

# ANNUAL REPORT

# 2024

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# ABOUT THIS REPORT

This Annual Report of Runway Property Group Limited and its Subsidiaries (the Group) aims to provide a balanced, understandable, and complete view of our business by reporting on the financial performance and non-financial aspects of the Group.

The report covers the identification of and reporting on material issues and stakeholder relations affecting the Group, as well as key performance areas of the business and includes considerations which are undertaken to ensure the sustainability of the business. This document contains the Consolidated and Separate Annual Financial Statements of the Group for the financial year from 1 March 2023 to 29 February 2024.

The Runway Property Group Board confirms its responsibility for the integrity of the report, the content of which has been collectively assessed by the Directors, who believe that all material issues have been addressed.

The Consolidated and Separated Annual Financial Statements have been audited by the independent Auditor in terms of the Companies Act of South Africa, 71 of 2008, as amended, as indicated in their report, but no other information contained in the Annual Report has been independently assured. The full set of audited Consolidated and Separate Annual Financial Statements for the year ended 29 February 2024 is available on the Company's website at [www.runwaypropertygroup.co.za](http://www.runwaypropertygroup.co.za).

The Financial Statements were prepared under the supervision of the Group Financial Director, Zvi Kaplan, CA(SA).

The 2024 Annual Report comprises:

- A review of the Group as pertains to the 2024 results.
- Governance, prospects and leadership of the Group.
- An extract of the Annual Financial Statements, the full set prepared and presented in accordance with the provisions of the Companies Act, International Financial Reporting Standards ("IFRS") and SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council.

The report is guided by:

- The King Code on Governance Principles for South Africa for 2016 ("King IV™").
- The Companies Act of South Africa, 71 of 2008, as amended ("the Companies Act").
- CTSE Listing Requirements.

## Forward-Looking Statements

This Annual Report may contain certain forward-looking statements concerning Runway Property Group's operations, business strategy, financial conditions, growth plans and expectations. These statements include, without limitation, those concerning the economic outlook, business climate and changes in the market. Such views involve both known and unknown risks, assumptions, uncertainties and important factors that could materially influence the actual performance of the Group. No

assurance can be given that these will prove to be correct and no representation or warranty, expressed or implied, is given as to the accuracy or completeness of such views contained in this Annual Report.

## Independent Assurances

The Group's Annual Financial Statements were independently audited and assured by the external Auditors, De Vos Richards Abed Inc.

## Materiality

This report applies the principle of materiality by focusing on those issues, opportunities and challenges that may have a material impact on the Group's capital. Materiality has been determined by taking both quantitative and qualitative aspects into account. The determination of materiality requires prudent judgement to be exercised.

- For financial information, materiality is based on whether the item is of such significance that it could affect financial decisions made by providers of capital to the Group (current and potential). Both the amount and qualitative nature of an item are considered.
- For non-financial information and the identification of capitals and stakeholders, materiality is based on whether an item, resource or stakeholder is of such significance that it can prevent the Group from achieving its medium to long-term objectives and return hurdles.

## Board Approval

The Runway Property Group Limited's Board of Directors ("the Board") acknowledges its responsibility to ensure the integrity of the Annual Report for the 2024 financial year, and in the Board's opinion, it addresses all material issues and presents fairly the Group's integrated performance.

## Board Responsibility Statement

The integrity of the Annual Report was overseen by the Board of Directors in conjunction with the Audit and Risk Committee. The Board of Directors acknowledges its responsibility to ensure the integrity of the 2024 Annual Report and has evaluated its preparation and presentation accordingly.

In the opinion of the Board, the report provides a fair and balanced account of the performance, strategy and value creation of the Group as well as addressing material matters pertaining to the long-term sustainability of the Group and the impacts thereof. This report was approved by the Board on 30 May 2024 and signed on its behalf by:



Earle Marks  
Chief Executive Officer  
30 May 2024



Zvi Kaplan  
Financial Director



Shaun Zagnoev  
Independent Chairman

# GROUP OVERVIEW

## INTRODUCTION AND NATURE OF BUSINESS

Runway was incorporated as a Public Company on 30 October 2019. The Company is an internally asset-managed Property Company, which holds a portfolio of income-generating immovable properties focused primarily on the retail sector, principally located in the greater Gauteng region.

The business began as two separate property portfolios, the one run by the Cendrowski family since 1998 and the other run by the Marks family since 2000. In 2009, the Cendrowski and Marks families joined forces to create a new property portfolio, which would be predominantly retail-based. Over the years, the business has evolved through acquisition and redevelopment, into a quality income-generating South African property business with 27 properties, which have primarily long-term leases at market-related rentals and a diverse tenant base.

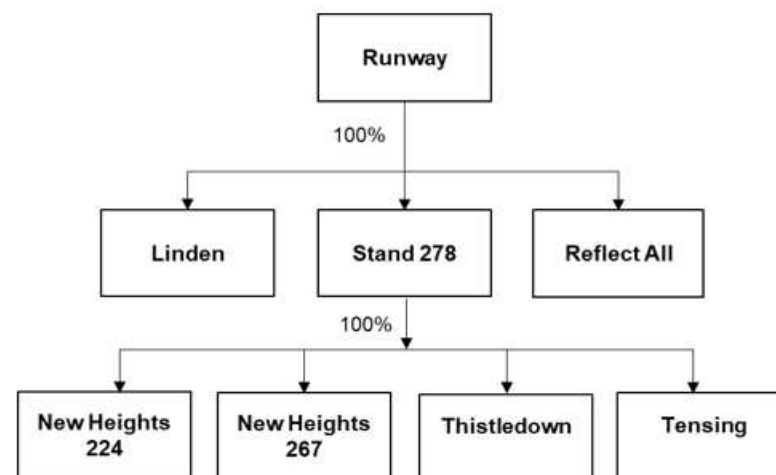
Asset management is steered internally by the Board, which comprises a team of well-qualified and highly experienced individuals. Profiles of the Directors are set out on page 9 of this Annual Report. The Company's properties are currently operated and managed by the Property Manager, in terms of the Property Management Agreement. The Management team has been responsible for the management of the properties since inception and has an in-depth working knowledge of the properties. Details of the Property Manager are set out on pages 4 and 34 of this Annual Report.

We aim to provide all stakeholders with a balanced, clear and transparent understanding of our business and how we create sustainable value. Stakeholders are invited to actively participate by sending questions, comments, concerns or queries to Sirkien van Schalkwyk, Company Secretary/Issuer Agent (sirkien@juba.co.za).

### The Company's Values



## GROUP STRUCTURE



Directors appointed at all the Subsidiaries	Name of subsidiary (Registration number)	Date of incorporation (registered in South Africa)	Length of time business (years)	% Shareholding in Company (indirect/direct)
Earle Marks Roman Cendrowski Zvi Kaplan	Linden Square Shopping Centre (Pty) Ltd (2002/027189/07)	30 October 2022	22	100%
	New Heights 224 (Pty) Ltd (2000/021246/07)	24 August 2000	24	100%
	New Heights 267 (Pty) Ltd (2000/023377/07)	13 September 2000	24	100%
	Reflect-All 1025 (Pty) Ltd (2016/348963/07)	11 October 2004	20	100%
	Stand 278 Strijdom Park (Pty) Ltd (1998/010700/07)	4 June 1998	26	100%
	Tensing Trading (Pty) Ltd (2006/013709/07)	8 May 2006	18	100%
	Thistledown Properties 16 (Pty) Ltd (2006/018434/07)	4 June 2006	18	100%

# BUSINESS STRATEGY

## Investment strategy

The Company's investment strategy is focused on the acquisition of predominantly retail properties, which are capable of either "value-addition", distribution enhancement, or both, resulting in value enhancement for Shareholders.

## Investment mandate and growth strategy

- The Board is responsible for the investment decisions of Runway.
- The Executive Directors shall be responsible for:
  - identifying, researching and evaluating potential investment opportunities for Runway;
  - monitoring and evaluating current Runway investments and making recommendations to the Runway Board regarding any investment decision.

## Prospects

The Group intends to expand through acquisitions at attractive pricing once there is more stability in the market following the difficult current economic environment in which Runway operates.

## Material changes

There have been no material changes in the business or trading objects of Runway for the period from the Company's date of incorporation to the last practical date.

## Material commitments, lease payments and contingent liabilities

The Company has no material commitments, lease payments or contingent liabilities, other than for the borrowings, the funding terms of which are set out in note 13 on page 27 of the Consolidated and Separate Annual Financial Statements.

# INFORMATION REGARDING PROPERTIES

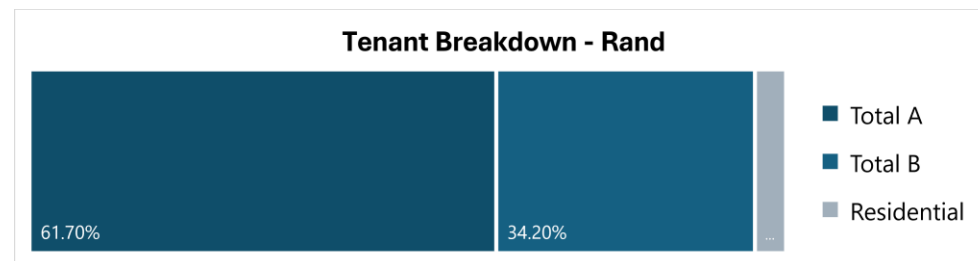
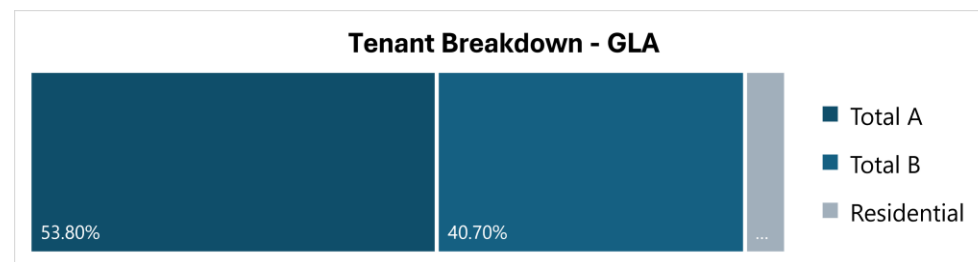
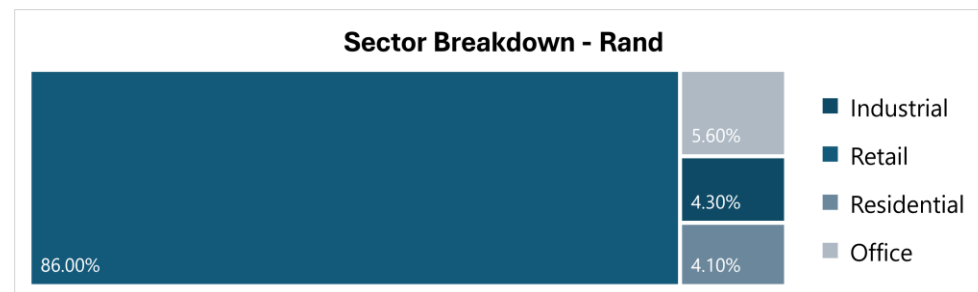
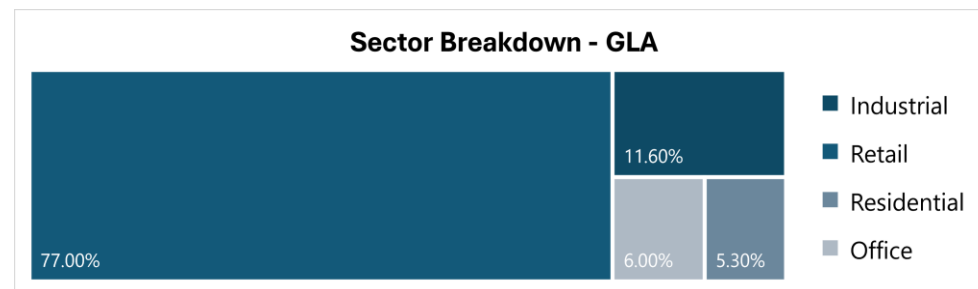
## Property Manager

The Property Manager is Exceedprops Management Services Proprietary Limited (Registration Number 1995/008835/07), a private Company incorporated and registered in accordance with the laws of South Africa and the registered address of which is 22 Stirrup Lane, Woodmead Office Park, Woodmead, 2191. The sole shareholder and Director of the Property Manager is Peter Marks, who has been involved in managing properties for more than 22 years and is Earle Marks' father. Earle's brother, Wayne Marks, is an employee of the Property Manager.

## Property Valuation

The properties have been valued by the Independent Valuer in 2022. All properties are situated in Gauteng, except for one property which is situated in the Free State Province. The Group ended the financial year with a 55.34% gearing ratio.

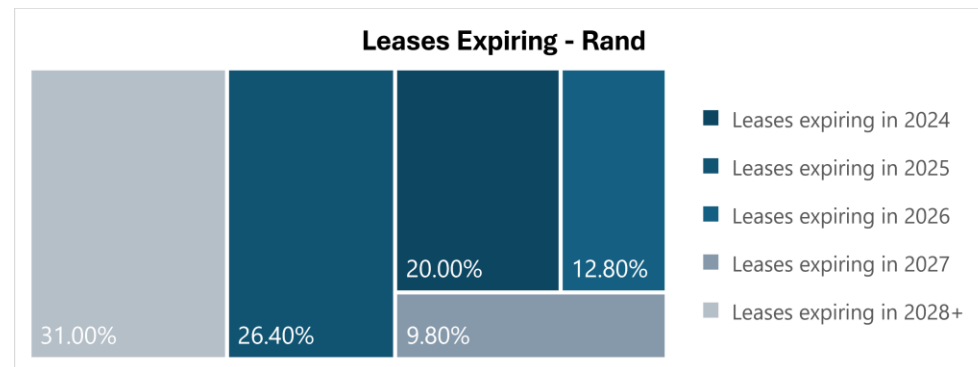
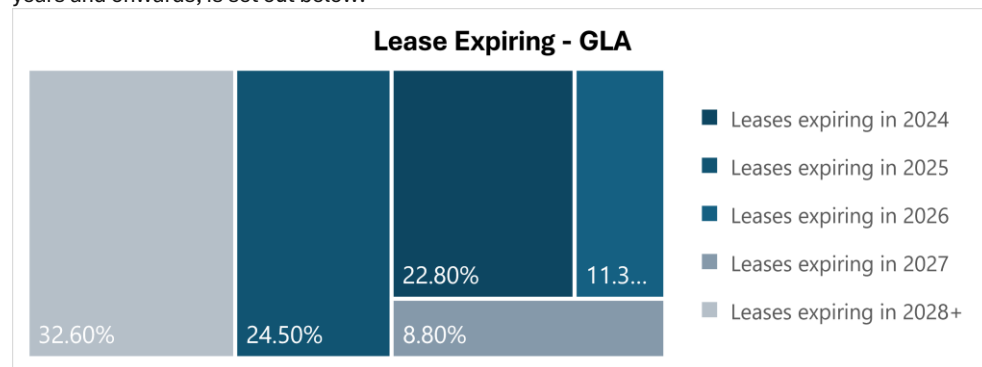
Set out by both GLA and rental income are the following profiles:



# INFORMATION REGARDING PROPERTIES

## (CONTINUES)

A lease expiry profile (by rental income and GLA), reflecting well-distributed expiries over the next five years and onwards, is set out below:



## Summary of Loan Accounts and Funding

Set out below is a summary of the inter-Company, shareholder and bank funding loan accounts as at 29 February 2024. The shaded amounts represent inter-Company loans, which are interest-free.

	Stand 278 Strijdompark	Linden Square	New Heights 224	New Heights 267	Tensing Trading	Thistledown Properties	Reflect All	Runway Loan Account	Total
Linden Square	R5,266,776	-	-	-	-	-	-	(R1,981,063)	R3,285,713
New Heights 224	(R14,247,917)	-	-	-	-	-	-	-	(R14,247,917)
New Heights 267	(R4,156,790)	-	-	-	-	-	-	-	(R4,156,790)
Reflect All	(R51,440,689)	-	-	-	-	-	-	(R21,194,998)	(R72,635,687)
Stand 278 Strijdompark		(R5,266,776)	R14,247,917	R4,156,790	R1,605,372	(R607,013)	R51,440,689	(R19,375,476)	R46,201,504
Tensing Trading	(R1,605,372)	-	-	-	-	-	-	-	(R1,605,372)
Thistledown Properties	R607,013	-	-	-	-	-	-	-	R607,013
Markscend Group Holdings	(R15,312,969)	-	-	-	-	-	-	-	R25,740,517
Runway Loan Account	R19,375,476	R1,981,063	-	-	-	-	R21,194,998	R41,053,486	R42,551,537
<b>Total Shareholders and Other Loans</b>	<b>(R91,645,920)</b>	<b>(R3,285,713)</b>	<b>R14,247,917</b>	<b>R4,156,790</b>	<b>R1,605,372</b>	<b>(R607,013)</b>	<b>R72,635,689</b>	<b>(R1,498,051)</b>	<b>(R4,390,931)</b>
Investec	R25,486,707	-	-	-	-	-	R117,630,748	-	R146,909,634
Nedbank	R207,036,023	-	-	-	-	-	R228,905,825	-	R449,463,154
<b>Total Long-Term Liabilities</b>	<b>R232,522,730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>R346,661,364</b>	<b>-</b>	<b>R579,184,095</b>

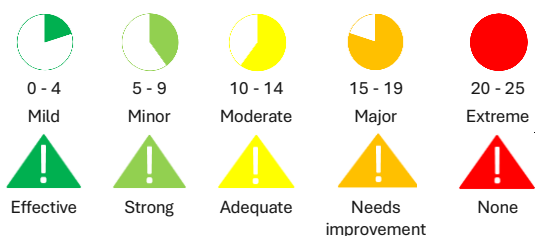
# RISK MANAGEMENT

Effective risk management processes and procedures are vital for the Group to achieve its strategic and operational goals, particularly in the current environment of change and uncertainty. The Board recognises that risk is intrinsic to the Group's operations. There is, however, a balance to be struck between managing risk and exploiting opportunities.

With the assistance of the Audit and Risk Committee, the Board monitors the significant risks to which the Company is exposed. It also ensures that risks are taken within a reasonable appetite and that sufficient safeguards are put in place to mitigate such risks.

Runway's risk policy will be further formalised and enhanced in the future to define and provide detailed parameters around the Company's risk appetite, which will contribute to the Company achieving its strategic objectives.
















The significant risks facing the Group, as well as the impact of these risks, are set out below. This key is used to categorise the various risks.












Key Operational Risks Identified	Inherent Risk	Control Over Risk	Residual Risk	Mitigating Strategies
<p>Above-average levels of arrears, legal handovers, and bad debts</p> <ul style="list-style-type: none"> <li>Failure to recover amounts owing</li> <li>Negative impact on cash flow</li> <li>Large write-offs in the income statement</li> </ul>				<ul style="list-style-type: none"> <li>Vigilant credit control</li> <li>following up on handovers in</li> <li>Screening and vetting of new tenants</li> <li>Provision for bad debts regularly reviewed</li> <li>Willingness to negotiate lease terms to retain tenants</li> <li>Deposits required from tenants</li> </ul>

Key Operational Risks Identified	Inherent Risk	Control Over Risk	Residual Risk	Mitigating Strategies
<p>Underperforming versus the market: Distribution growth, capital growth and market capitalisation growth</p> <ul style="list-style-type: none"> <li>Investors</li> <li>Providers of capital</li> <li>Employees</li> </ul>				<ul style="list-style-type: none"> <li>Ad-hoc strategic sessions</li> <li>Setting of financial targets and strategic priorities</li> <li>Purchase of new properties</li> <li>Disposal of underperforming and non-core properties</li> <li>Effective asset management including redevelopments and/or refurbishments</li> <li>Targeting distribution growth</li> </ul>
<p>Above-average vacancies in properties and failure to retain tenants</p> <ul style="list-style-type: none"> <li>Negative impact on the Company's revenue stream, resulting in failure to meet budgets</li> <li>Deteriorating building values and net asset value</li> </ul>				<ul style="list-style-type: none"> <li>Incentives put in place to encourage brokers to focus on vacancies</li> <li>Management of expiry profiles</li> <li>Emphasis on retention of existing tenants on lease expiries and tracking successful retentions with a minimum of 70% of all tenants to be retained</li> <li>Monthly analysis performed on current and projected vacancy levels, taking expiring leases into account</li> <li>Continual review of information systems and data analysis tools to ensure accurate information</li> </ul>

# RISK MANAGEMENT (CONTINUES)

Key Operational Risks Identified	Inherent Risk	Control Over Risk	Residual Risk	Mitigating Strategies
Liquidation of major tenants • Investors • Providers of capital • Tenants				<ul style="list-style-type: none"> <li>• Significant diversification in tenant mix regarding the type of premises and geographical location</li> </ul>
Interest rate risk • Investors • Providers of capital				<ul style="list-style-type: none"> <li>• Monthly analysis of projected income and expenses</li> <li>• Forecasts prepared</li> <li>• Quarterly Board reporting on forecast distributions and variances to budget and prior period forecasts</li> <li>• Risks to forecast distributions</li> </ul>
Inadequate insurance cover over the property portfolio • Investors • Providers of capital				<ul style="list-style-type: none"> <li>• Regular review of insurance coverage by the Board and the funders</li> </ul>
Cash flow or liquidity risk • Investors • Providers of capital				<ul style="list-style-type: none"> <li>• Cash flow forecasts are drawn up to monitor the timing of interest payments and capital requirements</li> </ul>
Disruption of electricity and water supply through load shedding, droughts, and water cuts • Investors • Providers of capital • Tenants				<ul style="list-style-type: none"> <li>• Installation of generators at certain buildings to keep electricity supplies</li> <li>• Installation of water tanks for water harvesting</li> <li>• Solar panels</li> <li>• Boreholes</li> </ul>

Key Operational Risks Identified	Inherent Risk	Control Over Risk	Residual Risk	Mitigating Strategies
Failure of IT systems • Investors • Providers of capital • Redundancy of key management				<ul style="list-style-type: none"> <li>• Continual backing up of data</li> </ul>
Changes to forecast distributions are not picked up timeously • Investors • Providers of capital				<ul style="list-style-type: none"> <li>• Monthly analysis of projected income and expenses</li> <li>• Forecasts prepared, including the current financial year and future periods</li> <li>• Quarterly Board reporting</li> <li>• Risks to forecasted distributions highlighted</li> </ul>
Properties are undervalued for rate purposes • Investors • Providers of capital • Property managers				<ul style="list-style-type: none"> <li>• Municipal publications reflecting updated valuations are constantly monitored</li> <li>• Monitor municipal valuations</li> <li>• Objections are filed when the council unreasonably increases valuations for rate purposes</li> <li>• Will consider engaging with industry bodies such as SAPOA to deal with councils as a Group</li> <li>• External rating consultant engaged to liaise with the council where required</li> </ul>



# RISK MANAGEMENT (CONTINUES)

Key Operational Risks Identified	Inherent Risk	Control Over Risk	Residual Risk	Mitigating Strategies
Properties purchased at a premium to market <ul style="list-style-type: none"> <li>Investors</li> <li>Providers of capital</li> </ul>				<ul style="list-style-type: none"> <li>Thorough due diligence conducted for all acquisitions</li> <li>Acquisitions are recommended to the Board</li> </ul>
Refinancing risk <ul style="list-style-type: none"> <li>Investors</li> <li>Providers of capital</li> </ul>				<ul style="list-style-type: none"> <li>Continual monitoring of funding and refinancing requirement</li> </ul>
Municipalities fail to take actual readings and bill on estimates <ul style="list-style-type: none"> <li>Investors</li> <li>Providers of capital</li> <li>Tenants</li> <li>Property managers</li> <li>Service providers</li> </ul>				<ul style="list-style-type: none"> <li>Pre-paid meters in all residential properties</li> <li>Dedicated staff liaise with councils and municipalities</li> <li>Make use of external meter reading consultants</li> <li>Tenants are advised on the methods of calculating their usage</li> </ul>
Increase in the cost of utilities <ul style="list-style-type: none"> <li>Investors</li> <li>Providers of capital</li> <li>Tenants</li> <li>Property managers</li> <li>Service providers</li> </ul>				<ul style="list-style-type: none"> <li>Various methods of achieving savings on utility costs are being investigated</li> <li>Tenants are being advised on the methods of calculating their usage</li> <li>Utility management with a minimum of 100% recovery expected</li> </ul>
Leases not signed by tenants <ul style="list-style-type: none"> <li>Investors</li> <li>Providers of capital</li> </ul>				<ul style="list-style-type: none"> <li>Strict controls ensure that all leases are signed before beneficial occupation</li> </ul>

# LEADERSHIP REPORT

It is our pleasure to provide Shareholders and stakeholders with a report on Runway's performance for the 2023/2024 financial year.

## External Economic Environment

A difficult operating environment was the central theme of 2023/2024. The deteriorating economic climate impacts consumers the most, as they do not have enough discretionary income. The rising of interest rates contributed to a difficult trading year. This was evident in the conservative revaluation of the properties.

## The year under review

The Company generated a profit after tax for the year ended 29 February 2024 of R28.4 million (2023: R46.2 million). The revaluation of properties resulted in the Group finishing the year with a book loss of R42.0 million (2023: R41.8 million). Group revenue increased to R195.3 million (2023: R191.5 million).

## Dividend

The Board is pleased to announce that a final dividend of R28.4 million (2023: R46.2 million) was declared and will be paid to Shareholders on 24 June 2024.

## Commitment to Governance

Runway is committed to the highest levels of governance and continues to apply the 16 principles of King IV™. The King IV™ Application Register is available on the Company's website at [www.runwayproperty.co.za](http://www.runwayproperty.co.za).

## Board Changes

The Board operates as a unitary Board comprising three Executive Directors and three Independent Non-Executive Directors. There were no changes to the Board during the reporting period. However, after the reporting period, Roman Cendrowsky stepped down as Chairman of the Group but will remain as an Executive Director. The Lead Independent Director, Shaun Zagnoev was appointed as Chairman. The Board would like to thank Roman Cendrowsky for his leadership in the past few years.

## Appreciation

To all our stakeholders, including employees, regulators and clients, the Board and we recognise and appreciate your continued support and commitment. Thank you all for sharing our challenging journey.

Earle Marks  
Chief Executive Officer  
30 May 2024

Shaun Zagnoev  
Independent Chairman

## Directors and skills

The key is used for the skills of Board members:



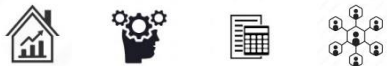
### EARLE MARKS (56) Chief Executive Officer *CA(SA)*

Earle is a chartered accountant with 25 years' experience. He has been actively involved in the Group for the last 18 years, as asset and property manager of the properties.



### ZVI KAPLAN (47) Financial Director *CA(SA)*

Zvi is a CA as well as a CGMA having completed his accounting articles with Fisher Hoffman PKF. After leaving SAB Miller in 2010, Zvi has been employed as financial director by Exceedprops Management Services which provides asset and property management services to the Group.



### ROMAN CENDROWSKI (67) Executive Director

Roman Cendrowski is a co-founder of the Group. He was previously involved in various trading business ventures before becoming fully engaged in the property sector in 1998.



### SHAUN ZAGNOEV (57) Independent Chairman *BSc (Elec Eng), MSC (Elec Eng), MBA*

Shaun spent 23 years until 2018, with Ethos Private Equity, the largest private equity firm in South Africa. In late 2018, Shaun joined forces with Craig Lazarus and Greg Kinross to establish Evolve Capital Partners. Shaun also has extensive property experience, having personally invested in an array of local and international properties, both in the residential and retail sectors.



### AVI GLUCH (49) Independent Non-Executive Director *BA, LLB LLM (Tax), Admitted Attorney*

Avi obtained his BA degree from the University of Cape Town in December 1996, his LLB degree from the University of Cape Town in December 1999 and his LLM (Tax) degree from the University of Witwatersrand in December 2004. Avi practised as an attorney for his own account for 12 years before joining TWB – Tugendhaft Wapnick Banchetti and Partners as a partner in June 2017.



### JONATHAN BENNETT (50) Independent Non-Executive Director *Bachelor of Business Science (Finance), CA(SA)*

Jonathan graduated from the University of Cape Town with a Bachelor of Business Science (Finance) and went on to qualify as a Chartered Accountant. Jonathan has been involved in the unsecured lending as well as the debt collection industry for over 20 years. Jonathan is a serial entrepreneur who has founded and sold several businesses over his career. Jonathan is currently the operations and financial director of the Landau Group of companies which currently employs more than 250 people.



# IMPACT AND GOVERNANCE

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

### Approach to Reporting

This Chapter provides information on the impact across social and governance metrics, including social, and relationship capital. The Group acknowledges that to be a truly sustainable Company, it must continually look internally and externally to remain abreast of our operating landscape and consider the impact our business has on all our stakeholders, as well as beyond.

Environmental, social, and governance (“ESG”) responsibility is increasingly important to investors. The world looks to companies to play a more conscious role in ensuring the sustainability of natural resources, and in adopting a conscientious attitude regarding the environment, employees, and communities. Also important are governance factors such as a company’s commitment to responsible management practices.

Runway is starting its journey in terms of ESG and will report on progress made in future reports.

### Environment

Runway does not have a significant impact on the environment, however, that does not prevent the Group from continuing to focus on minimising the environmental impacts by mitigating (reducing) those impacts. The Group’s efforts with respect to environmental sustainability are aimed at reducing climate change impacts while reducing operating costs.

### Social

Runway participates in various initiatives to uplift and assist historically disadvantaged individuals living in the local communities in which we operate. During the reporting period, the Group’s contribution towards socio-economic development amounted to over R280k.

Runway chose to invest in education and the basic needs of communities. During the reporting period, Runway assisted with the refurbishment thereof. Runway also contributes to a Non-Profit Organisation that provides meals to the less fortunate.

### Governance

The Board of Directors are committed to the principles of the King IV™ Code of Corporate Governance, which guides our corporate governance practices. The Board of Directors is responsible for ensuring there is effective control within the business, including compliance with applicable laws, regulations and governance practices.

The following Sub-Committees support the Board to maintain high levels of governance:

- Audit and Risk Committee;
- Social and Ethics Committee; and
- Remuneration and Nominations Committee.

Runway acknowledges the importance of sustainability and the following United Nations' Sustainable Development Goals (SDGs).



Runway is committed to being a responsible organisation. Through operations, the Group contribute to the achievement of the following United Nations Sustainable Development Goals (“SDG”):



Runway provides opportunities to tenants, thus providing income to owners



Runway provided meals to children during the reporting period



Upgrading the library creates the opportunity for scholars and students to uplift themselves with high-quality education

# CORPORATE GOVERNANCE REPORT

## COMMITMENT TO GOVERNANCE

The Board accepts its responsibility as the custodians of Corporate Governance within the Group and is therefore accountable to stakeholders for the provisions of value-enabling governance. The Board is constituted in terms of the Company's Memorandum of Incorporation and in line with King IV™. The Board consists of three Executive Directors and three Non-Executive Directors who bring diversity to Board deliberations and create value by constructively challenging management.

A clear division of responsibilities between the Directors is maintained to ensure that no single Director has unfettered decision-making powers. A delegation of authority framework is in place and reviewed regularly to ensure the necessary authority to management to implement and execute the strategy. The Board is satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority and responsibilities.

The Board is the highest decision-making body in the Group. It approves the Group's strategy and ensures that it is aligned with the Group's values. The Board assumes collective responsibility for steering and monitoring strategy implementation and performance targets as well as any risks involved in the implementation of the strategy.

It is collectively responsible for the Group's long-term success. The Board is accountable to Shareholders and strives to balance the interests of the Group and those of its various stakeholders. All Directors are continuously taking steps to ensure that they have sufficient working knowledge of the Group and the industry in which it operates. Directors are required to ensure continued development of their competencies to lead effectively and act with due care, skill and diligence and take reasonable diligent steps to become informed about matters for decision-making.

The Directors have access to the advice and services of the Company Secretary, Juba Statutory Services Proprietary Limited, represented by Sirkien van Schalkwyk. Directors are entitled, at the Company's expense, to seek independent professional advice about the affairs of the Company regarding the execution of their duties as Directors.

### Board Composition

At a meeting held on 28 May 2024, Roman Cendrowski stepped down from his Executive Chairman responsibilities. The Lead Independent Director, Shaun Zagnoev was appointed as Independent Chairman. For clarity purposes, Roman Cendrowski remains an Executive Director of the Company.

There were no other changes made to the composition of the Board during the reporting period.

### Issuer Agent

Juba Statutory Services, represented by Sirkien van Schalkwyk, is the Issuer Agent of the Group.

## Appointment, rotation and re-election of Directors

The Board has a formal and transparent policy regarding the appointment of Directors to the Board. Whilst the appointments are a matter for the Board, the authority to oversee the nomination and to carry out the interview process has been delegated to the Remuneration and Nomination Committee.

Apart from a candidate's experience, knowledge, skills, availability and likely fit, the Committee also considers a candidate's integrity, as well as other Directorships and commitments, to ensure that the candidate will have sufficient time to discharge his role properly.

New appointees are appropriately familiarised with the Group's business through an induction programme. The composition of the Board is reviewed on a regular basis to ensure ongoing compliance with the requirements set out in the Companies Act of South Africa, 71 of 2008 as amended ("the Companies Act") and King IV™.

In accordance with the Company's Memorandum of Incorporation, a Director, having been appointed by the Board since the last Annual General Meeting of the Company, is obliged to retire and being eligible, offers him/herself for election at the next Annual General Meeting.

In line with the Memorandum of Incorporation, one-third of the Non-Executive Directors are required to retire, and if available and eligible, stand for re-election at the Company's Annual General Meeting. Those Directors who have been in office for the longest, as calculated from the last re-election or appointment date, are required to stand for re-election. At the Annual General Meeting, Shaun Zagnoev will stand for nomination to be re-appointed.

Meeting attendance by the Directors are as follows at the date of the Report:

Name	Designation	Board Attendance	Committee Membership		
			ARC	RNC	SEC
Earle Marks	Chief Executive Officer	3/3			1/1
Zvi Kaplan	Financial Director	3/3			1/1
Roman Cendrowski <sup>1</sup>	Executive Director	2/3			
Shaun Zagnoev <sup>2</sup>	Independent Non-Executive Director	2/3	2/2	1/1*	1/1*
Avi Gluch <sup>3</sup>	Independent Non-Executive Director	3/3	2/2	1/1	
Jonathan Bennett	Independent Non-Executive Director	3/3	2/2*	1/1	
1 Stepped down as Chairman on 28 May 2024		* Chairman			
2 Appointed as Independent Chairman on 28 May 2024		ARC	- Audit and Risk Committee		
Also stepped down as the Chairman of the SEC as well as the RNC		RNC	- Remuneration and Nomination Committee		
3 Appointed as the SEC Chairman as well as on the RNC		SEC	- Social and Ethics Committee		

# CORPORATE GOVERNANCE REPORT (CONTINUES)

## Non-Executive Director Tenure and Succession

The management of the Board's succession process is crucial to its sustainability. The Remuneration and Nomination Committee ensures that, as Directors retire, candidates with the necessary experience are identified to ensure that the Board's competence and balance are maintained and enhanced, considering the Group's current and future needs.

## LEADERSHIP ROLES AND FUNCTIONS

### Non-Executive Directors

All members of the Board have a fiduciary responsibility to represent the best interest of the Group and all of its stakeholders. The Group's Non-Executive Directors are individuals of a high calibre and credibility who make a significant contribution to the Board's deliberations and decisions. There are three Non-Executive Directors on the Board, constituting 50% of the total Directors.

### The Chairman

The Chairman's role is to set the ethical tone for the Board and to ensure that the Board remains efficient, focused and operates as a unit. Roman Cendrowski acted as Executive Chairman during the financial year. Shaun Zagnoev took over this responsibility and was appointed as Independent Chairman on 28 May 2024. His role is separate from that of the Chief Executive Officer, Earle Marks. He provides overall leadership to the Board and the Chief Executive Officer without limiting the principle of collective responsibility for Board decisions.

### Chief Executive Officer

The Board appoints the Chief Executive Officer to lead and implement the execution of the approved strategy. Earle Marks serves as the link between management and the Board and is accountable to the Board. Progress reports are received from the Chief Executive Officer on the progress made against the implementation of the strategy.

### Company Secretary

The Company Secretary, Juba Statutory Services Proprietary Limited (represented by Sirkien van Schalkwyk) plays a vital role in the Corporate Governance of the Group and is responsible for ensuring Board compliance with procedures and regulations of a statutory nature.

The Company Secretary ensures compliance with the CTSE Listings Requirements and is responsible for the submission of the Annual Compliance Certificate to CTSE.

The Company Secretary ensures that, in accordance with the pertinent laws and regulatory framework, the proceedings and affairs of the Board and its members as well as the Company itself are properly administered.

The Board satisfied itself regarding Sirkien van Schalkwyk's work experience, performance, technical

skills and overall competence in fulfilling her role as Company Secretary. She is a consultant and maintains an arms-length relationship with the Board. She reports to the Chairman on all statutory duties and functions performed relating to the Board.

The Company Secretary's primary responsibilities are to:

- ensure that Board procedures are followed and reviewed regularly;
- ensure applicable rules and regulations for the conduct of the affairs of the Board are complied with;
- maintain statutory records in accordance with legal requirements;
- guide the Board as to how its responsibilities should be properly discharged in the best interest of the Company;
- keep abreast of, and inform, the Board of current and new developments regarding best practices in Corporate Governance thinking and practice.

### Ethical and Effective Leadership

The Board is committed to achieving its goals with integrity, high ethical standards and in compliance with all applicable laws, whilst being a responsible corporate citizen. The Board reviewed the Code of Ethics and Business Conduct which sets the tone for an ethical culture within the Group.

The Directors are fully committed to these principles, which ensures that the business is managed according to the highest ethical standards, even beyond mere legal compliance, within its operating environment, as well as the social, political, and physical environment within which the Group operates.

The Code of Ethics and Business Conduct is included as part of induction for new employees as well as other regular training programmes and is available on the Company's website at [www.runwaypropertygroup.co.za](http://www.runwaypropertygroup.co.za). Ethics are part of the recruitment process, evaluation of performance and rewards of employees as well as the sourcing of suppliers.

No material ethical leadership and corporate citizenship deficiencies were noted. The Board, through the Audit and Risk Committee as well as the Social and Ethics Committee, monitors compliance with Runway Property Group Limited's Code of Ethics and Business Conduct through various reporting channels including reporting on the Company's website. Feedback is given to the relevant Committees and the Board while sanctions and remedies are in place when ethical standards are breached.

### Independence and Conflicts

During the year ended 29 February 2024, none of the Directors had a significant interest in any contract or arrangement entered into by the Company or its Subsidiaries, other than as disclosed on page 23 of this Annual Report.

# CORPORATE GOVERNANCE REPORT (CONTINUES)

Directors are required to inform the Board timeously of conflicts or potential conflicts of interest that they may have in relation to particular items of business. Directors are obliged to excuse themselves from discussions or decisions on matters in which they have a conflict of interest, in accordance with the Declaration and Conflict of Interest Policy that was adopted during the reporting period. A standard agenda item is included for members to declare whether any of them have any conflict of interest in respect to a matter on the agenda. This is minuted accordingly.

When categorising the Non-Executive Directors as independent, the interests, position, association or relationship are taken into consideration. Independent Non-Executive Directors serving for longer than nine years are subjected to a rigorous review of their independence and performance by the Board. The Board will make full disclosure regarding individuals serving for more than nine years to enable Shareholders to make their own assessment of Directors. Currently, none of the Directors serve for more than nine years on the Board.

When categorising the Non-Executive Directors as independent, the interests, position, association or relationship are taken into consideration. Independent Non-Executive Directors serving for longer than nine years are subjected to a rigorous review of their independence and performance by the Board. The Board will make full disclosure regarding individuals serving for more than nine years to enable Shareholders to make their own assessment of Directors. Currently, none of the Directors serve for more than nine years on the Board.

This, together with the test of being judged from the perspective of a reasonable and informed third party and other indicators on a substance-over-form basis, all Non-Executive Directors were found to be independent. The categorisation of Directors can be found on page 9 of this Annual Report.

## Insider Trading

No employee of the Group may deal directly or indirectly in the Company's shares, based on unpublished price-sensitive information regarding the business. No Director or Officer of the Group may disclose trade information regarding the business. Directors or Officers of the Group are precluded from trading in the shares of the Group during a closed period or prohibited period, as determined by the Board.

A Price Sensitive Information Group Policy is in place in line with the CTSE Listings Requirements.

Any Director wishing to trade in ordinary shares of the Company must obtain clearance from the Chairman of the Board or, in his absence, the Chief Executive Officer. The Directors keep the Company Secretary advised of all their dealings in securities and details of dealings are placed on CTSE website under Companies' Announcements in line with the CTSE Listings Requirements.

## Assessment of the Board

The Board of Directors analyses and evaluates its effectiveness in line with King IV™. The Board conducted a self-evaluation by way of completing questionnaires and identified weak areas to be focused on in the current financial year.

## Commitment to the Governance Principles set out in King IV™

The Board remains committed to the principles of King IV™ and ensures that its recommendations are materially entrenched into the Board's internal controls, policies, terms of reference and overall procedures and processes. A King IV™ application register, setting out how the Company has applied the principles of King IV™, is available on our website, [www.runwaypropertyGroup.co.za](http://www.runwaypropertyGroup.co.za).

## Compliance Statement by Issuer Agent

Juba Statutory Services confirms that for the twelve months ended 29 February 2024, Runway complied with every disclosure requirement for continued listing on the CTSE.

## Integrated Effective Control

As the custodian of governance, the Board is ultimately responsible for ensuring there is effective control within the business. The Board ensures effective control through a number of mechanisms, including:

### Compliance with applicable Laws, Regulations and Governance Practices

The decisions and actions taken by the Board ensure that the Company subscribes to full Compliance with applicable laws, regulations and governance practices. This function is delegated to the Social and Ethics Committee with financial compliance overseen by the Audit and Risk Committee. During the financial year, the Company was fully compliant with the requirements of the Companies Act, Memorandum of Incorporation and CTSE Listings Requirements.

### The Board Charter

The roles and responsibilities of the Board and individual Directors are set out in the Board Charter, which is aligned with the provisions of relevant statutory and regulatory requirements and is reviewed on a regular basis. The Charter regulates the parameters within which the Board operate and ensures the application of the principles of good governance in all its dealings.

### Governance Structures and Delegation

The Company's governance structure provides for the delegation of authority, whilst enabling the Board to retain effective control. Such structures similarly support and enable the informed oversight exercised by the Board. The Board delegates authority to established Board Committees, as well as the Chief Executive Officer, with clearly defined mandates.

# CORPORATE GOVERNANCE REPORT (CONTINUES)

## Board Committees

The roles, responsibilities and composition of the Board Committees are described below. The responsibilities delegated to these Committees are formally documented in each Committee's Terms of Reference, which are approved by the Board and reviewed on an annual basis. After each Committee meeting, Committee Chairmen report back to the Board, which facilitates transparent communication between Directors and ensures that all aspects of the Board's mandate are addressed.

The Terms of Reference are subject to change as and when required by the Board in order to accommodate the Company's changing needs. Roles and associated responsibilities and the composition of membership across Committees are considered holistically. All Committees have a minimum of three members and, as a whole, have the necessary knowledge, skills, experience and capacity to execute their duties effectively. The Chairman of each Board Committee reports at meetings of the Board, and minutes of Board Committee meetings are provided to the Board.

Both the Directors and the members of the Board Committees are supplied with full and timely information that enables them to properly discharge their responsibilities. All Directors have unrestricted access to all Group information. The Chairman of each Board Committee is required to attend Annual General Meetings to answer questions raised by Shareholders.

Runway Property Group Board		
Executive Directors		Non-Executive Directors
Earle Marks (Chief Executive Officer) Zvi Kaplan (Financial Director) Roman Cendrowski (Executive Director)		Shaun Zagnoev (Independent Chairman) Avi Gluch (Independent) Jonathan Bennett (Independent)
Audit and Risk Committee	Remuneration and Nomination Committee	Social and Ethics Committee
<b>Members</b> Jonathan Bennett (Chairman) Shaun Zagnoev Avi Gluch	<b>Members</b> Avi Gluch (Remuneration Chairman) Shaun Zagnoev (Nomination Chairman) Jonathan Bennett	<b>Members</b> Avi Gluch (Chairman) Earle Marks Zvi Kaplan
↑	↑	
Independent External Audit		Chief Executive Officer

Audit and Risk Committee	Remuneration and Nomination Committee	Social and Ethics Committee
<b>Summarised roles and responsibilities</b> <ul style="list-style-type: none"> <li>Providing the Board with additional assurance regarding the efficiency and reliability of the financial information used by the Directors to assist them in the discharge of their duties;</li> <li>Reviewing interim and Annual Financial Statements, the Annual Report and any other external reports issued by the organisation;</li> <li>Overseeing the internal audit function, once implemented;</li> <li>Overseeing that significant business, financial and other risks have been identified and are being managed suitably;</li> <li>Overseeing independence of external audit and overseeing the external audit process; and</li> <li>Overseeing the Group's risk management profile.</li> </ul>	<b>Summarised roles and responsibilities</b> <ul style="list-style-type: none"> <li>Identifying and nominating new Directors for approval by the Board;</li> <li>Ensuring that appointments to the Board are formal and transparent; Approving the classification of Directors as independent;</li> <li>Overseeing induction and training of Directors and conducting annual performance reviews of the Board and Board Committees;</li> <li>Overseeing an appropriate separation between Executive, Non-Executive and Independent Directors;</li> <li>Overseeing proper and effective functioning of the Group's Board Committees.</li> </ul>	<b>Summarised roles and responsibilities</b> <ul style="list-style-type: none"> <li>Planning, implementing and monitoring the Group's strategy for transformation;</li> <li>Monitoring compliance with legislation;</li> <li>Monitoring employment equity and fair labour practices;</li> <li>Monitoring good corporate citizenship and the Group's contribution to the development of communities in which it operates; and</li> <li>Monitoring ethics and business conduct.</li> </ul>
Meetings required: 2 Meeting held: 2	Meetings required: 1 Meetings held: 1	Meetings required: 1 Meetings held: 1
The Committee is satisfied that it has fulfilled its responsibilities in accordance with its Terms of Reference for the reporting period	The Committee is satisfied that it has fulfilled its responsibilities in accordance with its Terms of Reference for the reporting period.	The Committee is satisfied that it has fulfilled its responsibilities in accordance with its Terms of Reference for the reporting period.
The full Audit and Risk Committee Report can be found on pages 15 to 17 of this Annual Report.	Refer to pages 20 to 22 for the Remuneration report by the Remuneration and Nomination Committee.	Refer to pages 18 to 19 of the Annual Report for the Social and Ethics Committee Report.

# AUDIT AND RISK COMMITTEE REPORT TO SHAREHOLDERS

## Annual Financial Statements for the year ended 29 February 2024

The Audit and Risk Committee takes pleasure in submitting this report, which has been approved by the Board and has been prepared in accordance with Section 94(7)f of the Companies Act of South Africa, No 71 of 2008, as amended (“the Companies Act”) and incorporating the recommendations of the Report on Corporate Governance for South Africa, 2016 (“King IV™”).

In summary, this Committee assists the Board in its responsibilities covering the:

- external audit process for the Group taking into account the significant risks;
- adequacy and functioning of the Group’s internal controls;
- integrity of the financial reporting; and
- risk management and information technology.

The Committee has performed all the duties required in Section 94(7) of the Companies Act.

Due to the size of the Company, the Board decided to combine the Audit Committee and Risk Committee and attend to both Audit and Risk responsibilities in one Committee. However, the agenda is divided into two separate sections so as to ensure that both Audit and Risk Management responsibilities are attended to.

## Members of the Audit and Risk Committee and Attendance at Meetings

The Audit and Risk Committee consists of three Non-Executive Directors listed below and all members act independently as described in the Act and King IV™. There were no changes made to the composition of the Committee.

The Committee acknowledges the recommendation by King IV™ that the Chairman of the board should not be a member of the Committee, but due to Shaun Zagnoev’s financial experience, decided that he remains a member of the Committee.

The Chief Executive Officer, Financial Director and partner of the External Auditors attend meetings by invitation. The Board is satisfied that the independence, experience, and qualifications of each member enable them to fulfil the Committee’s mandate.

In addition to scheduled meetings, the Committee meets at least once a year with the Company’s External Auditors, without management being present. The Committee, as a whole, has the necessary financial literacy, skills and experience to execute its duties effectively.

Two meetings were held to the date of the report. The Committee composition and meeting attendance are below:

Name Qualification	Meetings attended
<b>Jonathan Bennett (Chairman)</b> Bachelor of Business Science (Finance), CA(SA)	2/2
<b>Avi Gluch</b> BA, LLB LLM (Tax), Admitted Attorney	2/2
<b>Shaun Zagnoev</b> BSc (Elec Eng), MSC (Elec Eng), MBA	2/2

## Role of the Audit and Risk Committee

The Audit and Risk Committee has reviewed the Terms of Reference, approved by the Board, setting out its duties and responsibilities as prescribed in the Act and incorporating additional duties delegated to it by the Board.

The Committee:

- fulfils the duties that are assigned to it by the Act and as governed by other legislative requirements;
- assists the Board in overseeing the quality and integrity of the Group’s annual reporting process, including the Financial Statements and sustainability reporting, and announcements in respect of the financial results;
- oversee that an effective control environment in the Group is maintained;
- provides the Financial Director and External Auditors with unrestricted access to the Committee and its Chairman as is required in relation to any matter falling within the ambit of the Committee;
- meets with the External Auditors, senior managers and Executive Directors as the Committee may elect; and
- meets confidentially with the External Auditors without other Executive Board members and the Company’s Financial Director being present.

## Execution of functions during the year

The Committee is satisfied that, for the 2024 financial year, it has performed all the functions required to be performed by an Audit and Risk Committee as set out in the Act and the Committee’s Terms of Reference.



# AUDIT AND RISK COMMITTEE REPORT TO SHAREHOLDERS (CONTINUES)

## External Audit

The Audit and Risk Committee discharged its functions in terms of its Terms of Reference and ascribed to it in terms of the Act during the year under review as follows:

The Committee among other matters:

- nominated De Vos Richards Abed and Waseela Abed as the External Auditor and designated Auditor respectively to Shareholders for appointment as Auditor for the financial year ended 29 February 2024, and ensured that the appointment complied with all applicable legal and regulatory requirements for the appointment of an Auditor;
- nominated the External Auditor and the independent Auditor for each material subsidiary Company for re-appointment;
- reviewed the audit effectiveness and evaluated the External Auditor's internal quality control procedures;
- obtained an annual confirmation from the Auditor that their independence was not impaired;
- maintained a policy setting out the categories of non-audit services that the External Auditor may and may not provide, split between permitted permissible and prohibited services;
- approved non-audit services with De Vos Richards Abed in accordance with its policy;
- approved the External Audit engagement letter, the plan and the budgeted audit fees payable to the External Auditor;
- obtained assurances from the External Auditor that adequate accounting records were being maintained by the Company and its Subsidiaries;
- considered whether any reportable irregularities were identified and reported by the external Auditor in terms of the Auditing Profession Act, No. 26 of 2005; and
- considered any reported control weaknesses, and management's response for their improvement and assessed their impact on the general control environment.

## Internal Audit

Due to the size of the Group, there is no internal audit function implemented. However, it will be reviewed on an annual basis.

## Adequacy and Functioning of the Group's Internal Controls

The Committee reviewed the plans and work outputs of the External Auditors and concluded that these were adequate to address all significant financial risks facing the business.

As noted above, it also reviewed the reporting around the adequacy of the internal controls, having had access to subsidiary Companies' financial information, and based on this, concluded that there had been no material breakdowns in internal control, including financial controls, business risk management and maintenance of effective material control system.

## Financial Reporting

The Audit and Risk Committee ensures that the financial reporting to stakeholders fairly presents the state of affairs of the Group. This covers the Annual Financial Statements, Annual Report, interim and preliminary reporting.

The Committee among other matters:

- confirmed the going concern as the basis of preparation of the Interim and Annual Financial Statements;
- reviewed compliance with the financial conditions of loan covenants and determined that the capital of the Company was adequate;
- examined and reviewed the Interim and Annual Financial Statements, as well as all financial information disclosed prior to the submission to the Board for their approval and then for disclosure to stakeholders ensured that the Annual Financial Statements fairly present the financial position of the Company and of the Group as at the end of the financial year and the results of operations and cash flows for the financial year and considered the basis on which the Company and the Group was determined to be a going concern;
- considered the appropriateness of the accounting policies adopted and changes thereto, if necessary;
- reviewed the External Auditor's audit report and key audit matters included;
- reviewed the representation letter relating to the Annual Financial Statements which was signed by management;
- considered any problems identified and reviewed any significant legal and tax matters that could have a material impact on the Financial Statements;
- considered accounting treatments, significant unusual transactions and accounting judgments;
- confirmed that the Company qualifies for the tax deduction of the distribution in terms of section 25BB(2) of the Income Tax Act;
- confirmed that the gearing ratio as of 29 February 2024 does not exceed 60% of the total consolidated assets;
- undertook not to authorise any borrowings in terms of which the total liabilities as recorded in the Annual Financial Statements less any capital repayments made subsequent to the preparation of the Annual Financial Statements, plus the nominal value of any proposed liability, divided by the gross asset value, will not exceed 60%.

# AUDIT AND RISK COMMITTEE REPORT TO SHAREHOLDERS (CONTINUES)

## Risk Management and Information Technology (IT) Governance

The Company utilise the Property Management Company's IT systems for its business. This taken into consideration, the Committee:

- oversaw that intellectual property contained in information systems is protected;
- oversaw that adequate business arrangements were in place for disaster recovery and back-ups; and
- oversaw that all personal information is treated by the Company as an important business asset and is identified.

## Legal and Regulatory Requirements

To the extent that these may have an impact on the Annual Financial Statements, the Committee:

- reviewed legal matters that could have a material impact on the Group;
- reviewed the adequacy and effectiveness of the Group's procedures, including its risk management framework, to ensure compliance with legal and regulatory responsibilities; and
- considered reports provided by management and the External Auditors regarding compliance with legal and regulatory requirements.

## Going Concern

The Audit and Risk Committee has reviewed a documented assessment, including key assumptions, prepared by management of the going concern status of the Company and has made recommendations to the Directors in accordance. The Directors' statement on the going concern status of the Company, as supported by the Audit and Risk Committee is included in the Directors Report.

## Election of Committee at the Annual General Meeting

Pursuant to the provisions of Section 94(2) of the Companies Act, which requires that a public Company must elect an Audit Committee at each Annual General Meeting, it is proposed in the notice of the Annual General Meeting to be held on 3 July 2024 that Jonathan Bennett, Avi Gluch and Shaun Zagnoev be re-appointed as members of the Audit and Risk Committee until the next Annual General Meeting to be held in 2025.

## Evaluation of the Committee

The Committee conducted a self-evaluation by way of questionnaires and identified weak areas for improvement. The weak areas will be implemented during the current financial year.

## Annual Report

Following the review by the Committee of the Consolidated and Separate Annual Financial Statements of Runway Property Group Limited for the year ended 29 February 2024, the Committee is of the view that in all material aspects, they comply with the relevant provisions of the Act and International Financial Reporting Standards and fairly present the consolidated and separate financial positions at that date and the results of operations and cash flows for the year then ended.

The Committee has also satisfied itself with the integrity of the Annual Report and the sustainability information reported therein.

## Recommendation of the Annual Report for approval by the Board

Having achieved its objectives, the Committee has recommended the Annual Report for the year ended 29 February 2024 for approval to the Board. The Board has subsequently approved the reports, which will be open for discussion at the forthcoming Annual General Meeting.



Jonathan Bennett

**Audit and Risk Committee Chairman**

**30 May 2024**

# SOCIAL AND ETHICS COMMITTEE REPORT TO SHAREHOLDERS

## Performance for 2024

This report is prepared in compliance with the requirements of the Companies Act of South Africa, 71 of 2008 as amended (“the Companies Act”) and describes how the Committee discharged its responsibilities in respect of the financial year ended 29 February 2024 and will be presented to the Shareholders at the Annual General Meeting to be held on 3 July 2024.

## Social and Ethics Committee members

Due to the appointment of Shaun Zagnoev as Board Chairman, Avi Gluch was appointed as Chairman of the Committee to accept the recommendation from King IV™ that the Chairman of the Board is not a member of Board Sub-Committees.

One meeting was during the reporting period. The Committee composition and meeting attendance are below:

Name Qualification	Meeting attended
<b>Shaun Zagnoev</b> BSc (Elec Eng), MSC (Elec Eng), MBA	1/1
<b>Earle Marks</b> CA(SA)	1/1
<b>Zvi Kaplan</b> CA(SA)	1/1

## Responsibilities of the Committee

In accordance with the Terms of Reference and annual work plan, the Committee fulfils the functions and responsibilities assigned to it in terms of the Company’s compliance with the applicable requirements of Regulation 43 of the Companies Act, the Company’s activities in relation to relevant legislation and prevailing codes of best practice and such other functions as may be assigned to it by the Board from time to time in order to assist the Board in ensuring that the Group remains a responsible corporate citizen.

The key objectives and responsibilities of the Committee, which are aligned with the Committee’s statutory functions as set out in the Companies Act, form the basis of its annual work plan, and include the following:

- social and economic development;
- the Group’s standing relative to the United National Global Compact Principles, the Organisation of Economic Co-operation and Development (OECD);
- recommendations regarding the combating of corruption and human rights;
- good corporate citizenship, including the Group’s contribution to the development of communities in which it operates or markets its goods and the Group’s record of sponsorships, donations and charitable giving;
- good corporate citizenship, including the Group’s positioning and efforts in promoting equality, preventing unfair discrimination and combating corruption;
- promotion of equality and transformation and prevention of unfair discrimination, through its Code of Conduct and Business Ethics and other social responsibility policies and strategies;
- the environment, health and public safety, including the impacts of the Group’s activities and products on the environment and society;
- consumer relationships, including the Group’s advertising, public relations and compliance with consumer protection laws;
- labour and employment, including the Group’s standing relative to the International Labour Organisation (ILO) Protocol on Decent Work and working conditions, and the Group’s employment relationships and contribution to the educational development of its employees;
- generally, the monitoring of the social, ethics, economic, governance, employment, and environmental activities of the Group against internationally recognised human rights principles and other relevant best practice standards.

## Ethics and Business Conduct

The Code of Ethics and Business Conduct, which embodies our guiding principles and values, was adopted during the year and included the recommendations by King IV™ and confirmed to be relevant and effective. This policy deals with, *inter alia*, no tolerance for discrimination in whatever form, human rights, health and safety and the implementation of the Group’s ethical standards to stakeholders. The Code of Ethics and Business Conduct is available on the Company’s website at [www.runwaypropertygroup.co.za](http://www.runwaypropertygroup.co.za).

## Labour

Due to the low number of employees, the Company is not required to submit an Employment Equity Plan in terms of the Employment Equity Act, 55 of 1998. Similarly, the Company is also not required to submit a Workplace Skills Plan in terms of the Skills Development Act, 97 of 1998. Despite this, skills development remains an area of focus and the general economic active population (EAP) targets of employment equity will be considered when new appointments are made.

## Socio-Economic Development

The Group’s commitment is to foster good relations with the communities in which we operate, and in doing so continues to pursue its business philosophy which is to all staff it needs from the local communities in which it operates and in so doing provides much-needed employment and other socio-economic benefits to local communities.

# SOCIAL AND ETHICS COMMITTEE REPORT TO SHAREHOLDERS (CONTINUES)

## Sustainability

The sustainability framework and the associated pillars which apply to the Subsidiaries and within which the Group’s sustainability journey will be managed have been reviewed and the Committee adopted 3 of the 17 Sustainable Development Goals during the reporting period.

## Environment

The Group aims to reduce the negative impacts of the Group’s trading entities.

## Stakeholder Management

The Stakeholder engagement framework outlines the Group’s guiding principles for stakeholder engagement which are congruent with the values espoused in the Group’s formal Code of Ethics and Business Conduct. A Stakeholder Engagement Policy is in place.

The Company strives to provide an attractive return to Shareholders and valid, accurate and relevant information which complies with all related legislation through the Shareholders’ selected channel of communication.

Stakeholder Group	Key issues	Our response thereto
Shareholders and investor community	<ul style="list-style-type: none"> <li>Business sustainability;</li> <li>share liquidity; and</li> <li>debt-to-equity ratio.</li> </ul>	<ul style="list-style-type: none"> <li>Operate with the optimal capital structure;</li> <li>review of debt facility; and</li> <li>strategy execution.</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Legislative and regulatory landscape; and</li> <li>Consumer Protection Act compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Product and service innovation, services integration;</li> <li>customer service; business consulting, training, risk management;</li> <li>compliance;</li> <li>delayed negative decision-making by clients;</li> <li>credit terms.</li> </ul>

Stakeholder Group	Key issues	Our response thereto
Employees	<ul style="list-style-type: none"> <li>Working conditions;</li> <li>benefits, employee welfare, training, mentoring, succession</li> <li>planning/employee welfare;</li> <li>training, remuneration, reward and recognition, benefits, discipline; and</li> <li>working conditions.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing legal and regulatory training in terms of operations;</li> <li>improved remuneration, added benefits, improvement in health and safety, improved efficiency, training, and upskilling.</li> </ul>
Local communities	<ul style="list-style-type: none"> <li>Corporate Social Investment (CSI) in the form of support to the community and local schools.</li> </ul>	<ul style="list-style-type: none"> <li>Community support through CSI initiatives, focusing on education and basic needs.</li> </ul>
Government and regulators	<ul style="list-style-type: none"> <li>Compliance with industry regulation; CTSE Listing requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Submission of Reports to Shareholders.</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Supplier listing; products and pricing.</li> </ul>	<ul style="list-style-type: none"> <li>Enterprise development negotiations.</li> </ul>
Media	<ul style="list-style-type: none"> <li>Results announcements, meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Investor relations, public relations.</li> </ul>

## Broad-based Black Economic Empowerment (B-BBEE)

The Committee considered the interpretation of the B-BBEE Act and Regulations and found that it did not apply to the Company.

## Evaluation of Committee Performance

The Committee conducted a self-evaluation by way of questionnaires. Weak areas were identified for implementation during the financial year.



Avi Gluch

**Social and Ethics Committee Chairman**

30 May 2024

# REMUNERATION REPORT

This report comprises three sections:

- Part I: Matters considered by the Remuneration and Nomination Committee;
- Part II: Remuneration policies and principles for Shareholders' vote at the Annual General Meeting; and
- Part III: Implementation report of the Remuneration Policy.

## PART I: REMUNERATION AND NOMINATION COMMITTEE REPORT

In reviewing the Committee's composition during the year, it was decided that, due to the size of the Company, the Remuneration Committee and Nomination Committee could remain one Committee.

### Appointment of Directors to the Board

Apart from a candidate's experience, availability and likely fit, the Committee also considers the candidate's integrity, as well as other Directorships and commitments, to ensure that the candidate will have sufficient time to discharge his/her role properly. The Appointment of Directors to the Board Policy was reviewed and approved during the reporting period.

### Remuneration and Nomination Committee Members

The Committee comprises three Non-Executive Directors, all of whom are independent. After the reporting period, Shaun Zagnoev was appointed as Independent Chairman of the Board. Although he is not eligible for appointment as Chairman of the Committee, Shaun Zagnoev will remain a member of the Committee but will preside as Chairman when the committee fulfils its oversight responsibilities on nomination matters and Board/Director interactions. Avi Gluch was appointed as Chairman of the Committee.

One meeting was held during the reporting period. The Committee composition and meeting attendance are below:

Name Qualification	Meetings attended
<b>Avi Gluch (Chairman)</b> BA, LLB LLM (Tax), Admitted Attorney	1/1
<b>Shaun Zagnoev</b> BSc (Elec Eng), MSC (Elec Eng), MBA	1/1
<b>Jonathan Bennett</b> Bachelor of Business Science (Finance), CA(SA)	1/1

### Role of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee has reviewed its Terms of Reference, approved by the Board, setting out its duties and responsibilities.

The Committee:

- Assumes responsibility for the governance of remuneration by setting the direction for how remuneration should be approached and addressed on a Company-wide basis;
- Approves a Remuneration Policy that articulates and gives effect to its direction on fair, responsible and transparent remuneration;
- Ensures the Remuneration Policy and implementation report is put to a non-binding advisory vote at the Annual General Meeting of Shareholders once every year;
- Considers the results of the performance evaluation of the Chief Executive Officer and Chief Financial Officer, both as Directors and as Executives, in determining remuneration;
- Recommends to the Board the remuneration of Non-Executive Directors for approval by Shareholders;
- Determines the Policy and scope of pension arrangements, service agreements, termination payments and compensation commitments and makes recommendations to the Board on these benefits for Executive Directors;
- Reviews market trends and reputable survey results in determining such packages and arrangements;
- Oversees compliance with all statutory and best practice requirements regarding labour and industrial relations management;
- Assumes responsibility for its composition by setting the direction and approving the process for it to attain the appropriate balance of knowledge, skills, experience, diversity and independence to objectively and effectively discharge its governance role and responsibilities;
- Regularly reviews the Board structure, size, composition and mix of skills and experience and makes recommendations to the Board with regard to any adjustments that are deemed necessary;
- Establishes arrangements for periodic, staggered rotation of its members so as to invigorate its capabilities by introducing members with new expertise and perspectives while retaining valuable knowledge, skills and experience and maintaining continuity; and
- Oversees that succession plans are developed and implemented.

### Committee Evaluation

The Committee conducted a self-evaluation by way of questionnaires and identified focus areas for the current financial year.



Avi Gluch

**Remuneration and Nomination Committee Chairman**

30 May 2024

# REMUNERATION REPORT (CONTINUES)

## PART II: REMUNERATION POLICY

### Background Statement

The Group's Remuneration Policy aims to attract, retain and motivate skilled and performing employees to execute the Group's strategy. The remuneration philosophy and framework are predominantly guided by the business strategy.

During the reporting period, the Remuneration Policy and framework were developed and found to be in line with King IV™ in a conscious effort to give effect to the principles of fair, responsible and transparent remuneration.

The Group offers an integrated remuneration and reward model, which comprises:

Element	Base pay	Short-Term Incentive
Runway Property Group Objective	<ul style="list-style-type: none"> <li>Monthly salary</li> <li>Retention</li> <li>Attraction</li> </ul>	<ul style="list-style-type: none"> <li>Annual bonus</li> <li>Reward Company and Group performance</li> <li>Reward individual performance</li> <li>Retention/attraction recognition</li> </ul>

### Short-Term Incentive

The Group awards management and most salaried employees on an annual performance incentive. The actual value awarded is subject to the achievement of pre-determined thresholds relating to the performance and position of the Group and individual performance during the reporting period.

### Long-Term Incentive

There is currently no long-term incentive plan (LTIP) in place and the Remuneration and Nomination Committee will review this annually. The purpose of the long-term incentive plan will be to attract, retain and motivate employees who influence the long-term sustainability and strategic objectives of the Group.

### Increases

At an individual employee level, the annual cost to Company (CTC) increases are determined by the individual's pay relative to the band he/she is in, as well as the performance of the individual in the role.

An increase of between 6.5% and 7.5% was approved during the reporting period and implemented subject to performance evaluations.

### Policy on Directors' Remuneration

The Directors are appointed to the Board to bring competencies and experience appropriate to achieving the Group's objectives.

### Non-Executive Directors

It is the Group's policy to identify, attract and retain Non-Executive Directors who can add significant value to Runway Property Group. The Board applies principles of good Corporate Governance relating to Directors' remuneration and also keeps abreast of changing trends. Governance of Directors' remuneration is undertaken by the Committee.

The Committee takes cognisance of market norms and practices as well as additional responsibilities placed on the Board members by new legislation and Corporate Governance principles.

Non-Executive Directors receive an attendance fee per meeting.

The policy on remuneration for Non-Executive Directors is that this should:

- be market-related (having regard to the median fees paid and number of meetings attended by Non-Executive Directors of companies of similar size and structure to similar sectors); and
- not be linked to the share price of Runway Property Group.

Non-Executive Directors do not receive bonuses or share options, as it is recognised that this can create a potential conflict of interest which can impair the independence of the Non-Executive Directors and are expected to bear in decision-making by the Board.

The Remuneration and Nomination Committee approved a 5% increase as follows, for recommendation to Shareholders for final approval, effective 1 August 2024:

Category	Remuneration (per meeting) 2025	Remuneration (per meeting) 2024
Board Chairman	R11 180	R10 650
Board member	R8 950	R8 520
Board member (prior approval)*	R2 240 per hour	R2 130 per hour
Audit and Risk Committee Chairman	R11 180	R10 650
Audit and Risk Committee member	R8 950	R8 520
Remuneration and Nomination Committee Chairman	R11 180	R10 650
Remuneration and Nomination Committee member	R8 950	R8 520
Social and Ethics Committee Chairman	R11 180	R10 650
Social and Ethics Committee member	R8 950	R8 520

\*subject to Chief Executive Officer approval

# REMUNERATION REPORT (CONTINUES)

## Use of external remuneration advisors

From time to time, advice from external remuneration advisors is obtained to ensure that the Remuneration Policy and our implementation thereof are informed by market-related data, current industry and general best practice remuneration trends. The Committee did not make use of any external advisors during the reporting period.

## Results of the previous voting on the Remuneration Policy and voting procedures going forward

The Remuneration Policy (as set out in part II) and our Implementation Report (as set out in part III) will be put to Shareholders as two separate non-binding advisory votes at the Annual General Meeting on 3 July 2024.

Runway received a 100% non-binding advisory vote in favour of its Remuneration Policy and implementation report at the Annual General Meeting that was held on 6 July 2023.

## PART III: REMUNERATION IMPLEMENTATION REPORT

The Remuneration Implementation Report details the outcomes following the implementation of the approved Remuneration Policy detailed on pages 21 to 22 and above.

## Directors' Emoluments

2024	Basic Salary	Bonus	Medical Aid Contributions	Meeting Attendance	Total
Earle Marks	R1 292 006	R93 968	R88 451	-	R1 474 425
Roman Cendrowski	R667 759	R45 152	-	-	R712 911
Zvi Kaplan	R1 267 850	R77 992	R111 431	-	R1 457 273
Avi Gluch	-	-	-	R67 640	R67 640
Jonathan Bennett	-	-	-	R65 510	R65 510
Shaun Zagnoev	-	-	-	R76 900	R76 900
<b>Total</b>	<b>R3 227 615</b>	<b>R217 112</b>	<b>R199 882</b>	<b>R210 050</b>	<b>R3 854 659</b>

2023	Basic Salary	Bonus	Medical Aid Contributions	Meeting Attendance	Total
Earle Marks	R1 095 396	R91 283	R197 508	-	R1 384 187
Roman Cendrowski	R639 000	R53 250	-	-	R692 250
Zvi Kaplan	R1 095 396	R91 283	R197 508	-	R1 384 187
Avi Gluch	-	-	-	R34 080	R34 080
Jonathan Bennett	-	-	-	R46 860	R46 860
Shaun Zagnoev	-	-	-	R44 730	R44 730
<b>Total</b>	<b>R2 829 792</b>	<b>R235 816</b>	<b>R395 016</b>	<b>R125 670</b>	<b>R3 586 294</b>

## Non-Executive Directors' Remuneration

The participation of Non-Executive Directors in the Group is essential to the Group achieving its strategic objectives and Non-Executive Director's fees are therefore recommended by the Executive Directors and Remuneration and Nomination Committee with this in mind.

In accordance with the Companies Act and the Company's Memorandum of Incorporation, Non-Executive Directors' fees are approved by the Shareholders at the Annual General Meeting. The current fee levels are to be approved by Shareholders at the Annual General Meeting to be held on 3 July 2024 and are stated in Special Resolution number 1 of the notice of Annual General Meeting included in this Annual Report.

The total amount spent on Non-Executive Directors' fees for 2023 and 2024 are as follows:

Non-Executive Directors	2024 Non-Executive Director Fees	2023 Non-Executive Director Fees
Jonathan Bennett	R65 510	R46 860
Avi Gluch	R67 640	R34 080
Shaun Zagnoev	R76 900	R44 730
<b>Total</b>	<b>R210 050</b>	<b>R125 016</b>

## Directors' Service Contracts

There are no fixed-term service contracts for Executive or Non-Executive Directors.

# SHAREHOLDER ANALYSIS

AS AT 29 FEBRUARY 2024

Shareholder spread	Number of Shareholders	%	Number of shares	%
1 – 1 000 shares	44	63.0	22 300	0.04
1 001 – 10 000 shares	17	31.0	39 600	0.08
10 001 – 100 000 shares	3	4.6	82 400	0.16
100 001 – 1 000 001 shares	-	-	-	-
1 000 001 shares and over	1	1.4	47 850 792	99.72
<b>Total</b>	<b>65</b>	<b>100</b>	<b>47 995 092</b>	<b>100</b>

Distribution of Shareholders	Number of Shareholders	%	Number of shares	%
Individuals	63	96.92	98 300	0.20
Company	1	1.54	47 850 792	99.72
Directors	1	1.54	46 000	0.08
<b>Total</b>	<b>65</b>	<b>100.0</b>	<b>47 995 092</b>	<b>100.0</b>

Beneficial Shareholders holding 5% of more	Number of shares	%
Markscend Group Holdings (Pty) Ltd	47 850 792	99.72
<b>Total</b>	<b>47 850 792</b>	<b>99.72</b>

# DIRECTORS, INTERESTS

AS AT 29 FEBRUARY 2024

2024	Status of Director	Beneficially held / Directly	Indirectly	Total	% of issued
Roman Cendrowski / Markscend	Executive	-	23 925 396	23 925 396	49.85
Earle Marks / Markscend	Executive	-	11 962 698	11 962 698	24.93
Zvi Kaplan	Executive	46,00	-	46 000	0.10
<b>Total</b>		<b>8 387 866</b>	<b>35 888 094</b>	<b>35 934 094</b>	<b>74.79</b>

2023	Status of Director	Beneficially held / Directly	Indirectly	Total	% of issued
Roman Cendrowski / Markscend	Executive	-	23 925 396	23 925 396	49.85
Earle Marks / Markscend	Executive	-	11 962 698	11 962 698	24.93
Zvi Kaplan	Executive	46 000	-	46 000	0.10
<b>Total</b>		<b>8 387 866</b>	<b>35 888 094</b>	<b>35 934 094</b>	<b>74.79</b>

Sureties and guarantees were given in the respective Directors' personal capacity for borrowings as detailed per note 13 of the Annual Financial Statements.

There were no changes to the Directors' interest in shares between year-end and the date that the financial statements were approved.



# INFORMATION TO SHAREHOLDERS

## NOTICE OF ANNUAL GENERAL MEETING

### Runway Property Group Limited

(Incorporated in the Republic of South Africa)  
Registration number: 2019/547292/06  
CTSE code: ZXRPG ISIN: ZAE ZAEZ00000059  
("Runway Property Group" or "the Company")

### The Annual General Meeting will be held in Electronic Format only

Notice is hereby given that the Annual General Meeting of Runway Property Group Shareholders recorded in the register as of Friday, 28 June 2024, which will only be accessed through electronic participation (Microsoft TEAMS), will be held at 10h00 on Wednesday, 3 July 2024, for the purpose of considering, and if deemed fit, passing, with or without modification, the resolutions set out below in the manner required by the Companies Act.

### Purpose

The purpose of the meeting is to present, consider and adopt the Financial Statements of the Company for the year ended 29 February 2024; to transact the business set out in this notice of Annual General Meeting ("AGM notice") by considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions hereunder; and to transact such other business as may be transacted at the Annual General Meeting.

Unless otherwise indicated, for the ordinary resolutions to be adopted, the support of at least 50% (fifty percent) plus one vote of the total number of votes, which the Shareholders present or represent by proxy at this meeting are entitled to cast, is required. In order for the special resolutions to be adopted, the support of at least 75% (seventy-five percent) of the total number of votes, which the Shareholders present or represented by proxy at this meeting are entitled to cast, is required.

- Shareholders entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a member of the Company. A form of proxy, in which are set out the relevant instructions for its completion, is enclosed for the use of an own-name registered dematerialised Shareholder who wishes to be represented at the Annual General Meeting. Completion of a form of proxy will not preclude such Shareholder from attending and voting (in preference to that Shareholder's proxy) at the Annual General Meeting.
- The instrument appointing a proxy and the authority (if any) under which it is signed must reach the Company Secretary at [sirkien@juba.co.za](mailto:sirkien@juba.co.za) by not later than 10h00 on Monday, 1 July 2024.
- Dematerialised Shareholders, other than own-name registered dematerialised Shareholders, who wish to attend the Annual General Meeting in person will need to request their Central Securities Depository Participant ("CSDP") or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such Shareholders and the CSDP or broker.
- Dematerialised Shareholders, other than own-name registered dematerialised Shareholders, who

are unable to attend the Annual General Meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between them and the CSDP or broker in the manner and time stipulated therein.

- Shareholders present in person, by proxy or by authorised representative shall have one vote in respect of each share held.

In terms of the Companies Act, any Shareholder or proxy who intends to attend or participate at the Annual General Meeting must be able to present reasonably satisfactory identification at the meeting for such Shareholder or proxy to attend and participate at the Annual General Meeting.

A green bar-coded identity document or identity card issued by the South African Department of Home Affairs, a driver's license or a valid passport will be accepted at the Annual General Meeting as sufficient identification.

### Record date, Attendance and Voting:

2024	
Record date in order to be eligible to receive the AGM notice	Friday, 24 May
AGM notice posted to Shareholders	Thursday, 30 May
Last date to trade in order to be eligible to vote at the Annual General Meeting	Tuesday, 25 June
Record date in order to be eligible to vote at the Annual General Meeting	Friday, 28 June
Submit forms of proxy for administration purposes for the Annual General Meeting (by 10h00)	Monday, 1 July
Annual General Meeting (at 10h00)	Wednesday, 3 July
Results of the Annual General Meeting released on the CTSE website	Wednesday, 3 July

### Agenda

- Presentation and consideration of the Annual Financial Statements of the Company, including the reports of the Auditors and Directors and the Audit and Risk Committee for the year ended 29 February 2024 as set out in the Annual Financial Statements; and
- To consider and, if deemed fit, approve, with or without modification, the following ordinary and special resolutions:

### ORDINARY RESOLUTIONS

1. **Ordinary resolution number 1: Re-election of Shaun Zagnoev as a Director of the Company**  
"Resolved that Shaun Zagnoev, who was appointed as an Independent Non-Executive Director of the Company, be and is hereby re-elected as Director."

An abbreviated curriculum vitae in respect of Shaun Zagnoev may be viewed on page 9 of the Annual Report of which this notice forms part.

## NOTICE OF ANNUAL GENERAL MEETING (CONTINUES)

### Reason for ordinary resolution number 1

The reason for ordinary resolution number 1 is that article 27.3.4 of the Memorandum of Incorporation of the Company requires that one-third of Non-Executive Directors have to rotate and be up for re-election at the next Annual General Meeting.

### 2. Ordinary resolution number 2: Confirmation of the appointment of the Auditors

“Resolved that the appointment of De Vos Richards Abed Inc. as independent Auditors of the Company for the ensuing year (the designated Auditor being Waseela Abed) on the recommendation of the Company’s Audit and Risk Committee be hereby ratified.”

### Reason for ordinary resolution number 2

The reason for ordinary resolution number 2 is that the Company, being a public listed Company, must have its financial results audited and such Auditor must be appointed or re-appointed each year at the Annual General Meeting of the Company as required by the Companies Act.

### 3. Ordinary resolution number 3: Appointment of Jonathan Bennett as a member and Chairman of the Audit and Risk Committee

“Resolved that Jonathan Bennett be elected a member and Chairman of the Audit and Risk Committee, with effect from the conclusion of this Annual General Meeting in terms of Section 94(2) of the Companies Act.”

### 4. Ordinary resolution number 4: Appointment of Avi Gluch as a member of the Audit and Risk Committee

“Resolved that Avi Gluch be elected a member of the Audit and Risk Committee, with effect from the conclusion of this Annual General Meeting in terms of Section 94(2) of the Companies Act.”

### 5. Ordinary resolution number 5: Appointment of Shaun Zagnoev as a member of the Audit and Risk Committee

“Resolved that Shaun Zagnoev be elected a member of the Audit and Risk Committee, with effect from the conclusion of this Annual General Meeting in terms of Section 94(2) of the Companies Act.”

### Reason for ordinary resolutions number 3 to 5

The reason for ordinary resolution numbers 3 to 5 (inclusive) is that the Company, being a public listed Company, must appoint an audit Committee as prescribed by Sections 66(2) and 94(2) of the Companies Act, which also requires that the members of such audit Committee be appointed, or re-appointed, as the case may be, at each Annual General Meeting of a Company.

### 6. Ordinary resolution number 6: The general authority to issue unissued, but authorised shares for cash

“Resolved that the Directors be authorised pursuant, *inter alia*, to the Company’s Memorandum of Incorporation, until this authority lapses at the next Annual General Meeting of the Company unless it is then renewed at the next Annual General Meeting of the Company and provided that

it shall not extend beyond 15 (fifteen) months, to allot and issue any ordinary shares for cash subject to the CTSE Listing Requirements.”

### Reason for ordinary resolution number 6

For listed entities wishing to issue shares, it is necessary for the Board not only to obtain the prior authorisation of the Shareholders as may be required in terms of their Memorandum of Incorporation is also necessary to obtain the prior authorisation of Shareholders in accordance with the Listing Requirements of the CTSE. The reason for this resolution is accordingly to obtain a general authority from Shareholders to issue shares in compliance with the Listing Requirements of the CTSE.

### Requirements on the following basis:

1. The allotment and issue of the shares must be made to persons qualifying as public Shareholders as defined in the CTSE Listing Requirements.
2. The shares which are the subject of the issue for cash must be of a class already in issue.
3. The number of shares issued for cash shall not in the aggregate in any one financial year exceed 15% (fifteen percent), being 7,199,263 shares of the Company’s issued share capital of ordinary shares. The number of ordinary shares which may be issued shall be based on the number of ordinary shares in issue at the date of such issue less any ordinary shares issued during the current financial year, provided that any ordinary shares to be issued pursuant to a rights issue (announced, irrevocable and fully underwritten) or acquisition (concluded up to the date of application including announcement of the final terms) may be included as though they were shares in issue at the date of application.
4. The maximum discount at which ordinary shares may be issued is 10% (ten percent) of the weighted average traded price on the CTSE of those shares measured over the 30 (thirty) business days before the date that the price of the issue is agreed by the Directors of the Company and the party subscribing to the shares.
5. After the Company has issued shares for cash which represent, on a cumulative basis within a financial year, 30% (thirty percent) or more of the number of shares in issue prior to that issue, the Company shall publish an announcement.

**Note:** *This resolution requires the approval of not less than 75% of the votes cast by Shareholders present or represented by proxy and entitled to vote at this Annual General Meeting.*

### 7. Ordinary resolution number 7: Endorsement of the Remuneration Policy and Implementation Report

#### Ordinary resolution 7.1

“Resolved that the Company’s Remuneration Policy, as set out in the remuneration report on pages 21 to 22 of the Annual Report of which this notice forms part, be and is hereby approved by way of a non-binding advisory vote of Shareholders of the Company in terms of King IV™ Report.”

## NOTICE OF ANNUAL GENERAL MEETING (CONTINUES)

### Ordinary resolution 7.2

“Resolved that the Implementation Report, as set out on page 22 of the Annual Report of which this notice forms part, be and is hereby endorsed as a non-binding advisory vote of Shareholders of the Company in terms of King IV™ Report.”

### Reason for ordinary resolutions number 7.1 and 7.2

The reason for ordinary resolutions number 7.1 and 7.2 is that King IV™ recommends that the Remuneration Policy of the Company be endorsed through separate non-binding advisory votes by Shareholders at the Annual General Meeting of a Company. Failure to pass these resolutions will not have legal consequences relating to existing arrangements. However, the Board of Directors of the Company will take the outcome of the vote into consideration when assessing the Company’s remuneration policy and implementation report. Should these resolutions be voted against by 25% or more of the voting rights exercised, the Board will enter into an engagement process to ascertain the reasons for the dissenting votes and address legitimate and reasonable objections and concerns raised.

### 8. Ordinary resolution number 8: Signature of documentation

“Resolved that any Director or the Company Secretary of the Company be and is hereby authorised to sign all documentation and do all such things as may be necessary for or incidental to the implementation of all special resolutions and all ordinary resolutions passed at the Annual General Meeting.”

### Reason for ordinary resolution number 8

The reason for ordinary resolution number 8 is to ensure that the resolutions voted favourably upon are duly implemented through the delegation of powers provided for in terms of clause 27.4.2 of the Company’s Memorandum of Incorporation.

## SPECIAL RESOLUTIONS

### 9. Special resolution number 1: Approval of Non-Executive Directors’ fees

“Resolved that the Non-Executive Directors’ fees for services as Directors for the period ended 29 February 2024, as set out below, be and are hereby approved and that such fees be payable for two years after the Annual General Meeting unless amended at a subsequent Annual General Meeting.”

Category	Remuneration (per meeting)	Remuneration (per meeting)
	2024	2023
Board Chairman	R11 180	R10 650
Board member	R8 950	R8 520
Board member (prior approval)*	R2 240 per hour	R2 130 per hour

Category	Remuneration (per meeting)	Remuneration (per meeting)
	2024	2023
Audit and Risk Committee Chairman	R11 180	R10 650
Audit and Risk Committee member	R8 950	R8 520
Remuneration and Nomination Committee Chairman	R11 180	R10 650
Remuneration and Nomination Committee member	R8 950	R8 520
Social and Ethics Committee Chairman	R11 180	R10 650
Social and Ethics Committee member	R8 950	R8 520

\*subject to Chief Executive Officer approval

### Reasons for and effect of special resolution number 1

The reason for the proposed special resolution, is to comply with Section 66(9) of the Companies Act, which requires the approval of Directors’ fees prior to the payment of such fees.

The effect of special resolution number 1 is that the Company will be able to pay its Non-Executive Directors for the services they render to the Company as Directors without requiring further Shareholder approval until the next Annual General Meeting.

### 10. Special resolution number 2: Financial assistance to related or inter-related entities of the Company

“Resolved that the Board of Directors is authorised, in terms of and subject to the provision of Section 45 of the Companies Act, to cause the Company to provide any financial assistance to any Company or corporation that is related or inter-related to the Company (including, without limitation, its Subsidiaries) and the provision of such financial assistance is hereby approved under this special resolution number 2.”

### Reasons for and effect of special resolution number 2

Special resolution number 2 is required in terms of Section 45 of the Companies Act to grant the Directors of the Company the authority to cause the Company to provide financial assistance to any entity which is related or inter-related to the Company. This special resolution does not authorise the provision of financial assistance to a Director or prescribed Officer of the Company.

### 11. Special resolution number 3: Financial assistance for the subscription of securities in the Company or to related or inter-related entities

“Resolved that the Board of Directors is authorised, in terms of and subject to the provisions of Section 44 of the Companies Act, to cause the Company to provide any financial assistance to any persons (as considered by the Board as appropriate) for the purpose of, or in connection with, the subscription of any option, or any securities issued or to be issued by the Company,

## NOTICE OF ANNUAL GENERAL MEETING (CONTINUES)

or a related or inter-related Company, or for the purchase of any securities of the Company or a related or inter-related Company, and that the provision of such financial assistance is hereby approved under this special resolution number 3.”

### Reasons for and effect of special resolution number 3

Special resolution number 3 is required in terms of Section 44 of the Companies Act to grant the Directors of the Company the authority to cause the Company to provide financial assistance for the subscription or purchase of securities in the Company or any entity which is related or inter-related to the Company. This special resolution does not authorise the provision of financial assistance to a Director or prescribed Officer of the Company.

### 12. Special resolution number 4: Authority to repurchase shares by the Company

“Resolved that as a special resolution that the Company and its Subsidiaries be and is hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the Directors may from time to time determine, but subject to the provisions of section 46 and 48 of the Companies Act, the Memorandum of Incorporation of the Company, the Listings Requirements of the CTSE, namely that:

- the general repurchase of the shares may only be implemented on the open market of the CTSE and done without any prior understanding or arrangement between the Company and the counterparty;
- this general authority shall only be valid until the next Annual General Meeting of the Company provided that it shall not extend beyond fifteen months from the date of this resolution;
- an announcement must be published as soon as the Company has acquired shares including full details thereof;
- the general authority to repurchase is limited to a maximum of 5% in the aggregate in any one financial year of the Company’s issued share capital at the time the authority is granted;
- a resolution has been passed by the Board of Directors approving the purchase, that the Company has satisfied the solvency and liquidity test as defined in the Companies Act and that since the solvency and liquidity test was applied there have been no material changes to the financial position or required Shareholder spread of the Group;
- the general repurchase is authorised by the Company’s Memorandum of Incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for five business days immediately preceding the date that the transaction is effected. The CTSE should be consulted for a ruling if the applicant’s securities have not been traded in such five business day period; and
- the Company may at any point in time only appoint one agent to effect any repurchase(s) on the Company’s behalf.”

### Reason and effect of special resolution number 4

The reason for and effect of special resolution number 4 is to grant the Directors a general authority in terms of its Memorandum of Incorporation and the Listings Requirements of the CTSE for the acquisition by the Company and/or its Subsidiaries of shares issued by it on the basis reflected in the special resolution.

In terms of the Listing Requirements of the CTSE any general repurchase by the Company and/or its Subsidiaries must, inter alia, be limited to a maximum of 20% of the Company’s issued share capital in any one financial year of that class at the time the authority is granted.

A form of proxy and notes for the use of the form of proxy is attached.

By order of the Board



Juba Statutory Services (Pty) Ltd

represented by Sirkien van Schalkwyk

**Company Secretary**

**30 May 2024**

## ELECTRONIC PARTICIPATION FORM

### Instructions

Shareholders or their proxies, have the right, as provided for in the Company's Memorandum of Incorporation and the Companies Act, to participate in the AGM by way of electronic communication.

Shareholders or their duly appointed proxy(ies) that wish to participate in the AGM via electronic communication must apply to the transfer secretaries, by delivering this duly completed Electronic Participation Form to:

- The Park Shopping Centre, Block B, Office 107, 837 Barnard Street, Elarduspark, 0181 or by email to [sirkien@juba.co.za](mailto:sirkien@juba.co.za) to be received by no later than 10h00 on Monday, 1 July 2024, for administrative purposes, in order to arrange for such participation for the electronic attendance.
- Shareholders may still register/apply to participate in and/or vote electronically at the AGM after the aforementioned date, provided, however, that those Shareholders are verified (as required in terms of section 63(1) of the Companies Act) and are registered at the commencement of the General Meeting.

Upon receiving a completed Electronic Participation Form, the Company Secretary will follow a verification process to verify each applicant's entitlement to participate in and/or vote at the AGM. The Company Secretary will forward the Participant a Microsoft Teams meeting invitation required to access the AGM. Runway Property Group will send each Participant a Microsoft Teams meeting invitation with a link to "Join the Microsoft Teams Meeting" before Tuesday, 2 July 2024, to enable Participants to link up and participate electronically in the AGM. This link will be sent to the email address nominated by the Participant in the table below.

### Please Note

The electronic platform to be utilised for the AGM does not provide for electronic voting during the meeting. Accordingly, Shareholders are strongly encouraged to submit votes by proxy in advance of the AGM, by completing the form of proxy and lodging the completed proxy form together with this completed Electronic Participation Application Form with the Company's transfer secretaries.

Participants who indicate in this form that they wish to vote during the electronic meeting will be contacted by the Company Secretary to make the necessary arrangements.

Participants will be liable for their own network charges in relation to electronic participation in and/or voting at the AGM. Any such charges will not be for the account of the Company's Transfer Secretaries or Runway Property Group who will also not be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Participant from participating in and/or voting at the AGM.

By signing this Electronic Participation Form, the Participant indemnifies and holds the Company harmless against any loss, injury, damage, penalty or claim arising in any way from the use of the telecommunication lines to participate in the AGM or any interruption in the ability of the Participant to participate in the AGM via electronic communication, whether or not the problem is caused by any

act or omission on the part of the Participant or anyone else, including without limitation the Company and its employees.

## INFORMATION REQUIRED FOR PARTICIPATION BY ELECTRONIC COMMUNICATION AT THE AGM

### Electronic Participation Form

Full name of Shareholder: \_\_\_\_\_

Identity or registration number of Shareholder: \_\_\_\_\_

Full name of authorised representative (if applicable): \_\_\_\_\_

Identity number of authorised representative: \_\_\_\_\_

Email address: \_\_\_\_\_

**\*Note: this email address will be used by the Company to share the Microsoft Teams meeting invitation required to access the AGM electronically**

Cell phone number: \_\_\_\_\_

Telephone number, including dialling codes: \_\_\_\_\_

**\*Note: The electronic platform to be utilised for the AGM does not provide for electronic voting during the meeting. Accordingly, Shareholders are strongly encouraged to submit votes by proxy in advance of the AGM, by completing the proxy form.**

Indicate (by marking with an 'X') whether:

votes will be submitted by proxy (in which case, please enclose the duly completed proxy form with this form); or

the Participant wishes to exercise votes during the AGM. If this option is selected, the Company's transfer secretaries will contact you to make the necessary arrangements.

By signing this application form, I consent to the processing of my personal information above for the purpose of participating in Runway's AGM.

Name of CSDP or broker: \_\_\_\_\_

Contact number of CSDP/broker: \_\_\_\_\_

Contact person of CSDP/broker: \_\_\_\_\_

Number of share certificate (if applicable): \_\_\_\_\_

Signed at \_\_\_\_\_ on \_\_\_\_\_ (day) of \_\_\_\_\_ (month) 2024.

Signed: \_\_\_\_\_

## FORM OF PROXY

### Runway Property Group Limited

(Incorporated in the Republic of South Africa)

Registration number: 2019/547292/06

CTSE code: ZXRPG ISIN: ZAE ZAEZ00000059

("Runway Property Group" or "the Company")

Form of proxy for the Annual General Meeting of the Company to be held at 10h00 on Wednesday, 3 July 2024 via Microsoft Teams ("the Annual General Meeting").

For use by certificated Shareholders, nominee companies of Central Securities Depository Participants ("CSDP"), brokers' nominee companies and Shareholders who have dematerialised their shares and who have elected "own name" registration, who wish to vote on the ordinary and special resolutions per the notice of the Annual General Meeting to which this form is attached.

Shareholders who have dematerialised their shares through a CSDP or broker must not complete this form of proxy and must provide their CSDP or broker with their voting instructions, except for Shareholders who elected "own name" registration in the sub-register through a CSDP, which Shareholders must complete this form of proxy and lodge it with Computershare Investor Services (Pty) Ltd.

Holders of dematerialised shares other than with "own name" registration wishing to attend the Annual General Meeting must inform their CSDP or broker of such intention and request their CSDP or broker to issue them with the necessary written authorisation to attend.

I/We (name in block letters) \_\_\_\_\_

of (address) \_\_\_\_\_

being the holder/s of (number) \_\_\_\_\_ ordinary shares in the Company, do hereby appoint:

1. \_\_\_\_\_ or failing him/her \_\_\_\_\_
2. \_\_\_\_\_ or failing him/her \_\_\_\_\_
3. the Chairman of the Annual General Meeting as my/our proxy to act for me/us and on my/our behalf at the Annual General Meeting of the Company, which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat and at any adjournment thereof, and to vote in favour of and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions (refer to notes to the form of proxy):

			Number of shares		
			In favour	Against	Abstain
<b>To consider the presentation of the Annual Financial Statements for the year ended 29 February 2024</b>					
Ordinary resolution no.	1	Re-election of Shaun Zagnoev as a Director of the Company			
Ordinary resolution no.	2	Confirmation of external Auditors			
Ordinary resolution no.	3	Appointment of Jonathan Bennett to the Audit and Risk Committee			
Ordinary resolution no.	4	Appointment of Avi Gluch to the Audit and Risk Committee			
Ordinary resolution no.	5	Appointment of Shaun Zagnoev to the Audit and Risk Committee			
Ordinary resolution no.	6	General authority to issue unissued shares for cash			
Ordinary resolution no.	7.1	Endorsement of the Remuneration Policy			
Ordinary resolution no.	7.2	Endorsement of the Implementation Report			
Ordinary resolution no.	8	Authority to action			
Special resolution no.	1	Remuneration of Non-Executive Directors			
Special resolution no.	2	Financial assistance to related and inter-related entities			
Special resolution no.	3	Financial assistance for subscription of securities in the Company			
Special resolution no.	4	Authority to repurchase shares by the Company			

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2024

Signature \_\_\_\_\_

## NOTES TO THE FORM OF PROXY

A Shareholder entitled to attend and vote at the meeting is entitled to appoint an individual as its proxy to attend, participate in, speak and vote at the meeting in the place of the Shareholder. A proxy may delegate the proxy's authority to act on behalf of the Shareholders to another person.

A proxy need not be a Shareholder of the Company.

- A Shareholder may insert the name(s) of one or more proxies (none of whom need be a Company Shareholder) in the space provided, with or without deleting the words “the Chairman of the Annual General Meeting”. The person whose name stands first on the form of proxy and has not been deleted and who is present at the Annual General Meeting will be entitled to act as a proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy shall be exercised in favour of all resolutions by the Chairman.
- Shareholder's instructions to the proxy must be indicated by the insertion of an “X” or the relevant number of votes exercisable by that Shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote as he/she deems fit. Where the proxy is the Chairman, such failure shall be deemed to authorise the Chairman to vote in favour of the ordinary and special resolutions in respect of all the Shareholders' votes exercisable thereat.
- The completion and lodging of this form of proxy shall in no way preclude the Shareholder from attending, speaking and voting in person at the Annual General Meeting to the exclusion of any proxy appointed in terms hereof, subject to the Shareholder notifying the Chairman prior to the commencement of the Annual General Meeting.
- Should this form of proxy not be completed and/or received in accordance with these notes, the Chairman may accept or reject it, provided that, in respect of its acceptance, the Chairman is satisfied as to the manner in which the Shareholder wishes to vote.
- Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company Secretary or waived by the Chairman of the meeting.
- Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form unless it has previously been registered with the Company Secretary.
- Where shares are held jointly, all joint holders are required to sign.
- A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity have been produced or have been registered by the transfer secretaries of the Company.
- Any alteration or correction made to this form of proxy must be signed in full and not initialled by the signatories.
- This form of proxy must be lodged with, or posted to, the Company Secretary, The Park Shopping Centre, Block B, Office 107, 837 Barnard Street, Elarduspark, 2191 so as to be received by not later than 10h00 on Monday, 1 July 2024.
- The completion and lodging of this form of proxy by the Shareholders holding certificated shares, nominee companies of CSDPs or brokers and the Shareholders who have dematerialised their shares and who have elected “own name” registration will not preclude the relevant Shareholder from attending the Annual General Meeting and speaking and voting in person thereat, to the exclusion of any proxy appointed in terms thereof. The Shareholders who have dematerialised their

shares other than with “own name” registration, and who wish to attend and vote at the Annual General Meeting, must instruct their CSDP or broker to issue them with the necessary written authority to attend and vote on behalf of the registered Shareholder.

# GROUP FINANCIAL STATEMENTS

## CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2024

Below is an extract from the Annual Financial Statements for the year ended 29 February 2024 and highlights from the Board of Directors. It should be read in conjunction with the complete Consolidated and Separate Annual Financial Statements of Runway Property Group Limited and its Subsidiaries available on the Company's website at [www.runwaypropertygroup.co.za](http://www.runwaypropertygroup.co.za).

### DIRECTORS' COMMENTS

The Directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment.

The Consolidated and Separate Annual Financial Statements which have been prepared on a going concern basis, were approved by the Directors and were signed on 30 May 2023.

### Basis of preparation

Runway Property Group is a CTSE-approved Real Estate Investment Trust (REIT) in accordance with the provisions of the CTSE Listing Requirements.

The Consolidated and Separate Consolidated and Separate Annual Financial Statements have been prepared on a going concern basis in accordance with, and in compliance with, International Financial Reporting Standards (IFRS) and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these Consolidated and Separate Annual Financial Statements and the Companies Act of South Africa, 2008 as amended.

The Consolidated and Separate Annual Financial Statements have been prepared on the historic cost convention unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the Group and Company's functional currency.

The accounting policies are consistent with the previous period.

### Going Concern

The Consolidated and Separate Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent

obligations and commitments will occur in the ordinary course of business.

The Shareholders of the Group have guaranteed by way of a Letter of Support that they will provide the necessary financial support to enable the Group to continue to operate its business in a lawful and proper manner and to satisfy all obligations in full as they fall due, for a period of 12 months from the date of signing all statutory financial statements for the financial period ended 28 February 2025.

### Statements of Financial Position

Figures in R	Notes	Group 2024	Group 2023	Company 2024	Company 2023
<b>Assets</b>					
<b>Non-current assets</b>					
Investment property	3	1 135 350 000	1 205 860 000	-	-
Investment in Subsidiaries	4	-	-	478 507 920	478 507 920
Loans to group companies	9	-	-	42 551 537	4 110 844
Loans to Shareholders	6	20 265 876	28 037 589	-	-
Related party loans	7	30 131 448	27 689 236	-	-
Operating lease asset	5	21 877 782	20 958 556	-	-
		<b>1 207 625 106</b>	<b>1 282 545 381</b>	<b>521 059 457</b>	<b>482 618 764</b>
<b>Current assets</b>					
Trade and other receivables	8	5 796 089	9 547 477	-	-
Operating lease asset	5	2 020 872	1 927 591	-	-
Current tax receivable		22 793	64 796	22 793	22 793
Dividend receivable		-	-	28 440 774	46 180 674
Cash and cash equivalents	10	883 199	1 608 887	336	-
		<b>8 722 953</b>	<b>13 148 751</b>	<b>28 463 903</b>	<b>46 203 467</b>
<b>Total current assets</b>		<b>1 216 348 059</b>	<b>1 295 694 132</b>	<b>549 523 360</b>	<b>528 822 231</b>
<b>Total assets</b>					
<b>Equity and liabilities</b>					
<b>Equity</b>					
Stated capital		<b>479 950 920</b>	479 950 920	<b>479 950 920</b>	479 950 920
Accumulated profit/(loss)		<b>63 334 531</b>	133 779 650	<b>28 429 617</b>	405
<b>Total equity</b>		<b>543 285 451</b>	<b>613 730 570</b>	<b>508 380 537</b>	<b>479 951 325</b>



## Statements of Financial Position (continues)

Figures in R	Notes	Group 2024	Group 2023	Company 2024	Company 2023
<b>Liabilities</b>					
<b>Non current-liabilities</b>					
Loans from group companies	15	-	-	-	2 608 559
Loans from shareholders	12	25 740 517	-	41 053 486	-
Borrowings	13	435 941 848	596 372 788	-	-
		<b>461 682 365</b>	<b>596 372 788</b>	<b>41 053 486</b>	<b>2 608 559</b>
<b>Current liabilities</b>					
Trade and other payables	14	38 709 064	38 258 865	89 337	81 269
Borrowings	13	143 242 246	-	-	-
Operating lease liability	5	988 159	1 150 831	-	-
Dividend payable		28 440 774	46 179 207	-	46 179 207
Bank overdraft	10	-	1 871	-	1 871
		<b>211 360 243</b>	<b>85 590 774</b>	<b>89 337</b>	<b>46 262 347</b>
<b>Total liabilities</b>		<b>673 062 608</b>	<b>681 963 562</b>	<b>41 142 823</b>	<b>48 870 906</b>
<b>Total equity and liabilities</b>		<b>1 216 348 059</b>	<b>1 295 694 059</b>	<b>549 523 360</b>	<b>528 822 231</b>

## Statements of Profit or Loss and Other Comprehensive Income

Figures in R	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Revenue	16	195 271 522	191 524 162	28 440 774	46 180 674
Other income	17	6300	44 600	-	-
Other gains	3	(71 609 190)	-	-	-
Administrative expenses		-	(1 946 301)	-	(1 002)
Other expenses		(113 369 150)	(106 048 872)	(11 686)	(406)
<b>Operating profit</b>	18	<b>10 299 482</b>	<b>83 573 589</b>	<b>28 429 088</b>	<b>46 179 266</b>
Finance income	19	5 610 377	3 525 953	260	1
Finance costs	20	(57 914 204)	(45 276 610)	(136)	(60)
<b>(Loss)/Profit before taxation</b>		<b>(42 004 345)</b>	<b>41 822 932</b>	<b>28 429 212</b>	<b>46 179 207</b>
Taxation	21	-	-	-	-
<b>(Loss)/Profit for the year</b>		<b>(42 004 345)</b>	<b>41 822 932</b>	<b>28 429 212</b>	<b>46 179 207</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive (loss) income for the year</b>		<b>(42 004 345)</b>	<b>41 822 932</b>	<b>28 429 212</b>	<b>46 179 207</b>
Basic earnings per share	26	(87.52)	87.14		
Diluted earnings per share	26	(87.52)	87.14		
Headline earnings per share	26	61.68	87.14		

## Statement of Changes in Equity

Figures in R	Share capital	Accumulated profit (loss)	Total Equity
<b>Group</b>			
<b>Balance at 1 March 2022</b>	<b>479 950 920</b>	<b>138 135 925</b>	<b>618 086 845</b>
Profit for the year	-	41 822 932	41 822 932
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>41 822 932</b>	<b>41 822 932</b>
Dividends recognised as distribution to shareholder	-	(46 179 207)	(46 179 207)
<b>Balance at 1 March 2023</b>	<b>479 950 920</b>	<b>133 779 650</b>	<b>613 730 570</b>
Loss for the year	-	(42 004 345)	-
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(42 004 345)</b>	<b>(42 004 345)</b>
Dividends recognised as distributions to shareholder	-	(28 440 774)	(28 440 774)
<b>Balance at 29 February 2024</b>	<b>479 950 920</b>	<b>63 334 531</b>	<b>543 285 451</b>
Note(s)	11		
<b>Company</b>			
<b>Balance at 1 March 2022</b>	<b>479 950 920</b>	<b>405</b>	<b>479 951 325</b>
Profit for the year	-	46 179 207	46 179 207
Other comprehensive income	-	46 179 207	46 179 207
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>46 179 207</b>	<b>46 179 207</b>
Dividends recognised as distribution to shareholder	-	(46 179 207)	(46 179 207)
<b>Balance at 1 March 2023</b>	<b>479 950 920</b>	<b>405</b>	<b>479 951 325</b>
Profit for the year	-	28 429 212	28 429 212
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>28 429 212</b>	<b>28 429 212</b>
<b>Balance at 29 February 2024</b>	<b>479 950 920</b>	<b>28 429 617</b>	<b>508 380 537</b>
Note(s)	11		

## Statement of Cash Flows

Figures in R	Notes	Group 2024	Group 2023	Company 2024	Company 2023
(Loss) Profit before taxation		(42 004 345)	41 822 932	(11 562)	46 179 207
<b>Adjustments for non-cash items</b>					
Fair value losses		71 609 190	-	-	-
Changes in operating lease assets		(1 012 507)	3 230 048	-	-
Changes in operating lease liabilities		(162 672)	1 150 831	-	-
Interest income		(5 610 377)	(3 525 953)	(260)	(1)
Dividends received		-	-	-	(46 180 674)
Finance costs		57 914 204	45 276 610	136	60
<b>Changes in working capital</b>					
Trade and other receivables		3 751 388	(3 771 568)	-	-
Trade and other payables		450 199	(9 962 338)	8 068	(287)
<b>Cash generated from (used in) operations</b>		<b>84 935 080</b>	<b>74 220 562</b>	<b>(3 618)</b>	<b>(1 695)</b>
Interest received	19	5 610 377	3 525 953	260	1
Dividends received	19	-	-	46 180 674	46 180 674
Interest paid	20	(57 914 204)	(42 276 610)	(136)	(60)
Dividends paid	23	(46 179 207)	(41 108 416)	(46 179 207)	(41 108 416)
Tax received (paid)	22	42 003	(22 298)	-	-
<b>Net cash used in operating activities</b>		<b>(13 505 951)</b>	<b>(8 660 809)</b>	<b>(2 027)</b>	<b>(5 070 504)</b>
<b>Cash flows from investing activities</b>					
Additions to investment property	3	(1 099 190)	-	-	-
Cash advanced in loans to group companies	9	-	-	(38 440 693)	(2 674 950)
Cash repayments (advances) on loans to shareholders	6	7 771 713	(10 208 589)	-	-
Cash advanced in related party loans	7	(2 442 212)	(5 234 236)	-	-
Purchases of other financial assets		-	-	-	(5 007 283)
<b>Net cash generated from (used in) investing activities</b>		<b>4 230 311</b>	<b>(15 442 825)</b>	<b>(38 440 693)</b>	<b>(7 682 223)</b>

## Statement of Cash Flows (continues)

Figures in R	Notes	Group 2024	Group 2023	Company 2024	Company 2023
<b>Cash flows from financing activities</b>					
Movement in loans from group companies	15	-	-	(2 608 559)	2 608 559
Movement in loans from shareholders	12	25 740 517	-	41 053 486	-
Movement in borrowings	13	(17 188 694)	24 158 545	-	-
<b>Net cash generated from financing activities</b>		<b>8 551 823</b>	<b>24 158 545</b>	<b>38 444 927</b>	<b>2 608 559</b>
<b>Total cash movement for the year</b>		<b>(723 817)</b>	<b>54 911</b>	<b>2 207</b>	<b>(3 170)</b>
Cash and cash equivalents at the end of the year		1 607 016	1 552 105	(1 871)	1 299
<b>Cash and cash equivalents at the end of the year</b>	10	<b>883 199</b>	<b>1 607 016</b>	<b>336</b>	<b>(1 871)</b>

# CORPORATE INFORMATION

## Registered Office of The Company

Office Park  
22 Stirrup Lane  
Woodmead Office Park  
Woodmead  
2191

PO Box 653636, Benmore, 2010

Incorporated in the Republic of South Africa  
on 30 October 2019

## Independent Reporting Accountants and Auditors

De Vos Richards Abed Inc  
Practice Number 914584  
Chartered Accountants and Registered  
Auditors  
Clearview Office Park, Block C Unit 11,  
Wilhelmina Avenue, Constantia Kloof

PO Box 6910, Westgate, 1734

## Property Manager

Exceedprops Management Services (Pty) Ltd  
22 Stirrup Lane  
Woodmead Office Park  
Woodmead  
2191

PO Box 431, Bergbron, 1712

## Company Secretary & Issuer Agent

Juba Statutory Services (Pty) Ltd  
(represented by Sirkien van Schalkwyk)  
Block B, Office B0107,  
The Park Shopping Centre  
837 Barnard Street  
Elarduspark  
0181

PO Box 4896, Rietvalleirand, 0174

## Independent Property Valuer

Quadrant Properties Proprietary Limited  
Registration Number 1995/003097/07  
Registered Property Valuer  
Dunkeld Court, 16 North Road, cnr Jan  
Smuts Avenue, Dunkeld West

PO Box 1984, Parklands, 2121