multi	Silver Stream Building 3 (50% share)	Gauteng	39 500	2 118	507 039	239.4	–
Multi	66 Peter Place	Gauteng	38 200	3 890	117 181	120.2	2 915
Multi	18 The Boulevard	KwaZulu-Natal	36 800	4 984	419 193	131.6	1 799
Multi	3 Sturdee Avenue	Gauteng	36 100	3 207	479 103	182.6	583
Multi	Warich Close Office Park	Gauteng	34 300	3 320	349 289	118.2	366
Multi	5 Sturdee Avenue	Gauteng	34 100	3 071	386 800	180.6	929
No tenants	4 Keyes Avenue	Gauteng	31 970	–	–	–	–
Single	Kernick House	Gauteng	31 300	3 105	–	–	–
Multi	GIB	Gauteng	29 000	2 417	301 476	124.7	–
No tenants	Monte Place (22.5% share)	Gauteng	23 175	–	–	–	–
Multi	Oxford Road	Gauteng	22 900	2 622	337 476	128.7	–
Multi	Hillside House	Gauteng	22 800	4 495	202 560	124.8	2 872
Multi	Sedgwick House	Gauteng	20 200	1 718	239 453	139.4	–
No tenants	Boulevard Annex-CPT	Western Cape	15 400	–	–	–	–
Single	Centurion Wayne's Gym	Gauteng	14 000	2 726	–	–	–
No tenants	Centurion Junction (25% share)	Gauteng	11 915	–	–	–	–
Single	GM Hatfield (24% share)	Gauteng	8 000	706	–	–	–
No tenants	Boulevard Office Park D	Western Cape	4 200	192	–	–	192
No tenants	Schoeman Street (24% share)	Gauteng	3 500	459	–	–	459
Single	Peugeot Hatfield (24% share)	Gauteng	3 100	305	–	–	
Total			**21 644 926**	**1 017 973**			**109 934**

Single-tenanted office properties weighted average rental rate of R136.39/m²
155 West Street partially included under property, plant and equipment
Weighted average rental rate of R192.60/m²

Non-current assets held-for-sale

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	150 Rivonia Road	Gauteng	69 021	5 553	330 053	147.61	3 317
Total			**69 021**	**5 553**			**3 317**

RETAIL – INVESTMENT PROPERTIES

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	Centurion Mall	Gauteng	3 682 000	111 998	28 782 678	271.7	6 053
Multi	Mall of the South	Gauteng	1 835 300	66 949	15 272 772	231.3	932
Multi	Blue Route Mall	Western Cape	1 784 100	56 891	12 691 051	223.1	–
Multi	Kenilworth Centre	Western Cape	1 667 500	52 859	12 025 351	227.5	–
Multi	Golden Walk	Gauteng	1 654 700	44 868	12 420 018	284.2	1 169
Multi	East Rand Mall (50% share)	Gauteng	1 378 000	33 682	9 267 348	276.3	138
Multi	Goldfields Mall	Free State	1 175 600	37 197	9 082 468	244.2	–
Multi	Centurion Lifestyle Centre	Gauteng	1 145 800	60 819	10 788 422	179.6	740
Multi	Stoneridge Centre	Gauteng	1 115 100	65 524	9 650 787	158.0	4 427
Multi	Maponya Mall (51% share)	Gauteng	1 111 656	35 092	8 114 598	243.6	1 785
Multi	The Boulders Shopping Centre	Gauteng	949 700	44 084	7 900 749	207.2	5 951
Multi	Sammy Marks Square	Gauteng	927 600	35 195	7 393 456	213.2	511
Multi	Matlosana Mall	North West	876 900	62 918	8 549 295	139.7	1 715
Multi	Southcoast Mall	KwaZulu-Natal	844 300	34 037	6 660 447	195.7	–
Multi	Kyalami Corner	Gauteng	792 000	25 807	5 704 775	222.0	114
Multi	Wonderboom Junction	Gauteng	751 800	41 309	7 600 792	184.6	132
Multi	Chris Hani Crossing (50% share)	Gauteng	676 550	20 375	4 451 006	218.5	–
Multi	Benmore Centre	Gauteng	560 600	21 168	5 277 537	256.5	594
Multi	Horizon Shopping Centre	Gauteng	485 100	19 634	3 545 089	187.2	701
Multi	Park Meadows	Gauteng	476 900	29 533	4 412 513	154.9	1 045
Multi	Cradlestone Mall (50% share)	Gauteng	450 150	40 248	5 539 927	150.8	3 505
Multi	Pan Africa Shopping Centre (50.9% share)	Gauteng	446 600	8 018	1 937 787	263.0	651
Multi	Wilgespruit	Gauteng	292 400	12 800	2 691 189	210.2	–
Multi	Hillcrest Boulevard	Gauteng	287 800	8 379	2 048 777	245.4	30
Multi	Oakfields Shopping Centre	Gauteng	250 500	11 393	2 137 650	187.6	–
Multi	The Mall @ Scottsville	KwaZulu-Natal	226 600	14 376	2 781 903	193.5	–
Multi	Kwena Square	Gauteng	210 300	10 003	1 958 007	202.8	347
Multi	Gateway Corner	Gauteng	206 600	11 607	1 906 308	164.2	–
Multi	291 Helen Joseph Street	Gauteng	155 800	15 842	1 508 177	152.7	5 967
Single	Festival Square	Gauteng	155 800	11 041	–	–	–
Multi	Cross Place	Gauteng	140 600	5 186	1 655 689	342.9	357
Multi	Monument Commercial Centre	Gauteng	108 600	15 216	921 372	79.5	3 621
Multi	Botshabelo Shopping Centre	Free State	98 700	15 046	1 790 566	129.6	1 232
Multi	Finpark	Gauteng	92 700	2 919	118 622	79.8	1 432
Multi	Greenstone Junction	Gauteng	92 400	5 925	911 101	153.8	–
Single	Buco	Gauteng	88 300	27 000	–	–	–
Multi	320 West Street	KwaZulu-Natal	81 900	9 357	1 821 931	234.9	1 600
Multi	Bryanston Carvenience	Gauteng	81 000	3 688	796 962	216.1	–
Multi	66 Smal Street	Gauteng	74 500	1 677	633 834	378.0	–
Multi	Besterbrown	Mpumalanga	74 300	13 851	1 053 081	100.8	3 400

Property *information* continued

for the year ended 31 August 2024

RETAIL – INVESTMENT PROPERTIES continued

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	Riverside Junction	Mpumalanga	73 000	9 698	771 894	86.9	818
Multi	Centurion Mall Offices	Gauteng	64 500	10 818	816 863	98.6	2 531
Multi	Posthouse Link	Gauteng	56 900	4 007	625 368	168.0	285
Multi	Acornhoek Shopping Centre	Mpumalanga	47 100	5 425	684 574	126.2	–
Multi	Nunnerleys	Gauteng	43 700	708	211 680	366.2	130
Multi	277 Helen Joseph Street	Gauteng	42 700	4 653	368 332	160.6	2 359
Multi	Nedbank Mall	Gauteng	36 800	1 363	541 819	397.5	–
Multi	Post House	Gauteng	34 600	2 697	349 094	144.0	273
Multi	CCMA House Rustenburg	North West	28 300	6 327	354 006	87.6	2 287
No tenants	Wonderboom Junction Phase 2	Gauteng	26 460	–	–	–	–
Multi	Kine Centre	Gauteng	22 600	2 746	780 793	290.7	60
Multi	Leonita – Mallinick	Gauteng	13 900	970	197 013	247.5	174
Multi	Tamlea – Arundel	Gauteng	10 800	685	273 299	399.0	–
Multi	Schreiner Chambers	Gauteng	10 000	662	254 781	384.9	–
Multi	Small Street Mall	Gauteng	6 900	119	71 058	597.1	–
No tenants	JD Dwarsloop (25% share)	Mpumalanga	1 900	1 147	–	–	1 147
Multi	East End Shopping Centre	North West	1 800	9 916	79 060	11.6	3 113
Total			**28 028 716**	**1 205 452**			**61 326**

Single-tenanted retail properties weighted average rental rate of R71.06/m²
Weighted average rental rate of R201.90/m²

Non-current assets held-for-sale

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	Bryanston Shopping Centre	Gauteng	248 015	11 849	2 665 069	240.9	786
Single	Pro Shop Woodmead	Gauteng	64 000	2 283	–	–	–
Total			**312 015**	**14 132**			**786**

INDUSTRIAL – INVESTMENT PROPERTIES

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Single	233 Barbara Road	Gauteng	946 400	102 631	–	–	–
Single	Hirt & Carter Cornubia	KwaZulu-Natal	789 000	47 718	–	–	–
No tenants	S&J Industrial Industrial (90% share)	Gauteng	684 432	–	–	–	–
Single	Macsteel Lilianton Boksburg	Gauteng	596 400	83 347	–	–	–
Single	10 Rubicon Boulevard_Mass Mart	Western Cape	579 900	52 601	–	–	–
Single	Cato Ridge DC	KwaZulu-Natal	382 400	50 317	–	–	32 355
Single	Macsteel Coil Processing Wadeville	Gauteng	346 700	52 886	–	–	–
Single	Macsteel VRN Roodekop	Gauteng	314 500	57 645	–	–	–
Single	Macsteel Trading Germiston South	Gauteng	300 700	56 495	–	–	–
Single	Macsteel Cape Town	Western Cape	269 600	38 340	–	–	–
Single	Graph Avenue	Western Cape	258 200	29 450	–	–	–
Multi	ERPM	Gauteng	254 700	40 375	1 884 619	52.1	4 175
Single	62 Umlambo Street Coega	Eastern Cape	251 200	38 515	–	–	–
Single	S&J Industrial Isuzu (90% share)	Gauteng	234 900	20 107	1 442 542	71.7	–
Single	Waltloo DC	Gauteng	227 000	25 735	–	–	–
Multi	Mifa Industrial Park	Gauteng	220 100	34 919	2 284 873	71.5	2 967
Single	8 Jansen Road	Gauteng	216 700	22 822	–	–	–
Single	S&J Industrial Sparepro (90% share)	Gauteng	205 800	18 659	1 469 871	78.8	–
Multi	Ushukela Industrial Park	KwaZulu-Natal	205 200	27 084	2 282 161	84.3	–
Single	Macsteel Trading Durban	KwaZulu-Natal	198 200	21 540	–	–	–
Single	S&J Industrial Stampmill (90% share)	Gauteng	184 200	16 788	1 293 326	77.0	–
Single	29 Springbok Road	Gauteng	180 200	20 067	–	–	–
Single	City Deep 45 & 46	Gauteng	165 250	13 407	–	–	–
Multi	CTX Business Park	Western Cape	164 600	18 461	1 589 474	86.1	–
Single	17 Winnipeg Road	Gauteng	162 300	22 159	–	–	–
Single	Nasrec Road - Aeroton	Gauteng	154 900	15 575	–	–	7 412
Multi	Golf Air Park II	Western Cape	148 900	12 807	1 188 506	92.8	–
Single	Macsteel Roofing Wadeville	Gauteng	140 400	23 729	–	–	–
Single	14 Piet Rautenbach Street	Gauteng	138 400	15 668	–	–	–
Multi	96 Cavaleros Drive SG (50% share)	Gauteng	133 050	24 911	1 648 662	76.8	3 434
Single	12 Friesland Road	Gauteng	132 100	24 253	–	–	–
Multi	Supreme Industrial Park	Gauteng	130 900	29 074	1 468 449	59.8	4 508
Multi	239 Wadeville Road	Gauteng	121 200	22 755	1 118 255	49.9	329
Multi	190 Barbara Road	Gauteng	119 800	14 639	986 317	67.4	–
Single	2 Lake Road	Gauteng	119 700	12 534	–	–	–
Single	9 Old Pretoria Road	Gauteng	117 900	11 924	–	–	–
Multi	1 Springbok Road	Gauteng	114 700	15 708	1 017 734	64.8	–
Single	Macsteel Special Steels Dunswart	Gauteng	114 700	19 334	–	–	–
Multi	Midway Park	Gauteng	107 000	14 177	1 021 137	72.0	–
Single	1 Avalon Road	Gauteng	104 600	9 381	–	–	–
Multi	18 Halifax Road	KwaZulu-Natal	92 600	14 693	1 013 832	69.0	–
Single	Macsteel Trading Klerksdorp	North West	89 400	15 263	–	–	–
Multi	106 16th Road	Gauteng	84 400	9 696	749 076	77.3	–
Single	26 Greenstone Place Road	Gauteng	83 500	6 083	–	–	–
Single	29 Rubicon Boulevard – GEA (50.1% share)	Western Cape	78 407	4 178	–	–	–
Single	55 Tiber Road – Brights (50.1% share)	Western Cape	75 651	4 008	–	–	–
Single	Macsteel Roofing Harvey	Gauteng	75 300	14 133	–	–	–
Single	2A Rail Road	Gauteng	69 000	9 148	–	–	–
Multi	Creation	North West	67 800	28 722	1 004 743	35.0	–

Property *information* continued

for the year ended 31 August 2024

INDUSTRIAL – INVESTMENT PROPERTIES

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	Golf Air Park	Western Cape	63 700	14 800	606 631	55.0	3 772
Single	Greenstone Place Road	Gauteng	62 200	9 083	–	–	–
Single	Macsteel VRN Pinetown	KwaZulu-Natal	61 800	7 517	–	–	–
Single	179 Broadwalk Street	Gauteng	61 600	10 804	–	–	–
Single	4 Tiber Road – Planet Fitness (50.1% share)	Western Cape	58 617	1 741	–	–	–
Multi	159 Northumberland Avenue	Gauteng	56 400	9 573	474 292	53.1	642
No tenants	3 New Road	Gauteng	55 900	11 606	–	–	11 606
Single	5 Tunney Road	Gauteng	53 500	8 353	–	–	–
Single	Macsteel Special Steels Meyerton	Gauteng	51 100	11 693	–	–	–
Single	2 Merlin Rose Drive	Gauteng	50 500	6 748	–	–	–
Single	11 Galaxy Avenue	Gauteng	50 000	6 217	–	–	–
Single	2 Ayrshire Avenue	Gauteng	49 800	5 439	–	–	–
Single	13 Greenstone Place Drive	Gauteng	49 300	4 127	–	–	–
Single	Macsteel VRN Witbank	Mpumalanga	48 100	8 899	–	–	–
Single	Macsteel Trading Bloemfontein	Free State	48 000	4 947	–	–	–
Single	Macsteel Trading Nelspruit	Mpumalanga	47 600	5 262	–	–	–
Single	1156 Leader Avenue	Gauteng	45 300	5 965	–	–	–
Multi	49 Steel Road	Gauteng	45 100	11 965	75 822	44.2	10 250
No tenants	Atlantic Hills (55% share)	Western Cape	44 518	–	–	–	–
Multi	77 & 78 Plane Road	Gauteng	43 100	8 686	535 577	63.8	285
Single	Erf 25576 (Ptn 2) Herholdts (50.1 share)	Western Cape	38 300	2 873	–	–	–
Single	Macsteel VRN Richards Bay	KwaZulu-Natal	39 900	4 117	–	–	–
No tenants	Erf 179205	Western Cape	35 200	–	–	–	–
Single	29 Rubicon Boulevard – Montagu (50.1% share)	Western Cape	34 469	2 111	–	–	–
Single	54 Mimetes Road	Gauteng	32 900	7 567	–	–	–
Multi	Serenade Road	Gauteng	30 800	9 003	364 323	40.5	–
No tenants	Erf 25784_Elbe (50.1% share)	Western Cape	30 120	–	–	–	–
No tenants	Erf 25701C (Ptn 3) (50.1% share)	Western Cape	29 020	–	–	–	–
Multi	4 Vanderbijl Street	Mpumalanga	26 700	6 516	54 345	8.3	–
Single	Macsteel VRN Rustenburg	North West	26 600	4 724	–	–	–
Single	Macsteel Trading Welkom	Free State	24 900	5 550	–	–	–
Single	2 Hendrik van Eck Road	Northern Cape	24 200	6 813	–	–	2 260
Single	62 Mimetes Road	Gauteng	23 000	5 136	–	–	–
Single	Macsteel Hudson Road	KwaZulu-Natal	23 000	2 346	–	–	–
Single	70 Saturn Crescent	Gauteng	22 900	2 158	–	–	–
Single	16th Road	Gauteng	21 900	2 871	–	–	–
Single	5 Newton Street	Gauteng	16 100	3 039	–	–	–
No tenants	Erf 25701 (Ptn 2B) (50.1% share)	Western Cape	12 780	–	–	–	–
Single	Macsteel VRN Klerksdorp	North West	12 110	2 370	–	–	–
Total			**12 503 924**	**1 505 080**			**83 995**

Single-tenanted industrial properties weighted average rental rate of R64.86m²
Weighted average rental rate of R64.60/m²

Industrial – properties under development

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
No tenants	Atlantic Hills (55% share)	Western Cape	64 476	–	–	–	–
Total			**64 476**	**–**	**–**	**–**	**–**

Industrial – non-current assets held-for-sale

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
No tenants	S&J Industrial (90% share)	Gauteng	78 940	–	–	–	–
Single	Jupiter Ext 1	Gauteng	55 290	11 382	–	–	–
Single	28 Stevenson Road	Eastern Cape	6 000	4 674	–	–	–
Total			**140 230**	**16 056**			

SPECIALISED – INVESTMENT PROPERTIES

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Single	Bedford Gardens Hospital	Gauteng	402 000	12 817	–	–	–
No tenants	Park Central	Gauteng	151 600	–	–	–	–
Total			**553 600**	**12 817**			**–**

Single-tenanted specialised properties weighted average rental rate of R316.41/m²
Loftus Office Park included under property, plan and equipment
Weighted average rental rate of R316.40/m2

Property *information* continued

for the year ended 31 August 2024

TALIS – OFFICE

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Single	61 Jorrisen Street	Gauteng	196 100	18 181	–	–	–
Single	240 & 260 Justice Mohamed Street	Gauteng	166 500	13 087	–	–	–
Multi	300 Middel Street	Gauteng	112 800	11 071	53 595	149.7	10 713
Multi	Mineralia Building	Gauteng	100 500	13 116	1 139 820	120.5	3 659
Single	Wheat Board	Gauteng	94 100	12 093	–	–	–
Multi	Nedbank Centre Nelspruit	Mpumalanga	89 300	15 065	1 338 433	130.2	4 789
Multi	West End Shopping Centre	North West	72 900	20 962	881 214	87.6	10 903
Single	Emanzeni	Gauteng	57 100	9 340	–	–	–
Multi	Curator	Gauteng	46 700	8 639	500 950	102.1	3 731
Single	Delpen Building	Gauteng	20 300	5 550	–	–	5 550
Total			**956 300**	**127 104**			**39 345**

Weighted average rental rate of R121.30/m²

TALIS – INDUSTRIAL

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	12 Piet Rautenbach Street	Gauteng	147 500	26 288	1 414 942	71.0	6 365
Total			**147 500**	**26 288**			**6 365**

Single-tenanted Talis properties weighted average rental rate of R127.75/m²
Weighted average rental rate of R71.0/m²

INTERNATIONAL PROPERTIES – EPP CORE

Multi/ single tenanted	Property	Province	Valuation R'000	GLA m²	GMR R	GMR R/m²	Vacancy m²
Multi	Galeria Echo Kielce	Kielce	4 388 938	71 709	24 562 270	347.8	4 148
Multi	Galaxy	Szczecin	5 438 979	56 692	31 332 114	555.0	1 904
Multi	Pasaż Grunwaldzki	Wrocław	4 402 702	48 781	21 479 619	445.4	2 216
Multi	King Cross Marcelin	Poznań	1 852 321	45 310	13 227 638	293.5	410
Multi	Outlet Park	Szczecin	1 914 494	28 190	11 350 470	402.6	215
Total			**17 997 434**	**250 682**			**8 894**

Weighted average rental rate of R388.48/m²

INTERNATIONAL PROPERTIES – STOKADO

Multi/ single tenanted	Property	Province	Valuation R'000	NLA^ m²	NLA^ vacancy m²
Multi	Wrocław, Opolska	Lower Silesia	32 740	4 691	–
Multi	Poznań, Druskienicka	Poznań	–	928	124
Multi	Wrocław, Krzywoustego	Lower Silesia	22 603	2 718	747
Multi	Bydgoszcz, Filmowa	Bydgoszcz-Torun	13 790	2 214	537
Multi	Legnica, Toruńska	Lower Silesia	4 018	963	110
Multi	Poznań, Szarych Szeregów	Poznań	–	1 329	680
Multi	Bielany Wrocławskie, Szwedzka	Lower Silesia	–	2 046	174
Multi	Wrocław, Długosza	Lower Silesia	44 932	1 356	118
Multi	Kalisz, Wrocławska	Central Poland	–	902	220
Multi	Zabrze, Zamkowa	Upper Silesia	2 968	588	210
Multi	Poznań, Bukowska	Poznań	3 470	888	295
Multi	Zielona Góra, Chemiczna	Lower Silesia	4 292	936	175
Multi	Dąbrowa Górnicza	Upper Silesia	–	504	30
Multi	Piekary Śląskie	Upper Silesia	–	504	84
Multi	Wrocław, Irysowa	Lower Silesia	–	384	189
Multi	Gliwice, Sikorskiego	Upper Silesia	–	396	192
Multi	Warszawa Modlinska	Warsaw	251 050	3 458	519
Multi	Chorzów_Kaliny	Upper Silesia	–	384	261
Multi	Mokronos Dolny, Parkowa	Lower Silesia	–	489	417
Multi	Wrocław, Krzyki, Kwiatkowskiego	Lower Silesia	–	384	375
Multi	Kraków Sosnowiecka (Land)	Krakow	38 447	–	–
Total			**418 311**	**26 061**	**5 459**

^ Net lettable area
Weighted average rental rate of R223.01/m²

International properties – Stokado – properties under development

Multi/ Single tenanted	Property	Province	Valuation R'000	NLA^ m²
Multi	Kraków Sosnowiecka	Kraków	1 869	5 015
Total			**1 869**	**5 015**

^ Net lettable area

LOCAL PROPERTY INFORMATION

	Office %	Retail %	Industrial %	Specialised %	Total %
Local weighted average portfolio escalation	6.8	5.9	6.5	6.0	6.4
Local average annualised property yield	8.2	7.5	7.9	8.6	7.8

Property *information* continued

for the year ended 31 August 2024

PROPERTY INFORMATION

Geographical profile

Province	Number of properties	GLA (m²)	GLA (%)	GMR R'000	GMR (%)
Gauteng	165	2 636 722	66	364 910 512	62
Western Cape	14	249 556	6	26 893 518	5
KwaZulu-Natal	22	306 956	8	28 162 073	5
Other	37	544 424	14	78 313 677	13
International	5	275 311	7	90 770 211	15
Total	**243**	**4 012 969**	**100**	**589 049 992**	**100**

Stokado properties excluded as it relates to NLA

Tenant profile

Sector	Grade	GLA (m²)	GLA (%)
Office		**1 157 473**	
	A Grade	793 184	69
	B Grade	189 513	16
	C Grade	174 776	15
Retail		**870 872**	
	A Grade	514 240	59
	B Grade	188 211	22
	C Grade	168 421	19
Industrial		**1 437 141**	
	A Grade	1 182 332	82
	B Grade	165 470	12
	C Grade	89 339	6
Specialised		**12 817**	
	A Grade	12 817	100
	B Grade	–	–
	C Grade	–	–
International retail		**244 831**	
	A Grade	171 613	70
	B Grade	59 258	24
	C Grade	13 960	6
Occupied GLA (total GLA less vacancy)		**3 723 134**	

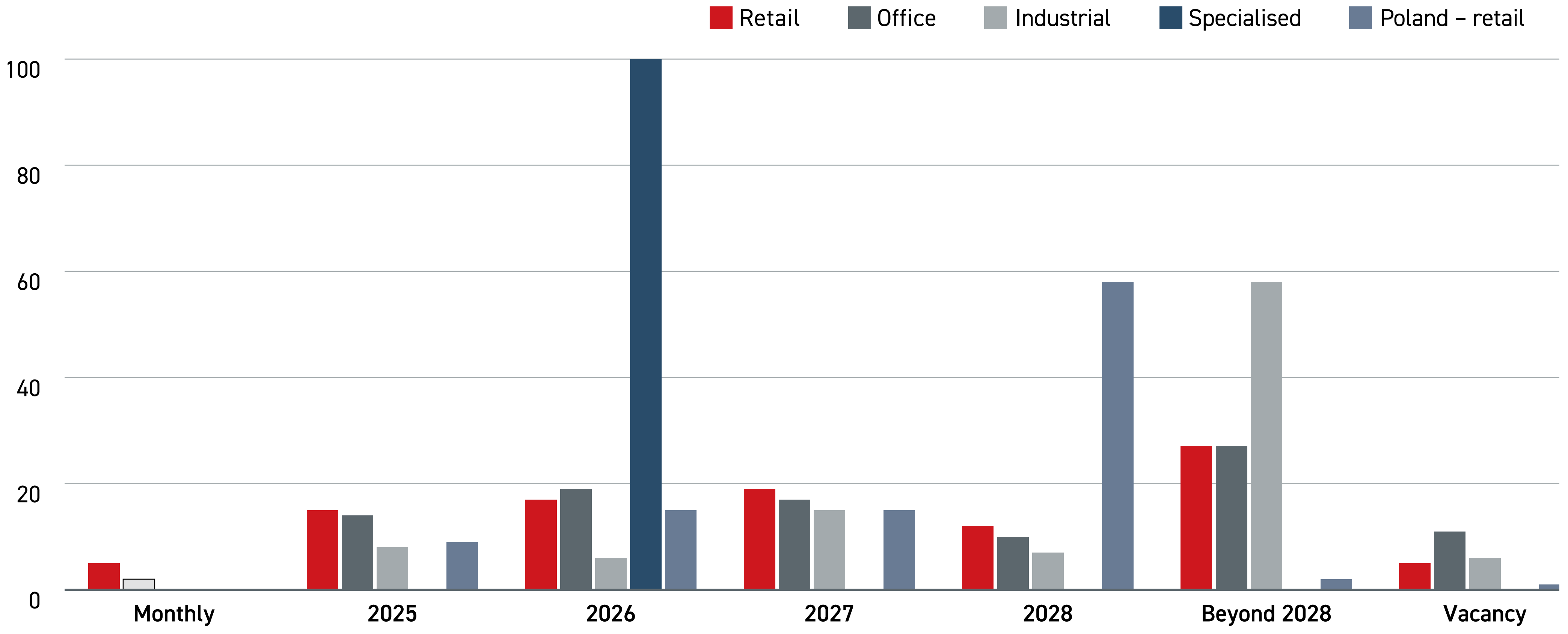
Stokado properties excluded as it relates to NLA

Grade A: Major corporates, JSE listed companies, national retailers, local and international government (including all departments, embassies, consulates and parastatals), and local subsidiaries of international businesses.

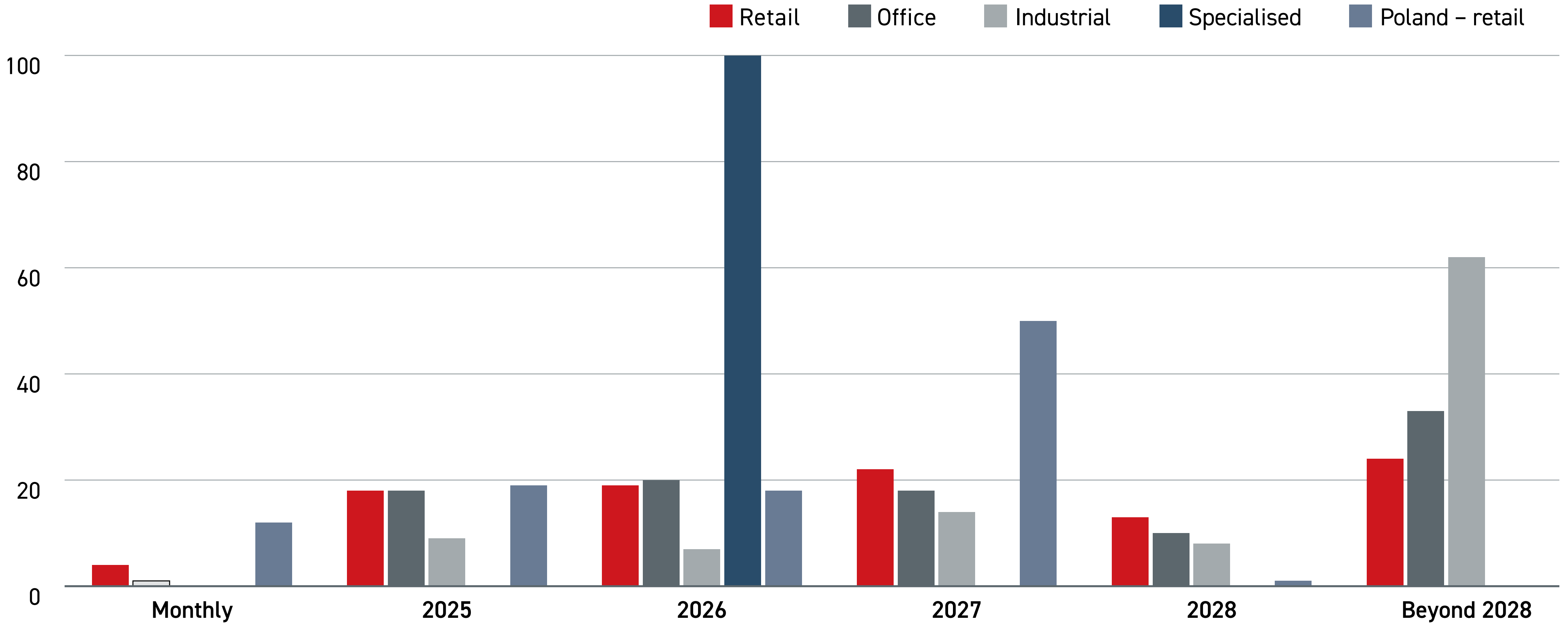
Grade B: Medium- to large-sized corporates and franchisees (with no lease surety or where no substitution is in place).

Grade C: Individuals and sole proprietorships as well as other legal entities that occupy less than 300m². 1 856 of the group's tenants have been classified as C grade.

LEASE EXPIRY PROFILE BY GLA (%)



LEASE EXPIRY PROFILE BY GMR (%)



Shareholders' *analysis*

for the year ended 31 August 2024

Shareholder spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1 to 1 000	13 836	47.52	2 311 971	0.03
1 001 to 10 000	7 322	25.15	32 544 339	0.46
10 001 to 100 000	6 126	21.04	195 179 362	2.77
100 001 to 1 000 000	1 332	4.57	412 014 394	5.84
Over 1 000 000	501	1.72	6 410 369 799	90.90
Total	**29 117**	**100.00**	**7 052 419 865**	**100.00**

Distribution of shareholders	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Assurance companies	13	0.04	104 120 233	1.48
Close corporations	183	0.63	13 517 535	0.19
Collective investment schemes	474	1.63	2 118 134 884	30.03
Custodians	61	0.21	576 161 224	8.17
Empowerment	2	0.01	300 012 108	4.25
Foundations and charitable funds	156	0.54	60 498 227	0.86
Hedge funds	4	0.01	5 927 226	0.08
Insurance companies	145	0.50	105 257 103	1.49
Investment companies	45	0.15	23 123 834	0.33
Medical aid funds	38	0.13	67 622 895	0.96
Organs of state	8	0.03	1 591 909 639	22.57
Other companies	72	0.25	6 853 566	0.10
Own holdings	1	0.00	2 954 316	0.04
Private companies	618	2.12	133 118 927	1.89
Public companies	19	0.07	110 676 407	1.57
Retail shareholders	24 822	85.25	315 115 295	4.47
Retirement benefit funds	379	1.30	1 134 947 843	16.09
Scrip lending	25	0.09	100 621 446	1.43
Stockbrokers and nominees	40	0.14	105 871 100	1.50
Trusts	2 012	6.90	175 976 057	2.50
Total	**29 117**	**100.00**	**7 052 419 865**	**100.00**

Shareholder type	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Public shareholders	**29 103**	**99.95**	**5 264 961 742**	**74.65**
Non-public shareholders	14	0.05	1 787 458 123	25.35
Directors and prescribed officers	7	0.02	21 125 862	0.30
Empowerment Trust	1	0.00	300 000 000	4.25
Own holdings	1	0.00	2 954 316	0.04
Strategic holder (more than 10%)	5	0.03	1 463 377 945	20.76
Total	**29 117**	**100.00**	**7 052 419 865**	**100.00**

Beneficial shareholders holding of 3% or more	Number of shares	% of issued capital
Government Employees Pension Fund	1 463 377 945	20.75
Ninety One	357 018 106	5.06
Eskom Pension and Provident Fund	319 353 516	4.53
Old Mutual	232 627 322	3.30
Redefine Empowerment Trust	300 000 000	4.25
Vanguard	253 640 306	3.60

Fund managers holding of 3% or more	Number of shares	% of issued capital
Public Investment Corporation (SOC) Limited	1 341 122 242	19.02
Ninety One SA Pty Ltd	647 301 322	9.18
Sesfikile Capital (Pty) Ltd	463 396 381	6.57
Meago Asset Managers (Pty) Ltd	462 740 272	6.56
The Vanguard Group, Inc	311 828 711	4.42
Old Mutual Investment Group (South Africa) (Pty) Limited	302 479 122	4.29

Shares in issue	2024	2023
Total number of shares in issue	7 052 419 865	7 052 419 865
Shares in issue (net of treasury shares)	6 752 419 865	6 752 419 865
Weighted average number of shares in issue (net of treasury shares)	6 752 419 865	6 752 419 000

Market capitalisation	2024	2023
Market capitalisation at 31 August	R33 569 518 557	R25 247 663 117
Number of shareholders	29 117	31 593

Share price	2024 R	2023 R
Opening price 1 September	3.58	3.80
Closing price 31 August	4.76	3.58
Closing high for the year	4.81	4.36
Closing low for the year	3.34	3.05

Trading volumes	2024	2023
Volume traded during period	4 175 866 902	3 751 418 151
Ratio of volume traded to shares issued	59.21%	53.19%
Ratio of volume traded to weighted number of shares issued	61.84%	55.56%
Rand value traded during the year	R16 248 609 957	R13 994 669 748

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SHAREHOLDERS' DIARY				
AGM	Half-year end	Interim financial results	Financial year end	Annual financial results
13 February 2025	28 February 2025	12 May 2025	31 August 2025	3 November 2025

ADMINISTRATION

REDEFINE PROPERTIES LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1999/018591/06)
JSE share code: RDF ISIN: ZAE000190252
(Approved as a REIT by the JSE)

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The group and company annual financial statements of Redefine Properties Limited were approved by the board of directors on 31 October 2024 and were published on 4 November 2024.