



Growing with Purpose

TWK Investments Limited and subsidiaries
Report: 2024-2025





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GROWING TOGETHER

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ABOUT THIS REPORT

SCOPE AND REPORTING BOUNDARY

The information included in this report relates to the integrated financial performance, governance, environmental and social activities of TWK Investments Limited and subsidiaries ("TWK", "the Group", "TWK Investments" or "the Company") for the year ended 31 August 2025 ("the year").

This Integrated Report aims to provide a balanced, understandable and comprehensive review of our performance and value creation over the financial year. Guided by our commitment to achieving sustainable growth together, the report reflects how we generate long-term value for all stakeholders through our strategic priorities, business activities and governance practices.

This report considers both the financial and non-financial performance of the Group, including key risks and material matters faced in the ordinary course of business.

MATERIALITY

This Integrated Report discloses information about matters that substantively affect our ability to create value over the short, medium and long-term. In the current year we have adopted a double materiality approach to identify the most significant matters in our internal and external environment that could potentially have an impact on our operational and financial performance as well as our impact on the economy, the environment and society.

Our material matters are reviewed and approved by our executive committee and the Board. Read more about our material matters on page 26.



ASSURANCE

The Group's external auditor, PricewaterhouseCoopers Inc, conducted an independent audit of the Group's consolidated annual financial statements. Other sections of the report, consisting of non-financial information, have not been subjected to an independent audit or review and have been compiled based on internal records and information. TWK has an Internal Audit Department which, together with the Audit and Risk Committee, assessed all internal and external assurances obtained and matched these to its identified risks. The Independent Auditor's Report can be found in the Annual Financial Statements on page 74.

REPORTING FRAMEWORKS

This Integrated Report was prepared in accordance with, and in compliance with the requirements of IFRS® Accounting Standards, the requirements of the Companies Act 71 of 2008 of South Africa, as amended, the principles of the King IV™ Report on Corporate Governance, JSE Sustainability Guidance and the International Integrated Reporting Framework of the International Integrated Reporting Council. TWK Investments Limited's shares are listed on the Cape Town Stock Exchange (CTSE) and the directors confirm that they are fully aware of their responsibilities under the Cape Town Stock Exchange ("CTSE") listing requirements and that the Company adheres to these requirements.

APPROVAL OF THE INTEGRATED REPORT

The Board acknowledges its responsibility in ensuring the integrity of this Integrated Report. The Board has applied its mind to the Integrated Report and is of the opinion that this report addresses the material issues and represents fairly the integrated performance of the Group. This report was approved by the Board of Directors of the Group.

JS Stapelberg
Chairman

AS Myburgh
Managing Director

10 December 2025

Integrated reporting and other related documents

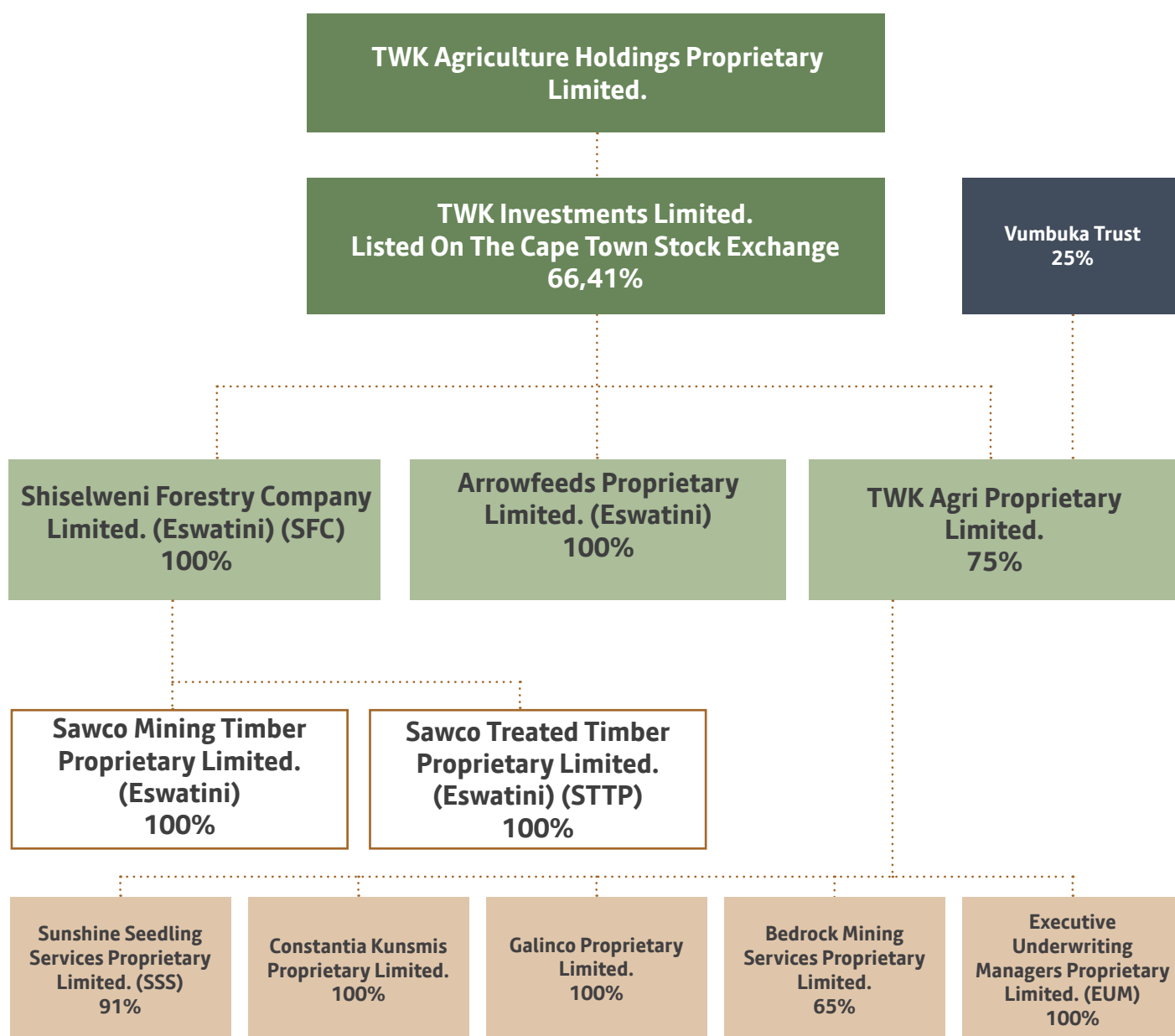
This Integrated Report for the year ended 31 August 2025 is published in various media and is available on the Group's website. For additional information and recent announcements, please visit TWK's website at www.twkagri.com.

Forward-looking statements

This report contains certain forward-looking statements concerning the Group's strategy, financial conditions, growth plans and expectations. These statements and forecasts involve risks and uncertainty that relate to events and depend on circumstances that occur in the future. Several factors could cause actual performance to differ materially from those expressed or implied by these forward-looking statements. No assurance can, therefore, be given that these views will prove to be correct, and no representation or warranty, expressed or implied, is given as to the accuracy or completeness of such views.



ABRIDGED GROUP STRUCTURE



SALIENT FEATURES

Revenue from continuing operations

 (2024: R9 181m)

R9182M

Gross profit

 (2024: R1 208m)

R1 249M

EBITDA

 (2024: R510m)

R412M

Gearing ratio

 (2024: 115%)

123%

Net cash outflow

 (2024: R108m inflow)

R119M

Hectares of land managed


 (2024: 60 053ha)



63 804_{HA}

Total skills development spend


 (2024: R3,2 million)



R2,9_M

Total number of employees


 (2024: 2,849)



2,655

Lost Time Injury Frequency Rate (LTIFR)


 (2024: 0.70)



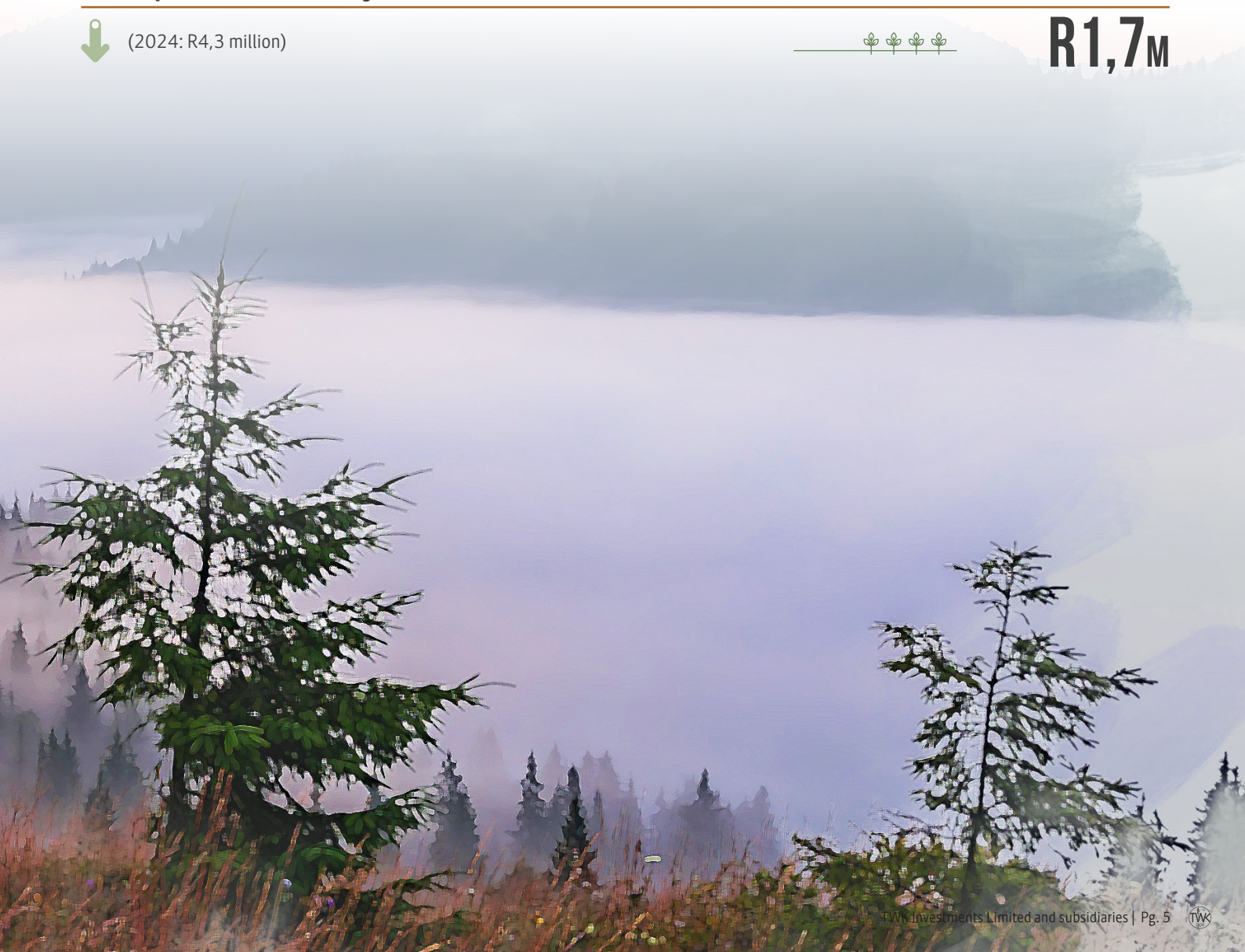
0.35

Total spend on community initiatives


 (2024: R4,3 million)



R1,7_M



TWK AT A GLANCE

OUR VALUES

A

ACCOUNTABILITY

We add value in an ethical way and take responsibility for our actions.



G

GROW TRUST

We grow our business by building relationships of trust with all stakeholders.



R

RESILIENCE

We drive sustainable growth through agility and perseverance.



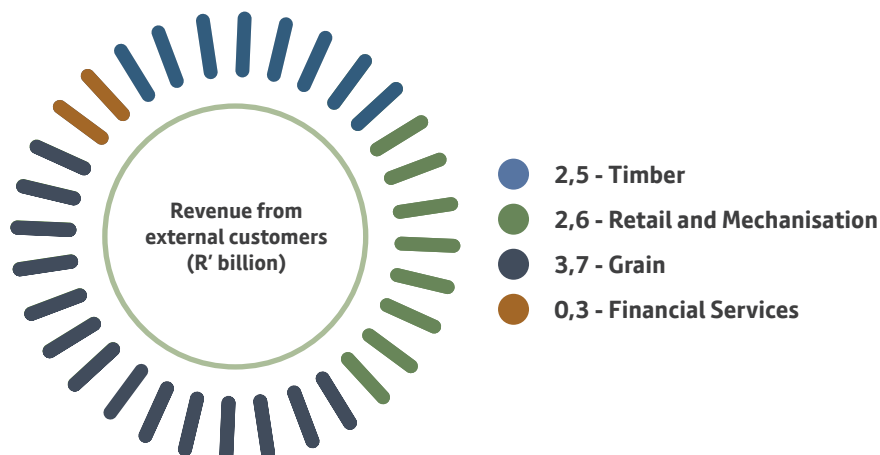
I

INNOVATION

We develop unique solutions to solve complex challenges.

DIVISIONS AND BRANDS

TWK is a diversified group of companies with four divisions that conduct business across various segments. The four divisions and the related brands include the following:



Timber

TWK ensures that our timber and that of our suppliers are delivered to local and international markets at competitive prices. Exports to international markets are done from TWK's chipping mill in Richards Bay.

We provide multiple processed and unprocessed timber products while cultivating 36 117 hectares of forestry plantations in South Africa and Eswatini.

Services and products

- Forestry plantations
- Timber marketing
- Woodchip export facility, Richards Bay
- Bedrock mining timber
- Treated timber plant
- Softwood and hardwood sawmills
- Charcoal production
- Sunshine Seedling Services (SSS) timber and vegetable seedling nurseries

Related Brands





Retail and Mechanisation

Our network of retail stores offers customers a well-priced, comprehensive range of products dedicated to the agricultural sector.

Services and products

- Retail branches
- Constantia blending plants and fertiliser depots
- Mechanisation (including New Holland agencies)
- Gromor compost and fertiliser

Related Brands



Grain

The Grain division, among other things, provides commodity strategic support and services to farmers. We focus on hedging and selling grains at the best possible market prices, while the division also enables farmers and end users to safely store and dry their grains at our HACCP and SAFEX registered silos. Furthermore, we produce our own branded maize meal and animal feeds and supply it at retail, wholesale and farm level.

Services and products

- Grain storage
- Grain marketing (SAFEX trading)
- Grain processing (South Africa and Eswatini)

Related Brands



Financial Services

The Financial Services division, which comprises the financing and insurance divisions, provides unique financing and insurance solutions for agricultural and related industries. The TWK financing division offers various credit solutions to agricultural customers from production facilities to monthly accounts.

The TWK Insurance division was established in 1978 and over the years, the products and services have increased to complement the growth and development of the company's diverse client base. Currently, TWK Insurance has service centres in Mpumalanga, KwaZulu-Natal, Limpopo, Western Cape, Free State and Gauteng.

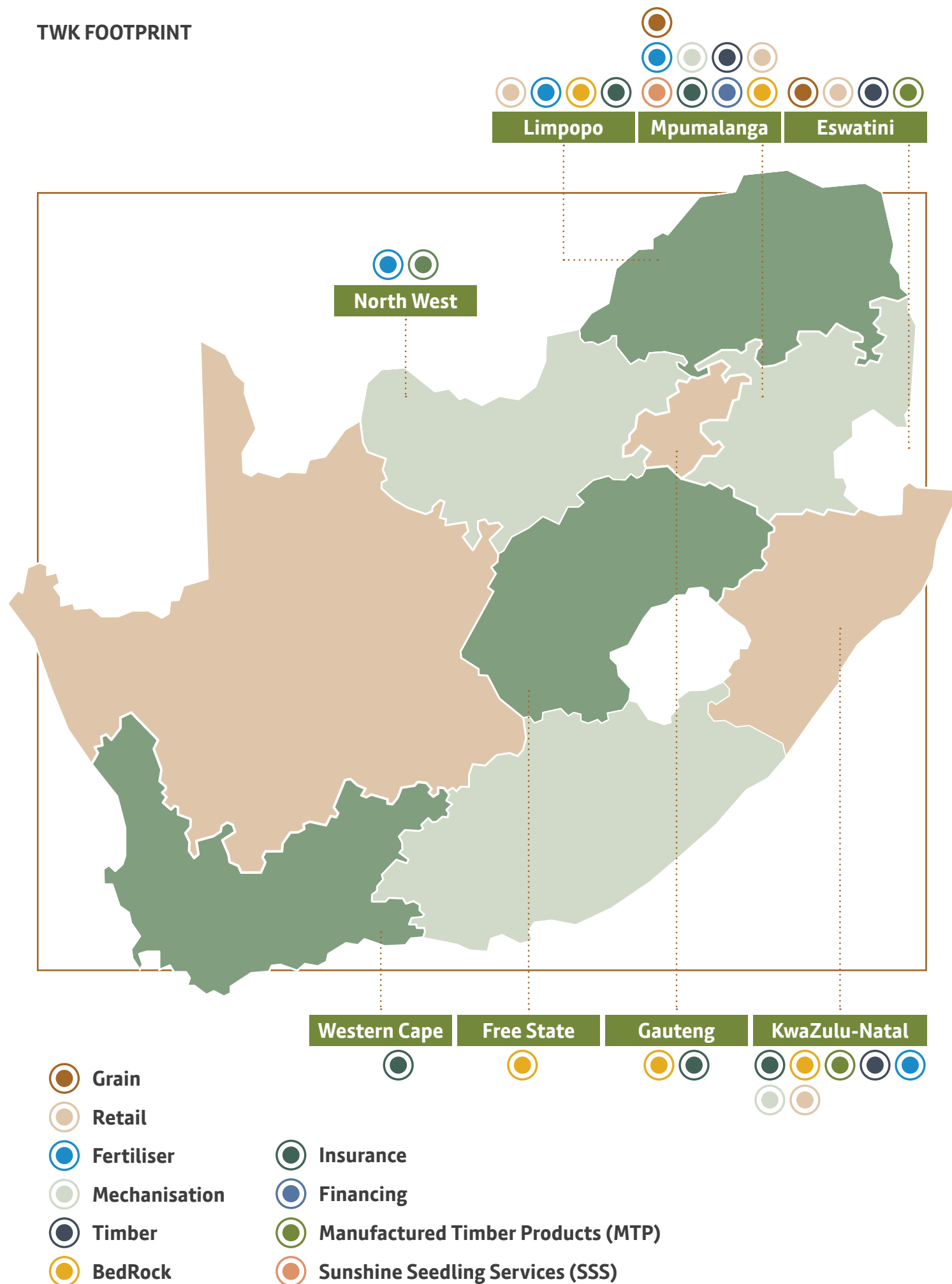
Services and products

- Short-term insurance
- Crop insurance
- Plantation insurance
- Long-term insurance
- Medical aid and gap cover
- Alternative risk transfer
- Funeral administration
- Fiduciary services

Related Brands



TWK FOOTPRINT



OUR HISTORY

TWK Investments Limited is listed on the Cape Town Stock Exchange under the share code 4ATWK. The TWK story started in 1940 when the Transvaal Wattle Growers Co-operative Agricultural Company Limited was registered. In 2014, the company was restructured into its current form with TWK Agriculture Holdings Proprietary Limited as the ultimate holding company and TWK Investments as the investment entity.

1940s

- 1940: Transvaal Wattle Growers Co-operative is registered as a co-operation.
- 1948: Buys first property in Piet Retief.

1950s

- 1953: Headquarters opened in Piet Retief.
- 1956: Wood sales increase. Demand for firewood arises.

1960s

- 1960: Founding of CTC (Chipping Mill) in Richards Bay.
- 1962: TWK takes ownership of the Lothair trade branch.
- 1967: TWK acquires Piet Retief Engineering Works.

1970s

- 1971: Moolman branch acquired from NLK.
- 1973: The Mimosa Africana leaves Durban harbour, loaded with premium South African timber on route to Japan. CTC signs contract with Japan.
- 1978: First grain silo, Mkondo is built.

1980s

- 1981: TWK buys farm Welverdiend and establishes its first nursery on the farm. TWK buys its first computer.
- 1982: Name is changed to Transvaal Wattlegrowers Co-operative Limited. CTC opens new hardwood woodchip mill in Richards Bay.
- 1984: Buys Ilmar Tyres Limited. Opening of Panbult Silo.
- 1986: TWK acquires shares in Gerpark Motors.

1990s

- 1990: Becomes a supplier of Massey Ferguson tractors and implements.
- 1991: Starts processing soya beans at Mkondo Mill. TWK buys farm Potgieterskeus, today forms part of TWK's Southern Farms.
- 1993: TWK buys farm Wyntoun (Northern Farms).
- 1997: The co-operation is registered as a public company.
- 1998: A new chipping plant opens at CTC in Richards Bay.
- 1999: TWK acquires shares in Arrowfeeds in Matsapha, Eswatini.

2000s

- 2001: Opens Carolina, Underberg, Kokstad, Ixopo, Dundee and Mooi River retail branches. Buys the majority share in Protea Tyres.
- 2002: TWK buys Shiselweni Forestry (SFC) Company and Sawco in Nhlanguano, Eswatini.
- 2006: Expands the head office in Piet Retief.

2010s

- 2010: TWK acquires 13 KZN branches from Afgri.
- 2012: TWK launches its new corporate identity.
- 2013: Introduces an over-the-counter trading platform for TWK Holdings shares.
- 2014: Name change to TWK Agri (Pty Limited and achieves Level 5 B-BBEE status. TWK Investments shares are launched.
- 2015: Constantia Fertiliser opens a new blending plant outside Secunda. TWK recognised as the best employer by Agriseta.
- 2018: Bedrock Mining Timber Support (Pty) Limited, is integrated within the TWK Group.

2020s

- 2020: TWK acquires shares in Sunshine Seedling Services.
- 2021: The first Integrated Report published by the Group. TWK Investments Limited (TWK) is listed on the Cape Town Stock Exchange under the share code 4ATWK. TWK acquires Peak Timbers in Eswatini.
- 2023: Fires at Richards Bay chipping mills, negatively impacts the pulp exports to international markets.
- 2024: TWK sells off various business units that do not form part of its core business to align with the Group's vision and mission.
- 2025: TWK further focused on strategic acquisitions as well as divesting from non-profitable and non-core businesses.



OUR BUSINESS MODEL

Our integrated business model, aligned to our strategic priorities, demonstrates how we combine key resources and relationships through our diversified operations to generate value over the short, medium- and long-term for our stakeholders and markets.

OUR INPUTS

The key resources and relationships that enable our operations



Financial Capital

The financial resources generated through our diverse operations and obtained from lenders, investors, and partners are directed into maintaining and expanding our asset base, supporting our business segments, and enhancing our stakeholder growth. These funds provide the foundation for sustainable growth across our business.



Manufactured Capital

Our infrastructure and physical assets across our value chain, including sawmills, facilities and retail branches, enable us to deliver high-quality products and services efficiently, which is critical for business continuity.



Human Capital

The skills, expertise, wellbeing and productivity of our workforce is central to our success. We continue to invest in human capital to ensure we attract, retain and grow capable teams and leaders in every division.

INPUTS

- Loans
- Share capital
- Accumulated profits

- Infrastructure
- Physical assets

- Total employees/ workforce
- Employee satisfaction

OUR BUSINESS ACTIVITIES

The key activities driving our business



TIMBER

Plantation management, harvesting, timber processing, timber manufactured products and exports.

RETAIL AND MECHANISATION

Managing of retail branches, mechanisation.

OUR OUTPUTS

Our key products and services include:

- Timber and woodchips for domestic and export markets
- Manufactured timber products for mines and industrial usage
- Grain storage, handling and marketing solutions for key crops
- Manufacturing of animal feeds and maize meal
- Agricultural inputs sold through our Retail and Mechanisation division, including fertiliser, seed, feed and hardware
- Mechanisation equipment, parts and servicing
- Insurance cover including crop, asset and life insurance
- Financial services tailored to agricultural clients
- Advisory and technical services delivered through our business divisions

OUR INPUTS

The key resources and relationships that enable our operations



Natural Capital

We are committed to protecting the environment by minimising negative impacts and stewarding our resources responsibly. Our operations depend on access to healthy forests, water resources and biodiversity. We actively manage our environmental footprint and implement practices that protect and preserve these resources for future generations.



Social and Relationship Capital

Strong relationships with our suppliers, regulators, customers and local communities enable us to deliver value in ways that support inclusive rural development. We maintain trust through consistent engagement with these partners.



Intellectual Capital

Our reputation, systems, and knowledge helps us deliver better service, adapt to change and maintain a competitive edge. This includes how we apply data, technology and sector expertise across all areas of the business.

INPUTS

- 36 117ha of Plantations
- Water consumption

- Stakeholder relationships
- Strong brand reputation among customers in our markets
- Responsible ESG practices

- Strong use of data to support decision making
- Institutional knowledge and experience in timber and grain services

OUR BUSINESS ACTIVITIES

The key activities driving our business



GRAIN

Grain storage, handling, physical and hedged trading, logistics for maize, soya and small grains.

FINANCIAL SERVICES

Crop, short and long-term insurance products distributed through specialised broker channels and providing tailored financing solutions to producers.

OUR OUTCOMES

How we create, preserve or erode value over time:

- **Financial capital:** Sustainable earnings, strong cash generation and improved financial resilience despite market volatility
- **Manufactured capital:** Continued reinvestment into our physical infrastructure and optimization of assets across the value chain
- **Human capital:** Job creation, skills development and an ongoing focus on safety and employee wellbeing
- **Natural capital:** Responsible use of land and water resources, investment into sustainable forestry
- **Social and relationship capital:** Strong producer loyalty, trusted community partnerships, and a respected market presence in rural areas
- **Intellectual capital:** Operational improvements through data and systems; enhanced knowledge and customer support capabilities

OUR STAKEHOLDERS

Our stakeholders are central to the sustainability and success of our business, and we recognise the importance of maintaining meaningful relationships to foster trust and transparency. Through regular and targeted engagement, we gain valuable insights into stakeholder priorities, manage expectations, and strengthen our license to operate.

Our engagement approach is guided by material matters and strategic priorities and is embedded in the daily operations of our business divisions.



EMPLOYEES

Employees are vital to delivering our strategy and sustaining long-term value. We prioritise attracting, developing and retaining skilled talent, fostering a safe, inclusive and engaging workplace, and promoting open communication to drive performance and alignment with our values.

Our employees are our greatest asset and key to TWK's success. Our TWK Way campaign focuses on employee engagement and empowerment. As part of this initiative, we reviewed our disciplinary code and trained line managers to handle difficult conversations, listen to employee needs and consult with employees before taking disciplinary action. Beyond launching The TWK Way, we remain committed to investing in our people, supporting more than 150 employees each year in their educational pursuits and career growth at TWK.

To further enhance our employees' well-being, the Employee Relations team is spearheading initiatives aimed at improving physical, mental and financial wellness.



CUSTOMERS

Our customers are central to TWK's long-term value creation. We build trust through quality products, innovative solutions and responsive service, supporting their productivity and sustainability.

By engaging and collaborating closely with our customers, we better understand and respond to their evolving needs, offering practical and sustainable products and services. This partnership approach fosters loyalty and long-term relationships that drive our success.

TWK's implementation of its Customer Portal application to its farmers has transformed customer engagement by providing a customer portal with real-time insights and interactive functionality. The tool empowers customers with greater visibility and control over their accounts and business conducted with TWK.



SUPPLIERS

Our suppliers are key partners in TWK's value chain. We work closely with them to ensure reliable, ethical and high-quality inputs, fostering strong, long-term relationships that support mutual growth and sustainable business practices.

The TWK Group provides a market and a distribution network to a large number of suppliers including primary producers of commodities and trade and commercial suppliers.

We aim to build mutually respectful, value-driven relationships with them, encouraging alignment with our approach to sustainable practices, innovation and purpose-driven contributions that enhance the well-being and development of employees and communities.

OUR KEY STAKEHOLDERS

EVOLVING OUR APPROACH



As part of our broader sustainability journey, we intend to further formalise our stakeholder engagement approach. This includes developing a defined stakeholder universe and mapping our engagement activities against stakeholder expectations and material matters.

Our financiers and shareholders provide the capital that enables TWK's growth. We engage transparently, delivering sustainable financial performance and long-term value through sound governance, strategic decision-making, and responsible business practices.



FINANCIERS AND SHAREHOLDERS

Our aim is to provide financiers and shareholders with clear, timely and relevant information about our industry, performance and growth plans, enabling them to make well-informed decisions.

We maintain active engagement with regulatory and industry bodies to comply with legislation, influence policy and uphold standards that support a sustainable and responsible agricultural and forestry sector.



REGULATORY AND INDUSTRY BODIES

Through active collaboration with agricultural and forestry associations and local industry bodies, TWK facilitates knowledge-sharing and capacity-building in the agricultural and forestry sector. Our sponsorship of local farming events and study groups provides platforms for farmers to learn best practices and showcase their products, reinforcing our role as a partner in sustainable development. TWK manages various forest land in South Africa and Eswatini. This forest land is either Forest Stewardship Council (FSC®) certified or carries dual FSC® and Programme for the Endorsement of Forest Certification (PEFC™) status. Our goal is to expand dual certification to cover all forestry land by supporting the establishment of a national PEFC™ standard in Eswatini.

We partner with local communities to support social and economic development. Through initiatives in education, skills development and infrastructure support, we contribute to community well-being and long-term shared value.



COMMUNITIES

Our community engagement efforts focus on partnerships and participation in local projects that drive positive outcomes. Through initiatives like Mandela Day and collaboration with the Vumbuka Trust, we provide educational support, infrastructure development and resources to uplift communities in areas like Piet Retief, Nelspruit, Ermelo and Eswatini.

AND ENGAGEMENT

CHAIRMAN'S REPORT



This year, TWK proudly celebrates 85 years of excellence, resilience, and shared success—a remarkable milestone that invites us to reflect on our journey, appreciate the strength of who we are today, and look ahead with confidence and purpose. Founded on 21 June 1940 with a clear mission to promote the marketing of timber and bark for its members, TWK soon expanded its responsibilities to provide essential production materials and support. This vision, grounded in hard work, integrity, and a commitment to meaningful impact, has carried us through decades of transformation and growth. In a world where many businesses rise and fall quickly, our longevity is both humbling and inspiring, speaking to the strength of our foundation and the dedication of every individual who has contributed to our success.

While the 2025 financial year began with renewed optimism—supported by key domestic developments such as interest rate cuts, the cessation of loadshedding, and the formation of the Government of National Unity—the Group's financial performance was notably impacted by a decline in global pulp prices, affecting the Timber division. Reduced consumer spending and lower sales volumes also weighed on the Retail and Mechanisation division. However, the benefits of our diversification strategy were evident in the sustained performance of the Financial Services and Grain divisions.

Overall, the group's performance translated into an 16% decline in earnings before interest and taxation ('EBITDA'), an 61% decline in operating profit and a 75% decline in earnings per share ('EPS'). As noted above, the decline in performance is largely attributable to a subdued pulp prices and lower sales volumes. More detail on the results can be found in the Financial Director's report.

Our commitment to sound corporate governance, guided by King IV™ principles, remains unwavering as we navigate both risks and opportunities. As we reflect on the 2025 financial year, we reaffirm our dedication to building a sustainable, responsible and resilient Group that delivers enduring value to all stakeholders.

MACRO ENVIRONMENT

The international landscape was marked by escalating geopolitical tensions, most notably the deepening Iranian-Israeli conflict following U.S. airstrikes on Iranian nuclear facilities. These developments have raised concerns about potential oil price shocks and broader economic instability. Additionally, the protectionist trade stance of the U.S. administration under President Donald Trump has heightened fears of a global trade war, threatening export-dependent sectors and fuelling inflationary pressures.

Despite these headwinds, the International Monetary Fund (IMF) projects global economic growth to remain steady at approximately 3.2% in 2025, with a slight decrease to 3.1% in 2026. Yet, the South African agriculture and forestry sectors have not been immune to the ripple effects of global uncertainty. Disruptions in commodity markets, rising energy costs and shifting trade dynamics - particularly around the African Growth and Opportunity Act (AGOA) - have created volatility.

One of the most significant pressures currently facing the forestry sector is the sustained decline in global hardwood pulp prices. This downturn - driven by a combination of oversupply, reduced demand from major importers like China and geopolitical disruptions - has placed considerable strain on South African producers. This mismatch - falling pulp prices amid rising input costs - has squeezed margins and intensified competition, especially for South African producers who rely heavily on exports.

Climate change remains one of the most pressing challenges for the agricultural sector. Rising temperatures, altered rainfall patterns and more frequent extreme weather events are lowering crop yields.

Despite these challenges, sentiment toward the sector remains positive, with strong performance anticipated in both agriculture and forestry. The sector is expected to contribute meaningfully to South Africa's projected economic growth of 1.0% in 2025, rising slightly to 1.3% in 2026. This growth is supported by favourable weather conditions, robust export demand and increased consumer spending, all of which are helping to stabilise and gradually improve the sector's economic outlook.

GOVERNANCE OVERVIEW AND INFLUENCE ON PERFORMANCE

The Groups performance philosophy is based on the belief that good governance practices enhance corporate performance, reduce risks and ensure business sustainability.

Our governance framework enabled decisive responses and continued to reinforce an ethical, accountable culture throughout the organisation. The Board continues to strengthen its risk, compliance and internal control environment underscoring its commitment to transparency, accountability and sustaining stakeholder confidence.

During the year, PricewaterhouseCoopers Inc. ("PwC") was appointed as the Groups new external auditor, with the appointment approved by shareholders at the 2024 annual general meeting (AGM). We thank the partners and staff of PwC and our finance team for ensuring the successful external audit transition.

VALUE CREATION, ETHICS AND CORPORATE RESPONSIBILITY

Our definition of value extends well beyond financial returns, encompassing social and environmental stewardship in line with TWK's AGRI values: Accountability, Grow Trust, Resilience and Innovation. TWK actively supported community development and rural livelihoods, reinforcing our broader societal role.

The Board remains committed to ethical and effective leadership. Ensuring that we have a Code of Conduct and policies that are unambiguous regarding integrity, ethics and transparency, enables us to uphold our role as a responsible corporate citizen. Initiatives in corporate responsibility include participation in Beulah Africa Entrepreneurship Economic Empowerment Programme, which equips individuals and communities with the tools and resources to establish sustainable businesses and break the cycle of poverty. In addition, through the Vumbuka Trust, TWK supported Missio Dei Education, a transformative initiative focused on uplifting rural communities through foundational phase education. These initiatives exemplify our ongoing commitment to ethical business practices, stakeholder engagement and sustainable growth.

Fire remains one of the most significant risks to the sustainability of our plantations, compounded by a general lack of understanding of our operations. To address this, we continue to raise awareness about our business and certification processes across all communities where we operate. Peak Timbers has established several engagement platforms, including a 24-hour control room with a toll-free number for reporting issues ranging from fire outbreaks to operational non-compliance. This service ensures consistent communication and encourages active

community participation. In FY25, these efforts contributed to limiting fire damage, with only 1.3 hectares lost during the year.

TWK continues to elevate disclosure standards and governance practices. This year, initiatives such as enhanced disclosures and stakeholder engagement mechanisms strengthened trust among our internal and external stakeholders.

BOARD OF DIRECTORS

The Board remains appropriately constituted, with a balance of skills, experience, tenure and independence that enables it to discharge its responsibilities effectively. The composition of the Board reflects both continuity and renewal, with a blend of long-serving members and more recently appointed directors, fostering robust debate and ensuring that institutional knowledge is retained.

Board members remain fully committed to their fiduciary duties and oversight role. This is demonstrated by strong levels of engagement, with an overall attendance rate of 100% at Board and committee meetings during the year under review.

Independent non-executive director, CA du Toit, retired from the Board in April 2025. We thank him for his valuable input and insights over his tenure.

The Board is diverse in terms of gender, race, professional expertise and perspectives, which enhances the quality of deliberations and decision-making. This diversity also ensures that the Board remains attuned to the expectations of a wide range of stakeholders and is able to provide strategic guidance that balances the interests of shareholders, employees, customers and the broader society.

The Board believes that its collective competence and ethical leadership continue to support sustainable value creation for the Group over the short, medium- and long-term.

OUR RESPONSIVE STRATEGY

During FY25, TWK undertook significant strategic initiatives to strengthen its competitive positioning and long-term growth prospects. This included process enhancements, ESG-focused efforts such as expanding certified timber supply and undertaking post-fire reforestation, as well as IT upgrades to improve efficiency and decision-making. Portfolio optimisation remained a priority, with strategic acquisitions such as the Supremesure insurance book and the disposal of non-core and loss-making assets, including the Toyota and Isuzu dealerships, finalised at the beginning of the financial year, and the pending disposal of the South African plantations. In FY25, the Group also initiated a finance transformation programme and implemented operational restructuring within the Retail and Mechanisation division, aligning resources with future growth opportunities.

The Board also engaged extensively with the material matters identified in the operating context – including managing market risks, the availability and allocation of capital, operational efficiency and sustainable growth and fire. These priorities informed strategic decisions to protect and enhance shareholder value, while maintaining long-term competitiveness.

The Board continues to aim to support the executive team in ensuring alignment between the execution of our Group strategy and value creation for our shareholders.

FUTURE FOCUS AREAS FOR THE BOARD

Looking to FY26, the Board will continue to prioritise initiatives that strengthen TWK's long-term sustainability, resilience and stakeholder value. Key focus areas for FY26 include:



- Strategic mergers and acquisitions.
- Strengthening climate resilience and operational efficiencies.
- Expanding high-value segments of the business.
- Prioritising disciplined capital allocation, with a strong focus on liquidity management and sustainable cash flow generation.
- Reducing debt as part of a broader strategy to enhance financial flexibility.
- Implementing cost-saving measures across our operations.
- Enhancing succession planning and talent development.
- Embedding sustainability and ESG considerations further into operations.

We will continue to evaluate opportunities that create shared value for all stakeholders, while remaining disciplined in capital allocation.

We remain well-positioned to navigate a dynamic operating environment while delivering sustainable value across all stakeholder groups. The Board is confident that, with continued focus on strategic growth, robust governance and ethical stewardship, TWK will build on its achievements in FY25 and create lasting impact in the years to come.

DIVIDEND

Given the Group's performance over the past two years, along with the impact of the shareholder settlement agreement on operating cash flows, the Board has resolved not to declare a dividend for the current financial year.

APPRECIATION

On behalf of the Board, I extend our sincere gratitude to the executive management team, employees and community partners for their unwavering commitment and resilience during a challenging year. Their dedication and hard work remain central to TWK's progress and long-term sustainability.

We also thank our shareholders and customers for their continued confidence and support, which enable us to deliver on our strategic objectives and create shared value.

Finally, we acknowledge with humility and gratitude the guidance and provision of our Heavenly Father, whose grace has carried us through this financial year.

CONCLUSION

Looking ahead, while challenges are expected, the Board remains confident in the Group's ability to respond with resilience. We will continue to drive innovation, pursue strategic growth opportunities and uphold excellence across all areas of the business, with a clear focus on delivering sustainable long-term value for our stakeholders.



JS Stapelberg
Chairman



MANAGING DIRECTOR'S REPORT



Although the global macroeconomic and geo-political climate remained volatile during the 2025 financial year, the South African economy showed some positives and signs of improvements. The outcome of the establishment of the GNU continues to strengthen customer and investor confidence in 2025 together with the stabilisation of the electricity supply throughout the country. This has been useful in our industry as the confidence created is needed to unlock sustainable economic growth over the long-term.

OVERVIEW OF OPERATING CONTEXT

TWK operated in a dynamic and challenging environment during the 2025 financial year, balancing external pressures with opportunities for growth and resilience. Global and domestic factors - including volatile input costs, weaker international hardwood pulp prices, rand volatility and fluctuating demand - placed pressure on margins across the Group. Climatic conditions remained unpredictable, with the La Niña weather pattern producing mixed outcomes: while generally favourable for timber production, it disrupted grain planting cycles, yields and supply chain continuity in certain regions. Subdued consumer spending, delayed farmer investment decisions and trade uncertainties continued to weigh on agricultural demand.

Despite these challenges, the Group made meaningful progress in improving operational efficiencies and aligning its asset base with long-term strategic objectives. Key developments included further acquisitions in the Financial Services division, which supported performance and the successful finalisation of the disposal of non-core assets such as the Toyota and Isuzu dealerships, in line with our portfolio optimisation strategy. To further enhance capital efficiency, the Board approved the disposal of the Northern and Southern plantations in South Africa. The tender process has been completed, with finalisation of these transactions expected early in the new financial year. Please refer to Note 22 in the annual financial statements for more detail.

In line with the Group's long-term strategy, management entered into negotiations for the potential acquisition of the northern operations ("MTO North") of MTO Forestry Proprietary Limited. MTO North comprises eucalyptus plantations, a pole-treating facility and macadamia farming operations in Mpumalanga, South Africa. The proposed acquisition includes approximately 11,100 hectares of eucalyptus plantations (including 823 hectares leased), 105 hectares of macadamia orchards, a regional office and all associated staff, contracts and operating assets. It also includes full ownership of Ramanas Farms (±5,565 hectares of eucalyptus plantations), Imvelo Forests and its subsidiary Pull Scar Estate (±2,975 hectares of eucalyptus plantations, a pole-treating facility, and 225 hectares of macadamia orchards). If concluded, the transaction would be material to TWK and is subject to regulatory approvals.

The sustained decline in global hardwood pulp prices presented a significant headwind. Nevertheless, the Timber division showed strong recovery from prior disruptions, with woodchip exports nearing full capacity and improved sales volumes in mining timber. Retail and Mechanisation operations were affected by drought and fertiliser market volatility, but targeted customer support and operational adjustments helped mitigate the impact. The Grain division delivered mixed results - strong performance in storage and marketing offset losses in milling due to record-high maize prices. Financial Services continued to grow, supported by strategic expansion and disciplined credit management, reinforcing TWK's commitment to long-term value creation and portfolio resilience.

GROUP PERFORMANCE

The Group operated in a challenging environment during FY25, marked by global market volatility, climatic disruptions, and subdued demand across key sectors. Despite these headwinds, stable earnings from the Grain and Financial Services divisions, combined with disciplined cost management, supported overall performance. The Group's ability to adapt to changing conditions and execute on its strategic priorities ensured continued progress toward long-term value creation.

The Group remains focused on sustainable growth, operational efficiency and creating long-term value for stakeholders, supported by strategic investments, risk management and a commitment to responsible and ethical business practices.

SEGMENTAL PERFORMANCE

TIMBER

In FY25, the Timber division operated in a complex global market environment. While demand for woodchip exports remained steady, pricing continued to face pressure due to weaker international hardwood pulp markets, increased fibre availability in China, and competitively priced supply from Vietnam. Despite these headwinds, TWK maintained its competitive edge by prioritising responsible and sustainable sourcing. Our strategic focus on FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification) accredited timber has strengthened our position in markets that value certified, sustainable forestry practices, ensuring alignment with evolving customer and stakeholder expectations.

Sales volumes for the period increased by 10.8% to 1,514,207 tonnes (August 2024: 1,367,109 tonnes). While exports of wattle and eucalyptus smithii woodchips to Japan remained stable, mixed eucalyptus contracts and spot sales to China declined significantly. This reduction in sales impacts both TWK grower shareholders and the profitability of plantations owned in Eswatini and South Africa.

However, growth was tempered by subdued domestic demand for pulpwood, particularly in the containerboard segment. The Manufactured Timber Products division returned to profitability during the year, supported by strong demand in the transmission, building and fencing pole markets, as well as the eucalyptus wet-off saw and platinum mining timber markets. However, demand for gold mining timber continued to decline, reflecting the closure of several shafts reaching the end of their operating lives. Continued pressure on industrial softwood lumber sales led to our strategic exit from this business in January 2025, through the leasing of the SAWCO pine sawmill in Eswatini, allowing greater focus on core operations with stronger growth potential. Demand for treated poles strengthened over the past year, contributing to a turnaround in profitability for our STTP subsidiary.

Additionally, Sunshine Seedlings ("SSS") will become a wholly owned subsidiary in September 2025. This business continued to deliver strong results, supported by re-establishment efforts in areas affected by the 2024 fires.

Sales from the Peak Timber plantations in Eswatini, were impacted by subdued eucalyptus market conditions. Management remains focused on optimising plantation performance and aligning production with market opportunities.

RETAIL AND MECHANISATION

FY25 was challenging for the Retail and Mechanisation division with lower sales volumes compared to the prior year. The primary factor was the drought experienced from January to March 2025, which significantly affected crop yields and constrained farmers' purchasing power. Subdued consumer spending persisted despite a 125-basis point interest rate reduction and a decline in consumer inflation from 4.4% to 3.3%.

Fertiliser volumes for the year ended 31 August 2025 declined by 26%, from 194 830 tonnes in the prior period to 144 188 tonnes, reflecting volatile international fertiliser markets and operational constraints. Prices for nitrogen, potassium and phosphate were below historical expectations and global supply pressures were exacerbated by tensions in the Middle East and disruptions in ammonia production in Egypt and Iran.

Operational challenges included the temporary closure of the Secunda blending facility in November 2024 for health and safety upgrades, coinciding with peak planting season, and drought conditions influencing farmer planting decisions. In response, TWK implemented targeted initiatives to support customers, including flexible supply solutions, advisory services, and smaller, more frequent fertiliser imports under Free Carrier Agreement (FCA) terms, which helped mitigate stock risk, optimise operational efficiency, and reduce demurrage charges.

The long-term outlook for the Retail and Mechanisation division remains positive, underpinned by strategic investments and continued focus on sustainable farming practices.

GRAIN

The Grain division delivered mixed results during FY25, with overall performance impacted by elevated maize prices across the industrial milling and animal feed manufacturing segments.

Grain storage performed strongly, supported by high opening silo stocks, despite challenges related to grain quality and delayed harvesting caused by excessive rainfall. Management focused on expense control and optimised grain handling, drying and customer service. During the year, export activity primarily focused on cross-border trade within Africa, while deep-sea exports remained minimal.

Grain marketing exceeded budget expectations. Although volumes sold were slightly lower than the previous year, improved margins were achieved through increased cross-border trade and a strategic shift toward direct sales to end users, rather than intermediaries. In line with efforts to expand TWK's footprint in the animal feed manufacturing sector, management prioritised volume growth and diversification of the sales mix.

The Mkondo Mill reported a loss, primarily due to record-high white maize prices that could not be passed on to consumers. Sales of yellow maize products and other items underperformed, although the full-fat soya production facility helped offset some of the losses.

Arrowfeeds remained profitable, albeit lower than the prior year. Maize meal accounted for 50% of sales and demand was negatively affected by high white maize prices. However, the animal feed manufacturing segment performed well, gaining market share and delivering encouraging sales growth.

FINANCIAL SERVICES

The Insurance division delivered strong results during FY25, driven by strategic expansion and a continued focus on customer service and value creation. A key highlight was the acquisition of the short-term insurance book of Supremesure Brokers Proprietary Limited, effective 1 December 2024, which contributed to growth in written premiums and commission income. These outcomes reflect the Group's long-term strategy to expand its financial services offering and deliver sustained value to clients.

TWK Financial Services maintained a healthy credit portfolio, supported by a diverse range of facilities - including monthly accounts, term loans, asset financing, revolving credit, and forestry-specific products - tailored to meet the needs of its client base. Throughout the year, clients strategically utilised cash reserves to reduce debt, contributing to a continued decline in non-performing balances. Preserving the quality and

resilience of the credit portfolio remains a strategic priority, underpinned by robust collateral management and prudent risk oversight.

VALUE CREATION FOR STAKEHOLDERS

Beyond financial performance, TWK continued to create meaningful value for a wide range of stakeholders during FY25. Our operations span rural communities, where we invested in education, infrastructure and agricultural development initiatives, reinforcing our role as a responsible corporate citizen.

Notably, TWK participated in key social initiatives during the year. These included the Beulah Africa Entrepreneurship Economic Empowerment Programme, which equips individuals and communities with the tools and resources to establish sustainable businesses and break the cycle of poverty. In addition, through the Vumbuka Trust, TWK supported Missio Dei Education, a transformative initiative focused on uplifting rural communities through foundational phase education.

We prioritised inclusive growth through targeted supplier development, skills training and employment equity programmes. TWK also advanced its sustainability agenda by promoting responsible forestry practices, supporting climate resilience in agriculture, and enhancing environmental stewardship across our value chain. These efforts reflect our commitment to long-term value creation and shared prosperity for all stakeholders.

REFLECTING ON OUR STRATEGY

In FY25, TWK remained focused on its strategic objectives: operational resilience, portfolio optimisation, sustainable growth and stakeholder value creation. Key initiatives included process improvements, ESG efforts such as expanding certified timber supply and post-fire reforestation, as well as IT upgrades to enhance efficiency and decision-making. Strategic acquisitions - like the Supremesure insurance book - and the disposal of the Toyota and Isuzu dealerships and the pending disposal of SA plantations, aligned the portfolio with long-term priorities. These actions strengthened our competitive position and supported sustainable value creation across the Group.

SUSTAINABILITY PERFORMANCE

The Group actively monitored key operational and financial risks during FY25, including commodity price volatility, weather-related production impacts and global supply chain disruptions. Mitigation measures - such as flexible supply agreements, operational efficiency initiatives, and diversified sourcing - enhanced resilience across our operations.

We made notable progress in advancing our sustainability agenda. This included expanding FSC and PEFC certification across timber operations, improving safety and efficiency across facilities, and supporting employee development and community upliftment. These initiatives ensure our operations remain aligned with regulatory requirements and the Group's long-term sustainability commitments.

A key milestone was the completion of TWK's first double materiality assessment, providing a comprehensive view of the financial, environmental, social, technological and governance issues most material to our business and stakeholders. These insights have informed our strategic planning and risk management processes.

We remain committed to building on this progress in the years ahead, continuously improving our performance and impact across all areas of the business.

GOVERNANCE AND LEADERSHIP

Effective governance and ethical leadership underpinned our operations throughout the financial period. The year saw the following executive changes: the appointment of Johann Roodt as Company Secretary effective 1 September 2024, and the appointment of Louise Steenekamp as Chief Information Officer effective 1 January 2025. Our governance practices continue to reflect transparency, accountability

and integrity, ensuring that the decisions we make support the long-term interests of our stakeholders.

OUTLOOK AND STRATEGIC FOCUS FOR 2026

Looking ahead, TWK will continue to prioritise operational efficiency while pursuing strategic growth opportunities. A key focus for FY26 will be a comprehensive business transformation programme, underpinned by digital enablement, to enhance performance and long-term value creation.

In the Timber division, we will deepen our focus on FSC and PEFC-accredited timber, pursue strategic expansion, optimise production efficiencies and actively manage price volatility.

The Grain division will strengthen its risk management through commodity and currency hedging, expand cross-border supply chain engagement and increase direct trading with end users to improve margins.

In Retail and Mechanisation, we will enhance customer engagement across branches, improve service delivery, divest non-core activities and ensure a sustainable cost structure.

The Financial Services division will continue to drive strategic growth, supported by disciplined credit management and a strong focus on customer service excellence.

We recognise that FY26 will present continued challenges, including climate variability, rising input costs, export market volatility, trade tariffs and escalating global trade tensions. These will be addressed through proactive planning, investment in climate-resilient practices, strengthened risk management and ongoing operational improvements.

TWK's diversified portfolio, robust governance and committed workforce provide a solid foundation for navigating uncertainty and delivering sustainable growth and value creation in the year ahead.

CLOSING REMARKS

The year ahead will require adaptability, resilience and balanced optimism. We are confident in our ability to manage risks, seize emerging opportunities and continue delivering sustainable value to all our stakeholders. Our commitment to responsible operations, sustainable finance, and inclusive economic development remains unwavering.

I would like to acknowledge the dedication and hard work of our employees, the ongoing support of our customers and partners, and the trust placed in us by our shareholders. Your efforts have been instrumental in navigating a challenging year. As we enter FY26, we remain focused on executing our strategic objectives, innovating to meet the evolving needs of the agricultural and forestry sector, and creating enduring value for all our stakeholders.



AS Myburgh
Managing Director





OUR STRATEGY

The Group follows a highly disciplined and responsible approach to its strategy, that influences our ability to deliver on our objectives. It is built on four strategic pillars that guide how we deliver value across the Group, supported by four strategic focus areas that shape our execution and performance priorities. The Company's core values form the acronym "AGRI". The A for Accountability, the G for Grow Trust, the R for Resilience, and the I for Innovation. These values are embedded within the four pillars and serve as the foundation of our strategy.



The strategy emphasises maintaining diversified income streams while focusing on our core business. We regularly review our business and asset portfolio to ensure alignment with this strategy.

TWK's strategy is anchored in maintaining diversified income streams while reinforcing focus on core business operations. We conduct regular reviews of our business and asset portfolio to ensure strategic alignment and long-term sustainability. Growth through acquisitions remains a key priority and we continue to assess opportunities that complement and strengthen our core operations. However, we acknowledge that corporate actions are currently subject to extended timelines due to prevailing economic conditions. Despite these challenges, TWK remains agile and committed to unlocking capital and optimising its redeployment, guided by our principle of doing more with less.

Our disciplined investment in high-quality assets has delivered substantial value to stakeholders. With a clear view of future potential, we remain optimistic about expanding our reach and impact through continued investment. Growth opportunities are pursued through a proper capital allocation assessment, ensuring optimal risk-adjusted returns. In a volatile and uncertain environment, maintaining a strong and flexible financial position is paramount. Our strategic focus on cost management, prudent capital expenditure and stringent working capital controls has enabled us to preserve financial robustness.

Our overarching strategic goal is to evolve into a fully integrated agri-business and a leading player in forestry and the forestry value chain.

As part of this strategic evolution, we are undergoing a pivotal business transformation strategy, which started in the finance division - an initiative launched in 2024 to build a future-ready, value-driven function. This transformation is enhancing our strategic capabilities and operational excellence, redefining how we operate and contribute to the success of the TWK Group.

Supporting the communities in which we operate is a cornerstone of our social strategy. In South Africa, where poverty and unemployment remain critical challenges, we are committed to fostering shared value through meaningful community engagement.

Our management team has embraced a Strategy of Servant Leadership, rooted in values such as humility, psychological safety, gratitude, integrity, authenticity, resilience, innovation and hope. This leadership philosophy underpins our staff engagement and organisational culture, forming the foundation of 'The TWK Way'.

We have made encouraging progress in cultivating a transparent and empowering culture that inspires our teams. By being a fair and caring employer, a responsible corporate citizen, and an ethical business, TWK is positioned to create sustained value for all stakeholders.

Our vision is not to be the biggest, but to be better - more meaningful to our clients, more empowering to our people and more impactful across South Africa and the continent.

STRATEGIC OBJECTIVES AND VALUE CREATION

We have established strategic objectives that aim to drive sustainable growth and create value for all our stakeholders. Our commitment lies in enhancing operational efficiency, expanding our market presence and fostering innovation across our diverse portfolio.

We focus on delivering products and services that meet the evolving needs of our customers while ensuring environmental stewardship and social responsibility. Through collaborative partnerships and active stakeholder engagement, we strive to create long-term value that aligns with our vision of sustainable agriculture and community empowerment.

STRATEGIC FOCUS AREAS



What this means for TWK

- We remain committed to sustainable growth by deepening our understanding of our customers, communities, suppliers, financiers and shareholders.
- For our customers, we are enhancing service delivery through targeted employee training and upgraded technologies that ensure efficient, consistent, and customer-focused interactions.
- With our communities, we drive social and economic development through education, skills development, and infrastructure initiatives, fostering long-term shared value and strengthening our role as a trusted partner.
- We maintain transparent engagement with financiers and shareholders, delivering sustainable financial performance and long-term value creation through sound governance, informed decision-making, and responsible business practices.
- Our suppliers are integral to our business model, and we cultivate value-driven relationships that align with sustainable practices, innovation, and shared purpose. Through TWK's market presence and distribution network, we create opportunities for primary producers and commercial suppliers to grow and thrive.
- Through strategic partnerships with industry stakeholders and research institutions, we foster innovation, optimise resources, and unlock new business opportunities that reinforce our long-term strategy.

STAKEHOLDERS

Link to material matters

- Customers, competition and product quality
- Socio-political impacts, economic challenges and geopolitical risks



What this means for TWK

- A thoughtful and phased approach is being implemented to align people, processes, data and technology across the Group.
- Finance objectives are closely integrated with TWK's broader strategic goals, ensuring a meaningful contribution to collective success. Through augmentation and automation, processes are being streamlined to enhance efficiency and unlock the full potential of our teams.
- This transformation will enable the delivery of exceptional service and actionable insights, supporting sustainable growth and driving the organisation forward.

BUSINESS TRANSFORMATION

Link to material matters

- Technology, innovation and cybersecurity
- Third party infrastructure and supply chain management
- Sustainable operations and climate change



MARKET EXPANSION AND GROWTH

What this means for TWK

- The Group continues to explore acquisitions and strategic alliances aimed at strengthening market presence, broadening distribution channels, and enhancing long-term resilience.
- Sustainable success is driven by strong growth across our diversified agriculture and adjacent businesses. This is underpinned by the creation of shared value for the communities and customers we serve, supported by an entrepreneurial spirit, commercial expertise, focused innovation, technology enablement and continuous process optimisation.



Link to material matters

- Market risks
- Availability and allocation of capital, operational efficiency and sustainable growth
- Investment/growth risk
- Fire

PEOPLE

What this means for TWK

- Strengthen our ability to attract, develop and retain talented individuals whose talents drive long-term value creation.
- Embrace innovation by harnessing technology and data to improve service delivery and create sustainable value for stakeholders
- Investment in continuous learning, leadership development programmes and technical training to enhance skills and future readiness
- Initiatives to promote physical, mental, and financial well-being, alongside maintaining a safe, healthy workplace.
- Building the resilience and adaptability of employees to respond to evolving industry, market and environmental challenges.

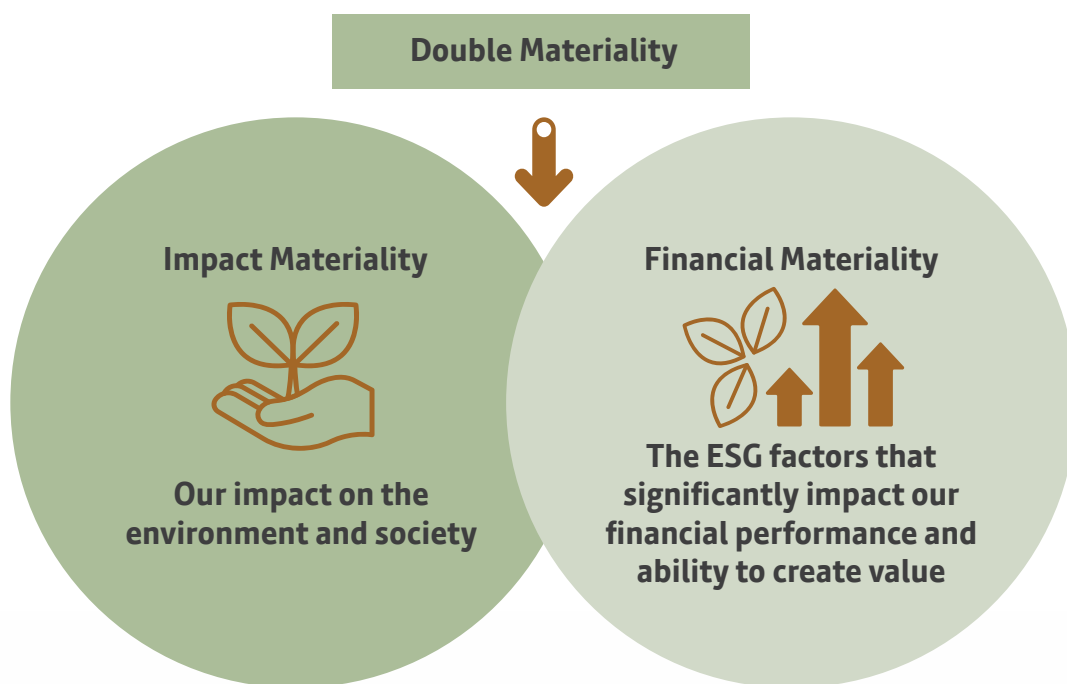


Link to material matters

- Employee engagement, skills shortage, transformation and diversity

MATERIAL MATTERS IMPACTING VALUE CREATION

We recognise that the process of identifying and understanding our most material matters is essential to delivering sustainable value for our stakeholders. These matters constitute the key issues that could significantly affect our ability to create, preserve, or erode value over the short, medium and long term. In the current year, we have adopted a double materiality approach for the first time to our material matters determination process. This means we consider both how external factors affect our financial performance, as well as how our activities impact the broader economy, environment and society.



Our enhanced approach ensures that we remain responsive to stakeholder expectations and focused on the matters that are most relevant to our strategy, performance and risk profile. By assessing materiality through both a financial and an impact lens, we are better positioned to address emerging challenges, identify opportunities and support long-term resilience.



MANAGING MATERIAL MATTERS

Our material matters were identified by management through an externally facilitated materiality assessment to determine matters that are most relevant to TWK's ability to create sustainable value. The process was designed to align with leading practice and to reflect the expectations of our stakeholders.

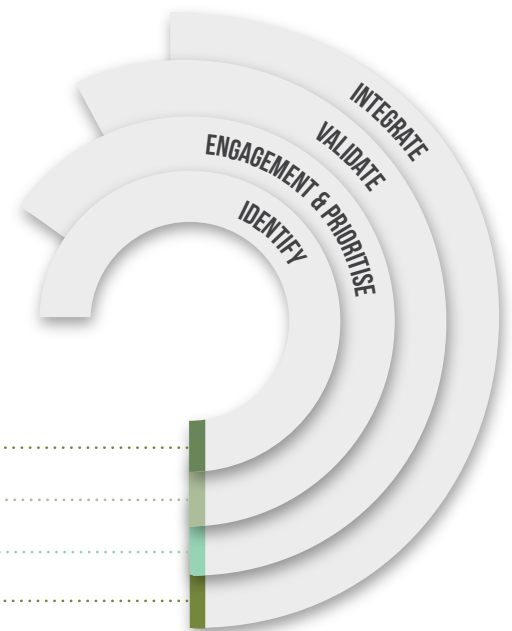
The outcome of this process being TWK's first formally defined set of material matters, which are presented in this report. These matters provide a focused lens through which we manage our risks and opportunities, shape our strategy and report on performance. The determination process followed four key phases, outlined below.

A comprehensive desktop review was conducted to understand the broader operating context. This included analysis of our risk register, peer disclosures, global and local media coverage, macro and sector trends and relevant regulatory and policy developments.

The preliminary list of matters was presented to internal stakeholders in a facilitated workshop. Participants included executive members and senior leadership. Each matter was evaluated based on its relevance to our operations and strategy. This collaborative process enabled the team to assess and prioritise the matters most likely to affect our ability to deliver long term value.

The prioritised matters were mapped to a material risk(s) to reflect their relative importance from an internal and external perspective. The material matters below, provide a visual summary of the matters that TWK considers most significant. The final set of material matters were reviewed and confirmed by executive leadership and approved by the Board.

The material matters identified through this process are integrated throughout this report. They inform our strategic direction, shape how we monitor performance and guide our engagement with stakeholders.



MATERIAL MATTERS

The Integrated Report includes material matters to provide shareholders with insight into the key factors currently influencing management's decisions. The material matters are more fluid, reflecting prevailing trends and significant macroeconomic factors shaping the business and internal strategic priorities.

- | | | | |
|---|--|----|---|
| 1 | Market risks (commodity prices, credit risk, interest rates and volatile exchange rates) | 6 | Customers, competition and product quality |
| 2 | Availability and allocation of capital, operational efficiency and sustainable growth | 7 | Sustainable operations and Climate change |
| 3 | Fire | 8 | Third party infrastructure and supply chain management |
| 4 | Technology, innovation and cybersecurity | 9 | Socio-political impacts, economic challenges and geopolitical risks |
| 5 | Investment/growth risk | 10 | Employee engagement, skills shortage, transformation and diversity |

OUR APPROACH TO RISK MANAGEMENT

ENTERPRISE RISK MANAGEMENT FRAMEWORK

Risk is an inherent part of doing business, and effectively managing the risks specific to our Group is critical to long-term value creation. We prioritise risks that are likely to occur or could significantly impact our ability to achieve strategic objectives, ensuring that risk management remains embedded in our business strategy and operations.

As part of the ERM Framework refinement, we updated the risk register and risk descriptions to improve clarity, enhancing transparency and consistency across the Group.

The Enterprise Risk Management (ERM) Framework was reviewed and refined to ensure a structured, cyclical approach to enterprise-wide risk management. This update aims to enhance the Group's ability to anticipate and respond to a complex and evolving risk landscape, proactively managing risks and opportunities.

The Group's ERM Framework is anchored in four core areas:



Risk Governance

Aligns strategy, risk exposure and accountability.



Risk Culture

Encourages ownership and a risk-informed mindset across the Group.



Risk Strategy

Guides resource allocation and planning in line with the Group's risk appetite.



Risk Management Process

Ensures consistent escalation, assessment and monitoring of material risks.

RISK GOVERNANCE AND OVERSIGHT

The Board of Directors holds ultimate responsibility for risk management, with oversight delegated to the Audit and Risk Committee. The Committee ensures that risk processes remain relevant, responsive, and aligned with the Group's strategy. During the year, the Group enhanced risk governance by establishing a dedicated Risk Management function to strengthen oversight, embed risk-informed decision-making, and ensure reporting in line with best practices. Management and employees are responsible for identifying and managing risks within their areas of accountability, supported by clearly defined roles that foster an embedded risk-aware culture across the Group.

Board

Accountable for setting risk appetite, integrating risk with strategy and governance, and overseeing long-term value protection.

Audit and Risk Committee

Oversee the ERM framework's effectiveness and alignment, advising the Board on material risks.

Business Units

Own and manage risks locally, maintain risk registers, and escalate material risks appropriately.

Group Financial Director

Oversees ERM implementation, coordinates risk reporting, and promotes consistent risk practices.

Executive Management

Executes strategy within risk limits, monitors material risks and escalates significant issues to the Board.

RISK-INFORMED DECISION-MAKING

As part of the review, the Group's risk profile was refined with clearer, more consistent risk descriptions, enhancing transparency and alignment with international principles, the King Codes and Corporate Governance. The revised ERM approach aims to support risk-informed decision-making by assessing risks before and after mitigation, ensuring resources are directed at the Group's most significant exposures.

OUR RISK LANDSCAPE

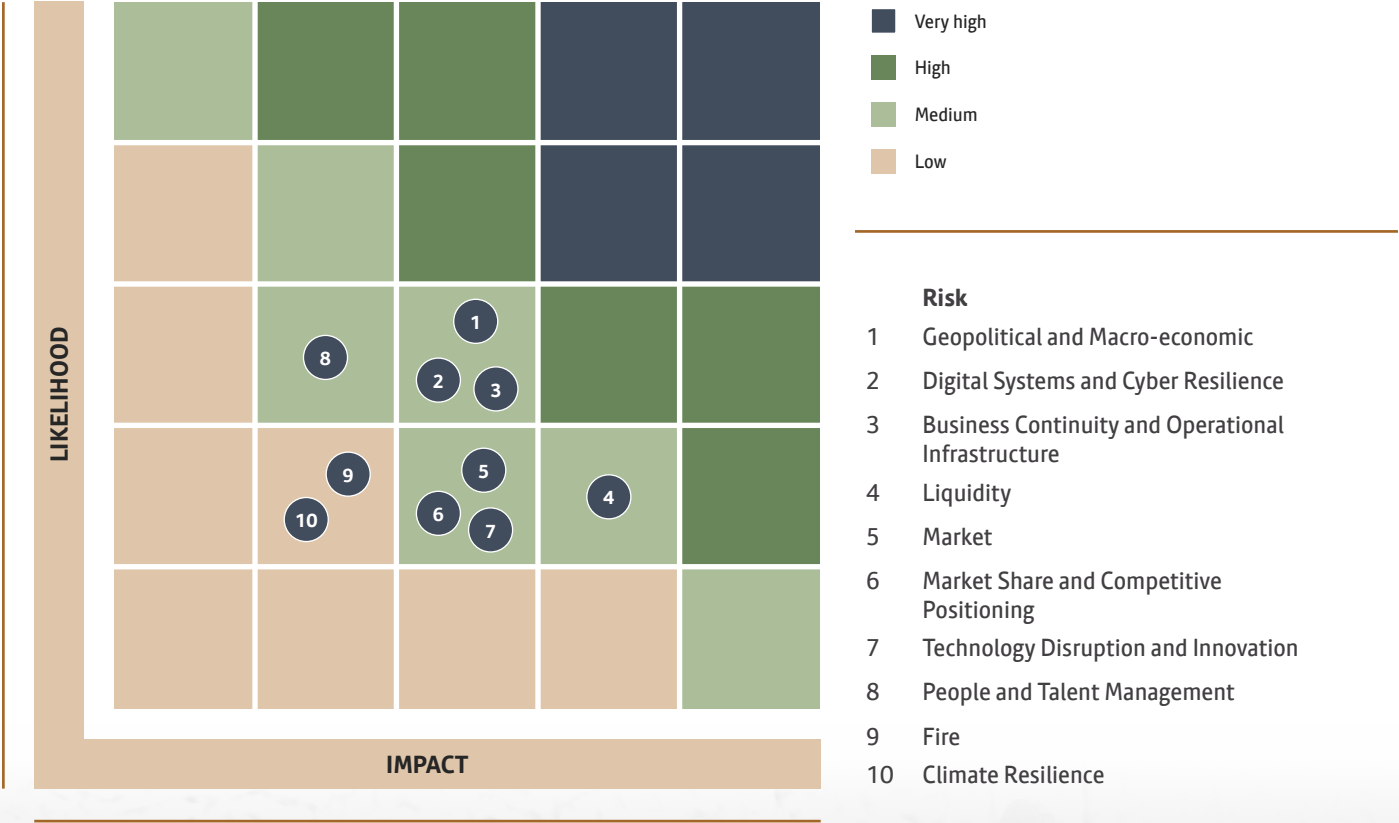
The Group's risk environment is shaped by a combination of macroeconomic volatility, climate-related pressures, digital disruption, and regulatory change, all within a globally uncertain and evolving operating context. These factors continue to influence the likelihood and potential impact of key risks.

This section outlines the Group's most material risks, identified and prioritised through the ERM process based on their potential impact, likelihood, and alignment with strategic objectives. These risks are significant as they may influence the achievement of long-term goals and stakeholder expectations. Assessments draw on both qualitative and quantitative inputs, including management judgement, operational insights and external trend analysis. While not exhaustive, the risks presented reflect the Group's current risk profile, which is reviewed to remain relevant and responsive to emerging threats and opportunities.



HIGH-PRIORITY RISK OVERVIEW

The heatmap below highlights the Group’s current high-priority risks. The residual risk rating reflects the effectiveness of existing mitigation measures, with risks subsequently ranked by overall priority.



1

Geopolitical and Macroeconomic Risk



Context

The Group faces exposure to political instability, regulatory uncertainty, and macroeconomic pressures, including inflation, exchange rate volatility and infrastructure challenges across its regions, impacting operational continuity, customer affordability, and long-term financial performance.

Significant material matters identified

- Market risks
- Availability and allocation of capital, operational efficiency and sustainable growth
- Socio-political impacts, economic challenges and geopolitical risks

How we respond

The Group mitigates these risks through active stakeholder engagement, business diversification, industry advocacy, continuous regulatory monitoring, and collaboration with local safety partners to address instability and support a stable operating environment.

Linked strategic focus areas

- Stakeholders

Capital affected



2

Digital Systems and Cyber Resilience Risk



Context

The Group faces threats to the confidentiality, integrity, availability and resilience of its digital systems due to cyberattacks, system failures and internal vulnerabilities. Increasing reliance on interconnected digital platforms heightens exposure to disruptions that could impact operations, data security, stakeholder trust, financial performance and regulatory compliance.

Significant material matters identified

- Availability and allocation of capital, operational efficiency and sustainable growth
- Technology, innovation and cybersecurity

How we respond

The Group manages digital and cybersecurity risks through ICT governance, structured IT transitions and business continuity planning. Threat protection measures, data safeguards, and cyber insurance further support system resilience and reduce potential financial and operational impacts.

Linked strategic focus areas

- Business transformation

Capital affected



3

Business Continuity and Operational Infrastructure Risk

**Context**

The Group faces potential disruption from unreliable infrastructure, supply chain constraints and operational inefficiencies, which may impact product movement, service delivery and strategic execution, while also exposing the Group to reputational and financial risks.

Significant material matters identified

- Availability and allocation of capital, operational efficiency and sustainable growth
- Third party infrastructure
- Supply chain and responsible procurement

How we respond

The Group mitigates these risks through ongoing engagement with logistics, government, and industry stakeholders, while enhancing operational flexibility and planning to manage disruptions. Investments in backup energy systems and infrastructure efficiency further support business continuity and reduce reliance on unstable external services.

Linked strategic focus areas

- Business transformation

Capital affected

4

Liquidity Risk

**Context**

The Group faces liquidity risk from cash flow constraints, funding limits, market volatility and economic pressures impacting working capital and covenants.

Significant material matters identified

- Market risks
- Availability and allocation of capital, operational efficiency and sustainable growth

How we respond

The Group manages liquidity risk through diversified funding, optimised working capital, regular stress testing, and strong financial partnerships to ensure flexibility and compliance.

Linked strategic focus areas

- Market expansion and growth

Capital affected

5

Market Risk



Context

The Group is exposed to market volatility driven by macro-economic, geopolitical and seasonal factors. Fluctuations in commodity prices, exchange and interest rates, and global supply-demand dynamics can significantly impact input costs, trading margins and competitiveness. Given its reliance on sourcing, producing and marketing commodity-based products, such as timber, grain, and fertiliser, the Group remains sensitive to volatile pricing and intense sector competition, particularly in forestry and agriculture.

Significant material matters identified

- Market risks

How we respond

The Group manages pricing and demand volatility through diversified sourcing, strategic suppliers, flexible procurement, market insights, and hedging of key commodities.

Linked strategic focus areas

- Market expansion and growth

Capital affected



6

Market Share and Competitive Positioning Risk



Context

The Group operates in highly competitive, often price-sensitive markets across the forestry and agricultural value chain, requiring ongoing differentiation and market adaptation to sustain revenue and long-term positioning.

Significant material matters identified

- Customers, competition and product quality

How we respond

The Group mitigates market share risk through diversification across markets, industries, and income streams; tailored offerings; strong customer relationships; continuous market engagement; loyalty initiatives; and a trusted brand position. Investments in IT renewal and proactive market monitoring further support responsiveness and competitiveness.

Linked strategic focus areas

- Market expansion and growth

Capital affected



7

Technology Disruption and Innovation Risk



Context

The Group recognises the importance of embracing emerging technologies in forestry and agriculture to enhance efficiency, maintain competitiveness, and support long-term sustainability.

Significant material matters identified

- Technology, innovation and cybersecurity
- Investment and growth

How we respond

The Group manages technology risks through strong ICT governance, IT capacity building, and structured system transitions. Continuous industry monitoring, active forestry research participation, and regular core system updates ensure ongoing innovation, operational resilience, and competitiveness.

Linked strategic focus areas

- Business transformation

Capital affected



8

People and Talent Management



Context

The Group's ability to attract, retain, and develop skilled employees, particularly in strategic and technical roles, is critical to long-term success. Talent gaps, turnover, and labour challenges threaten operational stability and strategic delivery, particularly in rural areas.

Significant material matters identified

- Employee engagement, skills shortage, transformation and diversity

How we respond

The Group promotes workforce stability through competitive remuneration, skills development, internal growth, and rural talent retention, supported by ethical, value-driven practices and a strong organisational culture.

Linked strategic focus areas

- People

Capital affected



9

Fire Risk



Context

The Group faces significant operational and financial risk due to the concentration of high-value assets in fire-prone areas. These include plantations, timber mills, grain silos and storage facilities. Severe fires can cause extensive asset damage, disrupt supply chains, impair long-term operations, and result in substantial revenue loss.

Significant material matters identified

- Fire
- Sustainable operations and Climate change

How we respond

The Group mitigates fire risks through advanced detection, strategic species planting, rapid response teams, and collaboration with communities and industry. Regular maintenance, risk assessments, and comprehensive insurance further protect assets and reduce financial exposure.

Linked strategic focus areas

- Business transformation

Capital affected



10

Climate Resilience Risk



Context

The Group faces growing risk from climate change and natural resource depletion, with exposure amplified by reliance on climate-sensitive sectors like timber and agriculture, potentially impacting operations, supply chains, and long-term sustainability.

Significant material matters identified

- Sustainable operations and Climate change

How we respond

The Group mitigates climate risk through geographic diversification, use of high-rainfall regions, and climate-resilient species. Insurance, carbon reduction, and low-carbon product strategies enhance resilience, support compliance, and strengthen market positioning.

Linked strategic focus areas

- Business transformation

Capital affected



REPORT BY THE FINANCIAL DIRECTOR



The Group reported a loss of R2.3 million for the year, compared to a profit of R152.8 million in the previous year. This reporting period was characterised by challenging agricultural and market conditions. The Timber division came under significant pressure due to weaker international hardwood pulp prices, rand volatility and fluctuating demand. Despite these headwinds, the Financial Services and Grain divisions delivered strong performances.

Revenue remained consistent with the prior year, reflecting a mix of lower sales volumes in the Timber division—primarily due to a stronger exchange rate and pressure on global pulp prices together with reduced volumes across the Retail and Mechanisation division. The latter was largely driven by diminished purchasing power among farmers and consumers. However, this was partially offset by market share growth in the Grain division, particularly in grain marketing, which benefited from increased exports to neighbouring countries.

Basic earnings per share (EPS) from continuing operations decreased by 79% to 212.69 cents (2024: 1 032.03 cents), reflecting the overall decline in performance during the year.

Cash flow from operations declined by 50.63%, primarily due to the Group's weaker performance, increased inventory levels driven by whole goods, and a reduction in trade and other payables. This was partially offset by lower trade and other receivables. Interest-bearing debt remained stable at R2.60 billion, reflecting an increase in long-term facilities following the implementation of a new medium-term loan, partially offset by a decrease in short-term borrowings.

The Group's performance for the year was also influenced by updates to key estimates and assumptions applied in the valuation of biological assets. These changes were introduced to ensure that valuations more accurately reflect updated operational insights, prevailing market dynamics and the Group's long-term forestry strategy.

The most significant revisions related to the rotation periods, growth rates, selling price and cost assumptions, and the discount rate used in valuation models. The rotation periods were updated to reflect changes in the species mix and harvesting strategy, following a deliberate shift away from pine towards more commercially sustainable species such as Eucalyptus and Acacia. This strategic transition supports shorter growth cycles, improved yield efficiency, and greater responsiveness to evolving market demand.

Growth rate assumptions, including the Mean Annual Increment (MAI), were refined using the most recent site and species-specific data. This approach enhances the precision of growth projections and ensures that valuations are grounded in current operational performance and localised biological conditions. Selling price and cost assumptions were also updated to align with prevailing market trends and input cost dynamics, providing a more representative view of long-term price and margin expectations. In addition, the discount rate applied in the valuation models was revised to reflect current financing structures and an updated mix of debt and equity, thereby incorporating the associated risk profile more accurately.

Together, these refinements integrate improved forecasting methodologies, enhanced operational data, and a more robust reflection of both market and financial conditions. The combined effect of these updates resulted in a net decrease in the fair value of forestry assets of R152 million for the year ended 31 August 2025. The fair value loss related to forestry assets recognised in profit or loss amounted to R71 million, after the reclassification of borrowing costs and harvest-related movements to finance cost and cost of sales respectively.

These revisions strengthen the accuracy, transparency and reliability of the Group's biological asset valuations, ensuring closer alignment between financial reporting, operational performance and long-term value creation.

Certain restatements were made to the prior year's figures, with further details provided in Note 52. The two most significant adjustments relate to the revaluation of land and buildings, and the fair value adjustment of biological assets. Management identified and corrected a prior period error concerning the revaluation of land and buildings at the Peak property in Eswatini, which had

not previously been adjusted to fair value in accordance with IAS 16. As a result, an upward adjustment of R151.3 million was made to its carrying amount. In addition, the Group with independent support and reviewed by the external auditors conducted a comprehensive review of the valuation models used to determine the fair value of its biological assets at both SFC and Peak. The reassessment identified certain areas within the valuation methodology that required refinement to more accurately reflect operational realities, market-based assumptions and applicable tax treatments. These refinements included updates to tax rate applications, incorporation of market-based notional rent, and alignment of volume assumptions with approved harvesting and operational plans, ensuring the correct current portion of biological assets in the statement of financial position.

In line with the Group's short and medium-term priority to optimise capital deployment, meaningful progress was made in divesting non-strategic assets and operations that were not delivering optimal returns. This included the pending disposal of the Northern and Southern forestry plantations, the discontinuation of operations at Constantia Kunsmis (Pty) Ltd in Wellington, and the closure of the Pine Sawmill operated by Sawco Mining Timber Company (Pty) Ltd. These decisions support the Group's long-term strategy to streamline operations and reinvest capital into ventures with stronger strategic alignment and greater future value. The discontinued operations were primarily driven by sustained unprofitability and a strategic shift to refocus on core activities that better support the Group's overall direction.

The Group conducted a comprehensive gap analysis to enhance alignment with key reporting frameworks, including the Integrated Reporting Framework, ISSB Sustainability Standards, King IV and the recently issued King V, as well as the disclosure requirements of IFRS. The Group remains fully compliant with IFRS requirements, and no material changes were made to accounting policies compared to the prior year. Nonetheless, targeted refinements have been incorporated into the current Integrated Report to improve clarity and ensure closer alignment with evolving best practices. Further enhancements will continue to be integrated as part of the Group's commitment to continuous improvement in reporting quality.

As noted in the Chairman's report, PricewaterhouseCoopers Inc. ("PwC") was appointed as the Group's new external auditor, bringing renewed focus and added value to the Group. The audit transition went well and PwC issued an unmodified audit opinion for the year.



GROUP FINANCIAL PERFORMANCE

STATEMENT OF COMPREHENSIVE INCOME

	31 Aug 2025 R'm	Restated 31 Aug 2024* R'm	%
Turnover	9 182	9 181	0%
Gross profit margin	13.61%	13.16%	0.45%
Other operating expenses	(1 104)	(1 016)	9%
Operating profit	225	581	(61%)
Finance costs	(134)	(167)	(20%)
Discontinued operations	(93)	(209)	(55%)
(Loss)/Profit for the year	(2)	153	(102%)
EBITDA	412	510	(19%)
Earnings per share ("EPS")	212.69	1 032.03	(79%)

*Refer to note 22 and 52 of the annual financial statements for details regarding restatements of comparative information.



Group revenue for the year remained broadly in line with the prior period, reflecting mixed performance across business segments. Lower sales volumes in the Retail and Mechanisation division weighed on overall revenue. Although the Timber division recorded an increase in sales volumes, profitability was negatively impacted by weaker global pulp prices and a stronger exchange rate, which reduced the rand value of international sales. Encouragingly, volume growth in the grain marketing segment helped offset declines in other areas, supported by increased export activity to neighbouring countries.

The Group's gross profit margin improved by 0.45 percentage points to 13.61%, driven by stronger margins on export grain trading and improved procurement and operational efficiencies in the Retail and Mechanisation division. Despite higher volumes in the Timber division, margins were constrained by the sharp decline in international pulp prices. Additional pressure was experienced at the Mkondo Mill and Arrowfeeds, part of the Grain division, where elevated raw material costs could not be fully passed on to customers.

Operating expenditure increased by 9% to R1.1 billion, reflecting above-inflationary cost pressures, including higher municipal charges, insurance premiums and employment costs. Nevertheless, operating expenditure remained well-managed, with operating costs as a percentage of turnover rising modestly to 12.02% (2024: 11.06%), demonstrating disciplined cost control in a challenging environment.

Operating profit declined by 61% to R225 million, primarily due to a fair value loss of R71 million on forestry assets, compared to a R106 million gain in the prior year. The absence of a once-off insurance claim of R163.7 million received in the prior year - related to stock damage and business interruption following the Richards Bay fire - further contributed to the decline.

Finance costs decreased by 20% year-on-year, largely due to a reduction in the prime interest rate and the absence of once-off borrowings of R100 million required in the prior year to support operations during the chipping mill's production halt. In the current year, finance costs related to TWK's on-lending activities were reclassified to cost of sales to better reflect the nature of these

transactions, with reclassifications of R80 million in the prior year and R75 million in the current year.

Discontinued operations during the year primarily relate to the SA Plantations, the Constantia - Wellington facilities, and the SAWCO pine mill, all of which were classified as held for sale. Group profit declined by 102%, reflecting the impact of the fair value adjustment on biological assets and persistently challenging trading conditions.

EBITDA decreased by 19% to R412 million (2024: R510 million). While improved performance in the Financial Services and Grain divisions provided some support, this was offset by significantly lower revenue in the Timber as well as Retail and Mechanisation divisions, driven by consumer financial pressure, declining global pulp prices and operational challenges in the mining sector.

Basic earnings per share (EPS) from continuing operations decreased by 79% to 212.69 cents (2024: 1,032.03 cents), reflecting the overall decline in performance for the year.

GROUP FINANCIAL PERFORMANCE

SUMMARISED STATEMENT OF FINANCIAL POSITION

The Group's balance sheet remains strong, supported by a diversified asset base. Total assets decreased by 5% from R6.5 billion to R6.2 billion, mainly due to lower trade and other receivables, biological assets, and property, plant and equipment, partially offset by higher inventory.

	31 Aug 2025 R'm	Restated 31 Aug 2024* R'm	%
ASSETS			
Property, plant and equipment	1 287	1 425	(10%)
Biological assets	1 342	1 579	(15%)
Inventories	1 338	1 214	10%
Trade receivables	1 164	1 310	(11%)
EQUITY AND LIABILITIES			
Own equity	2 045	2 100	(3%)
Borrowings - net	2 506	2 426	3%
Trade and other payables	941	1 064	(12%)
Current ratio	1.14	0.99	16%
Net asset value ("NAV")	55.36	56.93	(2%)
Net working capital	1 562	1 460	7%

*Refer to note 22 and 52 of the annual financial statements for details regarding restatements of comparative information.



During the year, the Group's property, plant, and equipment decreased by R138 million, primarily due to the classification of SA Plantations assets as held for sale and the disposal of SAWCO assets. Capital additions for the period amounted to R45.2 million, which were offset by the depreciation charge. Biological assets declined by 15% year-on-year, largely driven by the reclassification of SA Plantations (R182.3 million) and a fair value loss of R71 million on forestry assets. This was partially mitigated by the capitalisation of R42.5 million in borrowing costs.

Net working capital increased by R102 million, mainly due to a reduction in trade and other payables at year-end. Inventory rose by R124.8 million, driven by higher volumes of whole goods on hand in the Mechanisation business. Trade receivables remained well-managed, supported by adequate securities to mitigate credit risk. Despite a 0.5% decline in net interest income due to lower facility utilisation, debtor days remained stable at 49. Irrecoverable debt written off during the year totalled R46.2 million (2024: R18.6 million), primarily relating to two customers. These losses were fully covered by provisions raised in prior years, and no material increase in credit risk is anticipated.

The Group's own capital ratio improved marginally to 32.8% (2024: 32.0%), although this was tempered by weaker financial performance. A dividend of R37.1 million was paid to shareholders during the year; however, no dividend has been declared for the 2025 financial year. Net borrowings increased by R80 million, primarily due to a new Standard Bank term loan that replaced two existing facilities and unlocked R292 million in liquidity. This increase was partially offset by a R182 million reduction in overdrafts and the reclassification of R174 million of debt as held for sale.

The Group's current ratio improved to 1.14 times (2024: 0.99 times), reflecting reduced short-term borrowings and trade payables, and underscoring the Group's disciplined approach to liquidity and working capital management. The net asset value per share declined slightly by 2%, to R55.36 as at 31 August 2025 (2024: R56.93), in line with the overall financial performance for the year.

GROUP CAPITAL MANAGEMENT



The Group's capital structure is actively managed to align with its strategic objectives, with a strong emphasis on long-term value creation for shareholders.

Our capital management strategy prioritises investment in both organic and inorganic growth, while returning surplus capital to shareholders through dividends. Capital is primarily allocated to production facilities, inventory, strategic capital projects, working capital to support expansion, and mergers and acquisitions.

During the year, the Group invested R45.2 million in property, plant, and equipment, R18 million in new business acquisitions, and R7.7million in agency rights and intangible assets.

Net cash generated from operations for the year ended August 2025 amounted to R137 million, a 68% decrease from the prior year, primarily due to pressure on profitability. These funds were mainly used to finance capital investments of R71 million and dividend payments totaling R37.1 million (2024: R38.88 million).

The Group unlocked additional cash of R342 million, primarily through the new financing agreement with Standard Bank and an additional advance of R49.9 million on the ABSA Bank loan facility. This was supported by improved collections from debtors. However, cash used in financing activities increased due to repayments on external borrowings.

The Group's net debt to equity ratio is 1.23 (2024: 1.15) and net debt to EBITDA was 6.14 (2024: 4.76).

The Group continuously monitors its gearing levels and covenant compliance to ensure an optimal capital structure. Compliance is regularly reported to the Audit and Risk Committee and the Board of Directors.

Due to challenging trading conditions, the Group was unable to meet certain financial covenants during the year. Specifically, the interest cover ratio for the period ended 31 August 2025 was not met. All lenders were notified, and the breach was condoned with formal approval obtained before year-end. Consequently, lenders will not exercise any rights under the facility related to this breach.

Despite these challenges, the Group consistently met its financial obligations throughout the year, ensuring timely repayments on all facilities.

SEGMENTAL RESULTS



Timber	2025 R'm	Restated 2024 R'm*
Turnover	2 530	2 928
Gross profit margin	17%	19%
EBITDA	156	350
Profit before tax	(44)	344

*Refer to note 22 and 52 of the annual financial statements for details regarding restatements of comparative information.

TIMBER

The Timber division reported revenue of R2.53 billion, a 14% decline from R2.92 billion in August 2024. EBITDA fell by 55% to R156 million (2024: R350 million), with the EBITDA margin contracting from 11.9% to 6.2%.

The revenue decline was primarily driven by pressure on international pulp prices, which led to an oversupply of small mining timber and downward pressure on pricing. Despite this, total sales volumes increased, largely due to the lifting of trading restrictions following the NCT chip mill fire in 2024. However, woodchip exports dropped by 20.44% to 529,985 tonnes, reflecting a weakened export market. The absence of international woodchip exports remains the most significant financial constraint, negatively affecting both TWK and its growers.

The gross profit margin decreased by 2% from the prior year, reflecting the impact of constrained global pulp prices. However, this was offset by stronger performance in manufactured timber products, particularly in transmission, building, and fencing poles. Profit before tax was adversely affected by underperformance at the Richards Bay chipping mill, lower plantation sales due to market pressures, and a fair value loss of R71 million on forestry assets processed during the year.

SEGMENTAL RESULTS

Retail and Mechanisation	2025 R'm	Restated 2024 R'm*
Turnover	2 575	2 730
Gross profit margin	17%	14%
EBITDA	66	75
Profit before tax	24	11

*Refer to note 22 and 52 of the annual financial statements for details regarding restatements of comparative information.

RETAIL AND MECHANISATION

The Retail and Mechanisation division reported revenue of R2.57 billion, a 6% decline from R2.73 billion in August 2024. EBITDA decreased by 12% to R66 million (2024: R75 million), with the EBITDA margin decreased to 2.5% (2024: 2.7%).

The revenue decline was driven by lower sales volumes across the retail, mechanisation and Constantia fertiliser operations.

Fertiliser sales were particularly affected by ongoing volatility in international markets, which have trended downward since September 2024. The temporary closure of the Secunda blending facility in November 2024 for essential health and safety upgrades, along with persistent drought conditions in parts of the Highveld, Free State and Mpumalanga regions, further impacted demand. These factors led some clients to reduce planted acreage or switch to alternative crops as weather conditions improved in December 2024. Retail sales also fell short due to reduced purchasing power among farmers and a loss of market share.

Gross profit margins improved by 3%, largely due to enhanced procurement practices.

Financial Services	2025 R'm	Restated 2024 R'm*
Turnover	277	284
Gross profit margin	73%	72%
EBITDA	63	53
Profit before tax	56	53

*Refer to note 22 and 52 of the annual financial statements for details regarding restatements of comparative information.

FINANCIAL SERVICES

Revenue decreased by 2% from R284 million to R277 million, with EBITDA up 19% to R63 million. The EBITDA margin improved from 18.5% to 22.7%.

Revenue in the Financial Services division comprises interest earned on the financing book and commission income from the insurance business. Commission income grew by 14%, supported by the acquisition of Supremesure Brokers' short-term book and a 3% increase in crop insurance commissions. This growth was partially offset by a decline in commission earned from EUM, due to a policy cancellation and premium defaults by a major client.

Net interest income declined by 7.6% year-on-year, primarily due to a reduction in the production book and lower balances in bridging facilities, which had previously generated higher-yielding interest income.

Despite these headwinds, profit before tax increased by 5%, driven by higher commission income, effective cost management and strong credit risk oversight.

SEGMENTAL RESULTS

Grain	2025 R'm	Restated 2024 R'm*
Turnover	3 700	3 303
Gross profit margin	4%	4%
EBITDA	80	66
Profit before tax	41	38

*Refer to note 22 and 52 of the annual financial statements for details regarding restatements of comparative information.

GRAIN

The Grain division reported revenue of R3.7 billion, up 12% from R3.3 billion in August 2024. EBITDA increased by 22% to R80 million (2024: R66 million), with the EBITDA margin improving from 1.9% to 2.2%.

Revenue growth during the year was primarily driven by favourable grain export volumes and increased storage income, supported by high opening stock levels and fully utilised silos at the start of the financial year. However, this positive momentum was partially offset by subdued sales at the Mkondo Mill and Arrowfeeds, largely due to constrained consumer purchasing power. Gross profit margins remained stable year-on-year, reflecting a combination of improved margins in grain marketing and margin pressure at the mills, where high raw material costs could not be passed on to consumers.

Profit before tax was bolstered by strong performance in grain marketing and grain storage, although this was partially offset by losses at Mkondo Mill, primarily driven by underperformance in the maize meal operations.

LOOKING AHEAD



During the financial year, the Group undertook a comprehensive finance transformation initiative, culminating in the successful implementation of a new organisational structure effective 1 September 2025. This transformation is anchored in four strategic pillars - data, people, processes, and systems - designed to create a more agile, forward-looking, and value-driven finance function.

All senior leadership positions within the Finance division have been filled, ensuring robust governance and continuity. Key specialised functions, including Risk Management, Treasury, and Business Excellence, have been embedded to strengthen strategic alignment and financial stewardship across the Group. Together with ongoing investments in Information Technology, these initiatives will remain a priority in the year ahead, with particular emphasis on enhancing data integrity, streamlining processes, and optimising systems.

Despite the persistent challenges in our trading environment, the Group is well-positioned to optimise and grow its operations. We are guided by a clear strategic direction, focused on expanding market share both locally and internationally, reducing costs, unlocking efficiencies, discontinuing underperforming activities, and improving working capital management.

APPRECIATION

In closing, I would like to extend my heartfelt thanks to every staff member, the Executive Committee, stakeholder, financiers and the Board of Directors. It is through your collective teamwork, support, leadership, and strategic vision that the Group was able to navigate what has been a very challenging year.

Ultimately, all that we have achieved is only possible through the Grace we receive from Above, and we remain profoundly grateful for it.

A Geel
Group Financial Director

FIVE YEAR OVERVIEW

Operating results (R'000)	31 Aug 2021 - Actual	31 Aug 2022 - Actual	31 Aug 2023 - Restated*	31 Aug 2024 - Restated*	31 Aug 2025 - Actual
Turnover	8 452 786	9 231 265	7 960 534	9 181 084	9 181 919
Gross profit	1 276 148	1 550 292	1 547 819	1 207 781	1 249 266
Operational expenditure	959 896	1 073 600	1 146 287	1 015 706	1 103 718
Operational profit	501 334	598 785	280 108	580 995	225 160
Depreciation	(62 869)	(56 474)	(62 475)	(70 329)	(69 152)
Finance costs	(102 588)	(102 766)	(176 960)	(167 310)	(133 886)
Profit before tax*	386 343	499 914	116 677	443 866	107 249
Net profit/(loss)	256 023	361 985	(86 810)	152 828	(2 331)

Financial position (R'000)	31 Aug 2021 - Actual	31 Aug 2022 - Actual	31 Aug 2023 - Restated*	31 Aug 2024 - Restated*	31 Aug 2025 - Actual
Total assets	5 441 558	6 243 582	6 648 537	6 591 251	6 245 808
Equity	1 722 578	1 979 927	1 998 336	2 106 985	2 050 330
Non-current assets	2 678 347	2 774 823	3 077 884	3 230 412	2 829 299
Biological assets	1 296 668	1 452 578	1 422 353	1 578 556	1 342 375
Current assets	2 612 265	3 133 170	3 085 334	3 034 037	2 969 010
Total liabilities	3 718 980	4 034 433	4 650 200	4 484 266	4 195 478
Net Interest bearing debt	2 108 279	2 383 046	2 540 445	2 636 451	2 598 090
Current liabilities	2 305 619	2 880 999	3 040 323	3 077 789	2 607 490

Profitability ratios	31 Aug 2021 - Actual	31 Aug 2022 - Actual	31 Aug 2023 - Restated*	31 Aug 2024 - Restated*	31 Aug 2025 - Actual
EBITDA (R'000)	527 934	668 749	594 765	510 137	412 500
EBITDA margin	6.2%	7.2%	7.5%	5.6%	4.5%
Gross profit margin	15.1%	16.8%	19.4%	13.2%	13.6%
Interest cover (Times)	3.69	3.67	2.11	1.80	1.78
Net profit margin	3.0%	3.9%	(1.1%)	1.7%	0%
Return on total assets	8.6%	9.6%	8.0%	4.4%	3.9%

Balance sheet ratios	31 Aug 2021 - Actual	31 Aug 2022 - Actual	31 Aug 2023 - Restated*	31 Aug 2024 - Restated*	31 Aug 2025 - Actual
Return (EBIT) on total assets	9.8%	9.6%	8.0%	4.4%	3.9%
RONA	46.36	25.3%	(5.9%)	11.0%	(0.1%)
ROE (opening equity)	15.1%	21.4%	(4.4%)	7.6%	(0.1%)
Net asset value per share	46.36	52.55	53.41	56.93	55.36
Own capital ratio	32%	31.7%	30.1%	32.0%	32.8%
Solvency ratio	1.46	1.46	1.43	1.48	1.49
Working capital ratio	1.13	1.09	1.02	0.99	1.14

Market indicators	31 Aug 2021 - Actual	31 Aug 2022 - Actual	31 Aug 2023 - Restated*	31 Aug 2024 - Restated*	31 Aug 2025 - Actual
Dividend per share (cents)	114	150	115	75	-
Earnings per share (cents)	1 343.6	1 682.3	583.7	1 032.0	212.7

*Refer to note 22 and 52 of the annual financial statements for details regarding restatements of comparative information.

SOCIAL AND ETHICS COMMITTEE CHAIRMAN’S STATEMENT

OBJECTIVES AND RESPONSIBILITIES OF THE SOCIAL AND ETHICS COMMITTEE

The Social and Ethics Committee (the Committee) fulfils its statutory duties as outlined in Regulation 43 of the Companies Act and also undertakes additional non-statutory responsibilities in line with the recommended practices of the King IV™ Report on Corporate Governance.

The Committee consists of at least three members who are directors or prescribed officers of the Company, and at least one member who is not involved in the day-to-day management of the Group. During the period under review, the Committee consisted of six non-executive directors, namely KP Paul, TI Ferreira, HW Küsel, JCN Wartington, HG Hiester mann and BN Moyo. The managing director and other members of Executive Management also attend meetings. The chairman of the Committee attends the annual general meeting and reports to the shareholders about the Committee’s activities. The Committee meets at least twice a year. Further meetings may be requested if deemed necessary.

SOCIAL AND ETHICS COMMITTEE MEETING ATTENDANCE

Member	2025	2024
HW Küsel	Y	Y
KP Paul	Y	Y
TI Ferreira	Y	Y
JCN Wartington	Y	Y
HG Hiester mann	Y	Y
BN Moyo	Y	Y

MANDATE AND SCOPE

In accordance with its mandate, the Committee monitors the Group’s activities with respect to relevant legislation, legal requirements, and prevailing codes of best practice, specifically in the following areas:

Social and Economic Development,
including the Group’s commitments to:

- The ten principles of the United Nations Global Compact;
- The OECD recommendations on combating corruption;
- The Employment Equity Act;
- The Broad-Based Black Economic Empowerment (B-BBEE) Act.

Good Corporate Citizenship,
encompassing:

- Promotion of equality and prevention of unfair discrimination;
- Anti-corruption initiatives;
- Community development in operational areas;
- Oversight of sponsorships, donations and charitable contributions.

Environment, Health, and Public Safety,
focusing on:

- The environmental impact of business activities, products and services;
- Compliance with health and safety regulations;
- Promotion of a safe and healthy workplace.

Consumer Relationships, including:

- Ethical advertising and public relations;
- Compliance with consumer protection legislation.

B-BBEE Status:

- TWK Agriculture Holdings Proprietary Limited and its main operating entity, TWK Agri Proprietary Limited, currently hold a Level 5 B-BBEE rating.
- The preferential procurement component remains a challenge due to the nature of TWK’s operations, which involve substantial purchases from large, generic suppliers not majority black-owned.



GOOD CORPORATE CITIZENSHIP AND LABOUR RELATIONS



TWK Group, its subsidiaries, and employees are committed to upholding the highest standards of corporate governance. This commitment includes:

- Respect for human rights and fair labour practices;
- Environmental stewardship;
- Anti-corruption measures through robust internal controls, independent audits, and transparent reporting;
- Socio-economic upliftment through sponsorships and donations, all of which are recorded and reported to the Committee.



TWK strives to be an employer of choice by fostering healthy labour relations. Initiatives include:

- Bursaries for matriculants;
- Support for employees pursuing formal qualifications;
- Ongoing training across administrative and operational levels;
- Fair treatment and competitive remuneration;
- A safe, inclusive, and discrimination-free workplace.

ENVIRONMENT, HEALTH AND PUBLIC SAFETY

TWK is dedicated to environmental conservation and responsible resource management. The Group:

- Implements sound environmental practices across all operations;
- Avoids partnerships with entities that do not adhere to environmentally responsible practices;
- Prioritises workplace health and safety through compliance with the Occupational Health and Safety Act;
- Maintains health and safety committees and conducts regular internal audits;
- Provides continuous training for emergency personnel, machine operators, and other key staff;
- Ensures ongoing medical monitoring where applicable.

ORGANISATIONAL ETHICS

TWK operates under a formal Code of Ethics, signed by all Board members and employees and available on the Company's website. The Group is committed to:

- Ethical principles of equity, accountability, transparency and social responsibility;
- Promoting ethics awareness and dialogue across all occupational levels;
- Embedding ethical standards throughout the organisation.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

The Committee affirms that TWK adheres to high sustainability standards and international best practices. A recent assessment of the environmental impact of TWK's business activities revealed that while certain operations do have environmental implications, these are effectively mitigated through comprehensive environmental, quality, health and safety management systems.

On behalf of the Social and Ethics Committee,

HW Küsel

Chairman of the Social and Ethics Committee



OUR STRATEGIC APPROACH TO SUSTAINABILITY

TWK recognises the growing importance of sustainability considerations as central to the long-term resilience and success of its operations.

While the Group is continuing to develop and formalise its sustainability approach, responsible environmental stewardship and social responsibility have been embedded in core practices and governance processes over time.

Sustainability matters are overseen through the Social and Ethics Committee, which provides ongoing governance and monitoring of social, ethical and environmental risks and opportunities. This oversight ensures compliance with relevant laws and supports alignment with good corporate citizenship principles.

The Group's operational decisions and risk management frameworks increasingly incorporate environmental and social factors, such as climate variability, resource constraints, labour practices and community engagement, recognising their critical influence on business continuity and value creation. We remain committed to enhancing transparency and accountability in our sustainability performance and to progressively strengthen our approach in line with evolving stakeholder expectations and global sustainability frameworks.

Through this ongoing journey, TWK aims to balance operational efficiency with responsible management of natural resources and social impact, ensuring sustainable outcomes for the business, its employees and the communities it serves.

OUR MATERIAL SUSTAINABILITY MATTERS



Building on the comprehensive materiality assessment presented in the material matters and risks section, TWK has identified several sustainability matters that directly influence TWK's operations, risk profile and stakeholder relationships. These matters provide the framework for TWK's targeted sustainability initiatives and performance management. Governance-related material matters are addressed separately within the governance section of this report.

ENVIRONMENTAL IMPACT



Sustainable environmental stewardship underpins our ability to generate long-term value and secure operational continuity across our diverse business segments. Operating in sectors that rely heavily on natural ecosystems, the Group remains exposed to climate variability, resource constraints and environmental degradation. In response to increasing regulatory requirements and stakeholder expectations for transparency, we continue to embed environmental sustainability considerations into our core operational practices.

COMMITMENT TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

As part of our ongoing environmental stewardship, the Group has committed to achieving the United Nations Sustainable Development Goals (SDGs). These goals help focus the Group's efforts on priority areas where we can make meaningful contributions:

6 CLEAN WATER AND SANITATION



SDG 6

Clean water and sanitation

TWK implements strategies to optimise water use and reduce consumption wherever possible.

11 SUSTAINABLE CITIES AND COMMUNITIES



SDG 11

Sustainable cities and communities

Promoting sustainable land management practices, aiming to contribute positively to community and environmental well-being.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



SDG 12

Responsible consumption and production

TWK promotes responsible sourcing and production processes to ensure sustainability across its supply chain.

13 CLIMATE ACTION



SDG 13

Climate action

Efforts are focused on reducing greenhouse gas (GHG) emissions and exploring ways to improve climate resilience.

15 LIFE ON LAND



SDG 15

Life on land

TWK is committed to conserving biodiversity through sustainable land-use practices.

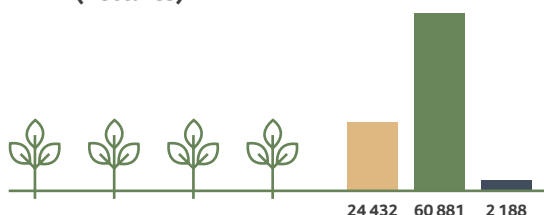
FIRE

61 Fires



1.3

In biodiversity conservation, we manage 24 432 hectares of land specifically designated for conservation - representing 38,3% of our total landholding. This includes high conservation value (HCV) areas, where we focus on preserving biodiversity and protecting indigenous species. Our commitment to biodiversity conservation involves ongoing monitoring and partnerships to support the Group's biodiversity conservation commitments.



63 804

CLIMATE CHANGE

Climate change presents two primarily material risks for our operations: physical risks arising from changing weather patterns and extreme events, and transition risks linked towards the global shift to a low-carbon economy. Both dimensions require dedicated focus to safeguard operational resilience and business continuity.



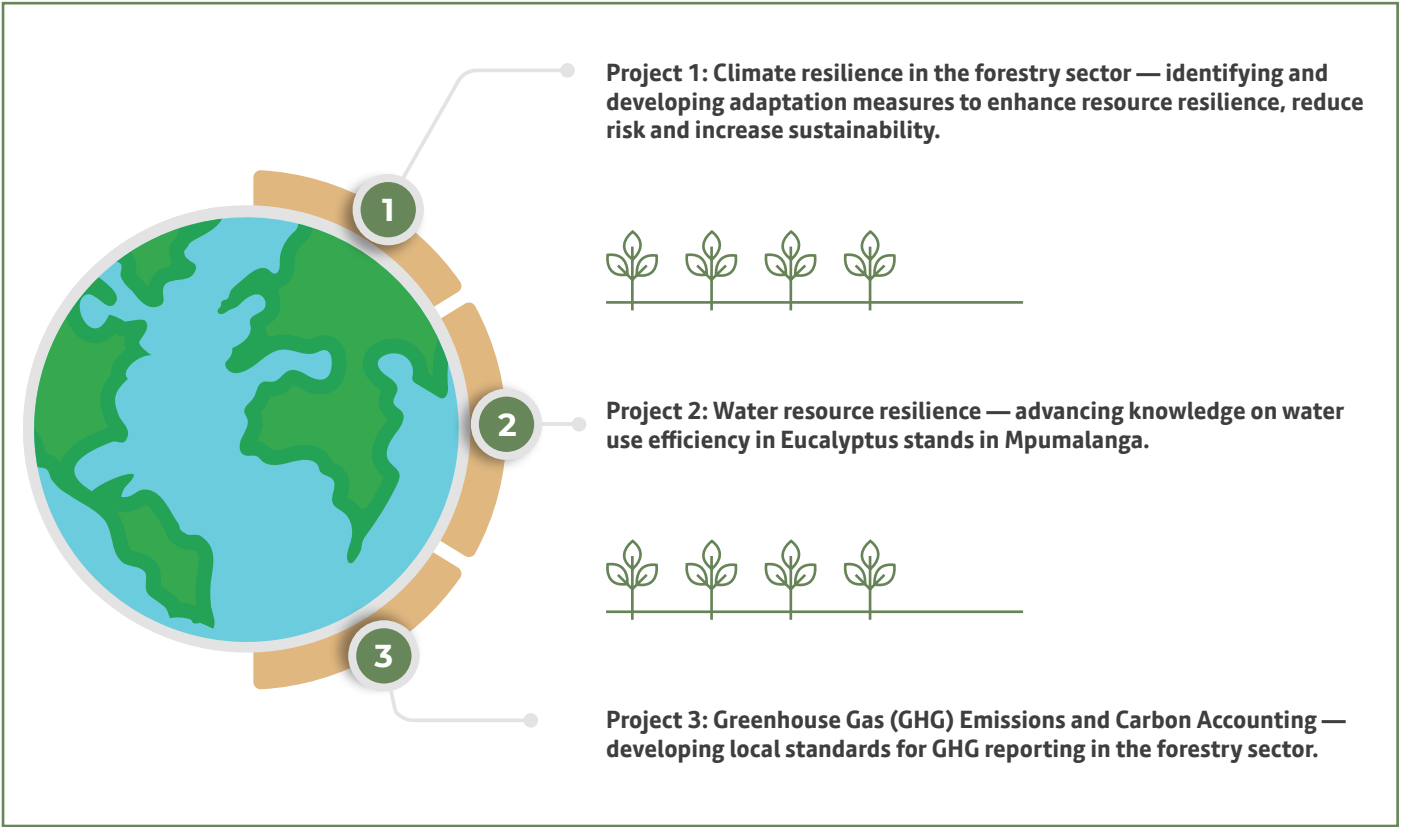
PHYSICAL RISKS (WEATHER AND CLIMATE)

TWK’s forestry and agricultural operations are vulnerable to severe weather events including droughts, floods, hail and windstorms, heatwaves and fires. These physical risks disrupt production cycles, affect our biological assets and impose financial implications. Additionally, climate impacts may strain the supply chain, increase operational and input costs, and challenge the sustainability of rural economies and food systems. The cumulative effect of these factors poses a growing risk to business continuity, resource security and strategic planning across the Group.

TRANSITION RISKS

The global transition to a low-carbon economy introduces regulatory, technological and market changes with potential impacts on TWK’s business model. Staying ahead of these shifts is essential for strategic positioning and risk mitigation.

We also participate in research projects focused on climate resilience and greenhouse gas emissions reduction to develop mitigation and adaptation strategies which are tailored to our operational needs.



● Total emissions (tonnes of carbon)



CARBON STOCK (TONNES)

6 718 348

SOCIAL IMPACT



We understand that our ongoing strength and relevance is closely tied to how we engage with people – from our customers and employees to the communities we serve. The Group operates in complex social and market environments that require attentiveness to evolving expectations around customer experience, workforce development, ethical practices and community well-being. This section outlines our approach to managing social factors that are vital to maintaining trust, fostering collaboration and supporting resilient, inclusive growth.

CUSTOMERS, COMPETITION AND PRODUCT QUALITY

TWK operates in highly competitive, price-sensitive markets, where evolving customer preferences, technological shifts and market share challenges require constant responsiveness. Decreasing disposable income, market saturation, and changes in global supply chains influence customer demands, especially for consumer products across the agriculture and forestry value chain. TWK must also address the changing profile of customers, including younger tech-savvy farmers who demand seamless digital engagement and modern service delivery.

Customer loyalty, product differentiation and innovation and quality assurance are central to ensuring that we manage and maintain our competitive edge. We are committed to enhancing our customer relationships and feedback strategy, identifying opportunities in new markets, and producing high-barrier products to defend market share and remain relevant in an increasingly demanding and environmentally aware consumer landscape.

ENHANCING CUSTOMER ENGAGEMENT THROUGH THE TWK CUSTOMER PORTAL

TWK's implementation of its Customer Portal application has transformed customer engagement by providing a customer portal with real-time insights and interactive functionality. The tool empowers customers with greater visibility and control over their accounts and business conducted with TWK.

The recommendation and feedback functionality of the portal has given us insight into areas of improvement identified by our customers. This feedback enables us to develop and implement customer-focused enhancements to our product and service delivery and support sustainable growth through customer insight.



NEW

TWK AGRI

CUSTOMER PORTAL

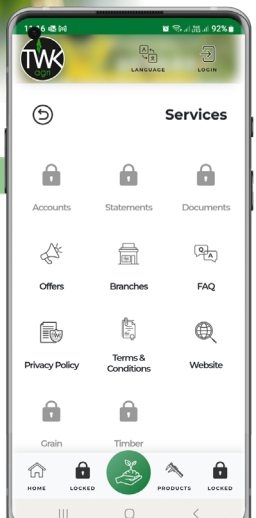
Get real-time access to your Month Account, Production Facility, Grain Deliveries and Timber Contracts.

What's on TWKs Customer Portal?

- View transactions
- View statements
- Offers and promotions
- View your stored grain and commodities
- View timber contracts and tickets

Scan the QR Code and register your TWK Account

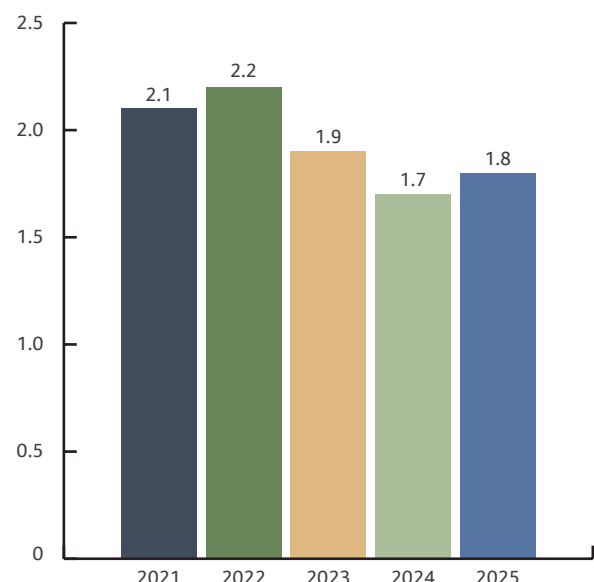




Any queries?
T: (017) 824 1011
E: egravel@twkagri.com

CUSTOMER SURVEYS - FEEDBACK

- | | |
|---|--|
| ● 1 - Excellent | ● 4 - Satisfactory |
| ● 2 - Very Good | ● 5 - Bad |
| ● 3 - Good | ● 6 - Very Bad |



SUPPLY CHAIN AND RESPONSIBLE PROCUREMENT

Our operations across the agriculture and forestry industries are exposed to increasing risks of disruption due to supply chain constraints and infrastructure mismanagement or failures. Operational dependencies on third-party systems and services regarding energy supply, trade and delivery logistics and infrastructure impact the Group's capacity to enhance economies of scale, ultimately affecting efficiency, growth and value creation. Mitigating negative environmental, social and ethics impacts of our supply chain is crucial for sustainable growth of our operations and creation of shared value with our stakeholders. To ensure we meet customer expectations, deliver our products and services and continue business operations, the TWK Group is committed to identifying and implementing practices that enhance our operational resilience and agility.

An example starts from our procurement of certified timber to our support for local timber growers and suppliers in obtaining their own certification. In this, we support sustainably-produced timber while also building industry and community capacity and resilience. But sustainable procurement extends beyond certification. It involves promoting best practices, reducing waste, and ensuring that all stakeholders in our supply chains adhere to principles of environmental and social responsibility. To this end, TWK's procurement strategy is guided by the following principles:

Responsible sourcing:

Ensuring that all timber and other raw materials are sourced from suppliers who comply with legal and sustainability standards.

Supplier engagement:

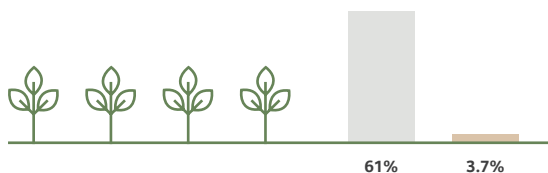
Working closely with suppliers to promote sustainable practices, improve product quality, and encourage continuous improvement.

Traceability and transparency:

Implementing systems to track and document the origin of procured materials, ensuring transparency and accountability through the supply chain.

We have set out a procurement management plan which is applicable to all our TWK forest plantations. The plan also highlights responsible sourcing practices with reference to applicable supplier due diligence requirements (i.e. proof of land ownership and origin of timber; and required export and import licenses, permits, certificates and documentation).

- Percentage of procured timber which is dual certified (FSC and PEFC)
- Percentage of procured timber which is FSC only certified



We aim to increase the proportion of procured timber which is certified to 65% by 2029 where we support timber growers in obtaining certification and promoting responsible forestry management practices.

TOTAL AMOUNT OF PROCURED TIMBER

1 530 404 TONNES



EMPLOYEE ENGAGEMENT, SKILLS SHORTAGE, TRANSFORMATION AND DIVERSITY

EMPLOYEE INVESTMENT

Attracting and retaining a diverse group of skilled employees is a key aspect of our strategy to ensure effective product and service delivery. We aim to maintain a competitive advantage in a constrained labour market by recruiting and training employees with scarce and in-demand skills, and, where possible, upskilling our employees coming from and working in rural locations. Investing in our employees' learning and development is crucial for addressing challenges and risks such as skills shortages, lack of technical knowledge, and succession plans for senior technical and management roles.

We are proud to outline the various initiatives we have implemented to support our employees' professional development and continuous learning.

Our employees are vital to the Group's continued growth and long-term success. Engagement with our employees focuses on enhancing transparency, trust, communication and collaboration to effectively address their needs and concerns. More broadly, our Employee Relations Department is dedicated to promoting open communication, resolving conflicts, and ensuring that employee concerns are heard and addressed.

Our 'The TWK Way' Initiative, which specifically focuses on employee engagement and empowerment, focused on reviewing our disciplinary code, and line managers received training on how to handle difficult conversations, listen to employee needs, and consult with employees before taking any disciplinary action. This year's feedback from our Employee Relations Survey allowed the Group to identify various areas of growth and improvement, which include improving physical, mental, and financial wellness.

Beyond the introduction of The TWK Way, we remain committed to continuously investing in our employees. Each year, we support more than 150 employees in their educational pursuits and career advancement at TWK.

Training and development initiatives	Employees supported in 2025	Employees supported in 2024
Study assistance	38	56
Bursaries	9	7
SAICA	8	9
MBA	4	4
Online training users	901	963
Apprentices	12	22
Learnerships	74	74
TOTAL SKILLS DEVELOPMENT SPEND (R)	2 887 097	3 168 619

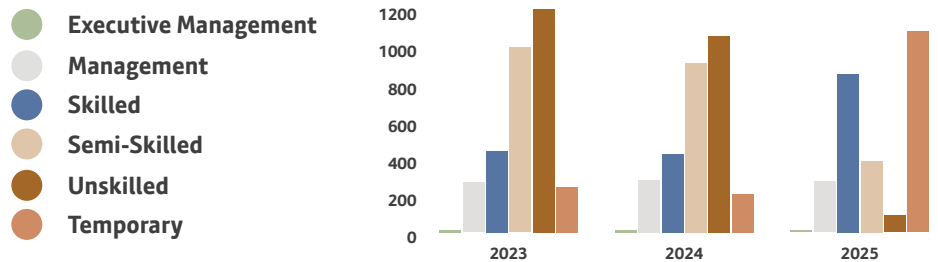


DIVERSITY, INCLUSION AND TRANSFORMATION

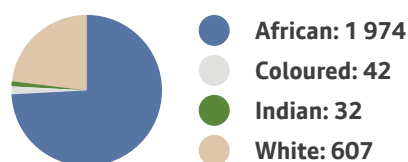
The Group recognises the importance of employee equity, development and inclusion as components for the effective execution of our strategic focus of transforming TWK and retaining talented individuals across our operations. Our HR and recruitment policies outline necessary considerations for our Employment Equity Plans and the workforce demographics as per Economically Active Population statistics, ensuring we develop and implement equitable recruitment processes and hire employees with diverse skills and backgrounds.

TWK remains committed to creating a diverse and inclusive workplace that truly reflects the communities we serve. We continue to strengthen representation across all levels, and this year we are especially proud of our achievements towards a balanced gender ratio. By fostering an environment where everyone feels valued and supported, we ensure that diversity and inclusion are at the heart of our organisational culture.

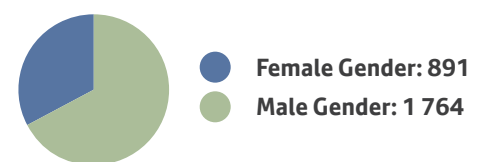
Workforce Per Occupational Level 2025



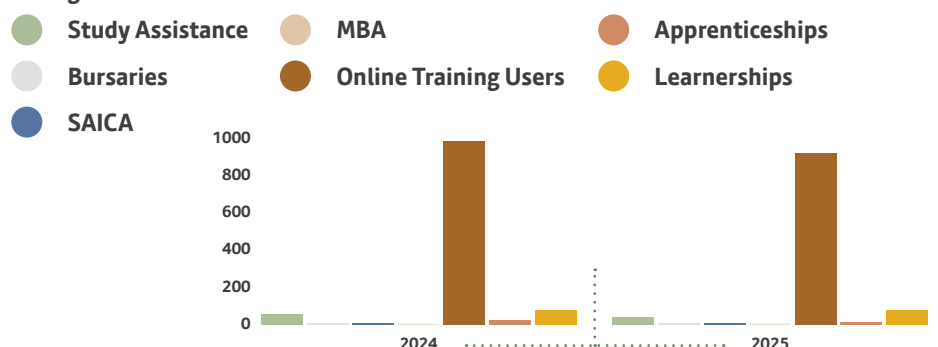
Total Workforce by Race 2025



Workforce Per Gender 2025



Training 2025



KEY HIGHLIGHTS

Increased female representation:

We saw a 5% increase in the number of female employees in the Grain division.

Female promotions:

Women made up 32.5% of all the promotions throughout the year.

Overall workforce demographics:

In 2025, female employees made up 33.5% of our total workforce, a slight decrease of 0.5% from the previous year.

CYBER SECURITY

As the Group's operations and business units digitize more of our customer-facing platforms and internal information technology and data systems, the potential for cyber threats ranging from data breaches to manipulation of sensitive operational data increases. The frequency and sophistication of such attacks are intensifying, exposing the Group to vulnerabilities that could compromise the confidentiality, integrity and availability of critical systems and data. This includes the risk of information leakage, loss of proprietary expertise and reputational damage. Customer expectations for seamless digital access to transactions and data further amplify this risk, as system exposure increases with digital service expansion.

Ensuring robust cybersecurity is therefore not only a technical priority but a strategic imperative. It is critical to implement proactive risk detection and response systems and to partner with experienced cybersecurity providers.

TWK is committed to optimising business processes and meeting the privacy and security needs and expectations of our stakeholders. TWK has comprehensive IT and data policies in place, overseen by our IT Steering Committee and implemented by our IT division, which guides the necessary operational practices to keep our information and our stakeholders' information secure.



HEALTH AND SAFETY

The physical and mental wellness of our employees is key for ensuring sustainable performance across our operations. Unsafe and unhygienic working conditions not only lead to workplace injuries, illnesses, trauma, or fatalities but can also lead to legal claims against the Group, reputational damage, lack of compliance with applicable health and safety legislation and standards, financial impacts and hinderances to optimal performance.

We are committed to maintain a strong safety culture through proactive and continued safety and wellness initiatives, training and awareness, incident reporting, effective risk management and enhanced safe work procedures and practices.



HEALTH AND WELLNESS INITIATIVES

In addition to safety training, we have implemented health and wellness programmes aimed at supporting our employees' physical and mental well-being. Introduced in 2024, the Momentum Employee Assistance Programme continues to provide employees with access to digital financial education packages, lifestyle coaching, and wellness content in multiple languages.



Dare to Care Blanket Drive



Sunshine Seedling Services Team



TWK Finance Team

SAFETY TRAINING, AWARENESS AND ENGAGEMENT PROGRAMMES

During the past financial year, 85% of employees participated in health and safety training sessions, contributing to increased awareness and continued implementation of operating practices aligned with health and safety regulations and standards. We encourage all employees to actively participate in safety programmes and initiatives, fostering a shared responsibility for maintaining a safe working environment.



Health and Safety Training



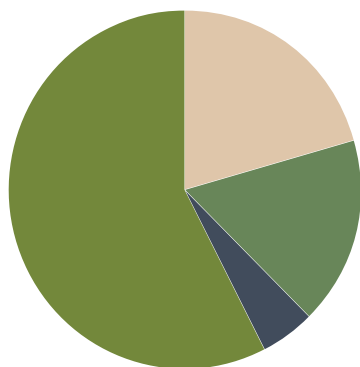
Health and Safety Training

SOCIAL/COMMUNITY MATTERS AND HUMAN RIGHTS

Achieving our strategic objective of sustainable growth is driven in part by our meaningful interactions with and contributions to the development of our communities. TWK's community engagement and socio-economic development (SED) initiatives are vital for creating shared value through local projects, opportunities for local sourcing and the development of the communities our employees reside in.

Throughout the year we have engaged in educational partnerships, volunteerism and community upliftment initiatives - strengthening our positive impact across our neighbouring rural communities in Gauteng, KwaZulu-Natal, and other regions.

KEY ACTIVITIES SED ALLOCATION



- **Community development: R404 821**
- **Education: R333 665**
- **Farming community: R94 996**
- **Youth and community sports: R1 125 605**



HUMAN RIGHTS

Upholding human rights is a responsibility we take seriously, and we embed these principles into our practices through The TWK Way. Engaging with our stakeholders - that includes our employees, customers, communities, and investors - drives our commitment to transparency and accountability, shapes our decisions, and provides an invaluable guide for our future direction. Despite the challenges within our industry, we remain steadfast in our commitment to making a positive impact and building a more sustainable environment for the generations to come.

The Group's commitment to good corporate citizenship is built on recognition and respect for the human rights of the communities we operate in and serve, and of our employees who expect and require fair and inclusive working environments. Our Ethical Code provides the broader framework outlining the principles and practices we follow to ensure transparent, responsible and ethical interactions with our employees and our neighbouring communities.

FAIR WORKING RELATIONS

Guided by the principles of the International Labour Organisation (ILO), we ensure that fair labour practices, transparent grievance handling, and respect for diversity are embedded in our culture. Our grievance-handling policy is designed to ensure that employees can raise concerns safely and confidently. We conduct regular training on grievance handling and conflict resolution to maintain fairness and accountability in all our interactions.

Our commitment to respecting our employees' human rights is reflected through formal collective agreements with five key trade unions - AMCU, CEPWAWU, LIWASA, NUMSA, and SALU. These agreements allow the Group to navigate sensitive labour relations dynamics such as union negotiations, wage demands and discussions on working conditions. Ultimately, respect for our employee's human rights and avenues for productive communication influence stable working relations and business continuity.

ETHICAL AND EFFECTIVE LEADERSHIP

CLOSED PERIOD FOR TRADING OF SHARES

The Group enforces a closed period for share trading before interim and annual financial results are published. This period prevents trading when related individuals may have access to price-sensitive information through the Share Trading Policy. During this closed period, no director, staff member, or associated persons or entities can engage in any transactions involving TWK shares as defined in the Share Trading Policy.

COMPLIANCE WITH LEGISLATION

The Board is responsible for complying with legislation. Relevant laws and the regulatory framework are consistently monitored and integrated into the risk management model. Continuous awareness campaigns and training sessions are conducted throughout the Group.

TWK, its subsidiaries, and its staff are committed to acting with the highest standards of governance, ethics and integrity in all duties and personal conduct. We believe that good governance within the Group is essential to promoting our values through transparency, effective risk and performance management, ethical leadership and accountability. The Board is ultimately responsible for ensuring effective, responsible, ethical leadership, and is firmly committed to upholding robust standards of corporate governance applied to all operations.

The Board is firmly committed to responsible corporate citizenship and the implementation of effective corporate governance. The Group's unwavering dedication to conduct business with integrity, sustainability, equity, and accountability is at the core of the Group's philosophy. This steadfast commitment is reflected in the Group's strict adherence to the applicable corporate guidelines.

The TWK Code of Ethics outlines our commitment to conducting business legally and ethically. Every director and employee has pledged to adhere to this Code, emphasising the importance of fairness in their responsibilities and interactions with customers, suppliers, and other stakeholders. This commitment helps maintain our reputation for integrity and accountability. We have established adequate grievance and disciplinary procedures to promote and ensure the practical application of the Code of Ethics. In 2025, training and awareness on the Code of Conduct was provided to management and employees, which formed part of induction to new joiners as well as refresher training to existing staff.

GOVERNANCE PHILOSOPHY

The Board allocates responsibilities and delegates authority to relevant committees to effectively manage strategy, performance, resources, conduct standards, and corporate governance. The composition of the Board is carefully designed to maintain a balanced mix of expertise and perspectives. The chairman provides leadership within the Board and promotes communication between the Board, Management, and stakeholders. Conversely, the Managing Director is primarily responsible for implementing strategies and overseeing daily business operations. This balance of roles instils confidence in the Board's decision-making process and reaffirms its commitment to sound and transparent operations.

While the Board retains overall responsibility and control, the Managing Director supervises the Company's daily activities. No individual director has unlimited decision-making powers; all directors have unrestricted access to the Group's information, records, documents, and property. They may also seek independent professional advice regarding the Company's affairs.

The Board is responsible for providing guidance and overseeing the Group's operations and strategy. This includes designing and reviewing strategies, approving budgets, monitoring performance against those budgets, evaluating the Group's financial position, overseeing Executive Management's remuneration and performance, and governing information technology and technology. This commitment ensures the Group's strategic direction remains secure.

Managing conflicts of interest for directors is strictly regulated. Directors and management are expected to act independently and with transparency. They must disclose any material interests that could affect the Group annually and at each Board and committee meeting, with these disclosures documented by the Company Secretary.

Board and subcommittee meetings are conducted according to approved procedures, with excellent attendance. Board meetings are scheduled regularly based on an annual work plan, with additional meetings convened as necessary.

The Board remains committed to achieving King IV's fundamental principles and practical application which are deeply ingrained throughout the Group.

WHISTLE BLOWING HOTLINES

Our Group whistleblowing hotline remains an important initiative in the fight to combat theft, fraud, and other unethical practices.

The Group’s whistleblowing hotline is managed as an independent reporting mechanism in partnership with a reputable external service provider. Whistleblowers can anonymously report tips via various platforms.

Depending on the nature of the report, tip-offs are forwarded to the Group Financial Director, the Managing Director, or the chairman of the Audit and Risk Committee. The hotline reinforces the Group’s zero-tolerance approach to crime, corruption, and unethical behaviour. Periodically, internal communication campaigns are conducted to raise awareness of the hotline and highlight the anonymity of reporters.

“Whistleblowing plays a crucial role in maintaining integrity in TWK in a way that creates an environment where ethical practices can thrive”

The following alleged offences were reported to the “Tip-Offs Anonymous” line:



We apply a “zero tolerance” approach towards fraud and corruption and protect employees who raise concerns relating to fraud and corruption from victimisation.

TECHNOLOGY AND INFORMATION GOVERNANCE

The Board, in close collaboration with the Executive Management, supports achieving the strategic Information and Communications Technology (“ICT”) objectives of the Group. The Board oversees the implementation of information systems, integrations, data analysis (reporting), cybersecurity measures, and IT infrastructure throughout the Group.

The IT Steering Committee (Steerco) governs these initiatives, oversees their implementation, and manages associated risks. It provides feedback to the Board and receives essential guidance in return.

The Group aims to create an adaptable IT environment that meets current and future business needs with minimal delays and disruptions. This environment will enable the IT division to manage and analyse data effectively, providing valuable insights for management and supporting predictive data modelling



CODE OF CONDUCT

TWK, its subsidiaries, and staff are committed to acting honestly and ethically in all duties and personal conduct, upholding the highest moral standards. The TWK Code of Ethics outlines our commitment to conducting business legally and ethically. Every director and employee has pledged to follow this Code, emphasising the importance of fairness in their responsibilities and interactions with customers, suppliers, and other stakeholders. This dedication helps maintain our reputation for integrity and accountability. The Group has established appropriate grievance and disciplinary procedures to promote and ensure the practical application of the Code of Ethics.

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT



From left, standing: AL Duvenage, DW Schroeder, DP van Rensburg, BN Moyo, JM Louw, HW Kusel, JCN Wartington, J Roodt, LA Steenekamp, KP Paul, J Mokorosi, HG Hiestermann, GS Grobler, FJ Brauckmann, PJ Lindeque, WJ Steenkamp, TI Ferreira.
From left, seated: JS Stapelberg, A Geel, AS Myburgh.

BOARD OF DIRECTORS



B.Eng Agricultural Engineering
Chairman
Board member of TWK Group entities since: 1997
Appointed member of TWK Investments since:
26.06.1997

JS STAPELBERG (63)



BCom (Law)
Managing Director
Joined TWK Group: 2009
Appointed in current position: 01.06.2012

AS MYBURGH (54)



BCom, BCom Honours, CA(SA)
Group Financial Director
Joined TWK Group: 2024
Appointed in current position: 01.07.2024

A GEEL (45)



Matric
Vice Chairman
Board member of TWK Group entities since: 2020
Appointed Board member of TWK Investments since:
06.02.2020

HG HIESTERMANN (46)



LLB
Independent Non-Executive Director
Board member of TWK Group entities since: 2024
Appointed Board member of TWK Investments since: 11.01.2024

BN MOYO (42)



Matric
Non-Executive Director
Board member of TWK Group entities since: 2023
Appointed Board member of TWK Investments since: 11.01.2023

KP PAUL (59)



Diploma in Agriculture
Non-Executive Director
Board member of TWK Group entities since: 2016
Appointed Board member of TWK Investments since: 11.02.2016

TI FERREIRA (49)



B.LLB
Non-Executive Director
Board member of TWK Group entities since: 2012
Appointed Board member of TWK Investments since: 29.03.2012

HW KÜSEL (64)



Diploma In Agriculture (Plant Production),
Diploma in Farming Implements Technology
Non-Executive Director
Board member of TWK Group entities since: 2002
Appointed Board member of TWK Investments since: 24.07.2002

JCN WARTINGTON (65)



Bcom
Independent Non-Executive Director
Board member of TWK Group entities since: 2024
Appointed Board member of TWK Investments since: 11.01.2024

J MOKOROSI (45)



CA(SA), ACMA (UK)
Lead Independent Non-Executive Director
Board member of TWK Group entities since: 2022
Appointed Board member of TWK Investments since: 01.08.2022

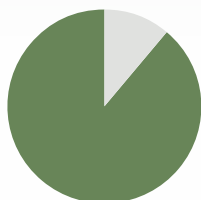
WJ STEENKAMP (54)



Bcom, Bcom Honours, CA(SA)
Non-Executive Director
Board member of TWK Group entities since: 2024
Appointed Board member of TWK Investments since: 09.04.2024

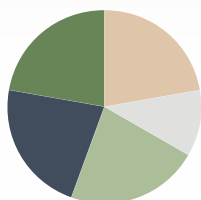
PJ LINDEQUE (62)

BOARD DIVERSITY



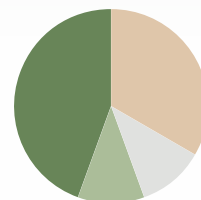
● Male: 9
● Female: 3

BOARD TENURE



● < 2 years: 4
● 2 - 5 years: 2
● 6 - 10 years: 2
● 11 - 20 years: 2
● > 20 years: 2

BOARD AGE



● < 50 years: 5
● 50 - 55 years: 2
● 56 - 60 years: 1
● > 60 years: 4

Executive Manager: Exports & Projects
Joined TWK Group: 2008
Appointed to current position: 01.01.2012

FJ BRAUCKMANN (61)

Chief Executive Manager: Trade, Mechanisation and
Constantia
Joined TWK Group: 2024
Appointed to current position: 01.07.2024

JM LOUW (57)

Executive Manager: Grain
Joined TWK Group: 2023
Appointed to current position: 01.07.2023

AL DUVENAGE (54)

Chief Executive Manager: Financial Services
Joined TWK Group: 2002
Appointed to current position: 10.10.2008

GS GROBLER (49)

Chief Executive Manager: Timber
Joined TWK Group: 2022
Appointed to current position: 01.12.2022

DW SCHROEDER (53)

Group Company Secretary
Joined TWK Group: 2004
Appointed to current position: 01.09.2024

JP ROODT (39)

Chief Information Officer
Joined TWK Group: 2025
Appointed to current position: 01.01.2025

LA STEENEKAMP (51)

Executive Manager: Corporate Services
Joined TWK Group: 2014
Appointed to current position: 01.01.2020

DP VAN RENSBURG (40)

Response	Percentage
Yes	75%
No	25%

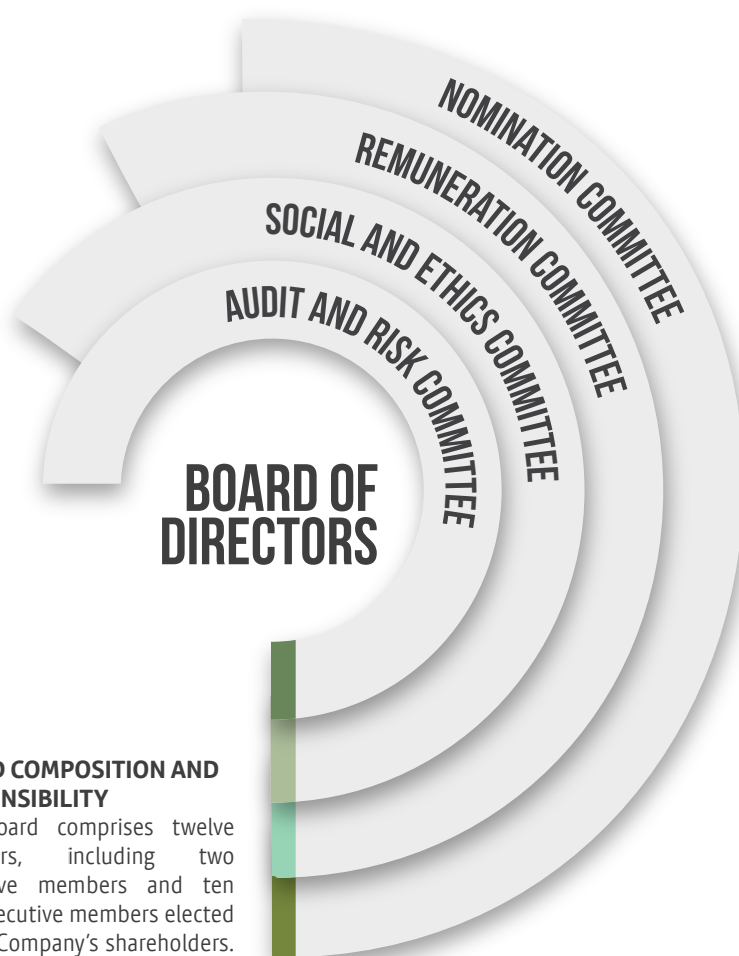
CORPORATE GOVERNANCE AND BOARD COMMITTEES

The Group's corporate best practices, outlined in its Memorandum of Incorporation, Board charter, policies and operating procedures, are regularly assessed to ensure their practical application and effectiveness. The Board reviews all relevant legislation, operating codes, and practices to ensure compliance with the recommendations of the King Code™. The fundamental principles of the King Code™ are deeply integrated throughout the Group, and the Board is confident in the Group's ability to comply with its provisions and recommendations.

TWK strives to balance stakeholders' expectations regarding corporate governance with the need to deliver consistent, competitive financial returns in an evolving regulatory environment. The Board and Executive Management are dedicated to continuously enhancing management practices and structures. This proactive approach ensures that the Group meets and exceeds stakeholders' corporate governance expectations, fostering optimism about its future.

Corporate governance at TWK is not just a set of rules and regulations; it forms the foundation for our daily business management. When TWK diverges from specific King IV™ guidelines, the Board believes such deviations are justified and appropriately managed:

- **The Board does not comprise a majority independent directors. Some directors, who are primary producers conduct arms-length business with different TWK divisions and/or are invested in the TWK Group to an extent that could be regarded as material from their perspective. However, these directors typically satisfy the other criteria for being classified as independent directors.**
- **Additionally, the non-executive Chairman of the Board is not considered an independent director but is supported by an experienced non-executive director who serves as the lead independent director.**



BOARD COMPOSITION AND RESPONSIBILITY

The Board comprises twelve members, including two executive members and ten non-executive members elected by the Company's shareholders. Non-executive directors serve a

three-year term and retire on a rotational basis, as outlined in the Memorandum of Incorporation. Mr. WJ Steenkamp is the lead independent director of TWK Investments. Non-executive directors are nominated and elected by shareholders through a transparent nomination process. Before the election, candidates are rigorously evaluated by the Nomination Committee based on their competence, adherence to corporate principles, and compliance with the Memorandum of Incorporation. This transparency reinforces the Board's independence and integrity.

The Nomination Committee comprises three non-executive directors who recommend to the Board and shareholders. Directors elect a Chairman and Vice-Chairman at the Board's first meeting following the Annual General Meeting (AGM). These non-executive directors play a crucial role in the Board's decision-making process. A decision-making framework delegates certain powers to the Managing Director and the Executive Management Team.

ORGANOGRAM

JS Stapelberg	Non-executive director (Chairman)
HG Hiestermann	Non-executive director (Vice-Chairman)
AS Myburgh	Managing Director
A Geel	Group Financial Director
TI Ferreira	Non-executive director
HW Küsel	Non-executive director
KP Paul	Non-executive director
JCN Warington	Non-executive director
PJ Lindeque	Non-executive director
BN Moyo	Non-executive director
J Mokorosi	Non-executive director
WJ Steenkamp *	Non-executive director

* Mr. WJ Steenkamp acts as Lead Independent Director of TWK Investments Limited.

AUDIT AND RISK COMMITTEE

WJ Steenkamp	Chairman
J Mokorosi	Member
PJ Lindeque	Member

SOCIAL AND ETHICS COMMITTEE

HW Küsel	Chairman
TI Ferreira	Member
HG Hiestermann	Member
KP Paul	Member
JCN Warington	Member
BN Moyo	Member

REMUNERATION COMMITTEE

PJ Lindeque	Chairman
JS Stapelberg	Member
WJ Steenkamp	Member

NOMINATION COMMITTEE

PJ Lindeque	Chairman
JS Stapelberg	Member
WJ Steenkamp	Member

TWK Agri 1999/014168/07
 TWK Investments 1997/012251/06
 TWK Agriculture Holdings 1997/003334/07



BOARD MEETING ATTENDANCE

DIRECTOR		14 Nov 2024	24 Jan 2025	27 Feb 2025	20 Mar 2025	10 Apr 2025	4 Jun 2025	26 Aug 2025
JS Stapelberg	Non-Executive Director (Chairman)	Y	Y	Y	Y	Y	Y	Y
AS Myburgh	Managing Director	Y	Y	Y	Y	Y	Y	Y
A Geel	Financial Director	Y	Y	Y	Y	Y	Y	Y
TI Ferreira	Non-Executive Director	Y	Y	Y	Y	Y	Y	Y
J Mokorosi	Non-Executive Director	N/A	N/A	Y	Y	Y	Y	Y
KP Paul	Non-Executive Director	Y	Y	Y	Y	Y	Y	Y
HG Hiestermann	Non-Executive Director (Vice-Chairman)	Y	Y	Y	Y	Y	Y	Y
HW Küsel	Non-Executive Director	Y	Y	Y	Y	Y	Y	Y
JCN Wartington	Non-Executive Director	Y	Y	Y	Y	Y	Y	Y
BN Moyo	Non-Executive Director	Y	Y	Y	Y	Y	Y	Y
PJ Lindeque	Non-Executive Director	N/A	Y	Y	Y	Y	Y	Y
WJ Steenkamp	Non-Executive Director	Y	Y	Y	Y	Y	Y	Y
CA Du Toit	Non-Executive Director	Y	Y	Y	Y	N/A	N/A	N/A

*CA du Toit resigned on 9 April 2025



All directors have devoted their time and skills to ensure the effective functioning of the Board. Based on recommendations from the Nomination Committee, the Board believes that any director nominated for election or re-election at the Annual General Meeting (AGM) is competent and committed to serving the Group and protecting stakeholders' interests. This intense dedication to the Group's interests is fundamental to our governance practices.

EVALUATION OF THE BOARD

The Board, with assistance from the Company Secretary, has confirmed its operational effectiveness. The directors' contributions to the Board and its committees were carefully assessed, and their overall performance in fulfilling responsibilities was thoroughly evaluated. The evaluation yielded positive results, affirming that the Board and its committees operate effectively.

COMPANY SECRETARY

Mr. JP Roodt was appointed Company Secretary on September 1, 2024, following formal approval by the Board. The Company Secretary plays a vital role in the Group's corporate governance by facilitating communication with stakeholders and ensuring the Board's compliance with relevant procedures, statutes, and regulations.

To support the effective functioning of the Board, all directors received timely access to the information necessary for fulfilling their obligations. This information included corporate announcements, investor communications, and any developments that could affect the Group. Directors also had access to management when needed.

The effectiveness, qualifications, and experience of the Company Secretary were evaluated to ensure that he maintains an arm's length relationship with the Board. The Board is satisfied that the company secretary has the necessary competence, qualifications and experience. The Board decides whether to appoint or remove the Company Secretary. The Company Secretary's Certificate can be found on page 66 of the Integrated Report.



REMUNERATION REPORT

TWK's remuneration philosophy is designed to support and reinforce the achievement of the TWK Group's strategic objectives. We aim to ensure fair and reasonable compensation for all employees, facilitating the attraction, retention and motivation of talent essential for realising the Group's vision.

The Remuneration Committee (Remco) is accountable for overseeing remuneration policies and practices across the TWK Group. Remco ensures that remuneration levels are competitive and sufficient to attract, retain and motivate employees at all levels.

REMUNERATION COMMITTEE

CHAIRMAN
PJ Lindeque

MEMBERS
JS Stapelberg
WJ Steenkamp

INDEPENDENCE
The majority of Remco members are independent non-executive directors

SECRETARY
JP Roodt

MEETING ATTENDANCE

Member	14 Nov 2024
JS Stapelberg	Y
CA Du Toit	Y
PJ Lindeque	Y
WJ Steenkamp	Y

ROLE AND FUNCTION

Remco evaluates the Group's Remuneration Policy with the assistance of independent external consultants, as needed, to determine market-related remuneration levels.

RESPONSIBILITIES

- **Performance Review:** Regularly reviews Exco performance to motivate and retain employees by linking remuneration to both corporate and individual performance.
- **Executive Compensation:** Ensures the appropriate mix of "guaranteed pay" and "variable pay" for executive directors, aligning their interests with those of shareholders.
- **Succession Planning:** Assesses succession plans for executive and senior management levels, with the Managing Director responsible for ensuring robust plans are in place.
- **Remuneration Approval:** Approves the remuneration of senior management reporting to the Managing Director and reviews remuneration details of direct reports.
- **Recommendations:** Recommends adjustments to directors' and Exco members' total remuneration for Board approval.

ASSURANCE

Remco adheres to principles of good corporate governance and the Group's value statement. Members confirm their diligence in fulfilling their duties and ensuring compliance with the Remco mandate.

Activities undertaken by Remco during the year:

- Reviewed the Remuneration Policy to ensure alignment with applicable regulations, corporate governance guidelines and stakeholder feedback.
- Aligned the Remuneration Report with King IV Principles to clearly link strategy, value creation, performance and remuneration.
- Assessed the remuneration packages of executive directors to ensure competitiveness and alignment with shareholder interests and Group performance.

- The TWK Management team has been requested to review the principle of equal pay for equal work and to develop a comprehensive plan to ensure that all employees are compensated fairly and equitably. Furthermore, the team should explore relevant remuneration structures and employee benefits to strengthen TWK's ability to attract and retain talented individuals.

REMUNERATION POLICY OBJECTIVES OF THE REMUNERATION POLICY

The primary objective of the Group Remuneration Policy is to ensure fair and reasonable compensation for all employees. The policy is designed to:

- Support the achievement of TWK's strategic objectives.
- Attract, retain, and reward employees contributing to TWK's vision.
- Promote internal equity and fairness, adhering to the principle of equal pay for equal work.
- Maintain employee costs within budget and ensure sustainability.

KEY PRINCIPLES OF THE REMUNERATION POLICY

All positions within the TWK Group have been graded using the Peromnes® evaluation method, with support from Deloitte. This aligns job titles with the Job Title Code of REMWEB® for reliable benchmarking.

To position TWK Agri as a leading sustainable agriculture company, we prioritise attracting talented employees and maintaining competitive remuneration levels.

Key benchmarks aim to:

- Be achievable and competitive.
- Be sustainable and affordable.
- Utilise reliable, comparable data.

TWK Agri employs the National Remuneration Guide by Deloitte and the Peromnes® Graded Tables, targeting the 50th percentile of the REMWEB® market, considering regional and industry variations.

In line with good governance practices, the Managing Director attends Remco meetings by invitation only and abstains from discussions regarding their own remuneration.

REMUNERATION STRUCTURE

TWK's remuneration structure comprises a basic salary and various benefits, including:

- Monthly basic salary with statutory deductions (PAYE, UIF, SDL).
- Provident fund and death/disability cover.
- Pro-rata employment bonus payable in December.
- Vehicle allowance or company vehicle (if applicable).
- Fuel card and cell phone allowances (if applicable).
- Commission structures and overtime (if applicable).
- Other variable pay.

Remuneration structures may vary across divisions, occupational levels, entities, and affiliated companies.

SALARY INCREASES AND REVIEWS

Annual salary increase ranges are determined by Remco or through negotiations with unions.

Factors influencing approved increase percentages include:

- Average CPI for the 12-month period ending August.
- Predicted increases per Occupational Level from Deloitte and Remchannel surveys.
- Company and segmental performance.
- Proximity to benchmarked salaries (50th percentile of REMWEB®).

SHORT-TERM INCENTIVES (STI)

Short-term incentives are paid on achieving set criteria at both segment and collective business levels, based on a reasonable return on capital for the financial year. This includes discretionary profit share bonuses aimed at attracting and retaining talent while rewarding significant performance.

Remco determines the total profit share value based on established criteria before presenting it to the Board for approval. Variable pay may also include commissions for employees in sales roles.

LONG-TERM INCENTIVES (LTI)

The Group's LTI program is the TWK Agri share options incentive scheme, available to key employees. This scheme aligns management interests with those of

shareholders, recognising contributions to the Group's equity growth.

Share options are allocated proportionally to employee contributions, with pricing approved by Remco, in accordance with the TWK Agri share option policy and relevant CTSE listing requirements. Options vest within designated periods and are exercisable as defined in Section 8C of the Income Tax Act.

DIRECTORS' SERVICE CONTRACTS

The contract of the Managing Director has been renewed for the period 01 January 2025 to 31 December 2027. Similarly, the Group Financial Director's contract has been extended from 01 January 2025 to 31 December 2027.

NON-EXECUTIVE AND EXECUTIVE DIRECTORS' REMUNERATION

The remuneration, short-term incentives, equity share based payments and travel costs for TWK's non-executive and executive directors are listed below:

Non Executive Directors	Remuneration	Travel Expenses
JS Stapelberg	647 097	6 949
WJ Steenkamp	630 950	11 222
H Hiestermann	467 456	10 651
HW Kusel	466 028	13 441
TI Ferreira	463 942	11 469
KP Paul	400 065	7 931
B Moyo	400 065	11 378
PJ Lindeque	423 811	10 791
J Mokorosi	423 811	5 250
CA Du Toit*	254 034	15 850
JCN Warrington	400 065	14 772

*CA du Toit resigned on 9 April 2025

Executive Directors	Remuneration	Short-term incentive	Share-based payment vested	Fuel excluded from remuneration
AS Myburgh	5 983 667	932 236	-	79 179
A Geel	3 782 465	288 884	-	68 030



PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS

The consolidated annual financial statements have been prepared by J Kotze CA(SA) and CJ Lange CA(SA) under the supervision of A Geel CA(SA) — Group Financial Director.

STATEMENT BY THE COMPANY SECRETARY

In accordance with section 88(2)(e) of the Companies Act, I certify that, to the best of my knowledge and belief, TWK has submitted all required returns and notices to the CIPC for the financial year ended 31 August 2025 required of a public company in terms of the Companies Act, and that all such returns and notices are accurate, correct and current.



JP ROODT
Company Secretary

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The Board of Directors ("the Board") is required in terms of the Companies Act 71 of 2008 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. In conducting this responsibility, they rely on the information, assessments and estimates of management. The fair presentation and integrity of the Group annual financial statements are also evaluated based on accounting systems and internal financial control measures which are monitored on an ongoing basis during the financial period.

The annual financial statements are prepared in accordance with, and in compliance with the requirements, International Financial Reporting Standards (IFRS)® Accounting Standards as issued by the International Accounting Standards Board (IASB), and the interpretations issued by the International Financial Interpretation Committee (IFRIC)® interpretations issued and effective at the time of preparing these consolidated annual financial statements and with those requirements of the Companies Act, no 71 of 2008 of South Africa, as amended. These annual financial statements incorporate accounting policies that have been consistently applied to all periods presented and are consistent with those applied in the previous financial year, unless otherwise stated.

The Board acknowledges that it is ultimately responsible for the system of internal financial control established by the Group, and places considerable importance on maintaining a strong control environment. To enable the Board to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that, in all reasonable circumstances, is beyond reproach.

The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Board is also responsible for the control over, and the security of the Group's website and, where applicable, for establishing and controlling the process for electronically distributing annual reports and other financial information to the Group's shareholders and to the Companies and Intellectual Property Commission.

The Board is of the opinion that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements that are free from material misstatements, whether due to fraud or error. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Board has reviewed the Group's cash flow forecast for the year to 31 August 2026 and, in light of this review and the current financial position, is satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future. Management is comfortable to conclude that the business will continue as a going concern and is satisfied with the results of the Group. Based on the Group's annual financial statements, the present position of the Group, budgets for the coming year and available financing facilities, the Board has no reason to believe that the Group will not be a going concern. The going concern principle is therefore accepted and applied in the preparation of the Group annual financial statements.

The external auditor is responsible for independently auditing and reporting on the Group's annual financial statements. The annual financial statements have been examined by the Group's external auditor and its report is presented on pages 74 to 82.

The auditors had unrestricted access to all financial records and related information, minutes of shareholders, directors and Board committee meetings. The Board is of the opinion that all submissions and management declarations presented to the auditors were correct, valid and relevant.

The Board hereby confirms that:

- (a) the Group Annual Financial Statements, and supplementary information are set out on pages 66 to 73, and pages 83 to 199, fairly present in all material respects the financial position, financial performance and cash flows of the Group in terms of IFRS Accounting Standards;
- (b) no facts have been omitted or untrue statements made that would make the Group Annual Financial Statements false or misleading;
- (c) internal financial controls have been put in place to ensure that material information relating to the Group has been provided to effectively prepare the Group Annual Financial Statements; and
- (d) the internal financial controls are adequate and effective and can be relied upon in compiling the Group Annual Financial Statements.

The annual financial statements have been prepared on the going concern basis, were approved and authorised by the Board of Directors on 10 December 2025 and were signed on its behalf by:



JS Stapelberg
Chairman



A Geel
Group Financial Director

AUDIT AND RISK COMMITTEE REPORT

This report is provided by the Audit and Risk Committee on TWK Investments Limited (TWK or company) and subsidiaries (the Group) for the financial year ended 31 August 2025.

The Audit and Risk Committee ("the Committee") has an independent role with accountability to both the Board and to shareholders. The Committee's responsibilities include the statutory duties prescribed by the Companies Act 71 of 2008 of South Africa, as amended, activities recommended by King IV as well as additional responsibilities assigned by the Board.

COMPOSITION

The Committee comprises of at least three non-executive directors, elected annually by the shareholders of the Company on recommendation of the Board.

The Committee holds sufficient scheduled meetings to discharge all its duties as set out in the terms of reference but subject to a minimum of three meetings per year.

The managing director, group financial director, external and internal auditors, together with the appropriate Board members, attend the meetings on invitation. The internal and external auditors have unrestricted access to the Committee.

The membership of the Committee comprises of three non-executive directors, two of whom are independent.

An effectiveness evaluation was performed in terms of which the Board satisfied itself that each Committee member has the suitable skill and experience to serve on the Committee.

The committee met 4 times during the period under review.

Member	14 Nov 2024	10 Apr 2025	4 Jun 2025	26 Aug 2025*
WJ Steenkamp	✓	✓	✓	✓
PJ Lindeque	✓	✓	✓	✓
CA du Toit	✓	N/A	N/A	N/A
J Mokorosi	N/A	✓	✓	✓

*PwC, as external auditor was invited and attended the meeting.

The chairman of the Committee attended the annual general meeting. A formal work plan is compiled by the Committee to ensure that all duties assigned to it by the Board during the year are carried out.

MANDATE DELEGATED BY THE BOARD

The responsibilities of the Committee are set out in a formal charter which is revised regularly by the Board. In terms of the charter, the following is expected of the Committee:

1. Performing its statutory duties as prescribed by the Companies Act, with specific reference to the audit quality, auditor independence and financial policies and reporting concerns;
2. Satisfying itself of the suitability, independence, effectiveness and the quality of the external auditors and its audit partner;
3. Recommendations regarding the appointment of an independent external auditor (including the audit partner) in accordance with the provisions of the Companies Act;
4. Approval of fees payable to auditors and the terms and conditions of the appointment;
5. Consideration of any non-audit work by such auditors, and determining whether the provision of such services would materially affect their independence;
6. Reviewing the Committee charter to be in line with the recommendations of King IV;
7. Holding separate meetings with management and the external and internal auditors to discuss relevant matters;
8. Receiving and handling any concerns or complaints regarding accounting practices, internal audit work and internal financial control in an appropriate manner;
9. Considering incidents reported on the whistleblowing platform and monitor actions taken;
10. Reporting to the Board on matters relating to accounting policies, financial controls, financial records and financial reporting;
11. Evaluation of the annual audit plan;
12. Reviewing and recommending for adoption by the Board the Group's consolidated interim results for the six months ended 28 February 2025 and the consolidated annual financial statements for the year ended 31 August 2025;
13. Consideration and review of the accounting practices, policies and procedures, as well as the effectiveness of internal financial controls;
14. Ensuring that the financial planning, management and reporting of the business is conducted in accordance with the applicable accounting policies and IFRS Accounting Standards;
15. Monitoring compliance with applicable legislation and regulatory aspects;
16. Evaluation of the effectiveness of management information and internal control systems;
17. Ensuring that the internal control function is effective and that the internal auditor has unrestricted access to the chairman of the Audit and Risk Committee and the chairman of the Board;
18. Confirming and monitoring the internal audit process and assessing the effectiveness of the internal audit function;
19. Granting assistance to the Board in order to ensure that the business implements an effective risk management policy and plan and risk

AUDIT AND RISK COMMITTEE REPORT CONTINUED

disclosure is complete, timely, and relevant;

20. Consideration of the skills and capacity of the finance function in general and the financial director in particular;
21. Recommending the interim and annual financial statements to the Board for approval;
22. Consideration of the Group's liquidity and solvency;
23. Ensuring risk management is integrated into business operations;
24. Performing an assessment of risks and opportunities emanating from the triple context within which the Group operates with reference to the capitals that the Group uses and affects;
25. Ensuring risk management assessments are conducted on a continuous basis;
26. Ensuring that management considers and implements appropriate risk responses; and
27. Ensuring risk management reporting in the integrated report is comprehensive and relevant.

INTERNAL FINANCIAL CONTROLS

Based on the results of the formally documented review of the design, implementation and effectiveness of the TWK Group's internal financial control system conducted by the internal audit function during the 2025 financial year and, in addition, after considering information and explanations provided by management and discussions with the external auditor about the results of their audit, the Committee believes that the TWK Group's internal financial control system is effective and provides a basis for preparing reliable financial statements.

EXTERNAL AUDIT

The external auditor of the Group is PricewaterhouseCoopers Inc., led by Mr Herman Eksteen. As appointed auditor at the last annual general meeting, the auditor was invited and attended the Committee meeting, as indicated above.

The Committee is satisfied that the external auditor is independent of the Group in accordance with the Companies Act 71 of 2008, which includes consideration of compliance with the independence or conflict of interest criteria as prescribed by the Independent Regulatory Board for Auditors.

The Committee in consultation with executive management, agreed to the engagement letter, terms, audit plan and budgeted audit fees for the 2025 financial year.

The Committee approved the terms regarding the non-audit services by the external auditor and the nature and scope of the non-audit services that may be provided by the external auditor. No material non-audit services were provided by the external auditors during the year under review.

INTERNAL AUDIT

The internal audit function provides information to assist in the establishment and maintenance of an effective system of internal control to manage the risks associated with the business.

The internal audit function is responsible for the following:

- evaluating governance processes, including ethics;
- assessing the effectiveness of the risk methodology and internal financial controls; and
- evaluating business processes and associated controls in accordance with the annual audit plan.

The internal audit function is established by the Board. The Committee is responsible for overseeing internal audit, in particular in respect of:

- Overseeing the functioning of the internal audit department;
- Satisfying itself of the competence of the internal auditors and adequacy of internal audit resources;
- Approving the annual internal audit plan;
- Reviewing the functioning of the internal audit programme and department to ensure co-ordination between the internal and external auditor; and
- Ensuring the internal audit function is subject to independent quality review as appropriate.

The internal auditor has unrestricted access to the chairman of the Audit and Risk Committee and the chairman of the Board.

The Group has a formal risk management process in terms of which financial and control risks are identified, analysed, and updated, and internal audits concentrate, inter alia, on these risks.

EVALUATION OF GROUP FINANCIAL DIRECTOR AND FINANCE FUNCTION

The Committee is satisfied that the expertise and experience of the group financial director is appropriate to meet the responsibilities of the position. This is based on the qualifications, levels of experience and the Board's assessment of the financial knowledge of the group financial director. The Committee is also satisfied as to the appropriateness, expertise and adequacy of resources of the finance function and the experience of senior members of management responsible for the finance function.

ANNUAL INTEGRATED REPORT AND THE GROUP ANNUAL FINANCIAL STATEMENTS

The Committee has evaluated the Integrated Report, incorporating the Group Annual Financial Statements, for the year ended 31 August 2025 and believes that the Group has complied with the requirements of the Companies Act, 2008, as well as IFRS Accounting Standards in all material respects.

AUDIT AND RISK COMMITTEE REPORT CONTINUED

The Committee is also satisfied that the annual financial statements reflect the position of the Group correctly, that all factors that may have an impact on the integrity of the report have been taken into account, and that the reporting of risk management, as included in this report, is complete and applicable.

The Committee and the Board have considered the Integrated Report on correctness and integrity and believe that the report is in all material respects a fair representation of the Group's activities and performance.

The Committee has therefore recommended the Integrated Report and the Group Annual Financial Statements for approval to the Board. The Board subsequently approved the report and the Group Annual Financial Statements, which is open for discussion at the Annual General Meeting.

Based on the results of the formal documented review of the Group's system of internal controls for the year, which was performed by the internal audit function and the managing director and group financial director internal control confirmation, nothing has come to the attention of the Committee to indicate that the internal financial controls were not operating effectively.

APPROVAL OF THE AUDIT AND RISK COMMITTEE REPORT

The Committee confirms that it has functioned in accordance with its terms of reference for the 2025 financial year and that its report to shareholders has been approved by the Board.

**WJ Steenkamp**

Chairman: Audit and Risk Committee

DIRECTORS' REPORT FOR THE YEAR ENDED AUGUST 2025

The Board of Directors ("the Board") has pleasure in presenting its report on the annual financial statements of TWK Investments Limited (TWK or company) and subsidiaries (the Group) for the year ended 31 August 2025.

OVERVIEW OF ACTIVITIES

The Group is involved in agricultural services and the company is incorporated and domiciled in the Republic of South Africa. The activities of the Group are as follows:

- Marketing of forestry and agricultural products;
- Handling and storage of grain;
- Processing of forestry and grain products;
- Supply of agricultural inputs;
- Trade activities;
- Financial and agricultural services; and
- Credit extension.

With its strategic footprint, infrastructure, facilities and client network, it follows a differentiated market approach.

There were no fundamental changes in the nature of the Group's business during the year under review.

FINANCIAL RESULTS

The Group achieved a profit before tax of R107,42 million (Restated 2024: R443,89 million) from continuing operations and total assets decreased to R286,73 million (Restated 2024: R121,42 million). The operating results and financial position of the Group are set out in detail in the annual financial statements and are explained in the chairman's report, the managing director's report and the group financial director's report.

LIQUIDITY AND SOLVENCY

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 2008 of South Africa.

GOING CONCERN

The annual financial statements have been prepared in accordance with accounting policies applicable to a going concern. This basis assumes that sufficient funds will be available to finance future operations and that the realisation of assets, as well as the settlement of liabilities, contingent obligations, and commitments, will occur in the normal course of business.

During the year, the Group breached the interest cover ratio covenant under its loan agreements. This breach was formally condoned by the lenders prior to year-end, and no penalties or adverse consequences arose as a result. The lenders have confirmed their continued support, and the Group retains full access to its financing facilities.

Management has assessed the Group's liquidity position, cash flow forecasts, and financing arrangements and is satisfied that the Group has adequate resources to meet its obligations as they fall due for at least twelve months from the reporting date. Accordingly, the annual financial statements have been prepared on a going concern basis in accordance with IFRS Accounting Standards.

EVENTS AFTER THE REPORTING PERIOD

In line with the Group's strategic objective to optimise capital allocation and focus on core growth areas, the Board approved, on 10 April 2025, the disposal of the Northern and Southern forestry plantations in South Africa, which formed part of the Timber division within TWK Agri Proprietary Limited.

Prior to year end, various offers to purchase the plantations and associated land were received, subject to certain suspensive conditions. At the reporting date, not all conditions necessary to recognise the sale have been fulfilled and the related assets and liabilities were classified as held for sale in the consolidated statement of financial position, in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

Subsequent to year end, most of the suspensive conditions have been met, and it is expected that the transactions will be concluded within the first half of the new financial year, pending final registration at the Deeds Office.

As disclosed in the prior year's financial statements, management received an offer for the sale of the assets of the Sawco Pine Mill, operated by Sawco Mining Timber Proprietary Limited. The offer was subject to Board and regulatory approvals. Subsequent to the current reporting period, the Eswatini Competition Commission granted approval for the disposal on 24 September 2025. At year end, the related assets and liabilities were classified as held for sale, and the transaction will be recognised upon transfer of the title deed and completion of the sale.

In addition, the Group has entered into negotiations regarding the potential acquisition of the northern operations ("MTO North") of MTO Forestry Proprietary Limited. MTO North comprises:

- Approximately 11,100 hectares of eucalyptus plantations (including 823 hectares leased),
- 105 hectares of macadamia orchards,
- A pole treating facility,
- A regional office and associated staff in Mpumalanga
- All contractual agreements and operating assets related to these operations.

DIRECTORS' REPORT FOR THE YEAR ENDED AUGUST 2025 CONTINUED

The acquisition also includes:

- 100% ownership of Ramanas Farms Proprietary Limited, with approximately 5,565 hectares of eucalyptus plantations in the Hazyview area,
- 100% ownership of Imvelo Forests Proprietary Limited and its wholly owned subsidiary, Pull Scar Estate Proprietary Limited, comprising 2,975 hectares of eucalyptus plantations, a pole treating facility, and 225 hectares of macadamia orchards.

This acquisition is considered strategically significant for the Group and remains subject to regulatory approval.

Subsequent to year-end, a buyer has expressed interest in acquiring Constantia's shareholding in Henleo 1080 Proprietary Limited, which owns a blending facility. No formal agreement has been signed, and negotiations are ongoing.

Following year-end, and taking into account the Group's performance over the past two years as well as the impact of the shareholder settlement agreement between dissenting shareholders and TWK Agriculture Holdings on operating cash flows, the Board has resolved not to declare a dividend for the current financial year.

Additionally, Sunshine Seedlings ("SSS") will become a wholly owned subsidiary in September 2025. The Group holds an irrevocable right to acquire a further 9% shareholding in SSS based on agreed terms and financial ratios. Management is likely to exercise this right. The estimated consideration for the outstanding 9% will be finalised upon completion of the audited financial statements of SSS for the year ended 31 August 2025.

In terms of the Sale of Business Agreement entered into by Peak Forest Products (Proprietary) Limited, TWK Investments Limited, and Shiselweni Forestry Company Limited on or about 18 February 2020, the Seller has exercised the put option to sell the remaining properties to TWK Investments on the terms and conditions set out in the Sale of Business Agreement, at a purchase price of E57,873,284.

The properties included in this transaction are:

1. Farm No. 703
2. Farm The Peak No. 25
3. Farm Spionkop No. 702
4. Remaining Extent of the Farm Hardcash No. 688
5. Remaining Extent of Portion 2 of the Farm The Falls No. 648
6. Portion 1 of the Farm Hardcash No. 688
7. Portion 1 of the Farm Popinyaan No. 647
8. Remaining Extent of the Farm Popinyaan No. 547, Hhohho

TWK Agri has secured financing for this transaction, with Shiselweni Forestry Company Limited providing the underlying security for the medium-term loan. The terms and conditions of this financing will take effect once final approval has been obtained from the Land Control Board in eSwatini and the properties have been transferred to TWK Investments.

The Board is not aware of any other material events or circumstances that occurred between the end of the financial year and the date of approval of the annual financial statements that require disclosure or adjustment in the Group annual financial statements.

INTEREST OF DIRECTORS IN CONTRACTS

No contracts in which directors and officials have a material interest were incurred during the year. The share register is available for inspection at the Group's registered office.

BORROWING POWERS

In terms of the Company's Memorandum of Incorporation, the Board may, at its discretion, exercise all the powers of the Group in order to obtain funding.

DIVIDENDS

Dividends already declared and paid to shareholders during the 12 months is set out in the attached statement of changes in equity after approval has been granted by the Board in this regard. Dividends are recommended and approved by the Board of Directors, based on the financial year-end statements. TWK is of the opinion that there will be continued payment of dividends, although no assurance can be given that dividends will be paid in the future or in respect of the amounts to be paid from year to year. The payment of future dividends will depend on the Board's ongoing evaluation of TWK's earnings, after providing for long-term growth, cash and debt resources, and reserves available for payment of a dividend based on the evaluation of the going concern and other factors.

DIRECTORS

Full details of the directors appear in the integrated report on pages 57 and 58.

DIRECTORS' INTERESTS

The directors' interest in shares of the Group appear in the integrated report on page 177.

DIRECTORS' LIABILITIES

Directors and executive officers of the Group are covered by directors' and officers' liability insurance.

DIRECTORS' REPORT FOR THE YEAR ENDED AUGUST 2025 CONTINUED

SECRETARY

The Company Secretary is JP Roodt.
Business address:
11 De Wet Street
Piet Retief
2380

INTEREST IN SUBSIDIARIES AND OTHER FINANCIAL ASSETS

Details of the Group's interest in its subsidiaries, associates and joint ventures and other financial assets are contained in the notes to the annual financial statements.

SEPARATE AND CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

These are the consolidated annual financial statements for the company, subsidiaries, joint ventures and associates. Separate annual financial statements for the company are prepared and presented annually.

AUDITORS

PricewaterhouseCoopers Inc. has been appointed as the auditor in accordance with section 90 of the Companies Act 71 of 2008. A decision to appoint the auditors for the next financial year will be submitted at the forthcoming annual general meeting.

AUDIT FEES

Audit fees for the year amounted to R3.5 million (2024: R4 million). Non-audit fees amounted to R123 819 (2024: R94 426).

AUTHORISED AND ISSUED SHARE CAPITAL

Refer to note 23 of the annual financial statements for detail on the movement in the issued share capital. The unissued ordinary shares are the subject of a general authority granted to the Board in terms of section 38 of the Companies Act 71 of 2008. As this general authority remains valid only until the next annual general meeting, the shareholders will be asked at that meeting to consider an ordinary resolution placing the said unissued ordinary shares under the control of the Board until the next annual general meeting.

HOLDING COMPANY

The company's holding company is TWK Agriculture Holdings Proprietary Limited which holds 66.41% (2024: 66.41%) of the company's equity. TWK Agriculture Holdings Proprietary Limited is incorporated in South Africa.



Independent auditor's report

To the shareholders of TWK Investments Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of TWK Investments Limited (the Company) and its subsidiaries (together the Group) as at 31 August 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

TWK Investments Limited's consolidated financial statements set out on pages 83 to 197 comprise:

- the consolidated statement of financial position as at 31 August 2025;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

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

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

Independence

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

Our audit approach

Overview



Final materiality

R68,864,395 which represents 0.75% of total revenue.

Group audit scope

We performed risk assessment procedures to determine those components in the Group that are likely to include risks of material misstatement to the consolidated financial statements and the extent of audit procedures to perform at those components to address those risks. We have determined four (4) components to be significant and were scoped in for full scope audits. We also identified two (2) components, at which further audit procedures were performed on one or more classes of transactions, account balances or disclosures based on the assessed risks of material misstatement to the consolidated financial statements.

Key audit matters

Valuation of biological assets – forestry assets; and

Loss allowance of trade and other receivables

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

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

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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

	Consolidated financial statements
Final materiality	R68,864,395
How we determined it	0.75% of total revenue
Rationale for the materiality benchmark applied	We selected consolidated revenue as our materiality benchmark because, in our view, it reflects the activity levels of the Group, and it is a benchmark against which the performance of the Group can be consistently measured in circumstances of volatile year-on year earnings. This benchmark has remained a key driver of the Group's business. We chose 0.75% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply when using revenue to compute materiality and taking into account the levels of debt within the Group.

Group audit scope

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

We considered the Group's organisational, legal, consolidation structures and its financial reporting processes when identifying components for purposes of planning and performing audit procedures. The Group consists of the Company and its consolidated structures (each considered to be a 'component' for purposes of our group audit scope).

In establishing the group audit scope, based on our group risk assessment, we determined the type of work to be undertaken on the financial information of these components. In determining which components will be subject to audit procedures, we considered whether these components are significant (due to risk or size), non-significant or inconsequential to the Group. We have determined four (4) components to be significant and were scoped in for full scope audits. We also identified two (2) components, at which further audit procedures were performed on one or more classes of transactions, account balances or disclosures based on the assessed risks of material misstatement to the consolidated financial statements.

We determined the type of work that needed to be performed by us, as the group auditor and component auditors operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to

conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters

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

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

Key audit matter	How our audit addressed the key audit matter
Valuation of biological assets – forestry assets Refer to the following notes to the financial statements for disclosures relating to this key audit matter: - Note 1.6: Material accounting policies - Significant judgements and sources of estimation uncertainty: Biological assets; - Note 1.7: Material accounting policies: Biological assets; and - Note 8: Biological assets. A significant portion of the Group's biological assets relate to forestry assets that comprise of standing timber plantations. As at 31 August 2025, the Group recognised forestry assets with a fair value of R 1.3 billion. The Group determines the fair value of its timber plantations using the income approach in the discounted cash flow model (DCF), which reflects current market participant assumptions and the condition and location of the plantations. The model also incorporates sustainable harvesting plans and estimates of standing volumes, biological growth and yield, market-determined timber prices, harvesting, silviculture and selling costs, and a real after-tax discount rate.	Our audit addressed the key audit matter as follows: We obtained and evaluated the Group's valuation model used in determining the fair value of its forestry assets against the criteria in IAS 41, 'Agriculture' and IFRS 13, 'Fair Value Measurement' (IFRS 13'). We concluded that the valuation model is consistent with the requirements of IAS 41, IFRS 13 and the industry norms. We assessed the appropriateness and consistency of the inputs and the assumptions applied by management in the DCF model by performing the procedures below: - With the assistance of our internal valuation expertise, we performed a reasonableness test on the WACC rate, using external data sources and found the discount rate used by management to be within an acceptable range; and - We assessed the mathematical accuracy of the DCF model. No material differences were noted in our assessment. We evaluated the reasonableness of: - The current volume per specie that the existing plantations are expected to produce, through assessment against the Group's current average volume per specie and site location as at year end; - The market price per ton per specie against actual historical product sales mix, the current market prices per specie and future price adjustment rate per specie; and - The operational costs and cost to sell against actual results and future market price adjustment rate on a unit cost basis over the rotation period, based on our understanding of the business, past results and the economic outlook.

Key audit matter	How our audit addressed the key audit matter
Key inputs into the DCF model include: • Market prices that are adjusted for expected inflationary increases, • Operating costs and costs to sell; • An after-tax discount rate that is based on the Group's weighted average cost of capital ('WACC'); and • Volume estimations. We considered the valuation of the Group's forestry assets to be a matter of most significance to the current year audit due to: • The level of significant judgement and estimation applied by management in determining the assumptions to be applied in the DCF model; and • The magnitude of the forestry assets in relation to the consolidated financial statements.	Based on the results of our work performed, no material exceptions were identified. We performed a physical verification over the forestry assets at each of the two locations in Eswatini on a sample basis. We evaluated the Group's assessment of the sensitivity of any changes in the key assumptions and the resulting impact on the fair value and found this to be reasonable. We assessed management's significant judgements and assumptions against current practices and the biological asset management plans. No material inconsistencies were noted in this regard.
Loss allowance of trade receivables Refer to the following notes to the financial statements for disclosures relating to loss allowance of trade and other receivables: • Note 1.6: Material accounting policies - Significant judgements and sources of estimation uncertainty: Trade receivables; • Note 1.11: Material accounting policies: Financial instruments; • Note 18: Trade and other receivables; and • Note 50: Financial instruments and risk management.	We performed procedures over the evaluation of controls over credit risk processes, assessment of management's ECL model design and application through benchmarking and stress testing of the key assumptions, as well as our independent, high level reperformance of the impairment calculation. This enabled us to independently assess if the loss allowance was within a reasonable range. These procedures were designed to address the significant estimation uncertainty, judgement, and forward-looking elements inherent in the loss allowance calculation and evaluate the appropriateness of the loss allowance recognised in the financial statements. Our procedures consisted of the following: • Through discussion with management, we obtained an understanding of the following management processes and controls implemented over the Group's credit risk management systems and processes, and we tested and evaluated controls over: ◦ credit approval and limits; ◦ onboarding; ◦ securities verification;

Key audit matter	How our audit addressed the key audit matter
We considered the determination of the loss allowance for trade receivables to be a matter of most significance to our current year audit due to the: • calculation of the loss allowance ('ECL') involving significant management judgement particularly in assessing the probability of default ('PD'), loss given default ('LGD') and the impact of forward-looking macroeconomic factors; • magnitude of trade receivables in relation to the consolidated financial statements; and • effects of the ECL on the Group's credit risk management processes and operations and the Group's customer base being widespread with varying risk profiles and exposures across diverse industries and geographical areas. As at 31 August 2025, the Group recognised trade receivables of R 981 million against which a loss allowance of R 33.7 million was recognised. The Group uses a collective approach (i.e.: by grouping trade receivables with shared credit risk characteristics) to measuring ECL on trade receivables using a general/provision matrix as a practical expedient. The matrix is based on historic credit loss experience, adjusted for factors that are specific to debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date.	○ monitoring and policy adherence; and ○ IT-dependent controls over customer data, ageing and related reports. • Model assessment: We evaluated the design and application of the provision matrix, including the mapping of internal risk ratings to external methodologies, the sourcing and calibration of PDs, and the derivation of LGD. We agreed key inputs to source records and assessed the continued appropriateness of collective measurement and segmentation. Our independent, overarching ECL reperformance captured any differences noted in the above key areas. No material exceptions were noted; • Stress testing: We challenged forward-looking scenarios and overlays against external indicators and performed sensitivities on key assumptions. No material variances noted; and • Comparative analysis: We compared current year defaults, losses and write-offs to prior periods and industry benchmarks. The trends were consistent with the Group's risk profile and collection experience. With the assistance of our internal credit and actuarial expertise, we performed the following procedures: ○ Built benchmark loss rate ranges per aging bucket using historical loss data; ○ Applied a low default adjustment and back-tested a collateral based LGD framework with cure assumptions; and ○ independently reperfomed the loss allowance using these bounds and compared it to management's results. Management's estimates were not materially different from the independently derived ranges.

Key audit matter	How our audit addressed the key audit matter
The credit allowance is determined by multiplying the total debtor book by the PD and LGD. The Group has identified a comprehensive PD rating of an external source with similar portfolios for forward looking information such as inflationary pressures on consumers and climate risk. LGD is calculated as the gross exposure, by decreasing the total debtor balance by the adjusted security value held or ceded to the Group. Where there is objective evidence of credit deterioration for specific receivables, a specific provision is recognised which is assessed separately and reflects known credit issues not captured by the collective model.	

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "TWK Investments Limited and subsidiaries Report 2024-2025" and the document titled "TWK Investments Limited Separate Financial Statements for the year ended 31 August 2025", which include(s) the Directors' Report, the Audit and Risk Committee Report and the Statement by the Company Secretary as required by the Companies Act of South Africa and the document titled "TWK Investments Limited and subsidiaries Report 2024-2025". The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

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

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

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

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the

preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of TWK Investments Limited for 1 year(s).

PricewaterhouseCoopers Inc.
PricewaterhouseCoopers Inc.
Director: HB Eksteen
Registered Auditor
Johannesburg, South Africa
10 December 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2025

FIGURES IN RAND	NOTES	2025	Restated 2024*	Restated 1 September 2023*
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment*	5	1 286 571 379	1 425 226 212	1 396 937 551
Investment property	6	-	6 100 000	6 200 000
Right-of-use assets	7	66 547 368	71 027 219	77 601 262
Biological assets*	8	1 150 606 975	1 390 479 430	1 248 697 462
Goodwill and intangible assets	9	136 660 790	141 558 038	117 148 998
Investments at fair value	12	47 142 354	60 710 052	61 946 261
Investments in associates and joint ventures	11	32 408 499	29 347 316	24 468 631
Loans to group companies	13	14 157 972	5 016 677	8 923 935
Finance lease receivables	14	12 812 953	11 972 093	14 456 631
Loans receivable	15	42 465 663	43 404 070	62 920 332
Deferred tax asset	16	39 924 594	45 571 130	58 583 769
		2 829 298 548	3 230 412 237	3 077 884 832
CURRENT ASSETS				
Inventories*	17	1 338 407 643	1 213 573 099	1 374 400 983
Trade and other receivables*	18	1 164 263 007	1 310 447 889	1 308 365 302
Biological assets*	8	191 767 541	188 076 212	173 655 161
Finance lease receivables	14	14 000 758	10 743 927	14 167 647
Financial assets at fair value	19	62 022 634	43 610 719	26 899 154
Loans to group companies	13	34 598 261	78 639	5 150 725
Loans receivable	15	25 185 153	24 364 748	35 296 067
Derivative financial instruments*	20	14 087 002	7 695 476	8 834 020
Current tax receivable		32 267 452	25 082 650	26 311 678
Cash and cash equivalents*	21	92 410 966	210 363 965	112 253 013
		2 969 010 418	3 034 037 324	3 085 333 750
Non-current assets held for sale and assets of disposal groups	22	447 499 239	326 801 584	485 318 017
TOTAL ASSETS		6 245 808 204	6 591 251 144	6 648 536 598

*Refer to note 22 and 52 for details regarding restatements of comparative information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2025 CONTINUED

FIGURES IN RAND	NOTES	2025	Restated 2024*	Restated 1 September 2023*
EQUITY AND LIABILITIES				
CAPITAL AND RESERVES				
Share capital	23	832 990 287	834 801 875	828 641 158
Reserves*		107 771 225	185 826 281	184 296 063
Retained income*		1 104 054 521	1 079 233 667	949 388 696
Own equity*		2 044 816 033	2 099 861 823	1 962 325 917
Non-controlling interest*		5 513 728	7 123 303	36 009 871
TOTAL EQUITY		2 050 329 761	2 106 985 126	1 998 335 788
LIABILITIES				
NON-CURRENT LIABILITIES				
Borrowings	27	942 169 081	786 603 086	876 668 467
Lease liabilities	7	48 464 522	54 499 047	58 165 243
Loans from group companies	28	-	12 200 000	36 600 000
Retirement benefit obligation	29	3 839 000	3 713 000	4 076 000
Deferred tax liabilities*	16	305 508 724	311 708 500	290 165 463
		1 299 981 327	1 168 723 633	1 265 675 173
CURRENT LIABILITIES				
Borrowings	27	1 508 186 982	1 516 539 163	1 722 954 811
Trade and other payables*	30	940 831 620	1 064 058 185	1 115 667 185
Lease liabilities	7	26 180 966	22 859 823	24 974 656
Derivative financial instruments*	20	10 942 852	23 213 942	5 600 677
Loans from group companies	28	1 547 798	153 126 211	121 947 982
Other loans payable		-	-	700 696
Provisions	31	11 650 438	11 275 823	11 111 565
Contract liabilities	32	33 550 425	25 756 045	2 196 920
Current tax payable*		454 643	500 300	6 713 345
Dividend payable		1 055 877	4 508 777	1 055 876
Bank overdraft	21	73 088 352	255 950 329	27 399 008
		2 607 489 953	3 077 788 598	3 040 322 723
Non-current liabilities held for sale and liabilities of disposal groups	22	288 007 163	237 753 788	344 202 917
TOTAL LIABILITIES		4 195 478 443	4 484 266 018	4 650 200 811
TOTAL EQUITY AND LIABILITIES		6 245 808 204	6 591 251 144	6 648 536 598

*Refer to note 22 and 52 for details regarding restatements of comparative information.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2025

FIGURES IN RAND	NOTES	2025	Restated 2024*
CONTINUING OPERATIONS			
Revenue*		9 081 416 110	9 070 248 752
Finance Income		100 503 182	110 835 433
Total revenue*	33	9 181 919 286	9 181 084 185
Cost of sales*		(7 857 093 278)	(7 892 559 572)
Finance costs*		(75 559 915)	(80 743 487)
Total Cost of sales*	34	(7 932 653 193)	(7 973 303 059)
GROSS PROFIT*		1 249 266 093	1 207 781 126
Other operating income*	35	105 044 820	256 758 350
Other operating (losses) / gains*	36	(13 805 901)	150 444 781
Loyalty scheme expenses		(11 626 933)	(18 282 490)
Other operating expenses*	37	(1 103 718 414)	(1 015 706 381)
OPERATING PROFIT*	37	225 159 665	580 995 386
Investment income*	38	7 348 958	7 178 026
Finance costs*	39	(133 885 579)	(167 310 282)
Share of profit from associates and joint ventures		8 626 183	7 166 773
Other non-operating gains / (losses)	40	-	15 835 986
PROFIT BEFORE TAXATION*		107 249 227	443 865 889
Taxation*	41	(16 135 692)	(82 473 406)
PROFIT FROM CONTINUING OPERATIONS*		91 113 535	361 392 483
DISCONTINUED OPERATIONS			
Loss from discontinued operations*	22	(93 444 407)	(208 564 982)
(LOSS)/PROFIT FOR THE YEAR*		(2 330 873)	152 827 501
OTHER COMPREHENSIVE INCOME:			
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS:			
Remeasurements on net defined benefit liability		428 348	200 480
Gains on property revaluation*		17 064 714	13 586 989
Changes in fair value of equity investments at fair value through other comprehensive income*		(10 646 034)	245 401
Income tax relating to items that will not be reclassified*		(3 067 633)	(1 749 685)
TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS*		3 779 395	12 283 185
OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAXATION*	42	3 779 395	12 283 185
TOTAL COMPREHENSIVE INCOME FOR THE YEAR*		1 448 522	165 110 686
PROFIT ATTRIBUTABLE TO:			
OWNERS OF THE PARENT:			
From continuing operations*		84 009 424	373 525 507
From discontinued operations*		(98 894 540)	(201 723 419)
		(14 885 116)	171 802 088
NON-CONTROLLING INTEREST:			
From continuing operations*		7 104 110	(12 133 024)
From discontinued operations*		5 450 133	(6 841 563)
		12 554 243	(18 974 587)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO*:			
Owners of the parent*		(8 342 783)	184 303 937
Non-controlling interest*		9 791 305	(19 193 251)
		1 448 522	165 110 686
EARNINGS PER SHARE			
FROM CONTINUING OPERATIONS*			
Basic earnings per share (c)	43	212,69	1 032,03
Diluted earnings per share (c)	43	201,69	977,18
FROM DISCONTINUED OPERATIONS*			
Basic loss per share (c)	43	(252,99)	(565,89)
Diluted loss per share (c)	43	(239,90)	(535,81)

*Refer to note 22 and 52 for details regarding prior period errors and reclassifications as well as the reclassifications for the effect of discontinued operations.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2025

FIGURES IN RAND	Share capital	Treasury shares	Total share capital	Restated Revaluation reserve *	Restated Restructuring reserve*
Opening balance as previously reported	884 202 338	(55 561 180)	828 641 158	82 952 087	(41 727 522)
Adjustments					
Prior period errors*	—	—	—	151 302 847	—
RESTATED BALANCE AT 1 SEPTEMBER 2023*	884 202 338	(55 561 180)	828 641 158	234 254 934	(41 727 522)
Profit/(loss) for the year*	—	—	—	—	—
Other comprehensive income/(loss)*	—	—	—	59 911 668	—
Prior period errors*	—	—	—	(48 132 275)	—
RESTATED TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR*	—	—	—	11 779 393	—
Shares bought back	—	6 160 717	6 160 717	—	—
Transfer between reserves	—	—	—	—	—
Share-based payments	—	—	—	—	—
Dividends	—	—	—	—	—
Changes in ownership interest	—	—	—	—	—
TOTAL CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF COMPANY RECOGNISED DIRECTLY IN EQUITY	—	6 160 717	6 160 717	—	—
Balance at 1 September 2024 - As previously stated	884 202 338	(49 400 463)	834 801 875	142 863 755	(41 727 522)
Prior period errors*	—	—	—	103 170 572	—
RESTATED BALANCE AT 1 SEPTEMBER 2024*	884 202 338	(49 400 463)	834 801 875	246 034 327	(41 727 522)
Profit/(Loss) for the year*	—	—	—	—	—
Other comprehensive income/(loss)	—	—	—	13 002 256	—
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	—	—	—	13 002 256	—
Treasury shares	—	(1 811 588)	(1 811 588)	—	—
Transfer between reserves	—	—	—	50 695 932	(118 022 113)
Revaluation reserve realised	—	—	—	(3 176 261)	—
Share-based payments	—	—	—	—	—
Dividends	—	—	—	—	—
Changes in ownership interest	—	—	—	—	—
TOTAL CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF COMPANY RECOGNISED DIRECTLY IN EQUITY	—	(1 811 588)	(1 811 588)	47 519 671	(118 022 113)
BALANCE AT 31 AUGUST 2025	884 202 338	(51 212 051)	832 990 287	306 556 254	(159 749 635)
Note(s)	23	23	23	24 and 42	

*Refer to note 22 and 52 for details regarding restatements of comparative information.

Share-based payment reserve	Reserve for investments at fair value through OCI	Change of ownership reserve	Restated Total reserves*	Restated Retained income*	Restated total attributable to equity holders of the Group/ Company*	Restated Non-controlling interest*	Restated Total equity*
8 918 719	3 980 469	(21 130 537)	32 993 216	1 124 412 350	1 986 046 724	36 009 871	2 022 056 595
—	—	—	151 302 847	(175 023 654)	(23 720 807)	—	(23 720 807)
8 918 719	3 980 469	(21 130 537)	184 296 063	949 388 696	1 962 325 917	36 009 871	1 998 335 788
—	—	—	—	159 886 775	159 886 775	(19 870 583)	140 016 192
—	612 694	—	60 524 362	109 762	60 634 124	(218 664)	60 415 460
—	—	—	(48 132 275)	11 915 313	(36 216 962)	895 996	(35 320 966)
—	612 694	—	12 392 087	171 911 850	184 303 937	(19 193 251)	165 110 686
—	—	—	—	—	6 160 717	—	6 160 717
—	(267 605)	—	(267 605)	267 605	—	—	—
(7 104 821)	—	—	(7 104 821)	—	(7 104 821)	—	(7 104 821)
—	—	—	—	(42 334 384)	(42 334 386)	(5 784 080)	(48 118 466)
—	—	(3 489 443)	(3 489 443)	—	(3 489 443)	(3 909 237)	(7 398 680)
(7 104 821)	(267 605)	(3 489 443)	(10 861 869)	(42 066 879)	(46 767 933)	(9 693 317)	(56 461 250)
1 813 898	4 325 558	(24 619 980)	82 655 709	1 242 342 008	2 159 799 592	6 227 307	2 166 026 899
—	—	—	103 170 572	(163 108 341)	(59 937 769)	895 996	(59 041 773)
1 813 898	4 325 558	(24 619 980)	185 826 281	1 079 233 667	2 099 861 823	7 123 303	2 106 985 126
—	—	—	—	(14 885 116)	(14 885 116)	12 554 243	(2 330 873)
—	(6 694 443)	—	6 307 813	234 520	6 542 333	(2 762 938)	3 779 395
—	(6 694 443)	—	6 307 813	(14 650 596)	(8 342 783)	9 791 305	1 448 522
—	—	—	—	—	(1 811 588)	—	(1 811 588)
—	—	—	(67 326 181)	67 326 181	—	—	—
—	—	—	(3 176 261)	—	(3 176 261)	—	(3 176 261)
(1 391 375)	—	—	(1 391 375)	—	(1 391 375)	—	(1 391 375)
—	—	—	—	(27 854 731)	(27 854 731)	(5 818 919)	(33 673 650)
—	—	(12 469 052)	(12 469 052)	—	(12 469 052)	(5 581 961)	(18 051 013)
(1 391 375)	—	(12 469 052)	(84 362 869)	39 471 450	(46 703 007)	(11 400 880)	(58 103 887)
422 523	(2 368 885)	(37 089 032)	107 771 225	1 104 054 521	2 044 816 033	5 513 728	2 050 329 761

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	NOTES	2025	Restated 2024*
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations**	44	412 851 843	836 387 863
Investment income	38	5 582 493	6 620 452
Dividend income	38	1 766 466	3 997 548
Finance costs	39	(176 474 672)	(217 256 943)
Tax paid	45	(31 569 472)	(57 763 559)
Operational cash outflows from discontinued operations		(74 619 904)	(141 834 026)
NET CASH GENERATED FROM OPERATING ACTIVITIES		137 536 754	430 151 335
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	5	(45 208 411)	(71 355 245)
Sale of property, plant and equipment	5	17 684 472	17 315 358
Purchase of intangible assets	9	(1 041 828)	(6 607 842)
Disposal of intangible assets	9	1 947 617	-
Consideration paid for agency rights acquired	9	(6 679 671)	(2 077 702)
Consideration paid for business combinations	9	-	(31 843 414)
Proceeds from forestry and term loans	15	33 873 425	30 450 170
Advances to forestry and term loans	15	(38 772 535)	(2 590)
Purchases of investments at fair value	12	-	(9 670 433)
Sale of investments at fair value	12	-	11 440 478
Advances to finance lease receivables	14	(20 439 626)	(325 466)
Proceeds from finance lease receivables	14	14 865 770	6 233 724
Additions to biological assets	8	(131 995 845)	(139 060 982)
Proceeds from loans to group companies	13	7 516 627	8 979 344
Advances of loans to group companies	13	(48 742 084)	-
Dividend income from associates and joint ventures	11	5 565 000	-
Financial assets at fair value capital contribution	19	-	(17 000 000)
Proceeds received on disposal of business	40	-	20 000 000
Investing cash inflows/(outflows) from discontinued operations		145 643 421	(1 726 826)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(65 783 668)	(185 251 426)
CASH FLOWS FROM FINANCING ACTIVITIES			
Movement in treasury shares	23	(1 811 588)	(6 160 717)
Dividends paid	46	(37 126 550)	(38 881 598)
Repayment of borrowings	27	(1 958 599 533)	(1 472 739 220)
Proceeds from borrowings	27	2 206 126 367	1 176 258 191
Cash outflow on bank overdraft - financing facilities	57	17 395 961 976	(18 359 709 346)
Cash inflow on bank overdraft - financing facilities	57	(17 576 417 782)	18 604 621 579
Lease Liability payments	7	(25 924 726)	(31 735 516)
Proceeds from loans from group companies	28	104 232 871	30 917 450
Repayments of loans received from group companies	28	(265 126 109)	(24 400 000)
Transactions with non-controlling interest	10	(18 051 012)	-
Financing cash outflows from discontinued operations		(10 563 830)	(15 034 046)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	57	(187 299 917)	(136 863 223)
TOTAL CASH MOVEMENT FOR THE YEAR		(115 546 830)	108 036 686
Cash at the beginning of the year	21	199 325 869	84 854 005
Cash and cash equivalents at the end of the year - discontinued operations	21	-	6 435 178
TOTAL CASH AT END OF THE YEAR	21	83 779 039	199 325 869
Cash and cash equivalents at the end of the year - continuing operations	21	92 410 966	210 363 965
Bank overdrafts at the end of year	21	(8 631 927)	(11 038 096)

*Refer to note 22 and 52 for details regarding restatements of comparative information.

**As part of operating activities, finance costs paid amounting to R75 559 915 (2024: R80 743 487) was included in "Cash generated from operations".

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

CORPORATE INFORMATION

TWK Investments Limited (TWK or company) is incorporated and domiciled in the Republic of South Africa whose shares are publicly traded on the Cape Town Stock Exchange (CTSE) and has a secondary listing on A2X. It is the parent of subsidiaries, joint ventures and associates (the Group).

The annual financial statements for the year ended 31 August 2025 were authorised for issue in accordance with a resolution of the directors on Wednesday, 10 December 2025.

1. MATERIAL ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION

The consolidated annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with the requirements, International Financial Reporting Standards (IFRS)® Accounting Standards as issued by the International Accounting Standards Board (IASB), and the interpretations issued by the International Financial Interpretation Committee (IFRIC)® interpretations issued and effective at the time of preparing these consolidated annual financial statements and with those requirements of the Companies Act, no 71 of 2008 of South Africa, as amended.

These consolidated annual financial statements comply with the requirements of The South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the Cape Town Stock Exchange (CTSE) listing requirements.

The consolidated annual financial statements have been prepared on the historic cost convention, except for land and buildings subsequently measured at revalued value, certain financial instruments subsequently measured at fair value and the carrying values of designated hedges assets and liabilities are adjusted to reflect changes in the fair values resulting from the hedged risk, 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's functional currency, and are rounded to the nearest Rand.

These consolidated annual financial statements should be read in conjunction with the separate annual financial statements of TWK Investments Limited. The separate annual financial statements have been prepared in accordance with IAS 27 Separate Financial Statements and present the company's investments in subsidiaries, joint ventures and associates on a cost basis. The consolidated and separate annual financial statements are available at the company's registered office and form part of the complete set of annual financial statements of the Group.

These accounting policies are consistent with the previous period except for amendments as listed below.

1.2 SEGMENTAL REPORTING

The Group determines and presents operating segments based on the information that is internally provided to the Group's Executive Management, who are regarded as the chief operating decision makers.

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and in which it may incur expenditure. The Group's reportable segments reflect its divisional structure, namely Timber, Retail and Mechanisation, Grain, Financial Services and Motors. In the next financial year, the motor segment, will be included in the retail and mechanisation segment as it does not qualify as a separate reportable segment.

Segment results that are reported to the decision makers include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment transactions are conducted at arm's-length and are eliminated on consolidation. Unallocated items comprise mainly of corporate assets, head office expenses and income tax, and is allocated to the Corporate segment.

The basis of segmental reporting has been set out in note 4.

1.3 CONSOLIDATION

BASIS OF CONSOLIDATION

Subsidiaries

A subsidiary is a company that is owned or controlled by the Group. The Group has control of an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and it has the ability to affect those returns through its power over the entity.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal. The annual financial statements of subsidiaries are prepared using uniform accounting policies and, where necessary, are adjusted to align with the accounting policies of the Group. Subsidiaries with different reporting dates are adjusted for significant transactions and events occurring between their year end and the Group's reporting date, unless the effect is immaterial.

All intercompany transactions, balances, and unrealised gains arising from transactions between entities within the consolidated Group are fully eliminated during the consolidation process. Transactions and balances with other entities under common control, but outside the consolidated Group, are not eliminated.

CHANGE IN OWNERSHIP INTERESTS

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

BUSINESS COMBINATIONS

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets Held For Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date. On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree. If, in the case of a bargain purchase, the result of this formula is negative, then the difference is recognised directly in profit or loss.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

1.4 JOINT ARRANGEMENTS

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

JOINT VENTURES

An interest in a joint venture is accounted for using the equity method, except when the investment is classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, interests in joint ventures are carried in the statement of financial position at cost adjusted for post acquisition changes in the Group's share of net assets of the joint venture, less any impairment losses.

The Group's share of post acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in a joint venture in excess of the Group's interest in that joint venture, including any other unsecured receivables, are recognised only to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of the joint venture.

Any goodwill on acquisition of a joint venture is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the Group and a joint venture are eliminated to the extent of the Group's interest therein. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the company loses joint control, the company proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

1.5 INVESTMENTS IN ASSOCIATES

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in associates are accounted for using the equity method after initially being measured at cost, except when the investment is classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates are carried in the Consolidated Statement of Financial Position at cost adjusted for post acquisition changes in the Group's share of net assets of the associate, less any impairment losses.

Losses in an associate in excess of the Group's interest in that associate are recognised only to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

For associates with different year ends, the Group uses 12 month management accounts in the preparation of the consolidated annual financial statements.

1.6 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of annual financial statements in conformity with IFRS® Accounting Standards requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately differ from these estimates. The Group makes estimates, judgements and assumptions concerning the future. Those that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

KEY SOURCES OF ESTIMATION UNCERTAINTY

Trade receivables

The Group assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. Refer to note 18 for details regarding the impairment of trade receivables.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Trade receivables are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The assessment is done at initial recognition of the trade receivables. Further the impairment provision is monitored at the end of each reporting period. The company measures the loss allowance for trade receivables by applying the general/provision matrix approach which is prescribed by IFRS 9.

Allowance for slow moving, damaged and obsolete inventory

Inventory is valued at the lower of cost and net realisable value. A provision is raised against inventory according to nature, condition and age.

Fair value estimation

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period.

Impairment testing

The Group reviews and tests for impairment the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indicators that an impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows are used to determine the value in use of tangible and intangible assets, as well as goodwill, and are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including production estimates, supply demand, together with economic factors such as exchange rates, inflation and interest. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Property, plant and equipment

Management reviews the useful life and residual value of fixed assets on an annual basis, and adjustments are made as appropriate. Management uses their experience, judgement and assumptions in the process of determining the life span and residual values.

Right of use assets: Critical judgments in determining the lease term and the incremental borrowing rate

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option: or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the following factors are considered:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which effects this assessment, and that is within the control of the lessee.

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

Goodwill and Intangible assets

The Group tests goodwill and intangible assets for impairment on an annual basis. The recoverable amount of the cash generating units (CGUs) are determined based on value in use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a one year period and a management forecast covering years two to four. Cash flows for year five are extrapolated using a reasonable growth rate. Cash flows beyond the five year period are extrapolated using the estimated growth rates that are consistent with the economy in which each CGU operates. The key assumptions for CGUs that have significant goodwill allocated to them is presented in note 9. Management reviews the useful lives of intangible assets with a finite useful life on an annual basis, and adjustments are made as appropriate. Management uses their experience, judgement and assumptions in the process of determining the life span.

Provisions

Provisions were raised and management determined an estimate based on information available. Additional disclosure of these estimates of provisions are included in note 31.

Biological assets

Biological assets comprise forestry asset (standing timber plantations), seedlings, and livestock. Biological assets are measured at fair value less costs to sell in accordance with IAS 41 Agriculture, with changes in fair value recognised in profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Fair value is determined using a discounted cash flow model for timber plantations, incorporating assumptions regarding market prices changes, operating costs and costs to sell changes, discount rate changes and volume estimation changes. Livestock and seedlings are valued using observable market data where available. Mature plantations expected to be harvested within twelve months are classified as current assets; all other plantations are non-current.

The determination of fair value involves significant judgement and estimation, particularly in relation to:

- Future market prices and operating cost escalation – based on current market prices adjusted for expected inflation and species specific price trends.
- Volume growth assumptions – derived from mean annual increment and yield models that depend on climatic, silvicultural and genetic factors.
- Discount rate – representing the Group's weighted average cost of capital, adjusted for specific forestry risks.

For details of judgements and estimates that have a significant effect on the audited consolidated annual financial statements, refer to Note 8 – Biological assets.

Due to the inherent subjectivity of these inputs, small changes in key assumptions may result in material changes in the carrying value of biological assets. Sensitivity analyses are provided in note 8 to the annual financial statements.

Deferred tax asset

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profits will be available against which the loss can be utilised. Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and level of taxable future profits, together with future tax planning strategies.

Post-retirement medical benefit

The Group provides a defined benefit post employment medical subsidy to qualifying former employees, accounted for in accordance with IAS 19 Employee Benefits. The liability represents the present value of the Group's estimated future medical contributions, as determined by an independent actuary using the projected unit credit method and discounted using a rate reflecting high quality corporate bond yields. Actuarial gains and losses arising from experience adjustments and changes in assumptions are recognised in other comprehensive income. The valuation involves significant judgement and estimation, particularly in respect of the discount rate, future medical cost inflation, and mortality assumptions, which have a material effect on the obligation's measurement. Changes in these assumptions, even by small margins, can lead to significant movements in the recognised liability, and sensitivity analyses are disclosed in the related note to illustrate this uncertainty.

Share-based payments

The Group grants equity settled share based payment awards to certain employees, which are measured at fair value at the grant date and expensed over the vesting period, taking into account the probability that the awards will vest. The fair value is determined using valuation models that require significant judgement and the use of estimates, including assumptions about expected volatility, dividend yields, risk free interest rates, expected employee turnover, and the likelihood of achieving performance conditions. Changes in these assumptions can materially impact the reported expense. The Group assesses the number of awards expected to vest and adjusts the expense accordingly, with any revisions recognised in the period of change.

1.7 BIOLOGICAL ASSETS

The Group recognises a biological asset or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

Biological assets exclude bearer plants, which are included in property, plant and equipment. Forestry assets consists of owned plantations and plantations bought on a standing timber basis.

Forestry assets as well as seedlings are measured on initial recognition and at subsequent reporting dates at fair value less costs to sell and is a Level 3 measure in terms of the fair value measurement hierarchy as established by IFRS 13 Fair Value Measurement. The net selling price is defined as the selling price less the costs of transport, harvesting, extraction and loading. All selling prices and costs are denominated in South African rand. The net selling price is based on third-party transactions and is influenced by the species, maturity profile and location of timber.

Losses resulting from natural disasters such as abnormal rainfall or drought, frost, hail and epidemic deaths and losses resulting from fire damage and theft, and the recovery of the loss from a third party is considered a separate economic event. Consequently, the carrying value of the biological asset is reduced by the loss and the associated expense as a fair value adjustment included in the statement of comprehensive income. Initial and subsequent expenditure incurred for the establishment and conservation of biological assets are capitalised as costs directly attributable to the biological transformation required to obtain the fair value at which biological assets are valued. Borrowing costs are capitalised on the forestry asset, as a qualifying asset.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

The Group uses the income approach in determining the fair value of plantations as it believes that this method yields the most appropriate valuation. In arriving at plantation fair values, the key inputs are market prices, costs to sell, discount rates and volume and growth estimations. Of these key inputs, discount rates, and the volume and growth estimations are key assumptions that have significant estimation and judgement. All changes in fair value are recognised in profit or loss in the period in which they arise. The impact that changes in market prices, costs to sell, discount rates, and volume and growth assumptions may have on the calculated fair value on plantations is disclosed in the notes to the consolidated annual financial statements.

At point of harvest, the carrying value of forestry assets is transferred to inventory and recorded as a felling cost reduction to the fair value of forestry assets.

Livestock is measured on initial recognition at cost and subsequently at fair value less costs to sell.

1.8 INVESTMENT PROPERTY

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the entity, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

FAIR VALUE

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

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

1.9 PROPERTY, PLANT AND EQUIPMENT

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits flowing from the item for more than one period of use in the production or supply of goods or services, or for administrative purposes, and are not acquired for resale purposes will flow to the entity;
- and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes site preparation, the purchase price of the equipment and directly attributable labour, installation and other costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to or replace part of it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Borrowing costs are capitalised on qualifying assets. The capitalisation of borrowing costs ceases when the asset is in the location and condition necessary for it to be capable of commercial operation. Start up and ongoing maintenance costs are not capitalised.

Plant, machinery, furniture and fixtures, IT equipment, structures, bearer plants and motor vehicles are carried at cost less accumulated depreciation and any impairment losses.

Bearer plants are included in property, plant and equipment. Bearer plants are living plants which are used in the production or supply of agricultural produce and are expected to bear produce for more than one period. They only qualify as bearer plants if there is only a remote likelihood of them being sold as agricultural produce.

Land and buildings are subsequently carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses, based on periodic, but at least recurring every three years, valuations by external independent valuers. Land is not depreciated as it is deemed to have an unlimited useful life.

An increase in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation surplus in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in profit or loss in the current period to the extent that no credit balance exists in the revaluation surplus in respect of that asset.

The decrease recognised in other comprehensive income reduces the amount accumulated in the revaluation surplus in equity. The revaluation surplus in equity related to a specific item of land and buildings is transferred directly to retained income when the asset is derecognised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Depreciation is calculated to write off the asset's cost amount over its estimated useful life to its estimated residual value. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The depreciable amount of property, plant and equipment, i.e. the cost (or revalued amount) less the residual value as defined, is allocated on a straight line basis over its useful life.

The useful life and residual value of property, plant and equipment are reviewed on an annual basis. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The evaluation regarding the useful life and residual values of assets can only be established with certainty when the item of plant and equipment near the end of their useful life. Useful life and residual value evaluation may result in a larger or smaller depreciation expense. If the residual value of an asset equals the carrying amount, the depreciation is discontinued until the carrying amount exceeds the residual value.

The estimated useful lives of items of property, plant and equipment are within the following intervals:

Item	Average useful life
Land and Buildings	20 to 50 years
Structures	15 to 50 years
Plant and machinery	4 to 22 years
Furniture and fixtures	3 to 9 years
Motor vehicles	3 to 8 years
IT equipment	2 to 5 years
Bearer plants	5 years

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.10 GOODWILL AND INTANGIBLE ASSETS

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets, of the acquired business at the date of acquisition, and liabilities assumed.

Goodwill is allocated to cash generating units for the purpose of impairment assessment. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which goodwill arose.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Goodwill and intangible assets are initially recognised at cost. After initial recognition, goodwill and intangible assets are measured at cost less any accumulated amortisation and impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The useful life and residual values of intangible assets are reviewed at the beginning of each reporting period and adjusted if appropriate. The evaluation regarding the useful lives and residual values of computer software can only be established with certainty when the item of asset is near the end of their useful life. Amortisation is calculated on a straight line basis to write off intangible assets cost amount over its estimated useful life to its estimated residual value.

The estimated useful lives of items of intangible assets are within the following intervals:

Item	Average useful life
Computer software	4 to 10 years
Agency insurance rights	12 to 17 years

1.11 FINANCIAL INSTRUMENTS

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

The classification of financial instruments, which are adopted by the Group is as follows.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Financial assets which are debt instruments:

- Amortised cost;
- Mandatorily at fair value through profit or loss (P/L); or
- Designated at fair value through profit or loss.

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income (OCI).

Financial assets are classified and measured at amortised cost only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows.

Financial asset are classified and measured at fair value through OCI only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

- Amortised cost;
- Mandatorily at fair value through profit or loss; or
- Designated at fair value through other comprehensive income (OCI).

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

The Group participates in a captive cell underwriting structure that facilitates the insurance of specific risks related to its operational activities. The Group's interest in the captive cell is recognised as a financial asset in the statement of financial position. The asset is classified as a debt instrument measured at fair value through profit or loss (FVTPL) in accordance with IFRS 9 Financial Instruments.

The fair value of the asset reflects the Group's proportionate share of the net assets of the captive cell, including premiums received, claims paid, commissions, sundry expenses, tax, and other underwriting related activities.

Fair value is determined at each reporting date, and changes in fair value are recognised immediately in profit or loss.

Fair value movements on the captive cell structure are presented under "Other operating income", as these movements arise from activities that are integral to the Group's operating business. The related income therefore forms part of the Group's operating results.

For purposes of management reporting and the calculation of EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), the fair value movement on the captive cell structure is not adjusted out, as it predominantly represents cash backed operational activity rather than non cash valuation adjustments.

Note 50 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The Group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated. The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification. Financial liabilities are not reclassified.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

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

LOANS RECEIVABLE, FINANCE LEASE RECEIVABLES AND LOANS TO GROUP COMPANIES

Classification

Loans receivable (note 15), Finance lease receivables (Note 14) and Loans to group companies (note 13) are classified as financial assets at amortised cost when both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Recognition and measurement

Loans receivable (note 15), Finance lease receivables (Note 14) and Loans to group companies (note 13) are recognised when the Group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

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

Application of the effective interest method

Interest income is calculated using the effective interest method, and is included in profit or loss. The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

- The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance
- If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.
- If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The Group recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The Group measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the Group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

TRADE AND OTHER RECEIVABLES

Classification

Trade and other receivables, excluding, when applicable, VAT, deposits and prepayments, and staff loans are classified as financial assets subsequently measured at amortised cost (note 18).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

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

Recognition and measurement

Trade and other receivables are recognised when the Group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at the expected consideration receivable from contracts with customers. Other receivables are measured at initial recognition at fair value.

They are subsequently measured at amortised cost.

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

Impairment

The Group recognises a loss allowance for expected credit losses on trade and other receivables and prepayments. The amount of expected credit losses is updated at each reporting date.

The Group measures the loss allowance for trade and other receivables by applying the general/provision matrix approach which is presented by IFRS 9. In accordance with this approach, the expected credit losses are estimated using a provision matrix. The provision matrix has been developed by making use of an internal risk rating which is mapped to the indicative mapping methodology for corporate exposure based on information published by rating agencies. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. A comprehensive Probability of Default (PD) rating of an external source is used as reference point for forward looking information. Trade receivables is grouped in categories based on shared characteristics to measure the expected credit losses.

Measurement and recognition of expected credit losses

The Group makes use of a general/provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The Group's customer base is widespread and does not exhibit significantly different loss patterns across customer segments. Accordingly, the Group applies a collective approach to measuring expected credit losses on trade and other receivables using a provision matrix, as permitted by IFRS 9.

However, where there is objective evidence of credit deterioration for specific receivables, individual (specific) provisions are recognised. These specific provisions are assessed separately and reflect known credit issues not captured by the collective model.

Details of the general/provision matrix and specific impairments are presented in Note 18.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance (note 38).

Credit risk

Details of credit risk are included in the trade and other receivables note (note 18) and the financial instruments and risk management note (note 50).

INVESTMENTS IN EQUITY INSTRUMENTS

Classification

Investments in equity instruments are presented in note 12. They are classified as mandatorily at fair value through profit or loss. As an exception to this classification, the Group may make an irrevocable election, on an instrument by instrument basis, and on initial recognition, to designate certain investments in equity instruments as at fair value through other comprehensive income.

The designation as at fair value through other comprehensive income is never made on investments which are either held for trading or contingent consideration in a business combination.

Recognition and measurement

Investments in equity instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition, at fair value. Transaction costs are added to the initial carrying amount for those investments which have been designated as at fair value through other comprehensive income. All other transaction costs are recognised in profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Investments in equity instruments are subsequently measured at fair value with changes in fair value recognised either in profit or loss or in other comprehensive income, depending on their classification. Details of the valuation policies and processes are presented in note 12.

Dividends received on equity investments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in investment income (note 38).

NON-HEDGING DERIVATIVES

Classification

Non hedging derivatives are classified as mandatorily at fair value through profit or loss.

The Group participates in various derivative future buying and selling contracts for the buying and selling of agricultural commodities on the JSE. Although certain contracts are covered by the physical provision or delivery during normal business activities, the derivatives are regarded as a financial instrument (Note 20).

Recognition and measurement

Derivatives are recognised when the Group becomes a party to the contractual provisions of the instrument. They are measured, at initial recognition and subsequently, at fair value. Transaction costs are recognised in profit or loss.

Initial margins represent collateral placed to cover potential future exposure on open derivative positions. Initial margin deposits do not meet the definition of cash or cash equivalents in terms of IAS 7 Statement of Cash Flows, as they are not readily available for use in day to day operations and are subject to restrictions until the related contracts are closed. Accordingly, initial margin deposits are recognised at amortised cost within trade and other receivables in the statement of financial position.

Variable margins represent daily settlements of changes in the fair value of derivative contracts. These margin movements are not classified as cash equivalents, as they form part of the fair value measurement of the underlying derivatives. Variable margin movements are accounted for as part of the derivative financial instruments, which are measured at fair value through profit or loss (FVTPL) in accordance with IFRS 9. The related gains or losses are recognised in profit or loss within fair value movements on derivative financial instruments.

Derivative assets and liabilities arising from these instruments are presented separately in the statement of financial position. Derivative liabilities identified for both current and prior periods are incorporated into the existing derivative liabilities balance within the Risk Management note and are measured at fair value in accordance with IFRS 13 Fair Value Measurement.

Judgement is applied in distinguishing between collateral deposits (initial margins) and settlements (variable margins), based on the contractual terms with brokers, the exchange rules, and the legal enforceability of rights of offset.

Transactions in foreign currencies are translated to the functional currency of the Group at the rate of exchange ruling on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the rates of exchange ruling at the reporting date. Any foreign exchange differences are recognised in profit or loss in the year in which the difference occurs. The profit or loss are included under other operating gains and losses (Note 36).

BORROWINGS AND LOANS FROM RELATED PARTIES

Classification

Loans from group companies (note 28) and borrowings (note 27) are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings and loans from related parties are recognised when the Group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 39).

Borrowings expose the Group to liquidity risk and interest rate risk. Refer to note 50 for details of risk exposure and management thereof.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

TRADE AND OTHER PAYABLES

Classification

Trade and other payables (note 30), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 39).

Trade and other payables expose the Group to liquidity risk and possibly to interest rate risk. Refer to note 50 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents are measured at amortised cost.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost.

Fair value determination

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the annual financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1:** Represents those assets which are measured using unadjusted quoted prices in active markets for identical assets or liabilities that the Group can access at measurement date.
- Level 2:** Inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).
- Level 3:** Applies inputs which are not based on observable market data.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

For assets and liabilities that are recognised in the annual financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.12 TAX

CURRENT TAX ASSETS AND LIABILITIES

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

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

DEFERRED TAX ASSETS AND LIABILITIES

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

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

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

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

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

TAX EXPENSES

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

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

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

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

1.13 LEASES

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

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

GROUP AS LESSEE

A lease liability and corresponding right of use asset are recognised at the lease commencement date, for all lease agreements for which the Group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense (note 37) on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand alone prices of the lease components and the aggregate stand alone price of the non lease components (where non lease components exist).

However as an exception to the preceding paragraph, the Group has elected not to separate the non lease components for leases of land and buildings.

Details of leasing arrangements where the Group is a lessee are presented in note 7 Right of use assets and Lease liabilities (Group as lessee).

LEASE LIABILITY

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

In determining the incremental borrowing rate applied to lease liabilities, management uses judgement to estimate the rate at which the Group would be able to borrow funds over a similar term and with a similar security, in a similar economic environment, to obtain an asset of similar value to the right-of-use asset.

The Group considers factors such as:

- the lease term;
- the nature and quality of the underlying asset; and
- observable market interest rates.

Where the Group has recent third-party borrowings with similar characteristics, these are used as a starting point.

The determination of the incremental borrowing rate therefore involves significant judgement and has a material impact on the measurement of lease liabilities and related right-of-use assets.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the Group under residual value guarantees;
- the exercise price of purchase options, if the Group is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right of use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 37).

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 39).

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the Group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recognised in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

RIGHT-OF-USE ASSETS

Lease payments included in the measurement of the right of use asset comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Group incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right of use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Group expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset.

Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are presented in the following table:

Item	Average useful life
Land and buildings	7 years
Motor vehicles	4 years
Equipment	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right of use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

GROUP AS LESSOR

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right of use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described previously, then it classifies the sub lease as an operating lease.

The various lease and non lease components of contracts containing leases are accounted for separately, with consideration being allocated by applying IFRS 15.

FINANCE LEASES

Amounts due from lessees are recognised from commencement date at an amount equal to the Group net investment in the lease. They are presented as lease receivables (note 14) on the statement of financial position.

The interest rate implicit in the lease is used to measure the net investment in the lease. If the interest rate implicit in a sublease cannot be readily determined for a sublease, then the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) is used to measure the net investment in the sublease.

The interest rate implicit in the lease is defined in a manner which causes the initial direct costs to be included in the initial measurement of the net investment in the lease.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Lease payments included in the measurement of the net investment in the lease comprise the following:

- fixed lease payments, including in substance fixed payments, less any lease incentives payable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be receivable by the Group from the lessee, a party related to the lessee or a third party unrelated to the Group under residual value guarantees (to the extent of third parties, this amount is only included if the party is financially capable of discharging the obligations under the guarantee);
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The Group recognises finance income over the lease term, based on a pattern that reflects a constant periodic rate of return on the net investment in the lease. Finance income recognised on finance leases is included in investment income in profit or loss (note 38).

The Group applies the impairment provisions and derecognition requirements of IFRS 9 to finance lease receivables. Refer to the accounting policy for trade and other receivables as lease receivables are impaired on a consistent basis with that accounting policy.

1.14 INVENTORIES

Inventories are measured at the lower of cost and net realisable value. Cost of inventory items is determined in accordance with the weighted average cost method, unless another method is more appropriate given the nature and characteristics of the inventory. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Grain inventory held within silos are measured at fair value less costs to sell. Fair value is determined using observable market prices for the relevant type and grade of grain, adjusted for applicable differentials. are measured at fair value less costs to sell. Fair value is determined using observable market prices for the relevant type and grade of grain, adjusted for applicable differentials.

Changes in fair value are recognised in profit or loss in the period in which they occur.

Inventories are derecognized when sold or otherwise disposed of, with the carrying amount recognized as an expense in the same period as the related revenue. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Write-downs of inventories to net realizable value and all inventory losses are recognized as an expense in the period in which they occur. Reversals of previous write-downs, arising from an increase in net realizable value, are recognized as a reduction in the cost of sales in the period in which the reversal occurs.

1.15 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Subsequent measurement of assets classified as held for sale (HFS)

Non-current assets and disposal groups classified as held for sale are measured and reassessed at each reporting date in accordance with IFRS 5. The carrying amounts of assets and liabilities that are outside the measurement scope of IFRS 5 are measured in accordance with the applicable IFRS requirements. For disposal groups, the fair value less costs to sell of the disposal group is remeasured at each reporting date until disposal or until the criteria for classification as held for sale are no longer met.

Any subsequent increase in fair value less costs to sell of an asset classified as held for sale is recognised only to the extent of the cumulative impairment loss previously recognised under IFRS 5 (or IAS 36 where applicable). Increases in the fair value less costs to sell of a disposal group are recognised only to the extent that they (a) have not already been recognised as a result of remeasurement of assets and liabilities outside IFRS 5's measurement scope, (b) do not relate to the reversal of any impairment of goodwill, and (c) do not exceed the cumulative impairment loss previously recognised in accordance with IFRS 5 or IAS 36.

Non-current assets do not continue to be depreciated or amortised while they are classified as held for sale or part of a disposal group held for sale. Costs and expenses directly attributable to a disposal group held for sale continue to be recognised in profit or loss as incurred.

1.16 IMPAIRMENT OF ASSETS

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Group also test goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.17 SHARE CAPITAL AND EQUITY

Ordinary shares are classified as equity.

If the Group reacquires its own equity instruments, the consideration paid, including any directly attributable incremental costs (net of income taxes) on those instruments are deducted from equity until the shares are cancelled or reissued. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Consideration paid or received shall be recognised directly in equity.

Ordinary shares in TWK Investments Limited which have been acquired by the TWK Agri Aandele Aansporings Trust, are classified as treasury shares. The cost of these shares is deducted from equity and the number of shares is deducted from the total number of shares.

1.18 SHARE-BASED PAYMENTS

The Group grants share options to certain employees under an employee share plan. The fair value is measured at grant date and the expenses are spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted as part of the TWK Group employee share option plan is measured using the Black Scholes option pricing model, taking into account the terms and conditions under which the options were granted. The amount recognised as an expense with a corresponding increase in equity is adjusted at each reporting date to reflect the actual number of share options that vest or are expected to vest. Non market vesting conditions are included in assumptions about the number of awards that are expected to become due, including taking into account the forfeiture of instruments due to resignation and these assumptions are reviewed on an annual basis.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

1.19 DIVIDEND DISTRIBUTION

The Group's policy is to consider the declaration of dividends on an annual basis, subject to the availability of distributable reserves and compliance with the solvency and liquidity requirements of the Companies Act. Dividend decisions are based on the company's financial performance, cash flow position, future investment needs, and overall capital management objectives.

1.20 EMPLOYEE BENEFITS

SHORT-TERM EMPLOYEE BENEFITS

The cost of short term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

DEFINED CONTRIBUTION PLANS

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Group's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

DEFINED BENEFIT PLANS

For defined benefit plans the cost of providing the benefits is determined based on the current value of expected medical aid contribution by taking into account mortality tables.

Actuarial valuations are conducted on an annual basis by independent actuaries and any gains or losses are recognised in profit or loss.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

1.21 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.22 REVENUE RECOGNITION

The Group recognises revenue from the following major sources:

- Sale of goods – agricultural products and produce – Exports
- Sale of goods – agricultural products and produce – Local
- Sale of goods – contract fertiliser sales
- Sale of goods – farming equipment
- Sale of goods – handling of grain related products
- Sale of goods – grain commodity goods – Local
- Sale of goods – grain commodity goods – Exports
- Sale of goods – fuel and other related items
- Rendering of services – commission on sale of agricultural products and produce and contract fertiliser sales
- Rendering of services – servicing of farming equipment
- Rendering of services – storage of grain related products
- Rendering of services – commission income
- Rendering of services – finance income

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, as well as value added tax. The Group assesses all revenue agreements in order to determine if it is acting as principal or agent. All intergroup sales are eliminated in full on consolidation.

The company has elected to use the practical expedient, in IFRS 15.63. The practical expedient states that a company need not adjust the promised amount of consideration for the effects of a significant financing component if the company expects, at contract inception, that the period between when the company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Sale of goods – agricultural products and produce – Exports

The Group offers processed timber products to international markets. Revenue is recognised when control of the goods has transferred, being when the risk and rewards is transferred to the customer. Based on incoterms, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risk of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the risk and rewards is transferred to the customer as this represents the point in time at which the right to consideration becomes unconditional. No warranty is provided by the Group and the Group does not have any obligation to take back any goods and provide refunds to customers.

Sale of goods – farming equipment, agricultural products and produce – Local

The Group offers a large variety of products that cater for the different agricultural and related industries. Our products include farming equipment, fertiliser, seed, livestock products, hardware, building material, fuel, fencing, spares, processed and unprocessed timber products and grain products, motor vehicles and related items.

Revenue from the sale of goods is recognised when control of the goods has transferred, being when the risk and rewards is transferred to the customer. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risk of obsolescence and loss in relation to the goods.

A receivable is recognised by the Group when the risk and rewards is transferred to the customer as this represents the point in time at which the right to consideration becomes unconditional. No warranty is provided by the Group and the Group does not have any obligation to take back any goods and provide refunds to customers.

Sale of goods – contract fertiliser sales

For contract fertiliser sales revenue is recognised when control of the goods has transferred, being when the risk and rewards is transferred to the customer. Due to the nature of the transaction and the timing difference between the date of the contract and the expected date of the delivery, the obligation is performed at a point in time and gives rise to a contract liability. Revenue is recognised based on the quantity of product delivered to date relative to the total quantity of product delivered. No warranty is provided by the Group and the Group does not have any obligation to take back any goods and provide refunds to customers.

Sale of goods – handling of grain related products

The revenue from the handling of grain is seen as a single performance obligation which is satisfied by the Group at a point in time. The revenue from the handling of grain is recognised upon completion of the handling activity by the Group. No warranty is provided by the Group and the Group does not have any obligation to take back any goods and provide refunds to customers.

Sale of goods – grain commodity goods – Local

For local commodity sales, revenue is recognised when control of the goods has transferred, being when the risk and rewards is transferred to the customer. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risk of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the risk and rewards is transferred to the customer as this represents the point in time at which the right to consideration becomes unconditional. No warranty is provided by the Group and the Group does not have any obligation to take back any goods and provide refunds to customers.

Sale of goods – grain commodity goods – Exports

For export commodity sales, revenue is recognised when control of the goods has transferred, being when the risk and rewards is transferred to the customer. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risk of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the risk and rewards is transferred to the customer as this represents the point in time at which the right to consideration becomes unconditional. No warranty is provided by the Group and the Group does not have any obligation to take back any goods and provide refunds to customers.

Sale of goods – fuel and other related items

The Group owns filling stations where revenue is earned through the sale of fuel and related products.

The company does not have any obligation to take back any goods and provide refunds to customers.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

Rendering of services – commission on sale of agricultural products and produce and contract fertiliser sales

The Group acts as an agent on the marketing of certain agricultural products and produce as well as contract fertiliser sales. Payment terms is the same as discussed under sale of goods – agricultural products and produce and sale of goods – contract fertiliser sales. Commission is earned on these transactions.

Revenue is recognised when the service are provided.

Rendering of services – servicing of farming equipment

Customers are being charged for servicing of these items based on the time spent and parts used. The revenue for the servicing of these items will be recognised when the service is complete if the service does not take a significant period. If, however, the service does take a significant period, revenue will be recognised as the customer's asset is enhanced and TWK obtains a right to payment. If it is not possible to complete the service due to further faults, the client is liable for the charges for time spent and materials used to the point when the service ceases.

The warranty is provided by the product supplier and administrated by the Group.

As the warranty obligation is on the product supplier, the Group does not recognise any provision for the cost involved with this liability. The company does not have any obligation to take back any goods and provide refunds to customers.

Rendering of services – commission income

The Group offers a variety of insurance products and services to a diverse client base of which it acts as agent. The main products offered are:

- Short-term insurance;
- Crop insurance;
- Plantation insurance;
- Long-term insurance;
- Medical aids;
- Funeral insurance; and
- Alternative Risk Transfer

Commission income is recognised at a point in time in the accounting period in which the services are being rendered.

Rendering of services – Finance income

Financial income comprises of interest income and dividend income.

The Group offers its clients with a variety of products to assist with their financing requirements which include month accounts, term loan facilities, forestry loans, asset financing and production facilities. Interest income is earned on these products.

Interest income is recognised, in profit or loss, using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Interest accrues daily and is recognised on a monthly basis.

Rendering of services - storage of grain related products

The storage of grain is seen as a single performance obligation which is satisfied by the Group over a period of time as the customer receives and consumes the benefit of being able to store the product at the grain storage facility. The revenue from the storage of grain is recognised as the grain is stored over time. The revenue from the sale of grain is recognised at the point of delivery of the grain.

An output-based method is being followed to measure the completion of the service, as the customer only pays for specific activities to be performed which entails that revenue is recognised on the basis of the value of services transferred to date relative to the total service promised.

Rendering of services - rental income

The Group has investment property that it leases out.

Rent is recognised on a monthly basis.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1. MATERIAL ACCOUNTING POLICIES CONTINUED

1.23 COST OF SALES

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write down or loss occurs. The amount of any reversal of any write down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs. The related cost of providing services recognised as revenue in the current period is included in cost of sales.

Finance costs incurred that are directly attributable to the generation of finance income are recognised in profit or loss within cost of sales. This presentation ensures that the net margin on financing activities is appropriately reflected, with finance income shown as revenue and the related finance costs matched against it. Finance costs are measured using the effective interest method under IFRS 9 and recognised in the period in which they are incurred.

1.24 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.25 TRANSLATION OF FOREIGN CURRENCIES

FOREIGN CURRENCY TRANSACTIONS

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.26 LOYALTY SCHEME PAYMENTS

The Group operates a loyalty scheme to incentivise clients for doing business with the Group by awarding shares to be taken up in the Group and / or cash payments on an annual basis. All bona fide farmers that do significant business with the Group by contributing to gross profit exceeding a set minimum amount qualify to be awarded through the Loyalty Scheme. These payments are accounted for in the period in which the loyalty scheme payments are made when applicable. The shares are being kept in a trust which is controlled by the Group.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

1. MATERIAL ACCOUNTING POLICIES CONTINUED

1.27 RESTRUCTURING RESERVE

In accordance with IFRS and the principles applicable to common control transactions, assets and liabilities impacted by an organisational restructuring are transferred at their carrying values. The difference between the consideration transferred and the net asset value of the entities involved is recognised directly in equity as a restructuring reserve. This treatment reflects the economic substance of the transaction and is consistent with the predecessor value method.

The restructuring reserve is presented as a separate component of equity in the consolidated statement of financial position. It does not impact the consolidated statement of profit or loss. The nature, origin, and accounting treatment of the reserve are disclosed in the notes to the consolidated annual financial statements.

2. CHANGES IN ACCOUNTING POLICY

The accounting policy adopted in the preparation of the Group annual financial statements is consistent with the policy followed in the preparation of the Group annual financial statements for the previous financial year. No other new standards have been adopted in the current financial year.

3. NEW STANDARDS AND INTERPRETATIONS

3.1 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

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

SUPPLIER FINANCE ARRANGEMENTS - AMENDMENTS TO IAS 7 AND IFRS 7

The amendment applies to circumstances where supplier finance arrangements exist. These are arrangements whereby finance providers pay the **3.** suppliers of the entity, thus providing the entity with extended payment terms or the suppliers with early payment terms. The entity then pays the finance providers based on their specific terms and conditions. The amendment requires the disclosure of information about supplier finance arrangements that enable users of annual financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows as well as on the entity's exposure to liquidity risk.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Group has adopted the amendment for the first time in the 2025 annual financial statements.

The impact of the amendment is not material.

NON-CURRENT LIABILITIES WITH COVENANTS - AMENDMENTS TO IAS 1

The amendment applies to the classification of liabilities with loan covenants as current or non-current. If an entity has the right to defer settlement of a liability for at least twelve months after the reporting period, but subject to conditions, then the timing of the required conditions impacts whether the entity has a right to defer settlement. If the conditions must be complied with at or before the reporting date, then they affect whether the rights to defer settlement exists at reporting date. However, if the entity is only required to comply with the conditions after the reporting period, then the conditions do not affect whether the right to defer settlement exists at reporting date. If an entity classifies a liability as non-current when the conditions are only required to be met after the reporting period, then additional disclosures are required to enable the users of annual financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Group has adopted the amendment for the first time in the 2025 annual financial statements.

The impact of the amendment is not material.

3.2 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The following standards and interpretations have been published and are mandatory for the Group's accounting periods beginning on or after 01 September 2025 or later periods:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

3. NEW STANDARDS AND INTERPRETATIONS CONTINUED

IFRS 19 SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

This is a new standard which may be applied by subsidiaries which do not have public accountability. It is a disclosure only standard and provides for reduced disclosures for qualifying subsidiaries to apply, while still remaining compliant with the recognition, measurement and presentation requirements of IFRS accounting standards. The reduced disclosures provided in IFRS 19 may be applied by the subsidiary in their consolidated, separate or individual annual financial statements, provided that the ultimate or any intermediate parent produces consolidated annual financial statements available for public use that comply with IFRS accounting standards. A subsidiary has public accountability, and may not apply IFRS 19, if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market, or if it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

The effective date of the amendment is for years beginning on or after 01 January 2027.

The Group expects to adopt the amendment for the first time in the 2028 annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's annual financial statements.

IFRS 18 PRESENTATION AND DISCLOSURE IN THE ANNUAL FINANCIAL STATEMENTS

IFRS 18 is the culmination of the IASB's Primary Financial Statements project. IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies:

- Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and a requirement for all companies to provide new defined subtotals, including operating profit.
- Enhanced transparency of management-defined performance measures with a requirement for companies to disclose explanations of those Group-specific measures that are related to the income statement.
- More useful grouping of information in the annual financial statements through enhanced guidance on how to organise information and whether to provide it in the primary annual financial statements or in the notes, as well as a requirement for companies to provide more transparency about operating expenses.

Management is currently assessing the detailed implications of applying the new standard on the entity's annual financial statements.

From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the entity's net profit, the entity expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported.
- The line items presented on the primary annual financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.
- The entity does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial period ending 30 August 2026 will be restated in accordance with IFRS 18. Likely will have a material impact on the Group's annual financial statements.

AMENDMENTS TO IFRS 1 FIRST-TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

Annual Improvements to IFRS Accounting Standards - Volume 11 - Hedge Accounting by a First-time Adopter - Amendment to reduce inconsistency in wording of the requirements in IFRS 9 Financial Instruments in relation to hedge accounting requirements for a first-time adopter.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's annual financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

3. NEW STANDARDS AND INTERPRETATIONS CONTINUED

AMENDMENTS TO IFRS 7 FINANCIAL INSTRUMENTS: DISCLOSURES

Annual Improvements to IFRS Accounting Standards - Volume 11 - Gain or loss on derecognition - Amendment to delete an obsolete reference that remained in IFRS 7 after the publication of IFRS 13 Fair Value Measurement, as well as to improve consistency of wording of the requirements of IFRS 7 with IFRS 13 concepts regarding disclosure of a gain or loss on derecognition.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 financial statements.

It is unlikely that the amendment will have a material impact on the Group's financial statements.

AMENDMENTS TO IFRS 9 FINANCIAL INSTRUMENTS

Annual Improvements to IFRS Accounting Standards - Volume 11 - Derecognition of lease liabilities. The amendment clarifies that if a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss in profit or loss.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 financial statements.

It is unlikely that the amendment will have a material impact on the Group's financial statements.

AMENDMENTS TO IFRS 10 CONSOLIDATED FINANCIAL STATEMENTS

Annual Improvements to IFRS Accounting Standards - Volume 11 - Determination of a 'de facto agent'. The amendment is to clarify whether a party acts as a de facto agent in assessing control of an investee.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 financial statements.

It is unlikely that the amendment will have a material impact on the Group's financial statements.

AMENDMENTS TO IAS 10 STATEMENT OF CASH FLOWS

Annual Improvements to IFRS Accounting Standards - Volume 11 - Cost method - Amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of cost method from IFRS Accounting Standards.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 financial statements.

It is unlikely that the amendment will have a material impact on the Group's financial statements.

AMENDMENTS TO IFRS 9 AND IFRS 7: AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, as such features could affect whether the assets are measured at amortised cost or fair value. The amendment also clarifies the date on which a financial asset or financial liability is derecognised in cases where liabilities are settled through electronic payment systems.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 financial statements.

It is unlikely that the amendment will have a material impact on the Group's financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

4. SEGMENTAL INFORMATION

The Group's reportable segments are based on the structure used by Executive Management to allocate resources and assess performance, in line with IFRS 8 – Operating Segments. The segments are organized primarily by business activity, reflecting the distinct products and services offered.

Geographical areas are not separately reported, as the Group's operations are substantially located within Southern Africa and management does not consider geographical information to be significant for decision-making purposes.

The reportable segments are divided into business units based on the products and services offered and the economic sector in which they operate. The geographical area in which the operating segments operate are of secondary concern, with the associated cost to develop considered excessively.

These reportable segments, together with the nature of their products and services are set out below:

Reportable segment	Products and services
Timber	Establishment, maintenance and harvesting of plantations, marketing of timber and timber-related products. Refer to Note 22 Discontinued operations or disposal groups or non-current assets held for sale.
Retail and mechanisation	Sales of farming inputs through retail outlets, sales of mechanisation equipment and production and marketing of fertiliser and related products. Refer to Note 22 Discontinued operations or disposal groups or non-current assets held for sale.
Financial services	Credit extension to agricultural producers and corporate clients, as well as commissions and administration fees on short-term-, crop-, and life insurance.
Grain	Handling and storage of agricultural produce, production and sale of maize meal and animal feeds and commission earned on marketing of grain.
Motors	Previously sale of motor vehicles, trucks and related products. Currently trades as fuel stations. Refer to Note 22 Discontinued operations or disposal groups or non-current assets held for sale.
Renewable energy	Supply of electricity via solar energy. This segment has been classified as held for sale. Refer to Note 22 Discontinued operations or disposal groups or non-current assets held for sale.
Corporate	Group support services, including head office functions, information technology, human resources, property management, corporate marketing, internal audit and group financing. Refer to Note 22 Discontinued operations or disposal groups or non-current assets held for sale.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

SEGMENTAL REVENUE AND RESULTS

Management assesses the performance of the operating segments based on the measure of earnings before tax (EBT). Income tax is managed on a Group level and is not allocated to the operating segments. The segment information provided to Management is presented below:

FIGURES IN RAND	Total segment revenue	Inter-segment revenue	Revenue from external customers	Cost of sales	Operating profit before Depreciation, Amortisation and Capital items (EBITDA)
2025					
CONTINUING OPERATIONS					
Timber	4 662 918 125	(2 132 347 042)	2 530 571 083	(2 088 174 585)	156 589 908
Retail and Mechanisation	5 194 371 176	(2 618 440 460)	2 575 930 716	(2 146 605 209)	66 084 016
Financial services	269 675 215	7 348 614	277 023 829	(75 559 915)	63 185 898
Grain	4 647 782 340	(948 061 173)	3 699 721 167	(3 558 195 153)	80 507 704
Corporate	99 714 767	(1 042 278)	98 672 491	(64 118 331)	46 132 021
TOTAL	14 874 461 623	(5 692 542 339)	9 181 919 286	(7 932 653 193)	412 499 547
Taxation					
Loss after tax from discontinued operations**					
Loss after discontinued operations and tax					

** The values reported under Discontinued Operations were isolated from the main segments before taking into account intercompany eliminations, as follows:

FIGURES IN RAND
Timber
Retail and Mechanisation
Corporate
Motors
Renewable Energy
Loss after tax from discontinued operations

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

Capital and non-operational	Depreciation and amortisation	Investment income	Interest expense	Income from equity accounted investments	Profit/(Loss) before tax
(107 881 819)	(26 375 941)	1 893 723	(73 063 758)	4 770 468	(44 067 420)
(1 974 802)	(19 477 683)	192 158	(23 937 059)	2 650 599	23 537 228
251 083	(9 493 252)	1 889 006	(221 335)	-	55 611 400
45 676	(6 703 046)	1 256 869	(34 324 436)	-	40 782 767
(8 627 537)	(7 102 559)	2 117 202	(2 338 991)	1 205 116	31 385 252
(118 187 399)	(69 152 481)	7 348 958	(133 885 579)	8 626 183	107 249 227
					(16 135 692)
					(93 444 407)
					(2 330 873)
					2025
					(57 063 062)
					(1 703 933)
					(60 280 872)
					-
					25 603 460
					(93 444 407)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

4. SEGMENTAL INFORMATION CONTINUED

FIGURES IN RAND	Restated Total segment revenue*	Restated Inter-segment revenue*	Restated Revenue from external customers*	Restated Cost of sales*	Restated Operating profit before Depreciation, Amortisation and Capital items (EBITDA)*
RESTATED 2024*					
CONTINUING OPERATIONS					
Timber *	4 877 512 308	(1 949 035 516)	2 928 476 792	(2 385 177 377)	349 546 016
Retail and Mechanisation*	5 591 263 852	(2 861 314 781)	2 729 949 071	(2 336 990 355)	74 512 787
Financial services	276 710 845	7 177 907	283 888 752	(80 743 487)	52 552 179
Grain	5 648 993 364	(2 345 894 761)	3 303 098 603	(3 163 049 532)	65 751 215
Corporate*	101 115 515	(165 444 548)	(64 329 033)	(7 342 308)	(32 224 894)
TOTAL	16 495 595 884	(7 314 511 699)	9 181 084 185	(7 973 303 059)	510 137 304
Taxation *					
Loss after tax from discontinued operations**					
Profit after discontinued operations and tax					

** The values reported under Discontinued Operations were isolated from the main segments before taking into account intercompany eliminations, as follows:

FIGURES IN RAND
Timber*
Retail and Mechanisation*
Motors
Renewable Energy*
Loss after tax from discontinued operations*

*Refer to note 22 and 52 for details regarding restatements of comparative information.

During the current year, the Group reassessed the presentation and allocation principles applied to the segmental reporting to enhance the clarity and comparability. As a result, certain prior-year segment disclosures have been realigned to reflect the refined basis applied in the current year. These enhancements did not impact the previously reported total revenue, profit for the year, total comprehensive income, or equity. Comparative information has been restated accordingly to reflect the revised presentation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

Restated Capital and non-operational*	Depreciation and amortisation	Restated Investment income*	Restated Interest expense*	Income from equity accounted investments	Restated Profit before tax*
149 522 494	(26 552 120)	1 304 725	(131 815 414)	1 554 035	343 559 736
735 381	(28 109 226)	317 513	(39 427 350)	3 239 454	11 268 559
(363 577)	(3 506 534)	1 263 436	3 525 055	-	53 470 559
(204 559)	(5 273 652)	2 152 753	(24 721 698)	-	37 704 059
7 333 062	(6 887 199)	2 139 599	25 129 125	2 373 284	(2 137 024)
157 022 801	(70 328 731)	7 178 026	(167 310 282)	7 166 773	443 865 891
					(82 473 406)
					(208 564 982)
					152 827 503
					Restated 2024*
					(113 555 849)
					(35 512 002)
					(93 892)
					(59 403 239)
					(208 564 982)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

4. SEGMENTAL INFORMATION CONTINUED

SEGMENT ASSETS AND LIABILITIES

Segment assets and liabilities are measured in a manner consistent with that of the annual financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the assets and liability.

The table below provides information on segment assets and liabilities as well as a reconciliation to total assets and liabilities as per the consolidated statement of financial position.

FIGURES IN RAND	Capital expenditure	Investments in associates and joint ventures	Total assets	Total liabilities	Net assets
2025					
CONTINUING OPERATIONS					
Timber	31 642 735	11 307 074	2 845 259 343	(1 823 402 892)	1 021 856 451
Retail and Mechanisation	4 667 071	11 219 676	905 602 699	(812 699 316)	92 903 382
Financial Services	1 586 690	-	661 248 262	(442 600 830)	218 647 432
Grain	4 016 771	-	600 389 109	(360 065 427)	240 323 682
Corporate	6 007 541	9 881 749	785 809 552	(468 702 815)	317 106 738
DISCONTINUED OPERATIONS	-	-	447 499 239	(288 007 163)	159 492 076
TOTAL	47 920 808	32 408 499	6 245 808 204	(4 195 478 443)	2 050 329 761

FIGURES IN RAND	Capital expenditure	Investments in associates and joint ventures	Restated Total assets*	Restated Total liabilities*	Restated Net assets*
RESTATED 2024*					
CONTINUING OPERATIONS					
Timber*	30 475 940	6 536 605	2 999 152 456	(1 870 885 083)	1 128 267 373
Retail and Mechanisation*	4 634 166	13 569 077	1 001 562 937	(637 310 348)	364 252 589
Financial Services*	8 336 132	-	614 804 382	(481 772 592)	133 031 790
Grain*	512 886	-	586 259 116	(418 918 290)	167 340 826
Corporate*	27 396 119	9 241 634	1 062 670 669	(837 625 917)	225 044 752
DISCONTINUED OPERATIONS*	-	-	326 801 584	(237 753 788)	89 047 796
TOTAL	71 355 243	29 347 316	6 591 251 144	(4 484 266 018)	2 106 985 126

*Refer to note 22 and 52 for details regarding restatements of comparative information.

During the current year, the Group reassessed the presentation and allocation principles applied to the segmental reporting to enhance the clarity and comparability. As a result, certain prior-year segment disclosures have been realigned to reflect the refined basis applied in the current year. These enhancements did not impact the previously reported total revenue, profit for the year, total comprehensive income, or equity. Comparative information has been restated accordingly to reflect the revised presentation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

5. PROPERTY, PLANT AND EQUIPMENT

FIGURES IN RAND	2025			Restated 2024*		
	Cost or revaluation	Accumulated depreciation/ impairment	Carrying value	Restated Cost or revaluation*	Accumulated depreciation/ impairment	Restated Carrying value*
Land and buildings	1 027 564 867	(2 052 975)	1 025 511 892	1 134 591 341	(5 062 377)	1 129 528 964
Plant and machinery	298 529 110	(158 689 229)	139 839 881	326 727 087	(167 943 079)	158 784 008
Furniture and fixtures	37 178 944	(21 924 226)	15 254 718	36 822 891	(20 521 307)	16 301 584
Motor vehicles	136 311 507	(76 419 875)	59 891 632	150 365 113	(77 150 142)	73 214 971
IT equipment	35 322 242	(23 082 764)	12 239 478	35 649 666	(22 041 025)	13 608 641
Bearer plants	8 304 633	(2 025 045)	6 279 588	5 633 509	(1 341 761)	4 291 748
Structures	39 334 438	(11 780 248)	27 554 190	44 595 697	(15 099 401)	29 496 296
TOTAL	1 582 545 741	(295 974 362)	1 286 571 379	1 734 385 304	(309 159 092)	1 425 226 212

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT

FIGURES IN RAND	Restated Opening balance *	Additions	Disposals	Classified as held for sale	Transfers	Revaluations	Depreciation	Impairment loss	Total
2025									
Land and buildings	1 129 528 961	1 746 356	(2 9709 00)	(113 313 382)	(265 915)	17 064 714	-	(6 277 945)	1 025 511 892
Plant and machinery	158 784 008	21 735 159	(8 047 560)	(14 524 803)	799 780	-	(18 906 703)	-	139 839 881
Furniture and fixtures	16 301 584	3 300 575	(1 312 883)	(138 545)	-	-	(2 896 013)	-	15 254 718
Motor vehicles	73 214 971	6 504 832	(2 997 424)	(5 247 129)	-	-	(11 583 618)	-	59 891 632
IT equipment	13 608 641	5 050 628	(843 560)	(142 504)	-	-	(5 433 727)	-	12 239 478
Bearer plants	4 291 748	5 221 100	(2 549 976)	-	-	-	(683 284)	-	6 279 588
Structures	29 496 296	6 857 861	(210 343)	(5 592 269)	(533 865)	-	(2 463 490)	-	27 554 190
TOTAL	1 425 226 212	50 416 511	(18 932 646)	(138 958 632)	-	17 064 714	(41 966 835)	(6 277 945)	1 286 571 379

FIGURES IN RAND	Restated Opening balance*	Additions	Disposals	Classified as held for sale	Restated Revaluations*	Depreciation	Impairment loss	Restated Total*
RESTATED 2024*								
Land and buildings*	1 100 176 188	19 005 761	(1 480 000)	(120 000)	13 277 715	-	(1 330 700)	1 129 528 964
Plant and machinery	152 352 224	26 203 411	(2 818 755)	-	-	(16 952 872)	-	158 784 008
Furniture and fixtures	13 339 979	5 839 350	(190 482)	-	-	(2 687 263)	-	16 301 584
Motor vehicles	86 458 653	7 405 160	(8 338 165)	-	-	(12 310 677)	-	73 214 971
IT equipment	12 592 227	6 369 087	(179 173)	-	-	(5 173 500)	-	13 608 641
Bearer plants	4 222 928	2 096 048	(1 346 346)	-	-	(680 882)	-	4 291 748
Structures	27 795 352	4 436 428	-	-	-	(2 735 484)	-	29 496 296
TOTAL	1 396 937 551	71 355 245	(14 352 921)	(120 000)	13 277 715	(40 540 678)	(1 330 700)	1 425 226 212

*Refer to note 22 and 52 for details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

5. PROPERTY, PLANT AND EQUIPMENT CONTINUED

PROPERTY, PLANT AND EQUIPMENT ENCUMBERED AS SECURITY

Certain property, plant and equipment with a carrying value of R990 185 573 (2024: 908 249 048), have been pledged to secure borrowings. Refer to note 27.

REVALUATIONS

Land and buildings are subsequently carried at the revalued amount. On a yearly basis, the Board evaluates on a critical basis, after all known market factors are taken into consideration, if there is any indication of a material increase or decrease on an individual basis of all land and buildings. If such indication exists, the identified land and buildings are valued by an external independent valuer.

However, land and buildings are valued at least every three years by an external independent valuer. A rotation schedule applies to identify land and buildings falling due for revaluation. The Board would also include other land and buildings for valuation, sooner than required, if indicators exist that requires the same.

The valuation on selected assets was on 31 August 2025 (2024: 31 August 2024). Valuations were performed by independent valuers, Mr. C. Winckler and Mr. W. Winckler of Valuers Afrika Proprietary Limited. The valuers are registered professional valuers and are not connected to the Group.

During the current financial year, the company carried out a desktop valuation on the land and buildings not subjected to a revaluation in accordance with the 3 year rotation schedule where it was noted that the fair value of the assets do not differ significantly from its carrying amount. The fair value was determined by an independent external valuer, Valuers Afrika Proprietary Limited, who identified, based on their professional expertise and understanding of the market, which assumptions should be changed since the last revaluation that was performed.

Where no comparable information is available, the income capitalisation method of valuation is being used to revalue land and buildings. Where comparable information is available, the comparable sales method is used and for specialised property, the depreciated replacement cost is being used.

The valuations performed by the independent valuer for the 2025 and 2024 financial year, utilised the below rates ranging from:

	2025	2024
Capitalisation rate	9.50% to 13.00%	9.70% to 13.50%
Vacancy rate	3.00% to 8.00%	1.67% to 10.00%
Average market rental growth rate*	N/A	2.00% to 8.00%
Expense rate	21.56% to 34.16%	19.77% to 41.57%
Depreciation factor	10.00% to 43.00%	8.00% to 41.00%
Replacement cost**	R325 to R 300 000	
Plantation value per ha**	R15 000	
Grazing value per ha**	R7 000	
Land value per ha**	R600 to R320 000	

* In the prior financial year, the Group adjusted for a desktop valuation that was performed whereby one of the inputs used, was the average market rental growth rate. In the current financial year, the Group did not adjust for a desktop valuation that was performed as the fair value of the assets did not differ significantly from its carrying amount. In addition, an increase in the average market rental growth rate was not an assumption used in the current year valuation. As a result, the average market rental growth rate displays an assumption in the prior year and not in the current year. Furthermore, the sensitivity analysis below includes amounts for the comparative year and not the current year.

**not all inputs have comparatives due to different classes of properties being revalued.

Sensitivity analysis

As changes to the assumptions may impact the calculated fair value, the effect of an increase of 1% and the effect of a decrease of 1% in each of the assumptions, while keeping the other constant, is as follows:

	2025		2024	
FIGURES IN RAND	1%	-1%	1%	-1%
1% change in capitalisation rate	(9 160 000)	11 560 000	(24 400 000)	28 900 000
1% change in vacancy rate	(960 000)	1 080 000	(3 100 000)	3 400 000
1% change in average market rental growth rate	-	-	6 753 268	(6 341 867)
1% change in expense rate	(1 380 000)	1 300 000	-	-
1% change in plantation value per ha	3 000 000	(2 000 000)	-	-
1% change in grazing value per ha	1 000 000	-	-	-
1% change in replacement cost	470 000	(370 000)	-	-
1% change in depreciation factor	1 680 000	(1 570 000)	-	-
1% change in land value per ha	30 000	(20 000)	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

5. PROPERTY, PLANT AND EQUIPMENT CONTINUED

The carrying value of the revalued assets under the cost model, excluding assets classified as held for sale, would have been:

FIGURES IN RAND	2025	2024
Land and buildings	644 817 870	637 056 329

6. INVESTMENT PROPERTY

FIGURES IN RAND	2025			2024		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Investment property	-	-	-	6 100 000	-	6 100 000

RECONCILIATION OF INVESTMENT PROPERTY

FIGURES IN RAND	Opening balance	Classified as held for sale	Total
2025			
Investment property	6 100 000	(6 100 000)	-

FIGURES IN RAND	Opening balance	Fair value adjustments	Total
2024			
Investment property	6 200 000	(100 000)	6 100 000

CLASSIFICATION AS HELD FOR SALE

During the current financial year, the investment property met the criteria in IFRS 5 Non-current Assets Held for Sale to be classified as held for sale. This property is being actively marketed and management is committed to its sale, which is expected to be completed within twelve months from the reporting date.

DETAILS OF VALUATION

Immediately before reclassification, the investment properties was carried at fair value in accordance with IAS 40. On a yearly basis, the Board evaluates on a critical basis, after all known market factors are taken into consideration, if there is any indication of a material increase or decrease in the fair value of investment property. If such indication exists, investment property is valued by an external independent valuer.

However, investment property is valued at least every three years by external independent valuers. A rotation schedule applies to identify properties falling due for revaluation. The Board would also include other properties for valuation, sooner than required, if indicators exist that requires the same.

As at year end, the Board performed an assessment and after considering all known market conditions and property specific factors, no indicators of a material increase or decrease in fair value were identified. As such, no external or desktop valuation was conducted during the current financial year.

The last valuation on investment property was on 31 August 2024. Valuations were performed by independent valuers, Mr. C. Winckler and Mr. W. Winckler of Valuers Africa Proprietary Limited. The valuers are registered professional valuers and are not connected to the Group.

The 2024 Valuation report used the following assumptions:

Capitalisation rate	12%
Vacancy rate	5%
Average market rental growth rate	3%

No fair value changes were recognised in profit or loss during the current financial year.

AMOUNTS RECOGNISED IN PROFIT AND LOSS FOR THE YEAR

FIGURES IN RAND	2025	2024
Rental income from investment property	660 000	600 000
Recoveries of municipal recoveries	404 635	595 158
Direct operating expenses arising from investment property	(917 304)	(581 932)
Changes in fair value recognised in profit / (loss)	-	(100 000)
TOTAL	147 331	513 226

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group leases several assets including land and buildings, motor vehicles and equipment. The average lease term is:

- Land and Buildings 7 years
- Motor vehicles 4 years
- Equipment 5 years

The Group also has certain lease terms of 12 months or less and leases of low value. The Group applies the recognition exemption for these leases. The Group has the option to purchase some of these assets at a nominal amount on completion of the lease term.

Details pertaining to leasing arrangements, where the Group is the lessee, are presented below:

RECONCILIATION OF MOVEMENT ON RIGHT-OF-USE ASSETS

FIGURES IN RAND	Opening balance	Additions	Termination/ cancellation of leases	Remeasurement	Depreciation	Total
2025						
Land and buildings	68 258 312	23 178 435	(4 815 101)	2 122 084	(23 819 147)	64 924 583
Motor vehicles	1 591 495	-	-	(9 254)	(610 039)	972 202
Equipment	1 177 412	-	-	(55 640)	(471 189)	650 583
TOTAL	71 027 219	23 178 435	(4 815 101)	2 057 190	(24 900 375)	66 547 368

FIGURES IN RAND	Opening balance	Additions	Termination/ cancellation of leases	Transfers	Remeasurement	Depreciation	Total
2024							
Land and buildings	70 618 048	20 930 940	(125 633)	3 105 061	(1 596 225)	(24 673 879)	68 258 312
Motor vehicles	1 760 082	948 096	-	-	-	(1 116 683)	1 591 495
Equipment	5 223 132	-	-	(3 105 061)	(452 626)	(488 033)	1 177 412
TOTAL	77 601 262	21 879 036	(125 633)	-	(2 048 851)	(26 278 595)	71 027 219

LEASE LIABILITIES

RECONCILIATION OF MOVEMENT ON LEASE LIABILITIES

FIGURES IN RAND	Opening balance	Additions	Interest	Termination/ Cancellation of leases	Remeasurement	Payments	Total
2025							
Land and buildings	74 257 596	23 178 435	2 911 230	(4 734 579)	4 832 382	(27 700 834)	72 744 230
Motor vehicles	1 703 141	-	108 869	-	(9 254)	(723 474)	1 079 282
Equipment	1 398 133	-	78 738	-	(55 640)	(599 255)	821 976
TOTAL	77 358 870	23 178 435	3 098 837	(4 734 579)	4 767 488	(29 023 563)	74 645 488

FIGURES IN RAND	Opening balance	Additions	Interest	Termination/ cancellation of leases	Transfers	Remeasurement	Payments	Total
2024								
Land and buildings	74 754 271	21 078 254	5 755 779	(161 601)	2 973 077	(1 472 930)	(28 669 254)	74 257 596
Motor vehicles	3 304 096	749 893	147 325	-	-	-	(2 498 173)	1 703 141
Equipment	5 081 532	-	116 770	-	(2 973 077)	(259 003)	(568 089)	1 398 133
TOTAL	83 139 899	21 828 147	6 019 874	(161 601)	-	(1 731 933)	(31 735 516)	77 358 870

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES CONTINUED

The maturity analysis of the undiscounted cash flows of the lease liabilities is as follows:

FIGURES IN RANDS	2025	2024
Less than one year	29 866 952	27 093 829
1 year and not later than 2 years	22 308 061	25 053 751
2 years and not later than 3 years	10 184 300	17 570 041
3 years and not later than 4 years	4 041 859	7 150 157
4 years and not later than 5 years	2 639 667	2 624 363
More than five years	22 961 892	20 096 801
	92 002 731	99 588 942
Less finance charges component	(17 357 243)	(22 230 072)
	74 645 488	77 358 870

During the current year, the Group reviewed the maturity analysis of its financial liabilities to enhance the relevance and clarity of liquidity risk disclosures. As a result, the time buckets used in the analysis have been revised to better reflect the expected timing of cash outflows. The change in presentation has no impact on the total undiscounted contractual cash flows or on the carrying amounts of the financial liabilities disclosed in prior periods. Comparative information has been re-presented to conform to the current year's presentation. This represents a disclosure reclassification only and does not constitute a prior period error or a change in accounting policy in terms of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS

FIGURES IN RANDS	2025	2024
Non-current liabilities	48 464 522	54 499 047
Current liabilities	26 180 966	22 859 823
	74 645 488	77 358 870

8. BIOLOGICAL ASSETS

FIGURES IN RAND	Carrying value 2025	Restated Carrying value 2024*
Forestry assets*	1 292 999 048	1 543 014 034
Livestock	8 767 335	7 013 245
Seedlings*	40 608 133	28 528 363
Total	1 342 374 516	1 578 555 642
Immature (classified as non-current assets)	1 150 606 975	1 390 479 430
Mature (classified as current assets)	191 767 541	188 076 212
TOTAL	1 342 374 516	1 578 555 642

Forestry assets are classified as mature or immature based on their readiness and inclusion in the approved harvesting plan:

- Immature forestry assets represent plantations that have not yet reached the stage of growth required for harvesting or are not scheduled for harvesting within the next 12 months according to the approved rotation plan and budget.
- Mature forestry assets are those compartments scheduled for harvesting in accordance with the approved rotation plan and budget.

All seedlings are classified as current assets as they are expected to be sold within 1 year.

RECONCILIATION OF BIOLOGICAL ASSETS

FIGURES IN RAND	Restated Opening Balance*	Additions due to planted and purchased	Decreases due to harvest/sales	Gains/ (Losses) arising from changes in fair value	Held for sale	Borrowing Cost capitalized	Fair value adjustments and finance costs transferred to discontinued operations	Total
2025								
Forestry assets	1 543 014 034	74 225 171	(102 476 878)	(71 039 601)	(182 361 636)	42 589 093	(10 951 135)	1 292 999 048
Livestock	7 013 245	151 500	(1 649 452)	3 252 042	-	-	-	8 767 335
Seedlings	28 528 363	57 619 172	(81 179 230)	35 639 828	-	-	-	40 608 133
TOTAL	1 578 555 642	131 995 843	(185 305 560)	(32 147 731)	(182 361 636)	42 589 093	(10 951 135)	1 342 374 516

*Refer to note 22 and 52 for details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

8. BIOLOGICAL ASSETS CONTINUED

RECONCILIATION OF BIOLOGICAL ASSETS

FIGURES IN RAND	Restated Opening Balance*	Restated Additions due to planted and purchased*	Restated Decreases due to harvest/ sales*	Restated Gains/ (Losses) arising from changes in fair value**	Restated Borrowing Cost capitalized*	Restated Total*
RESTATED 2024*						
Forestry assets*	1 390 850 865	90 338 419	(109 643 787)	106 919 210	64 549 327	1 543 014 034
Livestock	6 877 378	140 251	(1 090 358)	1 085 974	-	7 013 245
Seedlings*	24 624 380	48 582 312	(66 999 058)	22 320 729	-	28 528 363
TOTAL	1 422 352 624	139 060 982	(177 733 203)	130 325 913	64 549 327	1 578 555 642

NON-FINANCIAL INFORMATION

	Pine	Eucalyptus	Wattle	Total
2025				
HECTARES OF EACH OWN PLANTATION				
Balance as at 31 August 2024	6 381	23 628	2 341	32 349
Planted during the year	134	1 272	370	1 777
Harvested during the year	(228)	(1 624)	(213)	(2 065)
Adjusted measurement - Other	(51)	(9)	(2)	(61)
Adjusted measurement - Burnt timber	(206)	(1 063)	-	(1 269)
Classified as held for sale	(949)	(1 630)	(265)	(2 844)
BALANCE AS AT 31 AUGUST 2025	5 081	20 574	2 231	27 886

QUANTITIES OF LIVESTOCK

	Cattle	Total
2025		
Balance as at 31 August 2024	1 135	1 135
Due to births	202	202
Due to death	(22)	(22)
Due to sale	(260)	(260)
BALANCE AS AT 31 AUGUST 2025	1 055	1 055

	Pine	Eucalyptus	Wattle	Total
2024				
HECTARES OF EACH OWNED PLANTATION				
Balance as at 31 August 2023	6 394	23 881	2 364	32 639
Planted during the year	247	1 525	327	2 099
Harvested during the year	(262)	(1 677)	(304)	(2 243)
Adjusted measurement	2	(101)	(46)	(145)
Balance as at 31 August 2024	6 381	23 628	2 341	32 349

*Refer to note 22 and 52 for details regarding restatements of comparative information.

** Gains arising from changes in fair value for the year ended 31 August 2024 included a loss arising from changes in fair value relating to the Northern and Southern Plantations of R22 407 195 that has been reclassified to Discontinued Operations held for sale

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

8. BIOLOGICAL ASSETS CONTINUED

	Cattle	Total
2024		
Balance as at 31 August 2023	1 133	1 133
Due to births	187	187
Due to death	(9)	(9)
Due to sale	(175)	(175)
Due to theft	(1)	(1)
BALANCE AS AT 31 AUGUST 2025	1 135	1 135

Plantations consist of owned plantations and in 2024, also included plantations purchased on a standing timber basis. TWK manages plantations on land owned by the Group, as well as plantations acquired as standing timber in 2024. Both categories are disclosed as directly managed forestry assets on a standing timber basis, as the Group assumes responsibility for the management and harvesting of these plantations.

Owned plantations comprised of 27 886 (2024: 32 349) hectares of tree plantations on land that the Group owns which range from newly established plantations to plantations that are approximately 18 years old. During the current financial year, the Group did not hold any standing timber (2024: 81.52 hectares). The decrease is attributable to the full harvesting of all previously held standing timber plantations. The Group harvested a total of 432,903 tonnes of timber during the year (2024: 435,920 tonnes). This includes timber harvested from the Group's own plantations as well as from plantations acquired on a standing timber basis.

The Group manages the establishment, maintenance and harvesting of its plantations on a compartmentalised basis. These plantations comprise pulpwood and sawlogs and are managed to ensure that the optimum fibre balance is supplied to the most relevant market. The Group manages its plantations on a rotational basis and as such, increases by means of growth are negated by fellings for sales over the rotation period.

PLEGGED AS SECURITY

Plantations with a carrying value of R997 662 135 (2024: R1 011 314 265) have been pledged to secure borrowings. Refer to note 27.

OWNED PLANTATIONS

METHODS AND ASSUMPTIONS USED IN DETERMINING FAIR VALUE

The fair value of owned plantations is determined using a discounted cash flow model that reflects current market participant assumptions and considers the condition and location of the plantations. The model incorporates sustainable harvesting plans and estimates of standing volumes, biological growth and yield, market-determined timber prices, harvesting, silviculture and selling costs, and a after-tax discount rate. The fair value measurement is classified as Level 3 in the IFRS 13 fair value hierarchy, which is consistent with the prior year. In 2024, standing timber were measured at fair value.

The model reflects a single rotation harvest cycle (average clear-fell age 15 to 18 years for pine plantations, 8 to 14 years for eucalyptus plantations and 10 to 12 years for wattle plantations) and does not include cash flows from replanting after clear-fell.

The key inputs into the Discounted cash flow (DCF) model are set out below.

MARKET PRICES

The fair value of biological assets is determined using market prices adjusted for expected inflationary increases, in accordance with IAS 41. Mature timber expected to be felled within the next 12 months is valued using market prices adjusted upward by 6% (inflation + 2%) (2024: 6.5%) for the period. For timber expected to be harvested after 12 months, selling prices are adjusted by 6.2% (long-term inflation rate of 4.2% + 2%) (2024: 4.5%). This approach ensures that fair value reflects anticipated market conditions at the time of harvesting, considering species, maturity profile and location of timber.

OPERATING COSTS AND COST TO SELL

Costs considered in the valuation include harvesting, maintenance, and associated fixed overhead costs. No replanting or related costs are included. Overhead costs are calculated on a unit cost basis for the remaining planted hectares and decrease over the discount period as the planted area reduces. For timber expected to be felled within the next 12 months, costs are escalated using a short-term inflation rate of 4% (2024: 4.20%). For timber expected to be harvested beyond 12 months, a long-term inflation rate of 4.2% (2024: 4%) is applied. This methodology ensures that cost assumptions are aligned with expected market conditions and operational realities over the rotation period.

The net selling price is defined as the selling price less the costs of transport, harvesting, extraction and loading, and all selling prices and costs are denominated in South African rand. The net selling price is based on third-party transactions and is influenced by the species, maturity profile and location of timber.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

8. BIOLOGICAL ASSETS CONTINUED

DISCOUNT RATE

The fair value of forestry assets is determined using a after-tax discount rate based on the Group's Weighted Average Cost of Capital (WACC). WACC incorporates the cost of equity and the cost of debt to reflect the blended cost of capital. The cost of equity is derived from an appropriate risk-free rate, adjusted for Beta and a market risk premium, while the cost of debt represents the funding costs attributable to the assets. For the Eswatini plantations, the fair values have been calculated using after-tax discount rates ranging from 13.90% and 14.20% (2024: 11.78% and 12.27%). The pre-tax discount rate for the current year ranges from 23% to 24.4%.

The increase in the discount rate compared to the prior year is primarily due to changes in the Group's capital structure to align with market participants, resulting in a higher WACC. This adjustment reflects current market expectations regarding the mix of debt and equity financing and the associated risk profile.

VOLUME ESTIMATIONS

The Group focuses on good forestry techniques which include ensuring that the rotation of plantations is met with adequate planting activities for future harvesting. The age threshold used for quantifying immature timber is dependent on the rotation period of the specific timber. Trees are generally felled at the optimum age when ready for intended use. The Group has used the current volume growth over the period of rotation based on current data as at year end, which is representative of the species and sites on which trees are grown. Periodic adjustments are made to existing models for new genetic material. Volume growth assumptions are used in determining standing tons at valuation date.

The Group currently values approximately 4 999 109 (2024: 4 771 203) tons of timber using market prices and costs to sell that are in line with industry norms. The average annual volume growth is measured at approximately 14.79 (2024: 14.1) tons of timber per hectare.

SENSITIVITY ANALYSIS

The sensitivity analysis below shows how the present value of the discounted cash flows would be affected if the key valuation parameters were attributed to other values than those that form the basis of the current valuation of the discounted cash flows. A decrease by the same percentage would have the opposite effect on the valuation.

	Changes in fair value (R) 2025	Changes in fair value (R) 2024*
MARKET PRICE CHANGES		
5% increase in market prices	136 751 685	101 563 484
5% decrease in market prices	(136 751 685)	(101 563 484)
OPERATING COST AND COST TO SELL CHANGES		
5% increase in operating costs and costs to sell	(71 539 456)	(66 658 117)
5% decrease in in operating costs and costs to sell	71 539 456	66 658 117
DISCOUNT RATE CHANGES		
1% increase in discount rate	(44 853 115)	(34 893 129)
1% decrease in discount rate	44 853 115	34 893 129
VOLUME ESTIMATION CHANGES		
2% increase in volume estimations	25 930 952	25 429 504
2% decrease in volume estimations	(25 930 952)	(25 429 504)

*Refer to note 22 and 52 for details regarding restatements of comparative information.

SEEDLINGS

Seedlings are measured at fair value less costs to sell based on the age of the seedlings and is a Level 3 measure in terms of the fair value measurement hierarchy as established by IFRS 13 Fair Value Measurement which is consistent with the prior year. The Group uses the income approach in determining fair value of seedlings. The approach makes use of market prices and cost to sell as well as volume growth estimates as key inputs.

MARKET PRICES AND COSTS TO SELL

The fair value of seedlings is derived by using market prices less costs to sell. Costs to sell include all costs associated with getting the harvested agricultural produce to the market, including harvesting, loading, transport and allocated fixed overheads. The net selling price is influenced by the species and maturity of seedlings. All seedlings are expected to be sold within 12 months from the end of the reporting period and are therefore valued using current market prices less costs to sell. As seedlings are expected to be sold in the short term, current market prices are considered an appropriate reflection of fair value. Selling prices are adjusted for the maturity of the seedlings.

VOLUME ESTIMATION CHANGES

The age of seedlings has been determined by the order or sow date of the seedlings, to determine their maturity.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

8. BIOLOGICAL ASSETS CONTINUED

SENSITIVITY ANALYSIS

As changes to market prices, costs to sell and volume growth assumptions applied in the valuation of seedlings may impact the calculated fair value, the Group has calculated the sensitivity of a change in each of these assumptions as tabled below:

	Changes in fair value (R) 2025	Changes in fair value (R) 2024*
MARKET PRICE AND COST TO SELL CHANGES		
5% increase in market prices and cost to sell	2 051 051	1 147 651
5% decrease in market prices and cost to sell	(2 051 051)	(1 147 651)
VOLUME ESTIMATION CHANGES		
5% increase in volume estimation	2 250 531	1 479 006
5% decrease in volume estimation	(2 250 531)	(1 479 006)

LIVESTOCK

The valuation technique used to determine the fair value of livestock is based on the market price of livestock of similar age, weight and market values. Significant unobservable inputs are therefore not applicable.

The fair value measurement of livestock has been categorised as level 2 fair values based on observable market sales data.

RISK MANAGEMENT STRATEGY RELATED TO BIOLOGICAL ASSETS

The Group is exposed to the following risks relating to biological assets:

REGULATORY AND ENVIRONMENTAL RISK

The Group has established environmental policies and procedures aimed at compliance with environmental legislation. Management performs regular reviews to identify environmental risks and to ensure that the management systems in place are adequate. The Group manages its plantations in compliance with the International Forest Stewardship Council's (FSC) requirements for sustainable forestry.

SUPPLY AND DEMAND RISK

The Group is exposed to risks arising from fluctuations in the price and demand for log products. When possible, the Group manages these risks by aligning its harvest volumes to market demand. Management performs regular industry trend analyses to ensure that the Group's pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with expected demand on a sustainable basis.

CLIMATE AND OTHER RISKS

The plantations are exposed to the risk of damage from climate changes, diseases, fires and other natural forces. This could have a direct impact on the annual growth rate which will negatively impact the fair value of biological assets. The group undertakes research into understanding the changes in climate and how it affects the growth of its biological assets. Although research is ongoing, the group has made advancements in terms of available information on how climate change affects the species that are planted and projected into the future. The group monitors soil carbon to calculate carbon emissions and experiments with drought tolerance of trees to assist with understanding the climate and the related risks. The Group has fire protection, forest health inspections and industry pest and disease surveys. The Group is also insured against fire and other forces of nature.

HELD FOR SALE

In line with the Group's strategic objective to optimise capital allocation and focus on core growth areas, the Board approved, on 10 April 2025, the disposal of the Northern and Southern forestry plantations in South Africa, which formed part of the Timber division within TWK Agri Proprietary Limited. The related sales contracts were signed in August 2025. The assets have been classified as held for sale in the current year in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Refer to note 22.

PRIOR PERIOD ERRORS AND CHANGES IN ESTIMATES

As part of the Group's commitment to accurate and transparent reporting, a comprehensive re-assessment of the biological asset valuation models was undertaken during the current financial year. This review identified certain refinements required in prior valuations to ensure full compliance with IFRS principles. Adjustments were made to correct technical aspects of tax treatment, incorporation of market-based land usage charges, elimination of misclassified internal borrowing costs previously capitalised, and correction of the biological asset movement schedule to accurately reflect harvest-related decreases, which had understated cost of sales. Additionally, certain qualifying additions were capitalised instead of expensed, and harvesting volumes were aligned with approved operational plans. These matters have been corrected retrospectively in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, and comparative figures have been restated where applicable. In addition, changes in accounting estimates, have been applied prospectively. Further details of these adjustments and their financial impact are provided in note 52 and 53.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

9. GOODWILL AND INTANGIBLE ASSETS

FIGURES IN RAND	2025			2024		
	Cost	Accumulated depreciation/impairment	Carrying value	Cost	Accumulated depreciation/impairment	Carrying value
Patents and trademarks	184 168	-	184 168	184 168	-	184 168
Sole distributor rights	3 000 000	(3 000 000)	-	3 000 000	-	3 000 000
Computer software	12 590 212	(8 565 814)	4 024 398	26 459 188	(13 857 871)	12 601 317
Goodwill	35 022 583	(5 884 774)	29 137 809	35 022 583	(5 884 774)	29 137 809
Agency insurance rights	103 314 415	-	103 314 415	96 634 744	-	96 634 744
TOTAL	154 111 378	(17 450 588)	136 660 790	161 300 683	(19 742 645)	141 558 038

RECONCILIATION OF GOODWILL AND INTANGIBLE ASSETS

FIGURES IN RAND	Opening balance	Additions	Disposals	Amortisation	Impairment loss	Total
2025						
Patents and trademarks	184 168	-	-	-	-	184 168
Sole distributor rights	3 000 000	-	-	-	(3 000 000)	-
Computer software	12 601 317	1 041 828	(1 947 617)	(2 285 272)	(5 385 858)	4 024 398
Goodwill	29 137 809	-	-	-	-	29 137 809
Agency insurance rights	96 634 744	6 679 671	-	-	-	103 314 415
TOTAL	141 558 038	7 721 499	(1 947 617)	(2 285 272)	(8 385 858)	136 660 790

FIGURES IN RAND	Opening balance	Additions	Additions through business combinations	Amortisation	Impairment loss	Total
2024						
Patents and trademarks	184 168	-	-	-	-	184 168
Sole distributor rights	3 000 000	-	-	-	-	3 000 000
Computer software	9 502 933	6 607 842	-	(3 509 458)	-	12 601 317
Goodwill	35 022 583	-	-	-	(5 884 774)	29 137 809
Agency insurance rights	69 439 314	2 077 702	25 117 728	-	-	96 634 744
TOTAL	117 148 998	8 685 544	25 117 728	(3 509 458)	(5 884 774)	141 558 038

OTHER INFORMATION

During the year the Group acquired insurance agency rights to the value of R6 679 671 (2024: R2 077 702) to further expand the insurance business.

During the previous year, the Group also acquired 100% interest in Galinco Risk Services Proprietary Limited. The amount of R24 217 009 represents the excess of the cost of the acquisition over the fair value of the net identifiable assets and liabilities assumed of the acquired business. Refer to note 10.

During the previous year, the Group also acquired 100% interest in Abie Nell Makelaars Proprietary Limited. The total agency insurance rights of R900 719 was purchased during the year. Refer to note 10.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

9. GOODWILL AND INTANGIBLE ASSETS CONTINUED

REVIEW OF USEFUL LIFE ASSESSMENT AND IMPAIRMENT

Amortisation is calculated to write off computer software's carrying amount over its estimated useful life to its estimated residual value. The useful life and residual values are reviewed at the beginning of each reporting period and adjusted if appropriate.

The evaluation regarding the useful life and residual values of computer software can only be established with certainty when the item of asset is near the end of their useful life. The estimated useful lives of items of computer software is 4 years.

Agency insurance rights and sole distributor rights are recognised as intangible assets with finite useful lives, estimated to range between 12 and 17 years (2024: indefinite). The useful lives and amortisation methods are reviewed at least annually and adjusted prospectively if there is a change in the expected pattern of economic benefits. Based on calculations performed, the amortisation charge for the current year is considered immaterial, and as such, no amortisation has been recognised in the statement of profit or loss for these periods.

Goodwill is allocated to the Group's cash generating units based on the different business segments. The recoverable amount of each CGU is determined using the value in use method. This approach is based on discounted cash flow forecasts prepared by management, which typically cover a five year period, followed by a terminal value to reflect cash flows beyond the forecast horizon.

KEY ASSUMPTIONS USED IN VALUE IN USE CALCULATIONS

Discount Rates (After-Tax):	2025	2024
Goodwill	12.59% to 14.92%	13.53% to 14.43%
Sole distributor rights	12.83%	12.26%

CASH FLOW PROJECTIONS

- Based on actual historical results, the approved budget, and a three year management forecast.
- A growth rate of 4.20% (2024: 4.6%) was applied throughout the forecast period for acquired insurance books.
- For operating business units, years one reflects the approved budget, years two to four reflect the forecast, with year five extrapolated using a growth rate of 4.20% (2024: 4.6%).
- A terminal growth rate of 2.00% (2024: 1.3%), aligned with the long-term GDP growth rate, was applied to estimate cash flows beyond the forecast period.

SENSITIVITY ANALYSIS

The sensitivity analysis below shows how the present value of the discounted cash flows would be affected if the key valuation parameters were attributed to other values than those that form the basis of the current valuation of the discounted cash flows. A decrease by the same percentage would have the opposite effect on the valuation:

	Changes in fair value (R) 2025	Changes in fair value (R) 2024
DISCOUNT RATE CHANGES		
1% increase in discount rate	(35 462 995)	(49 325 202)
1% decrease in discount rate	35 462 995	49 325 202
TERMINAL GROWTH RATE CHANGES		
2% increase in terminal growth rate	2 780 572	812 704
2% decrease in terminal growth rate	(2 780 572)	(812 704)
GROWTH RATE CHANGES		
2% increase in growth rate	2 296 277	1 228 373
2% decrease in growth rate	(2 296 277)	(1 228 373)

DETAILS OF IMPAIRMENT LOSS

During the year, sole distributor rights relating to the Retail and Mechanisation division was impaired due to a decline in current as well as expected future sales. During the prior year goodwill amounting to R5 884 774, relating to the Timber division was impaired. This impairment was primarily driven by a decline in sales to the mining sector, as several of Bedrock's customers shut down some of their shafts. Based on the valuation, no impairment is needed in the current year. During the year the Group reassessed computer software and determined that some of the computer software is not in use and therefore impaired.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

10. INTERESTS IN SUBSIDIARIES

Name of company	Held by	Country of incorporation and principal operation	% holding 2025	% holding 2024
TWK Autospares Proprietary Limited (3)	TWK Motors Proprietary Limited	South Africa	100,00%	100,00%
The Lionsriver Farmers Exchange Proprietary Limited (5)	TWK Motors Proprietary Limited	South Africa	100,00%	100,00%
Rothman Motors Proprietary Limited (5)	TWK Motors Proprietary Limited	South Africa	100,00%	100,00%
TWK Agri Collections Proprietary Limited (3)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
Constantia Kunsmis Proprietary Limited (2)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
TWK Insurance Brokers Proprietary Limited (3)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
TWK Motors Proprietary Limited (5)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
TWK Rekenaardienste Proprietary Limited (2)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
Lydenburg Saagmeule Proprietary Limited (1)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
BedRock Mining Support Proprietary Limited (1)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
Machrie Korttermyn Proprietary Limited (3)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
Fidesure Brokers Proprietary Limited (3)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
Sunshine Seedling Services Proprietary Limited (1)	TWK Agri Proprietary Limited	South Africa	91,00%	81,00%
Executive Underwriting Managers Proprietary Limited (3)	TWK Agri Proprietary Limited	South Africa	100,00%	60,00%
Roofspace Rental Group Proprietary Limited (6)	TWK Agri Proprietary Limited	South Africa	85,00%	85,00%
Gromor Proprietary Limited (2)	Constantia Kunsmis Proprietary Limited	South Africa	100,00%	100,00%
Farmyard Organics Proprietary Limited (2)	Gromor Proprietary Limited	South Africa	100,00%	100,00%
Castle Walk Property Investments Proprietary Limited (7)	TWK Investments Limited	South Africa	100,00%	100,00%
TWK Agri Proprietary Limited (1,2,3,4,7)	TWK Investments Limited	South Africa	75,00%	75,00%
Arrowfeeds Proprietary Limited (4)	TWK Investments Limited	Eswatini	100,00%	100,00%
Shiselweni Forestry Company Limited (1)	TWK Investments Limited	Eswatini	100,00%	100,00%
TWK Swaziland Proprietary Limited (2)	TWK Investments Limited	Eswatini	100,00%	100,00%
Nhlangano Timber Company Proprietary Limited (1)	Shiselweni Forestry Company Limited	Eswatini	100,00%	100,00%
Olmacs Proprietary Limited (1)	Shiselweni Forestry Company Limited	Eswatini	100,00%	100,00%
SAWCO Mining Timber Proprietary Limited (1)	Shiselweni Forestry Company Limited	Eswatini	100,00%	100,00%
SAWCO Treated Timber Proprietary Limited (1)	Shiselweni Forestry Company Limited	Eswatini	100,00%	100,00%
Rudamans Nelspruit Proprietary Limited (2)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
Galinco Risk Services Proprietary Limited (3)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%
Abie Nell Makelaars Proprietary Limited (3)	TWK Agri Proprietary Limited	South Africa	100,00%	100,00%

Nature of business subsidiaries

1.Timber: Production and marketing of timber related products. **2.Retail and Mechanisation:** Sale and retail outlets, as well as production and marketing of fertiliser and related products. **3.Financial services:** Credit extension and insurance relate products and services. **4.Grain:** Handling and storage as well as production and marketing of grain related products. **5.Motors:** fuel service station which includes the retailing of petroleum products. Currently trades as fuel stations. The underlying business of the segment has been classified as held for sale. **6.Renewable energy:** Supply of electricity via solar energy. **7.Corporate:** Property holding and head office services.

This disclosure is for company held investments which eliminates on the set and is merely for information for the reader.

GUARANTORS PLEDGED AS SECURITY

TWK Agriculture Holdings Proprietary Limited, TWK Investments Limited and TWK Agri Proprietary Limited signed unlimited suretyship as guarantee for the loan facilities. Refer to note 27.

The shares of Castle Walk Property Investments Proprietary Limited serves as security for the loan facilities granted by ABSA Bank to TWK Investments Limited.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

10. INTERESTS IN SUBSIDIARIES CONTINUED

TRANSACTIONS WITH NON-CONTROLLING SHAREHOLDERS

EXECUTIVE UNDERWRITING MANAGERS PROPRIETARY LIMITED

On 28 February 2025, the Group acquired an additional 40% shareholding in Executive Underwriting Managers Proprietary Limited ("EUM"), increasing its ownership interest from 60% to 100%. Prior to this transaction, the Group already exercised control over EUM in accordance with IFRS 10 – Consolidated Financial Statements, and the entity was fully consolidated.

The acquisition aligns with the Group's strategic objectives and supports its expansion within the insurance sector, and was funded from operational cash flows. The consideration paid was R 13 000 000 and the excess of the purchase price over the fair value of the Group's share of the net identifiable assets and liabilities of the acquired business, as at the acquisition date, amounted to R9 884 465. This amount has been accounted for as a change in ownership reserve.

SUNSHINE SEEDLING SERVICES PROPRIETARY LIMITED

On 1 September 2024, the Group acquired an additional 10% shareholding in Sunshine Seedling Services ("SSS"), increasing its total interest in the company from 81% to 91%. This acquisition is in line with the Group's strategy to further invest in the timber value chain. The transaction was funded through operational cash flows. Prior to this transaction, the Group already exercised control over SSS in accordance with IFRS 10 – Consolidated Financial Statements, and the entity was fully consolidated.

The consideration paid was R5 051 012 and the excess of the cost of acquiring the additional shareholding over the fair value of the Group's share of the net identifiable assets and liabilities of the acquired business, as at the acquisition date, amounted to R3 488 517 (2024: R2 584 586). This amount has been recognised as a change in ownership interest.

The Group holds an irrevocable right to acquire a further 9% shareholding in SSS during the next financial year, based on agreed terms and financial ratios. Management is likely to exercise this right. The estimated consideration for the outstanding 9% will be finalised upon completion of the audited financial statements of SSS for the year ended 31 August 2025.

PRIOR YEAR ACQUISITIONS

On 30 November 2023 the Group acquired a 100% shareholding in Galinco Risk Services Proprietary Limited. The acquisition of Galinco Risk Services was made to further grow the Insurance business.

The excess of the cost of the acquisition of the shareholding over the fair value of the Group's share of the net identifiable assets and liabilities assumed of the acquired business at the date of acquisition amounted to R0.

On 1 August 2024 the Group acquired a 100% shareholding in Abie Nell Makelaars Proprietary Limited. The acquisition of Abie Nell makelaars was made to further grow the Insurance business.

The excess of the cost of the acquisition of the shareholding over the fair value of the Group's share of the net identifiable assets and liabilities assumed of the acquired business at the date of acquisition amounted to R0.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

10. INTERESTS IN SUBSIDIARIES CONTINUED

SUMMARISED FINANCIAL INFORMATION OF MATERIAL SUBSIDIARIES DISCLOSED ON A STANDALONE BASIS (BEFORE INTERGROUP ELIMINATIONS)

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RAND	Non-current assets	Current assets	Total assets	Non-current liabilities	Current liabilities	Total liabilities
2025						
Constantia Kunsmis Proprietary Limited	45 624 335	371 727 066	417 351 401	3 389 008	366 516 455	369 905 463
BedRock Mining Support Proprietary Limited	4 622 871	120 194 127	124 816 998	-	37 718 274	37 718 274
TWK Agri Proprietary Limited	902 124 026	3 231 038 491	4 321 710 776	1 162 189 678	2 897 498 685	4 178 139 792
Shiselweni Forestry Company Limited	1 790 763 367	277 816 814	2 068 580 181	537 034 096	702 396 490	1 239 430 586
Gromor Proprietary Limited	629 505	4 121 744	4 751 249	128 037	12 005 382	12 133 419
SAWCO Mining Timber Proprietary Limited	19 999 047	77 697 054	97 696 101	43 830 150	70 718 352	114 548 502
SAWCO Treated Timber Proprietary Limited	9 398 050	41 852 321	51 250 371	33 721 349	23 556 473	57 277 822
Sunshine Seedling Services Proprietary Limited	21 792 485	86 063 560	107 856 045	16 873 981	29 718 426	46 592 407
Executive Underwriting Managers Proprietary Limited	2 749 688	7 115 742	9 865 430	1 077 502	1 672 067	2 749 569
Total	2 797 703 374	4 217 626 919	7 203 878 552	1 798 243 801	4 141 800 604	6 058 495 834

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RAND	Revenue	Profit/(loss) before tax	Tax expense	Profit/(loss) from discontinued operations	Profit/(loss)	Other comprehensive income	Total comprehensive income
2025							
Constantia Kunsmis Proprietary Limited	1 027 390 660	30 336 184	(8 000 443)	(55 112 926)	(32 777 185)	-	(32 777 185)
BedRock Mining Support Proprietary Limited	370 204 496	(9 363 327)	602 032	-	(8 761 295)	-	(8 761 295)
TWK Agri Proprietary Limited	8 709 625 563	32 578 222	(8 126 003)	24 452 219	(6 048 166)	(4 870 110)	(10 918 276)
Shiselweni Forestry Company Limited	502 044 136	(99 751 910)	25 859 985	-	(73 891 925)	8 400 000	(65 491 925)
Gromor Proprietary Limited	14 892 557	(4 824 697)	(13 105)	-	(4 837 802)	-	(4 837 802)
SAWCO Mining Timber Proprietary Limited	211 506 271	2 720 584	1 618 755	6 278 546	10 617 885	-	10 617 885
SAWCO Treated Timber Proprietary Limited	103 063 677	347 663	(100 059)	-	247 604	-	247 604
Sunshine Seedling Services Proprietary Limited	108 192 253	34 470 281	(2 801 668)	-	31 668 613	-	31 668 613
Executive Underwriting Managers Proprietary Limited	17 613 909	2 748 571	(747 837)	-	2 000 734	-	2 000 734
Total	11 064 533 522	(10 738 429)	8 291 657	(24 382 161)	(81 781 537)	3 529 890	(78 251 647)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

10. INTERESTS IN SUBSIDIARIES CONTINUED

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RAND	Non-current assets	Current assets	Total assets	Non-current liabilities	Current liabilities	Total liabilities
RESTATED 2024						
Constantia Kunsmis Proprietary Limited	77 839 752	424 166 428	502 006 180	21 220 961	400 562 100	421 783 061
BedRock Mining Support Proprietary Limited	25 139 809	112 266 032	137 405 841	-	41 545 822	41 545 822
TWK Agri Proprietary Limited *	1 205 184 514	3 254 215 788	4 459 400 302	1 000 924 557	3 257 375 661	4 258 300 218
Shiselweni Forestry Company Limited*	1 820 649 251	257 648 583	2 078 297 834	605 504 851	578 151 465	1 183 656 316
Gromor Proprietary Limited	1 471 967	8 492 948	9 964 915	114 932	12 394 351	15 509 283
SAWCO Mining Timber Proprietary Limited	52 310 992	78 394 613	130 705 605	6 702 686	151 473 205	158 175 891
SAWCO Treated Timber Proprietary Limited	9 625 967	38 055 969	47 681 936	-	53 956 991	53 956 991
Sunshine Seedling Services Proprietary Limited	19 517 612	61 995 596	81 513 208	19 701 468	27 533 699	47 235 167
Executive Underwriting Managers Proprietary Limited	4 351 730	10 962 213	15 313 943	-	1 251 358	1 293 158
Total	3 216 091 594	4 246 198 170	7 462 289 764	1 654 169 455	4 524 244 652	6 181 455 907

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RAND	Revenue	Profit before tax	Tax expense	Profit/(loss) from discontinued operations	Profit/(loss)	Other comprehensive income	Total comprehensive income
RESTATED 2024							
Constantia Kunsmis Proprietary Limited	1 354 308 539	14 105 098	3 395 772	(29 811 269)	(12 310 400)	-	(12 310 400)
BedRock Mining Support Proprietary Limited	425 280 513	2 092 029	(2 342 422)	-	(250 393)	-	(250 393)
TWK Agri Proprietary Limited *	9 137 706 980	23 317 717	(24 178 143)	(3 669 004)	(4 529 426)	(2 297 303)	(6 826 729)
Shiselweni Forestry Company Limited *	461 844 893	131 026 973	(15 377 556)	-	115 649 416	(19 436 001)	96 213 416
Gromor Proprietary Limited	37 200 935	20 117 274	(8 703 728)	-	11 413 546	-	11 413 546
SAWCO Mining Timber Proprietary Limited	136 588 098	(7 138 176)	(4 492 362)	(12 501 354)	(24 131 892)	536 832	(23 595 060)
SAWCO Treated Timber Proprietary Limited	61 075 821	(6 321 130)	1 448 424	-	(4 872 706)	2 786 282	(2 086 424)
Sunshine Seedling Services Proprietary Limited	81 299 838	10 337 153	(1 099 802)	-	9 237 351	-	9 237 351
Executive Underwriting Managers Proprietary Limited	25 594 704	9 455 787	(2 636 566)	-	6 819 221	-	6 819 221
Total	11 720 900 321	196 992 725	(53 986 383)	(45 981 627)	97 024 717	(18 410 190)	78 614 528

The net assets recognised in the individual financial statements of the acquired companies are at fair value as at the acquisition date and due to the fact that no other identifiable assets were identified, goodwill was recognised were applicable.

The goodwill has been tested for impairment and the headroom was sufficient. Refer to note 9.

*During the current reporting period, prior period errors were identified in the financial statements of certain standalone entities within the Group. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the comparative figures have been restated to reflect the correction of these errors. Further details regarding the nature of the errors and the adjustments made are provided in Notes 52 and 53 to the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

10. INTERESTS IN SUBSIDIARIES CONTINUED

NATURE OF BUSINESS AND NON-CONTROLLING INFORMATION OF SUBSIDIARIES

Name of company	Nature of Business	Proportion of non-controlling interest and their voting rights %	Non-controlling interest result for the year R	Accumulated non-controlling interest R
TWK Agri Proprietary Limited	Agricultural products and services	25	3 095 154	-
Sunshine Seedling Services Proprietary Limited	Production and marketing of tree and vegetable seedlings	9	2 850 175	5 513 727
Executive Underwriting Managers Proprietary Limited	Funeral Insurance Underwriters	-	-	-
Roofspace Rental Group Proprietary Limited	This entity is dormant - in process of discontinuing operations	15	5 450 133	-

A total dividend of R5 818 919 (2024: R5 784 080) was paid to the non-controlling shareholders during the year. This consisted of R 739 936 (2024: R 2 125 990) paid to Sunshine Seedlings Proprietary Limited, R 3 578 983 (2024: R 1 658 090) to Executive Underwriting Managers Proprietary Limited and R 1 500 000 (2024: R 2 000 000) paid to Vumbuka Trust.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

11. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The following table lists all of the associates and joint ventures in the company:

Name of Company	Associate or joint venture	Held by	% ownership interest 2025	% ownership interest 2024	Carrying amount 2025	Carrying amount 2024
Henleo 1080 Proprietary Limited	Associate	Constantia Kunsmis Proprietary Limited	45,00%	45,00%	11 219 676	13 569 077
Silulu Forestry Company Proprietary Limited	Associate	Shiselweni Forestry Company Limited	45,00%	45,00%	11 307 074	6 536 605
African Collateral Management Proprietary Limited	Associate	TWK Agri Proprietary Limited	45,00%	45,00%	2 542 380	894 645
Canyon Springs Investments 140 Proprietary Limited	Joint venture	TWK Investments Limited	50,00%	50,00%	7 339 369	8 346 989
TOTAL					32 408 499	29 347 316

The percentage ownership interest of the above associates and joint ventures is equal to the percentage voting rights.

Henleo 1080 Proprietary Limited is incorporated in South Africa with interest in the manufacturing and distribution of fertiliser. The issued share capital of Henleo 1080 Proprietary Limited is R100. A dividend of R5 175 000 (2024: R 1 031 088) has been declared and R 5 000 000 paid by Henleo 1080 Proprietary Limited during the year. The financial year end of Henleo 1080 Proprietary Limited is 28 February. The financial information above is based on 12 month management accounts.

Silulu Royal Forestry Company Proprietary Limited is incorporated in Eswatini with an interest in agricultural activities. The interest was acquired to further expand the timber business of the TWK Group. The issued share capital of Silulu Royal Forestry Company Proprietary Limited is R100. No dividends have been declared and paid by Silulu Royal Forestry Company Proprietary Limited during the year and the previous year. The financial year end of Silulu Royal Forestry Company Proprietary Limited is 31 August. The financial information above is based on 12 month audited financial statements.

African Collateral Management Proprietary Limited is incorporated in South Africa with an interest in grain storage. The interest was acquired to further expand the grain business of the TWK Group. The issued share capital of African Collateral Management Proprietary Limited is R120. No dividends have been declared or paid by African Collateral Management Proprietary Limited during the year. The financial year end of African Collateral Management Proprietary Limited is 31 March. The financial information above is based on 12 month management accounts.

Canyon Springs Investments 140 Proprietary Limited is incorporated in South Africa with an interest in the rental of property industry. The interest was acquired to further expand the corporate business of the TWK Group. The issued share capital of Canyon Springs Investments 140 Proprietary Limited is R100. A dividend of R565 000 (2024: R1 257 000) have been declared and paid by Canyon Springs Investments 140 Proprietary Limited during the year. The financial year end of Canyon Springs Investments 140 Proprietary Limited is 31 August. The financial information above is based on 12 month audited financial statements.

The Group accounts for its investments in associates and joint ventures using the equity method.

SUMMARISED FINANCIAL INFORMATION OF MATERIAL ASSOCIATES AND JOINT VENTURES

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RAND	Revenue	Profit/(loss) from continuing operations	Total comprehensive income/(loss)
2025			
Henleo 1080 Proprietary Limited	21 207 006	6 294 957	6 294 957
Silulu Royal Forestry Company Proprietary Limited	17 157 900	10 601 041	10 601 041
African Collateral Management Proprietary Limited	15 814 290	3 661 633	3 661 6336
Canyon Springs Investments 140 Proprietary Limited	2 220 060	(885 239)	(885 239)
	56 399 256	19 627 392	19 627 392

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

11. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES CONTINUED

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RAND	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Total net assets
2025					
Henleo 1080 Proprietary Limited	21 773 057	5 337 978	1 839 172	339 250	24 932 613
Silulu Royal Forestry Company Proprietary Limited	73 470 040	14 757 820	48 181 171	14 919 857	25 126 832
African Collateral Management Proprietary Limited	10 715 321	6 669 508	9 969 940	1 765 037	5 649 852
Canyon Springs Investments 140 Proprietary Limited	17 000 000	35 680	2 284 590	72 352	14 678 738
TOTAL	122 958 418	26 800 986	62 274 873	17 096 496	70 388 035

RECONCILIATION OF NET ASSETS TO EQUITY-ACCOUNTED INVESTMENTS

FIGURES IN RAND	Total net assets	Interest in net assets at % ownership	Investment
2025			
Henleo 1080 Proprietary Limited	24 932 613	11 219 676	11 219 676
Silulu Royal Forestry Company Proprietary Limited	25 126 832	11 307 074	11 307 074
African Collateral Management Proprietary Limited	5 649 852	2 542 380	2 542 380
Canyon Springs Investments 140 Proprietary Limited	14 678 738	7 339 319	7 339 319
TOTAL	70 388 035	32 408 499	32 408 499

RECONCILIATION OF MOVEMENT IN EQUITY-ACCOUNTED INVESTMENTS

FIGURES IN RAND	Investment at beginning of year	Share of profit/(loss)	Dividends received	Investment at end of 2025
2025				
Henleo 1080 Proprietary Limited	13 569 077	2 650 599	(5 000 000)	11 219 676
Silulu Royal Forestry Company Proprietary Limited	6 536 605	4 770 469	-	11 307 074
African Collateral Management Proprietary Limited	894 645	1 647 735	-	2 542 380
Canyon Springs Investments 140 Proprietary Limited	8 346 989	(442 620)	(565 000)	7 339 369
TOTAL	29 347 316	8 626 183	(5 565 000)	32 408 499

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RAND	Revenue	Profit from continuing operations	Total comprehensive income
2024			
Henleo 1080 Proprietary Limited	28 590 911	7 198 787	7 198 787
Silulu Royal Forestry Company Proprietary Limited	4 681 329	3 453 411	3 453 411
African Collateral Management Proprietary Limited	11 342 491	1 626 387	1 626 387
Canyon Springs Investments 140 Proprietary Limited	2 098 062	3 282 819	3 282 819
TOTAL	46 712 793	15 561 404	15 561 404

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RAND	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Total net assets
2024					
Henleo 1080 Proprietary Limited	23 635 002	10 679 040	3 037 917	1 122 621	30 153 504
Silulu Royal Forestry Company Proprietary Limited	67 827 443	1 269 048	53 829 408	741 293	14 525 790
African Collateral Management Proprietary Limited	11 830 138	4 758 749	11 199 731	3 401 056	1 988 100
Canyon Springs Investments 140 Proprietary Limited	19 503 519	55 298	2 703 056	161 785	16 693 976
TOTAL	122 796 102	16 762 135	70 770 112	5 426 755	63 361 370

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

11. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES CONTINUED

RECONCILIATION OF NET ASSETS TO EQUITY-ACCOUNTED INVESTMENTS

FIGURES IN RAND	Total net assets	Interest in net asset at % ownership	Investment
2024			
Henleo 1080 Proprietary Limited	30 153 504	13 569 077	13 569 077
Silulu Royal Forestry Company Proprietary Limited	14 525 790	6 536 605	6 536 605
African Collateral Management Proprietary Limited	1 988 100	894 645	894 645
Canyon Springs Investments 140 Proprietary Limited	16 693 976	8 346 989	8 346 989
TOTAL	63 361 370	29 347 316	29 347 316

RECONCILIATION OF MOVEMENT IN EQUITY-ACCOUNTED INVESTMENTS

FIGURES IN RAND	Investment at beginning of year	Share of profit	Dividends received	Investment at end of year
2024				
Henleo 1080 Proprietary Limited	11 360 711	3 239 454	(1 031 088)	13 569 077
Silulu Royal Forestry Company Proprietary Limited	4 982 570	1 554 035	-	6 536 605
African Collateral Management Proprietary Limited	162 771	731 874	-	894 645
Canyon Springs Investments 140 Proprietary Limited	7 962 579	1 641 410	(1 257 000)	8 346 989
TOTAL	24 468 631	7 166 773	(2 288 088)	29 347 316

12. INVESTMENTS AT FAIR VALUE

Investments at fair value through other comprehensive income comprise of equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

FIGURES IN RANDS	2025	2024
DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:		
Signafi Venture Capital Fund	975 000	975 000
Investment is fixed for a minimum of 5 years.		
EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME:		
Listed and unlisted shares	46 167 354	59 735 052
	47 142 354	60 710 052
SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS		
Non-current assets	47 142 354	60 710 052

FAIR VALUE INFORMATION

The fair value measurement of financial assets at fair value have been categorised as follows in terms of the fair value measurement hierarchy:

- **Level 1:** The listed shares held in BKB Limited are measured based on the latest share trading price. The share price used was R5.20 (2024: R5.10).
- **Level 3:** The unlisted shares held in NTE Company Proprietary Limited and UCL Company Proprietary Limited are valued based on the normalised earnings per share relative to the price to earnings ratio for similar assets. The price earnings ratio used is 2.27 (2024: 2.40) and 2.16 (2024: 2.60) respectively.
- **Level 1:** The shares held in TWK Agriculture Holdings Proprietary Limited by TWK Motors Proprietary Limited and the TWK Group Customer Loyalty Scheme Trust, which trade OTC, are measured at fair value based on the market share price. The share price used was R45.00 (2024: R57.00).
- **Level 3:** The shares held in Westovia Proprietary Limited by Sunshine Seedling Services Proprietary Limited are measured at cost, as the fair value cannot be reliably determined.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

12. INVESTMENTS AT FAIR VALUE CONTINUED

EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

INVESTMENTS HELD AT REPORTING DATE

FIGURES IN RAND	2025		2024	
	Fair value	Dividends received	Fair value	Dividends received
Listed shares - BKB Limited shares - Held by TWK Investments Limited	11 960	-	11 730	-
Unlisted shares - UCL Company Proprietary Limited shares - Held by a nominee of TWK Investments Limited	1 378 806	64 876	1 998 472	60 241
Unlisted shares - NTE Company Proprietary Limited shares - Held by TWK Investments Limited	14 202 048	343 106	10 887 048	343 106
Unlisted shares - TWK Agriculture Holdings Proprietary Limited - Held by TWK Motors Proprietary Limited	29 387 520	718 362	37 224 192	1 306 112
Unlisted shares - TWK Agriculture Holdings Proprietary Limited - Held by TWK Group Customer Loyalty Scheme Trust	1 077 120	-	9 503 610	-
Unlisted shares - Westovia Proprietary Limited - Held by Sunshine Seedling Services Proprietary Limited	110 000	-	110 000	-
TOTAL	46 167 454	1 126 344	59 735 052	1 709 460

SENSITIVITY ANALYSIS

As changes to the Price / Earnings ratio may impact the calculated fair value, the effect of a increase of 0.25 in the Price/ Earnings ratio and the effect of a decrease of 0.25 in the Price/ Earnings ratio on the calculated fair value is as follow:

FIGURES IN RAND	2025		2024	
	0.25	(0.25)	0,25	(0,25)
NTE Company Proprietary Limited	1 567 209	(1 567 209)	1 134 067	(1 134 067)
UCL Company Proprietary Limited	159 584	(159 584)	192 161	(192 161)
TOTAL	1 726 793	(1 726 793)	1 326 228	(1 326 228)

RECONCILIATION OF INVESTMENTS AT FAIR VALUE

FIGURES IN RAND	Opening balance	Gains/(losses) in other comprehensive income	Disposals	Total
2025				
Listed shares - BKB Limited shares - Held by TWK Investments Limited	11 730	230	-	11 960
Unlisted shares - UCL Company Proprietary Limited shares - Held by a nominee of TWK Investments Limited	1 998 472	(619 667)	-	1 378 806
Unlisted shares - NTE Company Proprietary Limited shares - Held by TWK Investments Limited	10 887 048	3 315 001	-	14 202 048
Unlisted shares - TWK Agriculture Holdings Proprietary Limited - Held by TWK Motors Proprietary Limited	37 224 192	(7 836 772)	-	29 387 420
Unlisted shares - TWK Agriculture Holdings Proprietary Limited - Held by TWK Group Customer Loyalty Scheme Trust	9 503 610	(330 045)	(8 096 445)	1 077 120
Unlisted shares - Westovia Proprietary Limited - Held by Sunshine Seedling Services Proprietary Limited	110 000	-	-	110 000
	59 735 052	(5 471 053)	(8 096 445)	46 167 354

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

12. INVESTMENTS AT FAIR VALUE CONTINUED

FIGURES IN RAND	Opening balance	Purchases	Gains/(losses) in other comprehensive	Disposals	Total
2024					
• Listed shares - BKB Limited shares - Held by TWK Investments Limited	12 650	-	(920)	-	11 730
• Unlisted shares - NTE Company Proprietary Limited shares - Held by TWK Investments Limited	10 261 412	-	625 636	-	10 887 048
• Unlisted shares - UCL Company Proprietary Limited shares - Held by a nominee of TWK Investments Limited	894 295	-	1 104 177	-	1 998 472
• Unlisted shares - TWK Agriculture Holdings Proprietary Limited - Held by TWK Motors Proprietary Limited	39 183 360	-	(1 959 168)	-	37 224 192
• Unlisted shares - TWK Agriculture Holdings Proprietary Limited - Held by TWK Group Customer Loyalty Scheme Trust	9 461 847	9 670 432	764 111	(10 392 780)	9 503 610
• Listed shares - York Timber Holdings Limited - Held by Castle Walk Property Investments Proprietary Limited	1 047 697	-	-	(1 047 697)	-
• Unlisted shares - Westovia Proprietary Limited - Held by Sunshine Seedling Services Proprietary Limited	110 000	-	-	-	110 000
	60 971 261	9 670 432	533 836	(11 440 477)	59 735 052

NUMBER OF SHARES IN UNLISTED COMPANIES

	2025	2024
Listed shares - BKB Limited shares - Held by TWK Investments Limited	2 300	2 300
Unlisted shares - NTE Company Proprietary Limited shares - Held by TWK Investments Limited	3 431 064	3 431 064
Unlisted shares - UCL Company Proprietary Limited shares - Held by a nominee of TWK Investments Limited	514 888	514 888
Unlisted shares - TWK Agriculture Holdings Proprietary Limited - Held by TWK Motors Proprietary Limited	653 056	653 056
Unlisted shares - TWK Agriculture Holdings Proprietary Limited - Held by TWK Group Customer Loyalty Scheme Trust	23 936	166 730
Unlisted shares - Westovia Proprietary Limited - Held by Sunshine Seedling Services Proprietary Limited	2	2
	4 625 246	4 768 040

13. LOANS TO GROUP COMPANIES

ASSOCIATES

FIGURES IN RANDS	2025	2024
African Collateral Management Proprietary Limited	4 486 125	5 016 677
Subject to the availability of funds of the Company, the loan shall be repaid from time to time as agreed between the Company and all its Shareholders with reasonable terms of at least 18 months. The unsecured loan bears interest at a prime linked rate.		
Silulu Royal Forestry Company Proprietary Limited	13 937 434	78 639
The unsecured loan is used for day-to-day funding requirements, bears no interest and has no fixed terms of repayment.		
TOTAL	18 423 559	5 095 316

HOLDING COMPANY

FIGURES IN RANDS	2025	2024
TWK Agriculture Holdings Proprietary Limited	20 660 827	-
The unsecured loan is used for day-to-day funding requirements, bears no interest and has no fixed terms of repayment.		
TWK Agriculture Holdings Proprietary Limited	9 671 847	-
The loan is unsecured, bears no interest and will be paid over 5 years. There are no other fixed payment terms.		
	30 332 674	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

13. LOANS TO GROUP COMPANIES CONTINUED

SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS

FIGURES IN RANDS	2025	2024
Non-current assets	14 157 972	5 016 677
Current assets	34 598 261	78 639
TOTAL	48 756 233	5 095 316

EXPOSURE TO CREDIT RISK

Loans receivable are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. Refer to note 18 for guidance on how expected credit losses is calculated.

In determining the amount of expected credit losses, the Group has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate. The expected loss rate percentage and expected loss impact for loans to group companies is immaterial (2024: immaterial).

FAIR VALUE OF GROUP LOANS RECEIVABLE

The carrying value of group loans receivable approximates its fair value.

14. FINANCE LEASE RECEIVABLES

FIGURES IN RANDS	2025	Restated 2024*
MATURITY ANALYSIS OF LEASE PAYMENTS RECEIVABLE		
- within one year	13 941 260	13 348 295
- second year*	10 620 026	9 142 798
- third year*	5 403 959	5 272 112
- fourth year*	2 126 685	248 230
- fifth year*	864 444	82 301
Gross investment in the leases	32 956 374	28 093 736
Less: Unearned interest income	(6 133 284)	(5 374 709)
Present value of minimum lease payments receivable	26 823 090	22 719 027
Less: Loss allowance	(9 379)	(3 007)
Net investment in the lease	26 813 711	22 716 020

FIGURES IN RANDS	2025	2024
Non-current assets	12 812 953	11 972 093
Current assets	14 000 758	10 743 927
TOTAL	26 813 711	22 716 020

* During the current year, the Group reviewed the maturity analysis of its finance lease receivables to comply with the requirements of IFRS 16:94 to disclose a maturity analysis of the lease payments receivable, showing the undiscounted lease payments to be received on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years. As a result, the time buckets used in the analysis have been revised to better reflect the expected timing of cash outflows and align the buckets with the requirements of IFRS 16: 94. Comparative information has been re-presented to conform to the current year's presentation. This represents a disclosure error in terms of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Finance lease receivables represent items sold over varying terms of up to 60 months. The underlying asset serves as security for the lease agreement. Interest rates are market related and both variable and fixed depending on the specific agreement.

The carrying value of finance lease receivables have been pledged to secure borrowings (see note 27).

EXPECTED CREDIT LOSSES

Finance lease receivable inherently exposes the Group to credit risk, being the risk that the Group will incur financial loss if counterparties fail to make payments as they fall due.

In order to mitigate the risk of financial loss from defaults, the Group only deals with reputable counterparties with consistent payment histories. Credit risk is mitigated by holding the leased assets as collateral. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties as well as external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

14. FINANCE LEASE RECEIVABLES CONTINUED

the creditworthiness of counterparties is continuously monitored.

Finance lease receivables are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. Refer to note 18 for guidance on how expected credit losses is calculated.

Finance lease receivables are classified into the following categories:

FIGURES IN RAND	Gross Amount	Total exposure to credit risk	Expected loss rate (%)	Loss allowance
2025				
Category 1	26 813 711	11 725 487	0,08	9 379
Category 2	-	-	-	-
Category 3	-	-	-	-
TOTAL	26 813 711	11 725 487		9 379
2024				
Category 1	22 716 026	4 512 855	0,07	3 007
Category 2	-	-	9,08	-
Category 3	-	-	100,00	-
TOTAL	22 716 026	4 512 855		3 007

15. LOANS RECEIVABLE

Loans receivable are presented at amortised cost, which is net of loss allowance, as follows:

FIGURES IN RANDS	2025	2024
FORESTRY AND TERM LOANS	67 665 775	67 782 075
The Forestry and term loans bears interest at a variable prime-linked rate and is granted over a period between 5 and 10 years to clients which are repayable in monthly or annual instalments.		
Loss allowance	(14 959)	(13 257)
	67 650 816	67 768 818
SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS		
Non-current assets	42 465 663	43 404 070
Current assets	25 185 153	24 364 748
TOTAL IN LOANS RECEIVABLE	67 650 816	67 768 818

LOANS PLEDGED AS SECURITY

Loans with a carrying amount of R 67 650 816 (2024: R 67 768 818) have been pledged to secure borrowings. Refer to note 27.

EXPOSURE TO CREDIT RISK

Loans receivable inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if counterparties fail to make payments as they fall due.

The maximum exposure to credit risk without taking credit enhancements and collateral into account is equal to the total carrying value of the asset. The actual exposure to credit risk at the reporting date is the carrying amount of loans mentioned above, less securities held by the Group. The nature of the securities are forestry, land or fixed assets.

Loans receivable are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk.

Loans receivables are classified into the following stages, in accordance with IFRS 9 Financial instruments, for impairment purposes, considering changes in credit risk since initial recognition and risk characteristics on initial recognition for impairment purposes as follows:

CATEGORY 1: THE LOSS ALLOWANCE MEASURED AT AN AMOUNT EQUAL TO 12-MONTH EXPECTED CREDIT LOSSES

This represent loans where there has not been a significant increase in credit risk since initial recognition. For the portfolio impairment assessment, the loans are not individually assessed but grouped to perform a grouped assessment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

15. LOANS RECEIVABLE CONTINUED

CATEGORY 2: THE LOSS ALLOWANCE MEASURED AT AN AMOUNT EQUAL TO LIFETIME EXPECTED CREDIT LOSSES

Loans whose credit risk has increased significantly since initial recognition as well as loans with higher risk characteristics on initial recognition. For the portfolio impairment assessment loans are not individually considered, but loans with similar credit risks and characteristics are grouped together and assessed for impairment. These loans have not been handed over to the legal department for collections, but there is an indicator of impairment.

CATEGORY 3: LOANS THAT ARE CREDIT-IMPAIRED

Loans whose credit risk has increased significantly since initial recognition. These debtors are handed over to the legal department for recovery. The specific impairment represents the actual risk for bad debt determined by the legal department, taking into account the recovery possibility, all securities, the clients' financial situation and the expected realisation of securities held for the specific customers. A portfolio portion is provided for debtors where a recovery possibility exists.

The amount of the provision for impairment losses is determined using the following formula:

Impairment = Total book X Probability of Default % (PD%) X Loss Given Default % (LGD%)

On that basis the loss allowance was determined as follows for loans receivables:

CREDIT LOSS ALLOWANCES

FIGURES IN RAND	Gross amount	Total exposure to credit risk	Expected loss rate (%)	Loss allowance
2025				
Category 1	67 665 775	18 699 785	0,08	14 959
Category 2	-	-	1,00	-
Category 3	-	-	100,00	-
TOTAL	67 665 775	18 699 785		14 959
2024				
Category 1	67 782 075	19 886 132	0,07	13 257
Category 2	-	-	1,00	-
Category 3	-	-	85,00	-
TOTAL	67 782 075	19 886 132		13 257

CREDIT LOSS ALLOWANCE RECONCILIATION

FIGURES IN RANDS	2025	2024
Opening balance	13 257	15 847
Remeasurement of loss allowance	1 702	(2 590)
Amount written off	-	-
	14 959	13 257

EXPOSURE TO INTEREST RATE RISK

Refer to note 50 for details of interest rate risk management for investments in loans receivable.

FAIR VALUE OF LOANS RECEIVABLE

The amortised cost of the loans is R67 650 816 (2024: R67 768 818) and approximates the fair value of these loans as the interest rate is variable.

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FOR THE YEAR ENDED 31 AUGUST 2025

16. DEFERRED TAX

DEFERRED TAX LIABILITY

FIGURES IN RANDS	2025	Restated 2024*
Property plant and equipment*	(55 638 938)	(18 761 245)
Revaluation of land and buildings*	(60 711 489)	(60 637 152)
Fair value adjustments on investments	(8 149 960)	(2 458 739)
Prepayments	(2 716 068)	(3 676 854)
Biological assets*	(302 315 173)	(325 808 430)
TOTAL DEFERRED TAX LIABILITY	(429 531 628)	(411 342 420)

DEFERRED TAX ASSET*

FIGURES IN RANDS	2025	Restated 2024*
Income received in advance	8 950 895	1 477 534
Accruals and provisions	32 555 046	37 043 196
Right of use assets and related Lease liability	5 410 848	6 565 665
Deferred tax balance from temporary differences other than unused tax losses*	46 916 789	45 086 395
Tax losses available for set off against future tax income*	117 030 709	100 118 655
	163 947 498	145 205 050

The deferred tax assets and the deferred tax liability consist of income tax in South Africa and Eswatini and therefore relates to different jurisdictions.

The deferred tax relating to the South African companies is as follow:

FIGURES IN RANDS	2025	Restated 2024*
Deferred tax liability*	(165 394 138)	(152 009 733)
Deferred tax asset*	71 767 283	82 365 220
TOTAL NET DEFERRED TAX LIABILITY	(93 626 855)	(69 644 513)

The deferred tax relating to Eswatini companies is as follows:

FIGURES IN RANDS	2025	Restated 2024*
Deferred tax liability*	(287 893 355)	(281 286 921)
Deferred tax asset*	115 936 080	84 794 064
TOTAL NET DEFERRED TAX LIABILITY	(171 957 275)	(196 492 857)

The deferred tax asset and deferred tax liability have been presented in the Statement of Financial Position as follows:

FIGURES IN RANDS	2025	Restated 2024*
Deferred tax liability*	(305 508 724)	(311 708 500)
Deferred tax asset*	39 924 594	45 571 130
TOTAL NET DEFERRED TAX LIABILITY	(265 584 130)	(266 137 370)

It should be noted that this summary disclosure has been prepared in accordance with the requirements of IAS 12 par.74 and further to align the note disclosure with presentation on the face of the Statement of Financial Position. The final balance has been offset where each entity within the Group has a legally enforceable right to do so.

*Refer to note 52 for details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

16. DEFERRED TAX CONTINUED

FIGURES IN RANDS	2025	Restated 2024*
At beginning of year*	(266 137 370)	(231 581 694)
Increases / (decrease) in tax loss available for set off against future taxable income*	16 912 054	(5 966 301)
Deductible temporary difference on right of use assets	(1 154 817)	(1 110 299)
(Deductible) / Taxable temporary difference movement on PPE*	(36 877 693)	45 230 929
Deductible temporary difference on revaluation of land and buildings*	(74 337)	(47 375 949)
Deductible temporary difference on accruals and provisions	(4 488 150)	(2 104 754)
Deductible temporary difference on fair value adjustments on investments*	(5 691 221)	(1 823 572)
Taxable / (Deductible) temporary difference on biological assets*	23 493 257	(6 679 832)
Taxable temporary difference on income received in advance	7 473 361	337 889
Taxable temporary difference on prepayments	960 786	1 989 622
Deductible temporary difference on effect of rate change*	-	(17 053 409)
	(265 584 130)	(266 137 370)

CHANGE IN TAX RATE

In July 2024, a new corporate tax rate was enacted in Eswatini. Consequently, as of 1 July 2024, the corporate tax rate in Eswatini was reduced from 27.5% to 25%. The change resulted in a gain of R17 053 409 related to the remeasurement of deferred tax assets and liabilities of the Group's subsidiaries in Eswatini.

*Refer to note 52 for details regarding restatements of comparative information.

17. INVENTORIES

FIGURES IN RANDS	2025	Restated 2024*
Raw materials	28 415 795	30 990 281
Work in progress	4 532 267	3 590 835
Finished goods*	848 048 545	623 847 586
Agricultural products	191 221 040	245 540 125
Grain inventory at fair value	275 013 142	329 588 140
	1 347 230 789	1 233 556 967
Inventories (write-downs)	(8 823 146)	(19 983 868)
	1 338 407 643	1 213 573 099

Inventory to the value of R 27 159 464 (2024: R23 680 348) has been recognised as an expense for the current year.

INVENTORY PLEDGED AS SECURITY

Inventory with a carrying value of R999 712 645 (2024: R1 023 049 891) has been pledged to secure borrowings granted to the Group, as set out in note 27.

The price of grain inventory is hedged in terms of the Group's grain policy on the South African Future Exchange (Safex). Variance margins are also set off against these items and consequently the carrying value is equal to the fair value thereof. Inputs used in the valuation include the Safex price and differential. Therefore categorised as Level 1 in terms of the fair value measurement hierarchy.

*Refer to note 52 for details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

18. TRADE AND OTHER RECEIVABLES

FIGURES IN RANDS	2025	Restated 2024*
FINANCIAL INSTRUMENTS:		
Trade receivables	981 228 742	1 113 969 148
Loss allowance	(33 773 108)	(56 768 122)
Trade receivables at amortised cost	947 455 634	1 057 201 026
Deposits	2 479 158	1 934 960
SAFEX margin call account*	43 461 822	44 089 731
Other receivable*	91 970 721	90 157 160
NON-FINANCIAL INSTRUMENTS:		
VAT*	69 866 425	101 296 812
Staff loans	132 966	257 107
Prepayments	8 896 281	15 511 093
TOTAL TRADE AND OTHER RECEIVABLES	1 164 263 007	1 310 447 889

*Refer to note 52 for details regarding restatements of comparative information.

FINANCIAL INSTRUMENT AND NON-FINANCIAL INSTRUMENT COMPONENTS OF TRADE AND OTHER RECEIVABLES

FIGURES IN RANDS	2025	Restated 2024*
At amortised cost*	1 085 367 335	1 193 382 877
Non-financial instruments*	78 895 672	117 065 012
	1 164 263 007	1 310 447 889

Trade receivables consist mainly of production accounts and current accounts.

Production accounts mainly include the extension of credit to producers on a seasonal basis for purpose of procuring inputs and or mechanisation purchases from or via the Group. These accounts bear interest at market related rates.

Current accounts consist of 30 day monthly accounts and is interest free for the first 30 days after statement. Interest on arrear accounts is levied at guideline rates as determined by the National Credit Act.

TRADE AND OTHER RECEIVABLES PLEDGED AS SECURITY

Trade and other receivables with a carrying value of R 897 362 339 (Restated 2024*: R 1 300 463 495) have been pledged to secure the borrowings as set out in note 27.

EXPOSURE TO CREDIT RISK

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due.

The maximum exposure to credit risk without taking credit enhancement and collateral into account equal to the total carrying value of the trade receivables. The actual exposure to credit risk at the report date is the carrying amount of receivables mentioned above less securities held by the Group.

Before accepting new and existing customers the Group uses firm accessing procedures, according to the approved credit policy, to assess the customer's credit quality and defines credit limits by customer. The actual exposure to credit risk at the reporting date is the carrying amount of receivables mentioned above less securities held by the Group. In addition to the above, credit guarantee insurance cover is purchased on a portion of the debtors book to compensate for possible non payments.

The Group has no significant concentration of credit risk due to its wide spread of customers. The Group has policies in place to ensure that sales of products and services are only made to customers with an appropriate credit history, within approved credit limits and against appropriate securities. Management believes that credit risk inherent in trade receivables has sufficiently been accounted for through the loss allowance. Refer to note 50 for details on credit risk.

Deposits and other receivables are also subject to the impairment provision of IFRS 9. In determining the amount of expected credit losses, the Group has taken into account any historic default experience, the financial position of counterparties, as well as future prospects. The expected loss rate percentage for these accounts is immaterial.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

18. TRADE AND OTHER RECEIVABLES CONTINUED

EXPECTED CREDIT LOSSES

Financial assets are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The impairment provision is monitored at the end of each reporting period, taking into account all reasonable and supportive information, including that which is forward looking. The basis of impairment of a financial asset is dependent on the risk profile on initial recognition and on whether the credit risk of the financial asset has increased significantly since initial recognition. The Group measures the loss allowance by applying the general/provision matrix approach which is presented by IFRS 9 and determined on the following basis:

- The payment period of production accounts and current accounts must be settled within 12 months and therefore lifetime expected credit losses are based in the guidance of IFRS 9.

In accordance with this approach, the expected credit losses are estimated using a general/provision matrix, which is presented below.

The general/provision matrix has been developed by making use of the Group's internal risk rating grade which is mapped to the indicative mapping methodology for corporate exposure based on information published for receivables with similar characteristics. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Drivers such as prime rate, GDP growth, CPI and credit growth are taken into account. The Group has identified a comprehensive Probability of Default (PD) rating of an external source with reference to similar portfolios as reference point for forward looking information. To measure the expected credit losses, trade receivables have been grouped based on the Group's share credit risk characteristics.

The different categories in trade debtors are defined as follows:

- **Performing** – Clients with an excellent credit history, financial position, cash flow and repayment ability.
- **Increased risk** – Clients with good repayment ability and security without any indicator of non performance, but without a strong financial position and balance sheet. The Group does not have a long-term relationship or credit history with the client.
- **Underperforming** – Clients with payments being overdue for a short period of time, but with stable financial position and good securities in place.
- **High risk** – Clients with payments being overdue for a longer period, but with stable financial position and good securities in place.
- **Non performing** – Clients with history of non performing and financial distress.
- **Default** – Mostly accounts that have been handed over to the attorneys for collections.

The categories are grouped together based on the risk profile and the days past due on the following basis:

- **Category 1:** Performing
- **Category 2:** Increased risk, Underperforming, High risk, Non performing
- **Category 3:** Default

The amount of the provision for impairment losses is determined using the following formula:

$$\text{Impairment} = \text{Total book} \times \text{Probability of Default \% (PD\%)} \times \text{Loss Given Default \% (LGD\%)}$$

On that basis the loss allowance was determined as follows for trade receivables:

CREDIT LOSS ALLOWANCE

FIGURES IN RAND	Gross amount	Total exposure to credit risk	Expected loss rate (%)	Loss allowance
2025				
Category 1	650 474 912	337 365 961	0,10	349 825
Category 2	240 526 348	82 765 807	5,38	4 449 417
Category 3	90 227 482	58 714 135	49,35	28 973 866
TOTAL	981 228 742	478 845 903		33 773 108
2024				
Category 1	807 702 679	354 796 848	0,07	236 524
Category 2	173 086 179	122 661 733	2,58	3 169 010
Category 3	133 180 290	69 713 377	76,55	53 362 588
TOTAL	1 113 969 148	547 171 958		56 768 122

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

18. TRADE AND OTHER RECEIVABLES CONTINUED

CREDIT LOSS ALLOWANCE RECONCILIATION

The Expected Credit Loss (ECL) rate for category 3 decreased on assessment of the security given by the debtors, combined with the write-off of two specific debtors. The combined write off for these two debtors amounted to approximately R27 million.

FIGURES IN RANDS	2025	2024
SPECIFIC IMPAIRMENT		
Opening balance	(25 034 237)	(23 141 033)
Increase in provision during the year	(33 685 669)	(20 520 314)
Amounts written off	46 172 365	18 627 110
CLOSING BALANCE	(12 547 541)	(25 034 237)
PORTFOLIO IMPAIRMENT		
Opening balance	(31 733 885)	(38 152 945)
Remeasurement of loss allowance	10 508 318	6 419 060
CLOSING BALANCE	(21 225 567)	(31 733 885)
TOTAL LOSS ALLOWANCE	(33 773 108)	(56 768 122)

In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery.

The bad debt write off increased from R18 627 110 in the prior year to R46 172 365 in the current year. The increase relates primarily to two specific debtors, for which litigation commenced in 2020 and 2022, respectively.

Adequate provisions had been raised in prior years, and the write off was processed against the existing provision for doubtful debts.

FAIR VALUE OF TRADE AND OTHER RECEIVABLES

The fair value of trade and other receivables, after taking into account the specific and portfolio impairments, approximates the carrying value of trade and other receivables.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

19. FINANCIAL ASSETS AT FAIR VALUE

FIGURES IN RANDS	2025	2024
TWK Agri cell structure	62 022 634	43 610 719
SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS		
Current assets	62 022 634	43 610 719

The Cell Captive Agreement with Yard Insurance Limited became active on 1 June 2022. This cell will insure the cell owner and/or the cell owner group's risks with Yard Insurance. The interest in the insurance cell is represented by an investment in class A ordinary shares in Yard Insurance entitling the Group to the profits of the cell.

The Group is required to ensure that the insurance cell always remains in a financially sound position and maintains Minimum Capital Requirements and Solvency Capital Requirements as per the Cell Captive Agreement. The Group shall be required to recapitalise its Cell Structure in the event of these above mentioned requirements not being satisfied, maintained or met. Management exercised judgement in concluding that, due to the intragroup nature of the cell captive's insurance contracts, IFRS 17 does not apply to those contracts in the consolidated annual financial statements and that IFRS 9 applies to the captive's financial instruments.

The insurance cell has been valued at its net asset value using Level 3 unobservable inputs, which includes insurance premiums paid to the cell, reinsurance premiums paid by the cell and claims for the year, in accordance with the agreement with Yard Insurance Limited and approximates fair value.

The fair value of the investment is sensitive to any changes in the level 3 inputs described above, however there is no indication that the premiums paid to the cell or reinsurance premiums paid by the cell will fluctuate significantly as these premiums are based on the Cell Captive agreement between the Group and Yard Insurance Limited and the reinsurance agreement of Yard Insurance Limited, respectively. The only unobservable input that could cause significant fluctuations in the fair value of the investment, is the claims paid out to or submitted by the Group during the year. The limitation of these claims as per the Cell Captive agreement is up to a maximum of R70 000 000 for the various plantations, therefore the maximum amount by which the value of the investment can decrease is R70 000 000 should a claim of this value or greater be submitted during the year. The Group will then also be required to recapitalise its Cell Structure in order to remain insured by Yard Insurance Limited.

RECONCILIATION OF FINANCIAL ASSETS AT FAIR VALUE

FIGURES IN RANDS	2025	2024
OPENING BALANCE	43 610 719	26 899 154
Capital contributions	-	17 000 000
Movement in fair value through profit and loss (P/L)**	18 411 915	-
Movement in fair value through other comprehensive income (OCI)**	-	(288 435)
CLOSING BALANCE	62 022 634	43 610 719

**During the current financial year, the Group reassessed the presentation of certain financial instruments previously measured through other comprehensive income (OCI). Based on updated information and the relative significance of these instruments, management concluded that recognition through profit or loss provides more relevant information about the Group's financial performance. The change in classification has been applied prospectively as it was not material to the prior year figures. Comparative information has therefore not been restated. The change had no impact on total comprehensive income or equity in the prior year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

20. DERIVATIVE FINANCIAL INSTRUMENTS

FIGURES IN RANDS	2025	Restated 2024*
Commodity forward contract asset	14 005 844	5 412 206
Commodity forward contract liabilities*	(10 616 544)	(19 899 097)
The forward purchase contracts represents contracts with producers for the procurement of physical commodities in the future. The forward sale contracts represents contracts with millers and other clients. It is against Group policy to have speculative positions.		
US Dollar forward contract asset	81 158	2 283 270
US Dollar forward contract liabilities	(326 308)	(3 314 845)
The Group's US Dollar forward contracts relates to cash flows that are expected to occur during the period September – December 2025.		
SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS		
Current assets	14 087 002	7 695 476
Current liabilities*	(10 942 852)	(23 213 942)
	3 144 150	(15 518 466)

*Refer to note 52 for details regarding restatements of comparative information.

The fair value measurement of forward contracts are determined by applying the market values of SAFEX and the foreign exchange markets, and therefore categorised as Level 1 in terms of the fair value measurement hierarchy.

21. CASH AND CASH EQUIVALENTS

FIGURES IN RANDS	2025	Restated 2024*
Cash on hand	429 172	450 762
Bank balances*	76 337 004	199 694 468
Short-term deposits*	13 064 256	1 809 577
Deposit call account	309 101	177 401
Other cash and cash equivalents	1 898 224	1 526 581
Bank overdraft - cash and cash equivalents*	(8 631 926)	(11 038 096)
Bank overdraft - financing activity*	(64 456 426)	(244 912 233)
Cash and cash equivalents from discontinued operations	373 209	6 435 176
	19 322 614	(45 586 364)
Current assets	92 410 966	210 363 965
Current liabilities	(73 088 352)	(255 950 329)
	19 322 614	(45 586 364)

*Refer to note 52 for details regarding restatements of comparative information.

CASH AND CASH EQUIVALENTS PLEDGED AS SECURITY

The overdraft facility of the Group at Standard Bank is R500 000 000 (2024: R440 000 000) and is secured by a cession of monthly debtors' accounts of TWK Agri Proprietary Limited and Constantia Proprietary Limited. Refer to note 27 where all Borrowings are disclosed.

The Group has adequate financial resources available for future operating activities and commitments.

ABSA, Standard Bank, First National Bank and Rand Merchant Bank as key financiers are regarded as excellent counterparties and therefore fall within acceptable levels of counter party risk. According to S&P Ratings all of these banks have a long-term credit rating of BB, with a stable outlook.

FAIR VALUE OF CASH AND CASH EQUIVALENTS

The carrying amount of cash and cash equivalents including bank overdraft approximates its fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

22. DISCONTINUED OPERATIONS OR DISPOSAL GROUPS OR NON-CURRENT ASSETS HELD FOR SALE

DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE

ROOFSPACE SOLAR GROUP PROPRIETARY LIMITED

In 2024 a share sale agreement was finalised for the sale of shares in Roofspace Solar Group Proprietary Limited ("Roofspace"). However, as announced on 6 August 2024, the agreement was terminated and the sale did not go through. During the current year, management successfully secured buyers for most of the assets.

Roofspace was also involved in legal proceedings with a tenant to recover lost income following the termination of lease agreements. These agreements required the tenant to compensate Roofspace for any loss of income for the remaining lease term. Additionally, Roofspace was in litigation with the tenant over a dispute concerning the tariffs used for billing. On 14 August 2025 a settlement agreement was reached regarding these disputes.

The entity still met the requirements to be classified as a discontinued operation with all of the relevant assets and liabilities being classified as held for sale.

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RANDS	2025	2024
Revenue	(25 739 305)	102 527 995
Cost of Sales	19 024 030	(70 009 487)
Gross (Loss)/Profit	(6 715 275)	32 518 508
Other operating income	31 568	-
Operating gains	39 067 088	16 313 771
Investment income	(9 320 292)	19 081 036
Operating expenses	11 651 323	(106 753 006)
Finance costs	(18 892 130)	(22 467 655)
Profit/(Loss) before tax	15 822 282	(61 307 346)
Taxation	(1 328 707)	(4 932 766)
Profit/(Loss) after tax	14 493 575	(66 240 112)

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Property, plant and equipment	19 619 111	34 841 217
Right of use assets	14 697 252	28 482 551
Trade and other receivables	85 403 096	128 349 328
Other current assets	-	3 203
Total Assets	119 719 459	191 676 299
Lease liabilities	18 390 381	33 680 073
Trade and other payables	50 807 100	92 735 713
Loans from group companies	92 311 431	55 387 318
Borrowings	-	66 702 522
Other current liabilities	724 144	84 747
Deferred tax liability	325 589	49 833
Total liabilities	162 558 645	248 640 206

SUMMARISED STATEMENT OF CASH FLOW

FIGURES IN RANDS	2025	2024
Net cash from operating activities	(7 020 834)	(9 148 277)
Net cash from investing activities	47 994 963	(349 880)
Net cash from financing activities	(40 608 479)	9 586 492
Total cash movement for the year	365 650	88 335

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

22. DISCONTINUED OPERATIONS OR DISPOSAL GROUPS OR NON-CURRENT ASSETS HELD FOR SALE CONTINUED

DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE

TWK AGRI PROPRIETARY LIMITED - PIET RETIEF SAWMILL

In the prior financial year, the Group decided to close all operations at the Piet Retief Sawmill, which operates under TWK Agri Proprietary Limited. These operations were part of the Timber segment. All related assets have been sold during the year and the final wind up cost remained classified as discontinued operations.

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RANDS	2025	2024
Revenue	276 276	67 584 082
Cost of Sales	(1 396 391)	(78 127 967)
Gross Loss	(1 120 115)	(10 543 885)
Other operating income	173 296	5 226 941
Operating expenses	(2 347 404)	(7 669 697)
Finance costs	166 241	(1 551 996)
Loss before tax	(3 127 982)	(14 538 637)
Taxation	-	-
Loss after tax	(3 127 982)	(14 538 637)

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Property, plant and equipment	-	3 744 479
Inventory	-	690 804
Total Assets	-	4 435 283

SUMMARISED STATEMENT OF CASH FLOW

FIGURES IN RANDS	2025	2024
Net cash from operating activities	(4 135 178)	11 358 801
Net cash from investing activities	4 751 674	(71 565)
Net cash from financing activities	-	-
Total cash movement for the year	616 496	11 287 236

TWK MOTORS PROPRIETARY LIMITED - DEALERSHIPS

During the year, the disposal of assets and stock related to the Haval, Hino, and Toyota dealerships was finalised. The current year's results reflected below reflect final expenses related to these transactions. The Total filling station in Mkhondo was classified as continuing operations and will continue to operate under TWK Motors Proprietary Limited, with TWK Agri Proprietary Limited retaining 100% ownership.

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RANDS	2025	2024
Revenue	43 237 808	878 822 880
Cost of Sales	(37 377 490)	(796 022 468)
Gross Profit	5 860 318	82 800 412
Other operating income	-	348 545
Operating expenses	(3 568 768)	(87 801 391)
Finance costs	-	(22 433)
Profit/(Loss) before tax	2 291 550	(4 674 867)
Taxation	-	(4 109 282)
Profit/(Loss) after tax	2 291 550	(8 784 149)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

22. DISCONTINUED OPERATIONS OR DISPOSAL GROUPS OR NON-CURRENT ASSETS HELD FOR SALE CONTINUED

DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE

TWK MOTORS PROPRIETARY LIMITED - DEALERSHIPS

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Property, plant and equipment	-	4 029 494
Right of use assets	-	5 971 497
Inventory	-	23 890 890
Trade and other receivables	3 560 943	62 393 113
Loans to group companies	740 063	-
Other current assets	-	6 592 743
Total Assets	4 301 006	102 877 737
Lease liabilities	-	6 768 970
Deferred tax liability	-	6 392 942
Trade and other payables	3 334 902	39 162 992
Loans from group companies	-	20 107 799
Other current liabilities	-	208 653
Total liabilities	3 334 902	72 641 356

SUMMARISED STATEMENT OF CASH FLOW

FIGURES IN RANDS	2025	2024
Net cash from operating activities	50 350 891	8 995 169
Net cash from investing activities	3 933 521	(863 413)
Net cash from financing activities	(20 951 547)	(28 497 170)
Total cash movement for the year	33 332 865	(20 365 414)

TWK AGRI PROPRIETARY LIMITED - NORTH AND SOUTH PLANTATIONS

As part of TWK Agri's strategic objective to optimise capital and focus on core growth areas, the Board approved the sale of the Group's Northern and Southern forestry plantations—divisions within TWK Agri Proprietary Limited—on 10 April 2025. This decision aligns with the Group's long-term vision to streamline operations and reinvest capital into ventures that offer stronger strategic alignment and greater future value for TWK.

An offer for the plantations, including associated property, plant, and equipment, was received before year-end and the related contracts were signed in August 2025. At year-end, certain suspensive conditions were still outstanding. The transaction will be finalised once these conditions are met. Most of the conditions have since been fulfilled, and the transaction is expected to be completed within the first six months of the new financial year.

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RANDS	2025	2024
Revenue	27 453 708	36 935 417
Cost of Sales	(23 086 965)	(17 903 740)
Gross Profit	4 366 743	19 031 677
Other operating income	23 300	-
Other operating losses	(18 947 484)	(22 151 907)
Operating expenses	(8 325 224)	(10 507 923)
Finance costs	(4 399 985)	(12 897 368)
Loss before tax	(27 282 651)	(26 525 521)
Taxation	-	-
Loss after tax	(27 282 651)	(26 525 521)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

22. DISCONTINUED OPERATIONS OR DISPOSAL GROUPS OR NON-CURRENT ASSETS HELD FOR SALE CONTINUED

DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE

TWK AGRI PROPRIETARY LIMITED - NORTH AND SOUTH PLANTATIONS

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Property, plant and equipment	3 128 428	-
Biological assets	180 901 893	-
Right-of-use assets	4 377 344	-
Inventory	29 477	-
Trade and other receivables	111 115	-
Total Assets	188 548 257	-
Lease liabilities	3 663 713	-
Trade and other payables	325 170	-
Borrowings	114 462 546	-
Total Liabilities	118 451 429	-

SUMMARISED STATEMENT OF CASH FLOW

FIGURES IN RANDS	2025	2024
Net cash from operating activities	(6 108 082)	-
Net cash from investing activities	(1 423 837)	-
Net cash from financing activities	(2 604 057)	-
Total cash movement for the year	(10 135 976)	-

CONSTANTIA KUNSMIS PROPRIETARY LIMITED - WELLINGTON FACILITY

The Board has also decided to discontinue operations at Constantia Kunsmis Proprietary Limited in Wellington, as the business was not profitable and failed to deliver the required return. The sale of inventory was concluded by year-end, and no assets or liabilities were classified as held for sale. This disposal supports the Group's long-term strategy to optimise capital and enable future growth.

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RANDS	2025	2024
Revenue	219 037 642	175 693 238
Cost of Sales	(245 023 706)	(187 978 532)
Gross Loss	(25 986 064)	(12 285 294)
Other operating gains	723 744	-
Operating expenses	(29 588 095)	(17 519 221)
Finance costs	(262 512)	(6 725)
Loss before tax	(55 112 927)	(29 811 240)
Taxation	-	-
Loss after tax	(55 112 927)	(29 811 240)

SUMMARISED STATEMENT OF CASH FLOW

FIGURES IN RANDS	2025	2024
Net cash from operating activities	(26 850 956)	-
Net cash from investing activities	2 418 427	-
Net cash from financing activities	(3 219 614)	-
Total cash movement for the year	(27 652 031)	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

22. DISCONTINUED OPERATIONS OR DISPOSAL GROUPS OR NON-CURRENT ASSETS HELD FOR SALE CONTINUED

DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE

SAWCO MINING AND TIMBER PROPRIETARY LIMITED

The Group has resolved to discontinue operations at the Pine Sawmill, which is operated by Sawco Mining Timber Company Proprietary Limited. The sale of assets related to Sawco was approved by the Competition Commission at the end of September and has been classified as discontinued operations.

This divestment aligns with the strategic direction of the Timber division, which aims to exit softwood milling and concentrate on hardwood mills and related operations. Accordingly, all associated assets and liabilities have been designated as held for sale in the current reporting period.

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RANDS	2025	2024
Revenue	66 984 216	120 139 314
Cost of Sales	(64 562 755)	(102 668 824)
Gross Profit	2 421 461	17 470 490
Investment Income	164 042	63 340
Other operating gains	16 000 000	-
Operating expenses	(7 927 401)	(20 362 264)
Finance costs	(4 379 526)	(9 672 920)
Profit/(Loss) before tax	6 278 576	(12 501 354)
Taxation	-	-
Profit/(Loss) after tax	6 278 576	(12 501 354)

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Property, plant and equipment	31 299 327	-
Total Assets	31 299 327	-
Other non-current liabilities	37 500 000	-
Total Liabilities	37 500 000	-

SUMMARISED STATEMENT OF CASH FLOW

FIGURES IN RANDS	2025	2024
Net cash from operating activities	677 184	-
Net cash from investing activities	37 121 533	-
Net cash from financing activities	(57 794 650)	-
Total cash movement for the year	(19 995 933)	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

22. DISCONTINUED OPERATIONS OR DISPOSAL GROUPS OR NON-CURRENT ASSETS HELD FOR SALE CONTINUED

NON-CURRENT ASSETS AND NON-CURRENT LIABILITIES HELD FOR SALE

TWK INVESTMENTS PROPRIETARY LIMITED - COMMERCIAL AND INVESTMENT PROPERTIES

As part of its strategic restructuring, the Group has decided to sell several commercial and investment properties held by TWK Investments:

- **Ermelo Meganisasie** – A commercial investment property currently marketed by Barnyard Auctioneers. This disposal forms part of the Group's strategic exit from non-core assets. The property is actively listed and expected to be sold within the next 12 months.
- **Silo Autobody** – Another commercial investment property marketed by Barnyard Auctioneers, also part of the Group's non-core asset disposal strategy. The sale is anticipated within the next 12 months.

This was not classified as a discontinued operation, but the related assets and liabilities were classified as held for sale.

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Investment property	106 784 038	-
Total Assets	106 784 038	-
Borrowings*	59 538 823	-
Total Liabilities	59 538 823	-

*An amount of R59 538 823 will be settled upon disposal of the investment property, as the properties were pledged as security under this facility. The settlement is required to release the encumbrance and facilitate the transfer of ownership.

SHISHELWENI FORESTRY COMPANY LIMITED

The Pine Sawmill, referred to in the information regarding SAWCO Mining and Timber Proprietary Limited, is located on land owned by Shiselweni Forestry Company Limited. The sale of the assets, land and biological assets was approved by the Eswatini Competition Commissioner on 24 September 2025. This was not considered to be a discontinued operation and the related biological asset and liability was classified as held for sale.

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Biological assets	1 459 743	-
Total Assets	1 459 743	-
Borrowings	6 500 000	-
Total Liabilities	6 500 000	-

EXECUTIVE UNDERWRITING MANAGERS PROPRIETARY LIMITED

The property located at, 113 Van Rensburg Street, Parktown Estates, Pretoria, was Classified as held for sale under IFRS 5, the asset is available for immediate sale in its current condition. Centre Fox Properties is currently marketing it. It did not meet the requirements of a discontinued operation.

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Property, plant and equipment	3 846 839	-
Total Assets	3 846 839	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

22. DISCONTINUED OPERATIONS OR DISPOSAL GROUPS OR NON-CURRENT ASSETS HELD FOR SALE CONTINUED

CONSOLIDATED VIEW

The following tables illustrates the impact on the consolidated annual financial statements of the disposal groups as well as the inter-group transactions. The inter-group transactions are not eliminated in the standalone results:

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RANDS	2025	2024
Revenue	331 337 385	1 383 919 757
Cost of Sales	(352 457 613)	(1 254 861 342)
Gross (Loss)/Profit	(21 120 228)	129 058 415
Other operating income	263 347	5 635 934
Investment income	(9 156 250)	19 144 435
Other operating gains / (losses)	36 781 495	(5 838 078)
Operating expenses	(40 250 510)	(252 387 057)
Finance costs	(27 767 912)	(47 544 949)
Loss before tax	(61 250 058)	(151 931 300)
Taxation	(1 328 707)	(9 042 048)
Loss after tax - before intergroup eliminations	(62 578 765)	(160 973 348)
Less: Intergroup eliminations	(30 865 642)	(47 591 574)
Loss after tax	(93 444 407)	(208 564 982)

SUMMARISED STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2025	2024
Property, plant and equipment	164 677 743	86 233 127
Biological assets	182 361 636	-
Right of use assets	19 074 596	34 454 048
Loans to group companies	5 440 663	-
Inventory	29 477	23 890 890
Trade and other receivables	89 308 692	190 742 441
Other current assets	-	4 388 983
Total Assets - before intergroup eliminations	460 892 807	339 709 489
Less: Intergroup eliminations	(13 393 568)	(12 907 905)
Total Assets	447 499 239	326 801 584
Lease liabilities	22 054 094	40 449 043
Deferred tax liability	325 589	6 442 775
Other non-current liabilities	44 000 000	-
Trade and other payables	54 467 172	131 898 705
Loans from group companies	92 311 431	75 495 117
Borrowings	174 001 369	-
Other current liabilities	724 144	66 995 922
Total liabilities - before intergroup eliminations	387 883 799	321 281 562
Less: Intergroup eliminations	(99 876 636)	(83 527 774)
Total liabilities	288 007 163	237 753 788

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

23. SHARE CAPITAL

FIGURES IN RANDS	2025	2024
AUTHORISED		
100 000 000 (2024: 100 000 000) no par-value ordinary shares		
1 (2024: 1) "A" no par-value preference share		
50 000 000 (2024: 50 000 000) "B" no par-value preference shares		
ISSUED		
36 936 150 (2024: 36 883 335) no par-value ordinary shares	832 990 287	834 801 875
"A" non-par value preference share	-	-
	832 990 287	834 801 875
NUMBER OF SHARES ISSUED:		
Non par-value ordinary shares	38 951 986	38 951 986
Less: Treasury shares	(2 015 836)	(2 068 651)
	36 936 150	36 883 335
RECONCILIATION OF VALUE OF SHARES ISSUED:		
Non par-value ordinary shares	884 202 338	884 202 338
Less: Treasury shares at cost	(51 212 051)	(49 400 463)
	832 990 287	834 801 875
RECONCILIATION OF NUMBER OF SHARES ISSUED:		
Opening balance	36 883 335	36 741 317
Treasury share movement	52 815	142 018
	36 936 150	36 883 335
A NO-PAR VALUE PREFERENCE SHARE		
ISSUED		
1 (2024: 1) "A" no par-value preference share	1	1
RECONCILIATION OF CLASS A PREFERENCE SHARE (NUMBER OF SHARES)		
No par-value preference shares	1	1
Less: Treasury share	(1)	(1)
	-	-
RECONCILIATION OF CLASS A PREFERENCE SHARE (VALUE OF SHARES)		
No par-value preference shares	1	1
Less: Treasury share at cost	(1)	(1)
	-	-

The Board is entitled from time to time and in the absolute discretion of the Board, to declare and pay a dividend on the preference share from distributable profit and in priority to any dividends to be declared and paid to holders of ordinary shares. Refer to the Shareholders' Analysis on page 198.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

24. REVALUATION RESERVE

In terms of the Memorandum of Incorporation, the revaluation reserve is non-distributable and relates to the revaluation of land and buildings included in property, plant and equipment as indicated in note 5.

FIGURES IN RANDS	2025	Restated 2024*
Fair value balance at beginning of year*	246 034 327	234 254 934
Fair value adjustment for the year*	17 064 714	13 586 989
Deferred tax	(4 062 458)	(1 807 596)
Revaluation reserve realised	(3 176 261)	-
Transfers from restructuring reserve	50 695 932	-
	306 556 254	246 034 327

*Refer to note 52 for details regarding restatements of comparative information.

A portion of the revaluation reserve has been accounted for under the restructuring reserve and has been corrected in the current financial year.

25. SHARE-BASED PAYMENTS

Aligned with the Group's strategic objective to be an employer of choice, the Group offers its key employees an equity and cash settled share-based payment scheme.

The long term incentive (LTI) affords certain employees the right to purchase awarded shares in TWK Investments Limited at the exercise price. During the vesting period (the period between grant date and vesting date), the shares are acquired by the Group and held in the Aandele Aansporings Trust. During this period the option cannot be exercised and is forfeited should the employee leave the employment of the Group. After the grant date, employees have the option to exercise their rights in four yearly vesting tranches of 20%, 25%, 25% and 30% respectively. The grant date is the date on which the Group and the participant agree to a share based payment arrangement. Participants are required to pay the exercise price on vesting date for shares awarded. The exercise price is determined by the lowest weighted average share price of any three successive months preceding the grant date.

The scheme is treated as an equity and cash settled scheme. The scheme is valued at the reporting date in terms of IFRS 2 by using the Black Scholes model. The valuation was performed by an independent actuary, Mr. R Immermann of Five 2 Two Actuaries.

The total expense recognised for the year amounts to R2 926 287 (2024: R4 764 281). The accumulated equity settled reserve amounts to R1 579 590 (2024: R4 505 877).

	LTI 8	LTI 9	LTI 10	LTI 11
KEY ASSUMPTIONS USED (%)				
Discount rate	6,73	7,42	7,74	8,07
Dividend yield	2,90	2,90	2,90	2,90
Share volatility	76,70	76,70	76,70	76,70

*Five long-term incentive grants (referred to as LTI7, LTI8, LTI9, LTI10 and LTI11)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

25. SHARE-BASED PAYMENTS CONTINUED

SHARE-BASED PAYMENTS

FIGURES IN RAND	Total	Cash provision	Share-based payment reserve
2025			
Opening balance	4 505 877	2 691 979	1 813 898
Expenses released for the period	(2 926 287)	(1 534 912)	(1 391 375)
Rights vested during period	-	-	-
Cash settled awards	-	-	-
	1 579 590	1 157 067	422 523

2024

Opening balance	18 831 735	9 913 016	8 918 719
Expenses recognised for the period	(4 764 281)	13 069	(4 777 350)
Vesting during the period/ rights awarded	(2 327 471)	-	(2 327 471)
Cash payments	(7 234 106)	(7 234 106)	-
	4 505 877	2 691 979	1 813 898

SHARES GRANTED

NUMBER OF SHARES	LTI 7	LTI 8	LTI 9	LTI 10	LTI 11	Total
Outstanding at beginning of year	159 125	357 175	601 175	955 400	-	2 072 875
Granted during the period	-	-	-	-	1 002 500	1 002 500
Vesting during the period	(159 125)	(190 375)	(198 300)	(193 000)	-	(740 800)
OUTSTANDING AT END OF YEAR	-	166 800	402 875	762 400	1 002 500	2 334 575
Grant date	20-Oct-20	06-Oct-21	09-Nov-22	08-Nov-23	01-Dec-24	
Share price at grant date	R30,50	R36,00	R51,00	R52,00	R25,00	
Exercise price	R26,17	R29,45	R37,79	R50,56	R27,96	
End date of contractual life	02-Jan-25	02-Jan-26	02-Jan-27	02-Jan-28	02-Jan-29	

*Five long-term incentive grants (referred to as LTI7, LTI8, LTI9, LTI10 and LTI11)

Share-based payments awarded to executive directors:

FIGURES IN RAND	Shares vested		Options out-standing	Options forfeited	Value of benefit at grant date	
	2025	2024			2025	2024
AS Myburgh	-	104 000	339 000	-	681 938	1 484 060
A Geel	-	-	85 000	-	301 885	-
	-	104 000	424 000	-	983 823	1 484 060

26. CHANGE OF OWNERSHIP RESERVE

The excess of the cost of the acquisition of the additional shareholding in subsidiaries to further expand certain business units, over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition and liabilities assumed is accounted for as a change in ownership interest directly in equity in accordance with IFRS 10 (Consolidated Financial Statements):

FIGURES IN RANDS	2025	2024
Reserves relating to the timber business unit	(26 483 849)	(23 899 262)
Reserves relating to the financial services business unit	(9 884 465)	-
Reserves relating to the fuel and oil business unit	(720 718)	(720 718)
	(37 089 032)	(24 619 980)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

27. BORROWINGS

FIGURES IN RANDS	2025	2024
HELD AT AMORTISED COST		
STANDARD BANK OF SOUTH AFRICA: MEDIUM-TERM LOAN	675 000 000	-
A loan facility of R675,000,000 was granted to TWK Agri Proprietary Limited and accrues interest at a rate linked to prime. The loan is repayable in monthly instalments of R5,625,000 over a 10-year term.		
The facility is secured by an unlimited suretyship provided by TWK Agriculture Holdings Proprietary Limited, as well as an omnibus suretyship of R250,000,000 issued jointly by TWK Autospares Proprietary Limited, TWK Agriculture Holdings Proprietary Limited, Constantia Kunsms Proprietary Limited, TWK Investments Limited, and TWK Motors Proprietary Limited.		
Additional security includes first-ranking, continuing mortgage bonds over immovable properties located in eSwatini, owned by Shiselweni Forestry Company Limited, and general notarial bonds over plantations and other movable assets amounting to R675 000 000.		
ABSA BANK LIMITED: TERM LOAN	312 995 329	343 007 552
TWK Investments Limited had an existing loan facility with ABSA Bank, which was replaced at the end of the financial year. Under the original terms, the facility was repayable through monthly instalments of R2 411 180, with a bullet repayment of 80% of the loan due on 30 November 2025.		
Prior to year-end, the loan terms were replaced, and a new agreement was signed. The key amendments to the facility include:		
- Extension of the bullet repayment date to 31 August 2028 - An additional advance of R49,998,804.98 was made to the company under the revised facility for general corporate purposes - The revised monthly instalment amount is R2,097,143 - A final bullet payment of R293,000,000 due on 31 August 2028		
The facility continues to bear interest at a rate linked to prime.		
Security for the facility is provided through a guarantee issued by the Security SPV Guarantor, TWK Guarantee Company Proprietary Limited (RF). TWK indemnifies the Security SPV against any claims arising under the guarantee. To secure TWK's indemnity obligations, term loans of TWK Agri Proprietary Limited and fixed property owned by TWK Investments Limited have been bonded in favour of the Security SPV.		
STANDARD BANK OF SOUTH AFRICA: TERM LOAN	-	132 400 000
The facility was secured by a first-ranking, continuing mortgage bond over immovable property, as well as a notarial general bond of up to R25,000,000 over the movable assets—specifically wood chips and wood logs—of Shiselweni Forestry Company Limited. The loan bore interest at a rate linked to prime, with monthly capital repayments of R1,400,000 plus interest, and a residual balance of R76,400,000. During the year the loan was settled.		
STANDARD BANK OF SOUTH AFRICA: TERM LOAN	-	297 500 024
The loan accrues interest at a rate linked to prime and was originally repayable over a remaining term of 84 months. The facility was secured by a bond over certain fixed property (refer to Note 5) and plantations owned by Shiselweni Forestry Company Limited. During the year the loan was settled.		
FIRST NATIONAL BANK: TERM LOAN	31 977 085	35 680 191
The loan accrues interest at a rate linked to prime and is repayable over a remaining term of 95 months. The facility is secured by a bond over certain fixed property owned by Shiselweni Forestry Company Limited (refer to Note 5). In addition, a guarantee for an amount of R45 500 000 was issued by TWK Agriculture Holdings Proprietary Limited in respect of this amount.		
FIRST NATIONAL BANK: TERM LOAN	17 333 357	19 275 685
The loan accrues interest at a rate linked to prime and is repayable over a remaining term of 70 months. The facility is secured by a guarantee issued by the Security SPV Guarantor TWK Guarantee Company Proprietary Limited (RF). TWK indemnify the security SPV against all claims in terms of the SPV guarantee. As security for TWK performing their indemnity obligation to the security SPV, certain fixed property of TWK Investments Limited is bonded in security to the security SPV.		
FIRST NATIONAL BANK: TERM LOAN	29 869 745	53 515 720
The loan accrues interest at a rate linked to the prime lending rate and was originally repayable on 30 November 2025, with a residual value of R36,707,655. Subsequent to year-end, new terms were agreed upon. Under the new agreement, signed on 16 October 2025, the loan will be repaid over a 60-month period through monthly instalments of R574,413, with a final bullet payment of R26,112,149.		
The facility is secured by a guarantee issued by the Security SPV Guarantor TWK Guarantee Company Proprietary Limited (RF). TWK indemnify the security SPV against all claims in terms of the SPV guarantee. As security for TWK performing their indemnity obligation to the security SPV, certain fixed property of TWK Investments Limited is bonded in security to the security SPV. Refer to note 5.		
STANDARD BANK OF SOUTH AFRICA: MEDIUM-TERM LOAN	20 506 115	-
A loan facility of R58 369 727 was granted to TWK Agri and accrues interest at a rate linked to prime. The loan has a term of seven years and is repayable in monthly instalments of R832 858. This facility relates to the refinancing of Roofspace Rental Group Proprietary Limited-related debt within TWK Agri Proprietary Limited and may be settled using proceeds from the disposal of Roofspace Rental Group Proprietary Limited assets. During the year, an amount of R37 863 612 was repaid.		
The facility is secured by an unlimited suretyship provided by TWK Agriculture Holdings Proprietary Limited, as well as an omnibus suretyship of R250,000,000 issued jointly by TWK Autospares Proprietary Limited, TWK Agriculture Holdings Proprietary Limited, Constantia Kunsms Proprietary Limited, TWK Investments Limited, and TWK Motors Proprietary Limited.		
Additional security includes first-ranking, continuing mortgage bonds over immovable properties located in eSwatini, owned by Shiselweni Forestry Company Limited, and general notarial bonds over plantations and other movable assets amounting to R675 000 000.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

27. BORROWINGS CONTINUED

FIGURES IN RANDS	2025	2024
STANDARD BANK OF SOUTH AFRICA: REVOLVING LOAN FACILITY	753 239 103	689 509 429
The facility is secured by a guarantee issued by the Security SPV Guarantor, TWK Guarantee Company Proprietary Limited (RF), with TWK indemnifying the Security SPV against any claims arising under the SPV guarantee. As collateral for TWK's indemnity obligations, mortgage and notarial bonds have been registered over plant, equipment, and computer software owned by TWK Agri Proprietary Limited (refer to Notes 5 and 9). Additional security includes cessions over inventory held by TWK Agri Proprietary Limited and Constantia Kunsmis Proprietary Limited (refer to Note 17), standing timber (refer to Note 8), certain trade receivables (refer to Note 18), and finance lease receivables (refer to Note 14), all bonded in favour of the Security SPV. The loan accrues interest at a rate linked to prime.		
FIRST NATIONAL BANK: REVOLVING LOAN FACILITY	195 443 333	176 861 075
The facility is secured by a guarantee issued by the Security SPV Guarantor, TWK Guarantee Company Proprietary Limited (RF), with TWK indemnifying the Security SPV against any claims arising under the SPV guarantee. As collateral for TWK's indemnity obligations, mortgage and notarial bonds have been registered over plant, equipment, and computer software owned by TWK Agri Proprietary Limited (refer to Notes 5 and 9). Additional security includes cessions over inventory held by TWK Agri Proprietary Limited and Constantia Kunsmis Proprietary Limited (refer to Note 17), standing timber (refer to Note 8), certain trade receivables (refer to Note 18), and finance lease receivables (refer to Note 14), all bonded in favour of the Security SPV. The loan accrues interest at a rate linked to prime.		
ABSA BANK LIMITED: REVOLVING LOAN FACILITY	194 267 707	176 233 651
The facility is secured by a guarantee issued by the Security SPV Guarantor, TWK Guarantee Company Proprietary Limited (RF), with TWK indemnifying the Security SPV against any claims arising under the SPV guarantee. As collateral for TWK's indemnity obligations, mortgage and notarial bonds have been registered over plant, equipment, and computer software owned by TWK Agri Proprietary Limited (refer to Notes 5 and 9). Additional security includes cessions over inventory held by TWK Agri Proprietary Limited and Constantia Kunsmis Proprietary Limited (refer to Note 17), standing timber (refer to Note 8), certain trade receivables (refer to Note 18), and finance lease receivables (refer to Note 14), all bonded in favour of the Security SPV. The loan accrues interest at a rate linked to prime.		
FIRST NATIONAL BANK: REVOLVING LOAN FACILITY	-	114 740 908
The loan facility is secured by a guarantee issued by the Security SPV Guarantor, TWK Guarantee Company Proprietary Limited (RF). TWK has indemnified the Security SPV against any claims arising under the SPV guarantee. As collateral for TWK's indemnity obligations, plantations owned by TWK Agri Proprietary Limited (refer to Note 8) have been bonded in favour of the Security SPV.		
The loan accrues interest at a prime-linked rate. The outstanding balance of R114,462,546.41 is expected to be settled from the proceeds of the sale of the Northern and Southern Farm Plantations, which have been pledged as security. This amount has been classified as held for sale and form part of the disposal group liabilities.		
RAND MERCHANT BANK: REVOLVING LOAN FACILITY	83 235 377	256 544 904
The loan is used to finance grain intakes during intake periods and is secured by the underlying grain inventory (refer to Note 17). It accrues interest at a rate linked to prime and is repayable upon the sale of the inventory.		
ABSA BANK LIMITED: REVOLVING LOAN FACILITY	134 891 350	-
The loan is used to finance grain intakes during intake periods and is secured by the underlying grain inventory (refer to Note 17). It accrues interest at a rate linked to prime and is repayable upon the sale of the inventory.		
ELLEPOT SOUTH AFRICA PROPRIETARY LIMITED: SUNSHINE SEEDLING SERVICES PROPRIETARY LIMITED	915 089	1 509 007
The loan is unsecured, accrues interest at a rate linked to prime, and is repayable in monthly instalments of R62,175 over the remaining 16-month period.		
HINO FINANCIAL SERVICES SOUTH AFRICA LIMITED: SUNSHINE SEEDLING SERVICES PROPRIETARY LIMITED	682 473	1 060 556
The vehicle finance loans are unsecured, bear interest at a rate linked to prime, and are repayable in monthly instalments of R14,310 over the next 29 months and R16,022 over the following 15 months.		
STANDARD BANK OF SOUTH AFRICA	-	5 303 547
The facility was repaid during the year.		
	2 450 356 063	2 303 142 249

SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS

FIGURES IN RANDS	2025	2024
Non-current liabilities	942 169 081	786 603 086
Current liabilities	1 508 186 982	1 516 539 163
	2 450 356 063	2 303 142 249

TWK Agriculture Holdings Proprietary Limited has signed an unlimited suretyship as a guarantee for the loan facilities granted by First National Bank, ABSA Bank Limited, and Standard Bank of South Africa to TWK Agri Proprietary Limited. These suretyships cover all obligations of TWK Agri Proprietary Limited under the respective banking agreements.

TWK Agri Proprietary Limited has signed a guarantee in favour of Standard Bank of South Africa for the punctual and full payment of all debts which Roofspace Rental Group Proprietary Limited owes to the Bank in terms of agreements concluded between Roofspace Rental Group Proprietary Limited and Standard Bank of South Africa.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

27. BORROWINGS CONTINUED

In addition to the above, the Group has provided a limited cross suretyship to First National Bank for borrowings of TWK Agri Proprietary Limited, TWK Investments Limited, and TWK Agriculture Holdings Proprietary Limited, covering obligations up to R580 million. The Group has also provided a limited omnibus suretyship to Standard Bank for borrowings of TWK Agri Proprietary Limited, TWK Investments Limited, TWK Agriculture Holdings Proprietary Limited, TWK Motors Proprietary Limited, TWK Autospares Proprietary Limited and Constantia Kunsmis Proprietary Limited, covering obligations up to R250 million.

Furthermore, the Group has issued limited guarantees to Standard Bank for TWK Investments Limited in the amount of R16.5 million and for Roofspace Rental Group Proprietary Limited in the amount of R1 14.4 million. Both of these loans were settled on 31 August 2025, and there is no exposure at year end.

These guarantees and suretyships are provided in the ordinary course of business to secure banking facilities and loans. No consideration was received for these guarantees.

Under the Group's banking facilities agreements with First National Bank, a division of FirstRand Bank Limited, ABSA Limited and Standard Bank of South Africa Limited ('the financiers'), the group as defined: TWK Agriculture Holdings Proprietary Limited and its subsidiaries is required to comply with financial covenant conditions that are monitored at the defined group level. These facilities include the Group's (as defined) financing facilities held with the financiers, being primary lending facilities (overdrafts), guarantees facilities, term loans, trade and commodity financing and asset financing facilities ('the financing facilities').

These financial covenant conditions are as follows:

COVENANT	Requitement - 2025	Requitement - 2024
Interest cover ratio	$\geq 1.5 : 1$	$\geq 2.3 : 1$
Total debt to equity ratio	$< 250\%$	$< 250\%$
Long-term debt to equity ratio	$< 80\%$	$< 80\%$
Cumulative debt service cover ratio	≥ 1.2	≥ 1.2
Security cover ratio	$> 1 : 1$	$> 1 : 1$

TWK Agriculture Holdings Proprietary Limited provides a compliance certificate to its lenders on an annual basis. The measurement date for covenant compliance is aligned with the financial year-end, being 31 August 2025. Due to challenging trading conditions in the current and previous financial years, management informed all lenders that the interest cover ratio for the period ended 31 August 2024 and 31 August 2025 had been breached. The lenders have condoned these breaches, and approval was obtained before the 31 August 2024 and 31 August 2025 year ends, respectively. As a result, the lenders will not exercise any rights under the facility agreement that they may have had due to the occurrence of these covenant breaches.

All other covenant requirements were met for the financial years ended 31 August 2024 and 31 August 2025.

FAIR VALUE OF BORROWINGS

The carrying amount of borrowings approximates the fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

28. LOANS FROM GROUP COMPANIES

ASSOCIATES

FIGURES IN RANDS	2025	2024
SILULU ROYAL FORESTRY COMPANY PROPRIETARY LIMITED	1 547 798	397 315
The unsecured loan is used for day to day funding requirements, bears no interest and has no fixed terms of repayment.		

HOLDING COMPANY

FIGURES IN RANDS	2025	2024
TWK AGRICULTURE HOLDINGS PROPRIETARY LIMITED	-	36 600 000
The loan was unsecured and bore interest at prime + 1%, and was repayable in monthly capital repayments of R2 033 333. The loan has been repaid in full during the current year.		
TWK AGRICULTURE HOLDINGS PROPRIETARY LIMITED	-	128 328 896
The unsecured loan was used for day-to-day funding requirements, did not bear interest and have no fixed terms of repayment. The loan has been repaid in full during the current year.		
	-	164 928 896
SPLIT BETWEEN NON-CURRENT AND CURRENT PORTIONS		
Non-current liabilities	-	12 200 000
Current liabilities	1 547 798	153 126 211
	1 547 798	165 326 211

FAIR VALUE OF GROUP LOANS PAYABLE

The carrying amounts of Group loans payable approximates their fair value.

29. RETIREMENT BENEFITS

DEFINED BENEFIT PLAN

The defined benefit plan which belongs to 6 persons (2024: 6 persons) of past staff members of TWK Agri Proprietary Limited (TWK Agri) consists of a post-employment medical aid subsidy. This benefit is no longer offered to any serving employee. TWK Agri subsidises the full medical scheme contributions of all continuation members. This subsidy includes the contributions payable on behalf of the Group's previous employees and their spouses for the duration of their lives. Certain subsidies are paid directly to the medical scheme on behalf of members while others are paid to members themselves. The last valuation was on 31 August 2025. An independent actuary, Mr. D Freidus of Five2Two Actuaries determined the value of the obligation and the annual cost of such benefits.

A discount rate of 9% (2024: 10,5%) has been used in valuing the obligation and is based on the SAM risk free rates, published by the Prudential Authority (South African Reserve Bank). IAS 19 requires the rate used to discount post-employment benefit obligations to be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. As South Africa does not have a deep market in corporate bonds, Five2Two Actuaries have set their assumptions with reference to South African government bonds at the duration of the liabilities, rounded to the nearest 0.25%.

CARRYING VALUE

FIGURES IN RANDS	2025	2024
Present value of the defined medical benefit obligation	3 839 000	3 713 000

MOVEMENTS FOR THE YEAR

FIGURES IN RANDS	2025	2024
Opening balance	3 713 000	4 076 000
Actuarial gains and losses	554 348	(162 520)
Benefits paid on behalf of members	(777 348)	(675 480)
Interest cost	349 000	475 000
	3 839 000	3 713 000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

29. RETIREMENT BENEFITS CONTINUED

KEY ASSUMPTIONS USED

The liability as at 31 August 2025 takes into account mortality tables as required by IAS19 and the calculation is based on the current value of expected medical aid contributions by taking into account assumptions described below. All former employees who qualify to form part of this scheme are retired. The valuation does not include an accrued service factor in the calculation of the liability value of current employees as they do not qualify for the scheme.

FIGURES IN RANDS	2025	2024
Mortality tables	PA(90)	PA(90)
Discount rates used (%)	9,00%	10,50%
Healthcare inflation rate (%)	4,75%	6,75%

SENSITIVITY ANALYSIS

The effect of an increase of one percentage point and the effect of a decrease of one percentage point in the assumed medical cost rates on the accumulated post employment benefit obligation is as follows:

FIGURES IN RANDS	2025	2024
Increase of 1%	(137 000)	(519 000)
Decrease of 1%	129 000	132 000

The effect of an increase of one percentage point and the effect of a decrease of one percentage point in the discount rate used is as follows:

FIGURES IN RANDS	2025	2024
Increase of 1%	139 000	141 000
Decrease of 1%	(149 000)	(152 000)

30. TRADE AND OTHER PAYABLES

FIGURES IN RANDS	2025	Restated 2024*
FINANCIAL INSTRUMENTS:		
Trade payables*	736 032 563	792 708 068
Deposits received	13 038 419	2 428 091
Other payables*	138 697 964	191 839 231
NON-FINANCIAL INSTRUMENTS:		
Accrued leave and bonus	50 659 237	74 863 503
VAT	2 403 437	2 219 292
	940 831 620	1 064 058 185

*Refer to note 52 for details regarding restatements of comparative information.

Included in Other payables is Floorplan payables amounting to R79 570 290 (2024: R76 547 021), salary related payables amounting to R2 319 396 (R 1 097 978), training related payables amounting to R4 485 487 (R 3 699 499), income received in advance amounting to R6 624 070 (2024: R14 206 896.50 and other sundry payables, which makes up the balance.

FAIR VALUE OF TRADE AND OTHER PAYABLES

The carrying amounts of Trade and other payables approximates their fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

31. PROVISIONS

RECONCILIATION OF PROVISIONS

FIGURES IN RAND	Opening balance	Additions	Utilised during the year	Total
2025				
Legal proceedings	6 600 000	1 900 000	-	8 500 000
Provisions	1 983 844	628 487	(618 960)	1 993 371
Share-based payments	2 691 979	-	(1 534 912)	1 157 067
	11 275 823	2 528 487	(2 153 872)	11 650 438

FIGURES IN RAND	Opening balance	Additions	Utilised during the year	Total
2024				
Legal proceedings	-	6 600 000	-	6 600 000
Provisions	1 198 549	1 089 943	(304 648)	1 983 844
Share-based payments	9 913 016	13 069	(7 234 106)	2 691 979
	11 111 565	7 703 012	(7 538 754)	11 275 823

In the previous financial year, Gromor Proprietary Limited (Gromor) recognised a provision in respect of a legal dispute with a former supplier. Gromor had held the exclusive manufacturing and distribution rights for certain products under an agreement which was subsequently terminated. Following the termination, the supplier alleged that they suffered a loss of income and initiated legal proceedings against Gromor. A provision was raised to reflect the estimated financial exposure. Subsequent to year end, on 23 October 2025, the litigation was finalised and the court awarded the claimant an amount of R5 965 478 with interest.

The provisions consist mainly of severance pay of one of the TWK Group's grain segment companies, Arrowfeeds Proprietary Limited. The severance pay is payable to certain employees on retirement.

The provision for share based payments relates to the estimated value of the employees that selected cash payments instead of shares as part of the share based payment scheme. (Refer to note 24).

The provision for share based payments are expected to be utilised as follows:

02-Jan-26	R75 842
02-Jan-27	R451 792
02-Jan-28	R409 580
02-Jan-29	R219 853
	R1 157 067

32. CONTRACT LIABILITIES

SUMMARY OF CONTRACT LIABILITIES

FIGURES IN RANDS	2025	2024
Supply of fertiliser products	31 001 000	22 758 241
Storage and handling of grain	2 549 425	2 997 804
	33 550 425	25 756 045

Contract liabilities consist of advances received for grain storage and handling services, as well as for the future supply of fertiliser products. All contract liabilities are short-term in nature and are expected to be realised within the next 12 months. These liabilities will be recognised as revenue upon the delivery of the related services and products, specifically as grain storage and handling income and fertiliser sales.

Revenue amounting to R50 989 208 (2024: R67 857 944) has been recognised as revenue in the current year regarding contract liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

33. REVENUE

FIGURES IN RANDS	2025	Restated 2024*
REVENUE FROM CONTRACTS WITH CUSTOMERS		
Sale of goods*	8 766 002 795	8 830 144 071
Rendering of services*	310 598 318	237 899 971
	9 076 601 113	9 068 044 042
REVENUE OTHER THAN FROM CONTRACTS WITH CUSTOMERS		
Rental income	4 814 991	2 204 710
Finance income (trading)	100 503 182	110 835 433
	105 318 173	113 040 143
	9 181 919 286	9 181 084 185

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

The company disaggregates revenue from customers as follows**:

FIGURES IN RANDS	2025	Restated 2024*
SALE OF GOODS		
Sale of goods — Agricultural products and produce — Exports	1 084 624 378	1 401 007 626
Sale of goods — Agricultural products and produce — Local	2 331 561 685	2 243 538 759
Sale of goods — Sale of farming equipment	210 151 612	247 969 974
Sale of goods — Contract fertiliser sales	1 381 945 575	1 663 948 993
Sale of goods — Handling of grain related products*	600 432 336	517 814 147
Sale of goods — Commodity goods — Local*	2 997 319 848	2 750 786 783
Sale of goods — Commodity goods — Exports	73 016 517	5 077 788
Sale of goods — Fuel and other related items	86 950 844	-
	8 766 002 795	8 830 144 070
RENDERING OF SERVICES		
Rendering of services — Commission on sale of agricultural products and produce and contract fertiliser sales	175 905 066	172 226 074
Rendering of services — Commission income	105 228 547	36 070 670
Rendering of services — Storage of grain related products	29 464 705	29 603 227
	310 598 318	237 899 971
Total revenue from contracts with customers	9 076 601 113	9 068 044 042
TIMING OF REVENUE RECOGNITION		
At a point in time		
Sale of goods*	8 766 002 795	8 830 144 071
Rendering of services*	281 133 613	208 296 744
	9 047 136 408	9 038 440 815
Over time		
Rendering of services	29 464 705	29 603 227
	9 076 601 113	9 068 044 042

*Refer to note 22 and 52 for details regarding restatements of comparative information.

**During the current year, the Group reassessed the presentation of certain revenue streams to enhance disclosure and improve comparability with the current year's presentation. As a result, the prior period revenue amounts have been reclassified between categories. This reclassification had no impact on the total revenue, profit for the year, total comprehensive income, or equity previously reported. The comparative information has been restated accordingly to reflect this revised presentation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

34. COST OF SALES

FIGURES IN RANDS	2025	Restated 2024*
COST OF SALES		
Sale of goods*	7 825 400 961	7 858 122 473
Rendering of services	14 517 494	18 405 496
Discount received	(376 119)	(388 011)
Labour costs included in manufactured goods	17 550 942	16 419 614
	7 857 093 278	7 892 559 572
FINANCE COSTS - TRADING		
Rendering of financial services - Interest on facilities*	75 559 915	80 743 487
	7 932 653 193	7 973 303 059

35. OTHER OPERATING INCOME

FIGURES IN RANDS	2025	2024
Administration and management fees received	2 911 708	2 172 170
Commissions received *	5 397 870	2 750 165
Rental income	9 402 079	11 200 275
Bad debts recovered	1 273 247	1 122 694
Recoveries	12 152 967	11 544 530
Interest received*	1 360 076	13 249 961
Insurance claims**	5 104 849	163 719 983
Other income	34 176 885	32 890 374
Rebates received	8 953 925	17 703 249
Income from cell captive structure - previously held through OCI	5 182 704	-
Realisation of income from cell captive structure	18 411 915	-
Government grants*	716 595	404 949
	105 044 820	256 758 350

*Refer to note 22 and 52 for details regarding restatements of comparative information.

**The major insurance claim received in 2024 relates to the fire at the NCT Woodchip Mill in Richards Bay on 30 September 2023 which burned for two weeks. The total impact of the fire resulted in an insurance claim of R255 million, with TWK receiving a settlement of approximately R160 million for stock damage, clearance, business interruption, and related expenses.

36. OTHER OPERATING GAINS/(LOSSES)

FIGURES IN RANDS	Notes	2025	2024
GAINS/(LOSSES) ON DISPOSALS, SCRAPPINGS AND SETTLEMENTS			
Investment property	6	-	(92 564)
Property, plant and equipment *	5	4 480 233	2 730 243
Right-of-use assets	7	363 877	880 662
		4 844 110	3 518 341
FOREIGN EXCHANGE GAINS/(LOSSES)			
Net foreign exchange gains (losses)		10 841 795	(6 556 342)
FAIR VALUE GAINS/(LOSSES)			
Biological assets *	8	(32 147 731)	152 733 109
Agricultural produce - Bearer Plants	5	2 658 124	749 702
Investment property	6	(2 199)	(29)
		(29 491 806)	153 482 782
Total other operating gains / (losses)		(13 805 901)	150 444 781

Gains arising from changes in fair value for the year ended 31 August 2024 included a loss arising from changes in fair value relating to the Northern and Southern Plantations of R22 407 195 that has been reclassified to Discontinued Operations held for sale. Refer to note 22.

*Refer to note 22 and 52 for details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

37. OPERATING PROFIT/(LOSS)

Operating profit for the year is stated after charging/(crediting) the following, amongst others:

FIGURES IN RANDS	2025	2024
AUDITOR'S REMUNERATION — EXTERNAL*		
PKF Pretoria Incorporated - audit of the consolidated financial statements and subsidiaries	1 858 052	2 539 173
Beracca Audit Associates - audit of the subsidiaries financial statements	288 978	281 925
SNG Grant Thornton (Advisory) (Eswatini) (Pty) Ltd - audit of the subsidiaries financial statements	1 425 664	1 253 978
Total audit fees	3 572 694	4 075 076
Audit related expenses	123 819	94 426
	3 696 513	4 169 502
EMPLOYEE COSTS		
Salaries, wages, bonuses and other benefits	561 075 213	539 003 125
Share-based payments	2 926 287	4 764 281
TOTAL EMPLOYEE COSTS	564 001 500	543 767 406
Less: Employee costs included in cost of goods sold	(17 550 942)	(16 419 614)
TOTAL EMPLOYEE COSTS EXPENSED	546 450 558	527 347 792
LEASES		
Variable lease payments	26 558 931	5 881 366
Short-term leases	3 904 202	1 667 160
TOTAL LEASE EXPENSES	30 463 133	7 548 526
DEPRECIATION AND AMORTISATION		
Depreciation of property, plant and equipment	41 966 835	40 540 678
Depreciation of right-of-use assets	24 900 375	26 278 595
Amortisation of intangible assets	2 285 273	3 509 458
TOTAL DEPRECIATION AND AMORTISATION	69 152 483	70 328 731
IMPAIRMENT LOSSES		
Property, plant and equipment	6 277 945	1 739 974
Goodwill and intangible assets	8 385 858	5 884 774
TOTAL IMPAIRMENT LOSSES	14 663 803	7 624 748
BAD DEBT WRITTEN OFF		
Amounts written off	20 374 377	9 877 496
TOTAL BAD DEBT WRITTEN OFF	20 374 377	9 877 496

* PricewaterhouseCoopers Incorporated, has been appointed as the 2025 group auditors of the consolidated financial statements. Their total audit fee amounts to R8,262,000 and there are no non-audit service fees.

EXPENSES BY NATURE

The significant other operating expenses are analysed by nature as follows:

FIGURES IN RANDS	2025	2024
Municipal expenses	46 999 612	33 205 721
Commission paid	44 085 851	39 503 093
Repairs and maintenance	42 107 764	39 380 497
Insurance	39 271 804	37 077 696
Security	24 785 724	21 690 626
Legal fees	5 482 420	9 029 533
	202 733 175	179 887 166

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

38. INVESTMENT INCOME

FIGURES IN RANDS	2025	Restated 2024*
DIVIDEND INCOME		
EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS:		
Unlisted investments — Local	1 126 344	1 709 460
INTEREST INCOME		
FROM INVESTMENTS IN FINANCIAL ASSETS:		
Bank and other cash	1 727 012	952 169
Finance lease receivables	10 630	16 740
Other receivables*	697 843	730 570
Other financial assets	3 387 514	3 603 167
LOANS TO GROUP COMPANIES:		
Associates	399 615	165 920
TOTAL INTEREST INCOME	6 222 614	5 468 566
TOTAL INVESTMENT INCOME	7 348 958	7 178 026

39. FINANCE COSTS

FIGURES IN RANDS	2025	Restated 2024*
Loan from holding company	2 788 680	6 364 765
Trade and other payables*	3 496 915	296 063
Lease liabilities*	3 098 837	5 140 783
Borrowings*	166 989 272	205 455 332
Late payment of tax (Tax authorities)	100 968	-
TOTAL FINANCE COSTS EXPENSED	176 474 672	217 256 943
Less: Capitalised to qualifying assets*	(42 589 093)	(49 946 661)
TOTAL FINANCE COSTS EXPENSED	133 885 579	167 310 282

40. OTHER NON-OPERATING GAINS/(LOSSES)

FIGURES IN RANDS	Notes	2025	2024
GAINS/(LOSSES) ON DISPOSALS, SCRAPPINGS OR SETTLEMENTS			
Profit on disposal of Non-current assets held for sale and disposal groups - TWK Motors	22	-	20 000 000
Loss on shares issued to customers		-	(1 860 465)
Loans from group companies	28	-	(3 004 245)
Other loans receivable	15	-	700 696
TOTAL OTHER NON-OPERATING GAINS		-	15 835 986

41. TAXATION

MAJOR COMPONENTS OF THE TAX EXPENSE

FIGURES IN RANDS	2025	Restated 2024*
CURRENT		
Local income tax — current period	24 339 013	52 779 542
DEFERRED*		
Originating and reversing temporary differences	(8 203 321)	46 747 273
Changes in tax rates	-	(17 053 409)
	(8 203 321)	29 693 864
	16 135 692	82 473 406

*Refer to note 22 and 52 details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

41. TAXATION CONTINUED

RECONCILIATION OF THE TAX EXPENSE

Reconciliation between applicable tax rate and average effective tax rate.

%	2025	2024
Applicable tax rate	27,00%	27,00%
Impairment of Goodwill	0,00%	0,36%
Profit from equity accounted investments	(2,34%)	(0,45%)
Dividends received	(0,52%)	(0,10%)
Revaluations and fair-value adjustments	(8,69%)	(0,46%)
Capital gains	0,94%	0,27%
Non-deductible expenses/Capital expenses	8,71%	1,21%
Exempt/Capital income	(1,03%)	(0,32%)
Derecognition of assessed loss	14,54%	7,30%
Tax Allowances	(2,38%)	(0,30%)
Change in tax rate	0,00%	(4,35%)
Discontinued Operations	(23,26%)	(12,69%)
Non-controlling Interest	3,22%	1,15%
Other	(0,01%)	(0,05%)
	16,21%	18,58%

In July 2024, a new corporate tax rate was enacted in Eswatini. Consequently, as of 1 July 2024, the corporate tax rate in Eswatini was reduced from 27.5% to 25%. The change resulted in a gain of R17 053 409 related to the remeasurement of deferred tax assets and liabilities of the Group's subsidiaries in Eswatini.

42. OTHER COMPREHENSIVE INCOME

COMPONENTS OF OTHER COMPREHENSIVE INCOME

FIGURES IN RANDS	Gross	Tax	Net before non-controlling interest	Non-controlling interest	Net
2025					
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT/(LOSS)					
REMEASUREMENTS ON NET DEFINED BENEFIT LIABILITY/ASSET					
Remeasurements on net defined benefit liability/asset	428 348	(115 654)	312 694	(78 174)	234 520
MOVEMENTS ON REVALUATION					
Gains on property revaluation	17 064 714	(4 062 458)	13 002 256	-	13 002 256
CHANGES IN FAIR VALUE OF EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME					
Gains arising during the year on investments held at fair value	(10 646 034)	1 110 479	(9 535 555)	2 841 112	(6 694 443)
TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT/(LOSS)	6 847 028	(3 067 633)	3 779 395	2 762 938	6 542 333

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

42. OTHER COMPREHENSIVE INCOME CONTINUED

FIGURES IN RANDS	Gross	Tax	Net before non-controlling interest	Non- controlling interest	Net
2024					
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT/(LOSS)					
REMEASUREMENTS ON NET DEFINED BENEFIT LIABILITY/ ASSET					
Remeasurements on net defined benefit liability/asset	200 480	(54 130)	146 350	(36 588)	109 762
MOVEMENTS ON REVALUATION					
Gains on property revaluation*	13 586 989	(1 807 596)	11 779 393	-	11 779 393
CHANGES IN FAIR VALUE OF EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME					
Gains arising during the year on investments held at fair value	533 836	49 739	583 575	198 719	782 294
Losses arising during the year on financial assets held at fair value	(288 435)	62 302	(226 133)	56 533	(169 600)
	245 401	112 041	357 442	255 252	612 694
TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT/(LOSS)	14 032 870	(1 749 685)	12 283 185	218 664	12 501 849

*Refer to note 22 and 52 for details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

43. EARNINGS AND DIVIDENDS PER SHARE

BASIC EARNINGS PER SHARE

FIGURES IN RANDS	2025	Restated 2024*
BASIC EARNINGS/(LOSS) PER SHARE (BASED ON WEIGHTED AVERAGE NUMBER OF SHARES)		
From continuing operations (c per share)	212,69	1 032,03
From discontinued operations (c per share)	(252,99)	(565,89)
	(40,30)	466,14
RECONCILIATION OF (LOSS)/PROFIT FOR THE YEAR TO BASIC EARNINGS		
(Loss) / Profit for the year	(2 330 872)	152 827 503
Adjusted for:		
Non-controlling interest	(12 554 244)	18 974 587
(Loss)/profit attributable to the owners of the parent	(14 885 116)	171 802 090
Weighted average number of shares issued	36 936 150	36 856 386
Basic (loss)/earnings per share (c) (based on weighted average number of shares)	(40,30)	466,14

DILUTED EARNINGS PER SHARE

In the determination of diluted earnings per share, profit or loss attributable to the equity holders of the parent and the number of ordinary shares are adjusted for the effects of all dilutive potential ordinary shares.

Where there is a discontinued operation, diluted earnings per share is determined for both continuing and discontinued operations.

	2025	Restated 2024*
DILUTED EARNINGS PER SHARE		
From continuing operations (c per share)	201,69	977,18
From discontinued operations (c per share)	(239,90)	(535,81)
	(38,21)	441,37

The calculation of earnings per share is based on the consolidated profit attributable to the owners of the holding company divided by the total number of shares in issue at year-end.

	2025	Restated 2024*
RECONCILIATION OF BASIC EARNINGS TO EARNINGS USED TO DETERMINE DILUTED (LOSS)/EARNINGS PER SHARE		
Basic (loss)/earnings	(40,30)	466,14
Adjusted for:		
Shares held by intergroup trust to be distributed to customers and personnel	2,09	(24,77)
	(38,21)	441,37
RECONCILIATION OF WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED FOR EARNINGS PER SHARE TO WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED FOR DILUTED EARNINGS PER SHARE		
Weighted average number of ordinary shares used for basic earnings per share	36 936 150	36 856 386
Adjusted for:		
Shares held by intergroup trust to be distributed to customers and personnel	2 015 836	2 068 651
	38 951 986	38 925 037

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

43. EARNINGS AND DIVIDENDS PER SHARE CONTINUED

DIVIDENDS PER SHARE

	2025	2024
Total (c)	-	75,00

Dividends payable are not accounted for until they have been declared by the Board.

44. CASH GENERATED FROM OPERATIONS

FIGURES IN RANDS	2025	Restated 2024*
Profit before taxation	107 249 225	443 865 891
ADJUSTMENTS:		
Interest income	(5 582 493)	(5 468 566)
Dividends received	(1 766 466)	(1 709 460)
Finance costs	133 885 579	167 310 282
Depreciation and amortisation	69 152 483	70 328 731
Profit from sale of assets	(4 480 233)	(2 730 243)
Loss from sale of investment property	-	92 564
Gains on right of use asset	(363 875)	-
Provision for inventory write downs	(11 160 722)	7 871 660
Change in allowance for impairment of trade and other receivables and loans receivable	(22 995 012)	(4 622 559)
Remeasurement of leases	2 730 575	1 731 933
Foreign exchange (gain)/loss	(10 841 795)	6 556 342
Profit related to Cell Captive structure	(23 594 719)	-
Income from equity accounted investments	(8 626 182)	(7 166 773)
Fair value adjustment - Biological assets	32 147 731	(152 733 080)
Decreases due to harvest/sales - Biological assets	185 305 560	177 733 203
Fair value adjustment - Agricultural produce	(2 658 124)	(749 702)
Impairment of property, plant and equipment	6 277 945	1 330 700
Impairment of goodwill	3 000 000	5 884 774
Impairment of software	5 385 858	-
Impairment of investment property	-	1 739 974
Movement in retirement benefits assets and liabilities	126 000	(363 000)
Movement in provisions	374 615	164 258
Movement in Investments at fair value	8 096 445	-
Mark to market adjustment on grain commodities	17 863 549	-
Other non-cash	1 072 837	(2 260 425)
Impairment of other loans receivable	-	(700 696)
Changes in investment property	-	100 000
Gain on disposal of non-current assets held for sale and disposal groups	-	(20 000 000)
Loss on loan from group company	-	3 004 245
Gains on right of use assets	-	(880 662)
Loss on shares issued to customers	-	1 860 465
Changes in working capital:		
Inventories*	(113 673 822)	152 956 224
Trade and other receivables*	169 179 894	2 539 972
Trade and other payables*	(123 226 560)	(51 609 007)
Contract liabilities	7 794 380	23 559 125
Movement in derivatives	(7 820 821)	18 751 809
	412 851 843	836 387 979

*Refer to note 22 and 52 for details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

45. TAX PAID

FIGURES IN RANDB	2025	2024
Balance at beginning of the year	24 582 350	19 598 333
Current tax recognised in profit or loss	(24 339 013)	(52 779 542)
Balance at end of the year	(31 812 809)	(24 582 350)
	(31 569 472)	(57 763 559)

46. DIVIDENDS PAID

FIGURES IN RANDB	2025	2024
Balance at beginning of the year	(4 508 777)	(1 055 876)
Dividend declared as per statement of equity	(33 673 650)	(42 334 499)
Balance at end of the year	1 055 877	4 508 777
	(37 126 550)	(38 881 598)

47. COMMITMENTS

Capital commitments include all projects for which specific Board approval has been obtained. Projects still under investigation for which specific Board approvals have not yet been obtained are excluded.

FIGURES IN RANDB	2025	2024
ALREADY CONTRACTED FOR BUT NOT PROVIDED FOR		
Property, plant and equipment	19 058 609	15 422 760

This committed expenditure relates to property, plant and equipment. Expenditure will be financed by available bank facilities, retained profits, mortgage facilities or existing cash resources.

FIGURES IN RANDB	2025	2024
NOT YET CONTRACTED FOR AND AUTHORISED BY DIRECTORS		
Property, plant and equipment	132 272 617	119 246 308

Capital commitments are based on the budget approved by the Board. Major capital projects require further approval before they commence and will be financed by available bank facilities, retained profits, mortgage facilities or existing cash resources.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

48. FAIR VALUE INFORMATION

FAIR VALUE HIERARCHY

LEVELS OF FAIR VALUE MEASUREMENT

FIGURES IN RAND	Notes	Carrying amount	Level 1	Level 2	Level 3
2025					
ASSETS					
Land and buildings	5	1 025 511 892	-	-	1 025 511 892
Investment property	22	6 100 000	-	-	6 100 000
Biological assets - Forestry assets and seedlings	8	1 333 607 181	-	-	1 333 607 181
Inventory - Grain commodities	17	275 013 142	275 013 142	-	-
Investments at fair value	12	46 167 454	30 476 600	-	15 690 854
Financial assets at fair value	19	62 022 634	-	-	62 022 634
Derivatives	20	14 087 002	14 087 002	-	-
Biological assets - Livestock	8	8 767 335	-	8 767 335	-
Total Assets		2 771 276 640	319 576 744	8 767 335	2 442 932 563
LIABILITIES					
Derivatives	20	10 942 852	10 942 852	-	-
Retirement benefit obligation	29	3 839 000	-	-	3 839 000
Total Liabilities		14 781 852	10 942 852	-	3 839 000
2024					
ASSETS					
Land and buildings*	5	1 026 358 391	-	-	1 026 358 391
Investment property	6	6 100 000	-	-	6 100 000
Biological assets - Forestry assets and seedlings	8	1 571 542 396	-	-	1 571 542 396
Inventory - Grain commodities	17	329 588 140	329 588 140	-	-
Investments at fair value	12	59 735 052	46 739 532	-	12 995 520
Financial assets at fair value	19	43 610 719	-	-	43 610 719
Derivatives*	20	7 695 476	7 695 476	-	-
Biological assets - Livestock	8	7 013 245	-	7 013 245	-
Total Assets		3 051 643 419	384 023 148	7 013 245	2 660 607 026
LIABILITIES					
Derivatives*	20	23 213 942	23 213 942	-	-
Retirement benefit obligation	29	3 713 000	-	-	3 713 000
Total Liabilities		26 926 942	23 213 942	-	3 713 000

*Refer to note 22 and 52 for details regarding restatements of comparative information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

49. RELATED PARTIES

RELATIONSHIPS

Members of key management	Directors and other key management
Holding company	TWK Agriculture Holdings Proprietary Limited
Subsidiaries	Refer to note 10
Associates and Joint Ventures	Refer to note 11
Related party balances	

RELATED PARTY BALANCES

FIGURES IN RANDS	2025	2024
LOAN ACCOUNTS — OWING (TO)/BY RELATED PARTIES		
TWK Agriculture Holdings Proprietary Limited	30 332 674	(164 928 896)
Silulu Royal Forestry Company Proprietary Limited	(1 547 798)	(397 315)
Silulu Royal Forestry Company Proprietary Limited	13 937 434	78 639
African Collateral Management Proprietary Limited	4 486 125	5 016 677
AMOUNTS INCLUDED IN TRADE RECEIVABLES REGARDING RELATED PARTIES		
Directors and related businesses	40 175 220	42 176 586
TWK Agriculture Holdings Proprietary Limited	-	116 788
African Collateral Management Proprietary Limited	129 136	134 089
Vumbuka Trust	73 523	29 651
Vumbuka Nolwazi Proprietary Limited	-	340 846
Silulu Royal Forestry Company Proprietary Limited	5 445 019	48 926 094
AMOUNTS INCLUDED IN TRADE PAYABLES REGARDING RELATED PARTIES		
Vumbuka Trust	(9 057 292)	(8 920 958)
Vumbuka Nolwazi Proprietary Limited	-	(1 016)
TWK Agriculture Holdings Proprietary Limited	(120 594)	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

49. RELATED PARTIES CONTINUED

RELATED PARTY TRANSACTIONS

FIGURES IN RANDS	2025	2024
INTEREST PAID TO / (RECEIVED FROM) RELATED PARTIES		
Interest received from directors and related businesses	(6 902 868)	(5 503 811)
TWK Agriculture Holdings Proprietary Limited	2 683 950	6 364 765
PURCHASES FROM / (SALES TO) RELATED PARTIES		
Purchases from directors and related businesses	169 183 817	106 813 360
Sales to directors and related businesses	(79 224 240)	(104 541 946)
RENT PAID TO / (RECEIVED FROM) RELATED PARTIES		
TWK Agriculture Holdings Proprietary Limited	-	42 742
DIVIDENDS PAID TO / (RECEIVED FROM) RELATED PARTIES		
TWK Agriculture Holdings Proprietary Limited	19 401 285	29 748 637
DIVIDENDS RECEIVED FROM ASSOCIATES AND JOINT VENTURES		
Henleo 1080 Proprietary Limited	(5 000 000)	(1 031 088)
Canyon Springs Investments 140 Proprietary Limited	(565 000)	(1 257 000)
COMPENSATION TO DIRECTORS AND OTHER KEY MANAGEMENT		
Short-term employee benefits	31 906 927	32 127 481
Settlement Agreement	-	5 750 744
Short-term incentives	3 447 182	12 123 000
Share-based payment vested	-	4 597 595
Non-executive directors fees and expenses incurred	5 256 320	4 755 353

Total number of shares held by the directors and related shareholders in which they have declared a personal financial interest:

	Direct		Indirect		Related trusts*	
	Shares	%	Shares	%	Shares	%
NON-EXECUTIVE						
CA du Toit	-	-	-	0,01	-	-
HG Hiestermaann	51 500	0,13	196 449	0,50	24 370	0,06
HW Kusel	33 847	0,09	55 879	0,14	-	-
JCN Wartington	500	-	664	-	57 662	0,15
JS Stapelberg	-	-	-	-	412 673	1,06
KP Paul	-	-	-	-	15 867	0,04
TI Ferreira	-	-	17 184	0,04	42 656	0,11
WJ Steenkamp	-	-	-	-	-	-
Executive						
AS Myburgh	819 000	2,10	51 612	0,13	262 000	0,67
Subtotal for directors	904 847	2,32	321 788	0,83	815 228	2,09
Other shareholders	38 047 139	97,68				
Total	38 951 986	100,00				

*Excluding trusteeship in TWK Agri Aandele Aansporings Trust and TWK Customer Loyalty Scheme Trust

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

50. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

This note presents information about the Group's financial risk management framework, objectives, policies and processes for measuring and managing risk and the Group's exposure to these financial risks. Fair value hierarchy classifications and valuation techniques are presented in note 48.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by management in close co operation with the Group's operating units, through identifying, evaluating and hedging financial risk where needed.

In combination with the Audit and Risk Committee, the Board has conducted a robust assessment of the principal risks to which the Group is exposed, and they are satisfied that the Group has effective systems and controls in place to manage its principal risks.

The Board has overall responsibility for monitoring and maintaining the effectiveness of the Group's risk management activities and internal control processes. The Group's executives are responsible for developing and monitoring the Group's risk management policies. The Group's executives report regularly to the Board on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group. Top risks are identified through an enterprise risk management process, whereby the top risks are identified, assessed, quantified and prioritised. Risk management policies and systems are reviewed to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board has an Audit and Risk Committee, which oversees how management monitors compliance with the Group's risk management policies and procedures. The Audit and Risk Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures.

The Group monitors its forecast financial position. The Group's executive members meet regularly and consider financial performance and cash flow projections, taking into consideration market conditions and new developments.

From time to time, the Group uses derivative financial instruments to hedge certain identified risk exposures, as deemed necessary. The Group's objectives, policies and processes for managing risks arising from financial instruments have not changed from the previous reporting period. These instruments are not designated in hedge accounting relationships and are measured at fair value through profit or loss.

Financial risks are those risks that require specific and ongoing operational, governance and strategic management. They differ from top risks as financial risks are anticipated to be ongoing due to the strategy and business model of the Group. The top risks are identified through the enterprise risk management process.

The Group's financial risks are as follows:

1. Liquidity risk;
2. Market risk (including interest rate, price risk and currency risk), and
3. Credit risk.

1. LIQUIDITY RISK

Liquidity risk is the risk that the Group has insufficient financial resources to meet its obligations as and when they fall due or that such resources will only be available at excessive costs. The risk arises from mismatches in the timing of cash flows.

Funding risk arises when the necessary liquidity to fund liquid asset positions cannot be obtained for the expected terms when required.

Liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Group's risk to liquidity is a result of the funds available to cover future commitments. The Group manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised and unutilised borrowing facilities are monitored. Consequently, the Group ensure that sufficient borrowing facilities are available to exceed projected peak borrowings.

The Group's management of liquidity and funding includes:

- monitoring forecast cash flows and establishing the level of liquid facilities necessary on a daily basis;
- ensuring that adequate unutilised borrowings facilities are maintained;
- development and maintenance of a syndicated funding structure;
- repayments of long-term borrowings are structured so as to match the expected cash flows from the operations to which they relate;
- monitoring statement of financial position liquidity ratios against internal requirements; and
- maintaining liquidity and funding contingency plans.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

50. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT CONTINUED

The Group utilises the credit facilities of various banking institutions and takes into account the maturity dates of its various assets and funds its activities by obtaining a balance between the optimal financing mechanism and the different financing products, which include bank overdrafts, short-term loans, long-term loans, commodity finance, finance leases and other creditors. The Group has been able to operate within these facilities and based on the growth forecast and committed credit facilities the trend is expected to continue. The Group's credit facilities are maintained through a syndicated loan between three major financial institutions. No reliance has therefore been placed on a single major bank or financial institution.

The Group tends to have significant fluctuations in short-term borrowings due to the seasonal nature of the agricultural business. The Group has sufficient borrowings facilities to exceed projected peak borrowings. The Group's unutilised borrowing facilities are as follow:

FIGURES IN RANDS	2025	2024
Total short-term facilities	2 724 891 350	2 340 000 000
Utilised at year-end	(1 578 489 625)	(1 413 889 967)
Unutilised at year-end	1 146 401 725	926 110 033

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the next table. The cash flows are undiscounted contractual amounts.

The Group manages liquidity risk through regular cash flow forecasting, scenario planning, and covenant compliance assessments. Under its borrowing facilities, the Group is required to comply with certain financial covenants, which are detailed in Note 27 - Borrowings. The measurement date for covenant compliance is aligned with the financial year-end, being 31 August 2025.

For the financial years ended 31 August 2024 and 31 August 2025, the interest cover ratio was breached due to challenging trading conditions. Management informed all lenders and formal condonation was obtained before the 31 August 2024 and 31 August 2025 year ends. As a result, lenders agreed not to exercise any rights under the facility agreements arising from these breaches. All other covenant requirements were met. Management has implemented enhanced monitoring and forecasting processes to mitigate the risk of future breaches, including monthly covenant headroom reporting, stress testing and ongoing engagement with lenders.

Borrowings disclosed in note 27 as well as projected profitability levels will provide adequate liquidity levels to support operational cash flows within the 12 months post-reporting date. The table below analyses the Group's borrowing (excluding revolving loan facilities) into relevant maturity groupings based on the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

50. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT CONTINUED

FIGURES IN RAN\$	Current	Less than 1 year	More than 1 year	3 to 5 years	More than 5 years	Total cash flow	Carrying value
AT 31 AUGUST 2025							
Borrowings	(1 390 946 615)	(210 131 185)	(671 578 512)	(338 488 822)	(320 990 625)	(2 932 135 759)	(2 450 356 063)
Loan from group company	-	(1 547 798)	-	-	-	(1 547 798)	(1 547 798)
Trade and other payables	(887 768 944)	-	-	-	-	(887 768 944)	(940 831 618)
Lease liabilities	-	(29 866 952)	(32 492 361)	(6 681 526)	(22 961 892)	(92 002 731)	(74 645 488)
Bank overdraft	(73 088 352)	-	-	-	-	(73 088 352)	(73 088 352)
Dividends payable	(1 055 877)	-	-	-	-	(1 055 877)	(1 055 877)
Derivative financial instruments	(10 942 852)	-	-	-	-	(10 942 852)	(10 942 852)
Net balance	(2 363 802 640)	(241 545 935)	(704 070 873)	(345 170 348)	(343 952 517)	(3 998 542 314)	(3 552 468 048)
AT 31 AUGUST 2024*							
Borrowings*	(1 413 889 967)	(492 045 841)	(169 038 708)	(284 066 377)	(158 643 042)	(2 517 683 935)	(2 303 142 249)
Loan from group company	-	(153 126 211)	(12 200 000)	-	-	(165 326 211)	(165 326 211)
Trade and other payables*	(986 975 390)	-	-	-	-	(986 975 390)	(1 064 058 178)
Lease liabilities*	-	(27 093 829)	(25 053 751)	(27 344 561)	(20 096 801)	(99 588 942)	(77 358 870)
Bank overdraft	(255 950 329)	-	-	-	-	(255 950 329)	(255 950 329)
Dividends payable	(4 508 777)	-	-	-	-	(4 508 777)	(4 508 777)
Derivative financial instruments	(23 213 942)	-	-	-	-	(23 213 942)	(23 213 942)
Net balance	(2 684 538 405)	(672 265 881)	(206 292 459)	(311 410 938)	(178 739 843)	(4 053 247 526)	(3 893 558 556)

* During the current year, the Group reviewed the maturity analysis of its financial liabilities to enhance the relevance and clarity of liquidity risk disclosures. As part of this review, the time buckets used in the analysis have been revised to better reflect the expected timing of cash outflows, and a separate 'current' maturity bracket has been introduced within the less-than-one-year category to provide greater granularity of short-term obligations. The change in presentation has no impact on the total undiscounted contractual cash flows or on the carrying amounts of the financial liabilities disclosed in prior periods. Comparative information has been re-presented to conform to the current year's presentation. This represents a disclosure reclassification only and does not constitute a prior period error or a change in accounting policy in terms of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Any part of the revolving loan facilities disclosed in note 27 which is repaid, may be re borrowed. The Group may in its sole discretion extend the final repayment date of 31 December 2025 by written request.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

50. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT CONTINUED

2. MARKET RISK

(i) INTEREST RATE RISK

The Group finances its operations through a combination of shareholders' funds, loans and bank borrowings. The Group's interest rate risk arises from long- and short-term financial liabilities as well as long- and short-term financial assets. The Group is naturally hedged against fluctuating interest rates to a large extent since interest bearing debt is mainly utilised for assets earning interest at fluctuating rates.

Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings are denominated in Rand.

To illustrate the Group's exposure to interest rate changes, the influence of interest rate changes on the carrying values of interest bearing financial assets and financial liabilities and resulting profit after taxation, are illustrated below. The analysis is prepared assuming the amount of the liabilities and assets at the end of the reporting period was the balance for the whole year.

FIGURES IN RANDS	2025	2024
Interest-bearing liabilities	3 255 646 963	3 411 260 470
Interest-bearing assets	936 196 157	1 152 702 541
Net interest-bearing liabilities	2 319 450 806	2 258 557 929
Half a percentage point increase in interest rates	(11 597 254)	(11 292 790)
Half a percentage point decrease in interest rates	11 597 254	11 292 790

Comparative information has been re-presented to conform to the current year's presentation. This represents a disclosure reclassification only and does not constitute a prior period error or a change in accounting policy in terms of IAS 8 Accounting Policies.

ii) CURRENCY RISK

The Group imports and exports products and is exposed to currency risk arising from various currency exposures, mainly the US Dollar. The Group sells to foreign customers in USD and collects money in the USD denominated bank account. Future commitments as well as recognised assets and liabilities that are denominated in a currency that is not the functional currency, expose the Group to currency risk. Most of the Group's purchases are denominated in SA Rand. However certain fertiliser raw material denominated in USD was purchased during the year. This exposed the Group to changes in the foreign exchange rates. The functional currency is ZAR and management has prepared a policy stipulating how the foreign exchange risk be managed. To manage the foreign exchange rate risk the Group makes use of exchange rate hedging instruments which commence when predetermined exchange rate levels are reached. The exchange rate hedging instruments are concluded with a financial institution. The USD spot rate as at 31 August 2025 amounted to R17.75 (31 August 2024: R17.74). The Swaziland Emalangeni and South African Rand were at par.

The following information present the sensitivity to an increase or decrease in respective to the USD on the total revenue on exports.

FIGURES IN RANDS	2025	2024
Total revenue on exports	1 084 624 378	1 401 007 626
50c increase in exchange rate	30 552 799	39 630 367
50c decrease in exchange rate	(30 552 799)	39 630 367

The total amounts converted into ZAR based on the year end spot rate included in trade and other receivables, trade and other payables, cash and cash equivalents, derivative financial assets, derivative financial liabilities as at 31 August are as follows:

FIGURES IN RANDS	2025	2024
Trade and other receivables	-	79 122 335
50c increase in exchange rate	-	2 230 054
50c decrease in exchange rate	-	(2 230 054)

FIGURES IN RANDS	2025	2024
Trade and other payables	-	(5 284 446)
50c increase in exchange rate	-	(148 942)
50c decrease in exchange rate	-	148 942

FIGURES IN RANDS	2025	2024
Cash and cash equivalents	-	72 260 060
50c increase in exchange rate	-	2 036 642
50c decrease in exchange rate	-	(2 036 642)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

50. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT CONTINUED

FIGURES IN RANDS	2025	2024
Derivative financial assets	14 087 002	7 695 476
50c increase in exchange rate	396 817	216 896
50c decrease in exchange rate	11 178	6 113
FIGURES IN RANDS	2025	2024
Derivative financial liabilities	(10 942 852)	(23 213 942)
50c increase in exchange rate	(308 249)	(654 282)
50c decrease in exchange rate	(8 683)	(18 441)

iii) PRICE RISK

The Group is exposed to equity price risk arising from equity investments and commodity price risk.

Equity investments held by the Group are held for strategic rather than trading purposes. The Group does not actively trade these investments. The Group's sensitivity to share prices has not changed significantly from the prior year. As changes to the share prices may impact the calculated fair value, the Group has calculated the sensitivity as tabled below:

	2025		2024	
FIGURES IN RAND	1%	-1%	1%	-1%
BKB Limited	120	(120)	115	(115)
TWK Agriculture Holdings Proprietary Limited	293 875	(293 875)	372 242	(372 242)
	293 995	(293 995)	372 357	(372 357)

Commodity price risk arises from the Group's consumption of agricultural commodities and its trading in derivative financial instruments linked to underlying agricultural commodity prices. Derivative assets and liabilities are presented separately; they are measured at fair value through profit or loss and are not offset.

The procurement of grain commodities for utilisation by the Group is subject to the hedging policy approved by the Board and uses financial instruments such as commodity futures and option contracts and other derivative instruments to reduce the volatility of input prices of these raw materials and therefore mitigate against market risk. The monitoring and management of the risk mitigation strategies is performed on a daily basis to ensure that all trades are within the approved exposure limits. The Group also offers broking services to producers and consumers of agricultural commodities such as maize and soybeans. This offering generates limited exposure to market risk due to the back to back nature of the transactions.

As changes to the Safex prices may impact the calculated fair value of grain commodities, the effect of an increase of R250 in the Safex price and the effect of a decrease of R250 in the Safex price on the calculated fair value is as follow:

	2025		2024	
FIGURES IN RAND	250	(250)	250	(250)
Grain commodities	13 395 818	(13 395 818)	26 268 825	(26 268 825)
	13 395 818	(13 395 818)	26 268 825	(26 268 825)

C) CREDIT RISK

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments, trade debtors and other loans and receivables.

The Group only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In addition to the above, credit guarantee insurance cover is purchased on a portion of the debtors book to compensate the Group for possible non payments.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas, mainly Mpumalanga and KwaZulu Natal. As a result of a strict credit policy, which includes the ongoing revision of credit limits, securities and credit evaluations of financial positions of these clients, the Group is of the opinion that the credit risk associated with these financial assets are relatively small under normal circumstances.

The Group has policies and procedures in place to ensure that sales of products are made to customers with an acceptable credit history. These policies and procedures are approved by the Board. The Board delegates the responsibility for the management of credit risk within the parameters set by the Credit Policy. The Credit Committee meeting takes place on a daily basis if necessary. The Credit Committee approves applications for monthly accounts, crop loans, term loans and asset finance after evaluating the credit risk of the individual applicant.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

50. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT CONTINUED

It is policy to ensure that loans and receivables are within the customer's capacity to repay. Collateral is an important mitigation of credit risk. Seasonal loans are usually secured by a combination of mortgage bonds, notarial bonds over moveable assets and a cession of crops.

The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in the borrower's ability to meet its obligations
- significant changes in the value of the collateral supporting the obligation
- significant changes in the expected performance and behaviour of the borrower

Regardless of the analysis above, debtors are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company and handed over to the legal department. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The different internal risk rating in trade debtors is defined as follows:

- **Performing** – Clients with an excellent credit history, financial position, cash flow and repayment ability.
- **Increased risk** – Clients with good repayment ability and security without any indicator of non performance, but without a strong financial position and balance sheet. The Group doesn't have a long-term relationship or credit history with the client.
- **Underperforming** – Clients with payments being overdue for a short period of time, but with stable financial position and good securities in place.
- **Non performing** – Clients with history of non performing and financial distress.
- **Default** – Mostly accounts that have been handed over to the attorneys for collections.

The concentration across the different internal risk rating for trade and other receivables is as follow:

CATEGORY (%)	Performing	Increased risk	Underperforming	High risk	Non-performing	Default
Risk	71.44	7.16	1.30	-	11.92	8.19

The table below illustrates the stratification of the clients base relative to credit extended:

	Exposure to the book (%) 2025	Exposure to the book (%) 2024
R1 - R500 000	91.67	96,40
R500 001 - R1 250 000	3.35	1,64
R1 250 001 - R5 000 000	3.40	1,42
R5 000 001 - R8 000 000	0.63	0,24
R8 000 001 - R12 000 000	0.37	0,12
Above R12 000 000	0.58	0,18

The concentration across the different internal risk rating for loans and finance lease receivables is as follows:

CATEGORY (%)	Performing	Increased risk	Underperforming	High risk	Non-performing	Default
Risk	97,10	0,50	-	-	-	2,40

	Exposure to the book (%) 2025	Exposure to the book (%) 2024
R1 - R500 000	52.33	62,75
R500 001 - R1 250 000	19.77	11,76
R1 250 001 - R5 000 000	24.42	22,55
R5 000 001 - R8 000 000	1.16	2,94
R8 000 001 - R12 000 000	1.16	-
Above R12 000 000	1.16	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

50. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT CONTINUED

The amount of the provision for portfolio impairment losses is determined by using the following formula:

Portfolio impairment = Total book X Probability of Default % (PD%) X Loss Given Default % (LGD%). The Group has identified a comprehensive Probability of Default rating of an external source with reference to similar portfolios as reference point for forward looking information. The following information is considered as part of the following forward looking views: Inflationary pressures on consumers and climate risk. The Loss Given Default is calculated as the Gross exposure, by decreasing the total debtor balance by the adjusted security value held or ceded to the Group.

The Group uses three categories for loans which reflect their credit risk and how the loan loss provision is determined for each of those categories. The internal credit risk ratings are aligned to external credit rating companies, such as Standard & Poor. To measure the expected credit losses, trade receivables have been grouped in categories based on shared characteristics. Refer to note 18 Trade and other receivables for the details regarding categories.

The default rate of bad debt written off was 0.74% in 2025, 0.74% in 2024, 0.75% in 2023, 0.99% in 2022, 0.33% in 2021, 0.64% in 2020, 0.48% in 2019 and 0.20% in 2018. This also lowers the credit risk as the history shows that the provision raised would be sufficient based on the trend of bad debt written off over the past few years.

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in notes 27, cash and cash equivalents disclosed in note 21 and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the debt to equity ratio:

FIGURES IN RANDS	2025	2024
Total equity	2 050 329 761	2 106 985 128
Interest-bearing liabilities less cash	3 163 235 997	3 200 896 505
Subtotal	5 213 565 758	5 307 881 633
Calculated rate (times)	1.54	1.52
Calculated rate (%)	154.28	151.92
Target band (%)	100 - 200	100 - 200

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

51. DIRECTORS' EMOLUMENTS

FIGURES IN RAND	Travelling and accommodation expenses	Remuneration	Settlement amount	Short-term incentives	Long-term incentives
2025					
CA du Toit	15 850	254 034	-	-	-
TI Ferreira	11 469	463 942	-	-	-
HW Küsel	13 440	466 028	-	-	-
AS Myburgh	79 180	5 983 668	-	932 236	-
JS Stapelberg	6 949	647 096	-	-	-
JCN Wartington	14 772	400 066	-	-	-
HG Hiestermann	10 651	467 455	-	-	-
KP Paul	7 931	400 066	-	-	-
WJ Steenkamp	11 222	630 949	-	-	-
A Geel	68 031	3 782 465	-	288 884	-
BN Moyo	11 038	400 066	-	-	-
J Mokorosi	5 250	423 811	-	-	-
PJ Lindeque	10 791	423 811	-	-	-
Subtotal	266 574	14 743 457	-	1 221 120	-
2024					
CA du Toit	96 055	460 036	-	-	-
TI Ferreira	23 255	505 397	-	-	-
HW Küsel	26 628	443 279	-	-	-
AS Myburgh	85 241	5 738 000	-	3 000 000	1 484 060
JS Stapelberg	8 698	615 510	-	-	-
JCN Wartington	21 074	380 537	-	-	-
HG Hiestermann	21 645	389 642	-	-	-
JEW Fivaz	114 111	3 179 144	5 750 744	2 000 000	864 630
KP Paul	27 572	380 537	-	-	-
WJ Steenkamp	23 293	600 151	-	-	-
A Geel	17 780	566 211	-	-	-
BN Moyo	8 401	227 126	-	-	-
J Mokorosi	6 492	240 606	-	-	-
PJ Lindeque	8 813	240 606	-	-	-
Subtotal	489 058	13 966 782	5 750 744	5 000 000	2 348 690

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

52. PRIOR PERIOD ERRORS

The following table summarises the material impacts resulting from the prior period errors on the Group's Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position and Consolidated Statement of Cash flows. The effect of the restatement is attributable to the following:

1. LAND AND BUILDINGS REVALUATION

NATURE OF THE ERROR

During the current financial year, management identified a prior period error relating to the revaluation of land and buildings associated with the Peak property located in eSwatini. The error arose from the incorrect application of fair value adjustments by not adjusting the initial purchase price to the fair value in the financial statements for the year ended 31 August 2021, contrary to the Group's accounting policy and the requirements of IAS 16 Property, Plant and Equipment. The accounting policy is to subsequently remeasure these properties at fair value in terms of IAS 16 with remeasurements accounted for in Other Comprehensive Income (OCI) and against a revaluation reserve in equity.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retrospectively. The correction resulted in the following adjustments:

- In the comparative period presented (2023), the carrying amount of the asset was increased by R151,302,847.
- A corresponding increase of R151,302,847 was recognised in the revaluation reserve within equity.

Subsequently, a revaluation of the Peak property was performed in 2024. A portion of this revaluation was attributable to the prior period error and has therefore been excluded from the 2024 revaluation movement. As a result:

- The carrying amount of the property was reduced by R48 132 275.
- The revaluation reserve was decreased by R48 132 275.
- The other comprehensive gains on property revaluation decreased by R48,132,275.

There were no deferred tax implications associated with this correction, in accordance with applicable tax legislation in eSwatini.

STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2024	2023
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	(48 132 275)	151 302 847
CAPITAL AND RESERVES		
Reserves	48 132 275	(151 302 847)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RANDS	2024
Items that will not be reclassified to profit or loss:	
Gains on property revaluation	(48 132 275)

No impact on the Statement of Cash flows has been noted.

Comparative figures have been restated where applicable to ensure consistency and comparability.

2. BIOLOGICAL ASSET VALUATION

During the current financial year, management conducted a comprehensive review of the biological asset valuation models (DCF models) for SFC and Peak, the owned timber plantations located in Eswatini. This review identified several accounting errors that impacted the fair value measurement of biological assets in prior periods. In accordance with IAS 8, these errors have been corrected retrospectively, and the comparative figures have been restated.

NATURE OF THE ERRORS

The errors identified relate to the application of IAS 41 – Agriculture, which requires biological assets to be measured at fair value less costs to sell. The following issues were noted:

2.1. Incorrect Inclusion of Assessed Losses in Tax Calculations

Assessed losses were incorrectly included in the tax calculation within the DCF models. IAS 41 requires market-based inputs independent of the entity's tax position. Deferred tax assets from assessed losses should be recognised separately under IAS 12.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

52. PRIOR PERIOD ERRORS CONTINUED

2.2. Omission of Notional Rent

Notional rent was excluded from the DCF models, resulting in an overstatement of biological asset values. IFRS requires the application of contributory asset charges (CACs), including market-based notional rent, even for owned land.

2.3. Incorrect Tax Rate Applied

A tax rate of 28% was incorrectly applied to Eswatini operations in the 2023 DCF model. The correct statutory rate is 27.5%.

2.4. Volume Inputs Misaligned with Operational Reality

Volume assumptions were based on biological maturity rather than operational harvesting plans, leading to an overstatement of volumes expected to be harvested in the short-term. This adjustment impacted both the current and non-current portions of biological assets, as the timing of expected cash flows changed. The revised approach ensures that the biological asset valuation is consistent with the entity's actual harvesting strategy and complies with IAS 41 (Agriculture).

2.5. Misclassification of general Borrowing Costs

General borrowing costs was incorrectly capitalised to biological assets. This error resulted in an understatement of finance costs and the fair value adjustment of biological assets in prior periods.

2.6. Additions and Harvest Movements

The biological asset movement schedule did not appropriately reflect the decrease due to harvest for seedlings and forestry assets, resulting in an understatement of cost of sales (R 139 386 362). Furthermore, certain items that met the recognition criteria for biological assets were incorrectly expensed instead of being capitalised, leading to an overstatement of cost of sales (R 52 671 016) and corresponding understatement of biological assets.

2.7. Reclassification between current and non-current

The impact of the volume input misalignment with operational reality, resulted in a portion of the 2023 and 2024 current liability balance to be overstated and non current balance to be understated in the Statement of Financial Position.

STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2024	2023
ASSETS		
NON-CURRENT ASSETS		
Biological assets	70 987 921	18 385 292
CURRENT ASSETS		
Biological assets	(56 743 399)	(200 667 248)
CAPITAL AND RESERVES		
Retained income	(7 606 310)	132 154 417
NCI	(895 995)	-
LIABILITIES		
NON-CURRENT LIABILITIES		
Deferred tax liability	(5 742 216)	50 127 538

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RANDS	2024
Cost of sales	(86 715 346)
Gross profit	(86 715 346)
Other operating gains / (losses)	144 781 660
Operating profit	58 066 313
Finance costs	(43 821 792)
Profit before taxation	14 244 521
Taxation	(5 742 216)
Profit for the year	8 502 304

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

52. PRIOR PERIOD ERRORS CONTINUED

Refer to error 8 for the correction of non-cash movements and reclassifications in the Statement of Cash Flow.

Comparative figures have been restated where applicable to ensure consistency and comparability.

3. GRAIN SAFEX INCLUDED IN ELIMINATION JOURNAL

NATURE OF THE ERROR

During the current financial year, management identified a prior period error in the Group's consolidated annual financial statements for the year ended 31 August 2024. External sales arising from Safex grain trading transactions were incorrectly eliminated on consolidation, resulting in an understatement of revenue, cost of sales and other operating income.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retrospectively. The correction resulted in the following adjustments to the comparative figures.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RANDS	2024
Revenue	922 864 638
Total revenue	922 864 638
Cost of sales	(923 231 255)
Gross profit	(366 617)
Other operating income	366 617
Operating profit	-

The net effect of the correction is nil on profit or loss, but the restatement ensures accurate presentation of revenue, cost of sales and other operating income in accordance with IFRS. Comparative figures have been restated where applicable. Refer to note 33 and 34. No impact on the Statement of Cash flows has been noted.

4. FINANCE COST

NATURE OF THE ERROR

TWK, as part of its financing activities, provides on lending facilities to producers and buyers, generating finance income. In accordance with IFRS, specifically the principles of matching and faithful representation, finance costs (R80,743,487) incurred to fund these activities should be presented as finance costs above gross profit rather than finance cost below operating profit. This classification more accurately reflects the nature and function of the underlying transactions. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retrospectively. Further details are provided in Notes 34 and 39 to the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RANDS	2024
Finance cost	(80 743 487)
Gross profit	(80 743 487)
Operating profit	(80 743 487)
Finance costs	80 743 487
Profit before taxation	-

Comparative figures have been restated where applicable to ensure consistency and comparability.

The impact on the statement of cash flows is as follows:

STATEMENT OF CASH FLOWS

FIGURES IN RANDS	2024
Cash generated from operations	(80 743 487)
Finance costs	80 743 487

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

52. PRIOR PERIOD ERRORS CONTINUED

5. TAX BASE OF RESTRUCTURING RESERVE

NATURE OF THE ERROR

During the current financial year, management identified a prior period error relating to the tax treatment of a Group restructuring that occurred in 2014. The tax consequences of the restructuring were not appropriately reflected in the determination of the tax base of the affected assets and liabilities. Specifically, a deferred tax liability should have been recognised, along with a corresponding income tax expense, in accordance with IAS 12 Income Taxes.

In line with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retrospectively.

STATEMENT OF FINANCIAL POSITION

FIGURES IN RAN\$	2024	2023
CAPITAL AND RESERVES		
Retained income	(4 309 020)	42 869 237
LIABILITIES		
NON-CURRENT LIABILITIES		
Deferred tax liability	4 309 020	(42 869 237)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FIGURES IN RAN\$	2024
Taxation	4 309 020
Profit from continuing operations	4 309 020
Profit for the year	4 309 020

Comparative figures have been restated where applicable to ensure consistency and comparability. Further details of the correction are disclosed in Note 16 to the annual financial statements.

No impact on the Statement of Cash flows has been noted.

6. CNH FLOORPLAN INVENTORY

NATURE OF THE ERROR

During the current financial year, management identified a prior period error in the accounting treatment of inventory received under a specific dealer agreement. In prior reporting periods, these transactions were incorrectly accounted for as consignment arrangements, resulting in the inventory not being recognised on the Group's statement of financial position. Trade and other payables were also not recognised for the related floor plan financing of the inventory with the associated VAT (Trade and other receivable) for the purchase.

Following a reassessment of the contractual terms in accordance with IAS 2 Inventories and IFRS 15 Revenue from Contracts with Customers, it was determined that TWK assumes the significant risks and rewards of ownership upon delivery of the products, notwithstanding the retention of legal title by the dealer. Accordingly, TWK should have recognised the inventory and a corresponding financial liability upon delivery. The associated Revenue and Cost of sale was accounted for correctly.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retrospectively.

STATEMENT OF FINANCIAL POSITION

FIGURES IN RAN\$	2024	2023
CURRENT ASSETS		
Inventories	66 562 627	65 494 281
Trade and other receivables	9 984 394	9 824 142
CURRENT LIABILITIES		
Trade and other payables	(76 547 021)	(75 318 423)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

52. PRIOR PERIOD ERRORS CONTINUED

The following impact on the Changes in working capital (note 44) to the Statement of Cash flow has been noted:

STATEMENT OF CASH FLOWS

FIGURES IN RANDS	2024
Inventories	(1 068 346)
Trade and other receivables	(160 252)
Trade and other payables	1 228 598

Comparative figures have been restated where applicable to reflect the correction. Additional details are provided in Notes 16, 18, and 31 to the annual financial statements.

7. SAFEX MARGIN CALL ACCOUNTS

NATURE OF THE ERROR

During the current financial year, management identified a prior period error in the classification of initial margin deposits and variable margins associated with derivative contracts. These balances were previously incorrectly presented under Cash and Cash Equivalents in the Group's consolidated annual financial statements.

Following a reassessment in accordance with IFRS, specifically IAS 32 Financial Instruments: Presentation, IFRS 9 Financial Instruments, and IAS 7 Statement of Cash Flows, it was determined that:

- Initial margin deposits meet the definition of financial assets and should be classified under Trade and Other Receivables, measured at amortised cost.
- Variable margins represent settlement obligations or receivable and should be recognised as Derivative Liabilities or Assets, measured at fair value.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retrospectively. The following adjustments were made :

STATEMENT OF FINANCIAL POSITION

FIGURES IN RANDS	2024	2023
ASSETS		
NON-CURRENT ASSETS		
Trade and other receivables	44 089 730	24 421 965
Derivative financial instruments	-	6 493 744
Cash and cash equivalents	(27 478 047)	(30 915 709)
LIABILITIES		
CURRENT LIABILITIES		
Derivative financial instruments	(16 611 683)	-

STATEMENT OF CASH FLOWS

FIGURES IN RANDS	2024
Increase in trade and other receivables	(19 667 765)
Increase in derivative liabilities	23 105 427
Cash generated from operations	3 437 662
NET CASH GENERATED FROM OPERATING ACTIVITIES	3 437 662
Cash at the beginning of the year	(30 915 709)
TOTAL CASH AT END OF THE YEAR	(27 478 047)

Comparative figures have been restated where applicable to ensure consistency and compliance with IFRS. Further details are provided in Notes 18, 20 and 21 to the annual financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

52. PRIOR PERIOD ERRORS CONTINUED

8. STATEMENT OF CASH FLOWS ERRORS

During the current financial year, management conducted a comprehensive review of the Statement of Cash Flows. This review identified several accounting errors that impacted the Statement of Cash Flows. In accordance with IAS 8, these errors have been corrected retrospectively, and the comparative figures have been restated.

NATURE OF THE ERROR

The errors identified relate to the application of IAS 7 – Statement of Cash Flows. The following issues were noted:

1. The cash flow movement on loans receivable, finance lease receivables and loans to group companies were classified as cash flows from financing activities instead of cash flows from investing activities in accordance with IAS 7 Statement of Cash Flows. In 2024, a net adjustment of R 45 335 182 occurred between cash flows from financing activities and cash flows from investing activities in order to correct the error.
2. The cash outflow related to discontinued operations was presented as part of adjustments to profit before tax instead of as part of operating cash flows from discontinued operations in accordance with IAS 7 Statement of Cash Flows. In 2024, an adjustment of R 105 212 739 occurred between cash generated from operations and operating cash outflows from discontinued operations in order to correct the error.
3. The cash inflow related to the sale of biological assets was presented as part of cash flows from investing activities instead of as part of an operating cash flow in Cash generated from operations, in accordance with IAS 7 Statement of Cash Flows. In 2024, an adjustment of R 230 404 220 to Sale of biological assets occurred between cash inflows from investing activities and cash generated from operations (Profit before taxation of R52 671 017 and Decreases due to harvest/sales - Biological assets R177 733 203). This amount was established after adjusting for all relevant biological asset errors identified within this note error 2.
4. The cash outflow from purchases of biological assets incorrectly included R 139 386 362 correction made under error 2 above decreasing the purchases of biological assets. In 2024, an adjustment of R 139 386 362 occurred between cash flow from investing activities and cash generated from operations in order to correct the error.
5. The movement in the bank overdraft financing facilities was incorrectly included as a component of cash and cash equivalents instead of being classified as cash flows from financing activities in accordance with IAS 7 Statement of Cash Flows. In 2024, a net cash inflow adjustment of R244 912 233 occurred between cash and cash equivalents and cash flows from financing activities, for presentation of the gross Cash inflow on bank overdraft - financing facilities amounting to R18 604 621 579 and Cash outflow on bank overdraft - financing facilities amounting to R18 359 709 346 in order to correct the error.
6. During the current financial year, management identified that cash flows relating to borrowings had previously been incorrectly classified on a net basis in both repayments of borrowings and proceeds from borrowings in the statement of cash flows. In terms of IAS 7 Statement of Cash Flows, cash flows from financing activities should be presented on a gross basis. This presentation error resulted in an understatement of R1 168 704 148 of both Repayments of borrowings and Advances and Proceeds from borrowings within financing activities in the prior period, with no impact on net cash flows.

Refer to the reconciliation of the Statement of Cash flows as previously reported to the restated Statement of Cash flows below.

9. CLASSIFICATION BETWEEN BANK OVERDRAFT AND CASH AND CASH EQUIVALENTS

During the current financial year, management identified a prior period error relating to the classification of bank overdrafts and cash and cash equivalents in the consolidated statement of financial position. The error arose from the incorrect presentation of overdraft balances in the years ended 31 August 2024 and 2023.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retrospectively. The correction resulted in the following adjustments:

FIGURES IN RANDS	2024	2023
STATEMENT OF FINANCIAL POSITION		
CURRENT ASSETS		
Cash and cash equivalents	91 044 234	26 910 380
LIABILITIES		
CURRENT LIABILITIES		
Bank overdraft	(91 044 234)	(26 910 380)

Comparative figures have been restated where applicable to ensure consistency and compliance with IFRS. Further details are provided in Note 21 to the annual financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

52. PRIOR PERIOD ERRORS CONTINUED

THE IMPACT OF CORRECTING THESE ERRORS ON THE AFFECTED LINE ITEMS IS PRESENTED BELOW.

IMPACT ON THE STATEMENT OF FINANCIAL POSITION

	Error Note	2023 As previously reported	2023 Correction of error	2023 Restated	2024 As previously reported	2024 Impact of 2023 correction	2024 Correction of error	2024 Restated
ASSETS								
NON-CURRENT ASSETS		2 908 196 692	169 688 110	3 077 884 832	3 037 868 452	169 688 139	22 855 645	3 230 412 236
Property, plant and equipment	1	1 245 634 702	151 302 848	1 396 937 550	1 322 055 639	151 302 848	(48 132 275)	1 425 226 212
Biological assets	2	1 230 312 170	18 385 292	1 248 697 462	1 301 106 217	18 385 292	70 987 921	1 390 479 430
CURRENT ASSETS		3 183 772 195	(98 438 445)	3 085 333 750	3 107 245 032	(200 667 248)	127 459 540	3 034 037 324
Inventories	6	1 308 906 702	65 494 281	1 374 400 983	1 147 010 472	-	66 562 627	1 213 573 099
Trade and other receivables	6; 7	1 274 119 195	34 246 107	1 308 365 302	1 256 373 764	-	54 074 125	1 310 447 889
Biological assets	2	374 322 409	(200 667 248)	173 655 161	445 486 859	(200 667 248)	(56 743 399)	188 076 212
Derivative financial instruments	7	2 340 276	6 493 744	8 834 020	7 695 476	-	-	7 695 476
Cash and cash equivalents	7; 9	116 258 342	(4 005 329)	112 253 013	146 797 778	-	63 566 187	210 363 965
TOTAL ASSETS		6 577 286 904	71 249 694	6 648 536 598	6 471 915 068	(30 979 109)	150 315 185	6 591 251 144
EQUITY AND LIABILITIES								
CAPITAL AND RESERVES								
Reserves	1	(32 993 216)	(151 302 847)	(184 296 063)	(82 655 709)	(151 302 847)	48 132 275	(185 826 281)
Retained income	2; 5	(1 124 412 350)	175 023 654	(949 388 696)	(1 242 341 993)	175 023 654	(11 915 326)	(1 079 233 667)
Own equity		(1 986 046 724)	23 720 807	(1 962 325 917)	(2 159 799 577)	23 720 807	36 216 947	(2 099 861 823)
NCI	2	(36 009 871)	-	(36 009 871)	(6 227 306)	-	(895 997)	(7 123 303)
TOTAL EQUITY		(2 022 056 595)	23 720 807	(1 998 335 788)	(2 166 026 883)	23 720 807	35 320 950	(2 106 985 126)
LIABILITIES								
NON-CURRENT LIABILITIES		(1 272 933 474)	7 258 301	(1 265 675 173)	(1 174 548 738)	7 258 301	(1 433 196)	(1 168 723 633)
Deferred tax liability	2; 5	(297 423 764)	7 258 301	(290 165 463)	(317 533 605)	7 258 301	(1 433 196)	(311 708 500)
CURRENT LIABILITIES		(2 938 093 918)	(102 228 805)	(3 040 322 723)	(2 893 585 659)	-	(184 202 939)	(3 077 788 598)
Trade and other payables	6	(1 040 348 763)	(75 318 423)	(1 115 667 186)	(987 511 163)	-	(76 547 022)	(1 064 058 185)
Derivative financial instruments	7	(5 600 677)	-	(5 600 677)	(6 602 259)	-	(16 611 683)	(23 213 942)
Bank overdraft	7	(488 628)	(26 910 380)	(27 399 008)	(164 906 095)	-	(91 044 234)	(255 950 329)
TOTAL LIABILITIES		(4 555 230 309)	(94 970 502)	(4 650 200 811)	(4 305 888 186)	7 258 301	(185 636 133)	(4 484 266 018)
TOTAL EQUITY AND LIABILITIES		(6 577 286 904)	(71 249 694)	(6 648 536 598)	(6 471 915 068)	30 979 107	(150 315 183)	(6 591 251 144)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

52. PRIOR PERIOD ERRORS CONTINUED

IMPACT ON THE STATEMENT OF PROFIT OR LOSS

	Error Note	2024 As previously reported	Correction of error	2024 Restated before reclas- sification to discontinued operations*	2024 Reclassified to discontinued operations	Restated 2024*
Continuing operations						
Revenue	3	8 413 356 554	922 864 638	9 336 221 192	(265 972 440)	9 070 248 752
Finance Income		110 835 433	-	110 835 433	-	110 835 433
Total revenue		8 524 191 987	922 864 638	9 447 056 625	(265 972 440)	9 181 084 185
Cost of sales	2; 3; 4	(7 189 654 910)	(1 009 946 602)	(8 199 601 512)	307 041 940	(7 892 559 572)
Finance cost	4	-	(80 743 487)	(80 743 487)	-	(80 743 487)
Total cost of sales	2; 3; 4	(7 189 654 910)	(1 090 690 089)	(8 280 344 999)	307 041 940	(7 973 303 059)
GROSS PROFIT		1 334 537 077	(167 825 451)	1 166 711 626	41 069 500	1 207 781 126
Other operating income	3	257 138 612	366 617	257 505 229	(746 879)	256 758 350
Other operating gains / (losses)	2	(16 511 881)	144 781 660	128 269 779	22 175 002	150 444 781
Loyalty scheme expenses		(18 282 490)	-	(18 282 490)	-	(18 282 490)
Other operating expenses		(1 058 319 171)	-	(1 058 319 171)	42 612 792	(1 015 706 381)
OPERATING PROFIT		498 562 147	(22 677 174)	475 884 973	105 110 415	580 995 386
Investment income		7 241 367	-	7 241 367	(63 341)	7 178 026
Finance costs	2; 4	(202 537 131)	36 921 694	(165 615 437)	(1 694 845)	(167 310 282)
Share of profit from associates and joint ventures		7 166 773	-	7 166 773	-	7 166 773
Other non-operating gains / (losses)		15 835 986	-	15 835 986	-	15 835 986
PROFIT BEFORE TAXATION		326 269 142	14 244 520	340 513 662	103 352 229	443 865 893
Taxation	2; 5	(81 040 210)	(1 433 196)	(82 473 406)	-	(82 473 406)
PROFIT FROM CONTINUING OPERATIONS		245 228 932	12 811 323	258 040 256	103 352 229	361 392 483
Discontinued operations						
(Loss) / profit from discontinued operations		(105 212 740)	-	(105 212 740)	(103 352 229)	(208 564 982)
PROFIT FOR THE YEAR		140 016 192	12 811 323	152 827 516	-	152 827 501
Other comprehensive income:						
Items that will not be reclassified to profit or loss:						
Remeasurements on net defined benefit liability		200 480	-	200 480	-	200 480
(Losses) / gains on property revaluation	1	61 719 264	(48 132 275)	13 586 989	-	13 586 989
Changes in fair value of equity investments at fair value through other comprehensive income		245 401	-	245 401	-	245 401
Income tax relating to items that will not be reclassified		(1 749 685)	-	(1 749 685)	-	(1 749 685)
TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		60 415 460	(48 132 275)	12 283 185	-	12 283 185
OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAXATION		60 415 460	(48 132 275)	12 283 185	-	12 283 185
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		200 431 652	(35 320 950)	165 110 702	-	165 110 688

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

52. PRIOR PERIOD ERRORS CONTINUED

IMPACT ON THE STATEMENT OF CASH FLOWS

	Error Note	2024			2024
		As previously reported	Correction of error	Change due to Discontinued operations	Restated
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations	4, 7, 8.2, 8.3, 8.4	634 527 676	118 924 773	82 935 414	836 387 863
Finance costs	4	(310 908 250)	80 743 487	12 907 821	(217 256 943)
Operating cash outflows from discontinued operations	8.2	59 221 948	(105 212 739)	(95 843 235)	(141 834 026)
NET CASH GENERATED FROM OPERATING ACTIVITIES		335 695 815	94 455 520	-	430 151 335
CASH FLOWS FROM INVESTING ACTIVITIES					
					-
Purchase of biological assets	8.4	(278 447 344)	139 386 362	-	(139 060 982)
Sale of biological assets	8.3	230 404 220	(230 404 220)	-	-
Proceeds from loan to group companies	8.1	-	8 979 344	-	8 979 344
Proceeds from forestry and term loans	8.1	-	30 450 170	-	30 450 170
Advances to forestry and term loans	8.1	-	(2 590)	-	(2 590)
Proceeds from finance lease receivables	8.1	-	6 233 724	-	6 233 724
Advances to finance lease receivables	8.1	-	(325 466)	-	(325 466)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(139 568 747)	(45 682 676)	-	(185 251 423)
CASH FLOWS FROM FINANCING ACTIVITIES					
					-
Dividends paid		(38 881 598)	-	-	(38 881 598)
Repayment of borrowings	8.6	(304 035 073)	(1 168 704 147)	-	(1 472 739 220)
Proceeds from borrowings	8.6	7 554 043	1 168 704 147	-	1 176 258 191
Cash outflow on bank overdraft - financing facilities	8.5	-	(18 359 709 346)	-	(18 359 709 346)
Cash inflow on bank overdraft - financing facilities	8.5		18 604 621 579	-	18 604 621 579
Advances to loans receivable - forestry loans	8.1	30 450 170	(30 450 170)	-	-
Advances to loans receivable - forestry loans	8.1	(2 590)	2 590	-	-
Proceeds from finance receivables	8.1	6 233 724	(6 233 724)	-	-
Advances to finance receivables	8.1	(325 466)	325 466	-	-
Proceeds from loan from group companies	8.1	8 979 344	(8 979 344)	-	-
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		(336 440 275)	199 577 052	-	(136 863 223)
TOTAL CASH MOVEMENT FOR THE YEAR					
	7, 8.5	(140 313 207)	248 349 893	-	108 036 686
Cash at the beginning of the year	7	115 769 714	(30 915 709)	-	84 854 005
Cash and cash equivalents - discontinued operations		6 435 178	-	-	6 435 178
TOTAL CASH AT END OF THE YEAR	7, 8.5	(18 108 317)	217 434 186	-	199 325 869

IMPACT ON EARNINGS PER SHARE

	2024		2024	
	As previously reported	Correction of error and change in estimate	Restated	
Earnings per share from continuing operations				
Basic earnings per share (c)	719.28	312.75	1 032.03	
Diluted earnings per share (c)	681.06	296.12	977.18	
Earnings per share from discontinued operations				
Basic loss per share (c)	(285.47)	(280.42)	(565.89)	
Diluted loss per share (c)	(270.30)	(265.51)	(535.81)	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

53. CHANGE IN ESTIMATE

During the current financial year, the Group revised certain key assumptions used in the valuation of biological assets. These changes were made to reflect updated operational insights and more representative data. The changes in estimates were applied prospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, and include the following:

ROTATION PERIODS

The rotation periods for pine plantations were revised as follows:

- SFC Division: from 25 years to 18 years
- Peak Division: from 25 years to 15 years

MEAN ANNUAL INCREMENT (MAI)

Previously, MAI was determined using a three-year historical average. In the current year, the Group applied the actual average MAI for the year, based on current data representative of the species and sites on which trees are grown.

SELLING PRICES AND ASSOCIATED COSTS

In prior years, the valuation model incorporated pricing and cost assumptions based on the price to the best market close to the reporting date, along with the associated costs. In the current year, the Group adopted a more representative approach by applying the actual average selling prices and associated costs across relevant markets over the last three months of the reporting period.

IMPACT OF CHANGES

The combined effect of these changes resulted in a net decrease in the fair value of biological assets of R184 304 575 for the year ended 31 August 2025. However, the fair value loss recognised in profit or loss for the year ended 31 August 2025 was R71 039 601. The difference arises because the fair value reflected in Note 8 of the annual financial statements is determined using a valuation model that incorporates multiple interacting inputs and assumptions. Accordingly, the impact of changes in estimates cannot be viewed in isolation, as it represents only one component of the overall fair value movement.

54. GOING CONCERN

The financial statements have been prepared in accordance with accounting policies applicable to a going concern. This basis assumes that sufficient funds will be available to finance future operations and that the realisation of assets, as well as the settlement of liabilities, contingent obligations, and commitments, will occur in the normal course of business.

During the year, the Group breached the interest cover ratio covenant under its loan agreements. This breach was formally condoned by the lenders prior to year-end, and no penalties or adverse consequences arose as a result. The lenders have confirmed their continued support, and the Group retains full access to its financing facilities.

Management has assessed the Group's liquidity position, cash flow forecasts, and financing arrangements and is satisfied that the Group has adequate resources to meet its obligations as they fall due for at least twelve months from the reporting date. Accordingly, the financial statements have been prepared on a going concern basis in accordance with IFRS Accounting Standards.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

55. EVENTS AFTER THE REPORTING PERIOD

In line with the Group's strategic objective to optimise capital allocation and focus on core growth areas, the Board approved, on 10 April 2025, the disposal of the Northern and Southern forestry plantations in South Africa, which formed part of the Timber division within TWK Agri Proprietary Limited.

Prior to year end, various offers to purchase the plantations and associated land were received, subject to certain suspensive conditions. At the reporting date, not all conditions necessary to recognise the sale have been fulfilled and the related assets and liabilities were classified as held for sale in the consolidated statement of financial position, in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

Subsequent to year end, most of the suspensive conditions have been met, and it is expected that the transactions will be concluded within the first half of the new financial year, pending final registration at the Deeds Office.

As disclosed in the prior year's financial statements, management received an offer for the sale of the assets of the Sawco Pine Mill, operated by Sawco Mining Timber Proprietary Limited. The offer was subject to Board and regulatory approvals. Subsequent to the current reporting period, the Eswatini Competition Commission granted approval for the disposal on 24 September 2025. At year end, the related assets and liabilities were classified as held for sale, and the transaction will be recognised upon transfer of the title deed and completion of the sale.

In addition, management has entered into negotiations regarding the potential acquisition of the northern operations ("MTO North") of MTO Forestry Proprietary Limited. MTO North comprises:

- Approximately 11,100 hectares of eucalyptus plantations (including 823 hectares leased),
- 105 hectares of macadamia orchards,
- A pole treating facility,
- A regional office and associated staff in Mpumalanga
- All contractual agreements and operating assets related to these operations.

The acquisition also includes:

- 100% ownership of Ramanas Farms Proprietary Limited, with approximately 5,565 hectares of eucalyptus plantations in the Hazyview area,
- 100% ownership of Imvelo Forests Proprietary Limited and its wholly owned subsidiary, Pull Scar Estate Proprietary Limited, comprising 2,975 hectares of eucalyptus plantations, a pole treating facility, and 225 hectares of macadamia orchards.

This acquisition is considered strategically significant for the Group and remains subject to regulatory approval.

Subsequent to year-end, a buyer has expressed interest in acquiring Constantia's shareholding in Henleo 1080 Proprietary Limited, which owns a blending facility. No formal agreement has been signed, and negotiations are ongoing.

Following year-end, and taking into account the Group's performance over the past two years as well as the impact of the shareholder settlement agreement between dissenting shareholders and TKW Holdings on operating cash flows, the Board has resolved not to declare a dividend for the current financial year.

Additionally, Sunshine Seedlings ("SSS") will become a wholly owned subsidiary in September 2025. The Group holds an irrevocable right to acquire a further 9% shareholding in SSS based on agreed terms and financial ratios. Management is likely to exercise this right. The estimated consideration for the outstanding 9% will be finalised upon completion of the audited financial statements of SSS for the year ended 31 August 2025.

In terms of the Sale of Business Agreement entered into by Peak Forest Products (Proprietary) Limited, TWK Investments Limited, and Shiselweni Forestry Company Limited on or about 18 February 2020, the Seller has exercised the put option to sell the remaining properties to TWK Investments on the terms and conditions set out in the Sale of Business Agreement, at a purchase price of E57 873 284.

The properties included in this transaction are:

1. Farm No. 703
2. Farm The Peak No. 25
3. Farm Spionkop No. 702
4. Remaining Extent of the Farm Hardcash No. 688
5. Remaining Extent of Portion 2 of the Farm The Falls No. 648
6. Portion 1 of the Farm Hardcash No. 688
7. Portion 1 of the Farm Popinyaan No. 647
8. Remaining Extent of the Farm Popinyaan No. 547, Hhohho

TWK Agri has secured financing for this transaction, with Shiselweni Forestry Company Limited providing the underlying security for the medium-term loan. The terms and conditions of this financing will take effect once final approval has been obtained from the Land Control Board in eSwatini and the properties have been transferred to TWK Investments.

The Board are not aware of any other material events or circumstances that occurred between the end of the financial year and the date of approval of the financial statements that require disclosure or adjustment in the Group annual financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025 CONTINUED

56. LIQUIDITY AND SOLVENCY

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 2008 of South Africa.

57. CASH FLOWS ARISING FROM FINANCING ACTIVITIES

RECONCILIATION

FIGURES IN RAND	Borrowings	Overdraft	Lease liabilities	Loans from group companies	Financing cash flows from discontinued operations
2025					
Opening balance	2 303 142 248	244 912 233	77 358 870	165 326 211	66 702 522
Cash inflow	-	17 395 961 976	-	-	(10 563 830)
Cash outflow	-	(17 576 417 782)	-	-	-
Proceeds	2 206 126 367	-	-	104 232 871	-
Capital repayments	(1 958 599 533)	-	(25 924 726)	(265 126 109)	-
Reclassified to held-for-sale/discontinued operations	(114 740 908)	-	-	-	114 740 908
Other non-cash movement	14 427 889	-	23 211 344	(2 885 175)	3 121 769
CLOSING BALANCE	2 450 356 063	64 456 426	74 645 488	1 547 798	174 001 369

FIGURES IN RAND	Borrowings	Overdraft	Lease liabilities	Loans from group companies	Financing cash flows from discontinued operations
2024					
Opening balance	2 599 623 278	-	83 139 899	158 547 982	73 316 037
Cash inflow	-	18 604 621 579	-	-	-
Cash outflow	-	(18 359 709 346)	-	-	-
Proceeds	1 176 258 191	-	-	30 917 337	-
Capital repayments	(1 472 739 220)	-	(31 735 516)	(24 400 000)	(6 613 515)
Reclassified to held-for-sale/discontinued operations	-	-	-	-	-
Other non-cash movement	-	-	25 954 487	260 892	-
CLOSING BALANCE	2 303 142 248	244 912 233	77 358 870	165 326 211	66 702 522

Refer to the Statement of changes in equity for details relating to the movement on the treasury shares and transactions with non-controlling interests.

** During the current year, the Group reassessed the disclosure requirements relating to cash flows arising from financing activities. This note was not previously included in the financial statements and has been incorporated in the current year. The comparative information presented represents a disclosure error in terms of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

SHAREHOLDERS' ANALYSIS

AS AT 31 AUGUST 2025

Through an analysis of the Combined Share Register, and pursuant to the provisions of section 56 of the Companies Act, the following shareholder statistics have been prepared as at 31 August 2025:

SHAREHOLDER SPREAD

	Number of shareholders	% of total shareholders	Number of shares	% of issued capital
1 – 1000 shares	1321	67,54	446 333	1,15
1 001 – 10 000 shares	468	23,93	1 358 490	3,49
10 001 – 100 000 shares	143	7,31	4 359 446	11,19
100 001 – 1 000 000 shares	21	1,07	5 170 088	13,27
1 000 001 shares and more	3	0,15	27 617 629	70,90
TOTAL	1956	100,00	38 951 986	100,00

SHAREHOLDER SPREAD

	Number of shareholders	% of total shareholders	Number of shares	% of issued capital
Holding company	2	0,10	25 868 380	66,41
Treasury shares	3	0,15	2 015 836	5,18
Non-executive Directors and related	12	0,61	722 602	1,86
Executive Directors and related	4	0,20	1 147 000	2,94
Executive Management and related	7	0,63	838 533	2,15
TWK Group Employees	71	3,63	812 052	2,08
Retail investors	1 857	94,94	7 547 583	19,38
TOTAL	1 956	100,00	38 951 986	100,00

BENEFICIAL SHAREHOLDERS

WITH A HOLDING, DIRECTLY AND INDIRECTLY, GREATER THAN 5% OF SHARES IN ISSUE

	Number of shares	% of issued capital
TWK Agri Aandele Aansporings Trust	1 749 249	4,49
TWK Agriculture Holdings Proprietary Limited	25 868 380	66,41
TOTAL NUMBER OF SHAREHOLDERS		1 956
TOTAL NUMBER OF SHARES IN ISSUE		38 951 986

GENERAL INFORMATION

COMPANY

TWK Investments Limited and its subsidiaries

COUNTRY OF INCORPORATION AND DOMICILE

South Africa

NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES

TWK focuses on the supply of agricultural and related services, as well as input resources, and on providing market access for agricultural products.

DIRECTORS

JS Stapelberg (Chairman)

HG Hiestermann (Vice-chairman)

AS Myburgh (Managing Director)

A Geel (Financial Director)

WJ Steenkamp

PJ Lindique

BN Moyo

J Mokorosi

KP Paul

HW Küsel

JCN Warrington

TI Ferreira

REGISTERED OFFICE

11 De Wet Street

Piet Retief

2380

BUSINESS ADDRESS

11 De Wet Street

Piet Retief

2380

POSTAL ADDRESS

PO Box 128

Piet Retief 2380

BANKERS

First National Bank, a division of FirstRand Bank

ABSA Bank Limited

Standard Bank of South Africa Limited

AUDITORS

PricewaterhouseCoopers Incorporated

COMPANY SECRETARY

JP Roodt

COMPANY REGISTRATION NUMBER

1997/012251/06

INCOME TAX NUMBER

9142004671

LEVEL OF ASSURANCE

These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

PUBLISHED

10 December 2025