

Financial highlights

for the year ended 31 March 2025

		Reviewed 2025	Audited 2024	% change
Revenue	(R'000)	3 749 230	3 527 707	6,3%
Profit	(R'000)	117 412	100 658	16,6%
Earnings per share	(cents)	26,86	23,06	16,5%
Headline earnings per share	(cents)	24,98	22,54	10,8%
Net asset value per share	(cents)	435	424	2,6%
Distribution per share	(cents)	11	10	10,0%

Commentary

Given the general economic conditions, the Group delivered a solid set of results for the year ended 31 March 2025.

Revenue was up 6,3% with all segments, except for Properties, delivering growth. Gross margins were 50 basis points higher at 24,1% which saw gross profit improve by 8,5%. Costs were well controlled, increasing by 5,9%. This figure includes costs within recently acquired businesses still in the development phase. In the established businesses, operating costs grew by less than 4,0%. The new businesses operate in the circular economy space transforming waste into useful products and cleaning water for re-use. They have been acquired to secure future revenue streams and although they do generate some revenue already, they will need to grow to fully absorb their cost base. In the period under review, these businesses made an operating loss of some R3 million.

The R26 million drop-off in other income had a significant influence on the results. Other income, as the name suggests, is a line used to disclose items that are either non-operational or non-recurring in nature. These items consist of government grants and incentives, profit or loss on sale of assets and within our property portfolio at least, we include any bad debt provisions and reversals thereof. The major swing from last year is mostly due to the bad debt provisions within the property portfolio. In the prior period, we had a bad debt provision reversal of R4 million and in the current period, we have made provision for R10 million for three recalcitrant tenants. We take a conservative approach and fully provide once rental payments become overdue. We will pursue the tenants to collect the outstanding amounts. If successful, these collections may appear as credits in the next financial year. In addition to the above, government incentives were R4 million below the level received in the prior year due to lower capital expenditure.

The result of the above is that operating profit improved by 3,2% to R260 million.

Lower finance expenses but a higher effective tax rate saw profit for the period improve by 16,6% to R117 million. Debt levels continue to decline largely due to property sales. At year-end, total interest-bearing debt is down R85 million compared to the prior year-end.

Earnings per share increased by 16,5% in line with the profit growth whilst headline earnings per share grew by 10,8%. The difference between the two is largely due to the remeasurement of investment properties which is R7 million more than the previous year but excluded from headline earnings.

Property

The performance of the property portfolio was a little disappointing. Revenue declined by 11,0% with revenue from external tenants declining by 12,0%. Operating profit declined by 24,0% to R96 million. The declines are due to three main factors. Firstly, we have been net sellers of property lately and in the year under review, we completed the sales of properties comprising 24 037m² of gross lettable area for R109 million. These disposals align with our strategy to dispose of properties that are no longer considered core. This has a negative effect on the property results but does result in lower debt and thus lower interest. We also transferred a property, 13 489m² in extent, to one of our manufacturing divisions thereby removing it from this segment. Secondly, a major tenant that had been with us for nearly 15 years, decided to move to an owner-occupied property. This tenant let some 36 584m² of space. A portion of this space was taken off the market so that redevelopment work could take place. This resulted in a higher vacancy factor. Thirdly, the R14 million movement in the provisions for bad debts, mentioned above, had a major impact on the operating results.

Branded Product Distribution

The Branded Product segment had a solid year with revenue up 4,4%. This is pleasing as it comes amid a backdrop of economic pressure on consumers. Most of the products we distribute within this segment are discretionary. Higher gross margins saw gross profit improve by 6,2%. Operating costs were well controlled rising by just 1,7%. The improved margins and good cost control saw operating profit rise by 29,7% to R82 million. This is an encouraging result as it comes on the back of 21,0% operating profit growth in the prior year.

Sadly the CEO of our Prima Interactive division, Ian Hepplewhite, passed away suddenly shortly after year-end. Ian was an outstanding leader, and his legacy continues through a committed team poised for future growth. Ian started the business as the very first employee in 2010. Since inception, the business remained profitable, even in its first year of operation. It grew to become a significant contributor to the Group. Over the 15 years since start-up, this business generated over R6 billion in turnover. It now employs over 40 people and continues to thrive. Ian will be missed by all those that knew him and he was a valuable member of the Group.

Manufacturing

The manufacturing businesses delivered revenue growth of 8,4%. Gross margins improved by 170 basis points, driving a 20,2% increase in gross profit. Costs were up 12,5% as this segment contains the new development businesses mentioned earlier. With slightly lower production incentives received, operating profit improved by 21,1% to R129 million.

Being a diverse Group usually means that there will be some businesses in a down cycle whilst others are growing. Overall, given the general economic environment, we are pleased with the results. The Group delivered revenue growth, margin growth and controlled costs well, whilst at the same time reducing debt levels.

We will continue to drive a process of iterative improvements to move the Group forward and if some of our new projects find traction, they could play a significant part in boosting the Group's future earning potential.

On behalf of the board

Stuart Queen

Chief Executive Officer

Cape Town

29 May 2025

Gys Wege

Financial Director

Condensed consolidated statement of financial position

as at 31 March

	Notes	Reviewed 2025 R000's	Audited 2024 R000's
ASSETS			
Non-current assets			
Property, plant and equipment		2 077 897	2 158 310
Plant and equipment		914 520	952 250
5.1		558 165	586 746
5.2		53 815	70 851
5.2		302 540	294 653
Investment property		957 237	1 024 362
Intangible assets and goodwill		63 372	42 033
Intangible assets		36 922	20 122
Goodwill		26 450	21 911
Financial assets		32 839	22 675
Long-term lease receivables		2 763	3 065
Deferred tax assets		107 166	113 925
Current assets		1 373 452	1 283 154
Inventories		674 454	581 882
Trade and other receivables		591 178	543 698
Current tax assets		3 849	4 379
Cash and cash equivalents		103 971	153 195
Non-current assets held for sale	4.1	93 800	115 000
Total current assets		1 467 252	1 398 154
Total assets		3 545 149	3 556 464
EQUITY AND LIABILITIES			
Total equity		1 921 257	1 854 900
Stated capital		1 384 268	1 420 216
Reserves		535 777	435 572
Equity attributable to owners of the company		1 920 045	1 855 788
Non-controlling interest		1 212	(888)
Non-current liabilities		342 787	1 052 157
Deferred tax liabilities		30 016	26 066
Post-employment medical aid benefits		71 056	67 831
Deferred income – government grants		99 591	91 054
Interest-bearing liabilities	6.2	71 372	787 339
Lease liabilities	6.2	70 752	79 867
Current liabilities		1 281 105	649 407
Current tax liabilities		2 536	4 539
Post-employment medical aid benefits		8 564	7 878
Deferred income – government grants		10 087	10 900
Interest-bearing liabilities	6.2	630 028	49 669
Lease liabilities	6.2	19 691	29 141
Trade and other payables		544 914	484 096
Bank overdraft	6.1	65 285	63 184
Total liabilities		1 623 892	1 701 564
Total equity and liabilities		3 545 149	3 556 464
Net asset value		1 920 045	1 855 788
Net asset value per share	(cents)	435	424

Condensed consolidated statement of profit or loss and other comprehensive income

for the year ended 31 March

	Notes	Reviewed 2025 R000's	Audited 2024 R000's
Revenue		3 749 230	3 527 707
Cost of sales		(2 846 349)	(2 695 686)
Gross profit		902 881	832 021
Other income		17 618	43 513
Selling and distribution expenses		(319 036)	(309 547)
Administrative and other expenses		(341 209)	(313 795)
Operating profit before finance costs, impairments and revaluation of properties		260 254	252 192
Revaluation of properties	4.1; 5.2.2	7 816	570
Impairments		–	(1 587)
Profit before finance costs		268 070	251 175
Finance income		3 842	1 370
Finance expenses – leases		(12 116)	(14 116)
Finance expenses		(100 547)	(110 570)
Profit before taxation		159 249	127 859
Income tax expense	4.2	(41 837)	(27 201)
Profit		117 412	100 658
Other comprehensive income, net of related tax			
Items that will not be reclassified to profit or loss			
Revaluation of land and buildings		5 469	12 876
Revaluation		6 976	16 424
Related tax		(1 507)	(3 548)
Post-employment medical benefit – actuarial loss		(2 795)	997
Actuarial loss		(3 829)	1 365
Related tax		1 034	(368)
Fair value gain on financial asset at fair value through other comprehensive income		491	869
Items that may be reclassified to profit or loss			
Foreign operations – foreign currency translation differences		(657)	2 329
Other comprehensive income, net of tax		2 508	17 071
Total comprehensive income for the year		119 920	117 729
Profit attributable to:			
Owners of the company		118 323	101 141
Non-controlling interest		(911)	(483)
		117 412	100 658
Total comprehensive income attributable to:			
Owners of the company		120 831	118 212
Non-controlling interest		(911)	(483)
		119 920	117 729
Basic earnings per share	(cents)	26,86	23,06
Diluted earnings per share	(cents)	26,54	22,45

Condensed consolidated statement of changes in equity

for the year ended 31 March

	Stated capital total R000's	Other reserves R000's	Retained income R000's	Total reserves R000's	Non-controlling interest R000's	Total R000's
Balance at 31 March 2023	1 465 203	292 127	24 227	316 354	(405)	1 781 152
Total comprehensive income	–	16 074	102 138	118 212	(483)	117 729
Profit	–	–	101 141	101 141	(483)	100 658
Other comprehensive income, net of tax	–	16 074	997	17 071	–	17 071
Fair value gain on financial asset at fair value through other comprehensive income	–	869	–	869	–	869
Foreign operations – foreign currency translation differences	–	2 329	–	2 329	–	2 329
Revaluation of land and buildings, net of tax	–	12 876	–	12 876	–	12 876
Post-employment medical benefit – actuarial gain, net of tax	–	–	997	997	–	997
Transactions with owners of the company	(44 987)	–	1 006	1 006	–	(43 981)
Share buy-back	(4 767)	–	–	–	–	(4 767)
Share scheme – expense	–	–	4 618	4 618	–	4 618
– options exercised	3 612	–	(3 612)	(3 612)	–	–
Distribution to shareholders	(43 832)	–	–	–	–	(43 832)
Balance 31 March 2024	1 420 216	308 201	127 371	435 572	(888)	1 854 900
Total comprehensive income	–	5 303	115 528	120 831	(911)	119 920
Profit	–	–	118 323	118 323	(911)	117 412
Other comprehensive income, net of tax	–	5 303	(2 795)	2 508	–	2 508
Fair value gain on financial asset at fair value through other comprehensive income	–	491	–	491	–	491
Foreign operations – foreign currency translation differences	–	(657)	–	(657)	–	(657)
Revaluation of land and buildings, net of tax	–	5 469	–	5 469	–	5 469
Post-employment medical benefit – actuarial gain, net of tax	–	–	(2 795)	(2 795)	–	(2 795)
Transactions with owners of the company	(35 948)	–	(20 626)	(20 626)	3 011	(53 563)
Effects of changes in shareholding (note 6.3)	–	–	(4 479)	(4 479)	2 587	(1 892)
Non-controlling interest on acquisition of subsidiaries	–	–	–	–	424	424
Share buy-back	(3 539)	–	–	–	–	(3 539)
Share scheme – expense	–	–	(4 762)	(4 762)	–	(4 762)
– options exercised	11 385	–	(11 385)	(11 385)	–	–
Distribution to shareholders*	(43 794)	–	–	–	–	(43 794)
Balance 31 March 2025	1 384 268	313 504	222 273	535 777	1 212	1 921 257

* During the year a distribution of 10 cents (2024:10 cents) (gross) per share was declared on 24 May 2024 out of capital reserves.

Condensed consolidated statement of cash flows

for the year ended 31 March

Notes	Reviewed 2025 R000's	Audited 2024 R000's
Net cash flows from operating activities	91 895	194 671
Cash generated from operating activities before working capital changes	353 975	339 534
Cash outflow from working capital changes	(119 464)	(13 030)
Inventories	(120 434)	40 980
Trade and other receivables	(34 762)	25 818
Trade and other payables	35 732	(79 828)
Finance costs	(108 821)	(123 316)
Taxes paid	(33 795)	(10 880)
Government grants	–	2 363
Net cash flow from investing activities	69 664	(17 128)
Acquisition of property, plant and equipment	5.1	(31 304)
Proceeds from sale of assets held for sale		64 990
Proceeds from sale of property, plant and equipment		50 432
Development cost of investment property	5.1; 5.2.2	(7 869)
Acquisitions and disposals of financial assets		(9 673)
Acquisition of intangible assets	5.1	(362)
Investment income		150
Acquisition of subsidiary, net of cash acquired	5.1; 5.3	(20 353)
Government grants		23 653
Net cash flow from financing activities	(212 884)	(117 980)
Proceeds from borrowings	6.2	7 573
Repayment of borrowings	6.2	(149 295)
Principal elements of lease payments	6.2	(21 937)
Share buy-back		(3 539)
Transactions with non-controlling interest	6.3	(1 892)
Distribution to shareholders		(43 794)
Net (decrease)/increase in cash and cash equivalents	(51 325)	59 563
Cash and cash equivalents at the beginning of the year		90 011
Cash and cash equivalents at the end of the year	38 686	90 011

Condensed consolidated segmental report

for the year ended 31 March

	Properties R000's	Branded product distribution R000's	Automotive parts manu- facturing R000's	Industrial product manu- facturing R000's	Head office and centralised services R000's	Total R000's
2025						
Segment revenue						
Gross revenue	176 593*	1 417 753**	907 227	1 363 163	–	3 864 736
Less: Inter-segment sales	(39 851)	(29 382)	(804)	(45 469)	–	(115 506)
Revenue as per statement of comprehensive income	136 742	1 388 371	906 423	1 317 694	–	3 749 230
Primary geographical market						
South Africa	176 593*	1 374 019**	896 580	1 324 542	–	3 771 734
Other African countries	–	29 304	–	27 544	–	56 848
Asia	–	4 464	–	761	–	5 225
Europe	–	6 422	149	10 316	–	16 887
South America	–	–	10 498	–	–	10 498
North America	–	3 544	–	–	–	3 544
	176 593	1 417 753	907 227	1 363 163	–	3 864 736
Less: Inter-segment sales	(39 851)	(29 382)	(804)	(45 469)	–	(115 506)
	136 742	1 388 371	906 423	1 317 694	–	3 749 230
Major products/service lines						
Woven, knitted and non-woven products	–	–	–	956 743	–	956 743
Pressed, roll-formed steel products	–	–	907 227	191 380	–	1 098 607
Speciality chemicals	–	–	–	215 040	–	215 040
Rentals	176 593*	–	–	–	–	176 593
Toys, electronic games and sports goods	–	1 024 281	–	–	–	1 024 281
Stationery, publishing and office supplies	–	393 472**	–	–	–	393 472
	176 593	1 417 753	907 227	1 363 163	–	3 864 736
Less: Inter-segment sales	(39 851)	(29 382)	(804)	(45 469)	–	(115 506)
	136 742	1 388 371	906 423	1 317 694	–	3 749 230
IFRS 15 timing of revenue recognition						
At a point in time	–	1 368 599	896 480	1 363 163	–	3 628 242
Over time	–	–	10 747	–	–	10 747
	1 368 599	907 227	1 363 163	–	–	3 638 989
IFRS 16 revenue						
Lease contract income	176 593*	49 154	–	–	–	225 747
	176 593	49 154	–	–	–	225 747
Less: Inter-segment sales	(39 851)	(29 382)	(804)	(45 469)	–	(115 506)
	136 742	1 388 371	906 423	1 317 694	–	3 749 230
Segment results						
Operating profit before finance costs, impairments and revaluation of properties	96 191	81 693	65 564	63 536	(46 730)	260 254
Revaluation of properties	7 816	–	–	–	–	7 816
Profit from continuing operations before finance cost	104 007	81 693	65 564	63 536	(46 730)	268 070
Finance expenses	–	–	–	–	–	(108 821)
Profit before taxation	–	–	–	–	–	159 249
Total segment assets	1 346 241	757 571	531 207	840 300	69 830	3 545 149
Total segment liabilities	17 261	398 226	408 453	135 160	664 792	1 623 892

* Properties revenue relate to rental income received from tenants.

** Included in the above is R49,2 million (2024: R39,4 million) in rental income from the leasing of office supplies to customers.

Condensed consolidated segmental report

for the year ended 31 March (continued)

	Properties R000's	Branded product distribution R000's	Automotive parts manufacturing R000's	Industrial product manufacturing R000's	Head office and centralised services R000's	Total R000's
2024						
Segment revenue						
Gross revenue	197 717	1 357 789	836 872	1 268 768	–	3 661 146
Less: Inter-segment sales	(43 031)	(28 422)	(13 442)	(48 544)	–	(133 439)
Revenue as per statement of comprehensive income	154 686	1 329 367	823 430	1 220 224	–	3 527 707
Primary geographical market						
South Africa	197 717	1 294 860	833 812	1 229 513	–	3 555 902
Other African countries	–	27 054	–	39 255	–	66 309
Asia	–	4 761	–	–	–	4 761
Europe	–	23 713	1 921	–	–	25 634
South America	–	–	1 139	–	–	1 139
North America	–	7 401	–	–	–	7 401
	197 717	1 357 789	836 872	1 268 768	–	3 661 146
Less: Inter-segment sales	(43 031)	(28 422)	(13 442)	(48 544)	–	(133 439)
	154 686	1 329 367	823 430	1 220 224	–	3 527 707
Major products/service lines						
Woven, knitted and non-woven products	–	–	–	959 549	–	959 549
Pressed, roll-formed steel products	–	–	836 872	150 404	–	987 276
Speciality chemicals	–	–	–	158 815	–	158 815
Rentals	197 717	–	–	–	–	197 717
Toys, electronic games and sports goods	–	972 143	–	–	–	972 143
Stationery, publishing and office supplies	–	385 646	–	–	–	385 646
	197 717	1 357 789	836 872	1 268 768	–	3 661 146
Less: Inter-segment sales	(43 031)	(28 422)	(13 442)	(48 544)	–	(133 439)
	154 686	1 329 367	823 430	1 220 224	–	3 527 707
IFRS 15 timing of revenue recognition						
At a point in time	–	1 318 353	792 120	1 268 768	–	3 379 241
Over time	–	–	44 752	–	–	44 752
	–	1 318 353	836 872	1 268 768	–	3 423 993
IFRS 16 revenue						
Lease contract income	197 717	39 436	–	–	–	237 153
	197 717	39 436	–	–	–	237 153
Less: Inter-segment sales	(43 031)	(28 422)	(13 442)	(48 544)	–	(133 439)
	154 686	1 329 367	823 430	1 220 224	–	3 527 707
Segment results						
Operating profit before finance costs, impairments and revaluation of properties						
Revaluation of properties	125 945	63 301	53 781	52 847	(43 682)	252 192
Impairments	570	–	–	–	–	570
Profit from continuing operations before finance cost	126 515	63 301	52 194	52 847	(43 682)	251 175
Finance expenses	–	–	–	–	–	(123 316)
Profit before taxation	–	–	–	–	–	127 859
Total segment assets	1 494 205	565 798	593 641	815 226	87 594	3 556 464
Total segment liabilities	26 003	167 674	385 530	344 368	777 989	1 701 564

Statistics per share

for the year ended 31 March

		Reviewed 2025	Audited 2024
Number of shares in issue (refer to note 7)	('000)	441 878	438 201
Weighted average number of shares in issue	('000)	440 486	438 536
Diluted weighted average number of shares in issue	('000)	445 908	450 559
Basic earnings	(cents)	26,86	23,06
Headline earnings	(cents)	24,98	22,54
Diluted earnings	(cents)	26,54	22,45
Diluted headline earnings	(cents)	24,67	21,94
Reconciliation between profit and headline earnings*			
Profit attributable to equity holders of the parent	(R'000)	118 323	101 141
Impairment of assets	(R'000)	–	1 587
Remeasurement of investment property	(R'000)	(7 816)	(570)
Surplus on disposal of property, plant and equipment	(R'000)	(4 343)	(364)
Loss on disposal of property, plant and equipment	(R'000)	1 361	334
Loss/(Surplus) on disposal of non-current assets held for sale	(R'000)	10	(4 042)
Total tax effect of adjustments	(R'000)	2 479	777
Headline earnings	(R'000)	110 014	98 863
Net asset value per share	(cents)	435	424

* There is no non-controlling interest impact for any adjustments included in the reconciliation between profit and headline earnings.

Diluted weighted average number of shares

The dilutive effect is due to the impact of the Group's incentive scheme on the weighted average number of shares in the period under review.

Notes to the condensed consolidated financial results

for the year ended 31 March

1. Basis of preparation

The condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements and the requirements of the Companies Act of South Africa. The Listings Requirements require condensed financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards and the SA Financial Reporting Requirements and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS® Accounting Standards and are consistent with those applied in the previous consolidated annual financial statements.

These results have been prepared under the supervision of the Financial Director, Gys Wege CA(SA). The directors take responsibility for the preparation of this report.

2. Review report of the independent auditor

The condensed consolidated financial statements for the year ended 31 March 2025 have been reviewed by BDO South Africa Inc., who expressed an unmodified review conclusion. The auditor's review report is included on pages 19 and 20.

3. Significant accounting policies and estimates

The reviewed condensed consolidated results have been prepared under the historical cost convention, except for the revaluation of certain properties and financial instruments. The accounting policies adopted are in terms of IFRS® Accounting Standards and consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2024.

A number of new or amended standards became applicable for the current reporting period, which did not have a material impact on the Group. Therefore, the Group did not have to change its accounting policies or make retrospective adjustments as a result of these standards.

4. Significant operating activities

4.1 Assets and liabilities of disposal group classified as held for sale

Reconciliation of carrying amount

	2025 R000's	2024 R000's
Carrying value at the beginning of the year	115 000	132 500
Transfer to investment property (note 5.2.2)	–	(81 500)
Transfer from investment property* (note 5.2.2)	42 700	126 771
Disposals**	(65 000)	(60 185)
Revaluation adjustment	1 100	(2 586)
Carrying value at the end of the year	93 800	115 000

* The directors of Vega Properties, a division of Sargas Proprietary Limited, have decided to dispose of a property situated in the Western Cape. The sale is expected to be completed within the next 12 months.

** During the year the Group disposed of a property situated in KwaZulu-Natal for a consideration of R65 million. During the prior year a property situated in the Western Cape was disposed of for R64 million.

Notes to the condensed consolidated financial results

for the year ended 31 March (continued)

4. Significant operating activities (continued)

4.2 Taxation and deferred taxation

	2025 R'000's	2024 R'000's
Income tax		
South African normal taxation		
– current	(31 755)	(20 349)
Deferred taxation		
– normal tax	(10 082)	(6 852)
	(41 837)	(27 201)

Income tax expense is recognised based on a detailed computation of current and deferred tax in accordance with the requirements of the Income Tax Act and IAS 12 Income Taxes. The effective tax rate applied for the year ended 31 March 2025 is 26,3% (2024: 21,3%).

5. Significant investing activities

5.1 Capital expenditure and commitments

	Capital expenditure		Contractual commitments	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Investment property	7 869	2 964	26 506	–
Property, plant and equipment	31 304	84 305	10 231	11 095
Intangible assets	362	1 900	792	–
Business combinations	20 353	–	–	–
	59 888	89 169	37 529	11 095

The capital commitments are expected to be incurred during the next 12 months.

Notes to the condensed consolidated financial results

for the year ended 31 March (continued)

5. Significant investing activities (continued)

5.2 Properties

The Group fair values its investment properties and owner-occupied property, categorised as level 3.

The fair value of properties was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers review the fair value of the Group's investment property portfolio on a bi-annual basis.

The directors confirm that there have been no material changes to the information used and assumptions applied by the registered valuer in the current and prior year.

5.2.1 Owner-occupied property

The movement in owner-occupied property for the year is as follows:

	2025 R'000	2024 R'000
Opening carrying value	294 653	280 346
Additions	4 295	–
Transfer from investment property	39 010	–
Depreciation	(3 054)	(2 096)
Revaluations	6 976	16 424
Disposals*	(39 340)	(21)
Closing carrying value	302 540	294 653

* During the year, the Group entered into an agreement to dispose of a property situated in the Western Cape for a consideration of R44 million.

The sale generated a profit of R4 million, and cash proceeds of R44 million are included in the Condensed Consolidated Statement of Cash Flows.

5.2.2 Investment property

The movement in investment property for the year is as follows:

Opening carrying value	1 024 362	1 063 513
Development cost	7 869	2 964
Transfer to owner-occupied property	(39 010)	–
Transfer from held for sale (note 4.1)	–	81 500
Transfer to held for sale (note 4.1)	(42 700)	(126 771)
Fair value adjustments	6 716	3 156
Closing carrying value	957 237	1 024 362

Property type (% of value)	%	%
Retail/commercial	11,3	10,2
Industrial	88,7	89,8

Notes to the condensed consolidated financial results

for the year ended 31 March (continued)

5. Significant investing activities (continued)

5.3 Business combinations

2024

No subsidiaries were acquired or sold during the prior year.

2025	Subsidiary name	Acquisition date	Description	% voting interest acquired
	Picko Consulting (Pty) Limited ("Picko Consulting") and Picko Global (Pty) Limited ("Picko Global")	31 July 2024/ 1 March 2025	On 31 July 2024 the Group acquired a 75% shareholding in Agglowaste Holding (Pty) Ltd ("Agglowaste"). Agglowaste is a holding company for businesses that transform byproducts and environmental waste into usable, manageable, and saleable products. By virtue of this acquisition, the Group obtained a 75% indirect shareholding in Picko Consulting. On 1 March 2025 Agglowaste acquired 100% of the share capital of Picko Global.	75%
	Puretech Limited ("Puretech")	1 October 2024	On 1 October 2024 the Group, via its subsidiary Deneb Investments UK Limited (Deneb UK), acquired an 80% shareholding in Puretech, a company based in the United Kingdom. The principal activity of Puretech during the financial year was that of water treatment.	80%

The businesses were acquired in executing the Group's growth and diversification strategy. All businesses operate under the Group's Industrial Product Manufacturing segment.

Measurement of fair values

The assets and liabilities acquired have been measured on a provisional basis. If new information is obtained within one year of the date of acquisition about the facts and circumstances that existed at the date of acquisition, the accounting for the acquisition will be revised.

Separately identifiable Intangible assets at acquisition	Valuation techniques
Puretech customer-related intangible asset	Estimated discounted cash flow. This entails the identification, separation and quantification of the cash flows attributable to the contracts, the application of a contributory asset charge and brand charge and the determination of the net present value of the resulting future cash flows by applying the discounted cash flow valuation methodology.

Goodwill

The goodwill is attributable mainly to intangible assets that are either not separable or can not be valued reliable as per IFRS 3. This includes assembled workforce, non-competition agreements, customer lists, production backlog, lease agreements, employment contracts, databases, patented/unpatented technology, computer software, service or supply contracts and service contracts.

Notes to the condensed consolidated financial results

for the year ended 31 March (continued)

5. Significant investing activities (continued)

5.3 Business combinations

Consideration transferred

The following table summarises the consideration paid for the entities acquired:

	Picko Consulting and Picko Global	Puretech	Total
Cash consideration transferred	7 750	18 652	26 402
Cash and cash equivalents in the business acquired	(2 757)	(3 292)	(6 049)
Cash outflow for acquisition of subsidiary (net of cash acquired)	4 993	15 360	20 353
Analysis of assets and liabilities acquired			
Property plant and equipment	4 756	1 386	6 142
Right-of-use assets	3 322	–	3 322
Intangible assets	–	18 454	18 454
Deferred tax asset	315	–	315
Inventories	2 233	–	2 233
Trade and other receivables	4 611	2 610	7 221
Current tax asset	197	–	197
Cash and cash equivalents	2 757	3 292	6 049
Long-term liabilities	(300)	(162)	(462)
Long-term lease liability	(2 234)	–	(2 234)
Deferred tax liability	(66)	–	(66)
Short-term liabilities	–	(239)	(239)
Lease liabilities	(1 111)	–	(1 111)
Trade and other payables	(10 860)	(5 910)	(16 770)
Taxation payable	(34)	(730)	(764)
Total identifiable net assets	3 586	18 701	22 287
Less: Non-controlling interest*	(375)	(49)	(424)
Goodwill	4 539	–	4 539
Consideration paid	7 750	18 652	26 402

* Non-controlling interest is measured based on its proportionate share of the acquiree's identifiable net assets.

Contingent consideration

Contingent consideration relating to the acquisition of Picko Consulting is payable if profits exceed a certain threshold. However, sufficient information does not exist for the Group to determine the fair value at this point.

Notes to the condensed consolidated financial results

for the year ended 31 March (continued)

5. Significant investing activities (continued)

5.4 Fair value measurement of equity investments

5.4.1 Fair value hierarchy

	2025 R'000	2024 R'000
Financial assets at fair value through other comprehensive income		
Equity investments		
Level 1	13 706	6 179
Level 2	–	4 561
Level 3	19 133	11 935
	32 839	22 675
Opening carrying value	22 675	6 236
	14 725	16 439
Level 1 additions	7 527	4 504
Level 3 additions	7 198	11 935
Level 2 disposals	(4 561)	–
Closing carrying value	32 839	22 675
5.4.2 Reconciliation: Level 3 recurring fair value measurements		
Opening carrying value	11 935	–
Additions	7 198	11 935
Closing carrying value	19 133	11 935

There has been no material change in the fair value of level 3 equity investments.

5.4.3 Transfers during the period

There were no transfers between, into or out of, Level 1, Level 2 and Level 3 measurements.

5.4.4 Valuation techniques

For Level 1 equity investments classified at fair value through OCI the Group uses quoted prices (unadjusted) in active markets.

For Level 3 equity investments classified at fair value through OCI the Group uses a discounted cash flow model to determine fair value as at the reporting date. This approach requires the use of assumptions about certain unobservable inputs.

Notes to the condensed consolidated financial results

for the year ended 31 March (continued)

6. Significant financing activities

6.1 Working capital facilities

	2025 R'000	2024 R'000
Maximum available facilities	590 000	573 000
Net utilised	(71 703)	(75 332)
Bank overdraft	(65 285)	(63 184)
Letter of credits	(6 418)	(12 148)
Unutilised balance	518 297	497 668

6.2 Interest-bearing liabilities

	Opening carrying value R'000	Proceeds R'000	Repay- ments R'000	New instalment sales agreements R'000	Other* R'000	Closing carrying value R'000
Lease liabilities	109 008	–	(21 937)	–	3 372	90 443
Interest-bearing liabilities	837 008	7 573	(149 295)	5 413	701	701 400
	946 016	7 573	(171 232)	5 413	4 073	791 843

* The movement on lease liabilities relates predominantly to new leases entered into during the year. For other interest-bearing liabilities the movement relates to new business combinations acquired during the year (refer to note 5.3).

	2025 R'000
Non-current portion of interest-bearing liabilities	142 124
Current portion of interest-bearing liabilities	630 028
Current portion of lease liabilities	19 691
	791 843

Interest-bearing loans of R581 million are repayable in February 2026. The Group's forecast cash flows has been prepared on the assumption of a successful renegotiation of these loans to be rolled forward as in prior years.

Compliance with loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants, for the property-backed facilities:

- loan-to-property-value ratio to not exceed 60%;
- interest cover ratio on property division to not be less than 1,65; and
- if rentals from owner-occupied properties exceed 30% of total rentals received, the excess will be disregarded in calculating the interest cover ratio.

The Group has complied with the financial covenants of its borrowing facilities during the year ending 31 March 2025.

6.3 Additional interest acquired in subsidiary

On 31 July the Group increased its shareholding in Explorius (Pty) Limited from 50,25% to 75,00% for a consideration of R1,9 million.

Notes to the condensed consolidated financial results

for the year ended 31 March (continued)

7. Number of shares in issue

	2025 ('000)	2024 ('000)
Balance at the beginning of the year	438 201	438 324
Share buy-back during the year*	(1 844)	(1 859)
Issued during the year	5 521	1 736
	441 878	438 201

* During the year the Group repurchased and cancelled shares from the open market on the JSE.

8. Events after the reporting period

A distribution of 11 cents per share was declared subsequent to the financial year. Refer to note 9.

The directors are not aware of any other material fact or circumstances arising between the end of the financial year and the date of this report.

9. Distribution

Notice is hereby given that a final distribution of 11 cents (gross) per ordinary share in respect of the 12 months ended 31 March 2025 has been declared and approved by the board of directors out of capital reserves through the reduction of contributed tax capital ("distribution").

In compliance with the requirements of Strate and the JSE Limited, the following dates are applicable:

Distribution declared	Thursday, 29 May 2025
Last day to trade cum distribution	Tuesday, 17 June 2025
Shares trade ex distribution	Wednesday, 18 June 2025
Record date	Friday, 20 June 2025
Payment date	Monday, 23 June 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 18 June 2025 and Friday, 20 June 2025, both days inclusive.

Additional information

The directors have determined that this capital reduction distribution will be paid out of qualifying contributed tax capital as contemplated in the definition of "contributed tax capital" in section 1 of the Income Tax Act, 1962.

As the distribution will be regarded as a return of capital and may have potential capital gains tax consequences, Deneb shareholders are advised to consult their tax advisors regarding the impact of the distribution.

The directors have reasonably concluded that the company will satisfy the solvency and liquidity requirements of sections 4 and 46 of the Companies Act, 2008, immediately after the capital distribution.

The number of issued ordinary shares is 441 877 560 as at the date of this declaration. The company's income tax registration number is 9844426156.

Independent Auditor's Review Report on Condensed Consolidated Financial Statements
To the shareholders of
Deneb Investments Limited

We have reviewed the condensed consolidated financial statements of Deneb Investments Limited, contained in the accompanying report, which comprise the condensed consolidated statement of financial position as at 31 March 2025 and the condensed consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and selected explanatory notes.

Director's Responsibility for the Condensed Consolidated Financial Statements

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements, as set out in *nn* as set out in the "Basis of Preparation" to the financial statements, 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 financial statements that are free from material misstatement, whether due to fraud or error.

The Listings Requirements require condensed consolidated financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards as issued by the International Accounting Standards Board, in accordance with the SA Financial Reporting Requirements, and to also, as a minimum, contain the information required by International Accounting Standard (IAS) 34, Interim Financial Reporting.

Auditor's responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685

Chief Executive Officer: LD Mokoena

A full list of all company directors is available on www.bdo.co.za

The company's principal place of business is at The Wanderers Office Park, 52 Corlett Drive, Illovo, Johannesburg where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of Deneb Investments Limited for the year ended 31 March 2025 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements, as set out in the "Basis of Preparation" to the financial statements, and the requirements of the Companies Act of South Africa.

BDO South Africa Incorporated

BDO South Africa Incorporated
Registered Auditors

Stephan Cillié
Director
Registered Auditor

29 May 2025

119-123 Hertzog Boulevard
Foreshore
Cape Town, 8001

Corporate information



DENEB INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)
("Deneb" or "the Group" or "the company")

The company's shares are listed under the Financial Services – Diversified Financial Services.

Registration number: 2013/091290/06

JSE share code: DNB

ISIN: ZAE000197398

Income tax registration number: 9844426156

Registered office: 5th Floor, Deneb House, Cnr Main and Browning Roads, Observatory 7925, Cape Town
PO Box 1585, Cape Town 8000

Contact details: info@deneb.co.za
www.deneb.co.za

Directors: J A Copelyn* (Non-executive Chairperson), M H Ahmed*^ (Lead Independent Director),
D Duncan*, T G Govender*, N Jappie*^, K F Mahloma*^, S A Queen (Chief Executive Officer),
Y Shaik*, G D T Wege (Financial Director)
(* Non-executive ^ Independent)

Company Secretary: C Philip

Transfer Secretaries: Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank 2196
Private Bag X9000, Saxonwold 2132

Auditors: BDO South Africa Inc.

Sponsors: PSG Capital Proprietary Limited

Announcement date: 29 May 2025

www.deneb.co.za